

Vidya Vikas Mandal's  
Shree Damodar College of Commerce & Economics, Margao-Goa  
SY BBA(FS), Semester- IV (REPEAT), Semester End Assessment: November 2023  
BFS CC 12: STOCK MARKET OPERATIONS

Duration: 2 Hours

Maximum Marks: 60

Instructions:

- Start each question on fresh page.
- Figures to the right indicate maximum marks.
- Q1 is compulsory
- Answer any FOUR from Q 2 to Q.6

**Q1. Write a short note on any FIVE of the following: (5\*4 = 20 Marks)**

- a. Auctions
- b. Ownership and Management of Stock Exchanges
- c. Over The Counter Stock Exchange of India
- d. Trading Membership
- e. Stockbrokers Professional Indemnity Insurance
- f. Discount Brokers & Full Time Brokers
- g. Circuit Breakers

**Q2. The National Stock Exchange of India Limited (NSE) is one of the leading stock exchanges in India. NSE's flagship index, the NIFTY 50, a 50 stock index is used extensively by investors in India and around the world as a barometer of the Indian capital market. Discuss the Indices of NSE. (10 Marks)**

**Q3. The Exchange may expel or suspend and/or fine any of the membership rights of a Trading Member if it be guilty of contravention, non-compliance, disobedience, disregard or evasion of any of the Bye Laws, Rules and Regulations of the Exchange. Explain the various reasons for suspension and expulsion of membership due to Misconduct of the Trading Member. (10 Marks)**

**Q4. Credit risks are inevitable in financial markets and managing them is a crucial part. In equities market, brokers' capital adequacy is one of the critical components of credit risk management. Explain and Illustrate Capital Adequacy requirement for brokers with the help of an example. (10 Marks)**

**Q5.** Recently Indian stock market implemented shorter T+1 trade settlement cycle from 27th January 2023. The reduced Settlement cycle will help reduce systemic risk, operational risk, liquidity needs, counterparty exposure, broker-to-broker counter party risk etc. Discuss the settlement cycle for Physical and De materialized securities.

**Q6.** International equity markets are an important platform for global finance. They not only ensure the participation of a wide variety of participants but also offer global economies to prosper. Enumerate (10 Marks)