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Register Number:

DATE:

**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGALORE-27**

**BBA/BBASF – VI SEMESTER**

**SEMESTER EXAMINATION: APRIL 2022**

**EXAMINATION CONDUCTED IN JULY - AUGUST 2022**

 **BBA DEF 6619 - Financial & Commodity Markets**

Time-21/2 hrs Max Marks-70

**This paper contains \_\_\_\_\_printed pages and four parts**

**Section A**

**I.** Answer ***any five*** of the following (**5x2 = 10 Marks)**

1. What is a Stock Exchange?

2. State any two duties of governing body.

3. Mention the instruments available for trading.

4. What is Compulsory square off?

5. Give the meaning of Options.

6. What is VaR System?

**Section B**

**II.** Answer ***any three*** of the following (**3x5 = 15 Marks)**

7. Summarise the powers and duties of Governing body.

8. Outline the strength and weakness of Basis risk.

9. Describe the importance of hedging.

10.Differentiate between Forward and Future Markets.

**Section C**

**III.** Answer ***any two*** of the following (**2x15 = 30 Marks)**

11. What is online trading?

12. Explain the features and functions of Derivatives Market

13. ­­Enumerate the Price Risk Management in the Commodity market.

**Section D**

**III. Answer the following (1x15=15 Marks)**

14. The case “SEBI and its Role in Prohibiting Insider Trading” describes the role played by the Securities and Exchange Board of India (SEBI) in regulating the securities market to prohibit insider trading activities. The case starts out with a brief history of insider trading and then explains the need for a regulatory body in the Indian Capital market. It then describes the various SEBI Acts starting with the SEBI Prohibition of Insider Trading Act 1992, and the subsequent amendments in 2002, 2015, and 2018. The case also covers the process of investigation under the SEBI Prohibition of Insider Trading, 1992. Besides, it highlights the challenges faced by SEBI in prohibiting insider trading. It also shows that the cases of insider trading have been increasing and concludes by stating that more support from the Government of India (GoI) will help SEBI in controlling insider trading more effectively.

Questions:

1. Bring out the role of a regulator in a financial market.
2. How the regulator protects the interest of investors?
3. What a regulator needs to do to remain efficient?