



PRESIDENCY UNIVERSITY

BENGALURU

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End - Term Examinations - December 2025

Date: 19 / 12 / 2025

Time: 01:00pm - 04:00pm

School: SOC / SOM (UG)	Program: B.COM		
Course Code: COM3045	Course Name: Stock and Commodity Markets		
Semester: V	Max Marks: 100	Weightage: 50%	

CO - Levels	C01	C02	C03	C04
Marks	33	15	26	26

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Do not write anything on the question paper other than roll number.

Part A

Answer ALL the Questions. Each question carries 2marks.

10Q x 2M=20M

1.	How does the stock market contribute to capital formation and resource allocation in an economy?	2 Marks	L1	C01
2.	Illustrate the difference between the stock market and the commodities market.	2 Marks	L2	C01
3.	List two key functions performed by a stock exchange.	2 Marks	L1	C02
4.	Interpret briefly the importance of SEBI in regulating Indian capital markets.	2 Marks	L2	C02
5.	Recall any one recognized stock exchange in India and describe its main contribution.	2 Marks	L1	C02
6.	Outline derivatives in the context of stock trading and mention one of their uses.	2 Marks	L2	C02
7.	How do brokers simplify the trading experience for retail investors?	2 Marks	L1	C03
8.	Summarize one reason why speculation is both necessary and risky for market liquidity.	2 Marks	L2	C03
9.	What purpose does a commodity exchange serve in stabilizing prices?	2 Marks	L1	C04
10.	Why do physical and futures commodity markets coexist?	2 Marks	L1	C04

Part B

Answer ALL the Questions. Each question carries 7 marks.

5Q x 7M = 35M

11.	The Indian primary market plays a pivotal role in channeling savings into productive investments. Explain this statement with reference to the issue mechanism and investor confidence.	07 Marks	L2	CO1
Or				
12.	Depositories have revolutionized the stock market ecosystem. Classify how NSDL and CSDL have enhanced security and transparency in stock trading.	07 Marks	L2	CO1
13.	Stock exchanges like NSE and BSE are not merely trading platforms but pillars of financial discipline. Interpret this statement by explaining their major functions and contributions.	07 Marks	L2	CO2
Or				
14.	SEBI ensures fairness but not fortune. Demonstrate SEBI's role in protecting investor interests and regulating intermediaries.	07 Marks	L2	CO2
15.	Speculation adds life to the stock market, yet it tests investor ethics. Identify different forms of speculation and their effects on market stability.	07 Marks	L3	CO3
Or				
16.	Brokerage services bridge the gap between opportunity and execution. Organize the various functions and responsibilities of brokers in the settlement process.	07 Marks	L3	CO3
17.	Commodity exchanges act as the heartbeat of price discovery in a volatile market. Classify the objectives and functions of commodity exchanges in India.	07 Marks	L2	CO4
Or				
18.	Futures markets serve as a barometer for future economic trends." – Explain how futures contracts in commodities markets benefit producers and traders.	07 Marks	L2	CO4
19.	Private placement of shares often reflects a strategic financing decision. Summarize this statement by interpreting the reasons firms choose private placement over public issues and how it influences ownership structure.	07 Marks	L2	CO1
Or				
20.	Share buybacks often indicate corporate maturity. Extend the significance and implications of share buybacks for companies and investors.	07 Marks	L2	CO1

Part C

Answer any three Questions. Each question carries 15marks

3Q x 15M=45M

21.	The stock market mirrors the nation's economic health. Illustrate this statement by analyzing the functions, benefits, and limitations of the Indian stock market system.	15 Marks	L2	C01
22.	India's primary and secondary markets operate as two pillars of the same capital-raising system. Explain the mechanisms, participants, and interrelationship of these markets, and analyze how their efficiency shapes the overall growth of the Indian financial system.	15 Marks	L2	C01
23.	Trading efficiency depends not only on technology but also on trust. Organize the entire trading and settlement cycle in Indian stock exchanges, highlighting the contribution of brokers, clearing corporations, and depositories.	15 Marks	L3	C03
24.	Digital depositories have revolutionized the Indian securities market. Apply your understanding of NSDL and CSDL to evaluate how electronic record-keeping and dematerialization have transformed the trading process and reduced settlement risk.	15 Marks	L3	C03
25.	Commodity markets are the backbone of agricultural and industrial growth. Identify the role of commodity futures in stabilizing income for producers and managing market risks.	15 Marks	L3	C04