

**Third Semester FYUGP Degree (Reg) Examination November  
2025**

**KU3DSCBBA204 - FUNDAMENTALS OF STOCK  
TRADING**

2024 Admission onwards

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Time : 2 hours

Maximum Marks : 70

**Section A**

**Answer any 6 questions. Each carry 3 marks.**

1. Who manages a mutual fund and what is their role?
2. Define mutual fund.
3. What is meant by a stock quotation and a trading day in the stock exchange?
4. What happens when a stock hits the upper circuit limit?
5. Define circuit breaker.
6. Mention any two features of securities market.
7. Expand SEBI.
8. What is the main purpose of the Capital Market?

**Section B**

**Answer any 4 questions. Each carry 6 marks.**

9. Explain the importance of stock market indices.
10. Judge the reliability of stock indices as indicators of overall economic performance.
11. What is online trading? Explain its advantages.
12. Who are the major participants in the securities market?
13. Differentiate between equity share and preference share.
14. Explain the role of merchant bankers and brokers in the securities market.

**Section C**

**Answer any 2 questions. Each carry 14 marks.**

15. Explain the various principles of sound investment.
16. What are the main types of investment avenues available to individuals in India?
17. Explain the advantages and limitations of investing in mutual funds.