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Name:

Reg. No.....

FIFTH SEMESTER B.A DEGREE EXAMINATION, OCTOBER 2017

(CUCBCSS-UG)

CC15UECO5 B09-ECONOMICS OF CAPITAL MARKET

(Economics - Core Course)

(2015-Admission Regular)

Time: Three Hours

Maximum: 80 Marks

Answers may be written either in English or in Malayalam

Part A

Answer *all* questions. Each question carries ½ mark.

1. Which of the instrument is used for short term borrowing of the government?
 - a) Commercial Paper
 - b) Bond
 - c) Commercial Bill
 - d) Treasury Bill
2. The headquarters of SEBI is situated at:
 - a) Delhi
 - b) Calcutta
 - c) Chennai
 - d) Mumbai
3. In which year the first mutual fund was started in India.
 - a) 1950
 - b) 1964
 - c) 1995
 - d) 2000
4. Central Bank of India is:
 - a) ICICI
 - b) RBI
 - c) NABARD
 - d) SEBI
5. Which of the following represents the nucleus of capital market?
 - a) Share market
 - b) Bond market
 - c) Debenture market
 - d) None of these
6. Nikkei is the stock exchange index of:
 - a) London stock exchange
 - b) New York stock exchange
 - c) Tokyo stock exchange
 - d) Bombay stock exchange
7. The introduction of book building method was based on the recommendation of:
 - a) Y. H. Malegam committee
 - b) U. K. Sinha committee
 - c) Urjit Patel committee
 - d) Bimal Jalan committee
8. Primary market deals with the securities of:
 - a) Old issues
 - b) New issues
 - c) Equities
 - d) Shares
9. Money market is the market for:
 - a) Long term securities
 - b) Short term securities
 - c) New securities
 - d) None of these
10. Method of sale of securities to a relatively small number of select investors for raising capital:
 - a) Offer for sale
 - b) Bonus issue
 - c) Private placement
 - d) Rights issue
11. A speculator who sells securities with the intension to buy at a lower price:
 - a) Bull
 - b) Wolf
 - c) Bear
 - d) Stag

12. Commercial paper is a form of:
- a) Money market instrument
 - b) Capital market instrument
 - c) Shares
 - d) Equities

(12 x ½ = 6 marks)

Part B (Very Short Answer Questions)

Answer any *ten* questions. Each question carries 2 marks.

- 13. Define financial assets.
- 14. What is FIIs?
- 15. Define OTCEI.
- 16. Distinguish between tangible and intangible assets.
- 17. What do you mean by stock exchange?
- 18. Define open ended mutual fund.
- 19. What do you mean by the term FDI?
- 20. What is speculation?
- 21. Distinguish between equity shares and preference shares.
- 22. What is Debenture Trustees?
- 23. What is bond?
- 24. Define capital market.

(10 x 2 = 20 marks)

Part C (Short Essay Questions)

Answer any *six* questions. Each question carries 5 marks.

- 25. What are the financial instruments? What are their characteristic features?
- 26. Distinguish between money market and capital market.
- 27. Write a short note on methods of floating new issues in the primary market?
- 28. Explain briefly about the functions of stock exchange.
- 29. Distinguish between debt and equity.
- 30. Explain different types of mutual fund.
- 31. Explain the origin and development of stock exchanges in India.
- 32. Write a short note on NSDL and CSDL

(6 x 5 = 30 marks)

Part D (Essay Questions)

Answer any *two* questions. Each question carries 12 marks.

- 33. Explain the major functions of financial system.
- 34. Critically evaluate the development and the performance of Stock exchanges in India.
- 35. Briefly explain the various players or intermediaries in the Primary market.
- 36. Explain the structure and role of capital market in India.

(2 x 12 = 24 marks)