

TB175265V

Reg. No :

Name :

B. A. DEGREE (C.B.C.S.S.) EXAMINATION, NOVEMBER 2022
2015, 2016 & 2017 Admissions Supplementary
SEMESTER V - CORE COURSE (ECONOMICS)
EC5B10B - ECONOMICS OF FINANCIAL MARKETS

Time : 3 Hours

Maximum Marks : 80

Part A

I. Answer all questions. Each question carries 1 mark

(6x1=6)

1. What is money market?
2. Distinguish between sight bill and usance Bill.
3. What are QIBs.
4. Explain FTSE.
5. Distinguish between convertible and nonconvertible debentures.
6. Define CRISIL.

Part B

II. Answer any Seven questions. Each question carries 2 marks

(7x2=14)

7. Define PF.
8. What is EXIM bank?
9. What are commercial papers and certificate of deposits?
10. Write two features of developed money market?
11. Who are the promoters of a company?. What is their role?
12. Distinguish between bonus issue and rights issue.
13. Highlight the relevance of a circuit breaker.
14. What is an American option? How is it different from a European option.
15. What is credit rating?
16. If given an option between a financial instrument rated AAA or A which would you chose. Give rationale.

Part C

III. Answer any Five questions. Each question carries 6 marks

(5x6=30)

17. Briefly discuss the role of merchant banks.
18. Explain the role played by RBI in Indian financial system.
19. What are Treasury Bills?
20. Briefly describe the main money market instruments in India.
21. Describe the salient features of CDSL.
22. Briefly describe the main institutions in the capital market in India.
23. Briefly describe the growth , evolution and relevance of BSE.
24. If debentures of a company X are rated as A+ and that of company B is rated as D which would you choose? Justify your decision explaining the significance of considering such ratings.

Part D

IV. Answer any Two questions. Each question carries 15 marks

(2x15=30)

25. Elucidate the concept financial system.
26. Discuss the role of RBI and DFHI in Indian money market.
27. Indian Capital Market has adapted and evolved to meet the country's development strategy. Critically evaluate.
28. What is a stock Index? Describe the main indices in capital markets across the globe?