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Reg. No.....

Name.....

UNDER GRADUATE (C.B.C.S.S.) EXAMINATION, APRIL 2022

Fifth Semester

Open Course—FINANCIAL INVESTMENT

(Offered by the Board of Studies in Commerce)

[2013—2016 Admissions]

Time : Three Hours

Maximum Marks : 80

Part A

*Answer all questions.
Each question carries 1 mark.*

1. Define Financial risk.
2. What do you mean by insolvency risk ?
3. Explain the term 'deposits'.
4. What is floating rate bond ?
5. Define Call money.
6. What is REPO ?
7. What is meant by private placement ?
8. What is price band ?
9. What is a depository ?
10. What do you mean by insider trading ?

(10 × 1 = 10)

Part B

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

11. Explain the meaning of systematic risks.
12. Define speculation.
13. Distinguish between Savings deposits and Current deposits.
14. Write a short note on deep discount bond.
15. What is a commercial paper ?
16. Write a short note on GDR.
17. Define underwriting.

Turn over





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18. Write a note on book-building process.
19. What do you mean by forward contract ?
20. What do you mean by stock market index ?
21. What are the objectives of NSE ?

(8 × 2 = 16)

Part C

*Answer any **six** questions.
Each question carries 4 marks.*

22. Define investment. Distinguish between Fixed income bearing securities and Variable income bearing securities.
23. Explain the different types of systematic risks.
24. Define public deposits. What are its advantages and disadvantages ?
25. Discuss the importance of Commercial bill market.
26. Distinguish between money market and capital market.
27. Explain the functions of new issue market.
28. Examine the recent trends in primary market in India.
29. Explain the functions of NSDL.
30. Define futures. Describe the features of future contracts.

(6 × 4 = 24)

Part D

*Answer any **two** questions.
Each question carries 15 marks.*

31. List down the various money market instruments and bring out their features.
32. Define mutual fund. What are the risk associated with mutual fund ?
33. Explain the functions of stock exchange.
34. What is primary market ? Explain the role of intermediaries in primary market.

(2 × 15 = 30)

