



Reg. No. :

Name :

Fourth Semester B.B.A. Degree Examination, June 2015
(Career Related First Degree Programme Under CBCSS)
Group 2(b)
Core Course BM 1443 : CAPITAL MARKET AND INVESTMENT
MANAGEMENT
(Common for 2010 and 2011 Admission)

Time : 3 Hours

Max. Weights : 30

SECTION – A

This Section consists of **four bunches of four questions each**. Each bunch carries a weightage of 1.

I. Fill in the blanks :

- 1) The regulatory body for the securities market in India is _____
- 2) _____ is a speculator who expects a premium.
- 3) The largest single institutional owner of common stock is _____
- 4) The coupon rate is another name for the _____

II. State whether the following statements are **true** or **false**.

- 5) A jobber buys and sells securities on behalf of their clients.
- 6) Dividends are paid monthly.
- 7) En BSE shares are divided into five categories.
- 8) All new issues offered for public sale are registered with new issue market.

III. Choose the appropriate answer from the following :

- 9) NBFC's offer higher interest rate because of _____
 - a) the best management funds
 - b) the competition among the NBFC's
 - c) the risk involved
 - d) the credit rating



- 10) Primary and secondary markets
- a) Compete with each other
 - b) Complement each other
 - c) Function independently
 - d) Control each other
- 11) Which of the following generally traded on stock exchange ?
- a) Unit investment trusts
 - b) Closed-end-investment companies
 - c) Open-end investment companies
 - d) All trade on stock exchanges
- 12) All new issues being offered for public sale are registered with
- a) SEBI
 - b) New issue market
 - c) Maloney acts of 1936
 - d) Securities investor protection act of 1970

IV. Select the answers from the following options :

- 13) The auditors report _____
- a) Guarantees accuracy
 - b) Guarantees quality of the earnings
 - c) Attests that the statements are fair presentation of financial position
 - d) All of the above are true
- 14) Speculators in future market _____
- a) Make the market more volatile
 - b) Contribute liquidity to the market
 - c) Engage mainly in short sales
 - d) Service no real economic function
- 15) _____ is an example of financial intermediaries.
- a) Commercial banks
 - b) Insurance companies
 - c) Investment companies
 - d) Credit unions
- 16) Mumbai stock exchange was recognized on a permanent basis in
- a) 1950
 - b) 1956
 - c) 1957
 - d) 1965

(4×1=4 Wt.)

**SECTION – B**

Write short notes on **any eight** of the following in **one or two** sentences. **Each** carries a weightage of 1.

17. Bid price
18. NSC
19. Short selling
20. Bull
21. Stock market index
22. Coupon rate
23. Floating rate bonds
24. Business finance
25. Treasury bills
26. Repo rate
27. Spot market
28. Derivatives market.

(8×1=8 Wt.)

SECTION – C

Answer any of the following **five** questions **not** exceeding one paragraph. **Each** question carries a weightage of 2.

29. Write a note on NSE.
30. Explain the different types of speculation.
31. Explain the characteristics of investment.
32. State the objectives of SEBI.
33. Explain the investment avenues.
34. Explain the role of portfolio management.
35. Describe the ways of raising equity finance.
36. State the objectives of investment.

(5×2=10 Wt.)



SECTION - D

Answer any two questions not exceeding four pages each. Each question carries a weight of 4.

- 37. What do you mean by new issue shares. Explain the reasons for issuing new shares on stock exchange.
- 38. Explain in detail functions of SEBI and its guidelines.
- 39. Explain the regulations of financial activities. **(2x4=8 Wt.)**

[The following text is a mirrored/ghosted image of the questions above, appearing upside down and faintly in the background of the page.]