

CARMEL COLLEGE OF ARTS, SCIENCE & COMMERCE FOR WOMEN,  
SEMESTER END EXAMINATION, OCTOBER 2019

Semester :- III of B.A                      Subject:- Economics- Skill Enhancement Course

Paper & Paper code:- Financial Economics (ECS 103)

Total marks: 80

Date: 5-11-2019

Duration: 2 Hrs

Instructions: 1. All questions are compulsory

2. Figures to the right indicate marks

Q1. Briefly answer any four of the following questions :- (4X4=16)

- i. Distinguish between speculation and gambling.
- ii. Highlight the importance of investment.
- iii. Write a short note on Commercial papers.
- iv. Discuss any four advantages of investing in equity shares.
- v. Write a short note on treasury bills.
- vi. What are the objectives of investment?

Q2. Briefly answer any four of the following questions :- (4X4=16)

- i. Write a note on the Classical Theory of interest rate.
- ii. Discuss any two determinants of the general structure of interest rate.
- iii. Explain the relationship between inflation and returns.
- iv. Define risk.
- v. Discuss the different types of yield.
- vi. Write a short note on current ratio.

Q3. A. Discuss the various investment avenues. (12)

OR

Q3.B. Explain the various forms of financial investment. (12)

Q4.A. Explain the meaning, types, advantages and disadvantages of Preference Shares. (12)

OR

Q4.B. Explain the components of money market. (12)

Q5. A. Discuss the different types of Risk. (12)

OR

Q5.B. Explain the Dividend policy of the companies. (12)

Q.6.A. Explain the different types of leverage ratios. (12)

OR

Q 6.B. Write a note on liquidity ratios and discuss its advantages and disadvantages. (12)

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