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Name.....

Reg. No.....

## FIFTH SEMESTER U.G. DEGREE EXAMINATION, NOVEMBER 2021

(CBCSS—UG)

Economics

ECO 5B 09—ECONOMICS OF CAPITAL MARKET

(2019 Admissions)

: Two Hours and a Half

Maximum : 80 Marks

## Section A

*Answer at least ten questions.**Each question carries 3 marks.**All questions can be attended.**Overall Ceiling 30.*

Security market.

Tangible and intangible assets.

Uses of derivatives.

Gilt-edged securities.

Employee stock option.

FDI and FPI.

Functions of merchant banks.

Blue-chip shares.

Convertible and nonconvertible bonds.

Inter-connected stock exchange.

Equity shares.

Dematerialisation.

Advantages of commercial papers.

Underwriting.

GDRs and ADRs.

(10 × 3 = 30 marks)

Turn over

**Section B**

*Answer at least five questions.  
Each question carries 6 marks.  
All questions can be attended.  
Overall Ceiling 30.*

16. What do you mean by depository participation ? Explain NSDL and CDSL.
17. Discuss relationship between financial system and economic development.
18. Explain the meaning and types of debentures.
19. What are the methods of floating new issues ?
20. What are stock exchanges ? Discuss the functions of stock exchanges.
21. Explain the functioning of Over the Counter Exchange of India.
22. Prepare a note on capital market institutions in India.
23. Define mutual fund. What are the advantages and disadvantages of mutual funds ?

(5 × 6 =)

**Section C**

*Answer any two questions.  
Each question carries 10 marks.*

24. Discuss the difference between primary market and secondary market. Explain major new issue market.
25. Differentiate between BSE and NSE. Prepare notes on major stock market indices in India.
26. Explain the meaning, objectives and functions of SEBI.
27. Define financial market. Classify financial markets. Discuss the major defects of Indian financial system.

(2 × 10 =)