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(Pages : 2)

Name.....

Reg. No.....

**FIFTH SEMESTER (CBCSS—UG) DEGREE EXAMINATION  
NOVEMBER 2022**

Economics

ECO 5B 09—ECONOMICS OF CAPITAL MARKET

(2019 Admission onwards)

Time : Two Hours and a Half

Maximum : 80 Marks

**Section A***Short Answer Questions. Maximum marks in this section is 25.**Students can attempt all questions.**Each question carries a maximum of 2 marks.*

1. Financial economics.
2. Bonus issue and book building.
3. Guilt edged securities.
4. Underwriting.
5. Dlls and FIIs.
6. Inter-connected stock exchange.
7. Role of debenture trustee.
8. ESOP.
9. Debt *vs* equity.
10. Initial public offering.
11. Foreign currency convertible bond.
12. Venture capital.
13. Demat shares.
14. Merchant banks.
15. Depository system.

**Turn over**

**Section B**

*Short Essay/paragraph Questions. Maximum marks in this section is 35.*

*Students can attempt all questions.*

*Each question carries a maximum of 5 marks.*

16. Explain meaning and properties of financial assets.
17. Prepare a note on important share market indices in India and abroad.
18. Examine the structure of financial markets in India.
19. Differentiate between primary market and secondary market.
20. What are the various methods adopted for marketing the securities in the new issue market ?
21. What are the functions of depository system ? Prepare a note on NSE and NSDL.
22. Differentiate between pure prospectus method and private placement method.
23. Examine the functions Securities and Exchange Board of India.

**Section C (Long Essay Questions)**

*Answer any **two** questions.*

*Each question carries a maximum of 10 marks.*

24. Explain meaning and functions of stock exchanges. Give an overview of BSE and NSE
25. Define financial system. What are the main functions of the financial system ?
26. Examine the features of primary market. Explain the functions of primary market.
27. Evaluate the importance of capital markets in an economy. What are the major capital market instruments ?

(2 × 10 = 20 marks)