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(Pages : 4)

Name.....

Reg. No.....

**FIFTH SEMESTER (CUCBCSS-UG) DEGREE EXAMINATION
NOVEMBER 2022**

Economics

ECO 5B 09—ECONOMICS OF CAPITAL MARKET

(2017—2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

Part A (Objective type questions)*Answer all twelve questions.**Each question carries ½ mark.*

1. Dow Jones is a price-weighted measurement stock market index of 30 prominent companies listed on stock exchanges in:
 - a) India.
 - b) Japan.
 - c) Germany.
 - d) United States.
2. _____ is the process of converting physical shares of a company into electronic format.
 - a) Dematerialisation.
 - b) Bonus issue.
 - c) Book building.
 - d) Disinvestment.
3. How many companies are included in the BSE Sensex ?
 - a) 25.
 - b) 30.
 - c) 50.
 - d) 111.
4. ESOP stands for :
 - a) Employee Stock Option Plan.
 - b) Employer Share Option Plan.
 - c) Employee Share Option policy.
 - d) Employer Stock Overhead Plan.
5. Which of the following is *not* a financial derivative ?
 - a) Options.
 - b) Forward contracts.
 - c) Stock.
 - d) Futures.

Turn over

6. NIFTY is related to :
- a) BSE.
 - b) NSE.
 - c) KSE.
 - d) OTCEI.
7. Intermediaries in new issues market include :
- a) Merchant banks.
 - b) Debenture trustees.
 - c) Portfolio managers.
 - d) All the above.
8. Which among the following is *not* a stock exchange of India ?
- a) OTCEI.
 - b) NASDAQ.
 - c) BSE.
 - d) NSE.
9. A huge company with an excellent reputation is called :
- a) Blue-chip stock.
 - b) Debenture trustees.
 - c) NSDL.
 - d) CSDL.
10. Following are the objectives of SEBI *except* :
- a) To regulate securities market.
 - b) To protect interests of inventors.
 - c) To promote individual businesses.
 - d) To promote the development of the market.
11. Identify an intangible asset from the following :
- a) Cash.
 - b) Vehicles.
 - c) Patents.
 - d) Inventory.
12. The securities market in India is regulated by :
- a) The Ministry of Finance.
 - b) Stock exchanges.
 - c) RBI.
 - d) SEBI.

(12 × ½ = 6 marks)

Part B (Very short answer type questions)

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

13. Who are brokers in stock market ?
14. Define options.
15. What is meant by indigenous bankers ?
16. What are preference shares ?
17. Define a derivative market.
18. What is meant by equity share ?
19. Bring out the relation between financial system and economic development.
20. Differentiate between tangible and intangible assets.
21. What is meant by mutual fund ?
22. Define underwriting.
23. Distinguish between bonus issue and book building.
24. What are ADRs and GDRs ?

(10 × 2 = 20 marks)

Part C (Short Essay type questions)

*Answer any six questions.
Each carries 5 marks*

25. Explain meaning and types of debentures.
26. Explain the structure of capital market. What are the important instruments of capital market ?
27. What are the major stock market indices in India and abroad ?
28. Examine the defects of Indian capital market.
29. Explain meaning and features of pure prospectus method. Point out its merits and demerits.
30. What is meant by private placement and its features ?
31. Explain the meaning and significance of merchant banking.
32. What are foreign institutional investors ? Highlight the role of FIIs in India.

(6 × 5 = 30 marks)

Turn over

Part D (Essay type questions)

Answer any two questions.

Each question carries 12 marks.

33. What are stock exchanges ? Discuss the functions of stock exchanges.
34. Explain the meaning of financial system. Discuss the salient features of financial markets in India.
35. Explain the meaning and significance of new issue market. Discuss the causes for poor performance of new issues market.
36. What are the differences between primary markets and secondary markets ? Explain the functions of primary market.

(2 × 12 = 24 marks)

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(Pages : 4)

Name.....

Reg. No.....

FIFTH SEMESTER U.G. DEGREE EXAMINATION, NOVEMBER 2021

(CUCBCSS—UG)

Economics

ECO 5B 09—ECONOMICS OF CAPITAL MARKET

Time : Three Hours

Maximum : 80 Marks

Part A (Objective Type Questions)

*Answer all twelve questions.
Each question carries ½ mark.*

1. Nikkei is a stock market index for the :
 - a) BSE.
 - b) NSE.
 - c) TSE.
 - d) NASDAQ.
2. _____ is/are type/s of derivative contract.
 - a) Forwards.
 - b) Futures.
 - c) Options.
 - d) All the above.
3. SEBI was established in :
 - a) 1990.
 - b) 1988.
 - c) 1989.
 - d) 1992.
4. The name given to sources of finance or capital available to raise money outside the home country in foreign currency is :
 - a) Merchant bank.
 - b) Blue-chip share.
 - c) Euro issue.
 - d) Employee stock option.
5. Following are intermediaries in new issues market *except* :
 - a) Merchant banks.
 - b) Non-banking financial intermediaries.
 - c) Debenture trustees.
 - d) Portfolio managers.

Turn over

6. The financial institutions having loans swapped for bonds can sell all the bonds in :
- a) Under-developed markets. b) Developed markets.
c) Primary markets. d) Secondary markets.
7. SEBI has allowed celebs to endorse which products ?
- a) Insurance. b) Stocks and shares.
c) Mutual funds. d) Dividends.
8. Malhotra Committee was set up in :
- a) 1992. b) 1993.
c) 1994. d) 1995.
9. Method/s of raising capital in the primary market include :
- a) IPO. b) Private placement.
c) Rights issue. d) All the above.
10. The process by which a client can get physical certificates converted into electronic balances is called :
- a) Derivative. b) Materialisation.
c) Dematerialisation. d) Disinvestment.
11. _____ is an agreement wherein financial institutions guarantee the issuer for buying unsold portion of the issue.
- a) Underwriting. b) Capital formation.
c) Origination. d) None of these.
12. Choose the correct statement/s related to OTCEI :
- Statement I : It stands for Over-the-Counter Exchange of India.
Statement II : It is India's first exchange for large foreign companies.
Statement III : It is the first screen-based nationwide stock exchange in India.
- a) Statement I and II are correct. b) Statement I and III are correct.
c) Statement II and III are correct. d) Statement I, II and III are correct.

(12 × ½ = 6 marks)

Part B (Very Short Answer Type Questions)

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

13. What is meant by merchant banking ?
14. What type of bond is a debenture ?
15. Distinguish between NIFTY and SENSEX.
16. What are corporate securities ?
17. What is meant by foreign currency convertible bonds ?
18. Define Dematerialization.
19. What is Listing ?
20. Define financial economics.
21. What are blue chip stocks ?
22. Prepare a note on OTCEI.
23. What do you mean by common shares ?
24. What do you know about debenture trustee ?

(10 × 2 = 20 marks)

Part C (Short Essay Type Questions)

*Answer any six questions.
Each question carries 5 marks.*

25. Distinguish between bonus issue and book building. Give examples.
26. What are the major capital market institutions in India ?
27. Discuss the features and functions of primary market.
28. Explain NSDL and CDSL.
29. What are the major advantages and disadvantages of mutual funds ?
30. What does flotation mean ? What are the methods of floatation in primary market ?
31. Explain the structure of capital market. What are the important instruments of capital market ?
32. Explain the meaning and types of debentures.

(6 × 5 = 30 marks)

Turn over

Part D (Essay Type Questions)

Answer any two questions.

Each question carries 12 marks.

33. Explain meaning and types of financial markets. Discuss the major defects of Indian financial system.
34. Explain the meaning, objectives and functions of SEBI.
35. What is meant by new issue market ? Explain the intermediaries in new issues market.
36. Discuss the origin and development of stock exchanges in India. Prepare notes on stock market index in India.

(2 × 12 = 24 marks)

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(Pages : 4)

Name.....

Reg. No.....

**FIFTH SEMESTER B.A./B.Sc. DEGREE EXAMINATION
NOVEMBER 2020**

(CUCBCSS—UG)

Economics

ECO 5B 09—ECONOMICS OF CAPITAL MARKET

Time : Three Hours

Maximum : 80 Marks

Answers may be written either in English or in Malayalam.

Section A

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

1. Listing is mandatory for :

- (a) Trading in stock markets.
- (b) Making a new public issue.
- (c) Trading in international markets.
- (d) Trading in interconnected stock exchange of India.

2. A Depository is :

- (a) An institution which holds securities in a dematerialized form.
- (b) A fixed deposit in a bank.
- (c) A transfer of physical securities.
- (d) An institution which surveillance on price manipulation.

3. Stock market index :

- (a) Shows volume of stocks in the market.
- (b) Depicts transfer of shares.
- (c) Shows trends in the stock market.
- (d) Provides weights to shares.

4. A market where new securities are bought and sold for the first time is known as :

- (a) Capital market.
- (b) Primary market.
- (c) Secondary market.
- (d) Tertiary market.

Turn over

5. Nikkei is the stock exchange index of :
- (a) New York. (b) Tokyo.
(c) London. (d) Paris.
6. The issuing company directly issue their shares to general public is known as :
- (a) Rights issue. (b) Placement.
(c) Offer for sale. (d) Public issue.
7. Capital market is the market for :
- (a) Short term assets. (b) Long term assets.
(c) Medium term assets. (d) All of these.
8. What does SENSEX stands for :
- (a) Sensitive stocks. (b) Sensitive exchange.
(c) Sensor index. (d) Sensitive index.
9. Mutual funds are regulated in India by which among the following :
- (a) RBI. (b) SEBI.
(c) NABARD. (d) SBI.
10. NASDAQ stands for :
- (a) National Association of Securities Dealers Automated Quotation.
(b) National Stocks Data and Automated Quotes.
(c) North American Securities Data and Automated Quotations.
(d) National Association of Securities Dealing and Quotation.
11. Conversion of a share certificate in physical form to electronic form is called :
- (a) Depositories. (b) Certificate of Deposits.
(c) Dematerialisation. (d) Rematerialisation.
12. GDRs refers to :
- (a) Global Development Report. (b) Gross Development Ratio.
(c) Global Depository Receipts. (d) Gross Depository Ratios.

(12 × 1 = 12 marks)

Section B (Very Short Answer Questions)

*Answer at least six questions.
Each question carries 3 marks.
All questions can be attended.
Overall Ceiling 18.*

13. Write a note on NSE.
14. Define primary market.
15. Explain book building method.
16. What is financial assets ?
17. Define mutual funds.
18. What is origination ?
19. Define depository.
20. Write a note on convertible debentures.
21. Write a note on NASDAQ.
22. Explain Eurobonds.
23. Write a note on government securities market.
24. Explain listing of securities.

(6 × 3 = 18 marks)

Section C (Short Essays)

*Answer at least four questions.
Each question carries 6 marks.
All questions can be attended.
Overall Ceiling 24.*

25. Explain the components of financial market.
26. Explain the role of financial system in economic development
27. Distinguish between primary and secondary market
28. Explain the functions of capital market.
29. Classify financial assets and bring out their properties.
30. Explain the types of equity shares
31. What are the intermediaries in new issue market
32. Explain capital market. What are its components?

(4 × 6 = 24 marks)

Turn over

Section D (Essay Questions)

Answer any two question.

Each question carries 13 marks.

33. What is stock exchange ? What are the Functions of stock exchanges ?
34. Explain the functions of new issue market. Also explain important methods of floating new issues.
35. What is meant by financial system? Explain the components of financial system.
36. Explain the objectives and functions of SEBI.

(2 × 13 = 26 marks)

**FIFTH SEMESTER B.A. DEGREE EXAMINATION
NOVEMBER 2019**

(CUCBCSS—UG)

Economics

ECO 5B 09—ECONOMICS OF CAPITAL MARKET

Time : Three Hours

Maximum : 80 Marks

Part A (Objective Type Questions)*Write all the twelve questions.**Each question carries ½ mark.*

1. As per the SEBI (ESOS and ESPS) guidelines 1999, 'ESOS Shares' means :
 - (a) Shares arising out of exercise of options granted under ESOS.
 - (b) Shares arising out of grant of shares under ESPS.
 - (c) Shares arising out of vesting of options granted under ESOS.
 - (d) None of the above.
2. Every listed company is required to submit to the Stock Exchange the shareholding pattern of the Company on a :
 - (a) Quarterly basis.
 - (b) Monthly Basis.
 - (c) Yearly Basis.
 - (d) Half Yearly Basis.
3. All securities held by depository shall be :
 - (a) In physical form.
 - (b) Either physical form or in dematerialized form.
 - (c) Dematerialized and in fungible form.
 - (d) Physical certificate format.
4. The risk management activities and confirmation of trades through the trading system of NSE is carried out by :
 - (a) Users.
 - (b) Trading Members.
 - (c) Clearing Members.
 - (d) Participants.
5. A stock broker means a member of :
 - (a) SEBI.
 - (b) Any stock exchange.
 - (c) Any exchange.
 - (d) A recognized Stock exchange.

Turn over

6. SEBI stands for :
- (a) Securities and Exchange Board Institute.
 - (b) Securities and Exchanges Board of India.
 - (c) Securities and Exchange Board of India.
 - (d) Securities and Exchange Board Initiatives.
7. Identify the participants in the securities markets :
- (a) Underwriters.
 - (b) Debenture Trustees.
 - (c) Venture Capital Funds.
 - (d) All of the above.
8. Which one of the following is NOT a capital market instrument :
- (a) Shares.
 - (b) Debentures.
 - (c) PSU Bonds.
 - (d) Certificate of deposit.
9. Identify the wrong choice regarding OTCEI :
- (a) Set up in 1992.
 - (b) A New Stock Exchange.
 - (c) Only for forward deal.
 - (d) For screen-based trading.
10. SEBI was set up in the year :
- (a) 2000.
 - (b) 1995.
 - (c) 2005.
 - (d) 1992.
11. The apex financial institution of India :
- (a) SEBI.
 - (b) NABARD.
 - (c) RBI.
 - (d) Ministry Finance.
12. Basel Committee is related to :
- (a) Rural credit.
 - (b) SEBI.
 - (c) RBI.
 - (d) Capital Adequacy Norms.

(12 × ½ = 6 marks)

Part B (Very Short Answer Type Questions)

*Write any ten questions.
Each question carries 2 marks.*

13. Define underwriting.
14. What do you mean by debenture ?
15. Write on Global Depository Receipts (GDRs).
16. What do you mean by OTCEI ?
17. Write any two objectives of NSE.
18. What do you mean by the SENSEX ?
19. What is a depository ?
20. What do you mean by dematerialization (DEMAT) ?
21. What do you mean by Rights Issue ?
22. What are the different types of debt instruments ?
23. What are the major components of financial system ?
24. What do you mean by financial security ?

(10 × 2 = 20 marks)

Part C (Short Essay Type Questions)

*Write any six questions.
Each question carries 5 marks.*

25. Explain the term 'capital market'. Who are the various participants in capital market ?
26. Enumerate the various financial activities that are undertaken by a merchant banker.
27. Why do companies need to issue shares to the public ? What are the different kinds of issues ?
28. Distinguish between shares and debentures.
29. Write a note on the importance of capital market in the development of an economy.
30. What are the limitations of Indian financial system ?
31. Write a note on the role and importance of mutual funds.
32. What are the causes of poor performance of New Issues Market ?

(6 × 5 = 30 marks)

Turn over

Part D (Essay Type Questions)

Answer any two questions.

Each question carries 12 marks.

33. Explain the various long term financial options available for investment.
34. Explain the origin and development of stock exchanges in India.
35. Explain the role and importance of SEBI as a regulator of the Indian capital market.
36. Explain the role of NSE in the professionalization and standard trading in the stock market.

(2 × 12 = 24 marks)

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Name.....

Reg. No.....

FIFTH SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2018

(CUCBCSS—UG)

Economics

ECO 5B 09—ECONOMICS OF CAPITAL MARKET

Time : Three Hours

Maximum : 80 Marks

Answers may be written either in English or in Malayalam.

Part A

Answer all questions.

Each question carries ½ marks.

1. SEBI was set up in the year :
 - (a) 1988.
 - (b) 1989.
 - (c) 1990.
 - (d) 1991.
2. Sale of the securities is made only once at the time of issue in the :
 - (a) Stock exchange.
 - (b) New issue market.
 - (c) Old issue market.
 - (d) None of these.
3. SENSEX consists of :
 - (a) 50 stocks.
 - (b) 25 stocks.
 - (c) 30 stocks.
 - (d) 100 stocks.
4. Which of the following is a financial asset :
 - (a) Gold.
 - (b) Silver.
 - (c) Share.
 - (d) Land.
5. In rights issue, shares are offered to :
 - (a) New share holders.
 - (b) Existing share holders.
 - (c) Both (a) and (b).
 - (d) Intermediaries.
6. ADRs stands for :
 - (a) Asset Depository Receipts.
 - (b) Adjustable Depository Receipts.
 - (c) Asian Depository Receipts.
 - (d) American Depository Receipts.

Turn over

7. FTSC is the stock exchange index of :
- (a) New York. (b) Tokyo.
(c) London. (d) Paris.
8. The return of the share holder is
- (a) Dividend. (b) Rate of interest.
(c) Discount rate. (d) Bank Rate.
9. Regulator of Indian capital market is
- (a) RBI. (b) SEBI.
(c) NABARD. (d) SBI.
10. For getting the shares dematerialized, an investor has to open an account with
- (a) RBI. (b) SEBI.
(c) Depository. (d) Depository Participants.
11. Government securities are also known as :
- (a) Gilt edged securities. (b) Money market securities.
(c) Financial securities. (d) None of these.
12. Which of the following is the trust that pools the savings of investors :
- (a) Dematerialization. (b) Factoring.
(c) Merchant Banking. (d) Mutual fund.

(12 × ½ = 6 marks)

Part B (Very Short Answer Type Questions)

Answer any ten questions.

Each question carries 2 marks.

13. What is financial system ?
14. Distinguish between money market and capital market.
15. Explain stock market index.
16. Write a note on BSE.
17. What is meant by listing of securities ?
18. What is dematerialization ?
19. What are mutual funds ?
20. Explain bonds.

21. What is meant by underwriting ?
22. Write a note on Registrars to an issue.
23. Explain Euro issues
24. Write a note on DFIs.

(10 × 2 = 20 marks)

Part C (Short Essays)

*Answer any six questions.
Each question carries 5 marks.*

25. Explain the important functions of SEBI.
26. Explain the different methods of floating new issues.
27. What are the properties of financial assets ?
28. Explain the components of financial system.
29. What are the types of debentures ?
30. Distinguish between primary and secondary market.
31. Explain the functions of capital market.
32. Explain the components of financial markets.

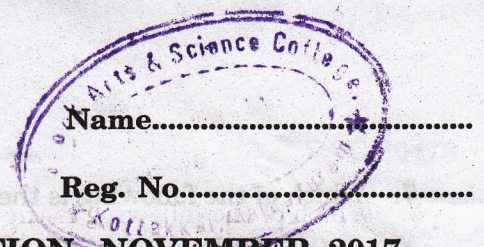
(6 × 5 = 30 marks)

Part D (Essay Questions)

*Answer any two questions.
Each question carries 12 marks.*

33. Explain the meaning and functions of new issue market.
34. What is a stock exchange ? What are the characteristics and functions of stock exchanges ?
35. Explain the role and functions of financial system. Also explain weakness of Indian financial system.
36. Explain capital market. What are the components of Indian capital market ?

(2 × 12 = 24 marks)



FIFTH SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2017

(CUCBCSS—UG)

Economics

ECO 5B 09—ECONOMICS OF CAPITAL MARKET

Time : Three Hours

Maximum : 80 Marks

Answers may be written either in English or in Malayalam.

Part A

Answer all questions.

Each question carries ½ mark.

1. Which bill are issued only by RBI on behalf of Govt :

(a) Financial bill.	(b) Money bill.
(c) Commercial bill.	(d) Treasury bill.
2. The market for extremely short period is called :

(a) Short term money market.	(b) Treasury bill market.
(c) Call money market.	(d) Commercial market.
3. REPO is :

(a) Re transfer agreement.	(b) Repurchase agreements.
(c) Re exchange agreement.	(d) Re sale agreement.
4. Primary market is under the control of :

(a) RBI.	(b) SEBI.
(c) CRISIL.	(d) Money market.
5. Govt. Securities are also known as :

(a) Financial securities.	(b) Money market securities.
(c) Gilt edged securities.	(d) None of these.
6. Conversion of a share certificate in physical form to electronic form is called

(a) Depositories.	(b) Dematerialization.
(c) Rematerialisation.	(d) Certificates of Deposits.

Turn over

7. Which of the following is the trust that pools the savings of investors :
- (a) SEBI. (b) Merchant banking.
(c) Mutual fund. (d) Factoring.
8. Credit rating agency :
- (a) ICICI. (b) CRISIL.
(c) IDBI. (d) IFCI.
9. Commercial paper is a form of :
- (a) Commercial instrument. (b) Capital market instrument.
(c) Money market instrument. (d) None of these.
10. An example for gilt edged security is
- (a) Treasury bill. (b) Commercial bill.
(c) Bank deposit. (d) Cheque.
11. GDRs refers to :
- (a) Global development report. (b) Gross development ratio.
(c) Global depository receipts. (d) Gross depository ratios.
12. Cheque is a :
- (a) Non-negotiable instrument. (b) Negotiable instrument.
(c) Promissory note. (d) Bill of exchange.
- (12 × ½ = 6 marks)

Part B (Very Short Answer Questions)

Answer any ten questions.

Each question carries 2 marks.

13. What is industrial securities market?
14. Explain promissory note.
15. Define primary market.
16. What are the objectives of listing?
17. Explain book building method.
18. Explain right shares.
19. Explain the characteristics of capital market.

20. Explain bonds.
21. Explain indigenous money lenders.
22. Define Non banking financial intermediary.
23. Explain Euro issues.
24. Define foreign currency convertible bonds.

(10 × 2 = 20 marks)

Part C (Short Essay Questions)

*Answer any six questions.
Each question carries 5 marks.*

25. What are the types of debentures ?
26. Distinguish between tangible and intangible assets.
27. Explain classification financial markets.
28. What are the types of financial assets ?
29. What are the type of debentures ?
30. What are the capital market instruments.
31. What are the causes of poor performance of New issue market.
32. Explain the features of a developed money market.

(6 × 5 = 30 marks)

Part D (Essay Questions)

*Answer any two questions.
Each question carries 12 marks.*

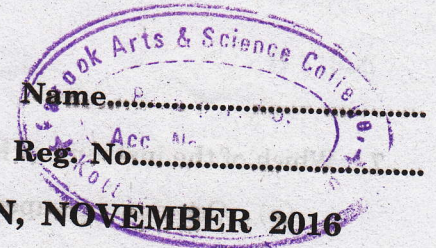
33. Explain meaning and functions of Primary market.
34. Explain the structure and importance of capital market in an economy.
35. Explain weakness and role of financial system in economic development.
36. What are the objectives, powers and functions of SEBI ?

(2 × 12 = 24 marks)

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(Pages : 3)



FIFTH SEMESTER B.A. DEGREE EXAMINATION, NOVEMBER 2016

(CUCBCSS—UG)

Economics

ECO 5B 09—ECONOMICS OF CAPITAL MARKET

Time : Three Hours

Maximum : 80 Marks

Answers may be written either in English or in Malayalam.

Part A

Answer all questions.

Each question carries ½ mark.

1. Which of the following is a financial asset ?
 - (a) Gold.
 - (b) Silver.
 - (c) Share.
 - (d) Land.
2. An example of non-marketable asset is called :
 - (a) Derivative.
 - (b) Bond.
 - (c) Bank deposits.
 - (d) Repos.
3. The market regulator of Indian capital market is :
 - (a) Financial market.
 - (b) RBI.
 - (c) SEBI.
 - (d) None of these.
4. RBI was established in the year :
 - (a) 1945.
 - (b) 1936.
 - (c) 1953.
 - (d) 1935.
5. The value of a security when it is issued is called :
 - (a) Extrinsic value.
 - (b) Intrinsic value.
 - (c) Market value.
 - (d) Non-market value.
6. Which type of instruments deal in money market ?
 - (a) Short term.
 - (b) Long term.
 - (c) Medium term.
 - (d) None of these.

Turn over

7. Which of the instrument is used for short term borrowing of the government ?
(a) Commercial paper. (b) Bond.
(c) Commercial bill. (d) Treasury bill.
8. Discount and Finance House of India was set up in the year :
(a) 1987. (b) 1977.
(c) 1988. (d) 1965.
9. Primary market deals with the securities of :
(a) Old issues. (b) New issues.
(c) Equities. (d) Shares.
10. Commercial paper is a form of :
(a) Money market instrument. (b) Capital market instrument.
(c) Shares. (d) Equities.
11. Central bank of India is :
(a) ICICI. (b) RBI.
(c) NABARD. (d) SEBI.
12. GDRS refers to :
(a) Global Depository Ratios.
(b) Gross Depository Ratios.
(c) Growth and Development of Rural Banks.
(d) None of the above

(12 × ½ = 6 marks)

Part B (Very Short Answer Questions)

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

13. Define under writers.
14. Define REPO.
15. What is Rematerialisation ?
16. Define primary market.
17. What are Gilt edged securities ?
18. Define stock exchange.

19. What is securitisation ?
20. Define mutual funds.
21. What is merchant banking ?
22. What is meant by financial services ?
23. What are blue chip shares ?
24. What is SENSEX ?

(10 × 2 = 20 marks)

Part C (Short Essay Questions)

*Answer any six questions.
Each question carries 5 marks.*

25. Distinguish between ADR and GDR.
26. Define financial markets. What are their functions ?
27. What are the characteristics of a Capital market ?
28. Explain the development of stock exchanges in India.
29. What are the main functions of DFHI ?
30. What are the difference between merchant bank and commercial bank ?
31. What are the functions of primary market ?
32. Explain physical shares and demat shares.

(6 × 5 = 30 marks)

Part D (Essay Questions)

*Answer any two questions.
Each question carries 12 marks.*

33. Discuss the role of SEBI in the development of capital market.
34. Classify various components and functions of a financial system.
35. Explain functions of secondary market. What is the difference between primary and secondary market ?
36. Define financial services. Discuss the scope of financial services.

(2 × 12 = 24 marks)