

6/ECO-352 Syllabus-2023

2026

(May-June)

FYUP : 6th Semester Examination

ECONOMICS

(Financial Economics)

(ECO-352)

Marks : 75

Time : 3 hours

The figures in the margin indicate full marks for the questions.

Answer **five** questions, taking at least **one** from each Unit.

UNIT—I

1. How does the financial system contribute to and support the economic development of a country? 15
2. Give a brief overview of the financial system highlighting its structure and functions. 15
3. Differentiate between the following : 7+8=15
 - (a) Debt and equity markets
 - (b) Primary and secondary markets

(2)

UNIT—II

4. Discuss the capital budgeting techniques used to evaluate investment. 15
5. What is profitability index? How is it calculated? Write down its limitations. 2+8+5=15
6. Write notes on the following : 7+8=15
- (a) Modified internal rate of return
- (b) Application of time value of money in evaluating investment options

UNIT—III

7. How do equity shares, preference shares and right issues differ in terms of ownership rights, risk levels and financial benefits for investors? 15
8. What is insurance? Explain the different goals of insurance services. 5+10=15
9. Write notes on the following : 7+8=15
- (a) Adverse selection in financial market
- (b) Differences between bonds and debentures

26D/1863

(Continued)

(3)

UNIT—IV

10. What are financial services? What are the major types of financial services? 5+10=15
11. SEBI has played an important role in shaping and improving the capital market in India. Discuss. 15
12. Write notes on the following : 7+8=15
- (a) Mutual Funds
- (b) Venture Capital

26D—2840/1863

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