



UNIT III

FINANCIAL MARKETS - II



7

CHAPTER

STOCK EXCHANGE

பொருளென்னும் பொய்யா விளக்கம் இருளுக்குக்
எண்ணிய தேயத்துச் சென்று.

—குறள் 753



COUPLET

The imperishable light of wealth goes into regions desired (by its owner) and destroys the darkness (of enmity therein).



Learning Objectives

To enable the students to understand the

- Origin, Meaning and Definition of Stock Exchange
- Functions and Features of Stock Exchange
- Benefits and Limitations of Stock Exchange
- Stock Exchanges in India
- Stock Exchange Traders
- Types of Speculators
- Difference between Stock Exchange and Commodity Exchange
- Recent Development in Stock Exchange

Chapter Synopsis

- 7.01 Stock Exchange – Origin, Meaning and Definition
- 7.02 Functions of Stock Exchange
- 7.03 Features of Stock Exchange
- 7.04 Benefits and Limitations of Stock Exchange
- 7.05 Stock Exchanges in India
- 7.06 Types of Speculators
- 7.07 Stock Exchange Vs Commodity Exchange
- 7.08 Recent Development in Stock Exchange

Stock exchanges contribute in a huge measure to the growth and expansion of national business and to the ultimate benefit and well-being of the national economy and its people. They provide an ideal conduit through which enormous amounts of capital flows through the interconnected network of financial organizations to all corporate enterprises in the country. Thus, stock exchanges ensure liquidity and transferability of financial assets that are dealt with.

THE STOCK EXCHANGE