

**F 7618**

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Reg. No.....

Name.....

**FIVE YEAR B.A., LL.B. (HONOURS) DEGREE EXAMINATION  
JANUARY 2021**

**Third Semester**

**FP 8—ECONOMICS III—ECONOMICS OF FINANCIAL MARKET**

(2018 Admissions—Regular)

Time : Three Hours

Maximum : 75 Marks

**Part A**

*Write short notes on any five.  
Each question carries 3 marks.*

1. Gilt-edged securities.
2. Role of RBI in Indian Money Market.
3. Pension Funds and provident Funds.
4. London and New York Money Markets.
5. Rural Money Market in India.
6. G.D.Rs and A.D.Rs.

(5 × 3 = 15 marks)

**Part B**

*Write short essays on any three.  
Each question carries 10 marks.*

7. Discuss the nature and functions of financial intermediaries, markets and securities in the Financial System.
8. Explain how the financial systems are replenished by the contributions through provident funds, mutual funds, unit trusts and venture capital funds.
9. What is Capital Market ? Discuss the meaning and composition of Capital Market. Distinguish between Primary and Secondary markets.
10. Explain major financial instruments, discussing equity shares, preference shares, debentures and bonds etc.

(3 × 10 = 30 marks)

**Turn over**

**Part C**

*Answer any two of the following.*

*Each question carries 15 marks.*

11. Discuss the institutions in the primary markets underwriters, merchant bankers, and managers. Explain public issue and methods of public issue.
12. Write notes on blue chip shares, right shares, bonus shares, physical shares and demat shares. Explain how SEBI is important.
13. What are Stock Exchanges ? Describe the stock exchanges in India. Explain credit ratings and its objectives.

(2 × 15 = 30 marks)