

2018

(6th Semester)

ECONOMICS

(Honours)

Paper No. : ECO-603 (b)

(**Financial Institutions and Markets**)

Full Marks : 70

Pass Marks : 45%

Time : 3 hours

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

UNIT—I

1. (a) What is financial system? Discuss in detail the functions of the financial system. 4+10

Or

- (b) Discuss the growth of the Indian financial system since 1960. 14

UNIT—II

2. (a) What are the chief functions of commercial banks? Briefly discuss its role in the economic growth of a country. 8+6

Or

- (b) Distinguish between banking and non-banking financial institutions. Explain the nationalization of banks. 5+9

UNIT—III

3. (a) The selective method of credit control is more effective than general method in an underdeveloped economy. Discuss. 14

Or

- (b) What is a monetary policy? Explain the important tools of monetary policy in order to regulate the credit policy. 4+10

UNIT—IV

4. (a) What is capital market? Discuss the features of undeveloped capital market with special reference to India. 4+10

Or

- (b) Define money market. What are the main characteristics of the Indian money market? 4+10

UNIT—V

5. (a) Explain how foreign exchange rate is determined under flexible exchange rate regime. 14

Or

- (b) Discuss the organization and the participants of foreign exchange markets. 14
