

B.Sc. 5th Semester (Honours) Examination, 2020-21

Economics

Course ID: 51617

Course Code: (UG/ECO/504/DSE-2)

Course Title: Money & Financial Markets

Time: 2 Hours

Full Marks: 40

The figures in the margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

1. Answer *any five* of the following questions: 2×5=10

- (a) What is Cash Reserve Ratio?
- (b) Define e-money.
- (c) What is Derivative?
- (d) What is financial instrument?
- (e) Define Money Market.
- (f) What do you mean by Asymmetric Information?
- (g) What are Non-Bank Financial Institutions?
- (h) What is Reserve Repo Rate?

2. Answer *any four* questions: 5×4=20

- (a) What are the functions of financial system? 5
- (b) Differentiate between primary market and secondary market. 5
- (c) What are the advantages and disadvantages of financial intermediaries? 5
- (d) What is debt instrument? Discuss various types of debt instrument. 1+4
- (e) What are the characteristics of underdeveloped money market? 5
- (f) Define the role of commercial banks in economic development. 5

Signature of Moderators _____

Date _____

3. Answer any one question:

10×1=10

(a) Give the meaning of the following money market instruments:

2 1/2 × 4

(i) Certificate of deposit

(ii) Commercial bill

(iii) Treasury bill

(iv) Call money

(b) What is Central bank? What are the functions of central bank?

2+8

Signature of Moderators _____

Date _____