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School of Liberal Education

Bachelor of Arts Honours in Economics

Semester End Examination - May 2024

Duration : 180 Minutes

Max Marks : 100

Sem VI - K1UB605B - Financial Institution and MarketsGeneral Instructions*Answer to the specific question asked**Draw neat, labelled diagrams wherever necessary**Approved data hand books are allowed subject to verification by the Invigilator*

- 1) "FD is not a money market instrument" Explain Why? K1 (2)
- 2) How many types trader works in derivatives market. K2 (4)
- 3) What are cryptocurrencies, and how do they differ from traditional currencies? K2 (6)
- 4) Define mutual funds and explain how they operate. K3 (9)
- 5) Discuss the advantages of investing in mutual funds compared to direct investments in stocks or bonds. K3 (9)
- 6) Describe the organization, objectives, and functions of the Securities and Exchange Board of India (SEBI). K5 (10)
- 7) What is the role of IRDA in the insurance industry? Discuss its objectives and functions. K4 (12)
- 8) What is the difference between the money market and capital market? K5 (15)
- 9) Discuss the significance of the formal financial system in fostering economic growth and stability. Compare and contrast it with the informal financial system, highlighting their respective roles, advantages, and limitations. Provide examples to support your arguments. K5 (15)
- 10) The scope of merchant banking is great in India. Discuss. K6 (18)