

Indian Institute of Technology Kharagpur

Date _____ FN/AN Time: 2 hours Full Marks: 30 No of Students: 135
Mid Autumn Semester 2016-17 Deptt: HSS Sub No: HS30097
5-Year Integrated M.Sc in Economics Sub Name: Financial Institutions and Markets

Answer all the Questions and Each Question Carries Equal Marks.

1. Financial Developments lead to Economic Growth through savings and investments. Do you agree with this statement? If yes, then provide the arguments through different theories.
 2. What do you mean by efficiency of the markets? Explain the Efficient Market Hypothesis with suitable example.
 3. What are the major objectives of RBI? Explain the operating procedure of monetary policy after the introduction of Liquidity Adjustment Facility in India.
 4. What are the major objectives and functions of SEBI and IRDA?
 5. Why bank is special among all financial institutions? Explain the different approaches to bank lending.
 6. What are the different types of risks commercial banks face? Briefly explain how commercial banks manage the interest rate risk?
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