

VCD 26/10/23 SYBBI. SEM III Subject: Financial Markets. 2 ½ HRS 75 Marks

Q.1 A. Multiple Choice Questions (Any 8).

(8)

1. _____ banking implies investment management.
(a) Merchant (b) Investment (c) Insurance (d) None
2. Venture Capital is also known as _____ Capital.
(a) Risk (b) Equity (c) Investment (d) International
3. Primary Market is also known as _____ Market.
(a) New Issue (b) Derivative (c) Capital (d) Secondary
4. _____ is the function of financial system.
(a) Saving function (b) Nationalization of financial institutions
(c) Establishment of Development banks (d) Intermediaries control.
5. _____ deals with short term claims with a maturity of less than one year.
(a) Money Market (b) Primary Market
(c) Secondary Market (d) Capital Market
6. _____ is the oldest stock exchange in India.
(a) BSE (b) NSE (c) SBI (d) RBI
7. _____ is a way of reducing your potential financial loss or hardship.
(a) Insurance (b) Saving (c) Investing (d) Banking
8. Who controls the money market?
(a) RBI (b) SBI (c) IDBI (d) SBI
9. _____ is chairman of central board of directors of RBI.
(a) Governor (b) Finance Minister (c) President (d) Vice President
10. _____ finance purely mentions providing finance for house building.
(a) Housing (b) Vehicle (c) Health (d) Property

Q.1 B. State the following as True or False (Any 7).

(7)

1. SEBI came into existence on 1st April 1935 as per the Reserve Bank of India act 1935.
2. Central Banking functions in India perform by Reserve Bank of India
3. Financial instruments are those instruments issued by the Government.
4. Primary Market is also known as New Issue Market.

5. Call Money is a promissory note issued by the RBI to meet the short term requirement of fund.
6. The primary Market deals in new financial claim therefore it is called new issue Market.
7. Saving function is the function of financial system.
8. RBI was nationalized in the year 1949.
9. Capital Market deals with Short term claims with maturity of less than one year.
10. SBI was nationalized in the year 1956.

Q.2. A. Explain in detail the functions of RBI. (15)

OR

B. Define Intermediaries. Explain financial intermediaries in capital market. (8)

C. What is SEBI, Explain objectives of SEBI. (7)

Q.3. A. Elaborate in detail the structure of Money market. (8)

B. Define Capital Market. Explain the role of capital market. (7)

OR

C. Explain various factors responsible for growth of Capital Market in India. (8)

D. List down the participants in Capital Market. (7)

Q.4.A. What are the advantages and disadvantages of investing in Commodities? (15)

OR

B. What are the advantages and disadvantages of investing in commodities commodity market? (8)

C. Define Commodity Market. Who are the main players in commodity market? (7)

Q.5.A. What are the advantages and disadvantages of derivatives? (8)

B. Explain the characteristics of Derivatives. (7)

OR

Q.5. C. Write a short note on (Any Three). (15)

1. Hire Purchase
2. IRDA
3. Depository
4. Underlying Assets
5. Insurance

-----All The Best-----