

Q.1 (A) State whether the statement are TRUE OR FALSE. (Any 8) (8)

1. Money market deals in long term credit.
2. Economic growth and development are possible without finance.
3. It is impossible to make a profit in a perfectly efficient capital market.
4. In 1936, Reserve Bank of India came into being which was made the Central bank.
5. Development Bank accepts deposits from public.
6. Development bank is a multi-purpose financial institution.
7. NBFC accept demand deposits like the savings and current account.
8. NABARD was established in the recommendations of Malegam Committee.
9. SEBI always protects the interest of Investors.
10. Finance Companies are not protected by Government laws.

Q.1 (B)) Fill in the blanks with correct answer (Any 7) (7)

1) _____ is a market for short term money and financial assets that are near substitutes for money.

- a) Money market b) Financial system
c) Financial Market d) Capital market

2) _____ is the increase in the goods and services produced by an economy, typically a nation, over a long period of time.

- a) Economic growth b) Economic development
c) Economic Issues d) Economic Height

3) _____ these are short-term unsecured promissory notes issued by companies.

- a) Call money b) Treasury bill
c) Trade bill d) Commercial papers

4) RBI helps in providing _____ to industries in India.

- a) Marketing b) Business
c) advertisement d) Finance

5) The commercial banks provide _____ services.

- a) Agent b) agency
c) underwriting d) merchant

6. Development banks essentially aim at promoting the _____ habit in the community.

- a) deposit b) withdrawal

c) saving

d) expense

7. Government of India started Export-Import Bank of India in _____ to provide medium and long term loans.

a) 1972

b) 1982

c) 1962

d) 1992

8. NABARD provides _____ for agriculture, promoting rural development activities.

a) refinance assistance

b) panning assistance

c) management assistance

d) planning

9. _____ Risk refers to problems that arise when a firm runs short of cash.

a) credit risk

b) default risk

c) Interest rate risk

d) Liquidity risk

10. The microfinance institution (development and regulation) bill, was passed in the year _____

a) 2016

b) 2014

c) 2012

d) 2010

Q.2 a) Explain the meaning and functions of financial system. (8)

b) Discuss the functions of Financial System. (7)

OR

Q.2 c) What are the reasons behind the growth of the financial sector in India. (8)

d) Elaborate the various economic policies of the Government. (7)

Q.3 a) Explain in brief the objectives of RBI. (8)

b) What are the services provided by the Commercial Bank. (7)

OR

c) Describe the role of Commercial Banking. (8)

d) What are the problems and challenges of Banking Industry in India. (7)

Q.4 a) Discuss the functions of NABARD. (8)

b) What are the objectives of SEBI. (7)

OR

c) What is NBFC? Explain the nature of NBFC. (8)

d) Explain the regulatory framework of SEBI. (7)

Q.5 a) What are the advantages and limitations of Finance Companies. (8)

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FYBFMG SEMESTER: I SUB: INDIAN FINANCIAL SYSTEM TIME: 2 ½ Hrs MARKS:75

Q.5 b) Define Microfinance. Explain objectives of Microfinance.

(7)

OR

c) Write a Short notes (Any 3)

(15)

- 1) RBI
- 2) Development Banks
- 3) Credit risk
- 4) Consumer finance companies
- 5) Self-Help Groups

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