

[Time: 2 Hours]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:
1. All questions are compulsory
 2. All questions have internal choice

- Q1 A State the following statements are true or false and rewrite the statements (any eight) 8
- 1 EXIM is private bank.
 - 2 Liquidity Insurance theory was published by Dr. Alfred Marshal.
 - 3 Power Finance Corporation Ltd was established in 1996.
 - 4 CRYSTAL is a credit rating agency.
 - 5 SIDBI promotes growth of MSME in India.
 - 6 Financial Intermediaries discourages capital formation.
 - 7 Financial Intermediaries are charity based institutions.
 - 8 Insurance minimizes the risks faced by people.
 - 9 Indian money market is organized market.
 - 10 Intermediaries play important role in economic progress.
- Q1 B Match the following (any seven) 7
- | | |
|----------------------------|--------------------------|
| 1 Financial Intermediaries | - A SEBI |
| 2 Bank | - B 1986 |
| 3 RBI | - C Capital formation |
| 4 Budget | - D NABARD |
| 5 EXIM | - E Intermediaries |
| 6 Mutual funds | - F Monetary policy |
| 7 Brick work | - G Finance Ministry |
| 8 PFC | - H Foreign trade |
| 9 Merchant Banks | - I Credit Rating Agency |
| 10 Agriculture | - J Counsellig |
- Q2 A Explain financial system? State the functions of financial system? 8
- B State its functions of financial intermediaries? 7
- OR
- Q2 C Describe the benefits of financial intermediaries? 8
- D Discuss the regulatory and promotional functions performed by RBI? 7
- Q3 A Explain the role of NBFC in Indian Economy? 8
- B State the advantages of mutual funds? 7
- OR
- Q3 C Discuss the importance of Credit Ratings? 8
- D What is Insurance? State the types of Insurance? 7
- Q4 A Explain management of credit risk by financial intermediaries? 8
- B How does information asymmetry lead to market failure? 7
- OR
- Q4 C What is transaction cost? State types of transaction costs? 8
- D Explain the role of financial intermediaries in rural development? 7

- Q5 A Discuss the changing nature of financial intermediaries?
B State the impact of globalisation in financial intermediaries?

OR

- Q5 Short Notes (any three)
- 1 Challenges faced by financial intermediaries
 - 2 Impact of technology in financial intermediaries
 - 3 SIDBI
 - 4 Banks
 - 5 Financial brokers
