

07/10/2022

Q1a. True or False. Any 8

8 marks

1. Equities are traded in stock markets.
2. Hedgers don't face risk associated with the price of an asset.
3. Short term loan normally involve loans with maturity of one year or less
4. Provision of liquidity is not a function of financial services.
5. Credit cards are prepaid cards.
6. Financial system of any country consists of only one component.
7. Financial services are part of financial markets.
8. Financial system includes only financial markets.
9. Government bonds are backed by state governments or central government.
10. Capital market provides an effective source of investment in the economy.

Q1b. Match the pairs Any 7.

7 marks

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|------------------------------|-------------------------------------|
| 1. Gold. | a. Standardized Contract |
| 2. SBI. | b. Fixed number of units. |
| 3. Money market. | c. Electronic Card. |
| 4. Secondary market. | d. Banking institutions |
| 5. Financial services. | e. Buying and Selling of Securities |
| 6. Causes of Inflation. | f. Yellow Metal. |
| 7. E wallets. | g. Intangible |
| 8. Closed- end Mutual Funds. | h. Financial consultant |
| 9. Merchant Banking. | i. Increase in money supply |
| 10. Futures. | j. Maturity less than 1 year. |

Q2a. Explain financial system and it's functions.

8marks

b. What is the significance of Financial System in Economic Development?

7marks

OR

Q2 a. Write a note on Investments.

8marks

b. What are the effects of Inflation?

7 marks

Q3a. Explain the importance of Capital market in the Indian economy. 8 marks

Q3b. State briefly about the advantages of Primary Market. 7 marks

OR

Q3a. Explain the features of Forward Contract. 8 marks

Q3b. Who are the participants of Derivatives Markets? 7 marks

Q4. What are Mutual Funds? Briefly describe its types. 15 marks

OR

Q4. What are Financial services? State its importance and features in detail. 15 marks

Q5a. What do you mean by Merchant Banking? State its services. 8 marks

b. What are the scope of Merchant Banking? 7 marks

OR

Q5. Short notes Any 3. 15 marks

1. Credit Cards.
2. E wallets.
3. Classification of Financial Market.
4. Secondary Market.
5. Options contract.