

Duration: 2.5 hrs

Max marks: 75

Q1 A) Fill in the blanks with correct alternative (answer any 8)

(08 marks)

1. _____ is the regulatory for money markets in India (RBI/ SEBI/FMC/ FEDAI)
2. Credit creation is _____ function of commercial banks (optional/ primary/secondary/derivative)
3. NHB caters to _____ sector in the country (FMCG/ Agriculture/ Derivatives/ /Housing)
4. _____ is an issuer of T-bills and G-secs (EXIM/ SEBI/ Central government/CCIL)
5. GDR's are listed on _____ stock exchanges (European, American, Japanese, German)
6. _____ are standardised forward contracts through a stock exchange (certificate of deposit/ commercial paper/ futures/ T-bills)
7. _____ is a person who is protected against losses (insurer/ insured/ nominee/assignee)
8. _____ deposits are also known as Time Deposits (Current/Recurring/Savings/Fixed)
9. _____ is called as the Central Bank of The US (Federal Reserve/ IMF/ Currency Board/UN)
10. CRISIL provides _____ services (banking/custodian/credit rating/counselling)

Q1 B) Say whether True or False (answer any 7)

(07 marks)

1. Equity shares are money market instruments
2. Mutual funds cover risks of financial losses
3. The department of disinvestment deals with revenue matters relating to direct and indirect taxes
4. A Self Help group is a group of five to twenty persons formed to provide microfinance to needy persons
5. One of the primary objectives of SEBI is investor protection
6. SIDBI was established as a wholly owned subsidiary of IDBI in the year 1988
7. GIC deals in Marine Insurance policies
8. Derivatives mean both Commodity and Financial Derivatives
9. Money market is a market for short term instruments
10. Reinsurance is an agreement between two insurance companies for sharing risks.

Q2 A) What are the functions of the financial system? **(08 marks)**

Q2 B) What are the various fee based financial services? **(07 marks)**

OR

Q2 C) What is microfinance? What are the advantages of microfinance? **(08 marks)**

Q2 D) Explain the various models of microfinance. **(07 marks)**

Q3 A) Explain the various departments of Ministry of Finance. **(08 marks)**

Q3 B) Explain the powers and functions of SEBI **(07 marks)**

OR

Q3 C) What are the services offered by Merchant Bankers? **(08 marks)**

Q3 D) Explain the functions of The Reserve Bank of India. **(07 marks)**

Q4 A) Explain the instruments of Money market. **(08 marks)**

Q4 B) How are mutual funds classified? **(07 marks)**

OR

Q4 C) What are the functions of Capital market? **(08 marks)**

Q4 D) Distinguish between Capital market and Money market **(07 marks)**

Q5 A) What is financial system design? What are the types of financial system design? **(08 marks)**

Q5 B) Explain Agency conflict and stockholder conflict. **(07 marks)**

OR

Q5 C) Write short notes on (any three) **(15 marks)**

1. German Financial system model
2. Self help groups
3. Principles of insurance
4. ADR
5. NABARD
