

Duration: 2.5 hrs

Total Marks: 75

**NB 1. All questions are compulsory**

**2. All questions carry equal marks**

**3. Figures to the right indicate maximum marks**

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

**(08 marks)**

1. \_\_\_\_\_ is a market in which money can be borrowed for period of few hours to 14 days (treasury bill, venture capital, call money, forex)
2. \_\_\_\_\_ is the regulator for capital markets in India. (SEBI, AMC, RBI, IRDA)
3. \_\_\_\_\_ is a group of banks which acts as a self-regulatory body for foreign exchange (FEDAI, AMPC, NSE, DFHI)
4. A \_\_\_\_\_ is a group formed for the purpose of availing microfinance facility. (NAFED, SHG, BPL, IPO)
5. In the \_\_\_\_\_ market, there are no standardized rules and regulations governing their financial dealings. (fresh issue, unorganized, derivative, secondary)
6. The \_\_\_\_\_ bank is an development bank which primarily gives financial assistance for industries in India. (Canara Bank, RBI, SBI, IDBI)
7. Financial \_\_\_\_\_ refers to the financial system's capacity to adjust to severe economic shocks (inclusion, slowdown, stability, policy)
8. \_\_\_\_\_ means any person engaged in the business of issue management by selling/buying or subscribing to securities (money lender, arbitrageur, merchant banker, none of these)
9. \_\_\_\_\_ funds are those, which invest exclusively in a specified industry or various segments of the industry (open-ended, close-ended, interval, sectoral)
10. The principle of \_\_\_\_\_ means the immediate cause (subrogation, causa proxima, caveat emptor, indemnity)

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

**(07 marks)**

1. An ADR is a dollar denominated depository receipt.
2. Treasury bill market is a market for sale and purchase of foreign exchange
3. Certificate of deposits are short term deposit instruments to raise large sums of money
4. Repo transactions are those in which two parties agree to sell and repurchase the same security.
5. The Ministry of Finance comprises of five departments
6. Loan syndication is a process where many banks come together to finance a single big project/joint venture.
7. Primary market is a market for new issues.
8. Commercial papers can be issued by all companies.
9. RBI is regulator for capital market in India
10. LIC of India gives policies for theft, burglary and property insurance.

**Q2 A)** Explain the functions of financial services. **(08 marks)**

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

**OR**

**Q2 C)** Explain the regulatory functions of RBI. **(08 marks)**

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

**Q3 A)** Explain microfinance. What are SHG's? **(08 marks)**

**Q3 B)** What are the disadvantages of microfinance? **(07 marks)**

**OR**

**Q3 C)** What are financial institutions? What are non-banking institutions? **(08 marks)**

**Q3 D)** Write a short note on Unit Trust of India. **(07 marks)**

**Q4 A)** Differentiate between primary and secondary markets? **(08 marks)**

**Q4 B)** What are the factors responsible for growth of capital market in India? **(07 marks)**

**OR**

**Q4 C)** Explain how performance of mutual funds can be evaluated. **(08 marks)**

**Q4 D)** What are the different types of mutual funds in India? **(07 marks)**

**Q5 A)** What are ADR and GDR? **(08 marks)**

**Q5 B)** What are derivative contracts? Explain the functions of derivatives. **(07 marks)**

**OR**

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

1. Commercial paper.
2. BSE
3. ROSCAS model of microfinance
4. EXIM Bank
5. Treasury bill market.

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