

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

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