



SYBAF FMO
XYGAEQ

Time: 2 ½ hours

Marks: 75

- NOTE: 1) All questions are compulsory with internal options.
2) Figures to the right indicate marks.

Q 1 a) State whether the following statements are TRUE or FALSE (any 8): 08

1. Provision of liquidity is not a function of financial services.
2. NHB works with the objective of making housing credit more costlier.
3. RRBs are under the control of NABARD.
4. Savings is defined as personal disposable income plus personal consumption expenditure.
5. Treasury bills are long term money market instrument issued by the government of India.
6. The new issue market deals with the securities which were previously available to the investing public.
7. Commercial paper is long term secured instruments.
8. Leasing is a form of rental system.
9. The organized sector is largely made up of money lenders and indigenous bankers.
10. Venture capital is a form of "risk capital".

b) Match the following:(any 7)

07

| Column A | Column B |
|--------------------------------------|---------------------------------------|
| 1) Nationalisation of 14 major banks | a) Pooling of losses |
| 2) Prospectus | b) Nationalised Commercial Bank |
| 3) HSBC Ltd | c) Regional Rural Bank |
| 4) UCO bank | d) Plastic money |
| 5) Insurance | e) Co-operative Bank |
| 6) Janakalyan Sahakari Bank Ltd | f) Derivatives |
| 7) Vidarbha Konkan Gramin Bank | g) Service offered by Merchant Banker |
| 8) Credit Card | h) 1969 |
| 9) Hedging | i) Foreign Bank |
| 10) Loan syndication | j) Information Document |

XYGAEQ

- Q2 a) What are the functions of financial systems? 08
b) Discuss the advantages and disadvantages of derivatives 07
- OR**
- Q2 a) What do you mean by inflation? Explain different types of inflation 08
b) Explain "NHB" as a non banking intermediary. Discuss the objectives of NHB. 07
- Q3a) Explain different types of corporate bonds. 08
b) Discuss the various advantages of mutual funds 07
- OR**
- Q3 a) Discuss the role of capital market 08
b) What are the significant characteristics of financial instruments? 07
- Q4 a) What is an equity share? Discuss the advantages and disadvantages of Equity shares. 08
b) What is a credit card? What are its advantages? 07
- OR**
- Q4a) Explain the various services provided by merchant banks. 08
b) What do you mean by sources of finance? Discuss the sources of long term capital. 07
- Q5 a) What are the sources of consumer finance? 08
b) What are the problems with Indian primary market? 07
- OR**
- Q5 Write Short notes (any 3) 15
- a. Functions of financial intermediaries
 - b. Factoring.
 - c. Types of Investors
 - d. Secondary market
 - e. Loan syndication.

X-X-X-X-X

