

INTRODUCTION TO FINANCIAL SYSTEM

DURATION: 2 ½ hrs

DE:- 18/3/23



Marks: 75

Notes: 1) All questions are compulsory with internal choice.

2) Figures to right indicate marks

QUES 1 (A) Multiple choice questions (attempt any 8)

(8 Marks)

1) Money lenders, chit funds, Niddhis are all part of which type of market?

- a) financial market
- b) Money market
- c) Unorganized market
- d) Organized market

2) Which department regulates the consumer protection rights?

- a) Department of banking regulation
- b) Department of economic policy and research
- c) Consumer education and protection department
- d) financial markets protection department

3) What does OMO stand for?

- a) Open monetary operations
- b) Owner monetary organization
- c) Open market operations
- d) Open market organization

4) Which regulatory authority looks upon the information collection and data management objective?

- a) financial statistics unit
- b) Inspection and allied department
- c) Department of statistics and information management
- d) other departments

5) Which department looks over the policy supporting research department?

- a) Department of economics and policy research
- b) other departments
- c) Department of Non-banking supervision
- d) Department of banking regulation

6) What does IMSS stands for?

- a) Information market surveillance system
- b) international market service station
- c) Integrated market surveillance system
- d) Integrated monetary surveillance system

7) Who is the present RBI governor of India?

- a) Urjit Patel
- b) Rajeshwar Rao
- c) Shakti kanta das
- d) T. Rabi shah

8) _____ are negotiable money market instruments issued by banks and DFIS.

- a) Commercial papers
- b) Certificate of deposit
- c) T- bill
- d) Commercial bills

9) Market instrument like agricultural products metals commodities derivatives are regulated by:

- a) RBI
- b) SEBI
- c) FMC
- d) IRDA

10) A _____ is the other leg of the trade point, assures the risk by making simultaneous trades that offset each other and captures reference points

- a) Hedgers
- b) Speculators
- c) Arbitrageur



d) Commodity holders

Ques 1 Match the following: (attempt any 7 out of 10)

(7 Marks)

Group 1	Group 2
1) Currency markets	a) Unorganized Market
2) The SEBI Act	b) portfolio
3) Financial markets operation department	c) RBI governor
4) Chit funds	d) OTC
5) Over the counter	e) Foreign currency resident accounts
6) IMSS	f) Organized Market
7) Mutual funds	g) 1996
8) FCNR	h) 1992
9) Depositories act	i) Integrated market surveillance system
10) Shakti kanta das	j) OMO

Ques 2 (15 Marks)

- A) What is financial system? Explain in detail the role and functions of the financial system? (8 Marks)
- B) Explain in detail the structure and constituents of financial system (7 Marks)

OR

- C) What are financial regulators? Explain In detail RBI, SBI and IRDA as a financial regulator. (8 Marks)
- D) What are financial markets? Explain the roles and functions of financial market. (7 Marks)

Ques 3 (15 Marks)

- A) What is Capital Market? What are the roles and functions of Capital market? (8 Marks)
- B) What is currency market? Explain in detail the participants of currency market. (7 M)

OR

- C) What are the governing functions of RBI? (8 Marks)
- D) Discuss the different components of money market. (7 Marks)

Ques 4 (15 Marks)

- A) How does RBI regulate its various functions? (8 Marks)
- B) What is IRDA? What are the roles and functions of IRDA? (7 Marks)

OR

- C) Give a brief description on Debt Market, equity market and commodity market. (8M)

D) What are the monetary functions of RBI?

(7 Marks)

Ques 5 (15 Marks)

A) What are the key functions performed by the financial regulators?

(8 Marks)

B) What is difference between Money market and Capital market?

(7 Marks)

OR

SHORT NOTES: (attempt any 3)

(15 Marks)

A) FINANCIAL SYSTEM

B) RESERVE BANK OF INDIA

C) SECURITIES EXCHANGE BOARD OF INDIA

D) EQUITY MARKET

E) PENSION FUNDS