

(2.30 Hours)

Marks : 100

Q1 (A) Match the Following: (any 8)

(8)

Group A	Group B
1) Liquidity	a) Market for new securities
2) Money Market Instruments	b) Voyage Policy
3) Primary Market	c) Development Bank
4) Motor Insurance	d) Ability to convert into cash
5) Mutual Fund Performance	e) Three phases
6) Financial System Evolution	f) Highly liquid, less risky
7) Marine Insurance	g) Accepting deposits & lending money
8) EXIM Bank	h) Mandatory in India
9) Commercial Banks	i) Sharing of Risk
10) Insurance Contract	j) Sharpe's and Treynor Measure

Q1 (B) True & False: (any 7)

(7)

- 1) Hybrid Instruments have the features of debt and equity instruments.
- 2) Rights shares are when additional shares are offered to the existing shareholders.
- 3) Beta is a measure of Total Risk.
- 4) AMFI is the regulator of Mutual Funds in India.
- 5) Highly reputed blue chip companies are allowed to issue treasury bills in money market.
- 6) Financial System is important to reallocate capital and restructure the economy to accelerate growth.
- 7) Term insurance is the most basic form of life insurance.
- 8) Cargo insurance is concerned with the insurance of the physical ship.
- 9) Growth funds provide safety of investment and regular income to investors.
- 10) Unit holders appoint the AMC for mutual funds.

Q2 (a) What is Financial System? Explain its characteristics.

(8)

(b) Enumerate the role of SEBI.

(7)

OR

(c) What are the instruments used in Money Market?

(8)

(d) Explain the various financial institutions.

(7)

Q3 (a) Explain in brief the Non-Performing Assets of a Bank.

(8)

(b) What is Insurance? Explain the types of Life Insurance Policies

(7)

OR

(c) What is Reinsurance? Explain its need.

(8)

(d) Write a note on Investment policy of a commercial bank.

(7)

Q4 (a) Explain briefly the Operation of a Mutual Fund. (8)

(b) Explain how the performance of a Mutual Fund can be evaluated? (7)

OR

c) What are Mutual Funds? Explain its advantages and disadvantages. (15)

Q5 Write short notes: (any three). (15)

- 1) Development Bank
 - 2) Bancassurance
 - 3) General Insurance
 - 4) Fund based financial services
 - 5) RBI
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