

Program: S.Y.B.Com (MS) Semester: IV Program Code: UGMS02  
 Course: Introduction to Indian Financial System Course Code: NUMS404

Duration: 2 Hour Examination Pattern: NEP-Autonomous - External Max. Marks: 60

**Instructions:**

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Draw neat diagrams wherever necessary.

**Examination:**  
**REGULAR**

Q. 1	Attempt the following.	[15]	Course Outcome	Knowledge Level																																																																																																								
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	<b>VIII</b>	In Bancassurance, underwriting risk is handled by _____		
	a.	Bank	b.	Government
	c.	Insurance company	d.	RBI
	<b>(b)</b>	<b>State whether the following statements are true or false.</b>	<b>[07]</b>	
	<b>I</b>	The full form of IRDAI is Indian Regulation and Development Authority of Insurance.		
	<b>II</b>	A mutual fund primarily collects money from investors to invest in a diversified portfolio of securities.		
	<b>III</b>	Commercial Banks do not operate for profit.	<b>CO1,</b>	<b>L1, L2</b>
	<b>IV</b>	Interval funds combine features of equity and debt funds.	<b>CO2,</b>	
	<b>V</b>	Stock Broking means obtaining an expert opinion from a rating agency on the ability and willingness of a debtor to meet financial obligations.	<b>CO3</b>	
	<b>VI</b>	Saving is defined as the part of consumer's income which is not used for current consumption,		
	<b>VII</b>	Financial System is a set of complex and closely connected or intermixed institutions, agents, practices, transactions, claims and liabilities in the economy.		
<b>Q. 2</b>		<b>Attempt the following.</b>	<b>[15]</b>	<b>Course Outcome Knowledge Level</b>
	<b>(a)</b>	Apply the concept of the Financial System to explain its meaning and key functions in the Indian economy.	<b>[08]</b>	<b>CO1 L3</b>
	<b>(b)</b>	Categorize the different types of Mutual Funds in India.	<b>[07]</b>	<b>CO2 L4</b>
		<b>OR</b>		
	<b>(c)</b>	Illustrate the types of various Banking Financial Intermediaries in the Indian Financial System.	<b>[08]</b>	<b>CO1 L3</b>
	<b>(d)</b>	Examine the key features of Mutual Funds.	<b>[07]</b>	<b>CO2 L4</b>
<b>Q. 3</b>		<b>Attempt the following.</b>	<b>[15]</b>	<b>Course Outcome Knowledge Level</b>
	<b>(a)</b>	Critically evaluate the concept of Bancassurance in the light of recent trends, highlighting its advantages and challenges.	<b>[08]</b>	<b>CO3 L5</b>
	<b>(b)</b>	Explain the key characteristics of Development Banks operating in India.	<b>[07]</b>	<b>CO2 L2</b>
		<b>OR</b>		
	<b>(c)</b>	Appraise the growth of Mutual funds in India.	<b>[08]</b>	<b>CO3 L5</b>
	<b>(d)</b>	Describe in detail the basic concept and characteristics of Insurance.	<b>[07]</b>	<b>CO2 L2</b>
<b>Q. 4</b>		<b>Attempt the following.</b>	<b>[15]</b>	<b>Course Outcome Knowledge Level</b>
	<b>(a)</b>	Lakshmi is a self-employed woman running a small tailoring unit in a rural area of Maharashtra. Since she does not have collateral or a formal income proof, she is unable to get a loan from a commercial		<b>CO3 L3, L5</b>

bank. She approaches a Microfinance Institution (MFI) and receives a small unsecured loan, repayable in weekly installments. Over time, Lakshmi uses the loan to buy better equipment and increase her income. However, she also feels pressure due to high interest rates and strict repayment schedules.

**Questions**

Q1. Analyse how microfinance helped Lakshmi improve her economic condition.

[05]

Q2. Apply your understanding to explain one challenge Lakshmi may face while repaying the loan.

[05]

Q3. In your opinion, suggest one measure that MFIs can adopt to reduce borrower stress.

[05]

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