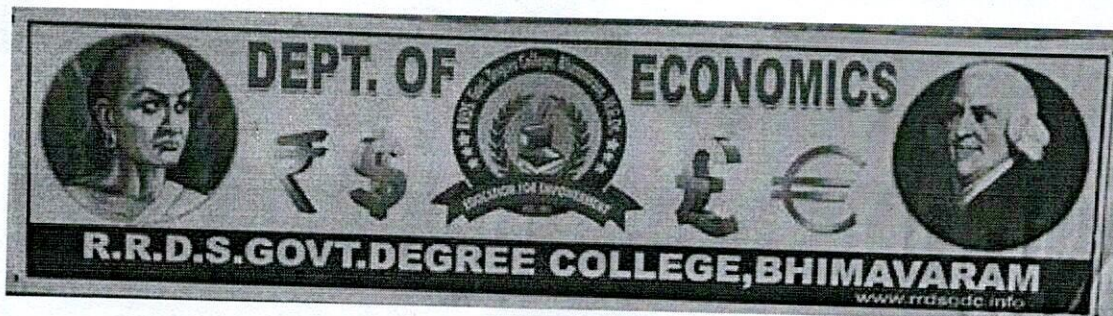


# RRDS GOVT. DEGREE COLLEGE

BHIMAVARAM-534202, WEST GODAVARI DISTRICT, ANDHRA PRADESH



2019-20

## Certificate Programme

Title of the Programme : NBFCs & Financial  
Markets

Duration : 30 hrs

No of Students Enrolled : 16

Starting Date: 06.08.2019

Ending Date: 26.09.2019

Faculty /Resource Persons: K. Swarupa Rani  
Lecturer in Economics  
RRDS Govt. Degree College  
Bhimavaram



  
PRINCIPAL  
R.R.D.S. Govt. Degree College  
BHIMAVARAM-534 202



# DEPARTMENT OF ECONOMICS

2019-20

## Certificate Programme on NBFCs & Financial Markets Curriculum

### SYLLABUS

**UNIT-I:** Non-Banking Financial Institutions(NBFCs)-Types-Financial Services offered by NBFCs-Regulation of NBFCs in India-Problems and Challenges of NBFCs in India-Major Players of NBFCs in India.

**UNIT-II:** Indian Financial System- its components - Financial markets and institutions

**UNIT-III:** Capital Market - its function - organizations - elements - (shares, debentures, bonds, mutual funds) debt market - Equity market (SEBI) and secondary market (NSE)

**UNIT-IV:** Money market - Organized - Unorganized - Sub market (call money, commercial bills, Treasury bill, Certificate of Deposit, Commercial papers)

**Learning Outcomes:** After successful completion of this course, the students will be able to;

- Acquire knowledge of NBFCs
- Acquire knowledge of financial terms
- Know the concepts relating to and markets and different avenues of investment
- Understand the career skills related to Stock Exchanges
- Comprehend the personal financial planning and money market skills

### SCHEDULE



Duration –One Hour per Day (4 to 5 pm )	SYLLABUS TO BE COVERED
Day 1	Concept of Non-Banking Financial Institutions(NBFCs)
Day 2	Types of NBFCs
Day 3	Financial Services offered by NBFCs
Day 4	Regulation of NBFCs in India
Day 5	Problems and Challenges of NBFCs in India
Day 6	Major Players of NBFCs in India
Day 7	Introduction to Indian Financial System
Day 8	Functions of Indian Financial system
Day 9	Components of Indian Financial System
Day 10	Financial Institutions-Banking Institutions
Day 11	Financial Institutions- Non Banking Banking Institutions
Day 12	Financial Assets-Call money, Notice Money,Term money
Day 13	Financial Assets-Treasury Bills, Certificates of Deposits, Commercial papers
Day 14	Financial Services-Banking Services
Day 15	Financial Services-Insurance Services
Day 16	Financial Services-Investment Services
Day 17	Financial Services-Foreign Exchange Services
Day 18	Introduction to Financial markets
Day 19	Money Markets and Capital Markets
Day 20	Introduction to Capital markets
Day 21	Functions of capital markets
Day 22	Elements of capital markets
Day 23	Debt Markets
Day 24	Primary and Secondary markets
Day 25	Equity Market (SEBI)
Day 26	Secondary Market (NSE)
Day 27	Introduction to Money Markets
Day 28	Organized Money Markets
Day 29	Unorganized Money Markets
Day 30	Foreign Exchange Markets

Methodology followed

1.Lecture method 2. Interactive Sessions 3. Participative Learning



*C. M. S.*  
PRINCIPAL  
R.R.D.S. Govt. Degree College  
BHIMAVARAM-534 202



# Department of Economics

## CERTIFICATE PROGRAMME

Name of the Programme :NBFCs & Financial Markets

### Assessment Procedure

This certification program consists of a 30-hour curriculum based on a learner-centered methodology. A formative assessment is given at the end of each class. After completing the course, a 60-minute test will be conducted according to the following procedure and graded according to the results.

Section	Nature of Questions	Marks Allotted	Total Marks
A	25 Objective Type Questions	1 marks each question	25
B	25 Fill in the Blanks	1 marks each question	25
Total			50
Qualifying Marks			25

Grade A Above 80% of Marks

Grade B+ 70% to 80%

Grade B 60% to 70%

Grade C 50% to 60%

Qualifying Grade - C



  
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BHIMAVARAM-534 202



## Departmental Resolution

8

Academic Year 2019-20

20.07.2019

Department of Economics

Resolution for conducting Certificate Course  
on NBFC's Financial Markets

It is resolved by the faculty of the Department of Economics to conduct a Certificate course titled "Financial Markets" for the academic year 2019-20. In this connection it is resolved to seek permission from the Principal, RRDS Govt Degree College, Bhimadole to conduct the course for 30 hrs duration.

K. Suresh Das  
Dept Incharge

Head  
Department of Economics  
RRDS Govt. Degree College  
BHIMADOLE, W.G. Dist.



# RRDS GOVT. DEGREE COLLEGE

BHIMAVARAM-534202, WEST GODAVARI DISTRICT, ANDHRA PRADESH

(Estd. 1972 - Affiliated to **Nannaya University** - Accredited by **NAAC**)

[www.rrdsgdc.info](http://www.rrdsgdc.info)

mail: [gdcbhimavaram.jkc@gmail.com](mailto:gdcbhimavaram.jkc@gmail.com)

Phone: 08816-223458

Dt: 01.08.2019



To

The In charge

Department of Economics

RRDS Govt. Degree College


Bhimavaram

Sub: Conduct of Certificate Programme for the Academic Year 2019-20  
- Permission accorded

As the certificate courses help in value addition and enhance the knowledge and skills of the students, permission is accorded to Department of Economics to conduct Certificate Course titled "NBFCs & Financial Markets" as per the convenient schedule.



Principal

  
PRINCIPAL  
R.R.D.S. Govt. Degree College  
BHIMAVARAM-534 202



# Notice

9

Department of Economics

NOTICE


01.08.2019

All the students from BA and B-Com programmes are hereby informed that the Dept of Economics is going to conduct a Certificate programme on Financial Markets for the academic year 2019-20.

The Certificate programme is aimed at enhancing the knowledge of the students on various aspects of Financial Markets. Hence, all the students are informed to register their names at Department of Economics on or before 02-Aug-2019.

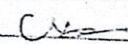
K. Suresh Kumar  
Head  
Department of Economics  
RRDS Govt. Degree College  
BHIMAVARAM, W.G. Dist.


Circulated to

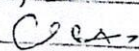
I BA 

II BA 

III BA 

I B.COM 

II B.COM 

III B.COM 



# RRDS GOVERNMENT DEGREE COLLEGE, BHIMAVARAM



Academic Year 2019-20

CERTIFICATE PROGRAMME ON  
NBFCs & FINANCIAL MARKETS

Conducted from 06.08.2019-26.09.2019

List of Students Enrolled in the Certificate Programme

S No	Regd No	Name of the Student	Class	Sign of the Student
1	193126203001	A Durga Bhavani	I BA	A. Durga Bhavani
2	193126203002	D Chakradhar Chaudary	I BA	D. Chakradhar Chaudary
3	193126203003	G Lavanya Sai	I BA	G. Lavanya Sai
4	193126203004	K Rama Krishna Rao	I BA	K. Rama Krishna Rao
5	193126203005	N Rakesh	I BA	N. Rakesh
6	193126203006	N Teja Kumar	I BA	N. Teja Kumar
7	193126203007	P Sai Durga Nagalakshmi	I BA	P. Sai Durga
8	193126203008	P Venkatesh	I BA	P. Venkatesh
9	193126203010	V Naveen Kumar	I BA	V. Naveen Kumar
10	193126203011	Y Naveen Babu	I BA	Y. Naveen Babu
11	193128200001	B Kalyani Sai	I B.Com	B. Kalyani Sai
12	193128200002	D Jashuva	I B.Com	D. Jashuva
13	193128200003	K Deepthi	I B.Com	K. Deepthi
14	193128200004	P Hema	I B.Com	P. Hema
15	193128200005	P Sireesha	I B.Com	P. Sireesha
16	193128200006	V Subash	I B.Com	V. Subash



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R.R.D.S. Govt. Degree College  
BHIMAVARAM-534 202



# RRDS GOVT DEGREE COLLEGE BHIMAVARAM



## DEPARTMENT OF ECONOMICS

**Summative Assessment at the end of the Certificate Programme  
For the Academic Year 2019-20**

**Name of the programme: NBFCs & FINANCIAL MARKETS**

**Max.Marks : 50**

**Time: 2hrs**

### **Section-A**

**25 Marks**

1. What does the term "NBFC" stand for? ( )  
a) Non-Banking Financial Corporation b) Non-Banking Financial Company  
c) Non-Banking Financial Cooperative d) Non-Banking Financial Consortium
2. Which of the following is not a characteristic of NBFCs? ( )  
a) They cannot accept demand deposits. b) They provide loans and advances.  
c) They can issue cheques and demand drafts. d) They are regulated by the Reserve Bank of India (RBI).
3. Which regulatory body is responsible for overseeing and regulating NBFCs in India? ( )  
a) Securities and Exchange Board of India (SEBI) b) Reserve Bank of India (RBI)  
c) Ministry of Finance d) National Housing Bank (NHB)
4. Which of the following activities is NOT typically carried out by NBFCs? ( )  
a) Investment in securities b) Credit rating services c) Insurance underwriting  
d) Hire purchase financing
5. NBFCs are classified into different types based on their liabilities. Which type primarily relies on external funds for lending activities? ( )  
a) Asset Finance Companies (AFCs) b) Investment Companies (ICs)  
c) Infrastructure Finance Companies (IFCs) d) Loan Companies (LCs)



6. Which of the following statements is true about NBFCs? ( )  
 a) They can issue cheques that are payable on demand. b) They are allowed to accept demand deposits from the public. c) They are authorized to offer checking and savings accounts.  
 d) They are subject to the same regulations as commercial banks.
7. Which of the following is a key difference between NBFCs and banks? ( )  
 a) NBFCs can accept demand deposits, while banks cannot. b) NBFCs are not regulated by any authority. c) NBFCs can issue currency, while banks cannot. d) NBFCs cannot provide loans or advances.
8. Which financial institution is an example of an NBFC in India? ( )  
 a) State Bank of India (SBI) b) Life Insurance Corporation of India (LIC)  
 c) Punjab National Bank (PNB) d) Bajaj Finance Limited
9. True or False: NBFCs play a significant role in providing credit to the unbanked and underbanked segments of the population. a) True b) False ( )
10. Which of the following is a risk associated with NBFCs? ( )  
 a) Interest rate b) Market risk c) Credit risk d) All of the above
11. Which is the central bank of India? ( )  
 a) Reserve Bank of India (RBI) b) State Bank of India (SBI) c) Punjab National Bank (PNB)  
 d) Bank of India (BOI)
12. The Nationalization of major banks in India took place in which year? ( )  
 a) 1947 b) 1969 c) 1991 d) 2000
13. Which is the largest public sector bank in India in terms of assets? ( )  
 a) State Bank of India (SBI) b) Punjab National Bank (PNB)  
 c) Bank of Baroda (BOB) d) Canara Bank
14. Which organization regulates and supervises the functioning of banks in India? ( )  
 a) Reserve Bank of India (RBI) b) Securities and Exchange Board of India (SEBI) c) Insurance
15. What is the primary objective of the Reserve Bank of India? ( )  
 a) Promotion of agriculture and rural development b) Price stability and control of inflation  
 c) Employment generation d) Poverty eradication
16. \_\_\_\_\_ is a link between savers & borrowers, helps to establish a link between savers & investors ( )  
 (a) Marketing (b) Financial market (c) Money market (d) None of these
17. \_\_\_\_\_ is the organisations, institutions that provide long term funds. ( )  
 (a) Capital market (b) Money market (c) Primary market (d) Secondary market
18. Stock exchange is known as \_\_\_\_\_ market for securities. ( )  
 (a) Primary market (b) Secondary market (c) Capital market (d) None of the above



19. Which of the following are the instruments of money market? ( )  
 (a) Call money (b) Certificate of deposits (c) Trade bills (d) All of the above
20. It is an instrument of short-term borrowing by the Government of India maturing in less than one year. ( )  
 (a) Commercial bill (b) Treasury bill (c) Call money (d) None of the above
21. Who issues a treasury bill? ( )  
 (a) Any nationalised bank (b) Any private sector bank (c) Reserve Bank of India  
 (d) All of the above
22. It is a method by which banks borrow from each other to be able to maintain the cash reserve ratio. ( )  
 (a) Commercial bill (b) Commercial papers (c) Call money (d) None of the above
23. A company can raise capital through the primary market in the form of ( )  
 (a) Equity shares (b) Preference shares (c) Debentures (d) All of the above
24. Stock Exchange works as a mechanism for valuation of securities through the forces of demand and supply. Identify the related function of performed by the stock exchanges. ( )  
 (a) Providing liquidity and marketability to existing securities. (b) Safety of transaction.  
 (c) Pricing of security. (d) Spreading of equity cult.
25. The mandatory detail that an investor has to provide to the broker at the time of opening a demat account is ( )  
 (a).Date of birth and address (b) PAN number (c) Residential status (Indian/NRI)  
 (d) Bank account details.

## Section-B

25 Marks

1. .... acts as a marketplace for short-term borrowing and lending.
2. The securities that have a maturity period of more than a year are traded in the ..... market.
3. .... market deals in trading of currencies of different countries.
4. .... acts as chief and most prominent regulatory authority for the banks and non-banking financial institutions.
5. The ..... acts as the chief governor of the insurance companies and their intermediaries
6. .... is mainly used by the banks to meet their temporary requirement of cash.
7. .... is an unsecured instrument issued in the form of promissory note for financing working capital requirements of companies.
8. .... Market consists of arrangements, which facilitate the procurement of longterm funds by companies by making fresh issue of shares and debentures.



9. There are .....stock exchanges in India presently, including BSE, NSE and OTCEI.
10. ....market provides a place where these securities can be encashed without any difficulty and delay.
11. NBFCs are financial institutions that provide \_\_\_\_\_ and other financial services but do not hold a banking license.
12. The primary source of funding for NBFCs is \_\_\_\_\_, unlike banks that rely on deposits from the public.
13. NBFCs are regulated by the \_\_\_\_\_ in most countries, including India.
14. NBFCs are prohibited from accepting \_\_\_\_\_ deposits, unlike banks.
15. NBFCs are categorized into different types based on their \_\_\_\_\_ activities and liabilities.
16. \_\_\_\_\_ is an example of a commonly offered service by NBFCs, where they purchase consumer goods and lease them to individuals.
17. The risk associated with the possibility of borrowers defaulting on loan repayments is known as \_\_\_\_\_ risk, which is a significant concern for NBFCs.
18. NBFCs play a crucial role in promoting \_\_\_\_\_ by providing credit facilities to individuals and businesses that may not have access to traditional banking services.
19. The Reserve Bank of India (RBI) requires NBFCs to maintain a minimum \_\_\_\_\_ ratio to ensure financial stability and protect depositors' interests.
20. NBFCs are an integral part of the \_\_\_\_\_ sector, contributing to economic growth and financial inclusion.
21. A \_\_\_\_\_ is a market where various financial instruments such as stocks, bonds, currencies, and commodities are traded.
22. The \_\_\_\_\_ market is where new securities are issued to raise capital for businesses or governments.
23. A \_\_\_\_\_ is a financial instrument that represents ownership in a company and entitles the holder to share in its profits and assets.
24. \_\_\_\_\_ are debt instruments issued by corporations or governments to raise capital, which typically pay periodic interest to bondholders.
25. The \_\_\_\_\_ market involves the buying and selling of foreign currencies, facilitating international trade and investment.



## FINANCIAL MARKETS

2019-20

15

S.No Regd No		name of the student		class		Attendance Sheet																		15		
						Day-1			Day-2			Day-3			Day-4			Day-5			Day-6			Day-7		
						Date	Perf	Abs	Date	Perf	Abs	Date	Perf	Abs	Date	Perf	Abs	Date	Perf	Abs	Date	Perf	Abs	Date	Perf	Abs
1.	193126203001	A. Durga Bhavani		IBA				P			P			P			P			P			P			P
2	193126203002	D. Chandhar Choudary		IBA				P			P			P			P			P			P			P
3	193126203003	G. Lavanya Sai		IBA				P			P			P			P			P			P			P
4	193126203004	K. Rama Krishna Rao		IBA				P			P			P			P			P			P			P
5	193126203005	N. Raksh		IBA				P			P			P			P			P			P			P
6	193126203006	N. Teja Kumar		IBA				P			P			P			P			P			P			P
7	193126203007	P. Sai Durga Naga Lakshmi		IBA				P			P			P			P			P			P			P
8	193126203008	P. Venkatesh		IBA				P			P			P			P			P			P			P
9	193126203009	V. Navaneeth Kumar		IBA		06.08.2019		P			P			P			P			P			P			P
10	193126203011	Y. Navaneeth Babu		IBA				P			P			P			P			P			P			P
11	193128200001	B. Kalyani Sai		I Bcom		06.08.2019		P			P			P			P			P			P			P
12	193128200002	D. Jashwanth		I Bcom				P			P			P			P			P			P			P
13	193128200003	K. Deepthi		I Bcom				P			P			P			P			P			P			P
14	193128200004	P. Hema		I Bcom				P			P			P			P			P			P			P
15	193128200005	P. Sireesha		I Bcom				P			P			P			P			P			P			P
16	193128200006	V. Subash		I Bcom				P			P			P			P			P			P			P



Certificate Program on Financial Markets  
Academic Year 2019-20  
ATTENDANCE SHEET

16

17

[illegible]



## 13

Day-22	Day-23	Day-24	Day-25	Day-26	Day-27	Day-28	Day-29	Day-30	Max Marks	Other	Grade
Date	Trial	Atte	Date	Trial	Atte	Date	Trial	Atte	(50)		
P	P	P	q	P	P	q	P	P	38	B+	
P	P	q	P	P	P	P	P	P	41	A	
Unorganized money market	P	P	Syllabus	P	P	P	P	P	35	B+	
q	P	P	P	Market	P	P	P	P	34	B	
P	P	P	P	P	Financial Services	P	P	P	32	B	
P	P	P	P	P	P	P	P	P	35	B+	
P	P	P	P	P	P	P	P	P	41	A	
P	P	P	P	P	P	P	P	P	38	B+	
P	P	P	P	P	P	P	P	P	27	C	
P	P	P	P	P	P	P	P	P	28	C	
P	P	P	P	P	P	P	P	P	34	B	
P	P	P	P	P	P	P	P	P	29	C	
P	P	P	P	P	P	P	P	P	28	C	
P	P	P	P	P	P	P	P	P	34	B	
P	P	P	P	P	P	P	P	P	27	C	
P	P	P	P	P	P	P	P	P	34	B	
+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-	+/-

*[Signature]*  
PRINCIPAL  
R.R.D.S.Govt. Degree College,  
BHIMAVARAM-534 202

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BHIMAVARAM-534 202



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BHIMAVARAM-534 202



**RRDS GOVERNMENT DEGREE COLLEGE- BHIMAVARAM**  
**West Godavari District, Andhra Pradesh**



**CERTIFICATE**

This is to certify that Mr./Ms. D. Jashuva ..... of I.B.Com. ..... bearing University  
Regd. No. 193128200002 has successfully completed Certificate Programme in NBFCs & Financial Markets .....  
..... conducted by Department of Economics ..... from 06-08-2019 to 26-09-2019  
for the Academic Year 2019-20

K. Suresh

Programme  
Coordinator

[Signature]

IQAC  
Co coordinator

[Signature]

Principal



**PRINCIPAL**  
R.D.S. Govt. Degree College  
BHIMAVARAM-534 202



# **RRDS GOVERNMENT DEGREE COLLEGE- BHIMAVARAM**

**West Godavari District, Andhra Pradesh**



## **CERTIFICATE**

This is to certify that Mr./Ms. D. Chakradhar Chaudary of IBA bearing University Regd. No. 193126203002 has successfully completed Certificate Programme in NBFCs & Financial Markets conducted by Department of Economics from 06.08.2019 to 26.09.2019 for the Academic Year 2019-20

K. Swaroop

Programme  
Coordinator

[Signature]

IQAC  
Co coordinator

[Signature]  
Principal



PRINCIPAL  
R.S. Govt. Degree College  
BHIMAVARAM-534 202



D. Jakhwa, I. B. Com

# PRRDS GOVT DEGREE COLLEGE BHIMAVARAM



## DEPARTMENT OF ECONOMICS

Summative Assessment at the end of the Certificate Programme  
For the Academic Year 2019-20

Name of the programme: NBFCs & FINANCIAL MARKETS

Max.Marks : 50

Section-A

Time: 2hrs

25 Marks

41/50

1. What does the term "NBFC" stand for?  
a) Non-Banking Financial Corporation b) Non-Banking Financial Company  
c) Non-Banking Financial Cooperative d) Non-Banking Financial Consortium (b)
2. Which of the following is not a characteristic of NBFCs?  
a) They cannot accept demand deposits. b) They provide loans and advances.  
c) They can issue cheques and demand drafts. d) They are regulated by the Reserve Bank of India (RBI). (c)
3. Which regulatory body is responsible for overseeing and regulating NBFCs in India?  
a) Securities and Exchange Board of India (SEBI) b) Reserve Bank of India (RBI)  
c) Ministry of Finance d) National Housing Bank (NHB) (b)
4. Which of the following activities is NOT typically carried out by NBFCs?  
a) Investment in securities b) Credit rating services c) Insurance underwriting  
d) Hire purchase financing (b)
5. NBFCs are classified into different types based on their liabilities. Which type primarily relies on external funds for lending activities?  
a) Asset Finance Companies (AFCs) b) Investment Companies (ICs)  
c) Infrastructure Finance Companies (IFCs) d) Loan Companies (LCs) (b)



6. Which of the following statements is true about NBFCs? (a)
- a) They can issue cheques that are payable on demand. b) They are allowed to accept demand deposits from the public. c) They are authorized to offer checking and savings accounts. d) They are subject to the same regulations as commercial banks.
7. Which of the following is a key difference between NBFCs and banks? (a)
- a) NBFCs can accept demand deposits, while banks cannot. b) NBFCs are not regulated by any authority. c) NBFCs can issue currency, while banks cannot. d) NBFCs cannot provide loans or advances.
8. Which financial institution is an example of an NBFC in India? (d)
- a) State Bank of India (SBI) b) Life Insurance Corporation of India (LIC)  
c) Punjab National Bank (PNB) d) Bajaj Finance Limited
9. True or False: NBFCs play a significant role in providing credit to the unbanked and underbanked segments of the population. a) True b) False (a)
10. Which of the following is a risk associated with NBFCs? (d)
- a) Interest rate b) Market risk c) Credit risk d) All of the above
11. Which is the central bank of India? (a)
- a) Reserve Bank of India (RBI) b) State Bank of India (SBI) c) Punjab National Bank (PNB)  
d) Bank of India (BOI)
12. The Nationalization of major banks in India took place in which year? (b)
- a) 1947 b) 1969 c) 1991 d) 2000
13. Which is the largest public sector bank in India in terms of assets? (a)
- a) State Bank of India (SBI) b) Punjab National Bank (PNB)  
c) Bank of Baroda (BOB) d) Canara Bank
14. Which organization regulates and supervises the functioning of banks in India? (b)
- a) Reserve Bank of India (RBI) b) Securities and Exchange Board of India (SEBI) c) Insurance
15. What is the primary objective of the Reserve Bank of India? (b)
- a) Promotion of agriculture and rural development b) Price stability and control of inflation  
c) Employment generation d) Poverty eradication
16. \_\_\_\_\_ is a link between savers & borrowers, helps to establish a link between savers & investors (b)
- (a) Marketing (b) Financial market (c) Money market (d) None of these
17. \_\_\_\_\_ is the organisations, institutions that provide long term funds. (a)
- (a) Capital market (b) Money market (c) Primary market (d) Secondary market
18. Stock exchange is known as \_\_\_\_\_ market for securities. (a)
- (a) Primary market (b) Secondary market (c) Capital market (d) None of the above



19. Which of the following are the instruments of money market?

(d)

(a) Call money (b) Certificate of deposits (c) Trade bills (d) All of the above

20. It is an instrument of short-term borrowing by the Government of India maturing in less than one year.

(b)

(a) Commercial bill (b) Treasury bill (c) Call money (d) None of the above

21. Who issues a treasury bill?

(c)

(a) Any nationalised bank (b) Any private sector bank (c) Reserve Bank of India

(d) All of the above

22. It is a method by which banks borrow from each other to be able to maintain the cash reserve ratio.

(c)

(a) Commercial bill (b) Commercial papers (c) Call money (d) None of the above

23. A company can raise capital through the primary market in the form of

(d)

(a) Equity shares (b) Preference shares (c) Debentures (d) All of the above

24. Stock Exchange works as a mechanism for valuation of securities through the forces of demand and supply. Identify the related function of performed by the stock exchanges.

(a)

(a) Providing liquidity and marketability to existing securities. (b) Safety of transaction.

(c) Pricing of security. (d) Spreading of equity cult.

25. The mandatory detail that an investor has to provide to the broker at the time of opening a demat account is

(d)

(a). Date of birth and address (b) PAN number (c) Residential status (Indian/NRI)

(d) Bank account details.

## Section-B

25 Marks

1. Money Market acts as a marketplace for short-term borrowing and lending.

2. The securities that have a maturity period of more than a year are traded in the

Capital Market

3. Foreign Exchange market deals in trading of currencies of different countries.

4. RBI acts as chief and most prominent regulatory authority for the banks and non-banking financial institutions.

5. The IRDA acts as the chief governor of the insurance companies and their intermediaries

6. Treasury bills is mainly used by the banks to meet their temporary requirement of cash.

7. Commercial paper is an unsecured instrument issued in the form of promissory note for financing working capital requirements of companies.

8. Money Market Market consists of arrangements, which facilitate the procurement of longterm funds by companies by making fresh issue of shares and debentures.



9. There are 23 stock exchanges in India presently, including BSE, NSE and OTCEI.
10. Stock Market market provides a place where these securities can be encashed without any difficulty and delay.
11. NBFCs are financial institutions that provide loans and other financial services but do not hold a banking license.
12. The primary source of funding for NBFCs is Foreign Investment, unlike banks that rely on deposits from the public.
13. NBFCs are regulated by the Central Bank in most countries, including India.
14. NBFCs are prohibited from accepting Demand deposits, unlike banks.
15. NBFCs are categorized into different types based on their Financial activities and liabilities.
16. Hire purchase Service is an example of a commonly offered service by NBFCs, where they purchase consumer goods and lease them to individuals.
17. The risk associated with the possibility of borrowers defaulting on loan repayments is known as Credit risk, which is a significant concern for NBFCs.
18. NBFCs play a crucial role in promoting Entrepreneurship by providing credit facilities to individuals and businesses that may not have access to traditional banking services.
19. The Reserve Bank of India (RBI) requires NBFCs to maintain a minimum 15 percent ratio to ensure financial stability and protect depositors' interests.
20. NBFCs are an integral part of the Financial sector, contributing to economic growth and financial inclusion.
21. A Stock Market is a market where various financial instruments such as stocks, bonds, currencies, and commodities are traded.
22. The Primary market is where new securities are issued to raise capital for businesses or governments.
23. A Share is a financial instrument that represents ownership in a company and entitles the holder to share in its profits and assets.
24. Bonds are debt instruments issued by corporations or governments to raise capital, which typically pay periodic interest to bondholders.
25. The Foreign Exchange market involves the buying and selling of foreign currencies, facilitating international trade and investment.