

**PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)**

**BVoc DEGREE EXAMINATION MAY 2023
(Third Semester)**

Branch – **COMMERCE (BANKING, STOCK AND INSURANCE)**

INDIAN FINANCIAL SYSTEM

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer **ALL** questions

ALL questions carry **EQUAL** marks (5 x 1 = 5)

1. Which of the following is not related with Structure of Indian Financial System?

i) Banking system	ii) Financial system
iii) Market system	iv) Financial Services system
2. Which is not one of the development steps taken for Capital Market?

i) Open Outcry	ii) Book Building
iii) Establishing SEBI	iv) Screen Based Trading
3. Which is the first development financial institution in India.

i) IDBI	ii) ICICI	iii) IFCI	iv) RBI
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4. Which of the following is not a fee-based financial service?

i) Corporate counseling	ii) Lease financing
iii) Issue management	iv) Profit management
5. Which agency regulates and supervises NBFCs?.

i) Finance Ministry	ii) SEBI
iii) RBI	iv) Respective state government

SECTION – B (15 Marks)

Answer **ALL** the Questions

ALL Question Carry **EQUAL** Marks (5 x 3 = 15)

6. a) Explain the developments of financial system in India..
OR
b) Bring out various functions of financial markets.
7. a) Distinguish between Corporate bond and Municipal bond.
OR
b) Define capital market. How it is differed with money market?
8. a) Illustrate the categories of financial institutions.
OR
b) Write down the objectives of Merchant Banks.
9. a) Specify the different characteristics of financial services.
OR
b) Explain the growth of financial service sector in India.
10. a) Mention principle business of NBFCs in India
OR
b) list out registration procedures of NBFCs.

Cont...

SECTION – C (30 Marks)

Answer any **THREE** Questions

ALL Question Carry **EQUAL** Marks (5 x6= 30)

11. a) Analyse the contribution of Financial System in Economic Development.
OR
b) Explain the the roles financial intermediaries.
12. a) Discuss in detail about the constituents of financial markets.
OR
b) Explain the significance of municipal bonds.
13. a) Who is merchant banker? Bring out their functions in detail.
OR
b) Describe the functions of Indian financial Institutions.
14. a) Outline problems of financial services in India.
OR
b) Illustrate characteristics and concepts of financial services market.
15. a) Enumerate the structure of NBFCs.
OR
b) Explain the functions of NBFCs.

Z-Z-Z

END

PSG COLLEGE OF ARTS AND SCIENCE
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BVoc DEGREE EXAMINATION MAY 2023
(Second Semester)

Branch- BANKING, STOCK AND INSURANCE

MATHEMATICS FOR BUSINESS

Time: Three hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL the questions

ALL questions carry EQUAL marks (5 x 1 = 5)

- Identify the simple interest on Rs.6000 at 10% for 3 years.
(i) Rs. 3800 (ii) Rs. 2800 (iii) Rs. 1800 (iv) Rs. 1500
- If the payments are to be made at the beginning of each interval, then the annuity is called
(i) Perpetual Annuity (ii) Annuity Due
(iii) Present Value (iv) Immediate Annuity
- Mention the method to obtain optimum solution in a transportation problem
(i) NWCM (ii) LCM (iii) LCM (iv) MODI
- Indicate two-person zero sum game
(i) Sum of losses to one player is equal to the sum of gains to other
(ii) Sum of losses to one player is not equal to the sum of gains to other
(iii) None of the above
(iv) Both (i) and (ii)
- Choose Little's formula
(i) $L_s = \lambda W_s$ (ii) $L_q = \lambda W_s$ (iii) $W_s = W_q$ (iv) $L_s = \mu W_q$

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 3 = 15)

- a) Calculate the compound interest on Rs.20,000 for 5 years at 20% per annum.
(Or)
b) Calculate the effective rate of interest equivalent to a nominal rate of 12% per annum, compounded monthly.
- a) Calculate the Banker's discount on a bill whose present value is Rs.10,000 and which is legally due 4 months at 10% per annum.
(Or)
b) Calculate the term of a bill of Rs.18,360 whose true discount at 8% p.a is Rs.360.
- a) Calculate the basic solution for following transportation problem by Least cost method.

3	3	4	1	100
4	2	4	2	120
1	5	3	2	80
120	80	75	25	

(Or)

- b) Narrate basic feasible solution in transportation Problem.
- a) Solve the following game

		Player B	
		I	II
Player A	I	1	1
	II	4	-3

(Or)

- b) State Dominance Property for games.
- a) Discuss queueing theory.
(Or)
b) Classify Kendall's notation in queueing models.

Cont...

SECTION -C (30 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks (5 x 6 = 30)

11. a) The difference between the CI and the SI for 3 years at 5% per annum on a certain sum of money was Rs.610. Discover the sum(principal).
(Or)
- b) At the end of each year the value of a machine depreciates by 10% of its value at the commencement of the year. If the value of the machine at the commencement was Rs.58,750, Discover the value of the machine after 3 years.

12. a) A sum of Rs.1000 is to be paid at the end of every year for a period of 5 years at the rate of 10% per annum compound interest. If the first installment is paid at the end of first year, how much amount will be accrued to the credit of the depositor?

(Or)

- b) A bill for Rs.1,825 was drawn on 22nd January at 6 months date and discounted on 16th April at the rate of 10% per annum. Calculate the banker's gain.
13. a) Outline transportation problem and MODI method.
(Or)
- b) Obtain Basic feasible solution for the following Transportation problem by NWCM, LCM and VAM. Compare your results

	W1	W2	W3	W4	Supply
F1	19	30	50	10	8
F2	70	30	40	60	10
F3	40	8	70	20	19
Demand	6	8	8	15	37

14. a) Discuss the following game by dominance rule.

		Player A			
		I	II	III	IV
Player B	I	3	5	4	2
	II	5	6	2	4
	III	2	1	4	0
	IV	3	3	5	2

(Or)

- b) Discuss the following game by using graphical method

	I	II	III
I	1	3	11
II	8	5	2

15. a) Customers arrive at a watch repair shop according to a Poisson process at a rate of one per every 10 minutes and the service time is an exponential distribution with mean 8 minutes.

Analyze

- The average number of customers in the shop
- The average waiting time a customer spends in the shop
- The average number of customers in the queue
- What is the probability that the server is idle?
- What is the probability that the server is busy?

(Or)

- b) A self-service store has one cashier at its counter, 9 customers arrive on an average 5 minutes while the cashier can serve 10 customers in 5 minutes. Assuming Poisson distribution for arrival rate and exponential distribution for service rate, Analyze

- Average number of customers in the system
- Average number of customers in the queue
- Average time a customer waits before being served
- Average time a customer spends in the system

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(Second Semester)

Branch – BANKING, STOCK & INSURANCE

INSURANCE SYSTEM

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks (5 x 1 = 5)

- 1 The things or property insured is called _____ of the insurance.
(i) Subject matter (ii) Insurable interest
(iii) Policy (iv) Premium
- 2 The principle of _____ ensures that an insured does not profit by insuring with multiple insurers.
(i) subrogation (ii) Contribution
(iii) Co-insurance (iv) Indemnity
- 3 The Third-Party Administrator's role mainly involves.
(i) Canvassing business for the insurer
(ii) Issuing documents on behalf of the insurer
(iii) Arranging for reinsurance
(iv) Checking and paying insurance claims
- 4 Which of the following is the challenge for bancassurance in India?
(i) Challenge in work culture
(ii) Effective mining of the database
(iii) Threat of cannibalization
(iv) All of above
- 5 _____ refers to the manner in which the risk control measures that have been implemented?
(i) Risk financing (ii) Risk retention
(iii) Risk transfer (iv) Risk sharing

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 3 = 15)

- 6 a Describe the Concept of risk and hazard.
OR
b Bring out the benefits of e-insurance.
- 7 a Explain the terms Insured, Insurer, Premium and Policy.
OR
b Compare the concept of Insurance and Assurance.
- 8 a State the impact of LIC IPO in insurance industry.
OR
b Summarise the reforms in insurance sector.

Cont...

- 9 a Narrate the role of surveyors and loss assessors.
OR
b Outline the features of insurance organisations.
- 10 a Describe the risk financing in insurance.
OR
b Summarise in short about the recent trends in insurance.

SECTION -C (30 Marks)

Answer any **Three** questions

ALL questions carry **EQUAL** Marks

(3 x 10 = 30)

- 11 Enumerate the methods of handling risk in insurance.
- 12 Analyse the principles of insurance in brief.
- 13 Highlight the features of Privatization & Liberalization of Indian insurance sector.
- 14 Elucidate the different insurance intermediaries.
- 15 Analyse the risk control tools and techniques in insurance.

Z-Z-Z

END