

Time: 2½ Hours

Total Marks: 75

**Q:1 A) State whether statement is True or False (Any Eight)**

(08)

- 1) Agriculture finance contributes 25% to India's GDP.
- 2) NABARD is apex body in regulating the financial services in Rural India.
- 3) The Grameen model is one of the approaches of Microfinance.
- 4) MSMEs Act was notified in 2006.
- 5) Cash Reserve Ratio is one of the components of Monetary Policy.
- 6) Schedule 13 deals with deposit.
- 7) Transaction risk refers to the risk within business loans.
- 8) Peer to Peer lending has become globally popular post 2018.
- 9) SIDBI is a financial institution headquartered at Delhi.
- 10) Micro credit is a large amount of money provided to groups.

**B) Match the following (Any Seven)**

(07)

Column A	Column B
1) Rural Development Policy	1) Deposits
2) NABARD	2) Apex Institution
3) Cooperative Banks	3) 2005
4) Education Loan	4) Level of Inflation
5) Indian Institute Enterprises	5) 1999
6) SEBI	6) 1993
7) CRR	7) Vidya Laxmi
8) Credit Information Company Act	8) 1904
9) SIDBI	9) 12 July 1982
10) Schedule 03	10) Technology Policy

**Q:2 A) Define Rural Finance and Explain its Features.**

(08)

**B) Explain the Micro Credit and its importance.**

(07)

**OR**

**C) Explain the factors affecting Operating Expenses..**

(08)

**D) The following information is about the plumbing business.**

(07)

**Calculate the Break Even Point for Plumbing Business:-**

Fixed Cost		Variable Cost Per Piping Rs.	
Depreciation	36000 P.a.	Taps	300
Rent	800 p.m.	Pipes	250
Stationery	400 p.m.		
Salary	500 p.m.		
Director Salary	600 p.m.		
Assistant Salary	450 p.m.		

Revenue earned by sales per unit is Rs. 1500/-.



**Q:3 A)** Write a brief note on Function of NSIC in India. (08)

B) Explain the Functions of SIDBI. (07)

OR

C) Describe Alternative Source of Financing. (08)

D) Calculate the Yield to Maturity of Bond:- (07)

Mr. Anand is considering issuing corporate bonds of Dragon Joint Stock Company. He has found out that the nominal value of these bonds is Rs.1500. The bonds receive interest @ 4% yearly. The maturity of these bonds are 20 years and the bonds are currently trading at Rs. 2000.

**Q:4 A)** Explain the Difference between NBFC and Bank. (08)

B) Explain Non Performing Assets. (07)

OR

C) From the following information prepare the profit and loss account of Jash Cooperative Bank Ltd. as on 31st March 2024. (15)

Particular	Rs.	Particular	Rs.
Money at call and short notice	20,00,000	Issued and subscribed capital ( 40000 shares of Rs.10/- each)	40,00,000
Cash in hand	18,00,000	Reserve fund	20,00,000
Cash at bank	22,00,000	Deposits	37,00,000
Investments	13,00,000	Borrowing	10,50,000
Secured loans	22,00,000	Interest and discounts	15,00,000
Cash credits	10,50,000	Commission and brokerage	1,95,000
Premises less depreciation	8,50,000		
Furniture less depreciation	1,50,000		
Rent	7,500		
Interest paid on deposits	4,50,000		
Salary and allowance paid	2,00,000		
Interest paid on borrowings	75,000		
Audit fees	10,000		
Directors fees	12,000		
Other assets	1,00,000		
Depreciation on banks property	19,500		
Printing and stationery	12,000		
Advertisement	1,500		
Postage and telegrams	3,000		
Other expenses	4,500		
	<b>1,55,87,350</b>		<b>1,55,87,350</b>

**Other Information:**

- Provide Rs.20000 for doubtful debts.
- Rebate on bills discounted is Rs.25000.
- Acceptances and endorsements on behalf of customers are Rs.400000.
- Provide Rs.40000 for taxes
- Transfer 25% of profit to statutory Reserve.



**Q:5 A)** Explain in brief Strategic Risk.

(08)

B) Explain the causes of High Credit Risk.

(07)

**OR**

**Q:5 C) Short Notes ( Any Three)**

(15)

1. Credit Risk
2. Cash Reserve Ratio
3. Function of Ni- MSME
4. Goal of MFIs
5. Features of Indian Agriculture

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