

# NEP - Semester End Examination – October 2025

Program: FYB.SC IT SEM I Course: Introduction To Indian Financial System

Program Code: UGIT01 Course Code: NUMS404

Duration: 1 Hour

Max. Marks: 30

**Instructions:**

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

| Q. 1 | Attempt any TWO of the following.   | [10] | Course Outcome | Knowledge Level |
|------|---|------|----------------|-----------------|
| (a)  | <b>Fill in the blanks with an appropriate answer from the alternatives given.</b> | [05] | CO1<br>CO2     | L1 – L2         |
|      | I) What is meant by saving?   |      |                |                 |
|      | a. Spending more than income.   |      |                |                 |
|      | b. Keeping aside money for future use.  |      |                |                 |
|      | c. Investing in risky assets  |      |                |                 |
|      | d. Borrowing money from bank  |      |                |                 |
|      | II) Which principle suggests “spend less than you earn”?                          |      |                |                 |
|      | a. Liquidity principle  |      |                |                 |
|      | b. Saving principle   |      |                |                 |
|      | c. Inflation principle  |      |                |                 |
|      | d. Risk-return principle  |      |                |                 |
|      | III) Which service is generally NOT offered by banks?                             |      |                |                 |
|      | a. Loans  |      |                |                 |
|      | b. Insurance  |      |                |                 |
|      | c. Education  |      |                |                 |
|      | d. Fund transfer  |      |                |                 |
|      | IV) A limitation of digitization in finance is:                                   |      |                |                 |
|      | a. Transparency   |      |                |                 |
|      | b. Cybersecurity risk   |      |                |                 |
|      | c. Fast transfer  |      |                |                 |
|      | d. Convenience  |      |                |                 |
|      | V) Which of the following is NOT a principle of insurance?                        |      |                |                 |
|      | a. Principle of indemnity   |      |                |                 |
|      | b. Principle of utmost good faith   |      |                |                 |
|      | c. Principle of contribution  |      |                |                 |
|      | d. Principle of taxation  |      |                |                 |
| (b)  | <b>State whether the following statements are true or false.</b>                  | [05] | CO1<br>CO2     | L1 – L2         |
|      | I) Saving means keeping aside money for future use.                               |      |                |                 |
|      | II) Banks only provide loans and do not offer digital services.                   |      |                |                 |

|             |      |  |             |                       |                        |
|-------------|------|--|-------------|-----------------------|------------------------|
|             | III) | Life insurance provides protection against the risk of death.  |             |                       |                        |
|             | IV)  | GST is an example of direct tax in India.  |             |                       |                        |
|             | V)   | Inflation refers to a general rise in prices.  |             |                       |                        |
| <b>Q. 2</b> |      | <b>Attempt any TWO of the following.</b>   | <b>[10]</b> | <b>Course Outcome</b> | <b>Knowledge Level</b> |
|             | (a)  | Describe the theoretical principles of financial discipline and give practical examples.   | [05]        | CO1                   | L2                     |
|             | (b)  | Identify and point out the various types of bank accounts, explaining the primary use of each.   | [05]        | CO1                   | L1                     |
|             |      | <b>OR</b>  |             |                       |                        |
|             | (c)  | Examine the range of services offered by banks and assess which services are most important for individuals.                           | [05]        | CO1                   | L4                     |
|             | (d)  | Describe the functions of SEBI and assess its effectiveness in protecting investor interests.  | [05]        | CO1                   | L2                     |
| <b>Q. 3</b> |      | <b>Attempt any TWO of the following.</b>   | <b>[10]</b> | <b>Course Outcome</b> | <b>Knowledge Level</b> |
|             | (a)  | Define the basic principles of insurance (e.g., indemnity, utmost good faith, contribution) and examine their significance.            | [05]        | CO2                   | L1                     |
|             | (b)  | Compare and contrast life insurance and non-life insurance with respect to objectives, coverage, and claim settlement.                 | [05]        | CO2                   | L4                     |
|             |      | <b>OR</b>  |             |                       |                        |
|             | (c)  | Interpret the concept of diversification and illustrate how ELSS (Equity Linked Savings Schemes) can provide diversification benefits. | [05]        | CO2                   | L2                     |
|             | (d)  | Describe the basic structure of personal taxation in India and examine how tax considerations influence investment choices.            | [05]        | CO2                   | L2                     |

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