



**Time Allowed: 3 Hours**

**Maximum Marks: 100**

**Introduction to Financial Systems and Banking Regulations**

**Date: December 9, 2019**

**JAIBP (Stage-I)**

**Roll No:**

**Instructions:**

- i. Attempt ALL questions;
- ii. Answers must be neat, relevant and brief;
- iii. In marking the question paper, the examiners take into account clarity of exposition, logic of arguments, presentation and language;
- iv. Read the instructions printed inside the top cover of answer script CAREFULLY before attempting the paper;
- v. DO NOT write your Name, Access No. or Roll No. etc. anywhere inside the answer script(s);
- vi. Candidates are advised not to mark any of the objective answer on the question paper, otherwise their paper will be cancelled;
- vii. Question Paper must be returned to invigilator before leaving the examination hall.

**SECTION B: SUBJECTIVE**

**All the questions from Section B are compulsory. (55 Marks)**

- Q1.** The SBP is the central bank of the country. Briefly explain the four secondary functions of the SBP. **(12 Marks)**
- Q2.** What is a mutual fund? Discuss types of mutual funds? (Any four) **(10 Marks)**
- Q3.** Briefly discuss functions of the SECP. (Any five) **(10 Marks)**
- Q4.** What are the key features of REPO transactions? **(04 Marks)**
- Q5.** Define exposure according to the Prudential Regulations for Corporate/ Commercial Banking issued by the SBP. **(04 Marks)**
- Q6.** Briefly describe the three stages of implementation of financial policies. **(06 Marks)**
- Q7.**
- A.** Discuss the primary role of the financial intermediation. **(03 Marks)**
- B.** What are two cost advantages of using financial intermediaries? **(02 Marks)**
- C.** What are the key elements of financial repression? **(04 Marks)**

**X ——— END OF PAPER ——— X**