

assignments: - 1

1) EXPLAIN the terms financial system and how it is important in a country?

⇒ financial system act as intermediaries between savers and borrowers channeling fund (savers) to those need fund borrowers.

⇒ This intermediation process facilitates the efficient allocations of capital and promotes economic growth.

⇒ Bank and nonbank leverage insures, securities, markets, investments funds.

2) State role & function of financial systems?

The functions of financial systems

- ensuring payments systems
- managing risk
- providing financial
- implementing governments policies and



Increasing saving abilities for individuals

(i) Products Informations about products and alloc capital.

(ii) Corporate earnings after providing finances.

(iii) Facilitating the trading diversification and management of risk.

(iv) mobilizing and pooling.

3) Construct structure of India financial system?

⇒ The structure of the India financial system can be broadly divided into two part of the organized sector and unorganized sector.

⇒ Organized sector formal.

financial institutions such as bank insurance company NBFCs, mutual fund stock exchange and pension fund.