

Assignment-3

1) What are the Financial instruments and its classification.

* Financial Instruments are assets that can be trade or exchanged.
* Financial instruments are monetary contracts between parties.

Classification of Financial Instrument:-

- * Cash Instruments.
- * Foreign exchange Instruments.
- * Equity Instruments.
- * Debt Instruments.
- * Fair Value.
- * Mutual Fund
- * Bond.

2) Difference between organized market and unorganized market.

Organized Market:-

- * Regulation and oversight.
- * Infrastructure.
- * Transparency.
- * Participants.
- * Legal Framework.

Unorganized Market:-

- * Regulation and oversight.
- * Infrastructure.

3) Role of SEBI, RBI, Ministry of Finance in Indian Financial system.

Roles:-

SEBI: (Securities and Exchange Board of India)

- * Regulation of Securities market.
- * Market Development.
- * Investor Protection.
- * Surveillance and Enforcement.
- * Regulation of Market Intermediaries.
- * Regulation of Mutual Funds and Collective Investment Schemes.

RBI (Reserve Bank of India):-

- * Monetary Authority.
- * Regulation and Supervision of Financial Institutions.
- * Issuer of Currency.
- * Custodian of Foreign Exchange.
- * Developmental Role.
- * Banker to the Government.

Ministry of Finance:-

- * Formulation of Financial Policies.
- * Economic Legislation.
- * Regulation and Supervision of Financial sector.
- * Management of Public Finances.
- * ~~International~~ Financial Relations.
- * Economic planning and analysis.

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