

Seat No. : _____

AI-112

April-2016

B.B.A., Sem.-IV

CC-208 : Indian Financial System

Time : 3 Hours]

[Max. Marks : 70

1. (a) Define a financial system. Explain its functions. 7

OR

Draw a chart showing various components of financial system.

- (b) Write a detailed note on “Financial Markets in India.” 7

OR

Differentiate between organized and unorganized financial system in Indian context.

2. (a) Explain the functions of a Commercial Bank. 7

OR

Discuss the pros and cons of mutual funds in the context of Indian Financial System.

- (b) Explain the principles and structure of co-operative banking institutions in India. 7

OR

Discuss the role and functions of SEBI.

3. (a) Explain the various development initiatives and reforms in the Indian capital market. 7

OR

Discuss the procedure for public issue of securities.

- (b) What is listing of securities ? Explain its benefits and limitations. 7

OR

Explain the role of money markets in Indian Financial System. Briefly discuss any two instruments of money market.

4. (a) What is Venture Capital Financing ? Explain the various investment and disinvestment mechanisms in venture capital financing. 7

OR

What is factoring ? Distinguish between factoring and forfeiting.

- (b) Define leasing. Explain advantages of leasing to both lessor and lessee. 7

OR

Explain credit rating. Discuss the role of credit rating agencies in India.

5. Do as directed : 14

(1) _____ is known as Central Bank of India. (SEBI/RBI)

(2) The full form of NSDL is _____.

(National Securities Depository Limited/National Stock Deposit Limited)

(3) A lease agreement which is non-cancellable and where in lessor passes all risk and return to lessee is known as _____ lease. (financial/operating)

(4) A guarantee to pay for remaining amount in case of under-subscription of public issue of securities is known as _____. (Book building/Underwriting)

(5) An index representing top 30 scrips listed on BSE is popularly known as _____. (Sensex/Nifty)

(6) The full name of NBFC is _____.

(National Banking Finance Corporation / Non-banking Finance Company)

(7) _____ was the first financial institution set-up to meet finance needs of development projects in India. (IFCI/ICICI)

(8) The market for buying and selling existing securities is _____ market. (Primary/Secondary)

(9) The venture capital financier eventually withdraws investment from the project. (True/False)

(10) Non-recourse factoring is also known as _____. (old line/invoice discount)

(11) _____ was established to promote foreign trade in India. (Exim Bank/SFCs)

(12) The oldest stock exchange of India is _____. (BSE/NSE)

(13) Inter-corporate deposit is a money market instrument. (true/false)

(14) A lease agreement wherein parties to the agreement are domiciled in different countries is known as _____. (cross-border lease/sale and lease back)