

Seat No. : _____

XW-109

B.B.A. Sem.-IV

April -2013

CC-208 : Indian Financial System

Time : 3 Hours]

[Max. Marks : 70

1. (a) Define Financial System and discuss functions of a Financial System. **7**

OR

Briefly discuss financial instruments as a component of Financial System.

- (b) Briefly discuss organized sector of financial market. **7**

OR

Explain unorganized sector of financial market.

2. (a) Discuss the role of Reserve Bank of India in money market. **7**

OR

Define Merchant Bank. Explain functions of Merchant Banks.

- (b) Discuss objectives and functions of Industrial Credit and Investment Corporation of India (ICICI). **7**

OR

Define Co-operative Bank. Discuss features of Co-operative Bank.

3. (a) Define Stock Exchange. Discuss functions of Stock Exchange. **7**

OR

Briefly discuss capital markets reforms in India.

- (b) Write a note on Treasury Bills. **7**

OR

Write a note on commercial paper.

4. (a) Define venture capital financing. Discuss steps in venture capital financing. **7**

OR

Discuss meaning and benefits of underwriting.

- (b) Discuss meaning and types of leasing. **7**

OR

Discuss meaning and types of factoring.

5. Do as directed :

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- (1) Financial system is a set of interrelated institutions, instruments and markets. (True/False)
- (2) Financial markets are mainly of two types : money markets and capital markets. (True/False)
- (3) A financial market serves as intermediary for _____ of savings. (mobilization, destruction)
- (4) The purpose of establishing _____ was to facilitate financing as to promote the foreign trade in India. (Export Import Bank, Unit Trust of India)
- (5) _____ was the first financial institution set up for financing development projects in India. (Industrial Finance Corporation of India (IFCI), State Finance Corporations (SFCs))
- (6) Non-Banking Finance Company is a financial institution which is a company. (True/False)
- (7) The main function of _____ is regulating business in stock exchanges and other securities market. (Securities and Exchange Board of India (SEBI), Insurance Regulatory and Development Authority (IRDA))
- (8) _____ are issued by the Reserve Bank of India on behalf of the Government to meet its short term financial needs. (Treasury Bills, Inter-Corporate Deposits)
- (9) _____ are the unsecured short-term Promissory Notes issued by corporate bodies to fulfill their requirements of short-term funds. (Commercial paper, Corporate deposits)
- (10) The market for new issue of securities is called _____ market. (primary, secondary)
- (11) Right shares can be offered to only existing shareholders of the company. (True/False)
- (12) _____ is the hybrid method of venture financing. (Income note / Conditional loan)
- (13) Operating lease is cancellable. (True/False)
- (14) _____ is also called collection factoring. (Maturity factoring, Advance factoring)
