

**AL-111**

**April-2015**

**B.B.A., Sem.-IV**

**CC-208 : Indian Financial System**

**Time : 3 Hours]**

**[Max. Marks : 70**

1. (a) Define Financial System and discuss its functions. 7  
**OR**  
Explain the structure of financial system in India.
- (b) Explain money and capital markets as components of financial markets in India. 7  
**OR**  
Discuss the unorganized sector of financial markets in India.
2. (a) Explain the meaning and functions of Commercial Bank in India. 7  
**OR**  
Discuss the advantages and disadvantages of investment in mutual funds.
- (b) Explain the features and structure of co-operative banking institutions in India. 7  
**OR**  
Discuss the establishment and role of SEBI as a regulator of capital markets in India.
3. (a) Explain the procedure for public issue of shares in India. 7  
**OR**  
What is listing of securities ? Explain its benefits and limitations.
- (b) Discuss the reforms in capital market in the Indian context. 7  
**OR**  
What is money market ? Explain any four instruments of money market in India.
4. (a) What is Venture Capital Financing ? Discuss the various disinvestment mechanisms. 7  
**OR**  
What is factoring ? Explain its costs and benefits.
- (b) Define leasing and explain its types. 7  
**OR**  
Explain the meaning and benefits of Underwriting.

5. Fill gaps / Do as Directed :

14

- (1) \_\_\_\_\_ is known as the Central Bank of India. (RBI/SEBI)
- (2) \_\_\_\_\_ was the first financial institution established for financing development projects in India. (IDBI/IFCI)
- (3) The full name of NBFC is \_\_\_\_\_.  
(Non-Banking Finance Company / Notified Banking and Finance Corp.)
- (4) Capital markets in India are classified into \_\_\_\_\_ and \_\_\_\_\_.  
(Big, small / primary, secondary)
- (5) The leading stock market indices of India are \_\_\_\_\_ and \_\_\_\_\_.  
(S & P 500 Index / BSE Sensex / Nasdaq 100 / Nifty)
- (6) Name any three credit rating agencies of India.
- (7) The full name of NSDL is \_\_\_\_\_.  
(National Securities Depository Limited / National Stock Deposit Limited)
- (8) A mode of share issue wherein shares are offered to existing shareholders on priority basis is known as \_\_\_\_\_. (Bonus issue / Rights issue)
- (9) A mechanism through which an offer price for public issue is determined based on investors' demand is known as \_\_\_\_\_. (Private placement / Book building)
- (10) In a lease contract, \_\_\_\_\_ is separated from user. (ownership / asset)

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