

# MT-102

March-2019

BBA., Sem.-IV

## CC-208 : Indian Financial System

Time : 2:30 Hours]

[Max. Marks : 70

1. (A) (1) Explain – “Financial Markets”. 7  
(2) Discuss RBI with its traditional functions. 7

OR

- (1) What is IFS ? Discuss the functions of IFS in detail.  
(2) Discuss RBI with its promotional functions.

(B) MCQs. (Any Four) 4

- (1) This market deal in highly liquid financial instruments.  
(a) Money market (b) Capital market  
(c) Foreign market (d) Government securities market
- (2) Who was the sole right of note issue ?  
(a) The government (b) RBI  
(c) Commercial banks (d) Development Banks
- (3) Financial markets can be classified as  
(a) Market with Financial Institutions  
(b) As markets for sales and purchase of goods  
(c) As Brokers transaction please  
(d) As a place for sales and purchase of securities
- (4) Objective of commercial bank is  
(a) To provide loans to industry  
(b) To provide merchant banking activities  
(c) To create deposits for different financing
- (5) Which is not main constitute of financial system ?  
(a) Financial Institutions  
(b) Financial markets  
(c) Financial instruments  
(d) Financial segments
- (6) The Reserve Bank of India was established on \_\_\_\_\_.  
(a) April 1, 1935 (b) July 12, 1982  
(c) May 26, 2006 (d) September 30, 2005

2. (A) (1) Define the structure of Co-operative banks in India. 7  
(2) Explain various functions of Commercial Bank in brief. 7

OR

- (1) What is Merchant banking ? Explain functions of merchant banking in India.  
(2) Discuss Mutual funds with its benefits.

(B) MCQs. (Any Four) 4

- (1) Mutual Funds are composition of shares/ bonds.  
(a) Open ended funds (b) Close ended funds  
(c) Hybrid funds (d) Exchange funds
- (2) Private sectors banks are  
(a) Indian banks (b) For foreign banks  
(c) Development Banks (d) Both foreign and Indian banks
- (3) Moneylenders are those whose primary business is  
(a) Accepting deposits  
(b) Mon money lending and accepting deposit  
(c) Money lending  
(d) Providing non-financial services
- (4) The IDBI was started in the year,  
(a) 1964 (b) 1968  
(c) 1999 (d) 1935
- (5) The Government of India  
(a) Issue 1 Rupee notes and coin  
(b) All coins  
(c) All the notes  
(d) Notes of 500 rupees
- (6) A merchant bank is a financial institution conducting money market activities and :  
(a) Lending (b) Underwriting and financial advice  
(c) Investment service (d) All of the above

3. (A) (1) Explain listing of securities with its benefits in detail. 7  
(2) Discuss SEBI with its various functions. 7

OR

- (1) Define Money market with-its any four instruments in detail.  
(2) What is capital market ? Discuss its composition in brief.

## (B) MCQs. (Any Three)

- (1) The SEBI was set up in
  - (a) 1995
  - (b) 1978
  - (c) 1992
- (2) Model code of conduct
  - (a) Is a prohibitory order by SEBI
  - (b) A code of internal procedures and disclosure practices
  - (c) An order for conducting trade on stock exchange
  - (d) A code for external procedure and practices of Companies
- (3) Capital market deals with
  - (a) Long term Finance
  - (b) Short term Finance
  - (c) Medium term finance only
- (4) Short term and medium term only Listing is mandatory for
  - (a) Trading in stock market
  - (b) Making a new Public issue
  - (c) Trading in international market
  - (d) Training in interconnected Stock Exchange of India
- (5) NBFCs stands for
  - (a) Non-Banking financial companies
  - (b) National Banking financial companies
  - (c) Non-Banking financial corporation
  - (d) National Banking financial corporation

- (4) (A) (1) Explain venture capital with its disinvestment mechanism. 7
- (2) What is lease finance ? Explain its types in detail. 7

**OR**

- (1) Discuss underwriting with its benefits.
- (2) Short Note on :
  - (1) NSDL
  - (2) CRISIL

## B MCQs. (Any Three)

- (1) Regulator of capital market  
(a) RBI (b) SEBI  
(c) IRDA (d) IDBI
- (2) Liberalization of capital markets started in  
(a) 1991 (b) 1980  
(c) 1920
- (3) Money market is a market for  
(a) Long term funds  
(b) Negotiable instrument  
(c) Short maturity
- (4) The process of venture capitalist and the venture company negotiate the terms of the deals  
(a) Deal obligation (b) Deal structuring  
(c) Screening (d) Exit
- (5) This is short term lease  
(a) Operational lease (b) Financial lease  
(c) Leverage lease (d) Cross border lease