

**PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)**

**BVoc DEGREE EXAMINATION DECEMBER 2023
(Third Semester)**

Branch - BANKING, STOCK AND INSURANCE

INDIAN FINANCIAL SYSTEM

Time: Three Hours

Maximum: 50 Marks

SECTION-A (5 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

- 1 _____ allocates saving efficiently in an economy to ultimate users either for investment in real assets or for consumption.
(i) Economic system (ii) Banking system
(iii) Financial system (iv) Market system
- 2 Which Indian financial institution protects investors in stock market?
(i) BSE (ii) RBI
(iii) SEBI (iv) NSE
- 3 It is a market for short-term funds that deals in monetary assets whose period of maturity is up to one year.
(i) Primary market (ii) Secondary market
(iii) Capital market (iv) Money market
- 4 Functions of financial services exclude _____.
(i) Mobilization of savings (ii) Allocation of fund
(iii) Specialized services (iv) Collection of tax
- 5 NBFC is a company registered under _____.
(i) The Indian Contract Act (ii) The Companies Act, 1956
(iii) The RBI Act (iv) The SEBI Act

SECTION - B (15 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

- 6 a What are the primary objectives of the financial system in India?
OR
b Define the term "financial intermediary" and state their role in financial markets.
- 7 a Differentiate between money instruments and capital market instruments.
OR
b Summarize the various types of capital market.
- 8 a List and describe the key characteristics of investment banks.
OR
b Explain the functions of payment banks.

Cont...

- 9 a List out the characteristics of financial services.
OR
b How has the financial services sector grown in India?
- 10 a Define Non-Banking Financial Institutions and provide a brief overview of their role in the financial sector.
OR
b Outline the principal business activities that NBFCs are engaged in as per the regulatory framework in India.

SECTION -C (30 Marks)

Answer ALL questions

ALL questions carry EQUAL Marks (5 x 6 = 30)

- 11 a Highlight the evolution and development of the Indian financial system.
OR
b Discuss the significance of financial markets in the context of economic growth.
- 12 a Elucidate the constituents of financial markets.
OR
b Explain the concept of global financial markets and their significance in the modern global economy.
- 13 a Discuss the factors that have contributed to the growth of financial institutions in India.
OR
b Explain the services rendered by the merchant banks.
- 14 a Summarize the constituents of the financial services market.
OR
b Analyze the challenges and problems faced by the financial service sector in India.
- 15 a Discuss the structure of NBFCs in India.
OR
b Describe the RBI's measures for regulating the NBFC sector.

Z-Z-Z

END