PSG COLLEGE OF ARTS & SCIENCE

(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2019

(Second Semester)

Branch - COMMERCE (FINANCIAL SYSTEMS)

INDIAN FINANCIAL SYSTEM

Time: Three Hours Maximum: 75 Marks

		N-A (IQ Marks)	
		ALL questions carry EQUAL marks	(10x1 = 10)
1	deals in shares and debentures.		
-	(i) Capital Market (iii) Govt. Securities market	(ii) Money Market (iv) Foreign Exchange Mark	tet
2	The money market instrument is (i) bond (iii) stock certificate	(ii) debenture (iv) certificate of deposit	
3	The market for short term loans (i) Call money market (iii) Money market	is known as (ii) Treasury bill market (iv) Acceptance market	
4	are offered to existing sha (i) Right shares (iii) Preference shares	ereholders. (ii) Debentures (iv) Interest	
5	The major player in the Indian n (i) Co-operative banks (iii) Commercial banks	noney market is (ii) Indigenous banks (iv) RBI	
6	The first merchant bank was set (i) 1964 (iii) 1973	up in Grindlays bank. (ii) 1969 (iv) 1980	
7	The also be called financial inter (i) Financial service (iii) Financial assets	rmediation. (ii) Financial instruments (iv) Financial intermediaries	1
8	The inflation free instrument is (i) Option bond (iii) Variable rate debenture	(ii) Index linked gift bond (iv) Deep discount bond	
9	don't accept demand deposits.		
-	(i) RBI (iii) SBI	(ii) NBFC's (iv) Indian Bank	
10	The maximum rate of interest that an NBFC can offer to its customer		
	(i) 10% (iii) 12.5%	(ii) 11% (iv) 15%	

SECTION - B (35 Marks)

Answer ALL Questions

ALL Questions Carry **EQUAL** Marks $(5 \times 7 = 35)$

11 a What are the different parts of a financial market?

OR

b What are the components of Money Market?

12 a List out the major constituents of a Capital market.

OR

b Explain about Corporate bonds.

13 a State the functions of a commercial bank.

OR

b What are the features of money lenders?

14 a Mention the importance of financial services.

OR

b What are the functions of financial services?

15 a Explain the principle business of NBFC's.9

OR

b What are the types of NBFC's?

SECTION - C (30 Marks)

Answer any THREE Questions

ALL Questions Carry **EQUAL** Marks $(3 \times 10 = 30)$

- State the role of financial system in the economic development of a country.
- What are the different stages involved in the new issue market?
- Bring out the role of merchant banker in promoting investments in the country.
- 19 Critically analyze the problems of financial service sector in India.
- 20 Explain the structure and supervision of NBFC's.

Z-Z-Z END