

C 62263

(Pages : 3)

Name.....

Reg. No.....

**FOURTH SEMESTER P.G. DEGREE EXAMINATION, MAY/JUNE 2019**

(CCSS)

Economics

**ECO 4E 07—INDIAN FINANCIAL SYSTEM**

(2013 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all questions.*

*Each question carries 1 mark.*

1. Which clearing house is the wholly owned subsidiary of NSE ?
  - (a) National Securities Clearing Corporation Ltd.
  - (b) India Index Services and Products Ltd.
  - (c) Clearing Corporation of India Ltd.
  - (d) None of the above.
2. Which was the first Indian company to list on NASDAQ ?
  - (a) ICICI Bank.
  - (b) Wipro.
  - (c) Tata Motors.
  - (d) Infosys.
3. Which is the oldest stock exchange in Asia ?
  - (a) National Stock Exchange.
  - (b) Hong Kong Stock Exchange.
  - (c) Bombay Stock Exchange.
  - (d) Tokyo Stock Exchange.
4. What is Dollex -30 ?
  - (a) Dollar Version.
  - (b) Dollar Version of BSE-200.
  - (c) Dollar Version of BSE Sensex.
  - (d) Dollar Version of BSE-100.
5. Free Float Methodology is used for which stock index :
  - (a) Nifty.
  - (b) DOWJONES.
  - (c) SENSEX.
  - (d) Nikkei.

**Turn over**

6. Which among the following correctly defines Hundi ?
- They are slips on paper presented to the customer while purchasing goods.
  - They are accounts of unorganized sector in India.
  - They are key instruments of credit in the unorganized money market in India.
  - None of the above.
7. Which of the following are to be followed by Commercial Banks for risk management ?
- Basel II norms.
  - Basel III norms.
  - Basel I norms.
  - Solvency II norms.
8. SEBI has constituted a committee under TK Viswanathan for :
- Fair market conduct.
  - Manufacturing market conduct.
  - Partial market conduct.
  - Both (a) and (c).
9. Depository receipts that are traded in an international market other than the United States are referred to as :
- Global depository receipts.
  - International depository receipts.
  - Open market depository receipts.
  - None of the above.
10. Which one of the following is the rate at which the RBI lends money to commercial banks in the event of any shortfall of funds ?
- Benchmark Prime Lending Rate.
  - Annual Percentage Rate.
  - Bank Rate.
  - Repo Rate.

(10 × 1 = 10 marks)

### Part B

*Answer any eight questions.*

*Each question carries 5 marks.*

- What are the components of Indian financial institutions ?
- Write about NSE and BSE.
- Write about the role of intermediaries in primary market.
- Explain the role and functioning of credit rating agencies in India.
- Explain Depository system.
- Write about types of mutual funds.
- Distinguish between debentures and bonds.
- Write about foreign exchange market.

19. Write notes on futures, options and swaps.
20. Describe commercial papers and commercial bills.
21. Discuss capital market reforms in India.
22. Comment on the role and significance of SEBI.

(8 × 5 = 40 marks)

### Part C

*Answer any **two** questions.*

*Each question carries 15 marks.*

23. Write about financial system in India.
24. Critically examine the role of RBI and Liquidity adjustment facilities in India.
25. Explain the nature and functioning of stock exchanges in India.
26. Distinguish between money market and capital market.

(2 × 15 = 30 marks)