



Exam seat No. \_\_\_\_\_

**B. P. COLLEGE OF BUSINESS ADMINISTRATION**  
(Constituent college of Kadi Sarva Vishwa Vidhyalaya)  
**Mid- Term Examination February 2013**  
**BBA SEM –VI**

Date: 14/02/13

SUB: Indian Financial System (BBA 34)

Total marks: 40  
Duration: 1.5Hrs

**Instructions:**

- All questions are compulsory.
- Figures to the right indicate full marks.
- Indicate clearly, the options you attempt along with its respective question number.

Q -1 (A) Explain various functions of Indian financial system (04)

(B) Draw the chart of Indian financial system with its various components. (04)

Q-2 (A) Pick an Appropriate answer from the following (04)

1. Financial institutions can be classified as

(a) Functional and Non Functional Institutions (b) Formal and Informal Institutions

(c) Banking and Non-Banking Financial Institutions (d) None

2. The main organized financial markets in India are the \_\_\_\_\_ and \_\_\_\_\_.

(a) Rupees Market and Currency Market

(b) Commodity Market and Non Commodity Market

(c) Financial Market and Non Financial Market

(d) None

3. \_\_\_\_\_ is essential for smooth functioning of financial system

(a) Attitude (b) Liquidity (c) Viability (d) None

4. Functions of a Capital Market are \_\_\_\_\_

(a) Mobilize long-term savings to finance long-term investments.

(b) Provide risk capital in the form of equity or quasi-equity to entrepreneurs.

(c) Encourage broader ownership of productive assets.

(d) All

Q-2 (B) Explain in brief different designs of Financial System. (04)

OR

Q-2 (B) Explain the role and nature of financial institutions in India. (04)

Q-3 (A) Elucidate the Indian Money Market with its major functions. (04)

Q-3 (B) Explain the Indian Capital Market with Its major functions. (04)

**OR**

- Q-3 (A) Elucidate major benefits of Money Market in India. **(04)**  
Q-3 (B) Explain in detail various reasons for innovations in financial instruments **(04)**  
Q-4 Describe the depository system in Indian. What is the need for setting up a depository in India? **(08)**

**OR**

- Q-4 (A) Explain the difference between a Demat Share and Physical Share. **(04)**  
Q-4 (B) Explain various benefits of Depository system in India **(04)**  
Que-5. Attempt any Two **(08)**  
(1) Floating Rates Bonds (FRBs)  
(2) Custodians  
(3) Money Market Instruments