

[This question paper contains 4 printed pages.]

Your Roll No.....

No. of Question Paper : 7335  
Question Paper Code : 248404  
Name of the Paper : Indian Financial System  
Name of the Course : B.A. (H) Business Economics  
Semester : IV (2017)  
Duration : 3 Hours  
Maximum Marks : 75

**Instructions for Candidates**

Write your Roll No. on the top immediately on receipt of this question paper.

All questions are compulsory.

Attempt any two of the following :

(i) Discuss the various components of a financial system? Is a strong financial system a precondition to growth of any country ?

(ii) Intermediaries in the Primary market bring efficiency & develop expertise in pricing new issues. In light of the above statement discuss different types of intermediaries in primary market.

P.T.O.

- (iii) Distinguish Between Fixed Price Public Issue and Public Issue through Book Building. (1)
2. (i) Growth of venture firms and Private Equity firms seen as good indicators of mature capital market. Explain the difference in the role played by these firms in Start-up Companies. (1)

OR

- (i) Green Shoe option acts as an initial price stabilizer in case there are variations in stock prices post listing. Explain. (1)
- (ii) What are the different types of Employee stock option schemes that have been adopted in India after the Technology Boom? (1)
3. Attempt any two of the following :
- (i) Illustrate the stock market trading mechanism. Explain the steps involved in buying and selling securities in the stock exchange.
- (ii) Scams created chaos in the financial markets and led to the Indian capital market towards demutualisation and corporatisation of stock exchanges. Explain these concepts in brief.

(iii) Write short notes on the following :-

(a) Margin trading

(b) Demat

(c) Rolling Settlement

(7½, 7½)

Attempt any one from below :

What is Call Money Market ? Who all are the participants in the Call Money Market ? State the factors responsible for Volatility in call rates.

OR

Treasury bills plays a vital role in cash management of the government. Explain its types and the process of auction.

(10)

Attempt any two of the following :

(i) Explain when issued market in government securities in secondary market.

(ii) Explain the role of DFHI and STCI in the money market.

(iii) How repo rate and reverse repo rate affects the money supply ?

(2×5)

P.T.O.

6. (i) Government and RBI have initiated several conc measures to Manage and contain Non performing A of Banks. Explain the term NPA and various to banks have been empowered with, to deal with issue.

OR

- (i) Calculate EMI on the housing loan of Rs. 20 lacs to paid back in 3 years with the rate of interest being 1 per annum compounded on monthly basis.
- (ii) Universal Banking is multipurpose and multi function financial super market. Elaborate the concept Universal Banking. (5)