

COURSE: BCOM (P.)
SEMESTER: VI
PAPER: FINANCIAL MARKETS AND INSTITUTIONS

ASSIGNMENT

ASSIGNMENT – 1

- Q1. What is the difference between Depository and Non depository Financial Institutions.
Q2. Discuss recent developments in banking Sector in India
Q3. Define commercial banks and discuss the structure of commercial Banks in India
Q4. Short Notes:
a. NABARD
b. SIDBI

ASSIGNMENT 2

- Q1. What is the role of Money Markets. Briefly explain the various money market instruments in India.
Q2. What is the role of Capital Markets. Briefly explain the various Financial Instruments used in the Indian capital Markets
Q3. What is Financial System. State the inter relationship amongst the various components of the Indian Financial System
Q4. Short Notes:
a. Indian Debt Market Instruments
b. Mutual Funds in India

INTERNAL TEST

- Q1. What are the important functions performed by an efficient financial system in an economy? (8)
What is Credit Rating? How Credit Rating of a company is helpful in making investment decision? (7)
OR
Explain the impact of an efficient financial system on the economic development of the country? (8)
Differentiate between money and capital market. (7)

Q2. Explain different measures taken by SEBI in the recent past for investor's protection. (15)

OR

What are New Issue Markets? Differentiate New Issue Market and Secondary Market. Discuss the procedure of issue of shares (15)

Q3. How central bank controls money and credit supply in India? (8)

“Commercial Banks plays an important role in the development of the economy”. Discuss (7)

OR

Discuss the regulatory framework relating to merchant banks in India? (8)

Explain the important features of National Stock Exchange of India. (7)

Q4. Mutual funds are extremely important in the financial system of an economy. Do you agree? (8)

Explain the important types of mutual funds schemes prevalent in India? (7)

MULTIPLE CHOICE QUESTIONS

Q1. Banking functions in India are centrally controlled by the :

- a. Central Bank
- b. RBI
- c. SBI
- d. B and c

Answer : b

Q2. The ratio between cash in hand and total assets maintained by the banks is called :

- a. SBR (Statutory Bank Ratio)
- b. SLR (Statutory Liquidity Ratio)
- c. CBR (Central Bank Reserve)
- d. CLR (Central Liquid Reserve)

Answer: b

Q3. What is 'Repo rate'?

- a. Rate at which RBI lends to State Government
- b. Rate at which International Aid agencies lend to RBI
- c. Rate at which RBI lends to Banks
- d. Rate at which Banks lend to RBI

Answer : c

Q4. Which is the apex organisation of Industrial Finance in India ?

- a. Industrial Finance Corporation
- b. Industrial Credit and Investment Corporation of India
- c. Industrial Development Bank of India
- d. None of the above

Answer: c

Q5. For regulation and development of the insurance sector of the country the Government has formed :

- a. SEBI
- b. RBI
- c. IRDA
- d. General Insurance Corporation

Answer: c

Q6. Which of the following is the Banker's Bank :

- a. IDBI
- b. RBI
- c. UBI
- d. SBI

Answer: b

Q7. In Capital Market SRO stands for :

- a. Self-Regulatory Organisations
- b. Small Revenue Operations
- c. Securities Roll-back operations
- d. Securities Regulatory Organisation

Answer: a

Q8. Which of the following is not an asset held by commercial banks ?

- a. Bills of exchange
- b. Current Account Deposits
- c. Money lent at short notice
- d. Credit balances with RBI

Answer : b

Q9. Private Sector Mutual Funds in India were permitted in

- a. 2001
- b. 1994
- c. 1993
- d. 1991

Answer: c

Q10. Stock Exchanges play a role in an economy which may be termed as

- a. Hardly useful
- b. Harmful to proper Capital Markets

- c. Useful but need strict regulation
- d. A very important segment to regulate inflation

Answer: c

Q11. The oldest Stock exchange in India is

- a. Bombay stock Exchange
- b. Ahmedabad Stock Exchange
- c. National Stock exchange
- d. Hyderabad Stock Exchange

Answer: a

Q12. Debenture holders of company are its:

- a. Creditors
- b. Debtors
- c. Directors
- d. Shareholders

Answer: a

Q13. The basic regulatory authority for mutual funds and stock markets lies with the:

- a. Government of India
- b. Reserve bank of India
- c. Securities and Exchange Board of India
- d. Stock Exchanges

Answer: c

Q14. The primary objective of Nationalization of Banks was:

- a. Improving Credit Facilities
- b. Financing the Industries
- c. Improving security of deposits
- d. Consolidating the economy

Answer: d

Q15. What are gilt-edged securities in India ?

- a. Securities issued by the Government
- b. Securities issued by Multi Nationals
- c. Securities issued by Private sector
- d. Securities issued by Joint Venture companies

Answer: a

Q16. Which among the following is the oldest Development Financial Institution of India ?

- a. IDBI
- b. UTI
- c. IFCI
- d. ICICI

Answer: c

Q17. The Imperial Bank of India, in 1955 after nationalization was given the name of:

- a. Indian Overseas Bank
- b. Reserve Bank of India
- c. State Bank of India
- d. Bank of India

Answer: c

Q18. The ICICI was formed in

- a. 1952
- b. 1953
- c. 1954
- d. 1955

Answer: d

Q19. The structure that is available in an economy to mobilize the capital from various surplus sectors of the economy and allocate and distribute the same to the various needy sectors is known as

- a. Economic Environment
- b. Financial Environment
- c. Financial System
- d. Financial Market

Answer: c

Q20. The certificate of deposits which are usually negotiable are issued by

- a. banks
- b. financial market
- c. stock exchange
- d. business corporations

Answer: a