



**LOYOLA COLLEGE (AUTONOMOUS), CHENNAI – 600 034**

**B.A. & B.SC IN FINANCIAL ECONOMICS & COMPUTER SCI.**

**FOURTH SEMESTER – APRIL 2015**

**CO 4209 - INDIAN FINANCIAL SYSTEM**

Date : 25/04/2015  
Time : 09:00-12:00

Dept. No.

Max. : 100 Marks

**SECTION – A**

**Answer ALL the Questions:**

**10 X 2 = 20 Marks**

1. Mention the five basic components of 'Financial System'.
2. State the meaning of financial rate of return.
3. Specify the meaning of 'Mutual Fund'.
4. What is 'Leasing Company'?
5. Why is 'Government Securities Market' considered as 'Gilt-edged market'?
6. What are the two categories of 'Capital Markets'?
7. Who are the parties involved in a documentary letter of credit?
8. Specify the two categories of 'Financial Instruments'.
9. Why is credit rating useful to borrowers of money?
10. What do you understand by the term 'Financial Services'?

**SECTION – B**

**Answer any FOUR Questions:**

**4 x 10 = 40 Marks**

11. Briefly explain the structure of 'Indian Financial System'.
12. What are the differences between financial rate of return and financial yield?
13. State and explain the types of mutual funds.
14. Explain the nature of 'Financial Markets'.
15. What are the features of 'Capital Markets'?
16. State and explain the types of crossing of cheques with examples.
17. Briefly explain the steps involved in 'Book Building Process'.

**SECTION – C**

**Answer any TWO Questions:**

**2 x 20 = 40 Marks**

18. Describe the functions of 'Commercial Banks'.
19. Briefly explain the types of 'Indian Financial Markets'.
20. Analyze in detail the advantages and disadvantages of 'Financial Instruments'.
21. Explain the different types of 'Financial Services'.

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