

Vidya Vikas Mandal's  
Shree Damodar College of Commerce & Economics, Margao-Goa  
FYBBA(FS), Semester-I (REPEAT), Semester End Assessment APRIL 2023 !  
BF S CC14: INDIAN FINANCIAL SYSTEM

Duration:2 Hours

Maximum Marks:60

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**Instructions:**

- *Start each question on fresh page.*
- *Figures to the right indicate maximum marks.*
- *Q1 is compulsory*
- *Answer any FOUR from Q 2 to Q.6*

**Q1. Write a short note on any FIVE of the following:**

**(5\*4 = 20 Marks)**

- a. Difference between Savings and Investment.
- b. The Stock Holding Corporation India Ltd., (SHCIL)
- c. Economic functions of Financial Market
- d. Features of Financial Instruments
- e. Nation Saving Certificate
- f. Fund Bases Activities (Any 2)

**Q2.** The Indian Financial System is one of the most important aspects of the economic development of our country. The financial system of a country mainly aims at managing and governing the mechanism of production, distribution, exchange and holding of financial assets. Explain the various components of Indian Financial system with the help of a diagram.

**(10 Marks)**

**Q3.** To attain economic development, a country needs more investment and production. This can happen only when there is a facility for savings. As, such savings are channelized to productive resources in the form of investment. Discuss the role of the Financial Systems in achieving economics development.

**(10 Marks)**

**Q4.** The money market acts as the main conduit for transmission of monetary policy impulses, by equilibrating the demand for and supply of funds at the short-end of the market. State and explain the money market instruments.

**(10 Marks)**

**Q5.** Capital market provides an institutional arrangement for borrowing medium and long-term funds which provides facilities for marketing and trading of securities. With the help of a suitable example explain the two categories of Capital market in detail. **(10 Marks)**

**Q6.** The scope of financial service is very wide. These services are divided into Fund based and Fee Based. Explain the characteristics of Financial Services. **(10 Marks)**

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