

SUBJECT: INDIAN FINANCIAL SYSTEM

SUB. CODE: BM305T

UNIT 1

FINANCIAL SYSTEM – Meaning – significance and components – composition of Indian Financial System – Indian money market – Indian Capital market.

PART A

1. What is financial system?
2. What do you mean by financial rate of return?
3. What do you mean by financial yield?
4. State the components of financial system?
5. What are the components of financial market?
6. What is capital market?
7. Mention the components of capital market?
8. Mention the components of Money market?
9. What is primary market?
10. What is secondary market?
11. What is Money market?
12. What is foreign exchange market?
13. What is Government securities market?
14. What is Treasury bill?
15. What is Bond?
16. What are the classifications of financial instruments?
17. What are negotiable instruments?
18. What is meant by commercial paper?
19. What is bill of lading?
20. What is letter of credit?
21. What are cheques?
22. Define bills of exchange.
23. What are the types of bills?
24. What is time bill?
25. What is promissory note?
26. What is meant by financial service?

27. What are the components of financial services?
28. What is factoring?
29. What is leasing?
30. What is forfeiting?
31. What is hire purchase finance?
32. What is credit card?
33. What is merchant banking?
34. What is book building?
35. What is asset liability management?
36. What is housing finance?
37. What is portfolio finance?
38. What is underwriting?
39. What is credit rating?
40. What is interest and credit swap?
41. What is mutual fund?
42. What are the different parts of financial market?
43. Name the financial institutions helping the financial system
44. Mention the various financial instruments dealt in the financial market.
45. Expand ALM.
46. What is financial lease?
47. What is operating lease?

## PART B

1. Bring out the difference between financial rate of return and financial yield
2. What is a financial market? What are the components of money market?
3. Draw a structure of Indian financial institution and explain.
4. Define financial system and bring out the components of financial system.
5. What is the significance of financial rate of return and financial yield? How is it significant from the point of view of investors and the borrower?
6. Explain the role of financial system in the economic development of a country.

7. What are financial instruments and products?
8. What is money market? What are the features of a developed money market?
9. What are the components of a money market?
10. Enumerate the importance of money market.
11. State the difference between the money market and capital market.
12. Write a short note on money market mutual fund.
13. What are the characteristics of a well developed money market?
14. What is DFHI? State its purpose of creation.

## PART C

1. Discuss the defects of Indian money market and the steps taken towards its improvement.
2. Explain the components of financial services?
3. Explain any Five the components of financial services?
4. What is meant by capital market? Distinguish it from money market.
5. Enlist the functions of the capital market.
6. Give a brief account of the structure of Indian capital market.
7. What are the advantages of new issue market?
8. What are the various advantages of underwriting?
9. What decisions are taken before going in for IPO?
10. What factors are taken into account when an investor decides to invest in the primary market?
11. List out conditions imposed on a person wishing to become a member in a recognised stock exchange.
12. What are the main functions of the new issue market?
13. What are the different stages involved in the new issue market?
14. State the role of underwriters in new issue market. Also mention the regulations controlling the role of underwriters.
15. Bring out the important role played by financial services in developing the economic growth of a country.

## UNIT 11

### RESERVE BANK OF INDIA

Reserve Bank of India; organization, management, functions- credit creation & credit control, Monetary policy

#### PART A

1. State any four departments of Reserve Bank of India.
2. Expand RBI.
3. What is Issue department?
4. What is Banking department?
5. What is Exchange Control department?
6. What is the prime function of RBI?
7. State the traditional functions of Reserve Bank of India.
8. State the Promotional functions of Reserve Bank of India.
9. Mention the Supervisory functions of Reserve Bank of India.
10. What is sub-standard assets?
11. What is doubtful asset?
12. What is Bad asset?
13. What is standard asset?
14. State the objectives of monetary policy of Reserve Bank of India.
15. What are the two types of credit control?
16. Bring out any two objectives of credit control.
17. State the weapons of Quantitative credit control.
18. What is Bank Rate?
19. What is an Open market operation?
20. What is Variable Cash Reserve Ratio?
21. Expand VCRR.
22. What is modern weapon of credit control/Selective credit control?
23. What is Qualitative credit control?
24. State the measures of Selective credit control Mechanism.

## PART B

1. What are the positive factors in the monetary policy of RBI in promoting the financial services of the country?
2. What are the objectives of Monetary Policy of RBI?
3. What are the functions of various departments of RBI?
4. What are the traditional functions of Reserve Bank of India?
5. What are the Promotional functions of Reserve Bank of India?
6. What are the Supervisory functions of Reserve Bank of India?
7. What are the objectives of credit control?
8. Write about the object and working of Bank Rate?
9. What are the defects of Bank Rate?
10. What is Open market operation? What are the limitations of Open market operation?
11. What is VCCR? Explain its limitations.

## PART C

1. Describe the management of RBI is constituted.
2. Describe the functions of Reserve Bank of India?
3. Explain the Working of Qualitative credit control.
4. Explain the working of selective credit control measures?
5. Describe the types of credit control.

### UNIT 111

#### COMMERCIAL BANKS

Commercial Banks: Meaning, functions, Management and investment policies of commercial Banks, Recent trends in Indian commercial Banks

## PART A

1. Define Bank.
2. What are the primary functions of Commercial Bank?
3. What are the types of Accounts?

4. What is saving account?
5. What is Current Account?
6. What is Fixed Account?
7. What is Recurring Account?
8. State the two types of loan?
9. What is clean loan?
10. What is pledge?
11. What is mortgage?
12. What is Hypothecation?
13. What is Assignment?
14. What is Overdraft?
15. What is cash credit?
16. State any two Agency services of Commercial Bank?
17. What are the subsidiary functions of Commercial Bank?
18. State any two General Utility Services of Commercial Bank?
19. What is Teller system?
20. What is ATM?
21. What is Home Banking?
22. What is Green card?
23. What is Electronic clearing system?
24. What is Gold or Platinum Card?
25. What is Gold banking?
26. What is e- Banking?
27. Expand ATM, RTGS, ECS

**PART B (5 Marks Each)**

1. What are the Primary functions of Commercial Bank?
2. What are the Subsidiary functions of Commercial Bank?
3. What are the Agency services of Commercial Bank?
4. What are the General utility services of Commercial Bank?
5. How to open an Account in a Bank?
6. What are the difference between Savings account and Current Account?
7. What are the types of Secured loan?
8. Write a note on management of Commercial Bank.

**PART C (10 Marks Each)**

1. Explain the functions of Commercial Bank?
2. Explain the modern functions of Commercial Bank?
3. Explain various types of Account?
4. Explain the recent trends in Commercial Banks?
5. What are the invest policies of Commercial Banks?

## UNIT IV

### DEVELOPMENT BANKS

All India development Banks – concept, objectives and functions of various all India Development Banks, operational and promotional activities of all India Development Banks –UTI (Unit Trust of India)

### PART A

1. What is Development Bank
2. State any two objectives of development bank
3. Expand IFCI and ICICI
4. Expand HDFC, and IDBI.
5. Expand SFC, SIDBI and SIDCO
6. What is EXIM bank?
7. What is NABARD?
8. Expand UTI and HUDCO.
9. What is the object of IFCI?
10. Define the financial assistance provided by IDBI.
11. What are the institutions that are promoted by IFCI?
12. What is the object of ICICI?
13. Define the special assistance provided by ICICI.
14. What are the institutions that are promoted by ICICI?
15. Define the special assistance provided by IFCI..
16. What is the object of IDBI?
17. Define the special assistance provided by IDBI.
18. What are the institutions that are promoted by IDBI?
19. What are the object of SFC and SIDBI?
20. What is the object of SIDCO?
21. What is the object of NABARD?

## PART B

1. What are the objectives of development banks?
2. What are the difference between commercial bank and Development Bank?
3. Explain the origin, capital, object and management of IFCI?
4. Explain the origin, capital, object and management of ICICI?
5. Explain the origin, capital, object and management of IDBI?
6. Explain the origin, capital, object and management of SFC?
7. What are the functions of EXIM?
8. What are the functions of SIDCO?
9. What are the functions of NABARD?
10. Explain the financial assistant provided by IDBI?
11. Explain the capital, management of HDFC?
12. What are the objectives of HDFC?
13. Write a note on HDFC?
14. What are the main objectives of UTI?
15. Explain the growth of UTI?
16. What are the various schemes of UTI for different categories of investor?
17. What are the problems of UTI?

## PART C

1. Explain the origin, capital, object and management of SIDBI?
2. Explain the origin, capital, object and management of EXIM?
3. Explain the origin, capital, object and management of SIDCO?
4. Explain the origin, capital, object and management of NABARD?
5. What are the functions of IFCI?
6. What are the functions of ICICI?
7. What are the functions of IDBI?
8. What are the functions of SFC?
9. What are the functions of SIDBI?



## UNIT V

### STATE LEVEL DEVELOPMENT BANKS

State level Development Banks: objectives, functions and role of state level banks, State Financial Corporation, Development Banks in industrial financing

#### PART A

1. What is SFC?
2. What is SIDC?
3. State any two functions of State level Bank?

#### PART B

1. What are the objectives of state level banks?
2. What are the functions of SFC?
3. What are the functions of State level banks?
4. What are the functions of SIDC?

#### PART C

1. Explain the functions and role of state level banks
2. Explain the functions of development banks in industrial financing?
3. Write a note on State level Development Banks.

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