



U8344

Reg. No.:

Name:.....

**University of Kerala**

First Semester Degree Examination, November 2024

Four Year Under Graduate Programme

Discipline Specific Core Course

Commerce

UK1DSCCOM104 INDIAN FINANCIAL SYSTEM

Academic Level: 100-199

Time:2 Hours**Max.Marks:56****Part A.**

Objective Type. 1 Mark Each. Answer All Questions

(Cognitive Level: Remember/Understand)

6 Marks. Time: 5 Minutes

Qn. No.	Question	Cognitive Level	Course Outcome (CO)
1.	The Reserve Bank of India Act was passed in which year? a) 1930 b) 1935 c) 1947 d) 1950	Remember	CO-1
2.	Name the oldest stock exchange in India a) National Stock Exchange (NSE) b) Bombay Stock Exchange (BSE) c) Calcutta Stock Exchange (CSE) d) Delhi Stock Exchange (DSE)	Remember	CO-2
3.	What does 'T+2' mean in the context of a settlement cycle? a) Trade date plus two business days for settlement b) Two days before the trade date c) Trade date and the next two business days for settlement d) Two days after the settlement date	Understand	CO-2
4.	Which of the following is a preliminary document issued to investors before an IPO? a) Final Prospectus b) Red Herring Prospectus c) Offering Memorandum d) Private Placement Memorandum	Understand	CO-3
5.	In financial services, what does the term 'liquidity' refer to? a) Amount of cash available b) The ease of converting assets into cash c) The total value of investments d) The profitability of financial instruments	Understand	CO-1
6.	What is the main purpose of capital market? a) To provide loans to individuals b) To facilitate trading of government securities c) To enable companies to raise long-term funds d) To manage foreign exchange reserves	Understand	CO-1

Part B.
Answer All Questions Two-Three sentences. 2 Marks Each.
(Cognitive Level: Understand/Apply)
10 Marks. Time: 20 Minutes

Qn. No.	Question	Cognitive Level	Course Outcome (CO)
7.	Explain NBFC.	Understand	CO-1
8.	What is your understanding about Financial Technology?	Understand	CO-1
9.	How Right issue is different from Bonus issue?	Apply	CO-2
10.	'Screen based trading eliminates the loopholes of conventional auction trading'. Substantiate your views regarding the statement.	Apply	CO-2
11.	Distinguish between SENSEX and NIFTY	Apply	CO-2

Part C.
Answer all 4 questions, choosing among options within each question.
Short Answer. 4 Marks Each. (Cognitive Level: Apply/Analyse)
16 Marks. Time: 35 Minutes

Qn. No.	Question	Cognitive Level	Course Outcome (CO)
12.	(a) Explain the historical development of IRDA. OR (b) Explain how the financial system contributes to the economic development of a nation.	Apply	CO-1
13.	(a) Give an account of the steps taken by SEBI to prevent and discourage fraudulent trade practice. OR (b) Compare and contrast between Venture Financing and Crowd Financing.	Apply	CO-1
14.	(a) Analyze the procedure involved in new issue of shares. OR (b) Examine the role of Primary Market in facilitating capital formation.	Analyse	CO-3
15.	(a) Examine the differences between Primary Market and Secondary Market. OR (b) Give an outline of the procedure of Listing.	Analyse	CO-3

Part D.
Answer all 4 questions, choosing among options within each question.
Long Answer. 6 Marks Each. (Cognitive Level: Analyse/Evaluate)
24 Marks. Time: 60 Minutes

Qn. No.	Question	Cognitive Level	Course Outcome (CO)
16.	(a) Draw the structure of Indian Financial System. Also give a summary of the financial system in India. OR (b) On what grounds you can distinguish between SEBI and RBI.	Analyse	CO-1
17.	(a) Make an objective assessment of the performance of SEBI in strengthening Indian Capital Market.	Analyse	CO-1

	<p style="text-align: center;">OR</p> <p>(b) Present your arguments for and against open-ended schemes of mutual funds.</p>		
18.	<p>(a) How would you rate the performance and efficiency of Indian Primary Market?</p> <p style="text-align: center;">OR</p> <p>(b) Critically evaluate the Book Building process by comparing and contrasting it with Fixed Price issue.</p>	Analyse	CO-3
19.	<p>(a) Design a flow chart of the process of dematerialization with narration about each step in the process.</p> <p style="text-align: center;">OR</p> <p>(b) “Stock exchanges are vital for the development of a hi-tech modern society” – Clarify your views on the above argument.</p>	Evaluate	CO-2