(F+R) (CBCS) (2014-15 and Onwards)
COMMERCE
1.4 : Indian Financial System

Time : 3 Hours
Max. Marks : 70

Instructions: Answers should be written completely in English or Kannada.

SECTION – A
Answer any five sub-questions. Each sub-question carries two marks. (5x2=10)

1. a) Give the meaning of financial asset.
   
1. b) What are marketable securities? Give any two examples.
   
1. c) Expand NBFC and NABARD.
   
1. d) State any four primary functions of commercial banks.
   
1. e) When is a bank considered as Scheduled Bank?
   
1. f) Mention any two objectives of RBI.
   
1. g) State any two features of financial service.
   
SECTION – B
Answer any three questions. Each question carries six marks. (3x6=18)

2. Briefly explain any six functions of financial system.

3. Discuss any three distinctions between capital market and money market.
4. Bring out any three distinctions between Banking Companies and Non-Banking Financial Companies.

5. Explain any three credit control measures of RBI.

6. Give the meaning of liquidity and explain the types of liquidity with reference to a commercial bank.

SECTION - C

Answer any three questions. Each question carries fourteen marks. (3 x 14 = 42)

7. Give the meaning of financial system and briefly explain its components.

8. What is stock exchange? Discuss the features and advantages of stock exchange.

9. Explain the meaning, features and types of mutual funds.

10. Discuss the meaning and primary functions of commercial banks.

11. Write a note on the followings:
   a) factoring
   b) leasing and
   c) venture capital.