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# MS-402/FM-2104

# Indian Financial System (भारतीय वित्तीय व्यवस्था)

Master of Business Administration (MBA-10/12/13/16/17/MBAH-11)

4th / 3rd Semester Examination, 2019 (June)

Time: 3 Hours] Max. Marks: 80

**Note:** This paper is of Eighty (80) marks divided into three (03) sections A, B and C. Attempt the questions contained in these sections according to the detailed instructions given therein.

### **SECTION-A**

(Long Answer Type Questions)

**Note:** Section 'A' contains four (04) long answer type questions of Nineteen (19) marks each. Learners are required to answer any two (02) questions only.

 $(2 \times 19 = 38)$ 

**1.** What is 'Money Market' ? How is it different from capital market ?

- **2.** How has the Indian stock market improved its efficiency, liquidity and risk management systems in recent years?
- **3.** Why is the Reserve Bank of India considered apex bank of India? What measures have the RBI taken in recent years to improve services to banks customers?
- 4. "Despite existence of tremendous business opportunities and availability of strengths, commercial banks in India have not been able to take full advantage". Do you agree with the statement ? If yes, explain the major causes.

#### **SECTION-B**

## (Short Answer Type Questions)

**Note:** Section 'B' contains eight (08) short answer type questions of eight (08) marks each. Learners are required to answer any four (04) questions only. (4×8=32)

- 1. Discuss, in brief, redeeming features of secondary market.
- **2.** Briefly outline functional specialisation of the Bombay Stock Exchange.
- **3.** Describe regulatory framework of Non-Banking Financial Comapanies.
- **4.** Present your own view on future of insurance industry in India.

- **5.** Discuss how a commercial bank should design performance appraisal system for its bank?
- **6.** Discuss the redeedming features of financial inclusion.
- 7. Critically evaluate the functions of Reserve Bank of India.
- **8.** Discuss briefly the regulatory framework governing the securities in India.

#### SECTION-C

# (Objective Type Questions)

**Note :** Section 'C' contains ten (10) objective type questions of one (01) mark each. All the questions of this section are compulsory.  $(10 \times 1 = 10)$ 

Fill in the blanks with appropriate words:

will be .

1.	Various branches of the commercial banks under 'Unit
	Banking' are spread all over the
2.	If Bank Rate is reduced by Reserve Bank of India, credit

**3.** Providing financial assistance and rendering \_\_\_\_\_ are the minimal functions of development banks.

5.	Commercial bank is a market institution.
Wri	te True or False against the following:
6.	Insurance comapny is an important money market institution.
7.	The RBI is endowed with the responsibility of maintaining the external value of the rupee.
8.	Survival and success of a bank depends on adequacy of capital.
9.	The chore committee was appointed to review the working of the cash credit system in commercial banks.
10.	Public depostis constitute an important component of resources of non-banking finance companies.

The operation of life insurance companies depend on the

4.

laws of \_\_\_\_\_\_.