MBA
(SEM -III) THEORY EXAMINATION 2017-18
Financial market & commercial banking

Time: 3 Hours   *Total Marks: 70*

Note: 1. Attempt all Sections. If require any missing data; then choose suitably.

SECTION A

1.   **Attempt *all* questions in brief.**   2 x 7 = 14

     a. What do you understand by financial system?

     b. What is bank rate?

     c. Discuss Repo & Reverse Repo Rate.

     d. What do you understand by Put option?

     e. What is zero- coupon bond.

     f. Define lock-in-period?

     g. What is open-ended mutual fund?

SECTION B

2.   **Attempt any *three* of the following:**   7 x 3 = 21

     a. Discuss in detail the 'Financial liberalization Theory' of saving and investment.

     b. Briefly discuss the various techniques used for monetary control or to maintain the price stability in India.

     c. Discuss the objectives, scope and functions of SEBI.

     d. Write a brief note on discounting services and its importance in money market.

     e. What are the major advantages of investment through mutual funds?

SECTION C

3.   **Attempt any *one* part of the following:**   7 x 1 = 7

     a. What do you understand by financial market? Also, discuss different ways of classifying financial market.

b. Discuss in detail the 'Prior Saving Theory' of saving and investment.

4.   **Attempt any *one* part of the following:**   7 x 1 = 7

a. Why the importance of co-operative banks has increased in India? Explain the nature of the co-operative banks.

b. Discuss the importance of NABARD in developing rural areas of India in detail.

5.   **Attempt any *one* part of the following:**   7 x 1 = 7

a. What is the meaning of the call money market? Briefly discuss the nature of this market.

b. What is commercial paper? How has the growth of commercial paper market taken place in India?

6.   **Attempt any *one* part of the following:**   7 x 1 = 7

a. Define derivatives. Discuss various services provided by derivatives?

b. What are the differences between forward and future contracts?

7.   **Attempt any *one* part of the following:**   7 x 1 = 7

a. What do you understand by insurance? How the insurance companies manage risk?

b. Discuss in detail the growing importance of Internet banking in India.