

MBA
(SEM-III) THEORY EXAMINATION 2019-20
FINANCIAL MARKET AND SERVICES

Time: 3 Hours

Total Marks: 100

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

SECTION A

1. Attempt all questions in brief. 2 x 10 = 20

Q.NO.	Question	Marks	CO
a.	Discuss the important functions performed by the Financial System.	2	
b.	What is meant by equilibrium in financial markets?	2	
c.	Distinguish between discount market and acceptance market.	2	
d.	Write short notes on the following :- (a) Non-performing asset (b) Capital adequacy ratio	2	
e.	What do you mean by listing of securities?	2	
f.	Explain briefly the objectives and functions of SFCs.	2	
g.	What is the difference between Microcredit and Microfinance?	2	
h.	Explain the meaning of Social Inclusion.	2	
i.	What is Bank rate policy?	2	
j.	Distinguish between insurance and reinsurance.	2	

SECTION B

2. Attempt any three of the following: 3 x 10 = 30

Q.NO.	Question	Marks	CO
a.	Give a brief explanation of various theories that discuss about the relationship between the financial system and economic development.	10	
b.	How do you measure the central bank autonomy and what is the relationship between central bank autonomy and economic performance?	10	
c.	“Security and Exchange Board of India (SEBI) has played a strong role for the improvement of the secondary market in India.” Comment.	10	
d.	“Lack of capital is the main constraint why microfinance institutions do not grow into big organizations in the India”. Discuss the truth of this statement. Do you think microfinance sector should adequately funded?	10	
e.	Why were reforms undertaken in the banking system? How was the banking reforms initiated in India?	10	

SECTION C

3. Attempt any one part of the following: 1 x 10 = 10

Q No.	Question	Marks	CO
a.	Explain the role and functions of financial system. Also explain the defects of Indian financial system.	10	
b.	“A market- based financial system is preferable over a bank-based system.” Comment critically.	10	

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4. Attempt any one part of the following: 1 x 10 = 10

Q.No.	Question	Marks	CO
a.	What are the important functions of Reserve Bank of India?	10	
b.	Briefly explain the nature and functions of Non-Bank Statutory Financial Organisations (NBSFOs) in India.	10	

5. Attempt any one part of the following: 1 x 10 = 10

Q.No.	Question	Marks	CO
a.	Explain the concept of “Call Money Market” and “Hire Purchase Market”, and bring out the points of difference between the two.	10	
b.	Why Government Securities Market is Important? What are the major policy measures taken to develop the Government Securities Market in India?	10	

6. Attempt any one part of the following: 1 x 10 = 10

Q.No.	Question	Marks	CO
a.	What is Micro Finance? Briefly explain the features and channels of Micro Finance.	10	
b.	Enumerate the Poverty Alleviation Programmes adopted by Government of India?	10	

7. Attempt any one part of the following: 1 x 10 = 10

Q.No.	Question	Marks	CO
a.	What are the major performance indicators of commercial banks and how these are measured?	10	
b.	What are the differences between Basel-II and Basel-III norms of banking supervision?	10	