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Total Number of Pages : 02

MBA
18MBA202

2nd Semester Regular / Back Examination: 2022-23

SUBJECT : Indian Financial Systems and Services

MBA, MBA (A & M), FM&HRM, LSCM, MBA (M & F), RM, BM, FM, GM, HRM, IB, MM, BA

Time : 3 Hour

Max Marks : 100

Q.Code : M290

Answer Question No.1 (Part-1) which is compulsory, any eight from Part-II and any two from Part-III.

The figures in the right hand margin indicate marks.

Part-I

Q1 Answer the following questions : (2 x 10)

- Why the payment mechanism of Banks is important for the economy?
- Can a Fixed deposit be claimed before maturity?
- How does compliance with KYC provisions in letter and spirit help Banks?
- A Businessman has applied in the court for adjudication as an insolvent. Can he become an insurance agent? Justify.
- What do you mean by the "vetting of the offer document"?
- What is meant by "order driven system" of Trading?
- Who are the players in the unorganized sector of the Financial system?
- What is a "Certificate of deposit"?
- What are the special features of an "Open-ended Fund"?
- What does the term "Venture capital" refer to?

Part-II

Q2 Only Focused-Short Answer Type Questions- (Answer Any Eight out of Twelve) (6 x 8)

- Explain the principles that the Banker must adhere to for maintaining the trust and faith of its customers.
- A Cheque payable to "M or Order" drawn by X on your branch is stolen and the thief forges "M's signature and presents to you for payment. However you make the payment in due course. M is having a S.B. a/c with you not operated for the last 5 years. M wants to recover the cheque amount from you. What recourse do you have, as a banker, in this case?
- Briefly explain the "principle of utmost good faith" with reference to life and non-life insurance.
- What role do Financial institutions play as a financial intermediary in financial market? Discuss.
- What functions does Money market perform? Discuss briefly the various types of instruments that are dealt in Money market.
- Critically examine the role of stock exchanges in the financial system of a country.

- g) Discuss the different kinds of leasing. Explain the factors to be kept in mind doing financial evaluation of leasing with example.
- h) Explain the "New issue Market". How does it differ from the Secondary Market?
- i) Critically examine the reasons to invest in Mutual Funds.
- j) Discuss the roles and functions of Financial Markets.
- k) Explain the difference between open-ended mutual funds and close-ended mutual funds.
- l) Discuss the strengths and weakness of Indian Financial systems.

Part-III

Only Long Answer Type Questions (Answer Any Two out of Four)

- Q3 Discuss how allied services offered by Banks add value to the banks as well as to the customers. (16)
- Q4 "Financial markets and Financial institutions play an important role in Financial system". Do you agree? Justify your answer. (16)
- Q5 Explain in detail the procedures followed at the stock exchanges for making purchases and sales of securities. (16)
- Q6 What strategic role Venture capital plays in ensuring the development of the country? Discuss the criteria for analyzing Venture capital proposals. (16)