

**344303**

**December, 2019**  
**MBA 3rd Semester**  
**FINANCIAL INSTITUTIONS AND MARKETS**  
**(MB/FM 211)**

Time : 3 Hours]

[Max. Marks : 75

*Instructions :*

1. *It is compulsory to answer all the questions (1.5 marks each) of Part-A in short.*
2. *Answer any four questions from Part-B in detail.*
3. *Different sub-parts of a question are to be attempted adjacent to each other.*

**PART - A**

1. (a) Define financial system. (1.5)
- (b) Differentiate between money market and capital market. (1.5)
- (c) Explain the concept of shadow banking. (1.5)
- (d) Define role of SIDBI. (1.5)

- (e) Explain the significance of money market in financial system. (1.5)
- (f) What is the relevance of call money market? (1.5)
- (g) Point out the difference between banking and non-banking institutions. (1.5)
- (h) Discuss how EXIM bank helps in promotion of exports of a country. (1.5)
- (i) List out the functions of money market. (1.5)
- (j) Write the difference between commercial bank and central bank. (1.5)

### PART - B

2. 'A sound financial system plays a vital role in development of an economy'. In view of the above statement explain the functions and organization of various components of financial system. (15)
3. What are the various functions performed by a commercial bank? Explain the present structure of commercial banking in India. Highlight the recent developments in commercial banking. (15)
4. What is money market? Write in detail about various instruments and trends of money market. (15)

5. 'Capital market offers a number of options for investments to investors' in view of the said statement explain the instruments of capital market. Write in detail the role of SEBI as a regulatory authority. (15)
6. Write short notes on :
- (a) RBI and its functions. (7.5)
- (b) Role of financial system in economic development. (7.5)
7. Explain :
- (a) Importance of NABARD in rural development of our country. (7.5)
- (b) Recent trends in Indian money market. (7.5)