

Total No. of Questions : 5]

SEAT No. :

**P3818**

[Total No. of Pages : 3

**[6025]-205**

**F.Y. M.B.A. (Finance)**

**205 FIN - SC-FIN - 01 : FINANCIAL MARKETS & BANKING  
OPERATIONS**

**(2019 Revised Pattern) (Semester - II) (Theory)**

*Time : 2½ Hours]*

*[Max. Marks : 50*

*Instructions to the candidates:*

- 1) *Draw neat labelled diagram wherever necessary.*
- 2) *Figures to the right indicate full marks.*
- 3) *Attempt all the questions.*

**Q1)** Solve any Five out of Eight.

- a) \_\_\_\_\_ is an alpha numeric code that uniquely identifies bank-branch participating in the NEFT system. [2]
  - i) IFSC
  - ii) STP
  - iii) SFMS
  - iv) RTGS
  
- b) In banking ATM stands for \_\_\_\_\_. [2]
  - i) Automated Tallying Machine
  - ii) Automated Teller Machine
  - iii) Automated Totalling Machine
  - iv) Automated Transaction of Money
  
- c) The relationship between a banker and its customer is basically \_\_\_\_\_. [2]
  - i) A debtor and a creditor
  - ii) A trustee and the beneficiary
  - iii) A principal and agent
  - iv) None of these
  
- d) Which of the following are the instruments of money market? [2]
  - i) Call money
  - ii) Certificate of deposits
  - iii) Treasury bills
  - iv) All of the above

**P.T.O.**

- e) Which of the following is the function of financial market? [2]
- i) Mobilization of savings
  - ii) Price fixation
  - iii) Provide liquidity to financial assets
  - iv) All of the above
- f) Non - Banking financial Companies are the financial intermediaries engaged primarily in the business of \_\_\_\_\_ [2]
- i) Lending loans and advances
  - ii) Leasing
  - iii) Hire purchasing
  - iv) All of the above
- g) What does I stands for in IMPS? [2]
- i) Instant
  - ii) Inter
  - iii) Interface
  - iv) Immediate
- h) IMPS is managed by? [2]
- i) RBI
  - ii) NPCI
  - iii) SBI and NPCI
  - iv) RBI and NPCI

**Q2) Solve any TWO out of THREE.**

- a) Explain in detail Commodity market with example. [5]
- b) Describe principles of Sound Bank Lending. [5]
- c) Explain in detail MICR. [5]

**Q3) Solve any One:**

- a) Elaborate Wholesale and Retail Banking [10]
- b) Elaborate the contribution of Banks to Indian economy. [10]

**Q4) Solve any One:**

- a) Ramesh buys a financial asset from the RBI. This financial asset is an instrument of short term borrowing. He has bought it because he doesn't want to take risk and wants an assured return. This instrument is a promissory note. It is highly liquid. This instrument is also known as Zero Coupon Bond. On this instrument is written T- 91. [10]
- i) Which financial asset is indicated in the above case?
  - ii) On whose behalf does the RBI issue this instrument?
  - iii) Why is this instrument called as the Zero Coupon Bond?
  - iv) What does T-91 denote here?
  - v) What is the minimum amount for which this instrument is available?
- b) Identify the type of financial market in the following cases with justification: [10]
- i) The value of securities issued by a company is low. It has not set up a huge financial outlay. Mr. Manuj has purchased 100 units of shares with the value of Rs. 8 each. Though he has small savings yet he is able to invest money in this financial market.
  - ii) A financial market deals only in short term securities. The securities in the market may even be issued for a single day.
  - iii) A financial market deals in medium term and long term securities such as equity shares and debentures.
  - iv) The participants in this financial market are institutions like banks, corporations, large sized companies and members of the public.
  - v) The securities in this financial market yield low rate of return.

**Q5) Solve any One:**

- a) "The role of technology is essential in banking services". Justify the statement. [10]
- b) Critically evaluate the Role of Financial System in Economic Development. [10]

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