

(4)

Unit - III 10

6. "Development Finance Institutions are both finance corporations & development corporations." Comment. 10
7. What is NABARD? Comment on its role & importance in the nations economic development. 10

Unit - IV 10

8. "A mutual fund provides Long-term diversified, professionally managed investment opportunity to the small investor at a reasonable cost". Comment. 10
9. Examine the nature of a N.B.F.C. in the Right of Sec. 45-I(f) & Sec. 45-I(e) of the R.B.I. Act. Briefly comment on the reasons of success achieved by learning N.B.F.Cs. 10

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Roll No. \_\_\_\_\_

**MS-3127**

M.B.A. (Finance & Control) (Semester-IV)

Examination, 2015

Management of Financial Institutions

(FC-044)

*Time Allowed : Three Hours ] [ Maximum Marks : 70*

Note : Answer five questions in all. Question No.1 carrying 30 marks, is compulsory. Attempt one question carries 10 marks from each unit.

1. Write short answers on the following :

3×10=30

- (a) Define Intermediation, savers and investors.
- (b) What is a financial instrument? Why are they called 'Stores of value'?

**(2)**

- (c) Mention various types of financial markets. What is their role in financial systems?
- (d) "The obligation to honour a depositor's cheque (s) is the most unique feature of a commercial bank that distinguishes it from other types of financial institutions'. Comment.
- (e) Name the ingredients of a bank's lending policy.
- (f) "Income is a result of the 'revenue function's & 'cost question' of a commercial bank''. Explain.
- (g) Offer brief comments on the 'regulation' function of the Development Financial Institutions.
- (h) Briefly comment on the resource-mobilisation of D.F.I.s.

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**(3)**

- (i) Comment on SEBI's role in regulating mutual funds.
- (j) 'N.B.F.C. grew out of the need of funds of large industry'. Comment.

**Unit - I**

2. Explain the process of capital formation. How is it related to economic growth? 10
3. Apex-level financial institution were established in India after World-War-II. Examine the causes and effects of the same. 10

**Unit - II**

4. Why is the management of liquidity important for a Commercial bank? Name the various liquidity theories. 10
5. "Primary & Secondary reserves are only an economic nomenclature not to be founded in a balance-sheet'. But their importance is undiminished. Explain. 10

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**P.T.O.**