



III Semester M.B.A. Degree Examination, January/February 2018
(CBCS) (2014-15 and Onwards)

MANAGEMENT

Paper – 3.3.1/3.7.3 : Indian Financial System

Time : 3 Hours

Max. Marks : 70

SECTION – A

Answer **any five** of the following questions. **Each** question carries **5** marks. **(5×5=25)**

1. Explain in brief the overview of Indian Financial System.
2. Explain the objectives and functions of Industrial credit and Investment Corporation of India.
3. Discuss the structure of the Insurance industry in India.
4. Discuss the role of Non-Banking Financial Institutions in the development of Indian economy.
5. Explain the constituents of financial markets.
6. Discuss in brief the different types of financial services.
7. Explain the steps in trading in the stock exchange.

SECTION – B

Answer **any three** of the following questions. **Each** question carries **10** marks. **(3×10=30)**

8. What is Merchant Banking ? Discuss in detail the various functions performed by merchant bankers.
9. Explain the various methods adopted by corporate entities for marketing the securities in the New Issues Market.
10. Discuss the role and functions of a stock exchange.
11. Explain in detail the various schemes of mutual funds in India.



SECTION - C

12. Case Study :

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R Ltd., a manufacturing company needs a generator for its activities. The cost is Rs. 1,00,000. On making enquires it is learnt that the company has two options. The first one is buying the asset by taking a loan of Rs. 1,00,000 repayable in five equal installments of Rs. 20,000 each along with interest @ 12% per annum. The second option is leasing the asset for which annual lease rental is Rs. 30,000 up to five years. The lessor charges 1% as processing fees in first year. As the tax manager advise the company management on the better option to be selected. Assume tax rate as 33.063% and discount factor as 10%.
