



PJ – 678

III Semester M.B.A. Degree Examination, Jan./Feb. 2019

(CBCS Scheme)

(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 carries five marks.

1. Discuss the features of Indian Financial System.
2. Explain the objectives and functions of Industrial Finance Corporation of India.
3. Explain the role of NBFC's in the development of an economy.
4. List and differentiate between fund based and non fund based financial services.
5. Explain the different types of leasing.
6. What is capital market ? Explain different instruments of capital market.
7. What is listing ? Explain different steps in listing. **(5×5=25)**

SECTION – B

Answer any three of the following questions. Each question carries ten marks.

8. What is merchant banking ? Explain the functions of merchant bankers.
9. Discuss the role and functions of stock exchange.
10. What is money market ? Explain the different types of money market instruments.
11. Discuss the structure and present status of insurance sector in India. **(3×10=30)**

P.T.O.



SECTION - C

Compulsory :**(1×15=15)**

12. XYZ Builders Ltd. need to acquire the use of a crane for their construction business and are considering buying or leasing a crane. The crane costs Rs. 10,00,000 and is subject to the straight line method of depreciation to a zero salvage value at the end of 5 years. In contrast, the lease rent is Rs. 2,20,000 per year to be paid in advance each year for 5 years. XYZ Builders Ltd. can raise debt at 14 per cent payable in equal installments, each installment due at the beginning of the year. The company is in the 50 per cent tax bracket. Should it lease or buy the crane ?
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