

School of Business

MBA
ETE - May 2023

Time : 3 Hours

Marks : 50

Sem IV - MBFI6015 - Managing Banks and Financial Institutions

Your answer should be specific to the question asked

Draw neat labeled diagrams wherever necessary

1. Trace out the development of the financial system in India. K2 CO1 (2)
2. How have NBFCs contributed to the economic growth of the country? K2 CO2 (2)
3. Describe the importance of co-operative banks in India? K4 CO3 (2)
4. What is the role of NABARD in rural credit? K4 CO4 (2)
5. Describe the scope of International Financial Management. K4 CO5 (2)
6. 'There is a close relationship between financial system and economic growth.' Comment critically. K4 CO1 (5)
7. Describe the various components used in CAMEL'S model to analyze the performance of banks. K4 CO2 (5)
8. Distinguish between GDRs and ADRs K5 CO5 (6)
9. "Commercial banks are special among the intermediaries for the development of the economy". Justify K5 CO3 (8)
10. 'Regional rural banks are important financial institutions in the rural credit structure.' Discuss. K5 CO4 (8)

Case Study:

Read the following case and answer the questions given there under : –

Growth of Indian Foreign Exchange Market

Indian Foreign Exchange Market has grown exponentially since introduction of LPG Model in 1991. Simultaneously, the growth in international tourism has increased business volumes of Money Changers. On account of above the volume and complexity of transactions in both the retail and wholesale segments of the market have increased substantially.

The operations of Authorised Dealers have undergone a sea change during this period. Some of the landmark developments have been the changing vehicle currencies, the introduction and withdrawal of LERMS, the modality of calculating rates, introduction of current account convertibility etc.

During this period the Foreign Exchange Dealers Association of India (FEDAI) has played a significant role, helping market participants to assimilate the on-going changes to ensure a smooth functioning of the market.

- (1) In reference to the case explain what has led to the increase in volume and complexities of transactions in different market segments?
- (2) Explain meaning of "Authorised Dealer"
- (3) In reference to the case explain what has impacted the operations of 'Authorised Dealers.'
- (4) What is the difference between 'Authorised Dealer and Money Changer'?
- (5) Explain the role of "FEDAI" in India Foreign Exchange Market.