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BACHELOR OF BUSINESS ADMINISTRATION (B.B.A.)

EXAMINATION: MAY- 2024

SEMESTER - VI

Sub.: Banking and Finance (BBA15-F-614)

Date : 22/05/2024

Total Marks : 60

Time: 10.00 am to 12.30pm

- Instructions:** 1) All questions are compulsory.
2) Figures to the right indicate full marks.

Q. 1. Choose the most appropriate option. (05)

1. Which bank is known as banker's bank?
a) RBI
b) BOB
c) ICICI
d) PNB
2. At which of the following cities is the Head Office of Reserve Bank of India located?
a) Mumbai
b) Pune
c) Nagpur
d) None of the given
3. In India the Commercial Banks are given licence of operation by.....
a) Corporator
b) MLA
c) Prime Minister
d) None of the given
4. "Repo Rate" refers to the rate at which.....
a) Bills are discounted by RBI
b) Loans are approved
c) a and b both
d) None of the given
5. Which of these banks are not-for-profit banks owned by the depositor?
a) Co-operative Bank
b) Commercial Bank
c) Merchant Bank
d) a, b and c

Q. 2. State True / False (05)

1. The first Narsimham Committee's recommendation regarding the SLR is to bring down from 38.5% to 25%
a) True
b) False
2. The capital adequacy ratio (CAR) is an indicator of how well a bank can meet its obligations.
a) True
b) False
3. Financial institutions and markets are together called the financial system
a) True
b) False
4. Apart from interest rates, the central bank of any country can also alter the supply of loanable funds by altering the reserve requirements.
a) True
b) False
5. Money market instruments are short-term debt securities or financial assets that are highly liquid and typically have a maturity of less than one year.
a) True
b) False

Q. 3. Write Short notes on (Any Three) (15)

1. Features of Indian Money market
2. Reserve bank of India and Money market
3. Features of Indian Capital market
4. Instruments under Capital market
5. Establishment and recommendations of Narasimham committee

Q. 4. Answer in detail (Any Two) (20)

1. What are the key roles that banking institutions play in the Indian economy?
2. Evaluate the progress and performance of nationalized banks in India post-nationalization.
3. Discuss the rationale and objectives behind the reforms introduced in the Indian banking sector.
4. Discuss the need for financial markets and institutions in facilitating efficient allocation of resources and risk management.

Q. 5. Case study (15)

The Indian capital market showcases a dynamic landscape characterized by a diverse range of features that contribute to its vibrancy and attractiveness to investors. With its robust regulatory framework and increasing integration with global markets, the Indian capital market offers ample opportunities for investment and growth. One prominent feature of the Indian capital market is its regulatory environment, overseen by regulatory bodies like the Securities and Exchange Board of India (SEBI). SEBI plays a crucial role in ensuring transparency, investor protection, and fair market practices, fostering investor confidence. Additionally, the Indian capital market is known for its diverse array of investment avenues, including equities, bonds, derivatives, mutual funds, and alternative investment funds (AIFs). This diversity allows investors to tailor their portfolios to their risk preferences and investment objectives.

Moreover, technological advancements have led to the emergence of electronic trading platforms, facilitating seamless and efficient trading activities. The widespread adoption of digital platforms has democratized access to the capital market, empowering retail investors and enhancing market liquidity.

Furthermore, initiatives like the introduction of the Goods and Services Tax (GST) and the Insolvency and Bankruptcy Code (IBC) have bolstered investor sentiment and strengthened corporate governance practices.

Question

- 1) What are important features of the Indian Capital Market?
- 2) Elaborate role of SEBI in the Indian Capital Market.
- 3) What are the benefits of technological advancement.