

**GUJARAT NATIONAL LAW UNIVERSITY
GANDHINAGAR**

**Course: Financial Institutions and Markets
Semester-VI (Batch: 2013-18)**

Mid Semester Test: Feb-Mar. 2016



Date: 05th March 2016

Duration: 2 hours

Max. Marks: 30

Instructions:

- Read the questions properly and write the answers in the given answer book.
- The respective marks for each question are indicated in-line.
- Do not write any thing on the question paper.
- Draw the diagrams only with pencil.
- Indicate correct question numbers in front of the answers.
- No questions or clarifications can be sought during the exam period, answer as it is, giving reason, if any.

Marks

Answer all the questions.

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| Q.1 | Discuss the role of financial system and its impact on economy, growth and development of a country. | (06) |
| Q.2 | State your views on theories of investment and savings elaborating and justifying the theory you favor. | (06) |
| Q.3 | Explain the structure of banking in India. Discuss the achievements and the weaknesses of the banking industry in India. | (06) |
| Q.4 | Write a short note on key elements of well-functioning financial system. | (06) |
| Q.5 | Speaking on tackling of rising NPA menace, Sri Raghuram Rajan, Governor, Reserve Bank of India said "While the profitability of some banks may be impaired in the short run, the system, once cleaned, will be able to support economic growth in a sustainable and profitable way" State your views on NPA management of banks considering the dependence of present and future state of Indian economy on 'bank based' system. | (06) |
