

UNIVERSITY OF COLOMBO, SRI LANKA
FACULTY OF MANAGEMENT AND FINANCE

Bachelor of Business Administration (Level-II Semester-VII) Examination
March-April 2010

FIN-2115 Financial Sector Developments in Sri Lanka

One (01) Hour

Instructions for Candidates:

1. Answer only THREE (03) questions
 2. Open book examination
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1. What are the major components of financial system in Sri Lanka? Explain how each of them contributes to the development of Sri Lankan economy.
2. Identify the major landmarks in the development of financial sector in Sri Lanka since 1990's and briefly explain their significance in the development of financial sector.
3. Thirty years continuous war in Sri Lanka has now been come to an end. How this situation would help the development of financial sector in Sri Lanka? In your answer highlight the regaining financial activities in the North and East of the country.
4. Several amendments have been made to the relevant Acts that govern the financial sector in Sri Lanka from time to time in the past half a century in order for smooth running of the financial sector. However, still there are illegal financial institutions operating in the market.

Explain the reasons as to why such institutions have been continued to be operating. Your answer should be based on the recent experiences in the financial sector in Sri Lanka.

5. Briefly explain the development of roles and functions of the Licensed Commercial Banks (LCBs) and Other Financial Institutions (OFIs) in Sri Lanka during the last five years.
 6. Even after sixty years of independence, financial sector development in Sri Lanka is still lagged behind when comparing with that of the region. Elaborate this statement with your arguments.
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