

Code No: **24BA3T6FA**

II MBA - I Semester - Regular Examinations - DECEMBER 2025

FINANCIAL MARKETS AND SERVICES

Duration: 3 Hours

Max. Marks: 70

- Note: 1. This question paper contains two Parts: Part-A and Part-B.
 2. Part-A contains 5 essay questions with an internal choice from each unit.
 Each Question carries 12 marks.
 3. Part-B contains one Case Study for 10 Marks.
 4. All parts of Question paper must be answered in one place

BL – Blooms Level

CO – Course Outcome

PART - A

			BL	CO	Max. Marks
<u>UNIT – I</u>					
1.	a)	Apply the concept of the Indian financial system to explain how different components work together to channel savings into investments.	L3	CO1	6 M
	b)	Examine the factors that influence the stability of the financial system in India and discuss how recent economic reforms have impacted these factors.	L1	CO1	6 M
OR					
2.	a)	Apply your understanding of the capital market to analyze how stock exchanges contribute to corporate financing in India.	L3	CO1	6 M
	b)	Analyze the role of the money market and capital market in maintaining the overall stability of the Indian financial system.	L4	CO1	6 M

UNIT – II

3.	a)	Apply the principles of central banking to explain how the RBI can intervene in the Indian economy during an inflationary phase.	L3	CO2	6 M
	b)	Illustrate KYC norms and AML regulations to a hypothetical case where a bank identifies suspicious transactions. What steps should the bank follow?	L3	CO2	6 M

OR

4.	a)	Analyze the effectiveness of RBI's regulatory measures in maintaining financial stability in commercial banks.	L4	CO2	6 M
	b)	Examine the impact of strict KYC and AML regulations on customer experience, banking costs and fraud prevention.	L4	CO2	6 M

UNIT-III

5.	a)	Apply the concept of Fintech evolution to explain how digital payment systems have transformed traditional banking services in India.	L3	CO3	6 M
	b)	Illustrate with examples how insurance industry regulations can be applied to prevent unethical practices and protect policyholders.	L3	CO3	6 M

OR

6.	a)	Analyze the differences in efficiency and structure between public sector and private sector insurance companies, highlighting their strengths and weaknesses.	L4	CO3	6 M
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	b)	Examine the role of Fintech startups versus traditional financial institutions in shaping today's financial services ecosystem.	L4	CO3	6 M
<u>UNIT – IV</u>					
7.	a)	Apply the concept of financial services objectives and characteristics to evaluate how UTI mutual fund contributed to the growth of Indian capital markets.	L3	CO4	6 M
	b)	Demonstrate the different investment types of mutual funds can be applied to design an investment plan for a middle-class investor with moderate risk appetite.	L3	CO4	6 M
OR					
8.	a)	Analyze the differences between venture capital financing and traditional bank financing in terms of risk, return and investor control.	L4	CO4	6 M
	b)	Critically evaluate the role of factoring and forfeiting in improving the liquidity position of export-oriented companies.	L4	CO4	6 M
<u>UNIT – V</u>					
9.	a)	Explain how the functions of an investment bank can be applied to support a company planning to raise funds through both equity and debt instruments. Illustrate with a practical example.	L3	CO5	6 M

	b)	Analyze the differences between merchant banking and traditional commercial banking in terms of scope, functions and risk exposure. Provide examples to support your analysis.	L4	CO5	6 M
OR					
10.	a)	Assume you are a financial consultant to a mid-sized Indian company. How would you apply the services of a merchant banker to facilitate its IPO in compliance with SEBI regulations?	L3	CO5	6 M
	b)	Critically analyze how SEBI's regulatory framework influences the efficiency and transparency of both primary and secondary markets in India.	L4	CO5	6 M

PART – B

	CASE STUDY			L4	CO4	10 M
11.	<p>Mr. Ramesh, a 42-year-old salaried employee, wants to invest his annual savings of Rs.4 lakhs. He is risk-averse but desires better returns than fixed deposits. He is considering investing in mutual funds through UTI or private fund houses.</p> <p>Questions:</p> <p>a) Evaluate which type of mutual fund scheme would be most suitable for Mr. Ramesh. Justify your choice.</p> <p>b) Apply the organizational structure of mutual funds to explain how UTI can manage Mr. Ramesh's investments effectively.</p> <p>c) Analyze the advantages and risks of mutual funds compared to traditional investment avenues like FDs or gold.</p>					