23MSU629N

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BBA DEGREE EXAMINATION MAY 2026
(Sixth Semester)

Branch – **BUSINESS ADMINISTRATION**

FINANCIAL SERVICES

Time: Three Hours | Maximum: 75 Marks

SECTION-A (10 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** marks (10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	Which regulatory body primarily oversea the capital market in India? (i) RBI (ii) IRDAI (iii) SEBI (iv) NABARD	K1	CO1
	2	Which is a component of the Indian financial system? (i) Commercial banks (ii) Schools (iii) Hospitals (iv) Hotels	K2	CO1
2	3	Government securities are traded in the: (i) Capital market (ii) Money market (iii) Foreign exchange market (iv) Real estate market	K1	CO2
	4	NAV of a mutual fund represents: (i) Broker commission (ii) Fund manager's salary (iii) Tax on returns (iv) Market value of one unit	K2	CO2
3	5	A main function of merchant banks is: (i) Retail banking (ii) Advising companies on raising capital (iii) Manufacturing (iv) Printing Currency	K1	CO3
	6	SEBI guidelines for merchant banks ensure: (i) Legal compliance and investor protection (ii) Guaranteed profits (iii) Printing currency (iv) Manufacturing financial products	K2	CO3
4	7	Role of a registrar in issue management: (i) Maintains shareholder records (ii) Designs company logo (iii) Issues currency (iv) Manufactures financial products	K1	CO4
	8	Merchant banker's role in issue pricing: (i) Hires employees (ii) Assesses securities and sets issue price (iii) Manufactures financial instruments (iv) Advertises products	K2	CO4
5	9	Difference between hire purchase and leasing: (i) Leasing transfers ownership; hire purchase does not (ii) Both transfer ownership immediately (iii) Hire purchase transfers ownership at the end; leasing does not (iv) Neither allows asset usage	K1	CO5
	10	Venture capital in India provides: (i) Long-term funding to startups (ii) Currency printing (iii) Short-term bank loans (iv) Insurance regulation	K2	CO5

SECTION - B (35 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** Marks (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Explain with an example how SEBI protects investors in the stock market.	K3	CO1
		(OR)		
	11.b.	Examine the role of commercial banks and insurance companies in the financial system.	K4	

Cont...

2	12.a.	Calculate the NAV of a mutual fund if the total assets are ₹50 lakh and total units are 10,000.	K3	CO2
		(OR)		
	12.b.	Differentiate between the capital market and money market in terms of investment purpose.	K4	
3	13.a.	Illustrate how a merchant banker helps a company in designing its capital structure.	K3	CO3
		(OR)		
	13.b.	Examine the impact of SEBI guidelines on the operations of merchant banks in India.	K4	
4	14.a.	Demonstrate the steps a merchant banker takes in pricing a public issue.	K3	CO4
		(OR)		
	14.b.	Evaluate the role of registrars and underwriters in ensuring a smooth issue process.	K4	
5	15.a.	Explain with an example how hire purchase differs from leasing in financing assets.	K3	CO5
		(OR)		
	15.b.	Assess the importance of venture capital in funding high-growth startups in India.	K4	

SECTION -C (30 Marks)

Answer **ANY THREE** questions

ALL questions carry **EQUAL** Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Examine the role of financial institutions in the development of the Indian financial system.	K4	CO1
2	17	Illustrate how investors can use capital markets and mutual funds to achieve long-term investment goals.	K3	CO2
3	18	Analyse the functions of merchant banks in managing corporate financial services in India.	K4	CO3
4	19	Demonstrate the role of a merchant banker in preparing and managing a public issue.	K3	CO4
5	20	Analyse the differences between leasing and hire purchase as methods of asset financing.	K4	CO5

Z-Z-Z END