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 **PRESIDENCY UNIVERSITY**

  **Bengaluru**

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| **End - Term Examinations – JANUARY 2025** |
| **Date:** 07 – 01- 2025 **Time:** 01:00pm – 04:00pm |

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| **School:** SCHOOL OF LAW | **Program:** B.B.A. LL.B. (HONS.) |
| **Course Code:** BBL2013 | **Course Name:** INDIAN FINANCIAL SYSTEM |
| **Semester**: III | **Max Marks**: 100 | **Weightage**: 50% |

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| **CO - Levels** | **CO1** | **CO2** | **CO3** | **CO4** | **CO5** |
| **Marks** | **80** | **34** | **34** | **32** | **NIL** |

**Instructions:**

1. *Read all questions carefully and answer accordingly.*
2. *Do not write anything on the question paper other than roll number.*

**Part A**

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| **Answer ALL the Questions. Each question carries 2marks. 10Q x 2M=20M** |
| **1** | What do you mean by Indian Financial System | **2 Marks** | **Remember** | **CO1** |
| **2** | What is the role of the Securities and Exchange Board of India (SEBI) in regulating the Indian capital market?  | **2 Marks** | **Remember** | **CO1** |
| **3** | Explain the concept of inflation and its impact on the economy.  | **2 Marks** | **Understanding** | **CO1** |
| **4** | How do Foreign Institutional Investors (FIIs) impact domestic stock markets?  | **2 Marks** | **Remember** | **CO2** |
| **5** | How does the Reserve Bank of India (RBI) use monetary policy tools to control inflation? | **2 Marks** | **Remember** | **CO2** |
| **6** | What is a bond and how is it different from a stock? | **2 Marks** | **Remember** | **CO3** |
| **7** | What is the role of the Industrial Development Bank of India (IDBI)? | **2 Marks** | **Remember** | **CO3** |
| **8** | Define Factoring and explain how it helps businesses improve cash flow. | **2 Marks** | **Remember** | **CO4** |
| **9** | Define State Industrial Development Corporations (SIDCs). | **2 Marks** | **Remember** | **CO1** |
| **10** | How do financial markets facilitate economic growth and development? | **2 Marks** | **Remember** | **CO1** |

**Part B**

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| **Answer the Questions Total 80 Marks** |
| **11.** | **a.** | Examine your understanding of FDI and FII to analyze the impact of recent government policies on foreign investment flows into India. | **10****Marks** | **Apply** | **CO2** |
| **Or** |
| **12.** | **a.** | Apply your understanding of financial markets to analyze the impact of a monetary policy tightening on the stock market. | **10****Marks** | **Apply** | **CO1** |
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| **13.** | **a.** | Classify and build a hypothetical portfolio of stocks and bonds, considering factors like risk tolerance and return expectations. | **10****Marks** | **Apply** | **CO1** |
| **Or** |
| **14.** | **a.** | Assume and list a plan for a central bank to implement a contractionary monetary policy to control inflation. | **10****Marks** | **Apply** | **CO2** |

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| **15.** | **a.** | Identify the key challenges and opportunities for payment banks in the Indian market. | **10****Marks** | **Apply** | **CO1** |
| **Or** |
| **16.** | **a.** | List out the key regulatory functions of SEBI in protecting investor interests. | **10****Marks** | **Apply** | **CO2** |

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| **17.** | **a.** | Analyze the challenges and opportunities faced by venture capital firms in India. Discuss the factors influencing investment decisions, the regulatory environment, and the exit mechanisms available to investors. | **5+10****Marks** | **Analyzing** | **CO4** |
| **Or** |
| **18.** | **a.** | Critically analyze the key components of the Indian financial services industry and their interdependencies. How do these components influence economic growth, financial stability, and social development in India? | **7+8****Marks** | **Analyzing** | **CO4** |

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| **19.** | **a.** | Analyze the role of the Export-Import Bank of India (EXIM Bank) in promoting India's foreign trade. Discuss its financing schemes, risk mitigation strategies, and contribution to India's export-import balance. | **8+7****Marks** | **Analyzing** | **CO3** |
| **Or** |
| **20.** | **a.** | Examine the role of mutual funds in diversifying investment portfolios and achieving long-term financial goals. Discuss the different types of mutual funds, their risk-return profiles, and the factors to consider when selecting a mutual fund. | **5+5+5****Marks** | **Analyzing** | **CO3** |

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| **21.** | **a.** | Assume you are a financial advisor. A client approaches you seeking advice on how to invest their savings. Explain the various components of the Indian financial system and how they can utilize these components to achieve their financial goals. | **10+10****Marks** | **Analyzing** | **CO1** |
| **Or** |
| **22.** | **a.** | Assume you are a young entrepreneur planning to start a small business. Explain how the Reserve Bank of India (RBI)'s monetary policy and commercial banks can impact your business operations. Discuss the potential benefits and risks involved. | **12+8****Marks** | **Analyzing** | **CO1** |

**\*\*\*\*\* BEST WISHES \*\*\*\*\***