MP-502

June - Examination 2026

Master of Business Administration (IInd Year) Examination

Financial Services

Paper : MP-502

[*Time: **3** Hours*] [*Maximum Marks: **80***]

Note :- The question paper is divided into three Sections A, B and C. Write answers as per the given instructions in each section.

Section-A **8×2=16**

(Very Short Answer Type Questions)

Note :- Answer **all** questions. As per the nature of the question delimit your answer in one word, one sentence or maximum up to **30** words. Each question carries **2** marks.

1. (i) What is the purpose of capital markets?
   (ii) Define Banks.
   (iii) State the importance of venture capital.
   (iv) Name the types of plastic cards.
   (v) State the steps of securitization.
   (vi) Name the types of consumer finance.
   (vii) Name the types of leasing.
   (viii) Define credit rating.

Section-B **4×8=32**

(Short Answer Type Questions)

Note :- Answer **any four** questions. You have to delimit your each answer maximum up to **200** words. Each question carries **8** marks.

2. Discuss the major benefits of non-banking financial intermediaries and explain their contribution to the development of the financial system.
3. Explain the scope and importance of rural banking in India. Discuss its role in promoting financial inclusion and rural economic development.
4. Describe the main objectives and functions of merchant banking companies in providing financial and advisory services.
5. Explain the major features of venture capital financing and discuss its significance in supporting innovative and emerging businesses.
6. Discuss the advantages of mutual funds and explain how they benefit individual and institutional investors.
7. Differentiate between credit cards and debit cards on the basis of features, functioning and usage patterns.
8. Explain the various sources of consumer finance and discuss their importance in meeting individual financial requirements.
9. Discuss the different types of factoring arrangements and explain their role in improving business liquidity and receivables management.

Section-C 2×16=32

(Long Answer Type Questions)

Note :- Answer **any two** questions. You have to delimit your each answer maximum up to **500** words. Each question carries **16** marks.

10. Discuss the various factors that influence the choice between debt financing and equity financing for meeting long-term financial requirements of a company. Explain the advantages and limitations of both sources of finance.
11. Explain the role of housing finance in improving the social and economic conditions of the Indian population. Discuss its contribution to housing development and financial growth.
12. Explain the process of evaluating the credit worthiness of a consumer. Discuss the various methods, parameters and credit assessment models used for consumer credit evaluation.
13. Describe the credit rating process and methodology followed by credit rating agencies in India. Explain how securities are evaluated and rated for investment decisions.
