

**MP-502**

**December - Examination 2025**  
**Master of Business Administration (II 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.

**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 do you mean by Central Banking?
- (ii) What is New Issue Market?
- (iii) How bank guarantee works?
- (iv) What do you mean by Project Scheduling?
- (v) Explain the Principle of Indemnity.
- (vi) What do you mean by Gold Bonds?
- (vii) What do you mean by Plastic Money?

**Section-B**

**4×8=32**

**(Short Answer Type Questions)**

**Note :-** Answer **any four** questions. Each answer should not exceed **200** words. Each question carries **8** marks.

2. Discuss the role of financial system in the economic development of a country.
3. What do you mean by Banks? Explain the various electronic banking services provided by banks.
4. What is General Insurance? How do they operate and do business in India?
5. What is the scope of rural banking in India? Explain.
6. What are the functions performed by a factor? Also state the benefits of factoring to different parties.
7. Explain the strategic role of Venture Capital in the development of a country like India.
8. Distinguish between Leasing and Hire-Purchasing.
9. What are the factors which affect the demand of consumer finance? Elaborate.

**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. What are the factors that would go into deciding whether a company should resort to debt or equity for financing its requirement of long-term funds?
11. 'The scope of Merchant banking in India is great'. Discuss this statement in detail.
12. What do you understand by credit rating? Explain the importance of credit rating and also explain the functions of credit rating agencies.
13. Who has the primary authority for regulating Mutual Funds in India? How does the structure of Mutual Funds protect the interests of unit holders in India?

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