

Hall Ticket No

Question Paper Code: CMBB36



INSTITUTE OF AERONAUTICAL ENGINEERING

(Autonomous)

Dundigal, Hyderabad - 500 043

MODEL QUESTION PAPER

MBA III Semester End Examinations, November - 2019

Regulation: IARE-R18

FINANCIAL SERVICES AND SYSTEMS

(Master of Business Administration)

Time: 3 Hours

Max Marks: 70

Answer any ONE question from each Unit

All questions carry equal marks

All parts of the question must be answered in one place only

UNIT – I

- 1 a) Explain the growing importance of financial services in Indian financial system? [7M]
b) Explain the problems and prospects of new financial products and services. [7M]
- 2 a) Explain the meaning and concept of financial services. What are the characteristics and objectives? [7M]
b) Distinguish between the fund based and non-fund based financial activities? [7M]

UNIT – II

- 3 a) Explain the applicability of NPV and IRR techniques in the evaluation of lease financing? [7M]
b) Briefly explain the concept of tax and accounting aspects of leasing? [7M]
- 4 a) A finance Ltd. Company has structured a consumer credit deal for Rs. 800000. The monthly repayment periods are 6, 18 and 30 months. The equated monthly installments (EMI) are 135000, 46000 and 29000. Compute flat and effective rate of interest on each option? [7M]
b) Explain the procedure for lease documentation and contract? [7M]

UNIT – III

- 5 a) Discuss the emerging trends in factoring and state RBI guidelines. [7M]
b) Discuss the legal obligations and financial aspects of parties involved in bill discounting [7M]
- 6 a) List out the steps involved in discounting and purchasing of commercial bills of exchange? Explain each of it. [7M]
b) What are the features, advantages and disadvantages of factoring? [7M]

UNIT – IV

- 7 a) Give a detailed overview of venture capital financing scenario in India. What is the regulatory framework of VCF in India? [7M]
b) Explain the funding and entry strategies of venture capital financing? [7M]
- 8 a) Discuss the significance of valuation of venture capital financing. Discuss the exit strategies adopted by venture capital firms? [7M]
b) What is the need of venture capital? Briefly describe the main features of venture capital.. [7M]

UNIT – V

- 9 a) Explain merchant banking activities and SEBI guidelines related to issue management. [7M]
b) Explain the various credit rating methods and state its utility to the investor's decisions. [7M]
- 10 a) Discuss the legal framework of merchant banking system in India. [7M]
b) Explain the methodology adopted by various credit rating agencies in India [7M]



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COURSE OBJECTIVES

The course should enable the students to:

S. No	Description
I.	Provide basic knowledge about the Finance concepts, markets and various services provided in those markets.
II.	Apply financial concepts, theories, and tools, and to evaluate the role of technology and the legal, ethical and economic environment as it relates to financial institutions.
III.	Enrich the information about the roles of intermediaries and its regulating bodies.
IV.	Understand factoring, leasing, venture capital concepts and aware on the importance of finance for economic well

COURSE OUTCOMES:

Students who complete the course will have demonstrated the ability to do the following.

CMBB36.01	Gain knowledge about management of financial products and services.
CMBB36.02	Assess the importance of various traditional and modern financial services.
CMBB36.03	Obtain an insight in the concept of leasing and ability to evaluate financially to make lease or buy decisions.
CMBB36.04	Assess the significance of hire purchase along with the tax and legal framework.
CMBB36.05	Estimate the relevance of factoring in the financing of the business and critically evaluate the financial aspects of factoring for decision making.
CMBB36.06	Identify the characteristics of Bill discounting and its legal aspects and realize the discount charges and effective interest rates.
CMBB36.07	Comprehend the notion behind Venture capital financing, its process and funding and entry strategies of venture capital financing.
CMBB36.08	Recognize and use the valuation of venture capital financing methods in the start-up business along with the regulatory frame work.
CMBB36.09	Ascertain the process of merchant banking, new issue management, initial public offering, SEBI guidelines relating to new issues of securities.
CMBB36.10	Demonstrate the concept of credit rating, symbols and grades, and its advantages.

MAPPING OF SEMESTER END EXAMINATION TO COURSE OUTCOMES:

SEE Question No.	Course Outcomes		Course Outcomes	Blooms Taxonomy Level	
1	a	CMBB36.01	Gain knowledge about management of financial products and services.	CO.01	Remember
	b	CMBB36.01	Gain knowledge about management of financial products and services.	CO.01	Understand
2	a	CMBB36.02	Assess the importance of various traditional and modern financial services.	CO.02	Understand
	b	CMBB36.01	Gain knowledge about management of financial products and services	CO.01	Understand

SEE Question No.	Course Outcomes		Course Outcomes	Blooms Taxonomy Level	
3	a	CMBB36.03	Obtain an insight in the concept of leasing and ability to evaluate financially to make lease or buy decisions.	CO.03	Remember
	b	CMBB36.04	Assess the significance of hire purchase along with the tax and legal framework.	CO.04	Understand
4	a	CMBB36.04	Assess the significance of hire purchase along with the tax and legal framework.	CO.04	Remember
	b	CMBB36.03	Obtain an insight in the concept of leasing and ability to evaluate financially to make lease or buy decisions.	CO.03	Remember
5	a	CMBB36.05	Estimate the relevance of factoring in the financing of the business and critically evaluate the financial aspects of factoring for decision making.	CO.05	Understand
	b	CMBB36.06	Identify the characteristics of Bill discounting and its legal aspects and realize the discount charges and effective interest rates	CO.06	Understand
6	a	CMBB36.06	Identify the characteristics of Bill discounting and its legal aspects and realize the discount charges and effective interest rates	CO.06	Understand
	b	CMBB36.05	Estimate the relevance of factoring in the financing of the business and critically evaluate the financial aspects of factoring for decision making.	CO.05	Understand
7	a	CMBB36.07	Comprehend the notion behind Venture capital financing, its process and funding and entry strategies of venture capital financing.	CO.07	Understand
	b	CMBB36.07	Comprehend the notion behind Venture capital financing, its process and funding and entry strategies of venture capital financing.	CO.07	Understand
8	a	CMBB36.08	Recognize and use the valuation of venture capital financing methods in the start-up business along with the regulatory frame work.	CO.08	Remember
	b	CMBB36.08	Recognize and use the valuation of venture capital financing methods in the start-up business along with the regulatory frame work.	CO.08	Remember
9	a	CMBB36.09	Ascertain the process of merchant banking, new issue management, initial public offering, SEBI guidelines relating to new issues of securities.	CO.09	Remember
	b	CMBB36.09	Ascertain the process of merchant banking, new issue management, initial public offering, SEBI guidelines relating to new issues of securities.	CO.09	Understand
10	a	CMBB36.10	Demonstrate the concept of credit rating, symbols and grades, and its advantages.	CO.10	Remember
	b	CMBB36.09	Ascertain the process of new issue management, initial public offering, SEBI guidelines relating to new issues of securities	CO.09	Understand

Signature of Course Coordinator

HOD, MBA