

THE KAVERY ENGINEERING COLLEGE
(An Autonomous Institution)

MBA DEGREE END SEMESTER THEORY EXAMINATIONS, APRIL/MAY 2025

Third Semester

Master of Business Administration

BA4002 – FINANCIAL MARKETS

Regulations - 2021

Duration: 3 Hrs

Maximum: 100 Marks

PART – A (ANSWER ALL QUESTIONS) (Marks 10*2=20)

Q.No	Questions	BLT	CO	Marks
1.	Name the main types of financial markets in India.	L1	1	2
2.	Describe the relationship between the money market and the capital market.	L2	1	2
3.	What is book building in the context of new issues?	L1	2	2
4.	Compare and contrast the methods of floating new issues.	L2	2	2
5.	What are the differences between BSE and NSE?	L1	3	2
6.	How do Foreign Institutional Investors (FIIs) impact the secondary market?	L2	3	2
7.	What is the difference between G-Sec and corporate bonds?	L1	4	2
8.	Show the mechanics of forex trading.	L2	4	2
9.	What are the different types of mutual funds available in India?	L1	5	2
10.	How does venture capital differ from traditional equity financing?	L2	5	2

PART – B (ANSWER ALL QUESTIONS) (Marks 5*16 = 80)

Q.No	Questions	BLT	CO	Marks
11. a	Illustrate the structure of the financial system in India, and how do various types of financial markets interact with each other?	L1	1	16
	Or			
b	Explain the global economic trends impact the structure and functioning of financial markets in India?	L2	1	16
12. a	What are the different methods of floating new issues in the primary market, and how do they affect capital raising for companies?	L1	2	16
	Or			
b	What factors influence the pricing of new issues in the primary	L1	2	16

market, and how can mispricing affect investor sentiment?

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| 13. | a | In what ways do stock market indices serve as indicators of economic health and investor confidence in India? | L3 | 3 | 16 |
| | | Or | | | |
| | b | How has technology transformed trading practices in the Indian stock exchanges, and what are the implications for market participants? | L3 | 3 | 16 |
| 14. | a | How do pricing conventions and auction mechanisms influence the functioning of the bond market? | L3 | 4 | 16 |
| | | Or | | | |
| | b | How do exchange rate fluctuations impact businesses and investors in India, and what strategies can mitigate these risks? | L3 | 4 | 16 |
| 15. | a | Examine the role of venture capital and private equity in fostering innovation and growth in the Indian economy? | L4 | 5 | 16 |
| | | Or | | | |
| | b | What are the risks associated with trading derivatives, and how can investors effectively manage these risks? | L4 | 5 | 16 |