Register No : ___________________

THE KAVERY ENGINEERING COLLEGE

(An Autonomous Institution)

MBA DEGREE END SEMESTER THEORY EXAMINATIONS, APRIL/MAY 2026

Third Semester

Master of Business Administration

PMBE2405 - Banking and Financial Services

Regulations - 2024

Duration : 3 Hrs *Maximum : 100 Marks*

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

Q.No	*Questions*	*BTL*	*CO*	*Marks*
1.	Name any two key functions of the Reserve Bank of India (RBI).	L1	1	2
2.	Name two key elements under the CAMELS framework used for bank supervision.	L1	1	2
3.	What is capital adequacy in banking?	L1	2	2
4.	What is the significance of mergers and acquisitions in the banking sector?	L1	2	2
5.	Define e-money with an example.	L1	3	2
6.	Illustrate any two features of UPI.	L2	3	2
7.	Outline the Non-Banking Financial Company (NBFC).	L2	4	2
8.	Explain leasing and hire purchase	L2	4	2
9.	Explain two objectives of the Insurance Act, 1938.	L2	5	2
10.	Outline the factoring? Mention two types of factoring.	L2	5	2

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

Q.No			*Questions*	*BLT*	*CO*	*Marks*
11	a	i	Explain the structure and key functions of the Indian banking system.	L2	1	8
		ii	Discuss the major provisions of the Reserve Bank of India Act, 1934.	L2	1	8
			Or			
	b		Summarize the role of the Negotiable Instruments Act in ensuring secure and credible banking transactions.	L2	1	16
12.	a		Outline the deposit and non-deposit sources of bank funds. How are deposit schemes designed and priced?	L2	2	16
			Or			
	b		Explain various types of risks in banking – interest rate risk, forex risk, credit risk, operational risk, and solvency risk	L2	2	16
13	a	i	Illustrate the various types of payment systems in India, including paper-based and electronic payment systems.	L2	3	8
		ii	Infer the process and importance of forecasting cash demand at ATMs	L2	3	8
			Or			
	b		Summarize the growth of digital payments in India. How have RBI and government policies contributed to this transformation?	L2	3	16

14	a	i	Interpret the nature, scope, and importance of Indian financial system.	L2	4	8
		ii	Illustrate the need for financial services in a developing economy like India.	L2	4	8
			Or			
	b		Explain the types, structure, benefits, and risks associated with mutual fund investments.	L2	4	16
15	a		Examine the key provisions and significance of the Insurance Act, 1938 in regulating the insurance sector in India.	L4	5	16
			Or			
	b		Analyze the role of SEBI in regulating merchant banking, venture capital, and the overall financial mark.	L4	5	16