



**K. K. Wagh Institute of Engineering Education and Research,
Nashik**

(An Autonomous Institute from A. Y. 2022-23)

**Marking Scheme
End-Sem Examination-I, Winter 2025**

Exam Seat No.:	
Academic Year: 2025-2026	Semester: III
Class:PG-II	Program:MBA
Branch Code: 10	Pattern:2024
Name of Course: Indian Financial systems and Financial Markets	Course Code: 2410614B
Max. Marks: 60*	Duration: 2:30 Hrs.

Q. No.	Details	(stepwise marks)	Max. Marks
Q.1.	Explain any 6 characteristics of “Financial System” along with examples.	1 mark each for characteristics,	[6]
Q.2.	i. Compare Cooperative banks with RRB’s. ii. Explain the two secondary functions of banks. iii. List down the “Principles of Sound lending” (8 Marks)	2 marks for (i), 2 marks for (ii), 2 marks for (iii)	[6]
Q.3.	a) Assess and Explain : i. Meaning of Capital market and its functions ii. Structure of the capital market ,i.e, Primary and Secondary markets iii. Major instruments of the Capital market iv. Initial public Offer Process (8 Marks)	2 marks for each i,ii,iii,iv	[16]
	OR		
	b) Assess and Explain : i. Meaning of Money Market ii. Role of the Reserve Bank of India (RBI) in the Money Market iii. Money Market Reforms in India (8 Marks)	2 marks for (i), 3 marks for each (ii) and (iii)	
	c) Evaluate the meaning of Derivatives Market. Compare and Evaluate types of Derivatives Instruments with the help of examples. (8 Marks)	2 marks for meaning, 6 marks for types	
	OR		
	d) Compare and evaluate the meaning of Derivatives Market and Commodity market along with :	4 marks for each i and ii	



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	<p>i. Application of Derivatives . ii. Any 3 roles of Commodity market.</p> <p>Note : Use examples to explain the application of derivatives .</p> <p>(8 Marks)</p>		[16]
Q.4.	<p>a) Rohan is a 25-year-old working professional. He has saved ₹1,00,000 and wants to invest it smartly. He is confused because his friends suggest different modern financial instruments:</p> <ul style="list-style-type: none"> • One friend tells him to invest in ETFs (Exchange Traded Funds). • One friend says Real Estate Investment Trusts (REITs) are better. • Someone else advises him to try Infrastructure Investment Trusts (InvITs) . • Some also says ESG Instruments • He has also heard about Green bond from a relative . • And some says to buy gold or do FD. <p>Rohan wants to choose the safest and most suitable option for the next 3 years.</p> <p>Analyse the above scenario and explain the modern financial instruments. Also evaluate, looking at present market conditions, what decision should be taken.</p> <p>(Note : You can also suggest Rohan to invest in multiple instruments)</p> <p>(8 Marks)</p>	<p>6 marks on proper explanation, 2 marks on linking with the case study and suggestion</p>	
	OR		
	<p>b) Examine what do you mean by Central Bank Digital Currency (CBDC). Evaluate Artificial Intelligence (AI) in Finance along with its any 6 uses.</p> <p>(8 Marks)</p>	<p>2 marks for meaning, 6 marks for 6 uses</p>	
	<p>c) Evaluate the meaning of Financial Services. Also examine it on the basis of traditional financial services and investment- related services.</p> <p>(8 Marks)</p>	<p>2 marks for meaning, 3 marks each for traditional and investment-related services.</p>	
	OR		
<p>d) Evaluate and Examine “Blockchain” along with its any 8 uses.</p> <p>(8 Marks)</p>	<p>2 marks for defining, 6 marks for uses</p>		
	<p>a) Critically examine the concepts of Payments Banks and Small Finance Banks in India. Assess their effectiveness in advancing financial inclusion, and present a</p>	<p>4 marks for concept clarification, 2</p>	



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Q.5	detailed comparison between the two. (8 Marks)	marks for financial inclusion, 2 marks for comaprision	[16]
	OR		
	b) Discuss and evaluate the significance of financial inclusion and financial literacy for economic development. Using your critical judgment, analyse any 6 in which ways technology promotes financial inclusion. (8 Marks)	2 marks for financial inclusion and financial literacy each, 4 marks for technology inclusion	
	c) From a higher-order perspective, assess the major challenges in India's financial markets. Critically examine and explain any six issues affecting their growth and stability. (8 Marks)	4 marks for challenges, 4 marks for issues	
	OR		
d) Under the topic of International Financial Market, analyse the following aspects in detail: 1. Global Market Structure 2. Key Global Institutions 3. FPI and FDI 4. Impact of Global Events on India (8 Marks)	2 marks each for I,ii,iii,iv		