

B.B.A. Semester - 6 (NEP-2020) Examination**March/April-2026****Finance Group-1: Strategic and Applied Finance (Major-14)****Time: 2:00 Hours****Marks: 50****Instructions:**

1. All questions are compulsory.
2. Figures to the right indicate marks.

Que.1 Read the Following Share Market Report and Answer the Questions Below it: (10)

Headline:

Sensex Rallies 420 Points as Banking and IT Stocks Lead Market Gains

(Date: 12 March 2025)

Source / Reference: Adapted from *The Economic Times*, *Business Standard* and NSE daily market reports.)

The Indian equity market ended the trading session on a positive note, supported by firm global cues and strong buying pressure in the banking sector and IT sector. The benchmark indices, BSE Sensex and Nifty 50, opened higher and maintained an upward trend throughout the day.

The Sensex opened at 73,180 and closed at 73,600, registering a gain of 420 points. Similarly, the Nifty 50 rose from 22,180 to 22,300, crossing an important resistance level. The market recorded a turnover of ₹78,500 crore, indicating healthy participation.

Banking stocks gained nearly 1.6%, driven by expectations of improved credit growth and stable asset quality. IT stocks advanced by around 1.2% as the Indian rupee depreciated from ₹82.85 to ₹83.10 per US dollar, improving export earnings. However, FMCG stocks declined marginally by 0.4% due to profit booking.

From an institutional perspective, FIIs were net buyers worth ₹1,250 crore, while DIIs invested ₹980 crore in equities. The broader market showed mixed trends, with mid-cap stocks rising by 0.9%, while small-cap stocks gained only 0.3%.

Market experts stated that the short-term market trend remains bullish, but advised investors to remain cautious ahead of economic data releases and upcoming corporate earnings announcements.

Looking ahead, market participants are expected to closely monitor upcoming macroeconomic indicators such as inflation data, industrial production figures, and global cues related to interest rate outlooks. Analysts believe that sustained liquidity in the system and stable corporate earnings growth could support the upward momentum in the market. However, short-term volatility cannot be ruled out due to geopolitical developments and fluctuations in global markets. Experts recommend that investors adopt a long-term investment horizon, focus on diversified portfolios, and avoid excessive short-term speculation. Stock-specific opportunities are likely to emerge, particularly in sectors with strong fundamentals and healthy balance sheets.

Questions (Attempt all):

1. Calculate the percentage increase in the Sensex during the day.
2. Which two sectors performed well, and state the reasons for their performance.
3. By how many points did the Nifty 50 increase?
4. Explain the role of FIIs and DIIs as mentioned in the report.
5. Describe the overall market trend observed during the trading session.

OR

Que.1 Read the Following Share Market Report and Answer the Questions Below it:

Headline:

**Markets End Cautious; Sensex Slips Amid Weak Global
Cues and Metal Stock Sell-Off**

(Date: 28 April 2025)

Source / Reference: Adapted from Business Line, Mint, and BSE daily market reports.)

The Indian stock market closed on a cautious note amid weak global cues and sustained selling pressure in metal and auto stocks. The benchmark indices witnessed sharp volatility during the session.

The Sensex opened at 72,450 and closed at 72,365, declining by 85 points. The Nifty 50 slipped from 22,050 to 21,980, falling below a key support level. Total market turnover stood at ₹69,200 crore, lower than the previous session, indicating cautious investor participation.

Metal stocks declined sharply by 2.4% due to falling global commodity prices and weak demand from China. Auto stocks fell by 1.8%, impacted by rising input costs and weak monthly sales data. In contrast, select PSU bank stocks gained 0.7%, supported by expectations of increased government spending.

On the institutional front, FIIs were net sellers worth ₹1,420 crore, while DIIs provided support by purchasing shares worth ₹1,100 crore. The market breadth remained weak, with 1,850 stocks declining against 1,120 advancing stocks on the BSE.

Market analysts advised investors to avoid speculative trading, focus on portfolio diversification, and follow disciplined risk management strategies in view of continued global uncertainty.

Going forward, market experts caution that near-term movements may remain uncertain due to ongoing concerns related to global economic slowdown, changing monetary policy stance, and fluctuating bond yields. Investors are advised to keep a close watch on upcoming RBI policy announcements, corporate earnings results, and global developments impacting capital flows. While short-term traders may face heightened market volatility, long-term investors are encouraged to accumulate quality blue-chip stocks during market declines. Maintaining proper risk management, portfolio diversification, and a disciplined investment approach is considered essential in the prevailing market environment.

Questions (Attempt all):

1. Calculate the percentage decrease in the Sensex during the session.
2. Why did metal stocks and auto stocks underperform according to the report?
3. By how many points did the Nifty 50 decline?
4. What does the behavior of FIIs and DIIs indicate about market sentiment?
5. Based on market breadth data, comment on the overall market sentiment.

Que.2 What is Leasing? Explain the Advantages and Limitations of Leasing in Detail. (10)

OR

Que.2 What is Hire Purchase and Installment? Differentiate between leasing and hire purchase in Detail.

Que.3 What is Venture Capital? Explain the Investment Process of Venture Capital in Detail. (10)

OR

Que.3 What is Credit Rating? Explain the Advantages and Disadvantages of Credit in Detail.

Que.4 Explain the Concept and Process of Factoring. Also Discuss the Types of Factoring Contracts. (10)

OR

Que.4 What is Forfaiting? Explain its Characteristics and Differentiate between Factoring and Forfaiting.

Que.5 What is Universal Banking? Explain Types of Universal Banking Services in Detail. (10)

OR

Que.5 Explain Concept of Universal Banking. Elaborate Negative and Positive Consequences in Detail.
