

Roll No.

Total No. of Pages : 02

Total No. of Questions : 15

MBA (2014 to 2017) (Sem.-3)
MANAGEMENT OF FINANCIAL SERVICES
Subject Code : MBA-922
Paper ID : [C1176]

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTION TO CANDIDATES :

1. SECTION-A contains SIX questions carrying FIVE marks each and students has to attempt any FOUR questions.
2. SECTIONS-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.
3. SECTION-C is COMPULSORY and consist of ONE Case Study carrying EIGHT marks.

SECTION-A

Attempt any four questions from the following carrying five marks each :

- Q1 What is the role of SEBS in financial market?
- Q2 What are the limitations of venture capital?
- Q3 What do you mean by fungibility?
- Q4 Define forfaiting.
- Q5 Define credit card.
- Q6 How single investor lease differ from leveraged lease?

SECTION-B**UNIT-I**

- Q7 What do you mean by financial services? Discuss in detail drivers of change of financial services sector in expanding economic opportunity in India in the era of globalization.
- Q8 What do you mean by dematerialization and rematerialization ? State the corporate benefit made available by a demat account. What is the nomination procedure relating to demated securities?

UNIT-II

- Q9 Discuss in detail concept, organization and management of mutual funds in India. Discuss in detail NAV and pricing of mutual funds in India. Critically discuss current practices in mutual fund industry in India.
- Q10 What are functions of international credit rating agencies in India? Discuss in detail process, methodology and factor affecting credit rating and its procedural aspects in India, What are the benefits and limitations of credit rating?

UNIT-III

- Q11 What do you mean by merchant banking? Discuss in detail functions of merchant banking. What is the code of conduct observed by Indian merchant banker?
- Q12 Describe the concept of venture capital. What is the current scenario of venture capital in India? Discuss in detail SEBI guidelines for venture capital in India.

UNIT-IV

- Q13 Describe the concept of credit cards. Discuss in detail credit process followed by the credit card organizations and factor affecting utilization of credit cards.
- Q14 What do you mean by factoring? State the mechanism involved in a factoring in a financial services. Discuss in detail types Junctions and SEBI guidelines of factoring.

SECTION-C

- Q15 Consider the following two options and discuss in detail financial evaluation of lease from the perspective of lessee and state which option is suitable for lessee and why?

OPTION-1 : BUYING AN ASSET

Cost = Rs. 1 Million

Annual Revenue Generated = Rs. 1.2 Million for 5 years i.e. Economic Life

Net salvage value after 5 years = Rs. 0.15 Million

Cost (other than depreciation) to generate the projected revenue = Rs. 0.6 Million

Depreciation @33 1/3% P.A. (written down value method)

Tax rate = 50%

Cost of capital =12%

OPTION-2 : LEASING THE ASSET

Term of lease = 5 years

Lease Rate = Rs. 25 per 1000 per month, payable at the end of the year

Thus, asset costing Rs. 1 Million is available at annual rental of Rs. 0.3. Million (25*12*1000)