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MBA/IVS/F-404/13

2013

MASTER OF BUSINESS ADMINISTRATION

[Fourth Semester Examination]

MANAGEMENT OF FINANCIAL SERVICES

(Specialisation : Financial Management)

PAPER—F-404

Full Marks : 100

Time : 3 hours

The figures in the right-hand margin indicate marks

Candidates are required to give their answers in their own words as far as practicable

Illustrate the answers wherever necessary

**Write the answers to questions of each Half
in separate books**

FIRST HALF

[Marks : 50]

(Turn Over)

1. Answer any *four* questions from the following : 5 × 4

(a) Briefly discuss the main functions of an Indian financial system. 5

(b) Describe briefly the distinguishing features of venture capital financing as against other capital investments. 5

(c) Explain briefly the roles of financial intermediaries in financial system. 5

(d) Discuss briefly the major functions of capital market. 5

(e) Explain briefly the different types of derivative instruments. 5

(f) Write short notes on any *two* : $2\frac{1}{2} \times 2$

(i) Merchant Bankers,

(ii) Corporatisation and demutualisation of stock exchanges in India,

(iii) Money market instruments.

(3)

2. Answer any *two* questions of the following : 10×2

(a) Discuss briefly the economic significance of lease financing. Distinguish between 'full pay out lease' and 'service lease'. $5 + 5$

(b) Outline the main elements of the organisation of the Indian financial system in the post-91 period. 10

(c) How is a mutual fund set up ? What is Net Asset Value (NAV) of scheme ? Distinguish between open-ended fund and close-ended fund. $6 + 2 + 2$

[*Internal Assessment* : 10 Marks]

SECOND HALF

[*Marks* : 50]

3. Answer any *four* questions from the following : 5×4

(a) What do you mean by Advanced Factoring ? How does it differ from the Maturity Factoring ? $2 + 3$

- (b) Briefly discuss the services provided by a Factor. 5
- (c) Discuss the factors that affect assignment of credit rating of a security. 5
- (d) Write a brief note on the National Housing Bank as the apex housing finance institution in India. 5
- (e) Explain, in brief, the main features of the operational framework of merchant bankers in the Indian Primary market. 5
- (f) Write a short note on Brokers to an issue. 5
4. Answer any *two* questions from the following : 10 × 2
- (a) (i) Distinguish between Domestic Factoring and Export Factoring.
- (ii) Briefly discuss the mechanism of factoring services. 4 + 6

(5)

(b) (i) The similar rating of two securities are not identical ; they are only in similar risk class. Illustrate the statement.

(ii) Mention the benefits of credit rating from the view point of investors and company. 4 + 6

(c) What do you mean by 'housing' and 'housing finance' ? Discuss the role of housing and housing finance in the Indian economy. 3 + 7

[*Internal Assessment* : 10 Marks]