Roll No. | | | | | | | | | | | | **Total No. of Pages : 03**

Total No. of Questions : 15

MBA (2012 & Onward) (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 carrying EIGHT marks.**

SECTION-A

1. What do you mean by securitisation?

2. What are the limitations of venture capital?

3. How financial products differ from plastic money?

4. Define financial factoring.

5. Define debit card.

6. What do you mean by working capital?

SECTION- B

UNIT-I

7. What do you mean by financial services? Discuss in detail innovation and drivers of change in the management of financial services. How marketing of financial services can be done in the era of globalization?

8. Discuss in detail concept and functions of depository system. Discuss in detail SEBI regulations of depository system in India.

UNIT-II

9. Discuss in detail concept, origin, constitution and growth of mutual funds in India. What are the latest schemes commonly used in the current scenario? How NAV is used for pricing of mutual funds in India?

10. What do you mean by credit rating? What are the factors affecting the quality of credit rating in India? Discuss in detail functions of CRISIL and ICRA in India. Discuss in detail SEBI regulations of credit rating agencies in India.

UNIT-III

11. What do you mean by merchant banking? Discuss in detail origin, scope and regulatory framework of merchant banking in India.

12. Describe the concept of venture capital. Discuss in detail feature and current scenario of venture capital in India.

UNIT-IV

13. Define debt securitization. Discuss in detail scope, process and current scenario of securitization in India.

14. Write down the following :

    a. Types of mutual fund schemes.

    b. Pros and cons of plastic money.

SECTION-C

15. From the following information construct profit and loss account of ABC Co Ltd after hiring factoring services and explain how this is beneficial to ABC.

    A) The average receivables of the firm are equal to 2 months sale.

    B) All sales are on credit basis.

    C) Cost of goods sold is equal to 60% of sales.

    D) Administration costs (which includes credit department expenses of Rs. 1,00,000) and selling costs are assumed to be Rs. 4,00,000 and Rs 8,00,000 respectively.

E) The bad debts loss percentage is 5% of gross value of sales.

F) The factor charges 2% commission on gross value of sales.

G) The interest charged by the factor as well as by other financial institutions on advances is assumed at 18% per annum.

H) The margin money is 10%.

I) Material cost is saved by 2.5 % on account of lower prices, trade discount, cash discount etc.
Profit and loss account of ABC Co. Ltd (before factoring).

	Rs		**Rs**
To material cost	18,00,000	By sales	60,00,000
To labour cost	10,00,000		
To factory expenses	8,00,000		
To gross profit	24,00,000		
Total	**60,00,000**	**Total**	**60,00,000**
To administrative expenses	3,00,000	By gross profit	24,00,000
To credit dept. expenses	1,00,000		
To selling expenses	8,00,000		
To bad debts	3,00,000		
To interest on loan	1,80,000		
To net profit	7,20,000		
Total	**24,00,000**	**Total**	**24,00,000**