

Roll No.

--	--	--	--	--	--	--	--	--	--	--	--

Total No. of Pages : 02

Total No. of Questions : 15

MBA (2016 to 2017) (Sem.-3)
MANAGEMENT OF FINANCIAL SERVICES
Subject Code : MBA-922
M.Code : 70745

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. **SECTION-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

- Q1 Write a note on Fungibility.
- Q2 What are the objectives of credit rating?
- Q3 State the features of venture capital.
- Q4 Write a note on Sale and Lease Back.
- Q5 What is international factoring? Who are the parties involved in it?
- Q6 Distinguish between discounting and factoring.

SECTION-B

UNIT-I

- Q7 What is Dematerialization and Re-materialization? Describe the advantages of depository system.
- Q8 Define a depository. State the objectives of depository. Discuss the working of depository participants in India.

UNIT-II

- Q9 Discuss the concept, origin and growth of mutual funds in India.
- Q10 Discuss the organization and working of CRISIL.

UNIT-III

- Q11 Briefly explain the guidelines for venture capital in India.
- Q12 Explain in detail the pre-issue management.

UNIT-IV

- Q13 Define securitization and discuss its process.
- Q14 Explain the different types of factoring and their significance.

SECTION-C

- Q15 Bansali Textiles Limited has annual sales of Rs. 200 crore. It sells 80 per cent of its products 60-day credit. Its average collection period is 80-days. The company's bad debts based on past experience, could be estimated as 0.90 per cent of credit sales. The company's annual cost administering credit sales is Rs. 0.75 crore. It is possible to avoid Rs 0.20 crore of these cost if the company transfers credit administration to a factor. The factor will charge 1.75 per cent commission for his services. He can also extend advance against receivables to the company at an interest rate of 16.75% after withholding 10% as reserve.

Question :

Should the company hire services of the factor? Suggest.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.