

MBA
FOURTH SEMESTER (SPECIAL REPEAT)
ADVANCE FINANCIAL SERVICES
MBA-403 C

(Use separate answer scripts for Objective & Descriptive)

Duration : 3 hrs.

Full Marks : 70

[PART-A : Objective]

Time : 20 min.

Marks : 20

Choose the correct answer from the following:

1 × 20 = 20

1. In hire purchase system, each installment is treated astill the last installment is paid.
 - a. Interest
 - b. Hire charge
 - c. Payment
 - d. Credit
2. The type of lease that includes a third party, a lender, is called a(n):
 - a. Sale and leaseback
 - b. Direct leasing arrangement.
 - c. Leveraged lease
 - d. Operating lease
3. A direct lease, a sale and leaseback, and a leveraged lease are all examples of
 - a. Operating leases
 - b. Financial leases
 - c. Full-service leases
 - d. "off-balance sheet" methods of financing
4. In India, forfaiting is done bybank.
 - a. Foreign bank
 - b. RBI
 - c. Commercial bank
 - d. EXIM bank
5. Maturity factoring is also known as
 - a. Maturity factoring
 - b. Disclosed factoring
 - c. Agency factoring
 - d. Notified factoring
6. Venture capital organized in
 - a. 1995
 - b. 1954
 - c. 1952
 - d. 1950
7.types of valuation method can be adopted by VCFs.
 - a. 1
 - b. 2
 - c. 3
 - d. 4
8. Write the example of V C Fs of state financial institution.
 - a. With recourse factoring
 - b. Disclosed factoring
 - c. Agency factoring
 - d. Notified factoring
9. A merchant bank is a financial institution conducting money market activities and:
 - a. Lending
 - b. Underwriting and financial advice
 - c. Investment service
 - d. All of the above
10. Formal merchant banking activity in India was originated in_____.
 - a. 1978
 - b. 1969
 - c. 1769
 - d. 1987

11. Functions of financial services exclude.....
 - a. Mobilization of savings
 - b. Allocation of fund
 - c. Specialized services
 - d. Collection of tax
12. Chief characteristics of financial services:
 - a. Intangibility
 - b. Customer orientation
 - c. Inseparability
 - d. All of the above
13. Categories of securities issue:
 - a. Public issue
 - b. Rights issue
 - c. Private placement
 - d. All of the above
14. Financial service companies exclude.....
 - a. Commercial banks
 - b. Insurance companies
 - c. Sole proprietorship
 - d. Sole proprietorship
15. The _____ is the apex organization in the Indian money market.
 - a. SBI
 - b. RBI
 - c. SEBI
 - d. IDBI
16. Native Stock and Share Brokers Association is the old name of
 - a. SEBI
 - b. NSE
 - c. BSE
 - d. IRDA
17. Secondary markets in treasury bills require involvement of _____ and _____.
 - a. Brokers, Dealers
 - b. Buyers, Sellers
 - c. Consumer, Producer
 - d. All of the above
18. The term _____ is defined as a central location for keeping securities on deposit
 - a. Depository
 - b. Instrument
 - c. Institutions
 - d. None of the above
19. Which of the following is not a fee-based financial service?
 - a. Corporate counseling
 - b. Lease financing
 - c. Profit management
 - d. Issue management
20. Financing sick unit to make them profitable is called.....
 - a. Turn around
 - b. Buyout
 - c. Bridge
 - d. None of these

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(PART-B : Descriptive)

Time : 2 hrs. 40 min.

Marks : 50

[Answer question no.1 & any four (4) from the rest]

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| 1. Explain Merchant Banking with the help of an appropriate example and highlight its functions in the Indian financial market. | 10 |
| 2. Discuss the recent trends of financial services in India. | 10 |
| 3. Explain the concept of ECB, ADR, GDR, Derivatives and Scalping Trading | 2×5=10 |
| 4. What is Leasing? Explain the types of lease and its features. | 1+2+7=10 |
| 5. What is the concept of hire purchase? Discuss the advantages and disadvantages of hire purchase | 2+4+4=10 |
| 6. a. Discuss the role of SEBI in Indian financial market. | 6 |
| b. What is open-ended and close-ended mutual fund? | 4 |
| 7. a. Discuss the concept of factoring and the types of factoring | 1+5=6 |
| b. Distinguish between forfeiting and factoring. | 4 |
| 8. Write explanatory notes on any two of the following : | 5+5=10 |
| a. Credit rating | |
| b. Mergers | |
| c. Acquisition | |

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