



Name :

Roll No. :

Invigilator's Signature :

CS/MBA (OLD)/SEM-(4FT & 6PT)/FM-406/2010

2010

MANAGEMENT OF FINANCIAL SERVICES

Time Allotted : 3 Hours

Full Marks : 70

The figures in the margin indicate full marks.

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

GROUP – A

(Multiple Choice Type Questions)

1. Choose the correct alternatives for any *ten* of the following :

10 × 1 = 10

- i) A Mutual Fund shall not invest in the unlisted equity shares or equity related instruments in case of close ended scheme for
 - a) More than six per cent
 - b) More than eight per cent
 - c) More than ten per cent
 - d) None of these.
- ii) Credit Rating is mandatory for
 - a) Public issue of debentures
 - b) Public issue of equity shares
 - c) Private placement of debentures
 - d) All of these.



iii) Plastic Money refers to

- a) Credit cards
- b) Debit cards
- c) Charge cards
- d) All of these.

iv) Anybody to be eligible to provide depository services must register with

- a) IRDA
- b) RBI
- c) SEBI
- d) TRAI.

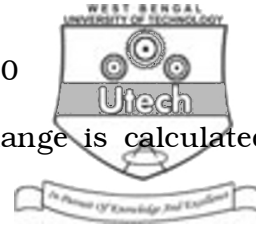
v) 'AAA' rating of CRISIL indicates

- a) Highest safety of debenture
- b) Moderate safety of debenture
- c) Highest safety of company fixed deposits
- d) Moderate safety of company fixed deposits.

vi) NAV stands for

- a) Net Asset Volume
- b) Net Assurance Value
- c) Next Asset Value
- d) Net Asset Value.

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xi) NIFTY index of National Stock Exchange is calculated with the price movement of shares.

- a) 30
- b) 50
- c) Top 100 performing shares
- d) 10.

xii) Identify from the following the one which is a sector mutual fund :

- a) Fidelity ELSS fund
- b) Franklin-Templeton Dynamic fund
- c) Reliance Vision-Growth fund
- d) BNP – Pasibus Petro Fund.

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GROUP – B
(Short Answer Type Questions)

Answer any *three* of the following. $3 \times 5 = 15$

2. Discuss the objectives of Financial Services.
3. What are the services rendered by Merchant Bankers ?
4. What are the functions of Stock Exchanges ?
5. What are the differences between a debit card and a credit card ?
6. Discuss the process of dematerialization of shares.

GROUP – C
(Long Answer Type Questions)

Answer any *three* of the following. $3 \times 15 = 45$

7. Write short notes on any *three* of the following : 3×5
 - a) CRISIL.
 - b) Online Stock Trading.
 - c) SEBI.
 - d) CDSL.
 - e) Middlemen in Stock Exchange.
 - f) Financials Assets.

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8. a) State the qualities required for a Merchant Banker. 7
- b) Classify the brokers and explain their functions. 8
9. a) A mutual fund that had a net asset value of Rs. 20 at the beginning of month, made income and capital gain distribution of Re. 0·0375 and Re. 0·03 per unit respectively during the month, and then ended the month with a net asset value of Rs. 20·06. Calculate monthly and annual return (%). 8
- b) A can earn a return of 16% by investing in equity shares on his own. Now he is considering a recently announced equity based mutual fund scheme in which initial expenses are 5·5% and annual recurring expenses are 1·5%. How much should the mutual fund earn to provide Mr. A return of 16% ? 7
10. a) What are the objectives of credit rating ? 5
- b) Explain the working of various credit rating agencies in India. 10



11. a) Define Depository Participant. 4
- b) Discuss the drawbacks of the depository system and suggest the measures to make it an efficient one. 11
12. a) Discuss the SEBI's role as a regulator of financial services. 9
- b) State the benefits on investing in Mutual Funds. 6

