

Time: 2 hrs.

Marks: 60

Note: All questions are compulsory.
Figures to right indicate marks.

Q. 1(a) Define the financial services. Explain Scope and importance of financial sector in India. (15)

OR

(b) Define Leasing .Explain Advantage and disadvantage of leasing. (15)

Q.2 (a) Explain types of Mutual fund. (15)

OR

(b) Explain the Treasury management in Banks. (8)

(c) Explain mode of consumer finance . (7)

Q.3(a) Based on the following calculate NAV of a regular scheme per unit. (15)

Details	Rs (000)
Ex-dividend listed share at cost	20.00
Cash in hand	1.23
Bonds	4.30
Not listed	1.00
Fixed interest fund	4.50
Dividend	0.80
Amount payable on share	6.32
Expenditure	0.75
Number of units at Rs. 10	20,000.00
Value of fixed income securities at face value Rs.100	106.50
Listed share purchased when index was	1,000.00
Present index is	2,300.00
Value of listed bond and debenture at NAV date	8.00

There is a diminution of 30% in unlisted bonds. Other fixed interest securities are at cost.

OR

(b) Explain the services of Merchant Banks. (8)

(c) Explain the Objectives of portfolio management . (7)

4.(a) Fill in the Blanks with appropriate option and rewrite the statement (8)

(i) When shares are issued to the existing shareholders of a company, it is called _____
(Public issue/Right issue)

(ii) _____banks help businesses work in financial markets.
(Commercial/Investment).

- (iii) UTI started its operation in July _____ (1964 / 1965)
- (iv) "EDI" in EDI FACTORING stands for _____
(Economic Deposit Insurance / Electronic Data Interchange)
- (v) Tight money, escalating interest rates and economic volatility have called for specialized Skills called _____ (Cash Management / Treasury Management)
- (vi) _____ often perform better than the majority of non-index funds that strive to beat the market. (Hybrid fund/ Index fund)
- (vii) Portfolio management _____ the risks involved in investing.
(Maximizes/ minimizes)
- (viii) _____ is a market for financial assets which have a long or indefinite maturity.
(Capital market / Money market)

Q.4 (b) State whether the following statements are True or False

(7)

- (i) Start up fund is needed for developing a product in the initial stages.
- (ii) A merchant bank can help an organization specifically in promotional functions, Sponsoring the issue and Marketing.
- (iii) The Banking Commission in its report in 1972 recommended the setting up of Merchant banking institutions.
- (iv) The scope of Treasury management is smaller than cash management.
- (v) SEBI promote and develop activities in stock exchange and increase the business In stock exchange.
- (vi) A portfolio refers to a collection of investment tools.
- (vii) A depository is a centralized warehouse of securities in dematerialized form.

OR

Q4) c) Write short notes on (any three)

(15)

- 1) Loan Syndication
- 2) Problems of financial service sector
- 3) Securitization
- 4) Services provided by banks
- 5) Role of portfolio Manager