

Duration: 2 Hours & 30 Minutes

Maximum Marks: 75

Note: 1) All questions are compulsory, Subject to internal choice.
2) Figures to the right indicate full marks.

Q 1 A) Fill in the Blanks (Any 8)

08

- 1) _____ is the person who is actual owner of equipment that give right to use on payment of certain sum called rent. (Lessor, Seller, Lessee)
- 2) The entity that intermediate between the originator of the receivables and the end – investors is known as _____ (SPV, NTV, RTV)
- 3) _____ is basically equity finance in new companies. (Venture Capital, securitisation, loan)
- 4) A Sub Broker acts on behalf of a _____ for assisting investors in buying, selling or dealing. (banker, stock broker, underwriter)
- 5) NHB stands for _____ Housing Bank. (Nominal, National, Nagpur)
- 6) _____ refers to a contract under which the owner of an assets another person to use the assets in return for some rent. (Leasing, Purchasing, Selling)
- 7) _____ are intangible is nature. (Financial Market, Financial Institution, Financial Services)
- 8) Revolving credit is types of _____ finance. (important, Consumer, loan,)
- 9) ICRA is a _____ agency. (Banking, cooperative, Credit rating)
- 10) Forward, futures and options are types of _____ contract. (legal, company, derivative)

Q 1 B) Match the Column (Any 7)

07

Group A		Group B	
1	Stock Broker	A	Surrender of rights
2	A ⁺⁺	B	Venture capital, securitisation
3	Dematerialisation	C	Interest bearing securities
4	Factoring	D	Member of stock exchange
5	NHB	E	Housing Finance
6	Forfeit	F	Credit rating symbol
7	Securitisation	G	Payment in Instalments
8	Consumer finance	H	Realisation of credit sales
9	Financial Services	I	Electronic form of Security
10	Hire-purchase	J	Granting credit to consumer

Q 2 A) Define Financial Services and also explain any four fee based financial services.

08

B) What is Factoring? Explain types of Factoring.

07

OR

- C) A firm furnishes you the following details: 08

Total Credit Sales	Rs. 40,00,000
Average Collection Period	60 days
Factor commission	1.5 %
Reserve to be made by factor	10 %
Interest charged by factor	10 %

Calculate the total cost of factoring assuming 360 days a year.

- D) Elaborate the types of Bill Discounting. 07

- Q 3 Explain the functions of a stock broker. 08

- A) 07
 B) Describe functions of Merchant Banking. 07

OR

- C) Define Securitization. Briefly explain its features and importance. 15
08

- Q 4 Explain various methods of disinvestment. 07

- A) 07
 B) Explain advantages of Leasing. 07

OR

- C) Ms. Vimla purchased a Bike on hire purchase system. The cash Price is Rs. 20000, payable Rs. 2000 down payment and remaining in 5 yearly instalment of Rs. 4000 each. Interest charged @ 10 % p.a. Calculate Interest. 08

- D) Explain the sources of funds in housing finance. 07

- Q 5 Discuss the advantages and disadvantages of credit rating. 08

- A) 07
 B) Explain the modes of consumer finance. 07

OR

- C) Write Short Notes (Any 3) 15

Sub Broker
 CRISIL
 Banker to an Issue
 Forfeiting
 Credit Rating Symbols