

Time 2.5 hrs

Marks : 75

- Note: 1. All questions are compulsory.  
2. Figures to right indicate marks.

Q.1 a) Fill in the blanks: (Any Eight)

(8)

- a) Loan syndication by a financial intermediary is a kind of \_\_\_\_\_ activity.
- b) Commercial banks mainly involved in \_\_\_\_\_ activities.
- c) Merchant banks do not accept \_\_\_\_\_.
- d) The initial registration fees for merchant bankers is \_\_\_\_\_.
- e) The main aim of close ended fund is \_\_\_\_\_.
- f) Securitisation is mainly associated with the assets of \_\_\_\_\_ companies.
- g) \_\_\_\_\_ are financial investors that desire their value from the underlying financial assets.
- h) \_\_\_\_\_ is a term loan whereby the financial co. provides loan for a fixed period of time.
- i) The banker can retain the property for the payment of the \_\_\_\_\_.
- j) The main promoter of CDSL was \_\_\_\_\_.

b) State True or False (Any Seven)

(7)

- i) Credit rating agencies, factoring, discount house, etc. are specialized institutions.
- ii) Custodial service is provided to foreign investors.
- iii) Merchant bankers' services come under control of RBI.
- iv) Commercial banks can take up mutual funds business directly.
- v) Discounting a bill is much better than factoring.
- vi) Forward contracts can be traded only in organized exchanges.
- vii) Home loan account scheme is the scheme of LIC.
- viii) Consumer finance is also called as large loan companies.
- ix) Investors' has to maintain minimum balance in Demat account.
- x) Hypothecation is the opposite version of pledge.

Q.2 a) Discuss various fund based and fee based services in brief. (8)

b) After LPG, what growth has taken place in the financial service sector in India. (7)

**OR**

c) Describe services offered by merchant bankers. (8)

d) What are the guidelines issued by SEBI towards merchant banking? (7)

Q.3 a) Describe the structure of mutual fund operations in India (8)

b) Highlight difference between Factoring & Forfeiting. (7)

**OR**

c) Describe different types of mutual fund. (8)

d) Define forfeiting. Explain its merits and demerits. (7)

Q.4 a) Describe securitization. Explain its operational mechanism in detail. (8)

b) Define Options and state its types. (7)

**OR**

c) Discuss about financial derivatives and bring out their various features. (8)

d) Explain the causes for unpopularity of securitization. (7)

Q.5 a) Define Housing finance. Explain functions of NHB. (8)

b) Explain sources and terms of consumer finance. (7)

**OR**

c) Explain depository system and the eligibility criteria of being depository in India. (8)

d) Define pledge and explain the procedures of pledge/ hypothecation in securities. (7)

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