Seat No.: _____ Enrolment No._____

GUJARAT TECHNOLOGICAL UNIVERSITY

MBA - SEMESTER–III • EXAMINATION – SUMMER • 2014

Subject Code: 2830202 **Date: 31-05-2014**

Subject Name: Management of Financial Services (MFS)

Time: 14:30 pm – 17:30 pm **Total Marks: 70**

Instructions:

1. **Attempt all questions.**
2. **Make suitable assumptions wherever necessary.**
3. **Figures to the right indicate full marks.**

Q.1	**(a)**	Discuss various systemic, banking and capital market reforms introduced by government after 1991.	**07**
	(b)	Discuss in detail the functions and role of money market.	**07**
Q.2	**(a)**	What is Merchant Banking? Discuss the role and important functions played by it.	**07**
	(b)	From the following particulars calculate the effective interest p.a. as well as total cost of funds to AB Ltd. which planning the issue of Commercial Paper. Issue Price of CP – Rs. 98,250 Face Value – Rs. 1,00,000 Maturity Period – 3 months Issue Expenses: Brokerage – 0.125% for 3 months Rating charges – 0.5% p.a. Stamp duty – 0.125% for 3 months	**07**
		OR	
	(b)	Describe the role and important functions of Reserve Bank of India.	**07**
Q.3	**(a)**	What is Venture Capital? State the various factors considered by Venture Capitalists while evaluating a proposal.	**07**
	(b)	Explain the concept of Depository. Also discuss its important functions.	**07**
		OR	
Q.3	**(a)**	What do you understand by 'Leasing'? State its advantages and disadvantages to a corporate which wants this funding option.	**07**
	(b)	What is Factoring? State its advantages and disadvantages.	**07**
Q.4	**(a)**	Define Securitization. Discuss the benefits of securitization to various stakeholders and also point out its limitations.	**07**
	(b)	What is NBFC? Explain the various important services offered by this important intermediary.	**07**
		OR	
Q.4	**(a)**	What is the role of Mutual Funds in the economy? Discuss different types of Mutual Funds.	**07**
	(b)	Explain the various eligibility criteria prescribed by SEBI for Initial Public Offering.	**07**
Q.5	**(a)**	Explain Credit Rating, its benefits to investors, company and other stakeholders.	**07**
	(b)	What are Pre issue and post issue obligations of Merchant banker.	**07**
		OR	
Q.5	**(a)**	Explain the functions of Brokers and sub brokers in Capital Market.	**07**
	(b)	Explain the role of Insurance Regulatory Authority in India. Also explain Risk Management in Insurance sector.	**07**

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