

Course Code

MCO – 07**Term End Examination – December, 2019**

MANAGEMENT OF FINANCIAL SERVICES

Master of Commerce (MCO)

Time : 3 hours*Full Marks* : 100*The figures in the right-hand margin indicate marks*Answer **all** Groups as directed

Group—A

1. Answer *all* the questions, each within
1 word : 1×10=10

(a) Financial institutions, financial markets, financial instruments and financial services are the four major components of ———.

(b) The ——— market is the place or mechanism where short-term instruments that mature in a year or earlier are traded.

(c) Write the full form of OTCEI.

(d) ——— is the process through which shares held in electronic form in depository are converted into physical form.

(2)

- (e) ——— is the first credit rating agency in India set up in 1987 jointly by the erstwhile ICICI Ltd. and UTI.
- (f) ——— is defined as a process whereby assets like loans and receivables are used to create and sell asset backed securities.
- (g) In ——— type of lease arrangement, the lessee who already owns the assets, sells the same to the lessor and thereafter takes the same asset from him on lease basis.
- (h) Under ——— scheme of housing finance, the borrower pays larger amounts in the initial years and lower amounts in later years.
- (i) The principle of ——— is such principle of insurance that an insured may not be compensated by the insurance company in an amount exceeding the insured's economic loss.
- (j) There are ——— parties to a bill of exchange.

(5)

- (b) State and discuss the different types of mutual fund schemes offered by the mutual fund companies to the investing for meeting their varied needs in a market place.
- (c) Explain the meaning and the basic characteristics of insurance and design a life insurance product with its broad attributes suitable to the needs of the Indian population.

(3)

Group—B

2. Answer *any four* questions each within
100 words : 5×4=20
- (a) State the characteristics of financial services.
 - (b) List down the various sources of risks for different financial securities.
 - (c) Write a short note on the National Exchange for Automated Trading (NEAT) operating system.
 - (d) Give a brief description of the debt instruments issued by the banking and non-banking financial institutions to raise funds from the market.
 - (e) What is e-IPO ?
 - (f) Name the credit rating agencies in India and briefly state their activities.

Group—C

3. Answer *any four* questions each within
200 words : 10×4=40
- (a) “Insurance Company’s success results from how well its products and services meet the needs of customers.” Elucidate the statement.

(4)

- (b) What do you mean by a factor and factoring services? Explain the advantages and disadvantages of factoring services.
- (c) Explain the meaning of Net Asset Value (NAV), Load Disclosures, Returns and Beta used in a mutual fund market.
- (d) Briefly discuss the trading practices in equity market in India.
- (e) What is the role of regulations in a free market economy? How does SEBI regulate the activities in India? Discuss in brief.
- (f) Explain the concept of leasing and hire purchase and point out the differences between the two. Briefly discuss the essential features of a leasing contract and the benefits derived by the lessee.

Group—D

4. Answer *any two* questions each within
300 words : 15×2=30
- (a) Briefly discuss the different fee-based and fund-based financial services provided by financial institutions.