

Subject: Innovative Financial services

Class: S. Y. B. I. M Sem III

Duration: 2 hrs 30 Mins

12.2.20

A.Y. 2019-20

Marks: 75

All questions are Compulsory.

Use of simple calculator is allowed.



Q. 1 A. Fill in the blanks (any eight)

(08 marks)

- 1) A lease is an agreement under which a company or a firm acquires a right to make use of capital assets like machinery on payment of agreed fees called _____.
- 2) NBFCs are incorporated under _____.
- 3) Trade bill is also known as _____ bill.
- 4) A certificate of registration from the _____ is mandatory to act as a broker.
- 5) In India securitization as been pioneered by _____ bank.
- 6) Cross border lease is also known as _____.
- 7) Full form of EWS is _____.
- 8) _____ factoring is a service which helps the exporter & importer to trade on open account terms.
- 9) Venture capitalist share _____ and _____ return in the business.
- 10) PIN is stands for _____.

Q. 1 B. State the following statements are true or false. (Any seven)

(07 marks)

- 1) Financial services can also be called financial intermediation
- 2) Factoring may be with or without recourse.
- 3) Bill discounting and factoring are the same.
- 4) Merchant banks placed as leading role in issue mangers.
- 5) Trading member is a member of stock exchange.
- 6) The investors are the individuals and entities who purchased the securities from the SPV.
- 7) The lessee can claim investment allowances.
- 8) Rating is compulsory for all instruments in India.
- 9) credit rating refers to the process of managing the sale register of a client by a financial service company
- 10) Factoring means an assessment made from credit risk evaluation.

Q. 2A) what are the scopes of financial services and financial product?

(08 marks)

Q.2 B) What do you mean by factoring? Write in detail about cost and benefits of factoring.

(07 marks)

OR

Q. 2 C) Explain discounting of bill and advantages of its.

(08 marks)

Q.2 D) Explain the types of products in consumer finance.

(07 marks)

Q. 3 A) What is securitization? Explain types of securitization instruments. (08 marks)

Q.3 B) What are the different types of lease? (07 marks)

OR

Q.3 C) Explain the major issues in housing finance in India. (08 marks)

Q.3 D) Explain steps of venture capital financing. (07 marks)

Q.4 A) Explain credit rating regulation in India. (08 marks)

Q.4 B) Distinguish between hire purchase and leasing (07 marks)

OR

Q. 4 C) On 1st January 2007 parrot ltd. Purchased from penguin ltd. Machinery under hire (15marks) purchase system, Rs. 5,00,000/- being pa and the balance in five instalments of RS. 7, 50,000/- each payable half-yearly on 30th June and 31st December. The vendor charges interest @ 10% per annum the cash price of the machinery was RS. 37, 50,000/- you are required to show how this transaction should be recorded in the books of parrot ltd. By preparing machinery account and penguin ltd. Account, if depreciation rate is 10% per annum written down value of the machinery. The accounts are to be prepared for the first two years only.

Q.5.A) Explain the features of smart card. (08 marks)

Q.5 B) Discuss the limitations of credit rating (07 marks)

OR

Q 5 C) Short notes. (Any three) (15 marks)

- 1) Limitations of credit rating
- 2) Advantages of plastic money
- 3) Consumer credit
- 4) SEBI regulations 1996
- 5) Sources of fund
