

**Paper–M.C.–207B : Financial Services**

**(Only for USOL Candidates)**

**Time Allowed : 3 Hrs.**

**Maximum Marks : 80**

**Note :** Students are required to answer **FIVE** Questions in all, selecting at least **ONE** question from each Unit. All questions carry equal marks.

**UNIT-I**

1. (a) Why do you think financial markets are required ? What are your views on proper regulation of these markets ? 8  
(b) Discuss the evolution of financial services in India. What are the problems faced by financial services industry in India. 8
2. (a) 'Stock exchanges in India have not served their purpose.' Do you agree ? Validate your arguments. 8  
(b) Explain the meaning of 'capital market' and 'money market'. Compare and contrast these two markets. 8
3. What is SEBI ? Explain the role, functions and powers of SEBI. 16

**UNIT-II**

4. Who is a "merchant banker" ? Enumerate the services provided by a merchant banker. Critically analyse the regulatory framework for merchant bankers in India. 16
5. (a) Discuss the various activities involved in managing a public issue. 8  
(b) Write a brief essay on the depository services in India. 8

**UNIT-III**

6. (a) What do you understand by leasing finance ? How is it different from Hire-purchasing ? 8  
(b) How does bill discounting differ from factoring ? Which one is more suitable to a trader ? Explain. 8
7. (a) What is factoring and forfaiting ? Discuss the benefits and process of forfaiting.  
(b) Explain the different kinds of leasing and problems of leasing in India. 8

## UNIT-IV

8. (a) What is meant by credit rating ? Explain its functions and benefits. Also discuss about three agencies dealing with credit rating in India. 8
- (b) Explain the methodology adopted by rating agencies for credit rating. 8
9. What is a mutual fund ? Explain the need of mutual funds. Discuss the broad classification of the schemes of these funds. Also comment on the growth and performance of mutual funds in India. 16
10. Write short notes on any **FOUR** of the following :
- (a) Merchant banking
  - (b) Consumer credit
  - (c) Credit rating
  - (d) Micro Finance
  - (e) Unfair practices in financial services industry
  - (f) Asset Securitization. 16