

- Note:**
1. All questions are compulsory with internal options.
 2. The figures to the right indicate full marks.
 3. Draw a neat diagram wherever necessary.

Q. 1 (A) Fill in the blanks with the correct answer from the alternatives given below. (08)
(Attempt any 8)

- (1) A NBFC dealing in investments registered under _____.
(a) RBI (b) SEBI
(c) SBI (d) Central Government
- (2) _____ stage is called fledging stage.
(a) First round financing (b) Last round financing
(c) Second round financing (d) None of these
- (3) _____ is not one of the sources of consumer finance.
(a) Credit card (b) Bank loans
(c) Stock market (d) Overdraft facility
- (4) Which of the following is a credit card Association
(a) Visa card (b) RBI
(c) Mastercard (d) None of the above
- (5) India's first credit rating company is
(a) ICRA (b) CRISIL
(c) UTI (d) CARE
- (6) Best credit rating for long term debt instruments instruments
(a) A1 (b) AAA
(c) BB (d) BBB
- (7) _____ promoted by ICICI Ltd. and UTI
(a) CRISIL (b) ICRA
(c) CARE (d) FITCH
- (8) _____ is a feature of venture capital
(a) High risk (b) Low Risk
(c) Zero risk (d) Liquid investment
- (9) NHB is a wholly owned subsidiary of
(a) RBI (b) SBI
(c) SEBI (d) Housing Development Bank of India
- (10) There are _____ main stages when investment can be made in venture capital.
(a) Two (b) Four
(c) Three (d) Five

(B) State whether the following statements are True or False. (Attempt any 7) (07)

- (1) Debit card is also called the electronic cheque.
- (2) Lease financing is a type of fee based service.
- (3) Bills of exchange cannot be rediscounted.
- (4) Hire vendor is the owner of the underlying asset in Hire Purchase transaction.
- (5) CRISIL is the elading credit rating agency in the world.
- (6) There are 5 types of underwriters.
- (7) In venture capital, Mezzanine financing is the part of expansion capital stage.

- (8) Merchant Bankers are the lead managers in an IPO.
- (9) Stock brokers have to be registered with SEBI.
- (10) Non- fund based services are also known as asset based services.

Q.2 (a) What is the financial system? Explain the functions of the financial system. (15)

OR

Q.2 (p) Who are Merchant Bankers? State the functions of Merchant Bank. (08)

(q) Compute the effective cost of factoring from the following details. (07)

Credit sales – Rs. 250,00,000

Average credit period – 3 months

Factor's commission – 4%

Interest – 18% p.a.

Q.3 (a) What is factoring? Explain its advantages and disadvantages. (15)

OR

Q.3 (p) Explain the types of Brokers in the Stock Market. (08)

(q) On 1st April, 2023 Mr. X purchased a refrigerator from Croma on hire purchase system. (07)

The terms of the contract were as under :

1. The cash price of the refrigerator was Rs. 260,000/-

2. Down Payment – Rs. 80,000

3. Balance payment – 3 annual installment of Rs. 60,000/- each plus interest at the rate of 10%

Prepare a schedule calculating the amount of interest payable for this Hire Purchase.

Q.4 (a) What is Leasing? Explain the various types of leasing. (15)

OR

Q.4 (p) What is venture capital financing? Explain the features of venture capital. (08)

(q) What is Consumer Finance? State the types of Consumer finance. (07)

Q.5 (a) What is plastic money? Explain the types of Plastic Money. (15)

OR

Q.5 (p) Write short notes on (Attempt any 3) (15)

(1) Credit rating

(2) National Housing Board

(3) Forfaiting

(4) Hire Purchase

(5) Sub-broker

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