

Total number of printed pages—4

14 (MCOM-4) 4046

2020

**MANAGEMENT OF FINANCIAL
SERVICES**

Paper : COM-4046

Full Marks : 40

Time : Two hours

***The figures in the margin indicate
full marks for the questions.***

***Answer Q. Nos. 1 & 2 and any three
from the rest.***

1. Select the most appropriate answer from the multiple choices given against each : $1 \times 5 = 5$
 - (i) Which of the following is *not* a fund-based service ?
 - (A) Factoring
 - (B) Lending under term loan
 - (C) Credit rating
 - (D) Both (A) and (B)
 - (ii) As per IRDA (Insurance Brokers) Regulation, the license issued to a broker is valid for a period of :
 - (A) One year
 - (B) Two years
 - (C) Three Years
 - (D) Five years

Contd.

- (iii) Which of the following is the correct explanation to 'wet lease'?
- (A) It is an operating lease
 - (B) It is a finance lease
 - (C) It is characterized by lessee's responsibility of insuring and maintaining the equipment
 - (D) Both (A) and (C) of the above.
- (iv) Credit Bureaus —
- (A) function as a repository of credit information
 - (B) function as an insurer against defaults by the borrowing customers
 - (C) act as regulator of credit
 - (D) All of the above.
- (v) What should the amount payable under the policy if the sum insured is Rs.2,00,000, value of the property at the time of loss is Rs. 2,50,000 and the value of property lost is Rs. 1,50,000 ?
- (A) Rs. 1,00,000
 - (B) Rs. 1,20,000
 - (C) Rs. 1,50,000
 - (D) Rs. 2,00,000

2. Answer the following in about **30-50** words each : 1×5=5
- (a) What is meant by securitisation ?
 - (b) What is indexed fund ?
 - (c) Define retail banking.
 - (d) State *any one* important function of the Insurance Regulatory and Development Authority.
 - (e) What do you mean by 'mutualisation of stock exchanges' ?
3. Elucidate the role of financial services in fostering economic development of a country. 10
4. Commercial banks provide a wide range of services to satisfy retail and corporate customers. Comment on this statement. 10
5. What are the primary sources of risk in a bank ? Describe how each of those risks affects bank performance. 3+7= 10
6. Define retail credit and describe the process of retail credit. 10
7. Bring out the changes that have taken place in the insurance business in India in the post-liberalisation period. 10

8. The main objectives of the IRDA are to protect the interest of policy-holders and to regulate, promote and ensure orderly growth of insurance industry. Examine. 10
9. What do you mean by 'issue management'? Discuss the process of issue management. 2+8=10

Or

Justify the need of credit rating agency. How far these ratings are reliable ? Discuss. 7+3=10
