

Total No. of Questions : 5]

SEAT No. :

**P3791**

[Total No. of Pages : 4

[6025]-80

**S.Y.M.B.A.**

**404 FIN-SC-FIN-06 : CURRENT TRENDS AND CASES**

**IN FINANCE**

**(2019 Pattern) (Semester-IV)**

*Time : 2½ Hours]*

*[Max. Marks : 50*

*Instructions to the candidates:*

- 1) *All questions are compulsory.*
- 2) *Figures to the right indicate full marks.*
- 3) *Each questions has an internal options.*
- 4) *Use of Simple calculator is allowed.*

**Q1) Write any Five out of eight (2 marks each)**

**[10]**

- a) Which microfinance institution is known as the universal bank?
  - i) Arohan Financial Services Private Ltd.
  - ii) Bandhan Financial services Private Ltd.
  - iii) Disha Micro Finance Pvt. Ltd.
  - iv) SKS Microfinance Pvt. Ltd.
- b) What does the microfinance model not predict?
  - i) Decrease in Interest rate when repayment is regular and in time.
  - ii) Homogenous Risk group
  - iii) Self selection of the best borrowers
  - iv) Increase in interest rate which repayment is regular and in time.
- c) Self help group is related to which of the following models?
  - i) Indian micro finance model
  - ii) Financial inclusion model
  - iii) V.K. Mehta model
  - iv) Banking model

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- d) In India, NABARD does not provide refinance to-
- i) Scheduled commercial Banks
  - ii) Regional rural banks
  - iii) Export-import bank
  - iv) State development banks
- e) In an SHG, most of the decisions regarding savings and loan activities are taken by
- i) Local Government
  - ii) Group members
  - iii) Co-operative society
  - iv) Bank
- f) Which of the following is not the part of organised sector of Indian money market?
- i) Mutual funds
  - ii) Chit funds
  - iii) NBFCS
  - iv) R.B.I.
- g) Small finance banks and payments bank are which type of
- i) Shadow Bank
  - ii) Universal Bank
  - iii) Differentiated Bank
  - iv) Delivery Bank
- h) E-wallet has mainly \_\_\_\_\_ components
- i) 2
  - ii) 3
  - iii) 4
  - iv) 5

Q2) Answer any Two of the following. (5 Marks each)

- a) Distinguish between micro savings and micro finance.
- b) Explain the functions of small finance bank.
- c) Describe the business model of payment banks in India.

**Q3) a)** Elaborate the NABARD initiatives for development of micro finance in India. [10]

OR

b) Enumerate the different schemes available for new startypes by government of India. [10]

**Q4) a)** 'Mr Poor' is an and investor is seeking an annual return of 20% on the investment of Rs. 3,00,000 in a business. calculate and analyze the following: [10]

- i) What is the angel's Investment worth after 03 years?
- ii) If the investor and the entrepreneur have agreed that based on the financial projections the value of the business at the end of 03 years would be Rs. 17,00,000. Calculate the angel investor's equity percentage.

OR

b) Analyse "phone pe" Business model with suitable facts and figures.[10]

**Q5) a)** AB Corporation Ltd. is expecting the EBIT of Rs. 3,00,000 P.a on an investment of Rs. 10,00,000 is considering the finalisation of the financial plan. Company analyses the following on potions to raise the required funds of Rs.10,00,000 the company belongs to 50% tax beackets. You are required to compute EPS under following four options and suagest which is better and why? [10]

- i) 100% funds by issuing equity share capital at par of Rs. 100 each.
- ii) 50% funds by issuing equity share capital at par of Rs. 100 each and 50% by issue of 12% preference share capital.
- iii) 50% funds by equity share capital at par of Rs. 100 each, 25% by issue of 12% Preference share capital and 25% by issue of 10% Debentures.
- iv) 25% funds by equity share capital at par of Rs. 100 each, 25% by issue of 12% preference share capital and 50% by issue of 10% Debentures.

OR

- b) "Ishika" after acquiring a degree in Hotel management and Business Administration, Took over her family food accession Company of Manufacturing pickles, Jams and squashes. The business had been established by her great grandmother and was doing reasonably well. However, the fixed operating costs of the business were high and the cash flow position was weak. She wanted to undertake modernisation of the existing business to introduce the latest manufacturing processes and diversify in to the market of chocolates and candies. She was very enthusiastic and approached to a financial consultant who told her that approximately Rs. 50 lakh' would be required for undertaking the modernisation and expansion programme. He also informed hir that the stock market was going through a bullish phase.
- i) Keeping in mind. the above considerations, indentify the source of finance that should not be chosen by Ichila for financing the modernization and expression of her food processing business. Give one reason in support of your answer.
- ii) Explain any two factors, a part from those stated in the above situation, which she should keep in mind while taking this decision.