

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2022
(Sixth Semester)

Branch – COMMERCE(FINANCIAL SYSTEMS)

FINANCIAL SERVICES

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(10 x 1 = 10)

1. ----- services are mainly provided to foreign investors.
 - (a) Leasing
 - (b) Factoring
 - (c) Forfaiting
 - (d) Custodial
2. The important goal of the financial service industry is to mobilise and allocate -----

 - (a) Savings
 - (b) Investment
 - (c) Capital
 - (d) Instruments
3. The pattern of investment of a mutual fund is oriented towards fixed income yielding securities under:
 - (a) Growth fund scheme
 - (b) Income fund scheme
 - (c) Balanced fund scheme
 - (d) Money market scheme
4. Venture capital firms usually invest in ----- scale industries.
 - (a) Small
 - (b) Medium
 - (c) Small and Medium
 - (d) Large
5. ----- covers the entire range of services provided by a merchant banker.
 - (a) Project counselling
 - (b) Corporate counselling
 - (c) Credit syndication
 - (d) Market makers
6. Functions of a factor exclude.
 - (a) Credit rating
 - (b) Credit recording
 - (c) Credit administration
 - (d) Credit financing
7. The asset generally not suitable for securitization is:
 - (a) Receivables from Government Department
 - (b) Trade receivables
 - (c) Hire Purchase finance receivables
 - (d) Mortgage loans

Cont...

8. CRISIL has been promoted by ----- and -----.
- ICICI, UTI
 - IDBI, SBI
 - AXIS, UTI
 - PNB, SBI
9. The Securities and Exchange Board of India (SEBI) is not responsible for -----
- Ensuring fair practices by companies
 - Investor protection
 - Improving the earnings of shareholders
 - Promoting efficient services by brokers
10. Which of the following is the country's first and largest security custodians to financial institutions?
- CRISIL
 - FMC
 - CIBIL
 - SHCIL

SECTION - B (35 Marks)

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 7 = 35)

11. (a) State the nature of financial services.
(or)
(b) List down any four non-fund based activities of a financial service company.
12. (a) Describe any five types of mutual fund schemes.
(or)
(b) Bring out the role of venture capital in the economic development in India.
13. (a) Discuss the mechanisms of factoring.
(or)
(b) Explain the SEBI guidelines governing merchant bankers.
14. (a) Outline the benefits of securitization of debt.
(or)
(b) State the limitations of credit rating.
15. (a) who is a stock broker? State their educational requirements for stock broking.
(or)
(b) Explain the functions of registrar and share transfer agent.

SECTION - C (30 Marks)

Answer any THREE Questions

ALL Questions Carry EQUAL Marks (3 x 10 = 30)

16. Elucidate the significance of the financial service industry.
17. Enumerate the role of mutual funds in Indian capital market development.
18. "The scope of Merchant banking is great in India". Discuss.
19. Evaluate the methodology followed by CRISIL in rating credit instruments.
20. Summarise the duties and responsibilities of custodial services.