

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI
END-OF-SEMESTER EXAMINATIONS : MAY – 2023

B.Com. (AIDED & S.F)

MAXIMUM MARKS: 70

IV SEMESTER

TIME : 3 HOURS

PART – III

FINANCIAL SERVICES

ANSWER THE FOLLOWING QUESTIONS

(10 x 1 =10 MARKS)

(MULTIPLE CHOICE QUESTIONS)

1. The inflation-free instrument is _____.
 - a) Option bond
 - b) Index-linked gilt bond
 - c) Variable rate debentures
 - d) Deep discount bond.
2. The best suited fund to the business people is _____.
 - a) Income fund
 - b) Balanced fund
 - c) Growth fund
 - d) Taxation fund
3. Venture capital firms are allowed to invest in leasing up to _____ of the total funds deployed.
 - a) 15 per cent
 - b) 17 per cent
 - c) 21 per cent
 - d) 24 percent
4. Trade debts have to be assigned in favour of the financing company under: _____.
 - a) Discounting
 - b) Derivatives
 - c) Forfaiting
 - d) Factoring
5. Ratings indicate the _____ status of a company.
 - a) market conditions
 - b) financial
 - c) recommendation
 - d) ongoing

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES

6. Explain the term financial services.
7. Indicate the meaning of bond funds.
8. Define venture capital.
9. Interpret a short note on put option.
10. Illustrate the term rating methodology.

SECTION – B

(5x4=20 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS

11. a) Describe the scope of financial services.

(OR)

- b) Examine the qualities required for merchant bankers.

12. a) List the importance of mutual funds.

(OR)

- b) Show the factors that should be considered before selecting a mutual fund.

13. a) Interpret the features of venture capital.

(OR)

- b) Examine the problem faced by venture capital.

14. a) Describe the various types of factoring.

(OR)

- b) List the various benefits of forfeiting.

15. a) Describe the functions of credit rating.

(OR)

- b) Interpret the demerits of credit rating.

SECTION – C

ANSWER ANY FOUR OUT OF SIX QUESTIONS

(4 x 10=40 MARKS)

(16th QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS)

16. Discuss the features of forward contracting.
17. Determine the challenges faced by Indian financial service industry.
18. Experiment with the types of mutual funds.
19. Justify the importance of venture capital.
20. Point out the differences between factoring and forfeiting.
21. Give your opinion about the working of various credit rating agencies in India.
