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**DHANALAKSHMI SRINIVASAN COLLEGE
OF ARTS & SCIENCE FOR WOMEN
(AUTONOMOUS)**



(For Candidates admitted from 2018-2019 onwards)

UG DEGREE EXAMINATIONS APRIL – 2021

B.COM & B.COM CA

COMMERCE & COMMERCE (CA)

FINANCIAL SERVICE IN INDIA

Time: 3 Hrs

Max.Marks: 75

PART – A

CHOOSE THE CORRECT ANSWER

(10X1=10)

1. Which of the following are the functions of financial services?
 - a) Mobilization of savings
 - b) Allocation of fund
 - c) Specialized services
 - d) All of the above
2. The term 'Merchant Bank' is used in
 - a) United States
 - b) United Kingdom
 - c) France
 - d) India
3. Under Hire Purchase System, if instalment is not paid, the hire vendor has the right to
 - a) Repossession of Goods
 - b) Sell the goods
 - c) Repair the goods
 - d) Purchase of goods
4. Finance lease is also known as
 - a) Capital lease
 - b) Operating lease
 - c) Sales and leaseback
 - d) Leveraged lease
5. Which of the following banks launched the first mutual fund in India?
 - a) State Bank of India
 - b) Canara Bank
 - c) Indian Bank
 - d) Bank of India
6. Which one of the following is the main objective of Unit Trust of India?
 - a) To mobilize the savings of high income groups
 - b) To mobilize the savings to low and high income groups
 - c) To mobilize the savings of corporate
 - d) To mobilize the savings of low and middle income groups
7. A _____ is a specialized firm that finances young, start-up companies.
 - a) Venture capital firm
 - b) Finance company
 - c) Small Business finance company
 - d) Capital-creation company
8. Venture Capital firms are usually organized as
 - a) Closed-end mutual funds
 - b) Limited partnership
 - c) Corporations
 - d) Non-Profit businesses
9. Factoring is a form of financing
 - a) Payables
 - b) Receivables
 - c) Borrowings
 - d) Debts

10. Under forfaiting the client is able to get credit facility to the extent of
- | | |
|---|--|
| a) 100% of the value of the export bill | b) 80% of the value of the export bill |
| c) 90% of the value of the export bill | d) 60% of the value of the export bill |

PART - B

ANSWER ALL THE QUESTIONS

(5X7=35)

11. a) Explain the importance of Financial services.

(OR)

b) Discuss the functions of Merchant Bankers.

12. a) Discuss the Contents of Hire Purchase Agreement.

(OR)

b) Spell out the differences between Hire purchase and Instalment Purchase.

13. a) Explain the Benefits of Mutual Funds.

(OR)

b) Discuss the Investment policies of UTI.

14. a) Explain the importance of Venture Capital Financing.

(OR)

b) Discuss the reasons for slow growth of Venture capital Companies in India.

15. a) State the various types of Factoring.

(OR)

b) Differentiate Factoring from Bills Discounting.

PART - C

ANSWER ALL THE QUESTIONS

(3X10=30)

16. State the differences between Banking and Non-Banking companies.

17. Discuss the various types of Leasing.

18. Discuss the types of Mutual Funds.

19. Explain the different types of Venture Capital Financing.

20. Discuss the problems of Factoring in India.