LOYOLA COLLEGE (AUTONOMOUS) CHENNAI – 600 034

B.B.A. DEGREE EXAMINATION – **BUSINESS ADMINISTRATION**

FOURTH SEMESTER – **APRIL 2025**

UBU 4602 – FINANCIAL SERVICES

Date: 08-05-2025 Dept. No. Max. : 100 Marks

Time: 09:00 AM - 12:00 PM

	SECTION A - K1 (CO1)
	Answer ALL the Questions - (10 x 1 = 10)
1.	**Definitions**
a)	Stock Exchange
b)	Insurance
c)	Mutual Fund
d)	Forfeiting
e)	Credit Rating
2.	**Fill in the blanks**
a)	________are financial contracts that derive their value from an underlying asset.
b)	________was constituted to protect the interests of investors in securities and to promote the development of and to regulate the securities market through appropriate measures.
c)	The first nationalized bank in India to start a Venture Capital Fund _____.
d)	Under forfeiting the client is able to get credit facility to the extent of_______ .
e)	_____ is a process of evaluating risk associated with the credit instrument.
	SECTION A - K2 (CO1)
	Answer ALL the Questions (10 x 1 = 10)
3.	**MCQ**
a)	All type of activities which are of a financial nature are called ------------------. (a) Financial market (b) Primary market (c) Capital market (d) financial services
b)	The first Indian commercial bank to set up a merchant banking division in 1972. (a) S B I (b) S B T (c) Bank of India (d) PNB
c)	---------------- capital is needed for product development and initial marketing. (a) seed capital (b) Start-up capital (c) first round financing (d) None of these.
d)	CDSL stands for -----------------. (a) Central Depository Services Ltd. (b) Central Derivatives Services Ltd. (c) Central Derivatives System Ltd (d) Central Deposit System Ltd
e)	---------------- is a method of renting assets. (a) Hire purchase (b) Lease (c) hedge finance (d) Credit rating
4.	**True or False**
a)	Financial markets and intermediaries allow investors and businesses to reduce and reallocate Risk.
b)	Merchant banker shall not associate with any business other than that of the securities market.
c)	Seed capital is needed for developing product initial stages.
d)	Buying a company's accounts receivable on a nonrecourse basis is known as factoring.
e)	In a finance lease, the lessor does not transfer all the risks and rewards incidental to the ownership of the asset.

SECTION B - K3 (CO2)	
Answer any TWO of the following	**(2 x 10 = 20)**
5.	Identify the role of SEBI in Investor's Protection.
6.	Illustrate the functions of commercial banks in providing short-term and long-term loans to businesses.
7.	Determine the SEBI regulations related to venture capital financing.
8.	Explain the process of securitization.
SECTION C – K4 (CO3)	
Answer any TWO of the following	**(2 x 10 = 20)**
9.	Analyze the recent developments in Stock Exchanges in India.
10.	Examine the various functions performed by merchant banker in India.
11.	Distinguish between factoring and forfeiting.
12.	How would you analyse the key steps involved in the credit rating process, and how do they contribute to an accurate credit rating?
SECTION D – K5 (CO4)	
Answer any ONE of the following	**(1 x 20 = 20)**
13.	Explain the powers and functions of Insurance Regulatory and Development Authority in Insurance sector.
14.	Explain the steps in Venture Capital Formation.
SECTION E – K6 (CO5)	
Answer any ONE of the following	**(1 x 20 = 20)**
15.	Elaborate the different schemes of Mutual funds in India.
16.	Formulate the advantages of various types of leases under practice in India.

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