LOYOLA COLLEGE (AUTONOMOUS) CHENNAI – 600 034

B.Com. DEGREE EXAMINATION – **HONOURS**

FIFTH SEMESTER – **APRIL 2025**

UBH 5601 – FINANCIAL SERVICES

Date: 29-04-2025 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.	**Define the following**
a)	Intangibility
b)	Capital Market
c)	IPO
d)	Merchant Banking
e)	Private Equity
2.	**MCQ**
a)	The term 'Finance' is described as a) The process of accounting for expenses and income b) The science of managing funds and capital allocation c) The analysis of market trends and economic forecasts d) d) The method of evaluating employee performance
b)	Factoring is primarily concerned with: a) Financing new ventures b) Managing debt and credit c) Managing accounts receivables d) Managing equity investments
c)	The event that significantly impacted the evolution of merchant banking in the 20th century is a) The invention of the internet b) The Great Depression and subsequent regulatory changes b) The end of World War II d) The establishment of central banks
d)	The type of mutual fund investment primarily in debt instruments are a) Equity funds b) Balanced funds c) Debt funds d) Growth funds
e)	The venture capital contributes to the growth of technology startups in India a) By providing funding for research and development and helping scale operations b) By offering insurance products specifically for tech companies c) By managing government subsidies d) By focusing on traditional manufacturing sectors
	SECTION A - K2 (CO1)
	Answer ALL the Questions **(10 x 1 = 10)**
3.	**Fill in the blanks**
a)	In India, the __________ regulates the securities and commodities markets, aiming to protect investor interests and maintain market integrity.
b)	Venture capital helps startups scale their operations and compete in the __________ market by providing necessary resources and expertise.
c)	Leasing allows a company to use an asset without _______________ it.
d)	Securitization converts liquid assets into _______________ securities.
e)	A _______________ fund pools money from investors to buy securities like stocks and bonds.

4.	**True or False**
a)	Merchant banking services include providing long-term loans to customers.
b)	The primary focus of venture capital is to invest in real estate and infrastructure projects rather than high-risk startups.
c)	Factoring is a service where a company sells its fixed assets for cash.
d)	Capital market is also known as securities market.
e)	Mutual funds offer investors the benefit of diversification.
	SECTION B - K3 (CO2)
	Answer any TWO of the following in 100 words each. (2 x 10 = 20)
5.	Identify the merits and demerits of Factoring.
6.	Explain the different investment avenues /categories.
7.	Differentiate between lease financing and hire purchase based on ownership and payment structure.
8.	Describe the key features and constituents of financial markets and explain their roles in the financial system.
	SECTION C – K4 (CO3)
	Answer any TWO of the following in 100 words each. (2 x 10 = 20)
9.	Identify and explain the different types of financial markets, focusing on capital markets and money markets.
10.	Analyze the role of merchant banking in the development of venture capital financing in India
11.	Explain the key differences between Investment and Gambling.
12.	Compare and contrast the various types of mutual funds with respect to their objectives and merits.
	SECTION D – K5 (CO4)
	Answer any ONE of the following in 250 words (1 x 20 = 20)
13.	Evaluate the importance of regulatory bodies in overseeing financial markets and institutions with suitable examples.
14.	Design a comparative analysis report on Factoring and Forfaiting, including their meanings, types, features, mechanisms, and benefits.
	SECTION E – K6 (CO5)
	Answer any ONE of the following in 250 words (1 x 20 = 20)
15.	Demonstrate the way in which each type of lease affect a company's balance sheet and income statement. Provide examples of scenarios where a company might prefer an operating lease over a finance lease and vice versa.
16.	Create a comprehensive brochure for a financial service of your choice. The brochure should include detailed sections on the service's purpose, types, key features, mechanisms, and benefits. Additionally, include a comparative analysis with at least one other financial service, highlighting how your chosen service stands out. Ensure the brochure is visually appealing and provides clear, informative content suitable for prospective clients.

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