

(6 pages)

Reg. No. :

Code No. : 30700 E Sub. Code : CEBA 62

B.B.A. (CBCS) DEGREE EXAMINATION, APRIL 2024.

Sixth Semester

Business Administration

Major Elective — FINANCIAL SERVICES

(For those who joined in July 2021-2022 onwards)

Time : Three hours

Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL the questions.

Choose the correct answer :

1. Which of the following is not included in financial service providers?

- (a) Crepitating agencies
- (b) Insurance companies
- (c) Sole Proprietorship
- (d) Commercial banks

2. _____ is not a fee-based financial service.

- (a) Lease management
- (b) Profit management
- (c) Corporate counseling
- (d) Issue management

3. Which among the following has high risk as an outstanding feature?

- (a) Merchant banking
- (b) Leasing
- (c) Venture capital
- (d) None of the above

4. In India, which company deals with the corpus of mutual funds?

- (a) Trustee Company
- (b) Asset management company
- (c) Sponsor Company
- (d) Mutual fund company

5. _____ is a method of renting assets.

- (a) Hire purchase (b) Lease
- (c) Hedge finance (d) Credit rating

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6. What is the process of selling the trade debts of a customer to a financial instrument?
- (a) Factoring (b) Secularization
(c) Bill discounting (d) Materialization
7. The first rating AGENCY _____ was started in _____.
- (a) CRISIL, 1988 (b) ICRA, 1993
(c) DCR, 1996 (d) ONICRA, 1995
8. Which is a full service credit rating agency exclusively set up for micro, small and medium enterprises?
- (a) CARE (b) ICRA
(c) ONICRA (d) SMERA
9. The complete absorption of one company by another, wherein the acquiring firm retains its identity and the acquired firm ceases to exist as a separate entity, is called a
- (a) merger (b) consolidation
(c) tender offer (d) divestiture
10. The acquisition of a firm in the same industry as the bidder is called a _____ acquisition.
- (a) forward (b) backward
(c) horizontal (d) vertical

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PART B — (5 × 5 = 25 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 250 words.

11. (a) List out the salient features of financial services.
- Or
- (b) Who are called merchant bankers?
12. (a) Explain the concept of venture capital.
- Or
- (b) Give the classification of Mutual funds.
13. (a) Explain the contents of a lease agreement.
- Or
- (b) State the characteristic features of factoring.
14. (a) Discuss the benefits of credit rating.
- Or
- (b) What are the functions of credit rating?

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[P.T.O.]



15. (a) Distinguish between acquisition and takeover.

Or

- (b) Write a note on Hedge funds.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, choosing either (a) or (b).

Each answer should not exceed 600 words.

16. (a) Briefly explain the scope of financial services.

Or

- (b) Discuss the role of Merchant Bankers in the Capital Market.

17. (a) Explain the characteristics of venture capital.

Or

- (b) Discuss about the various schemes offered by a mutual fund.

18. (a) List out the advantages and disadvantages of leasing.

Or

- (b) Explain the important elements of factoring.

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19. (a) Briefly explain the factors affecting credit rating.

Or

- (b) Describe the various credit rating agencies in India.

20. (a) Explain the different types of Mergers.

Or

- (b) State the differences between internal and external expansion.

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