

PARUL UNIVERSITY
FACULTY OF COMMERCE
B.Com. (Hons) Winter 2019–20 Examination

Semester: 4
Subject Code: 16101251
Subject Name: Financial Markets and Services

Date: 18/12/2019
Time: 2:00pm to 4:30pm
Total Marks: 60

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Make suitable assumptions wherever necessary.
4. Start new question on new page.

Q.1 Do as directed.**A) Multiple choice type questions. (Each of one mark) (06)**

1. The following one is a Physical asset:-

a) Share	b) Bonds
c) Gold	d) Debentures
2. Which one of the following is a cash asset?

a) Deposit created out of loans	b) Share
c) Bond	d) Post office certificate
3. The Capital market instrument is:

a) Treasury Bills	b) Debenture
c) Fixed Deposit	d) Certificate of deposit
4. The assets that can be transferred easily are _____ assets.

a) Marketable	b) Fixed
c) Non- marketable	d) Physical
5. The process of managing the sales ledger of a client by a financial service company is called:

a) Forfeiting	b) Factoring
c) Leasing	d) Securitization of debt
6. The best suited fund to the business people is:

a) Income fund	b) Balanced fund
c) Growth fund	d) Taxation fund

B) Definitions / One-liners / Terms. (Each of one mark) (06)

1. What is a mutual fund?
2. What is limited factoring?
3. What are non-marketable assets?
4. What are primary securities?
5. What is treasury bills market?
6. What are Physical assets?

Q.2 Numerical / Short Note Questions. (Each of 04 mark) (12)

1. State the weaknesses of Indian financial system.
2. State the importance of capital market.
3. List the activities of venture capital fund.

Q.3 Answer the following. (Any Three) (18)

1. Explain the features of financial services?
2. What are modern activities/ services? List any 6 of such services.
3. What are the advantages of lease?
4. Explain main features of Income fund.

Q.4 Answer the following. (Any two) (18)

1. State the difference between financial lease and operating lease.
2. What is the importance of mutual funds?
3. List types of factoring and explain.