

**B.B.A. (Part-I) Semester-II Examination**  
**BBA/205**  
**FINANCIAL SERVICES**

Time : Three Hours]

[Maximum Marks : 80

Note :—Attempt all questions.

**SECTION—A**

Write the following answers of the questions by choosing the correct alternative given below (1 mark each) :

1. \_\_\_\_\_ is the cheapest source of financing available to a firm.  
(a) Bank Loan (b) Trade Credit  
(c) Commercial Paper (d) None of these
2. Financial Service Companies exclude \_\_\_\_\_.  
(a) Commercial Bank (b) Insurance Companies  
(c) Sole Proprietorship (d) Crepitating agents
3. Equity Share is an example of \_\_\_\_\_.  
(a) Long term finance (b) Medium term finance  
(c) Short term finance (d) Debt
4. Internal source of capital is :  
(a) Generated through issue of Shares  
(b) Generated through issue of Debentures  
(c) Generated through outsiders such as suppliers  
(d) (a) and (b) above
5. What type of security offering raises Capital for company ?  
(a) Prospectus (b) Primary Security Issue  
(c) Secondary Security Issue (d) None of these
6. Most common way of raising equity is through \_\_\_\_\_.  
(a) Right Issue (b) Private Placement  
(c) Public Issue (d) None of these
7. Which of the following services are fund based ?  
(a) Locker facility (b) Cash credit  
(c) Project preparation (d) Bank Loan

8. Money Market is a place where \_\_\_\_\_ term finance is available.
- (a) Capital Market (b) Short  
(c) Long (d) Liquid
9. Most common way of issuing long term finance is \_\_\_\_\_.
- (a) Money Market (b) Capital Market  
(c) All of the above (d) None of the above
10. Bank draft is issued by \_\_\_\_\_.
- (a) Private Sector Bank (b) Regional Sector Bank  
(c) Public Sector Bank (d) All of the above
11. A Treasury Bill is issued by \_\_\_\_\_.
- (a) RBI (b) Commercial Bank  
(c) Development Bank (d) Money Lenders
12. KYC means \_\_\_\_\_.
- (a) Know your character (b) Know your card  
(c) Know your customer (d) Know your worker
13. The Banks are required to maintain a certain ratio between their cash in hand and total assets. This is called \_\_\_\_\_.
- (a) SLR (b) CBR  
(c) SBR (d) CRR
14. To whom shares are issued under right issue ?
- (a) Directors (b) Employees  
(c) Equity Shareholders (d) Existing Shareholders
15. When National Stock Exchange of India was founded ?
- (a) 1991 (b) 1992  
(c) 1997 (d) 1999
16. A Stock Market is also called as :
- (a) Free Market (b) Equity Market  
(c) Open Market (d) Sports Market
17. A market where new securities are bought and sold for the first time is known as \_\_\_\_\_.
- (a) Capital Market (b) Primary Market  
(c) Secondary Market (d) None of the above

18. Which of the following loan is highly secured ?
- (a) Cash Credit (b) Overdraft  
(c) Education (d) Mortgage
19. Interest on Saving Bank Deposit is paid \_\_\_\_\_.
- (a) Monthly (b) Quarterly  
(c) Annually (d) Half Yearly
20. Which are the financial services ?
- (a) Services Provided by Bank  
(b) Services Provided by Insurance Company  
(c) Services Provided by Money Market  
(d) All of these 20

### SECTION—B

Short answer questions (4 marks each) :

1. (a) Explain the term finance and its significance. 4
- OR**
- (b) Explain the different sources of finance. 4
2. (a) Explain the features, of Indian Money Market. 4
- OR**
- (b) Explain the importance of Indian Capital Market. 4
3. (a) State the significance of financial services to Industrial Sector. 4
- OR**
- (b) Explain the scope of Financial Services. 4
4. (a) Explain the significance of E-Banking. 4
- OR**
- (b) Write a short note on ATM. 4
5. (a) Discuss the various restrictions for import in India. 4
- OR**
- (b) What are the benefits of underwriting of securities ? 4

### SECTION—C

Long answer questions (8 marks each) :

1. (a) Explain term finance and different kinds of finance. 8
- OR**
- (b) Explain the features of finance and its role in Indian economy. 8

2. (a) Explain the concept of Money Market and its various components. 8
- OR**
- (b) Explain the various components of Capital Market in India. 8
3. (a) Explain the concept of Financial Services and its features. 8
- OR**
- (b) Explain the importance of Financial services in Agriculture Sector. 8
4. (a) Explain the Stock Market Services in India. 8
- OR**
- (b) Explain the concept of Commercial Bank and its significance. 8
5. (a) Discuss the risk involved in EXIM trade. 8
- OR**
- (b) Explain the regulation of Financial Services. 8