



III Semester M.Com. Examination, December 2015
(CBCS)
COMMERCE
3.3 FB : Financial Services

Time : 3 Hours

Max. Marks : 70

Instruction : Answer all Sections.

SECTION – A

(7×2=14)

1. Answer **any seven** sub-questions. Each sub-question carries **two** marks.

- a) What is 'net lease' ?
- b) What is securitisation of debt ?
- c) How is interest rate determined ?
- d) What is meant by factoring ?
- e) Mention fund based activities.
- f) What are zero coupon bonds ?
- g) What is a VISA card ?
- h) Illustrate off-balance sheet financing.
- i) What is revolving credit ?
- j) Mention two limitations of consumer finance.

SECTION – B

(4×5=20)

Answer **any four** questions. Each question carries **five** marks.

2. Bring out the differences between lease and hire purchase.
3. What factors shall be considered in lease v/s buy decisions ?
4. Explain the mutual fund operation mechanism.
5. Outline modern financial services.
6. Distinguish between venture capital and seed capital.
7. Explain the process of determining NAV.



SECTION – C

(3x12=36)

Answer **any three** questions out of five. **Each** question carries **twelve** marks.

8. How is factoring different from bill discounting ? Also explain different methods of factoring.
 9. Explain different types of mutual fund schemes which are floated in India. What are the merits and demerits of each one of them ?
 10. Bringout the latest guidelines issued by SEBI with respect to venture capital financing in India.
 11. Explain in detail credit rating process and the functions of agencies involved in such rating.
 12. Write short notes on :
 - a) Financial innovations.
 - b) Derivatives.
 - c) Dematerialization process.
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