

B.Com. DEGREE (C.B.C.S.S.) EXAMINATION, MARCH 2014**Fourth Semester****Core Course XII—FINANCIAL SERVICES**

(Common for Model I, Model II and UGC Sponsored B.Com. Degree Programmes)

Time : Three Hours

Maximum Weight : 25

Section A

Answer all questions.

Each bunch of four questions carries a weight of 1.

I. Choose the correct answer from the choices given below :

1. Which of the following is not a fee based financial service ?
(a) Lease Financing. (b) Corporate Counselling.
(c) Issue Management. (d) Portfolio Management.
2. Private mutual funds started functioning in India in :
(a) 1993. (b) 1927.
(c) 1994. (d) 1996.
3. Which of the following type of lease is known as full pay out lease ?
(a) Financial lease. (b) Operating lease.
(c) Stock lease. (d) Equipment lease.
4. The first Nationalised Bank in India to start a VCF :
(a) Canara Bank. (b) ICICI Bank.
(c) Bank of India. (d) SBI.

II. Fill in the blanks :

5. Financing of sick units to make them profitable is called _____.
6. Venture capital is originated in _____.
7. Non-fund based services are also called _____.
8. The simplest form of the securitisation process is _____.

III. State whether the following statements are True or False :

9. Financial lease is a non-cancellable lease.
10. Mutual Funds can deal in option trading, short selling or carrying forward transactions on securities.
11. Credit rating can be revised.
12. In operating lease, leaser is responsible for maintenance expenses and taxes.

IV. Match the following :

- | | |
|----------------------|----------------------------------|
| 13. CRISIL | (a) Special purpose vehicle. |
| 14. Letter of credit | (b) Credit card. |
| 15. Securitisation | (c) Credit rating agency. |
| 16. VISA | (d) Established in 1920. |
| | (e) Fee based financial service. |
| | (f) Demat. |

(4 × 1 = 4)

Section B

Answer any five questions.

Each question carries a weight of 1.

17. Define factoring.
18. What is money market ?
19. Define financial lease.
20. Define Venture capital.
21. Define financial services.
22. What is credit rating ?
23. What is FII ?
24. What is portfolio management ?

(5 × 1 = 5)

Section C

*Answer any **four** questions.*

Each question carries a weight of 2.

25. Explain fee based financial services with examples.
26. Explain the features of credit rating.
27. Describe the merits of factoring.
28. Explain the features of merchant banking.
29. Describe the types of venture capital.
30. State the needs for credit rating.

(4 × 2 = 8)

Section D

*Answer any **two** questions.*

Each question carries a weight of 4.

31. Define securitisation. Explain the parties in it. Also state the process of securitisation.
32. Describe the functions and benefits of credit rating.
33. Discuss factoring services in India.

(2 × 4 = 8)