

**2016**

**M. Com.**

**3rd Semester Examination**

**FINANCIAL SERVICES**

**PAPER — COM-301**

*Full Marks : 50*

*Time : 2 Hours*

*The figures in the right-hand margin indicate full marks.*

*Candidates are required to give their answers in their own words as far as practicable.*

*Illustrate the answers wherever necessary.*

**Unit—I**

[Marks : 20]

1. Answer any two questions : 2×5
- (a) Can banking be included under financial services ?  
Discuss.
  - (b) What are the different types of consumer finance ?
  - (c) Discuss the accounting treatment of 'direct cost of leasing' in the books of the lessor and in the books of the lessee.

*(Turn Over)*

- (d) Discuss, in brief, two different types of depository services for primary market and secondary market.

2. Answer any *one* question from the following : 1×10

- (a) Y Leasing Co. Ltd. leases out an asset costing Rs. 200 lakh. to X Co.Ltd. in a single agreement for 5 years at the end of which the latter can become an eventual owners of the asset if a residual value amounting 15% of the cost is guaranteed now. Otherwise, annual lease rental amounts to Rs. 200/1000 payable at year end. Incremental borrowing rate is 18%. Marginal corporate tax rate is 50%. Depreciation is charged following the written down value Method @ 25%. Show relevant ledger accounts and relevant entries in the balance sheet only for the first year of lease in the books of X Co.Ltd. Lessee can charge depreciation on the capitalized value of asset only if there exists a provision in the lease agreement in this respect.

10

- (b) (i) Describe a merchant banker's role in respect of investment consultancy and management services.

- (ii) Describe any one Method of consumer credit scoring 5+5

**Unit—II**

[Marks : 20]

3. Answer any *two* questions : 2×5

- (a) Briefly discuss the important services rendered by a factor.
- (b) What do you mean by 'Venture Capital'? How it differ from 'Private Equity'?
- (c) Explain the credit rating process of CRISIL.
- (d) Discuss the role of National Housing Bank in housing finance.

4. Answer any *one* question of the following : 1×10

- (a) (i) Explain the concept of Forfaiting. What are the benefits of Forfaiting services?

- (ii) Discuss the limitations of credit rating in India.

(3+3)+4

- (b) (i) Discuss the various stages of Venture Capital Financing.
- (ii) What does 'investment nurturing' mean? Describe the different styles of investment nurturing. 5+(2+3)

***[Internal Assessment : 10 Marks]***

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