

2009**M. Com.****3rd Semester Examination****FINANCIAL SERVICES****PAPER — CM-2101***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 : 5×2
 - (a) Write a brief note on financial services as a component of financial system. 5
 - (b) Describe various types of 'depository' services. 5
 - (c) Can any financial service be fund-based and fee-based at the same time? Explain with suitable illustration. Also give some examples of other financial services falling either under fund-based category or fee-based category. 5
 - (d) Narrate the concept of 'Debenture Trusteeship.' 5
2. Answer any one of the following : 10×1
 - (a) X Co. Ltd. has entered into a lease agreement for an equipment costing Rs. 10,00,000 with Y Co. Ltd. The lease is non-cancellable for a period of 5 years. Lease rental amounts to Rs. 3,20,000 p.a. which is to be

(Turn Over)

paid at the end of each year. Economic life of the equipment is 6 years. Straight line method of depreciation is followed. Incremental borrowing rate is 16%. The company is in a tax bracket of marginal rate of 25%. Calculate:

- (i) Unexpired finance charges,
 - (ii) Actual or effective rate of interest, and
 - (iii) First year's ledger accounts in the books of X Co. Ltd. 10
- (b) Describe the role of Merchant bankers in details on pre-issue capital management. 10

Unit—II

[Marks : 20]

3. Answer any two questions : 5×2
- (a) What do you mean by 'Factoring'? What are the benefits of the client by receiving factoring services? 5
 - (b) What are the reasons for slow growth of venture capital services in India? 5
 - (c) Explain Recourse and Non-recourse factoring. 5
 - (d) Discuss the different stages of venture capital financing. 5
4. Answer any one of the following : 10×1
- (a) Describe the structure of housing finance industry in India. Critically examine the role played by National Housing Bank (NHB) in promoting housing finance in India. 6+4
 - (b) (i) Briefly discuss the rating Process followed by CRISIL
 - (ii) What do you mean by Sovereign/Country Rating? 4+6

[Internal Assessment : 10 Marks]