

Q.P. Code : 60577

**Third Semester M.Com. Degree Examination,  
January/February 2020**

(CBCS Scheme)

**Commerce (Finance)**

**Paper FB 3.3 – FINANCIAL SERVICES**

Time : 3 Hours]

[Max. Marks : 70

SECTION – A.

Answer any **SEVEN** sub questions. Each carries **2** marks :

(7 × 2 = 14)

1. (a) How does credit card differs from debit card in use?
- (b) Define bank rate.
- (c) What are zero coupon bonds?
- (d) What is rematerialisation?
- (e) What is revolving credit?
- (f) What is balloon lease?
- (g) What is credit rating?
- (h) What is hire purchase?
- (i) What is cross border leasing?
- (j) Give the meaning of Hedging.

SECTION – B.

Answer any **FOUR** questions, each carries **5** marks :

(4 × 5 = 20)

2. What are the causes for failure of leasing in India?
3. Bring out difference between lease and hire purchase.
4. Briefly explain mechanism of mutual fund operations.
5. Explain the tax aspect of leasing.
6. Briefly explain the functions of CSDL.
7. How do you evaluate new project ideas? Explain.

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SECTION - C

Answer any **THREE** questions, each carries **12** marks :

**(3 × 12 = 36)**

8. Define credit rating. Explain the credit rating process and symbols used by ICRA for rating.
  9. Give an account of consumer financing practices in India.
  10. What are the mechanics of credit rating? What are the advantages to the investors, issuers and intermediaries? Are there any drawbacks of credit rating?
  11. Bring out the latest guidelines issued by SEBI with respect to venture capital financing in India.
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