

2018  
COMMERCE  
MCO : 304  
FINANCIAL SERVICE  
Full Marks : 80  
Time : 3 hours

*The figures in the margin indicates full marks for the questions*

**1. Answer the following multiple choice and short questions :**

**1 X 12 = 12**

- i) Which of the following is a kind of fee-based service of a financial institution ?
- |                             |                           |
|-----------------------------|---------------------------|
| a) Hire purchase financing  | b) Underwriting of shares |
| c) Capital issue management | d) Leasing service        |
- ii) The process of managing sales ledger (debtors account) of a client by a financial service company is called-
- |               |                           |
|---------------|---------------------------|
| a) Forfaiting | b) Factoring              |
| c) Leasing    | d) Securitization of debt |
- iii) What is meant by loan syndication ?
- iv) Which one of the following lease is for a limited period ?
- |                    |                    |
|--------------------|--------------------|
| a) Operating lease | b) Financial lease |
| c) Leverage lease  | d) Vendor lease    |
- v) In hire purchase, which of the following statement is true ?
- |   |
|---|
| a) The ownership remains with the buyer if starts payment of installment. |
| b) The ownership remains with the seller until last installment is paid.  |
| c) The ownership remains with the buyer always.                           |
| d) The ownership remains with the seller always.                          |
- vi) What is cross-border lease ?

- vii) Venture capital firms usually invest in which of the following type of enterprises ?  
a) Small enterprises                                  b) Medium enterprises  
c) Both Small and Medium enterprises      d) Large enterprises
- viii) Which of the following do not come under consumer credit finance ?  
a) Durable goods                                  b) Real estate  
c) Semi-durable goods                              d) All of the above
- ix) What do you mean by venture capital ?
- x) Which of the following principles of insurance doesn't apply to life insurance contracts ?  
a) Principles of Good faith                      b) Principles of Insurable interest  
c) Principles of Indemnity                      d) Principles of Subrogation
- xi) What is Demat Account ?
- xii) An organization which holds securities in electronic form is known as -  
a) Demat    b) Depository  
c) Stock Broking                                      d) Underwriting

- e) State the factors influencing demand of consumer finance. Explain the role of consumer finance in the economy.
- f) What is Stock Broking Service? What are the different services a stockbroker can provide to his clients? Explain the role of stockbroker in one's investment journey.

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**2. Answer the following questions :**    **5 X 4 = 20**

- a) Distinguish between Banking and Non-Banking Financial Companies (NBFCs).  
b) State the features of Venture Capital financing.  
c) State any five characteristics of Hire Purchase system.  
d) State the various methods of Insurance.

**3. Answer any four of the following questions :**    **12 X 4 = 48**

- a) Explain the scope and importance of financial services in the country.  
b) Explain the various advantages and disadvantages of Lease agreement.  
c) Explain the terms and conditions of Consumer Credit transactions.  
d) What is Depository Services ? State the benefits of Depository System.