

**M.Com (Semester I)**  
**EXAMINATION, November 2019**  
**Fundamentals of Financial Services (OA-18A)**

**[Duration : Three Hours]**

**[Total Marks :60]**

**Instructions:-**

- 1) Question No.1 consists of 5 compulsory questions of 2 marks each.
- 2) Answer any five (5) questions from 2, 3, 4, 5, 6, 7, 8 and 9.
- 3) Figures to the right indicated marks assigned to the questions.

- Q.1 Answer the following questions. (2x5=10)
- a) Explain the concept of 'Bailment'.
  - b) State and explain two essential elements of Lease Financing.
  - c) Explain the Cost of services of Factoring.
  - d) State and explain how Venture Capital Institutions are different from Conventional Financial Institutions.
  - e) List four Elements of Insurance Contract.
- Q.2 Discuss the various forms of Lease Financing. (10)
- Q.3 State the mechanism involved in Factoring. What are the steps taken by the Buyer (Debtor), Seller (Client) and the Factor to complete a Factoring Transaction. (10)
- Q.4 Explain the different stages in which a Venture capital Firm finances the requirements of the entrepreneurs/companies which approach it for Financing. (10)
- Q.5 Explain the advantages and disadvantages of Factoring. (10)
- Q.6 What are the characteristics of Hire Purchase? Distinguish between Hire Purchase and Lease Financing. (10)
- Q.7
- a) What is the meaning of 'Angels' in Venture Capital? List the features of 'Angels' (5)
  - b) Write a short note on The Indus Entrepreneurs (TIE) (5)
- Q.8 Explain how Non-Banking Finance Companies (NBFCs) are classified? Also discuss the activities of NBFCs. (10)
- Q.9 Discuss the Various Investment nurturing styles and techniques adopted by Venture Capital institutions in the Aftercare stage of financing. (10)