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Question Paper Code : 10224

M.B.A. DEGREE EXAMINATION, NOVEMBER/DECEMBER 2014.

Elective

BA 9258/ BA 958/ UBA 9161/ 10488 MBE 22 — MERCHANT BANKING AND
FINANCIAL SERVICES

(Regulation 2009/2010)

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A — (10 × 2 = 20 marks)

1. State the Capital Adequacy norms meant for Merchant Bankers.
2. What is meant by listing of Securities?
3. What are QIBs?
4. Distinguish between Preference shares and Debentures.
5. What is meant by book value of a firm?
6. What is Market risk?
7. What is Back to Back lease?
8. Name the parties in a hire- purchase contract.
9. What are the different forms of early stage financing by a Venture Capitalist?
10. What is Maturity Factoring?



PART B — (5 × 16 = 80 marks)

11. (a) Explain the obligations and the responsibilities of a merchant banker in issue management.

Or

- (b) "The formation of SEBI in 1992 was a landmark in the evolution of merchant banking as a professional service in the country" — Elaborate.

12. (a) What is meant by book building? Explain the procedure to be followed by a company while making an offer to public through the book building process.

Or

- (b) Enumerate the procedure to be followed by an issuer proposing to issue capital through an E-IPO.
13. (a) Bring out the essential features of a scheme of amalgamation.

Or

- (b) Explain the different steps involved in the process of credit rating.
14. (a) 'The most critical part of a leasing transaction is the financial evaluation of the proposal both to the lessor and the lessee' - In this context bring out the various elements of the evaluation framework from the view point of the lessee.

Or

- (b) 'Historically hire-purchase finance has been associated with financing of commercial vehicles for road transport operators. It has emerged as a source of equipment financing in recent years as an alternative to lease financing' — Identify the reasons behind this trend. What are the limitations of hire purchase financing from the borrowers perspective?
15. (a) Analyse the merits and drawbacks of factoring as a financial service.

Or

- (b) Explain the precautions to be taken by the banks and the NBFCs While discounting bills.

