

**June 2014**

Bachelor of Business Administration (BBA) Examination

**VI Semester****Merchant Banking and Financial Services**

Time 3 Hours]

[Max. Marks 80

**Note : Attempt any four questions (out of seven questions) from Section A. Each question of Section A carries 15 marks. Section B is compulsory and carries 20 marks.**

**Section A**

1. Discuss the role of Merchant Banker in IPO. Draw the structure of Merchant Banking Industry and their responsibility in Secondary Market.
2. Classify the Financial Services and discuss the importance of Financial Services.
3. What are the various legal authorities to govern the Indian Financial Services ? Discuss in brief.
4. Write short notes on the following :
  - (a) Hire Purchase.
  - (b) Bill Discounting.
  - (c) SEBI.
5. What is Factoring ? How factoring can be source of finance ? Discuss the advantages and limitations of factoring. "
6. Discuss the process of Securitization. How is it helpful in Funding ?
7. Discuss the functions of Depositories. What is the process of dematerialization of securities in NSDL and CDSL ?

**Section B**

8. ABC Leasing Limited needs to quote for leasing of machine on per thousand basis. The lease period is 5 years and the residual value at the end of the 5th year Would be 3%.  
If the leasing firm requires a return of 22% after considering the depreciation tax shield, what rate should it quote for semi-annual installments of payment payable in arrears in advance.

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