

MAY 2012

**P/ID 77524/PMEH/
PMBF4**

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. Describe the importance of financial services.
2. Discuss the advantages of Underwriting.
3. Discuss the role of a merchant banker in corporate sector.
4. List out the important aspects involved in leasing.
5. Explain the features of hire purchase agreement.
6. What are the drawbacks experienced in credit rating?
7. What are the reasons for the slow growth of Venture Capital Components in India?
8. Describe the recent developments in factoring and forfeiting.

PART B — (5 × 10 = 50 marks)

Answer any FIVE questions.

All questions carry equal marks.

9. Trace the origin of Merchant Banking briefly.
10. State the capital adequacy requirement prescribed for the merchant bankers by the SEBI.
11. What are the facilities and services provided by credit card issuers?
12. What are the guidelines issued by SEBI with regard to the underwriting business in India?
13. Outline the procedure related to the registration of portfolio managers under the SEBI regulations, 1993.
14. Discuss the major functions and services rendered, by merchant bankers as regards credit syndication.
15. Discuss briefly the role played by various participants in lease finance services.
16. Identify the different ways of determining the rate of interest under the hire purchase finance arrangement.

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PART C — (1 × 20 = 20 marks)

(Compulsory)

17. What are the recommendations of Kalyana Sundaram Committee to study the factoring services in India?
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