

Code No. 5077

# FACULTY OF MANAGEMENT M.B.A. IV - Semester Examination, April / May 2014

M.B.A. IV - Semester Examination, April / May 2014

Subject : Financial Services and Systems
Course No. 4.4.1 (Finance)
Elective - VI (Minor - II Area)

Time: 3 Hours Max. Marks: 80

Note: Answer all questions. PART – A (10x2=20 Marks)

- Write short notes on the following:
  - (a) Classify the financial services
  - (b) What is Financial Engineering?
  - (c) What is lease or buy decision?
  - (d) Flat and effective interest rates in HP
  - (e) State the objectives of Kalyan Sundram Committee
  - (f) State the process of bill discounting
  - (g) State the features of venture capital
  - (h) What is First Chicago method?
  - (i) State the functions of Lead manager
  - (i) What is credit rating?

## PART – B $(5 \times 12 = 60 \text{ Marks})$

2 (a) Explain the need and growth trends in financial services in India.

### OF

- (b) Explain the problems and prospects of financial engineering.
- 3 (a) Explain the applicability of NPV and IRR techniques in the evaluation of lease financing.
  - (b) Explain legal and tax implications in hire purchase system.
- 4 (a) Discuss the emerging trends in factoring and state RBI guidelines.

### OR

- (b) Discuss the legal obligations of parties in bill discounting system.
- 5 (a) Explain the entry and exit strategies in venture capital financing.

### OR

- (b) Discuss the regulatory framework of VCF in Indian business environment.
- 6 (a) Discuss the pros and cons of book building process and also IPO.

### OR

(b) Explain the methodology adopted by various credit rating agencies in India.

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