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47 (BBA-5) IBFS (N)

2021

(Held in 2022)

**INVESTMENT BANKING AND
FINANCIAL SERVICES**

Paper : DSE – I

Full Marks : 80

Time : Three hours

***The figures in the margin indicate
full marks for the questions.***

1. Answer the following:

(A) Choose the correct answer : $1 \times 5 = 5$

(a) SEBI was set up in the year —

(i) 1938 (ii) 1955 (iii) 1969 (iv) 1992

(b) The shares offered to the existing shareholders of a company is called —

(i) Equity shares

(ii) Preference shares

(iii) Right shares

(iv) None of the above

Contd.

(c) The IRDA Act was passed in the year —

(i) 1995 (ii) 1999 (iii) 2000 (iv) 2008

(d) Life Insurance in India was nationalised in the year —

(i) 1949 (ii) 1956 (iii) 1972 (iv) 1999

(e) Govt. of India announced the setting up of venture capital fund in —

(i) 1955 (ii) 1959 (iii) 1986 (iv) 1996

(B) State whether the following statements are True **or** False — $1 \times 5 = 5$

(a) Equity investments are rated in India by the credit rating agencies.

(b) Operating lease is a form of lease financing

(c) General insurance contract is a contract of certainty.

(d) Management of public issue is an important function of merchant banker.

(e) Prospectus is a document issued to the public to deposit money with the company.

2. Answer the following: $2 \times 5 = 10$

(a) What is venture capital?

(b) Expand - ICRA, CRISIL.

(c) What is minimum subscription?

(d) Give *two* differences between factoring and forfeiting.

(e) What is investment banking?

3. Answer the following: (**any four**) $5 \times 4 = 20$

(a) Explain the features of Hire Purchase system.

(b) Write the functions of Merchant Bank.

(c) Distinguish between hire purchase and leasing.

(d) Write a short note on IRDA.

(e) Explain book building process.

(f) Distinguish between underwriters and brokers.

4. Answer the following: (**any four**) $10 \times 4 = 40$

(a) Discuss the various components of Indian financial system.



- (b) "There is a close relationship between financial system and economic growth." Comment critically.
- (c) What do you understand by lease financing? Into how many categories can leasing be classified? $3+7=10$
- (d) Discuss the advantages and disadvantages of credit rating policies.
- (e) Discuss the principles of Life Insurance.
- (f) Discuss in SEBI guidelines regarding right issue of shares.
- (g) Discuss who are liable for misstatement in prospectus.