

**Maximum Marks: 75****Duration: 2 ½ Hours**

Note: 1) All questions are compulsory, Subject to internal choice.

2) Figures to the right indicate full marks.

**Q 1 A) Fill in the Blanks (Any 8)****08**

Column A		Column B	
1.	Lead Manager	A	Shares issued to existing shareholders
2.	Right issue	B	Mutual fund
3.	Sweat equity share	C	Offer interest rates which are reset periodically according to the benchmark
4.	Qualified institutional investors	D	50 lakhs
5.	Floating rate bonds	E	New York Exchange
6.	ADR	F	Fixed income
7.	Junk bond	G	Chicago Stock Exchange
8.	Category II	H	Poor credit quality and financial stability
9.	Debt market	I	Shares issued to its employee
10.	GDR	J	Merchant banker leading a public offer

**Q1.B) State whether true or false (Any 7)****07**

1. The minimum net worth for the fourth category of Merchant Bankers is NIL.
2. IDR means Global Depositary Receipts.
3. Commercial Papers have a minimum issue size of 5 lakh.
4. Unsecured debentures have no charge over the assets of the company.
5. Zero coupon bond is a hybrid instrument.
6. 90% is the minimum subscription for allotment.
7. Fixed price method provides an opportunity to discover the price for securities on the basis of bidding.
8. Association of Merchant Bankers in India is a professional not profit company.
9. Credit rating is compulsory for debt instruments.
10. Underwriter gives the guarantee for minimum subscription.

**Q2 A) Define Merchant banking. Explain its objectives and features in brief.****( 8 )****B) Discuss the key provisions of listing agreement.****( 7 )****OR****C) What is Book Building ? Explain the Book building process in brief.****( 8 )****D) Discuss the scope of Merchant banking in India?****( 7 )**

**Q 3 A)** What are Commercial Papers? Explain its advantages and disadvantages. (8)

**B)** Discuss the role of registrar in IPO. (7)

**OR**

**C)** Discuss the need and features of Bond. (8)

**D)** Describe the rules relating to advertisement for issue. (7)

**Q 4 A)** What are Commercial Paper? Explain its types. (8)

**B)** Discuss in brief Foreign Currency Convertible bonds. (7)

**OR**

**C)** What are Debentures? Discuss its types. (8)

**D)** Explain the difference between ADR and GDR. (7)

**Q 5 A)** Explain mechanism of ADR issue. (8)

**B)** Discuss the stages in involve in listing process and the categories of investor. (7)

**OR**

**C) Write Short Notes : (Any Three )** (15)

- 1) Scope of Merchant Banking in India
- 2) Advantages of listing
- 3) Offer document
- 4) IDRs
- 5) Types of issue

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