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66365

**SYBFM (SEM IV)**

**Merchant Banking**

- Note :** 1. Below given is only the guidelines marking scheme. If student's content is relevant other than the guidelines should be considered and allot the marks accordingly.  
2. Avoid giving marks in fractions.

**SOLUTION**

**I A Match the Column**

1. Category I – 5 crores
2. FCCB – Hybrid Instruments
3. Mutual Funds – SEBI
4. Debenture – Creditor
5. Level 1 – OTC
6. Restricted ADR – Regulation S
7. Commercial Papers – Promissory Note
8. IRDA – Insurance Industry
9. Refund – 15 days
10. Bonus Shares – Existing Shareholders

**I B True or False**

1. False
2. False
3. True
4. True
5. False
6. False
7. True
8. True
9. False
10. True

II A) The organisation structure of Merchant Bankers are : Banker Base, Institutional Base, Brokers Base, Private Base.

**2 mark for each point**

II B) The steps are Hire an Investment Banker, appoint intermediaries, submission of registration to SEBI, draft prospectus, SEBI approval, Select stock exchange, publicity, decide the price, share allotment, listing and refund.

**1 mark for each point**

OR

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II C) Write entire process- **1 mark for each process**  
II D) Pre issue function and post issue function **1 mark for each point**

IIIA) 8 advantages to be written **1 mark for each point**  
IIIB) Definition 2 marks, 5 features **1 mark for each feature**

OR

III C) Definition of FCCB. Write 6 features of FCCB. **2marks definition, 6marks features**  
III D) Definition of Rights Issue, Provision - **2marks definition, 4marks provision.**

IV A) Entire structure with Diagram **2 marks for Diagram , remaining marks for structure**  
IV B) Advantages and disadvantages **1 mark for each point**

OR

IV C) Types of Bond - **Each bond 1 marks**  
IV D) Definition of Commercial Papers, 5 Features - **2marks definition, 5 marks features**

**Q.5 A Role of Registrar – each role 2 marks**

B Each step of Procedure – **1 mark for each step**

**C Short notes (Any Three) :**

**Each short note – 5 marks**

Each concept may be divided into Meaning or Definition ---- **2 marks**

Features / Characteristics / Advantages /Disadvantages, Example ,etc. ---**3 marks**

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