(a) Venture Capital

(b) Credit Rating

(c) Non-Performing Assets

[This question paper contains 4 printed pages.]

Your Roll No..............

आपका अनुक्रमांक............

Sr. No. of Question Paper : 4315 **I**

Unique Paper Code : 2924002004

Name of the Paper : Emerging Banking and Financial Services (GE)

Name of the Course : **Bachelor of Business Administration (Financial Investment Analysis), UGCF**

Semester : III

Duration : 3 Hours Maximum Marks : 90

Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Attempt all questions.
3. Use of non-scientific calculator is allowed.

1. (a) Explain the functions of neobanks and regulatory requirements for setting up and runningthe neobanks. (9)

(b) What is theprocess of securitization? (9)

2. (a) What are the major banking reforms in the last decade? (9)

(b) Why do we need bad banks? Briefly explain the functions of bad banks? (9)

3. Now a days, Mergers and acquisitions in the Banking sector are very important for the growing of Indian Banking Sector. This can be achieved through Cost Reduction and Increasing Revenue. Merger and acquisition emerge as a reality. Bank mergers are one of the strategies for strengthening the Indian Economy by enhancing the banking sector. The Government of India is pursuing the policy of amalgamating public-sector bank. The Cabinet approval for the amalgamation of 10 public sector banks into 4 came into effect from April 1,2020.

- Punjab National Bank merged with Oriental Bank of Commerce and United Bank of India.

- Canara Bank merged with Syndicate Bank

- Union Bank of India merged with Andhra bank and Corporation bank

- Indian bank merged with Allahabad Bank

(a) Whether the amalgamation of 10 Public sector banks into 4 banks is right decision or not? (9)

(b) Explain the various types of mergers with suitable examples. (9)

4. ABC Ltd. is planning to have access to a machine for a period of 5 years. The company can either have an access through the leasing arrangement or it can borrow money at 14% to buy the machine. The company is in 30% tax bracket. In case of leasing, the company will be required to pay annual year-end lease rent of Rs. 1,20,000 for 5 years. In case of purchasing the machine (which costs Rs. 11,00,000), the company would have to repay 14% five-year loan in 5 annual instalments. Machine would be depreciated on a straight-line basis, with no salvage value. Advise the company which option it should go for, assuming lease rents are paid at the end of the year. (18)

5. Write short note on any two of the following terms: (9*2=18 Marks)

P.T.O.