

Reg. No. :

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Y 1635

M.B.A. DEGREE EXAMINATION, AUGUST/SEPTEMBER 2008.

Third Semester — *Elective*

DBA 1751 — HIRE PURCHASE, LEASING AND VENTURE CAPITAL

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A — (10 × 2 = 20 marks)

1. Differentiate between hire purchase and installment payment.
2. Briefly explain the methods of interest calculation.
3. Discuss the advantages of leasing.
4. Compare operating lease with financial lease.
5. List out any two venture capital firms in India.
6. Write in short about National Venture Capital Association (NVCA).
7. What do you mean by "Buyout financing"?
8. Define equity participation.
9. What are all the factors that should be considered for selecting the venture location?
10. What do you mean by corporate venturing?

PART B -- (5 × 16 = 80 marks)

11. (a) (i) Explain in brief about the legal and taxation aspects of hire purchase. (8)
(ii) What do you mean by hire purchase? What are the rights of hirer? (8)

Or

- (b) (i) Explain in detail about the accounting and financial aspects in evaluating the hire purchase finance. (8)
(ii) What are the features of hire purchase agreement? (8)

12. (a) (i) Briefly discuss the framework for lease evaluation from the point of view of a lessee. (8)
(ii) What are the limitations of leasing? (4)
(iii) How is accounting done for financial leases? (4)

Or

- (b) (i) Discuss the legal aspects of leasing. (8)
(ii) What are all the steps involved in lease arrangement? (8)

13. (a) (i) Briefly describe the main features of venture capital. (6)
(ii) Explain in detail about the different stages in venture capital financing (10)

Or

- (b) (i) Why the venture capital industry in India is still at a nascent stage? (8)
(ii) What are all the important measures suggested by Chandrasekar committee to facilitate the growth of venture capital activity in India? (8)

14. (a) (i) Give a brief account of the financial instruments through which venture capital investment is made. (8)
(ii) Critically assess the important factors for the success of venture capital in India. (8)

Or

- (b) (i) What is term sheet? What are all the restrictions in share transfer? (8)
(ii) Write short notes on transfer pre-emptive rights and tag along rights in share transfers. (8)

15. (a) (i) Give the important guidelines for developing the realistic business plan for a new venture (8)
- (ii) How will you control the corporate venture? (8)

Or

- (b) (i) Highlight the important strategies for managing the corporate venture. (8)
- (ii) Explain in detail about the existing opportunities in corporate venture. (8)
-