

**B.COM.(SEMESTER –IV) EXAMINATION—APRIL 2015**  
**BUSINESS FINANCE**

**Duration: 2 hours**

**Marks: 80**

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Instructions: 1) All questions are compulsory  
2) Figures to the right indicate full marks

Q. 1 Answer **any FOUR** of the following: - (4 x 4 = 16)

- a) Explain the factors influencing sources of finance.
- b) Explain the advantages of issue of preference share.
- c) Commercial paper- an emerging source of finance.
- d) Difference between bank credit and trade Credit.
- e) Contribution of foreign collaborations in the inflow of foreign capital.
- f) Explain the concept of Dematerialisation.

Q. 2 Answer **any FOUR** of the following (4 x 4 = 16)

- a) What is capital market?
- b) Explain the importance of indigenous bankers.
- c) Explain the concept of venture capital.
- d) Explain the merits associated with underwriting.
- e) Explain any two types of mutual fund schemes
- f) Lease finance v/s Hire purchase system.

Q.3 a) What is Factoring? Explain the services under factoring along with the major limitations. (12)

**OR**

Q.3 x) Equity shares is the most reliable source of long term finance. Discuss. (06)

y) Public deposits act as a popular source of finance. Comment. (06)

Q.4 a) Explain the need for foreign capital. (12)

**OR**

Q.4 x) What is lease financing? Discuss advantages and disadvantages of leasing. (12)

Q.5 a) Define the term stock exchange. Explain the role of stock exchanges in industrial growth. (12)

**OR**

Q.5x) Explain the functions performed by merchant banks in India. (12)

Q.6a) Discuss the role of SEBI in regulating capital markets. (12)

**OR**

Q.6x) Explain any four methods of marketing securities. (06)

Q.6y) Explain in brief the listing procedure. (06)