# Goa Vidyaprasarak Mandal's <br> GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND ECONOMICS <br> PONDA-GOA <br> B.COM. (SEMESTER-IV) EXAMINATION, APRIL 2016 <br> BUSINESS FINANCE - II 

Duration: 2 hours
Marks: 80

Instructions:

1. All questions are compulsory.
2. Answer sub-questions in Question no. 1 and Question no. 2 in not more than 100 words each.
3. Answer Question no. 3 to Question no. 6 in not more than 400 words each.
4. Figures to the right indicate maximum marks to the questions.

Q 1. Answer ANY FOUR of the following:
a. What is venture capital?
b. Explain the term mutual fund.
c. What is merchant banking?
d. Differentiate between lease finance and hire purchase (four points).
e. List the merits of private placement of securities.
f. What are warrants?

Q 2. Answer ANY FOUR of the following:
a. Explain the concept of DEMAT of shares.
b. What are open ended mutual funds?
c. State the advantages of listing of securities.
d. Explain the concept of direct placement of securities.
e. Who are bulls and bears in a stock exchange?
f. What is factoring?

Q 3. (i) What are equity shares? Explain its advantages and disadvantages towards the company.
(ii) Define trade credit. Explain its merits and demerits.

Q 4. (i) Explain the various factors that influence the sources of finance of an organisation.
(ii) What is a certificate of deposit? Explain its features in detail.

Q 5. (i) Explain the procedure for listing of securities.

## OR

(ii) Define the term stock exchange. Explain the functions of the stock exchange.

Q 6. (i) What do you understand by underwriting of securities? Explain its advantages.

## OR

(ii) What is an issue house? Explain its functions.

