

TILAK MAHARASHTRA VIDYAPEETH, PUNE
MASTER OF COMMERCE (M.COM.)
EXAMINATION : DECEMBER 2022
THIRD SEMESTER
Sub: Business Finance (MCC - 311)

Date: 5/12/2022

Total Marks :60

Time: 2.00 pm to 4.30 pm

Instructions:

- 1) All questions are compulsory.
- 2) Figures to the right indicate full marks.

Q.1 Answer the following questions. (Attempt any two) (32)

- 1 What is FDI? Explain the need and government regulations of FDI.
- 2 Explain the various types of Mutual Funds.
- 3 What is Share Capital, in which way it is different from Debenture Capital? State the important points of differences.
- 4 What are the objectives and functions of Securities and Exchange Board of India (SEBI)?

Q.2 Answer the following. (Attempt any one) (8)

- 1 Define merchant banking. Explain its functions and services rendered by merchant banking.
- 2 Small scale industries are the backbone of the economy.' Do you agree? Explain reasons.
- 3 What is Capital Market? Explain the important drawbacks of Indian Capital Market.

Q.3 Write short notes. (Attempt any two) (10)

- 1 Functions of Stock Exchange.
- 2 Kinds of Shares
- 3 Foreign Institutional Investment
- 4 Rights of Equity Shareholders

Q.4 Select the Correct Alternatives (Attempt Any Ten) (10)

1.is a fund, managed by an investment company with the financial objective of generating high rate of returns.

a)Balanced fund	b)Mutual fund
c)Hybrid fund	d)Index fund
2.is the discount rate at which the Net Present Value of an investment becomes zero.

a)Internal Rate of Return	b)Return On Investment
c)Accounting Rate of Return	d)Average Rate of Return
3.forms the broader concept of co-financing in which more than one lender provides funds to a borrower.

a)Long-term loan	b)Multi-bank loan
c)Syndicated loan	d)Group loan

4. Management of capital issue in India is a professional service rendered by
 - a) Portfolio Managers
 - b) Syndicate Bankers
 - c) Merchant Bankers.
 - d) National Bankers
5. The main objective ofis not to make maximum profit, but to take care of welfare of masses.
 - a) Private Sector
 - b) Co-operative Sector
 - c) Public Sector
 - d) Small Scale Sector
6.is defined as a company from one country making a physical investment into building a factory in another country.
 - a) FDI
 - b) Indirect Investment
 - c) FII
 - d) NRI Investment
7.is the mechanism where short term financial instruments maturing within a year are traded.
 - a) Domestic market
 - b) Money market
 - c) Foreign market
 - d) Capital market
8.means giving grades to financial intermediaries according to their status and reliability.
 - a) Gradation
 - b) Credit rating
 - c) Valuation of company
 - d) Credit information
9.is a fund, managed by an investment company with the financial objective of generating high rate of returns.
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