

CLASS –XI
ASSIGNMENT- 8

SUBJECT – BUSINESS STUDIES
TOPIC – Sources of Business Finance

1. A Company needs to increase its stock of raw material and finished goods, which will require funds of Rs. 50 lakhs. What are the various options available with the company to finance this amount?
2. What preferential rights are enjoyed by preference shareholders? Explain.
3. Differentiate between GDR and ADR?
4. Why retained earnings cannot be used by a newly established company?
5. Why preference shares are called hybrid form of financing?
6. What do you mean by IDR'S?
7. What do you mean by ICD'S?
8. How does equity share capital act as a fixed or permanent capital for the business?
9. How does trade credit lead to risk of overtrading?
10. Why are financial institutions also known as Development Banks?