NATIONAL OPEN UNIVERSITY OF NIGERIA
UNIVERSITY VILLAGE, JABI-ABUJA
FACULTY OF MANAGEMENT SCIENCES
2025_2 EXAMINATIONS

COURSE CODE: BFN737 **CREDIT UNIT: 2**
COURSE TITLE: MICRO AND SMALL BUSINESS FINANCING
TIME ALLOWED: 2 HOURS
Instructions. **1. Attempt question Number one (1) and any other two (2).**
2. Question number 1 is compulsory and carries 30 marks, while the other questions carry 20 marks each
3. Present all your points in coherent and orderly manner

1a. List and explain five challenges faced by the microfinance institutions in Nigeria? **(15 marks)**

1b. Explain five reasons behind the formulation of the National Microfinance Policy in Nigeria. **(15 marks)**

2a. Explain five various short-term sources of finance available to small businesses. **(10 marks)**

2b. Discuss the various types of Lease financing. **(10 marks)**

3a. Differentiate between equity financing and debt financing. **(10 marks)**

3b. Goodwill is an intangible but saleable asset, almost indestructible except by indiscretion. State the ways through which goodwill can be build. **(10 marks)**

4a. What is financial inclusion? **(10 marks)**

4b. State five benefits of financial inclusion. **(10 marks)**