

Vidya Vikas Mandal's  
**Shree Damodar College of Commerce and Economics Margao-Goa**  
S.Y.BCOM SEM III, MAY/JUNE SUPPLEMENTARY EXAMINATION 2017  
**BUSINESS FINANCE**

**Duration: 02 Hrs**

**Max. Marks: 80**

**Instructions:**

Figures to the right indicate maximum marks.

Start each question on a fresh page

All questions are compulsory

**Q1. Write short notes (any four)**

**4 X 4 =16 Marks**

- a) Balanced Capitalization
- b) Business Finance vs. Corporation Finance
- c) Fixed Capital
- d) Steps in financial planning
- e) Principles of Business Finance
- f) Meaning of Financial Plan

**Q2. Write short notes (any four)**

**4 X 4 =16 Marks**

- a) LIC
- b) Cost theory
- c) Features of Specialised financial institutions
- d) EDC
- e) Trading on equity
- f) Capital Gearing

**Q3.a Explain the Causes and in-brief the Effects of Under capitalization?**

**12 Marks**

**OR**

**b Explain the features of Business Finance?**

**12 Marks**

**Q4.a What are the factors affecting Working Capital requirements?**

**12 Marks**

**OR**

**b What do you understand by the term Over Capitalization, Explain its Causes? 12 Marks**

**Q5.a What are Specialised financial institutions, Explain the changing role of financial Institutions in India?**

**12 Marks**

**OR**

**b What is "Capital Structure", Outline the importance of Capital Structure? 12 Marks**

**Q6.a Explain the essentials of a good financial plan?**

**12 Marks**

**OR**

**b Differentiate between Fixed & Working capital?**

**12 Marks**