

Vidya Vikas Mandal's
Shree Damodar College of Commerce & Economics Margao-Goa
S.Y.B.Com Semester- III Semester End Examination, October 2018
Business Finance (Old Course)

Duration: 2 hours

Max. Marks: 80 marks

Instructions: *Figures to the right indicate maximum marks.*

Start each question on a fresh page

All questions are compulsory

- Q1.** Write short notes on (Any 4) (16)
- a. Principles of business finance.
 - b. Types of financial plan.
 - c. Earnings theory of capitalization
 - d. Industrial Development bank of India
 - e. Role of business finance in an organization.
 - f. Types of working capital.
- Q2.** Write short notes on (Any 4) (16)
- a. Role of LIC.
 - b. Importance of capital structure.
 - c. Classification of capital.
 - d. Balance capitalization.
 - e. Business finance v/s corporate finance.
 - f. EDC
- Q3.** A) State and explain essential features of a good financial plan. (12)
- OR**
- X) What is financial planning and explain the steps in financial planning. (12)
- Q4.** A) Distinguish between fixed capital and working capital. (12)
- OR**
- X) Explain the factors to be considered while determining the capital requirement of a business. (12)
- Q5.** A) What is Overcapitalization? Explain the causes that lead to Overcapitalization. (12)
- OR**
- X) Distinguish between overcapitalization and undercapitalization. (12)
- Q6.** A) What is Trading on Equity? Explain merits & demerits of trading on equity. (12)
- OR**
- X) What is capital gearing? Explain the types of capital gearing with Example. (12)