

Business Finance

Duration: 2 hours

Marks: 80

- Instructions: 1) All questions are compulsory
2) Figures to the right indicate Marks
3) Start each question on fresh page

- Q1 Write short notes on (Any 4) (4x4=16)
- a) Corporate Finance v/s Business Finance
 - b) Types of Financial Plan
 - c) Balanced Capitalisation
 - d) Advantages of capital gearing
 - e) Capital Structure
 - f) Factors determining working capital
- Q2 Write short notes on (Any 4) (4x4=16)
- a) UTI
 - b) High Capital Gearing V/S Low Capital Gearing
 - c) Changing Role of Financial institutions
 - d) Functions of EDC
 - e) Essentials of a good Financial Plan
 - f) Overcapitalisation
- Q3A) Explain the various principles of Business Finance. (12 Marks)
- OR
- X) Explain briefly the various steps used in business planning. (12 Marks)
- Q4A) what is capitalisation? Explain briefly the theories of capitalisation. (12 Marks)
- OR
- X) What are the causes, effects and remedies to overcome under capitalisation? (12 Marks)
- Q5A) Explain the determinants of Capital Structure. (12 Marks)
- OR
- X) What is trading on equity? Explain its various types. (12 Marks)
- Q6A) Explain briefly the various functions of IDBI as a specialised financial institution. (12 Marks)
- OR
- X) Explain the Role of IFCI in the field of industrial growth. (12 Marks)