



॥ विद्या सर्वस्य भूषणम् ॥

PRABODHAN EDUCATION SOCIETY'S

Vidya Prabodhini College of Commerce, Education, Computer & Management
Vidyanagar, Alto-Parvari, Goa

SEMESTER END EXAMINATION – OCTOBER 2016 (Regular/Repeat)

Sub: Business Finance-I

Semester: III

M. Marks: 80 marks

M. Time: 2 hours

INSTRUCTIONS: 1. All Questions are Compulsory.

2. Figures to the right indicate full marks.

3. Answer sub-questions in Q.I & Q.II in not more than 100 words each.

4. Answer questions in Q.III to Q. VI in not more than 400 words each.

5. Every main question should begin on fresh page.

Q.I. Write short note on any four of the following:

[4x4=16 mks]

- Business Finance v/s Corporate Finance
- Importance of adequate Fixed Capital
- Financial Structure
- Essential features of a Financial Plan
- Types of Working Capital
- Capital Gearing

Q.II. Write short note on any four of the following:

[4x4=16 mks]

- Balanced Capitalisation
- Economic Development Corporation
- Causes of Under-Capitalisation
- Objectives of Life Insurance Corporation of India
- Functions of Industrial Development Bank of India
- Effects of Under-Capitalisation on a Company

Q.III. Answer any one of the following:

[1x12= 12mks]

1. Explain the meaning and principles of Business Finance.
2. Explain the meaning, objectives and types Financial Plan.

Q.IV. Answer any one of the following:

[1x12= 12mks]

1. Give a broad classification of Capital Requirement of a Business Enterprise.
2. Explain factors determining Fixed Capital Requirement of a Company.

Q.V. Answer any one of the following:

[1x12= 12mks]

1. Explain the Cost and Earning Theories of Capitalisation.
2. What is Over-Capitalisation? Explain causes of Over-Capitalisation.

Q.VI. Answer any one of the following:

[1x12= 12mks]

1. Explain factors influencing Capital Structure of a firm.
2. Explain types, advantages and limitations of Trading on Equity.
