



॥ विद्या सर्वस्य भूषणम् ॥

PRABODHAN EDUCATION SOCIETY'S

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

**SEMESTER END EXAMINATION - OCT/NOV 2017 (Regular/Repeat)**

**Sub:** Business Finance

**Semester:** III

**Max. Marks:** 80 marks

**Max. Time:** 2 hours

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INSTRUCTIONS: 1. All Questions are Compulsory.

2. Figures to the right indicate full marks.

3. Every main question should begin on fresh page.

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

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

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

**[4x4=16 mks]**

- Business Finance v/s corporate finance
- Types of Financial Plan.
- Principles of Business Finance.
- Cost theory of Capitalisation.
- Effects of Over-Capitalisation.
- Importance of Balanced Capitalisation.

**Q.II. Answer any four of the following:**

**[4x4=16 mks]**

- Illustrate functions of Industrial Development Bank of India.
- Explain types of Capital Gearing.
- Explain the changing role of Financial Institutions.
- Elaborate on concept of financial structure.
- Write a note on Classification of Capital.
- Briefly explain different types of Working Capital.

**Q.III. Answer any one of the following:**

**[1x12= 12mks]**

- What is Financial Planning? Explain the steps in financial Planning.
- Explain essential features of good Financial Plan.

**Q.IV. Answer any one of the following:**

**[1x12= 12mks]**

- What is Working Capital? Explain the factors determining Working Capital.
- What is fixed Capital? Explain the features of Fixed Capital.

**Q.V. Answer any one of the following:**

**[1x12= 12mks]**

- Explain the effects of Under-capitalisation on company, employees and society.
- Elaborate on causes of Over-capitalisation.

**Q.VI. Answer any one of the following:**

**[1x12= 12mks]**

- Explain the factors influencing capital structure of a firm.
- What is Trading on Equity? Explain the types and advantages of Trading on Equity.

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