

Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND
ECONOMICS, PONDA-GOA
B.COM.(SEMESTER - III)SUPPLEMENTARY EXAMINATION
MAY/JUNE 2017
BUSINESS FINANCE

Duration: 2 Hours

Marks: 80

INSTRUCTIONS: 1) All questions are compulsory.
2) Figures to the right indicate full marks.

- Q. I. Answer **ANY FOUR** of the following. (4×4 =16)
- a. Write a short note on corporate finance.
 - b. Elaborate on the significance of adequate working capital.
 - c. Explain the earning theory of capitalization
 - d. Explain types of financial plan.
 - e. Explain high capital gearing and low capital gearing.
 - f. Write a short note on IDBI
- Q. II. Answer **ANY FOUR** of the following. (4×4 =16)
- a. Write a short note on financial planning.
 - b. Explain the features of fixed capital (any four).
 - c. Give some remedies to correct over capitalization.
 - d. Explain the causes of under capitalization.
 - e. Write a short note on trading on equity.
 - f. Explain the objectives of EDC.
- Q.III.A. What is business finance? Explain its basic principles. (12)
- OR**
- B. What is Financial Plan? Explain in detail essential features of a good financial plan. (12)
- Q.IV.A. What is working Capital? Explain in detail its features. (any 8) (12)
- OR**
- B. Explain the factors determining working capital requirements. (any 6) (12)
- Q.V. A. Explain the effects of under capitalization on employees (any two.) (6)
- B. Distinguish between over capitalization and under capitalization. (6)
- OR**
- X. Explain the evils of over capitalization on company and employees. (6)
- Y. Explain the causes of over capitalization (any 3) (6)
- Q.VI. A. Explain three advantages and three limitations of trading on equity. (6)
- B. Explain importance of capital structure. (6)
- OR**
- X. Explain the factors influencing capital structure of the company. (12)

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