

**Goa Vidyaprasarak Mandal's**  
**GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE**  
**AND ECONOMICS, PONDA-GOA**  
**B.COM. (SEMESTER-III) (REPEAT) EXAMINATION,**  
**OCTOBER, 2018**  
**BUSINESS FINANCE (Old Course)**

DURATION: 2 Hours

MARKS: 80

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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)
1. Distinguish between business finance and corporate finance (any 4 points).
  2. Explain the features of fixed capital (Any 4).
  3. Explain the objectives of financial plan. (Any 4).
  4. Distinguish between cost and earnings theory of capitalization.(any 4 points)
  5. Write a short note on capital gearing.
  6. Explain the objectives of EDC.
- Q. II. Answer **ANY FOUR** of the following. (4×4 =16)
1. Explain types of financial plans (Any 2).
  2. Write a short note on seasonal working capital.
  3. Explain causes of over capitalization (Any 4).
  4. Explain the effects of over capitalization on company.
  5. Explain the types of trading on equity.
  6. Write a short note on Industrial Development Bank of India.
- Q. III.A. Explain essential features of a good financial plan (Any 8). (12)
- OR**
- X. Explain principles of business finance (Any 4). (12)
- Q. IV.A. Explain the features of working capital. (12)
- OR**
- B. Explain the factors determining fixed capital requirements. (12)
- Q. V. A. Distinguish between over capitalization and under capitalization. (12)
- OR**
- B. Explain the causes of under capitalization. (12)
- Q. VI. A. Explain the factors influencing capital structure of the company. (12)
- OR**
- B. What is trading on equity? Explain its advantages and limitations. (12)

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