## Goa Vidyaprasarak Mandal's

## GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND ECONOMICS FARMAGUDI, PONDA - GOA

## B.COM. CBCS (SEMESTER-III) REGULAR EXAMINATION, NOVEMBER 2023 BUSINESS FINANCE

Duration: 2 Hours Marks: 80

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- 1. All questions are compulsory.
- 2. Numbers to the right indicate marks.
- 3.Q.NO.1 and Q.NO.2 to be answered in not more than 100 words.
- 4. Q.NO.3 to Q.NO.6 to be answered in not more than 400 words.
- Q.1 Answer any **FOUR** out of the following **SIX** questions. (16)
  - a) Role of Business Finance.
  - b) Features of a Good Financial Plan.
  - c) Classification of Capital.
  - d) Effects of Overcapitalization on employees. (ANY FOUR)
  - e) Limitations of Trading on Equity.
  - f) Features of a sound Capital Structure. (ANY FOUR)
- Q.2 Answer any **FOUR** out of the following **SIX** questions. (16)
  - a) Long-term Financial Plan.
  - b) Sources of Fixed Capital.
  - c) Types of Working Capital.
  - d) Corporate Finance.
  - e) Cost Theory.
  - f) Financial Structure.
- Q.3 a) Enumerate the principles governing Business Finance in an organization. (12)

OR

Q.3 b) What is Business Finance? Discuss the features of Business Finance. (12)

Q.4 a) What is Working Capital?	(12)
Discuss the various factors that determine the Working Capital requirements	
of any firm or company.	
OR	
Q.4 b) Explain the importance of adequate Fixed Capital in business.	(12)
Q.5 a) Critically examine the Earnings Theory of Capitalization.	(12)
OR	
Q.5 a) What is Overcapitalization?	(12)
Explain the causes behind a firm getting Overcapitalized.	
Q.6 a) Define Trading on Equity. Explain the types and advantages of Trading on Equity.	(12)
OR	
Q.6 a) What do you understand by the concept of Capital Gearing?	(12)
Explain with examples the process of High and Low Gearing.	