

Saraswat Vidyalaya's
Sridora Caculo College of Commerce and Management Studies
Khorlim, Mapusa – Goa

B.Com. Third Semester Examination – November 2022 (CBCS)

Duration: 2 hours

Business Finance – (CC9)

Maximum Marks: 80

Instructions: 1. All questions are compulsory, however internal choice is available.

2. Answer sub questions in Question No. 1 and No.2 in not more than 100 words.

3. Answer Question No. 3 to No. 6 in not more than 400 words.

4. Figures to the right indicate maximum marks allotted to question/sub-question.

5. Start each main question on fresh page.

Q.1 Answer in brief Any Four of the following questions:

(4x4=16 Marks)

1. Business finance V/S Corporate finance.
2. Explain any two Types of Financial plan.
3. Explain any two features of financial plan.
4. Write a short note on Factoring.
5. Explain any two sources of fixed capital.
6. Explain Sunk and floating capital.

Q.2 Answer in brief Any Four of the following questions:

(4x4=16 Marks)

1. Causes of over capitalization.
2. Earnings theory V/S Cost theory.
3. What is Balanced capitalization?
4. Thick equity.
5. Explain the concept of capital structure.
6. Write a short note on Capital Gearing.

Q3.A. Explain the Essential features of a good financial plan.

(12 marks)

OR

B. Explain in detail the various Principles of business finance.

(12 marks)

Q4.A. Highlight and explain the characteristics of Working Capital.

(12 marks)

OR

B. Explain in depth factors determining fixed capital requirement.

(12 marks)

Q5.A. What is overcapitalization? Explain in detail the effects of overcapitalization on various stakeholders.

(12 marks)

OR

B. What is undercapitalization? Explain in detail the remedies of undercapitalization.

(12 marks)

Q6.A. State and explain the factors influencing capital structure.

(12 marks)

OR

B. Explain the concept of Trading on Equity and explain in detail its Advantages.

(12 marks)

*****END*****