

M.E.S. COLLEGE OF ARTS & COMMERCE, ZUARINAGAR-GOA
B.Com (CBCS) III Semester End Examination (Regular/ Repeat), January, 2022
CC9- BUSINESS FINANCE (UCOC105)

Instructions

- 1) *All Questions are compulsory.*
- 2) *Answer any four sub-questions each in Q.1 & Q.2 in not more than 100 words.*
- 3) *Answer Q.3 to Q.6 in not more than 400 words each.*

Duration: 2 Hours

Max. Marks: 80

Q I) Answer ANY FOUR of the following **(4X4=16)**

- a) Explain the meaning of Business Finance.
- b) What are the different types of Financial Plan?
- c) Explain the role of Business Finance.
- d) Explain any four sources of Fixed Capital.
- e) Briefly explain the classification of Capital.
- f) What are the different types of Working Capital?

Q II) Answer ANY FOUR of the following questions **(4X4=16)**

- i) Write a short note on Earning theory of Capitalisation.
- ii) Explain the difference between Overcapitalisation and Undercapitalisation.
- iii) What is Balanced Capitalisation?
- iv) Explain the importance of Capital Structure.
- v) Explain the limitations of Trading on Equity.
- vi) Explain the different types of Capital Gearing.

Q III A) Explain the Principles of Business Finance. **(12)**

OR

B) Explain the essential features of a good Financial Plan. **(12)**

Q IV A) What are the factors determining Fixed Capital requirement? **(12)**

OR

B) Explain the significance of adequate Working Capital. **(12)**

Q V A) What are the causes of Overcapitalisation? **(12)**

OR

B) Explain the remedies of Undercapitalisation. **(12)**

Q VI A) What are the factors affecting Capital Structure? **(12)**

OR

B) Explain the types and advantages of Trading on Equity. **(12)**
