

**TILAK MAHARASHTRA VIDYAPEETH, PUNE**  
**MASTER OF COMMERCE (M.COM.)**  
**EXAMINATION : DECEMBER - 2023**  
**THIRD SEMESTER**

**Sub: Business Finance (MCC-311)**

**Date: 05/12/2023**

**Total marks: 100**

**Time: 2.00 pm to 05.00 pm**

**Instruction: All questions are compulsory.**

**Q. 1. Answer the following questions. (Attempt any two) (30)**

1. What is financial plan? Explain the important steps in financial planning.
2. What is finance? What do you mean by "Business Finance"? Explain the features of Business Finance.
3. What is FDI? Explain the need and government regulations of FDI.
4. What are the different kinds of shares? Explain the rights of Equity shareholders.

**Q.2 Answer the following questions. (Attempt any three) (30)**

1. Rights of Equity Shareholders
2. Functions of Stock Exchange
3. Define merchant banking. Explain its functions and services rendered by merchant banking
4. Small scale industries are the backbone of the economy.' Do you agree? Explain reasons.
5. Explain the advantages of Credit Rating.

**Q.3 Write short notes. (Attempt any four) (20)**

1. Renewal of capital
2. Payback period
3. Merchant bank
4. Fixed deposits
5. Working capital
6. Mutual Fund

**Q. 4 A. Answer in one Sentence (Attempt any five) (10)**

1. Full form of ICICI
2. Full form of UTI
3. Full form of, IFCI,
4. Full form of, IDBI
5. Full form of GIC
6. Full form of SEBI
7. Full form of ARR

**Q. 4 B. Select the correct Alternatives (Attempt any ten) (10)**

1. Predicting in advance the needs of capital required by business to avoid the shortage / excess of capital is called as .....
  - a. Estimation of capital
  - b. Classification of capital
  - c. Expansion of capital
  - d. Renewal of capital

2. SEBI institute was established under the joint promotership of ICICI, UTI, IFCI, IDBI, GIC, and SBI in Aug 1989, and the actual operations of which started in October 1992.
  - a) True
  - b) Can't say
  - c) False
  - d) None of the above
3. ....is the time in which the initial cash outflow of an investment is expected to be recovered from the cash inflows generated by the investment.
  - a) NPV
  - b) IRR
  - c) Payback period
  - d) ARR
4. An organization that underwrites corporate securities and advises clients on issues like Corporate mergers, acquisitions etc. and involve in commercial ventures is called as.....
  - a) Development Bank
  - b) Merchant bank
  - c) Central Bank
  - d) Agricultural Bank
5. Business units accept deposits from investors, who are members of society, are known as.....
  - a) Fixed deposits
  - b) Public deposits
  - c) Term deposits
  - d) Private deposits
6. Capital needed for 6 months to one year is called as.....
  - a) Short term capital
  - b) Medium term capital
  - c) Long term capital
  - d) None of the above
7. ....indicate the proportion of equity capital, retained earnings, preference shares and debentures.
  - a) Estimation of funds
  - b) Profit planning
  - c) Capital structure
  - d) Ploughing back of profits
8. .... is useful for purchasing fixed assets like land, machinery, buildings etc. These assets are also known as permanent assets.
  - a. Working capital
  - b. Fixed capital
  - c. Gross capital
  - d. Net capital
9. Which of the following fund's objective is to achieve capital appreciation in stocks of those companies, which are registering significant earnings?
  - a) Income Fund
  - b) Growth Fund
  - c) Open-Ended Mutual Fund
  - d) Close-Ended Mutual Fund
10. Syndicated loan is typically a .....loan in which a group of financial institutions (the Syndicate) work together to provide funds for a borrower.
  - a) small
  - b) medium
  - c) large
  - d) all of the above
11. According to Guttman, ".....is broad term and it includes estimation of funds in accurate quantity, raising and collection of funds, utilization and controlling of funds."
  - a) Business Planning
  - b) Business Analysis
  - c) Business Finance
  - d) All of the above
12. Capital structure clears the sources of owned capital and borrowed capital, for which .....is considered as an ideal ratio.
  - a) 1:1
  - b) 1:3
  - c) 1:2
  - d) 1:4