

Bachelor of Commerce (B.Com.) Semester-V Examination

BUSINESS FINANCE-I

Elective Group—II

Paper—6.1

Time : Three Hours]

[Maximum Marks : 80

N.B. :— (1) **ALL** questions are compulsory.

(2) All questions carry equal marks.

1. (a) What is Business Finance ? Write the importance of Business Finance. 8
- (b) What are the different types of sources of Finance ? Explain the medium term sources of Finance. 8

OR

- (c) What is the recent development and reforms in finance sector ? 8
- (d) Explain the term of share. What are the various types of shares ? 8
2. (a) What is Project Appraisal ? Explain the aspect of Project Appraisal. 8
- (b) Explain the concept of Leverages and write its types. 8

OR

- (c) A factory requires 1500 units of an item per month. Each costing Rs. 27. The cost per order is Rs. 150 and the inventory carrying charges work out to 20% of the average inventory. Find out :
- (1) Economic order quantity
- (2) Number of order in a year
- (3) Time gap between two orders
- (4) Total inventory cost. 8
- (d) From the following data of a firm, calculate (1) Operating Leverage, (2) Financial Leverage, (3) Combined Leverage :

Particulars	X	Y	Z
Output (Units)	60,000	15,000	10,000
Fixed Cost (Rs.)	7,000	14,000	1,500
Variable Cost Per Unit (Rs.)	0.20	1.50	0.20
Interest on Borrowed Fund (Rs.)	4,000	8,000	—
Selling Price Per Unit (Rs.)	0.60	5	1

8

3. (a) What are the determinants of working capital requirements ? 8
 (b) Explain the advantages and disadvantages of working capital. 8

OR

(c) From the following information prepare a statement of working capital requirement :

(1) Production and sales during the year 10,000 units.

(2) Selling price per unit is Rs. 5.

(3) Percentage of cost to selling price as under :

Raw material	40%
Labour	30%
Overheads	20%

(4) Raw material is in stock for a period of 1 month.

(5) Goods are in process for a period of ½ month.

(6) Finished goods are held for 2 months.

(7) Period of credit allowed to debtors is 1 month.

(8) Period of credit allowed by creditors is 1 month.

(9) Lag in payment of wages and overheads are ½ month.

(10) Cash required is Rs. 20,000. 8

(d) Following is the balance sheet of Vidarbha Industries Pvt. Ltd. :

Liabilities	31-3-2017	31-3-2018	Assets	31-3-2017	31-3-2018
	Rs.	Rs.		Rs.	Rs.
Share Capital	5,00,000	5,00,000	Fixed Assets	6,00,000	6,25,000
Reserve & Surplus	2,00,000	2,50,000	Investments	75,000	1,00,000
Debenture	—	50,000	Current Asset		
Term Loans	1,50,000	1,10,000	Stock in Trade	2,50,000	2,75,000
Cash Credit from Bank	2,80,000	3,10,000	Debtors	1,60,000	1,50,000
Current Liabilities :			Bills Receivable	30,000	50,000
Creditors	60,000	70,000	Short Term		
Expenses Payable	15,000	10,000	Investment	55,000	70,000
			Cash Bank Balance	35,000	30,000
	<u>12,05,000</u>	<u>13,00,000</u>		<u>12,05,000</u>	<u>13,00,000</u>

Calculate working capital as on 31-3-2017 and 31-3-2018 and show how the same is financed. 8

4. (a) What do you mean by venture capital ? Explain problem facing by Venture Capital Industry. 8
- (b) ABC Ltd. has a present annual sales level of 10,000 units at Rs. 300 per unit. The variable cost Rs. 200 per unit and the fixed cost amount to Rs. 3,00,000. The present credit period allowed by the company is 1 month. The company is considering a proposal to increase the credit period either 2 months or 3 months and has made the following estimates :

	Existing	Proposed	
	1 Month	2 Months	3 Months
Increase in Sale by	—	15%	30%
% of Bad Debts	1%	3%	5%

There will be increase in fixed cost by Rs. 50,000 on account of increase of sales beyond 25% of present level. The company plans on pre-tax return of 20% on in receivable. You are required to calculate the most optimal credit policy for the company. 8

OR

- (c) Varma Industries Ltd. offers three proposal of credit period by his supplier :

(a) $\frac{4}{15}$ net 90

(b) $\frac{3}{10}$ net 60

(c) $\frac{2}{5}$ net 45

Calculate the cost of credit and suggest most costly proposal for Varma Industrial Ltd. 8

- (d) A trader whose current sales are Rs. 15,00,000 p.a. and average collection period is 30 days wants to propose a more liberal credit policy to improve sales. A study made by a consultant firm reveals the following information :

Credit Policy	Increase in Collection period by	Increase in Sales by
A	15 Days	Rs. 60,000
B	30 Days	Rs. 90,000
C	45 Days	Rs. 1,50,000

The selling price per unit is Rs. 5. Average cost per unit is Rs. 4 and the variable cost, per unit is Rs. 2.75. The required rate of return on additional investment is 20%. Assume 360 days a year and also assume that there are no bad debts. Which of the above policies would you recommend for adoption ? 8

5. (a) Explain the type of Bonds. 4
- (b) From the following data, calculate (1) Reorder Level, (2) Maximum Stock Level.
Reorder Quantity 1500 units
Reorder Period 4 to 6 weeks
Maximum consumption 400 per week
Normal consumption 300 per week
Minimum consumption 250 units per week. 4
- (c) Sales is 3,84,000 units @ Rs. 10 per unit
Raw material 40% of Selling price
Wages 30% of Selling price
Overheads Rs. 16,000 per week (including depreciation Rs. 4,000 per week)
Calculate total cost for working capital purpose. (One year having 48 weeks) 4
- (d) Calculate effective cost of bill discounting for the company :
Processing fees = Rs. 2,000
Interest for 45 days = Rs. 1,750
Net amount received for 45 days = Rs. 1,36,250
Total days in year = 360 days. 4

Bachelor of Commerce (B.Com.) Semester-V Examination

BUSINESS FINANCE-I

Elective Group—II

Paper—6.1

Time : Three Hours]

[Maximum Marks : 80

N.B. :— (1) ALL questions are compulsory.

(2) All questions carry equal marks.

(मराठी माध्यम)

1. (अ) व्यावसायिक वित्त म्हणजे काय आहे ? व्यावसायिक वित्ताचे महत्व लिहा. 8
 (ब) वित्ताचे विभिन्न स्रोत कोणते ? मध्यमकालीन वित्ताचे स्रोत विशद करा. 8

किंवा

- (क) अलिकडील काळातील वित्तीय क्षेत्रातील विकास आणि सुधारणा कोणत्या ते स्पष्ट करा. 8
 (ड) 'भाग' ही संकल्पना स्पष्ट करा. भागाचे विभिन्न प्रकार सांगा. 8
2. (अ) प्रकल्प मुल्यांकन काय आहे ? प्रकल्प मुल्यांकनाच्या विविध पैलु स्पष्ट करा. 8
 (ब) उत्तोलक ही संकल्पना स्पष्ट करा. उत्तोलकाचे प्रकार कोणते आहेत ? 8

किंवा

- (क) इंग्रजी माध्यमानुसार. 8
 (ड) इंग्रजी माध्यमानुसार. 8
3. (अ) कार्यशील भांडवलाच्या आवश्यकतेचे निर्धारक घटक स्पष्ट करा. 8
 (ब) कार्यशील भांडवलाचे गुण व दोष स्पष्ट करा. 8

किंवा

- (क) इंग्रजी माध्यमानुसार. 8
 (ड) इंग्रजी माध्यमानुसार. 8
4. (अ) उपक्रम भांडवल यापासुन आपणास काय अर्थबोध होतो ? उपक्रम भांडवलाच्या बाबतीत उद्योगाच्या समस्या कोणत्या ? 8
 (ब) इंग्रजी माध्यमानुसार. 8

किंवा

- (क) इंग्रजी माध्यमानुसार. 8
 (ड) इंग्रजी माध्यमानुसार. 8
5. (अ) रोखे (Bonds) चे प्रकार सांगा. 4
 (ब) इंग्रजी माध्यमानुसार. 4
 (क) इंग्रजी माध्यमानुसार. 4
 (ड) इंग्रजी माध्यमानुसार. 4

Bachelor of Commerce (B.Com.) Semester-V Examination

BUSINESS FINANCE-I

Elective Group—II

Paper—6.1

Time : Three Hours]

[Maximum Marks : 80

N.B. :— (1) **ALL** questions are compulsory.

(2) All questions carry equal marks.

(हिन्दी माध्यम)

1. (अ) व्यवसाय वित्त क्या है ? व्यवसाय वित्त का महत्व लिखिये। 8
 (ब) वित्त के विभिन्न स्रोत कौनसे हैं ? वित्त के मध्यकालीन स्रोत स्पष्ट कीजिये। 8
- अथवा
- (क) वर्तमान काल में वित्त क्षेत्र में विकास और सुधार कौनसी हुई है ? 8
 (ड) 'अंश' यह संकल्पना स्पष्ट कीजिये। अंशों के विभिन्न प्रकार कौनसे हैं ? 8
2. (अ) प्रकल्प मूल्यांकन क्या है ? प्रकल्प मूल्यांकन के विविध पहलू स्पष्ट कीजिये। 8
 (ब) उत्तोलक यह संकल्पना स्पष्ट कीजिये। उसके प्रकार कौनसे हैं ? लिखिये। 8
- अथवा
- (क) अंग्रेजी माध्यम के अनुसार। 8
 (ड) अंग्रेजी माध्यम के अनुसार। 8
3. (अ) कार्यशील पूंजी की आवश्यकता के निर्धारित तत्व कौनसे हैं ? 8
 (ब) कार्यशील पूंजी के गुण एवं दोष लिखिये। 8
- अथवा
- (क) अंग्रेजी माध्यम के अनुसार। 8
 (ड) अंग्रेजी माध्यम के अनुसार। 8
4. (अ) उपक्रम पूंजी से आपका क्या आशय है ? उपक्रम पूंजी वित्त की उद्योगों की समस्या बताइये। 8
 (ब) अंग्रेजी माध्यम के अनुसार। 8
- अथवा
- (क) अंग्रेजी माध्यम के अनुसार। 8
 (ड) अंग्रेजी माध्यम के अनुसार। 8
5. (अ) रोखों के (Bonds) के विभिन्न प्रकार कौनसे हैं ? 4
 (ब) अंग्रेजी माध्यम के अनुसार। 4
 (क) अंग्रेजी माध्यम के अनुसार। 4
 (ड) अंग्रेजी माध्यम के अनुसार। 4