

Q.1 A) Match the following : (Any 7)

(7 Marks)

	COLUMN A		COLUMN B
1	Depreciation	A	unsecure loan
2	Equity shares	B	investment decision
3	Public deposit	C	type of Bank loan
4	Debenture	D	forecast
5	Capital budgeting	E	replacement of asset
6	Financial planning	F	availability of funds
7	End State of operation	G	raising finance
8	Car loan	H	result
9	Finance manager	I	fluctuating dividend
10	Capital markets	J	Coupon

Q.1 B) State the following statement is true or false: (Any 8)

(8 Marks)

1. Finance is an activity of only procuring funds.
2. Corporate finance concerned with individual saving and investment.
3. Financial plans are based on only assumptions.
4. Plans have to be too rigid only.
5. Sweat share are type of preference share.
6. Public deposits provide long term finance to a company.
7. Dividend are compensation paid to the debt providers.
8. Reserve surplus effects the controlling interest of a company.
9. Capital structure is the relationship between the short term sources of funds.
10. Investment decision is an integral part of financial function.

**Q.2 Answer the following Question.**

- A. Explain nature and scope of finance. (7 Marks)
- B. Explain financial management and other departments. (8 Marks)

OR

- C. Explain role of finance manager (7 Marks)
- D. Explain scope of financial management. (8 Marks)

**Q.3 Answer the following Question.**

- A. Factors influencing capital structure. (7 Marks)
- B. Explain under capitalization and its cause effect remedies. (8 Marks)

OR

- C. Explain capital structure and objectives (7 Marks)
- D. Explain meaning of capitalisation and interpretation of capitalization. (8 Marks)

**Q.4 Answer the following Question.**

- A. Explain the types of long term/external sources of finance. (7 Marks)
- B. Types of preference share. (8 Marks)

OR

- C. Types of debenture. (7 Marks)
- D. Importance of reserve. (8 Marks)

**Q.5 Answer the following Question.**

- A. Explain the types of reserve. (7 Marks)
- B. Advantages and limitations of bonus share. (8 Marks)

OR

- C. Write a short note on: (Any 3) (15Marks)

1. Limitations of financial planning
2. Types of equity shares.
3. Advantages of preference share.
4. Disadvantage of debenture.
5. Limitations of reserve.