Reg. No. | | | | | | | | | | | | |

S.No. 23P801 **Sub. Code : 23P851A**

M.Com. (CS) DEGREE EXAMINATION,
APRIL 2024.

(Autonomous)

First Semester

BUSINESS FINANCE

Time : Three hours Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer any TEN questions.

1. Define business finance.
2. List out the objectives of business finance.
3. What is capital recovery factor?
4. Define the term risk.
5. Enlist the types of risks.
6. Who are angel investors?
7. What do you mean by Wet lease and Dry lease?

8. How do you calculate EOQ?

9. What is cash cycle?

10. Enlist the objectives of capital budgeting?

11. What is capital rationing?

12. How do you calculate NPV?

SECTION B — (5 × 5 = 25 marks)

Answer any FIVE questions.

13. Explain the concept of time value of money.

14. Distinguish between compounding and discounting.

15. Write a note on various sources of risks in business.

16. Explain the advantages and limitations of Bootstrapping.

17. Leasing is an alternative option to capital needs of a firm-explain

18. Write a note on motives for holding cash.

19. Explain the sources of international finance.

20. What are the factors to be considered in capital budgeting decisions?

SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

21. What are the effects of multiple compounding on the effective rate of interest in business finance?

22. Write an elaborate note on the various methods of risk management.

23. What is leasing and explain its types in detail?

24. Explain the various methods of inventory control and its uses in industry.

25. What are discounted cash flow techniques of capital budgeting and how these methods are superior to the traditional methods?

———————