Name :	A
Roll No. :	
Inviailator's Signature :	

CS/MMA/SEM-3/MMA(ESB)-305/2011-12

2011 FINANCING MSMEs

Time Allotted: 3 Hours Full Marks: 70

The figures in the margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

GROUP - A (Multiple Choice Type Questions)

1. Choose the correct alternatives for the following:

 $10 \times 1 = 10$

- i) Optimum capital structure is one
 - a) which minimizes value of shareholders, wealth
 - b) which maximizes value of shareholders, wealth
 - c) which both maximizes and minimizes value of shareholders' wealth
 - d) which neither maximizes nor minimizes value of shareholders' wealth.
- ii) The full form of NSIC is
 - a) National small industries corporation Ltd.
 - b) National saving industries corporation Ltd.
 - c) National small industries company Ltd.
 - d) None of these.

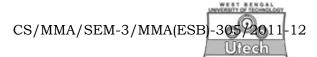
40745 [Turn over

CS/MMA/SEM-3/MMA(ESB)-305/2011-12



- iii) Objective of state financial corporation is to
 - a) generate employment
 - b) balance regional growth
 - c) catalyze investment
 - d) all of these.
- iv) CENVAT stands for
 - a) Central value added task
 - b) Central value at tax
 - c) Central value added tax
 - d) None of these.
- v) Example of long term sources of finance is
 - a) Issue of shares
- b) Issue of debenture
- c) Long term loans
- d) All of these.
- vi) SFC stands for
 - a) State Functional Committee
 - b) State Financial Committee
 - c) State Financial Corporation
 - d) State Financial Contract.
- vii) The Committee of Financial Inclusion was headed by
 - a) V. Subba Rao
- b) C. Rangarajan
- c) P. Chidambaram
- d) Manmohan Singh.

40745



- viii) The concept of Venture Capital was originated in
 - a) India

b) USA

c) UK

- d) Canada.
- ix) Venture Capital is available for
 - a) Early stage financing b) Expansion financing
 - c) Acquisition financing d) All of these.
- x) Business angels provide fund for financing
 - a) ventures with high risk
 - b) ventures having no risk
 - c) ventures having moderate risk
 - d) none of these.

GROUP - B

(Short Answer Type Questions)

Answer any *three* of the following.

 $3 \times 5 = 15$

- 2. Discuss briefly on real estate opportunities in India.
- 3. Write short note on NABARD.
- 4. Discuss some of the Tax incentives that are given to MSMEs.
- 5. Explain the concept of Venture Capital.
- 6. Write a short note on Business Incubator.

CS/MMA/SEM-3/MMA(ESB)-305/2011-12



GROUP - C

(Long Answer Type Questions)

Answer any *three* of the following. $3 \times 15 = 45$

- 7. Mention the different functions of KVIC. Describe in detail the services provided by SIDO. 8 + 7
- Finance is described as "life blood" of an industry substantiate it with your views. Describe different sources of finance available to MSMEs.
- 9. Discuss the factors determining the capital structure.

 Discuss the features of an optimum capital structure. 9 + 6
- 10. Explain the Venture Capital Cycle in detail. 15
- 11. Briefly discuss the evolution of Venture Capital industry in India.15

40745 4