

B.B.A. (2010 Course) Sem- VI : SUMMER - 2019
SUBJECT: b) Elective-III Elements of Corporate Finance (FM)

Day: Monday
Date: 22/04/2019

S-2019-2035

Time: 10.00 AM TO 01.00 PM
Max. Marks: 70

N.B.:

- 1) Q No. 1 is **COMPULSORY**.
 - 2) Attempt any **FOUR** questions from Q. No.2 to Q. No. 7.
 - 3) Each question carries **FOURTEEN** marks.
 - 4) Use of electronic calculator / log table is **ALLOWED**.
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- Q.1** What do you mean by Financial Planning? Distinguish between Long range planning and Short range planning.
- Q.2** Explain difference between Equity share capital and Preference Share Capital.
- Q.3** Write a note on “Importance of capital Structures and Earning Per Share”.
- Q.4** Discuss the importance of Funds Flow Statement in analysis of Financial Statements .
- Q.5** Write short notes on any **TWO** of the following:
a) Corporate Governance
b) Retained Earnings
c) Institutional Finance
- Q.6** Discuss various sources of short term finance.
- Q.7** Venkateshwara Co. Ltd. require an investment of Rs. 500000/- for 5 year project and expected to generate net cash inflow as under:-

Year	Net cash inflow (Rs.)
1	2,00,000
2	2,20,000
3	2,80,000
4	2,50,000
5	2,00,000

The Cost of Capital of the Company is 10%. The following are the present values factors @ 10% p.a.:-

Year 1 - 0.909, Year 2 - 0.826, Year 3 - 0.751, Year 4 - 0.683 and Year 5 - 0.621

You are required to Calculate:-

- 1) Payback period
- 2) Net Present Value @ 10%
- 3) Profitability Index @ 10%

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