

S.D.E.

B.B.A. (2006 COURSE) SEM-VI : SUMMER - 2018

SUBJECT: ELECTIVE - III: e) ELEMENTS OF CORPORATE FINANCE (FINANCE)

Day: **Wednesday**
Date: **06/06/2018**

S-2018-4330

Time: **10.00 AM TO 1.00 PM**
Max. Marks: 80

N.B.:

- 1) Attempt any **THREE** questions from Section -I and any **TWO** questions from Section -II.
- 2) All questions carry **EQUAL** marks.
- 3) Answers to both the sections should be written in the **SEPARATE** answer books.

SECTION-I

- Q.1** What are the functions of Finance Department of a company?
- Q.2** What are the stages in Promotion of a Company?
- Q.3** What are steps are involved in estimation of Financial Requirement of a company?
- Q.4** What do you mean by a stock of a company?
- Q.5** Write short notes on any **TWO** of the following:
- a) Debentures
 - b) Under Capitalization
 - c) Rights of stock holders
 - d) Financial Environment
 - e) Government companies

SECTION-II

- Q.6** What are steps involved in Floating on IPO?
- Q.7** Distinguish between Over Trading and Under Trading with its advantages and demerits for company and investors.
- Q.8** ABC Ltd. provides you following information per unit details are as under:

Raw material	Rs. 60
Direct wages	Rs. 40
Overheads	Rs. 50
	<u>150</u>
Profit	Rs. 50
Selling Price	200

Expected production for the year 2013-14 is 1, 20, 0000 units. You are required to prepare estimate for 2013-14 of working capital requirement on the basis of

Additional Information:

1. Customer are given two months credit
 2. 20% sales are cash sales
 3. Suppliers of raw materials are paid after one and half months.
 4. Inventory of raw materials is of one month.
 5. Wages are paid in the next months.
 6. Overheads are paid in the same months.
 7. Minimum Cash Balance is Rs. 60,000/-
 8. 10% contingency is provided on the amount the amount excluding cash balance.
- It is to be assumed production is carried out on evenly throughout the year.

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