

S.D.E.

B.B.A. (2006 COURSE) SEM-VI : WINTER - 2017

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

Day: **Saturday**
Date: **16/12/2017**

Time: **02.00 PM TO 05.00 PM**
Max. Marks: 80

W-2017-4139

N.B.:

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

SECTION-I

- Q.1 What are the steps involved in Issue of Right shares?
- Q.2 Write in detail on any two components of Financial Environment.
- Q.3 What are the characteristics of Financial Planning?
- Q.4 What steps are necessary for formation Promotion?
- Q.5 Write short notes on any **TWO** of the following:
 - a) Qualities promoters
 - b) Foreign Company
 - c) Correctible Debentures
 - d) Right Shares
 - e) Proxies

SECTION-II

- Q.6 What are the different types of Stocks? What are the merits and demerits of equity and Preferred Stock?
- Q.7 Which factors are considered while estimation of Financial Requirement of a company?
- Q.8 ABC Ltd. provides you following information per unit details are as under:

Raw material	Rs. 50
Direct wages	Rs. 30
Overheads	Rs. 40
	<u>120</u>
Profit	Rs. 60
Selling Price	180

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. 10% 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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