

SUPPLEMENTARY
BACHELOR OF BUSINESS ADMINISTRATION (CBCS - 2018 COURSE)
B.B.A. Sem-VI FM :SUMMER- 2022
SUBJECT : ELEMENTS OF CORPORATE FINANCE

Day : Friday

Time : 10:00 AM-01:00 PM

Date : 26-08-2022

S-18865-2022

Max. Marks : 60

N.B. :

- 1) Attempt any **THREE** questions from section – I and any **TWO** questions from section – II.
- 2) Answer to both the sections should be written in the **SAME** answer book.
- 3) Figures to the right indicate **FULL** marks.

SECTION – I

- Q.1** Elaborate the concept and importance of Financial Forecasting. (12)
- Q.2** Explain the following: (12)
- i) Venture Capital
 - ii) Retained Earnings
- Q.3** Distinguish Funds Flow Statement and Cash Flow Statement with suitable examples. (12)
- Q.4** Explain any three Sources of International Finance with suitable examples. (12)
- Q.5** Write short notes on **ANY THREE** of the following: (12)
- a) Annual Report
 - b) Equity Share Capital
 - c) Internal Rate of Return
 - d) Ratio Analysis
 - e) Institutional Finance

SECTION – II

- Q.6** A firm whose cost of capital is 10% is considering two mutually exclusive proposals, M and N the details of which are as follows. (12)

Particulars	Proposal M	Proposal N
Initial Investments	15,00,000	15,00,000
Projected Cash Inflow		
1 st year	3,00,000	4,50,000
2 nd year	4,50,000	5,00,000
3 rd year	5,50,000	6,00,000
4 th year	6,50,000	6,75,000
5 th year	7,50,000	7,25,000

Calculate:

- a) Pay Back Period
 - b) Net Present Value @ 10 % rate of discount
 - c) Profitability Index @ 10 % rate of discount
- Q.7** Write detailed note on Capital Structure and factors affecting Capital Structure with suitable example. (12)
- Q.8** What do you mean by Strategic Financial Planning? Explain the steps involved in Financial Planning. (12)

* * * *