

**B.B.A. LL.B. (FIVE YEAR DEGREE COURSE) (CBCS-2021 COURSE)**

**B.B.A. LL.B. (5 Year) Sem - VI : SUMMER : 2025**

**SUBJECT: CORPORATE FINANCIAL MANAGEMENT**

Day : Friday

Date : 02/05/2025

**S-24958-2025**

Time : 02:00 PM-04:30 PM

Max. Marks : 60

**N.B.**

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of non-programmable calculator is allowed.

**Q.1 A)** Define financial management. State and explain various external sources of finance.

**OR**

**Q.1 B)** Madhur Company Ltd. issued 70000 debentures of ₹ 100 each payable as follows on application ₹50 and remaining after allotment. Out of 80000 application 7000 were rejected and remaining adjusted for pro rata. Debentures were issued on 1<sup>st</sup> Oct. 2019 for 3 years for 10% interest. Pass necessary Journal Entries for 3 years.

**Q.2 A)** Define debentures. Explain various types of debentures.

**OR**

**Q.2 B)** Calculate operating leverage, financial leverage and combined leverage with income statement.

Fixed Cost ₹ 50,000 Sales 15,00,000 units @ 80% capacity

Interest ₹ 1,00,000. Variable cost ₹ 7,00,000. Find if sales decrease by 10% capacity. Profit volume ratio 20%.

**Q.3 A)** Define dividend as per Companies Act 2013. Explain various conditions under which dividend is not declared.

**OR**

**Q.3 B)** From the following information prepare Balance Sheet of A Ltd. as on 31/3/2020.

Current Ratio 2.5 : 1.

Liquid Ratio 1.5 : 1

Working Capital ₹ 60000

Reserve Surplus ₹ 20000

Bank overdraft ₹ 10000

Fixed Assets to proprietor fund 0.75.

**Q.4 A)** Explain different techniques of interpretation of financial statements.

**OR**

**Q.4 B)** The following are summarised Balance Sheet of XYZ as 31/3/2021 and 31/3/2022.

Liabilities	2021 Amount ₹	2022 Amount ₹	Asset	2021 Amount ₹	2022 Amount ₹
Share Capital	4,50,000	4,50,000	Fixed Asset	4,00,000	3,20,000
General Reserve	3,00,000	3,10,000	Investment	50,000	60,000
Profit & Loss A/c	56,000	68,000	Stock	2,40,000	2,10,000
Creditors	1,68,000	1,34,000	Debtors	2,10,000	4,55,000
Provision for Taxation	75,000	10,000	Bank	1,49,000	1,97,000
Mortgage Loan		2,70,000			
	<b>10,49,000</b>	<b>12,42,000</b>		<b>10,49,000</b>	<b>12,42,000</b>

Additional Information:

- 1) Investment costing ₹ 8,000 were sold during the year for ₹8500.
  - 2) Provision for taxation made during the year was ₹ 9,000.
  - 3) During the year fixed asset costing ₹ 10,000 were sold for ₹ 12,000 the profit was credited to Profit and Loss A/c.
  - 4) Dividend paid during the year ₹ 40,000.
- Prepare Cash Flow Statement

P.T.O.

**Q.5 A) Write short notes on any TWO:**

- i) Valuation of Bond
- ii) HDFC
- iii) AS - 6

**OR**

**Q.5** Amrit Ltd issued 50000 shares of ₹ 10 each at a premium of ₹ 2 per share payable as ₹ 3 on application , ₹ 4 on allotment (including premium) as ₹2 on first call and remaining on 2<sup>nd</sup> call. Applications were received for 75000 shares and prorata allotment was done. All money due were received except allotment and first call from Sonu who applied for 1200 shares. All shares were forfeited. Pass necessary Journal Entries.

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