

B.B.A. LL.B. (FIVE YEAR DEGREE COURSE) (CBCS-2021 COURSE)
B.B.A. LL.B. (5 Year) Sem - VI : WINTER : 2024
SUBJECT: CORPORATE FINANCIAL MANAGEMENT

Day : Monday
Date : 14/10/2024

W-24958-2024

Time : 02:00 PM-04:30 PM
Max. Marks : 60

N.B.

- 1) All questions are **COMPULSORY**.
- 2) All questions carry **EQUAL** marks.
- 3) Use of non – programmable **CALCULATOR** is allowed.

Q.1 A) Explain the concept of Capital Structure with factors affecting it. (12)

OR

Q.1 B) Anand Ltd. issued 2,000 debentures of 100 each on 1st April 2009 at a discount of 10% redeemable at a premium of 10%. Give journal entries relating to issue of debenture and debenture interest for the period 31.3.10 Assuming interest paid half yearly on September 30 & March 31 and tax deduced at source @ 10%. (12)

Q.2 A) Explain the concept of valuation of shares with factors affecting it. (12)

OR

Q.2 B) ABC Ltd Co has sales Rs 5 lakhs. The variable cost is 40% of sale. Operating fixed cost amounted to Rs 60,000. The amount of interest on long debt Rs. 10,000. Prepare income statement and calculate all leverages: (12)
Show changes in leverage if sales increase by 7% and if sales decrease by 15%.

Q.3 A) Explain various techniques of financial statement analysis. (12)

OR

Q.3 B) From the following balance sheet of Varun limited. Prepare a cash flow statement by Indirect Method (12)

Adjustments:

- i) Depreciation charged on plant Rs. 30,000
- ii) Depreciation charged of building Rs. 50,000

Balance sheet as on

Liabilities	2018	2019	Assets	2018	2019
Equity capital	2,00,000	2,50,000	Goodwill	30,000	20,000
12% Preference share	50,000	40,000	Building	1,00,000	80,000
General Reserve	35,000	55,000	Plant	40,000	70,000
P&L A/c	15,000	17,000	Debtors	1,20,000	1,60,000
Creditors	23,000	5,000	Stock	18,000	20,000
			Cash	15,000	17,000
	3,23,000	3,67,000		3,23,000	3,67,000

P.T.O.

Q.4 A) Explain the role of financial manager in the globalized environment. (12)

OR

Q.4 B) Dhande and co made an issue of 20,000 Equity Share of Rs. 20 each payable (12)
as follows: application Rs. 5 per share, allotment 10 per share, first call Rs 3
per share and second call Rs 2 per share. The company received 25,000
applications of which 3,000 were rejected and refunded and others were
adjusted by pro rata. All shareholders paid except one shareholder holding
1,000 equity share failed to pay 1st and 2nd call so his shares were forfeited.
Pass necessary journal entries.

Q.5 A) Write short notes on: (ANY TWO) (12)

- i) HDFC
- ii) AS - 9 Revenue Recognition
- iii) Short Term sources of finance

OR

Q.5 B) Calculate the following ratios

- i) Gross profit ratio
- ii) Net profit ratio
- iii) Current ratio
- iv) Liquid ratio
- v) Proprietary ratio
- vi) Fixed Assets to Sales

	Rs.		Rs.
Sales	30,00,000	Fixed asset	15,40,000
Cost of sales	20,00,000	Net worth	16,40,000
Net profit	40,00,000	Debt (long term)	9,00,000
Average inventory	8,00,000	Current liabilities	5,00,000
Other current asset	7,00,000	Net profit before tax and interest	8,00,000
