647510 **BBA4cofC0410** **Seat No :________**

B.B.A. Semester - 4 (*CBCS*) Examination

April/May -2022 [OLD COURSE]

CORPORATE FINANCE (CORE)

Time: 2:30 Hours **Marks: 70**

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate marks.

Q.1 Explain debentures and retained earnings as source of long term finance. (14)

OR

Q.1 Write a detailed note on venture capital and lease financing.

Q.2 Write short notes. (any two) (14)

(A) E.O.Q.

(B) Factors affecting the size of receivables.

(C) 5R's of cash management.

(D) Safety stock level.

Q.3 Define the term 'cost of capital' and discuss its classification. (14)

OR

Q.3 'Cost of capital is vital but most controversial area of study in finance'. Explain.

Q.4 Write note on under capitalization and over capitalization. (14)

OR

Q.4 What is degree of leverage? Explain all the leverages with suitable example.

Q.5 Discuss in detail factors affecting dividend policy decision in practice. (14)

OR

Q.5 'Dividend policy decision is irrelevant to the valuation of firm'. Explain the statement in the context of MM approach.

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