Reg. No

GIET UNIVERSITY, GUNUPUR – 765022

M. B. A (Second Semester) Examinations, May – 2024

23MBAPC12005 - Corporate Finance

Time: 3 hrs   Maximum: 60 Marks

(The figures in the right hand margin indicate marks.)

PART – A   (2 x 5 = 10 Marks)

Q.1. Answer *ALL* questions

		CO #	Blooms Level
a.	What is ploughing back of profits?	CO2	K1
b.	Explain about Certificate of Deposit.	CO2	K1
c.	A company issues 2000, 10% preference shares of Rs 100 each. Find out cost of preference capital.	CO2	K3
d.	Explain about Working Capital Cycle.	CO3	K2
e.	What is receivable management?	CO1	K2

PART – B   (10 x 5 = 50 Marks)

Answer *All* the questions

		Marks	CO #	Blooms Level
2. a.	Calculate the Average rate of return for project A and project B from the following :	10	CO2	K4

Investment   Rs 20,000 (Project A) Rs 30,000 (Project B)
Estimated life   4 years   5 years
Projected Net Income

Years	Project A	Project B
1	2000	3000
2	1500	3000
3	1500	2000
4	1000	1000
5	-	1000
Total	6000	10,000

If the required rate of return is 12% which project should be undertaken?

(OR)

		Marks	CO #	Blooms Level
b.	State the difference between operating leverage and financial leverage.	10	CO4	K3
3.a.	Discuss the advantages and disadvantages of Inadequate working capital.	10	CO4	K2
	(OR)			
b.	Describe the theories of Dividend Policy.	10	CO3	K2
4.a.	Elucidate the short-term sources of finance.	10	CO1	K2
	(OR)			
b.	Elaborate the dimensions and benefits of receivable management.	10	CO4	K2
5.a.	State the difference between equity share and preference share.	10	CO1	K2
	(OR)			
b.	What is Retained earnings? Explain the benefits and determinants of retained earnings.	10	CO1	K2
6.a.	Explain the different types of risk involved in financial management.	10	CO1	K2
	(OR)			
b.	Discuss the nature and functions of Financial Management.	10	CO1	K2

--- End of Paper ---