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Question Paper Code : 10226

M.B.A. DEGREE EXAMINATION, NOVEMBER/DECEMBER 2014.

Elective

BA 9260 / BA 960 / UBA 9163 / 10488 MBE 24 — CORPORATE FINANCE

(Regulation 2009 / 2010)

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A — (10 × 2 = 20 marks)

1. List out the forms of corporate securities.
2. State the features of debentures.
3. What is meant by commercial papers?
4. Name the sources of short-term working capital.
5. List out the assumption of sensitivity analysis.
6. How do you compute certainty equivalent co-efficient?
7. Write a note on option pricing model.
8. What do you understand by financing decision?
9. What is professionalism?
10. Give the meaning of corporate disasters.



PART B — (5 × 16 = 80 marks)

11. (a) Explain in detail the SEBI guidelines for debentures and debenture holders.

Or

- (b) Explain the role of capital market in the economic development of a country.

12. (a) Briefly discuss the sources of short-term working capital requirements of corporate sector.

Or

- (b) "Commercial banks are the primary sources of working capital". – Discuss.

13. (a) Describe Decision Tree approach with the help of an example. How is this technique useful in investment decisions?

Or

- (b) "The CE Approach is theoretically superior to the RADAR". Do you agree? Give the reasons and discuss.

14. (a) What are the factors determining the probability of cash insolvency in financing decision?

Or

- (b) Explain what is meant by agency relationships and agency costs? How can the agency costs be mitigated?

15. (a) Explain briefly the key strategies which can be used at the time of implementation of CSR Policies and practices in a Corporate Sector.

Or

- (b) Discuss the SEBI Guidelines to Corporate Governance.

