

**UTTARAKHAND OPEN UNIVERSITY, HALDWANI (NAINITAL)*****MBA3<sup>rd</sup> Semester Assignment*****Programme Name-MBA-Third Semester****Programme Code-MBA-10****Course Name-Corporate Finance****Course Code:FM 2101****Maximum Marks-40****Last Date of Submission: 15 Jan, 2012****Session: 2011-12 (Summer)****Section-A**

Section 'A' contains 08 short answer type questions of 5 marks each. Learners are required to answer 4 questions only. Answers of short answer-type questions must be restricted to 250 words approximately.

**Discuss the following (1-8)-**

1. Over Capitalisation
2. Financial Planning
3. Debenture Valuation Models
4. Methods of Risk Management
5. Operating and Financial Leverages.
6. Foreign Currency Management.
7. Different types of Derivatives used for hedging risks.
8. Synergy of Mergers and Acquisition.

**Section-B**

Section 'B' contains 04 long answer-type questions of 10 marks each. Learners are required to answer 02 questions only.

1. What are the different Sources of long term financing? Between equity shares and debentures which is preferable for raising additional long term capital for a manufacturing company and why?
2. List the main ratios used for judging efficiency in profitability, liquidity and long term solvency. Select a company of your choice and collect the financial statements of that company for past 3 years. Calculate the ratios which are relevant to the overall management of that company.
3. Explain the importance of proper planning and control of capital expenditure and the various techniques that are used for comparative evaluation of mutually exclusive capital expenditure proposals.
4. "The financial analyst should take into account the time value of money to take an objective decision." Explain the statement with suitable illustrations.