

FACULTY OF COMMERCE & BUSINESS MANAGEMENT

BBA (Gen & Comp. Appls.) CBCS II-Year (III-Semester) Regular Examinations, Dec-2022/Jan-2023
Financial Management

Time: 3 Hours

Max Marks: 80

SECTION-A

(5×4=20 Marks)

Answer any Five questions from the following

1. Scope of Financial Management.
2. Capital Budgeting.
3. Types of dividend.
4. Working capital.
5. ABC analysis.
6. Profit Maximisation Vs Wealth Maximisation.
7. Capital structure.
8. Time value of money.

SECTION-B

(5×12=60 Marks)

Answer all the following questions

9. (a) Explain the functions of Financial Management.
(OR)
(b) Elucidate the relationship between Financial Management and other disciplines of Management
10. (a) If you deposit Rs.5,000 today at 12% Interest, in how many years will this amount grow to Rs. 1,60,000? Work this problem using the rule of 72.
(OR)
(b) Equipment A has a cost of Rs. 75,000 and net cash flow of Rs.20,000 per year, for six years. A substitute equipment B would cost Rs. 50,000 and generate net cash flow of Rs. 14,000 per year for six years. The required rate of return of both equipments is 11 percent. Calculate the IRR and NPV for the equipments. Which equipment should be accepted and why?
11. (a) X company Ltd. has the following book value capital structure on 31st March 2021:

Source of Finance	Amount (Rs.)	Proportion	After-tax Cost(%)
Share Capital	4,50,000	45	18
Retained earnings	1,50,000	15	18
Preference Share Capital	1,00,000	10	11
Debt	3,00,000	30	8

Calculate Weighted Average cost of Capital.

(OR)

- (b) Explain the various sources of long term finance.
12. (a) Explain the factors that determine requirements of Working Capital.
(OR)
(b) Explain various Cash Management Techniques.
13. (a) Write about various inventory management techniques.
(OR)
(b) Discuss in detail about receivables management.