

Roll No.

Subject Code—782-X

B.B.A. (Second Year) EXAMINATION

(Re-appear)

(Old Scheme)

BBA-205/206

FINANCIAL MANAGEMENT

Time : 3 Hours

Maximum Marks : 80

Note : Attempt any *Five* questions. All questions carry equal marks.

1. Define finance function and discuss the goals of financial management.
2. Discuss the various sources and instruments of saving short term finance.
3. What are the uses of calculating cost of capital ? Illustrate the calculation of weighted average cost of capital.

4. What is capital budgeting ? Illustrate the calculations of Pay Back Period and Internal Rate of Return.
5. Distinguish between gross and net concepts of working capital. How does cash budget help in controlling cash ? Give a format of cash budget with assumed figures.
6. Why is management of inventories important ? Discuss the concepts and importance of store ledger and bin-cards in inventory management.
7. Discuss the different factors determining dividend policy of a company.
8. Distinguish between mergers and acquisitions. Why do mergers often fail ? Discuss.
9. Write notes on the following :
 - (a) Coverage Ratio
 - (b) Debt Collection Period
 - (c) Working Capital Turn-over.

10. Discuss the method of preparing a fund flow statement and calculating operating profit of a company.