

Roll No. 

--	--	--	--	--	--	--	--	--	--	--	--

Total No. of Pages : 02

Total No. of Questions : 07

BBA (Sem.-4<sup>th</sup>)

**FINANCIAL MANAGEMENT**

Subject Code : BB-402

Paper ID : [C0219]

Time : 3 Hrs.

Max. Marks : 60

**INSTRUCTION TO CANDIDATES :**

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTION-B contains SIX questions carrying TEN marks each and students has to attempt any FOUR questions.

**SECTION-A**

1. Write briefly :

- (a) What do you mean by financial management ?
- (b) Define Investment.
- (c) Define capital budgeting.
- (d) What do you mean by Internal rate of return ?
- (e) Define cost of capital.
- (f) Describe the concept of capital structure.
- (g) Define Net Income approach.
- (h) Define equity shares.
- (i) What is the meaning of wealth maximisation ?
- (j) Define Debt.

## SECTION-B

2. What do you mean by financial management ? Discuss in detail objectives of financial management.
3. Discuss in detail with the help of examples discounting techniques of capital budgeting.
4. Define cost of capital. Describe the uses of cost of capital. How cost of capital can be calculated for debt explain with the help of example.
5. How weighted average cost of capital can be calculated ?
6. What do you mean by capital structure ? Discuss in detail theories of capital structure.
7. Write down the following :
  - (a) Rate of return method. (5)
  - (b) How to compute preference cost of capital ? (5)