

- (g) Define financial structure.
 (h) Mutual Funds.

SECTION – B

2. Attempt any two parts of the following : $2 \times 6 = 12$
- (a) Define Financial Management. State the various goals of financial management.
 (b) Distinguish between 'Capital Budgeting' and 'Capital Rationing'.
 (c) Define Leverage. What are the different types of Leverage?
 (d) Write short notes on the following :
 (i) Working capital
 (ii) Inventories

SECTION – C

- Note :—** Attempt all questions. Attempt any two part from each questions. $5 \times 8 = 40$
3. (a) Write short notes on the following :
 (i) Pay Back Method
 (ii) Sensitivity Analysis

- (b) Explain cost of retained earning.
 (c) Following information has been extracted from the books of Unique Fashioners Ltd.

Particulars	₹
Equity capital	4,00,00,000
12% debentures	4,00,00,000
18% term loan	12,00,00,000
	20,00,00,000

The company has been paying 20% dividend per annum constantly. Compute average cost of capital if the current market price of a share of ₹ 100 is ₹ 160.

4. (a) Write notes on the following :
 (i) GDR
 (ii) Shares
 (b) What are the function of Financial Manager?
 (c) Suppose that ₹ 100 are placed in the saving account of a Bank 5% interest rate. How shall be grow at the end of three years?

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BBA, LLB (Int.) Examination 2017-18

(Second Semester)

(Special Carry Over Paper)

FINANCIAL MANAGEMENT

Time : Three Hours]

[Maximum Marks : 60

Note :- Attempt all questions.

SECTION -A

1. Attempt all parts of the following : 8×1=8

(a) Define over capitalization.

(b) Capital rationing.

(c) Net present value.

(d) Surplus cash.

(e) Risk evaluation.

(f) Dividend policy.

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5. (a) Define Capital Structure. Explain the forms and its determinants.

(b) What is Capitalization? Explain its various types.

(c) Differentiate operating leverage and financial leverage.

6. (a) Blue Berry Limited estimates its carrying cost at 12% and its ordering cost at ₹ 12 per order. The estimated annual requirement is 40,000 units at a price of ₹ 5 per unit. What is the most economical number of units to order and how often will an order need to be placed?

(b) Explain Cash Management. What are its various objectives?

(c) Define Economic Order Quantity.