



JAK-010-001302

Seat No. _____

B. B. A. (Sem. III) (CBCS) Examination

November - 2019

Financial Management - I : Paper - 302

(Old Course)

Faculty Code : 010

Subject Code : 001302

Time : $2\frac{1}{2}$ Hours]

[Total Marks : 70

- 1 Explain the term financial management and discuss the importance and objectives of financial management in detail. 14

OR

- 1 Discuss the tools of financial management. 14
- 2 (a) What sum of money invested at 4% per annum compound interest for 18 years will amount to Rs. 50,000 ? 7
- (b) Short note: techniques of time value of money. 7

OR

- 2 Two partners A and B together lend Rs. 12,615 at 5% compounded annually. The amount A gets in 2 years is the same as B gets at the end of 4 years. determine the share of each in the principal. 14
- 3 Discuss the meaning of capital budgeting and characteristics of capital budgeting in detail. 14

OR

- 3 A company is considering to install two projects involving an investment of Rs. 5,00,000 each. The net cashflow from the projects are as under : 14

Year	Project No. 1 Rs.	Project No. 2 Rs.
1	1,25,000	2,50,000
2	1,87,500	2,50,000
3	1,87,500	62,500
4	1,25,000	62,500

Calculate net present value of both the projects, present value of Re. 1 at 5% rate is as under :

1 st year :	0.9524	2 nd year :	0.9070
3 rd year :	0.8638	3 rd year :	0.8227

- 4 Explain the term capital structure and discuss the features of an ideal capital structure in detail. 14

OR

- 4 Discuss the determinants of capital structure. 14
- 5 Short notes : (any 2) 14
- (a) Types of shares
 - (b) Operating leverage and financial leverage
 - (c) Bridge finance
 - (d) Term loan.