



DE-010-001302 Seat No. _____

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

March - 2022

Financial Management

Faculty Code : 010

Subject Code : 001302

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

[Total Marks : 70

- 1 Explain the meaning and definition of finance management. 14
Discuss the functions of finance manager in the organisation.

OR

- 1 Discuss in brief the objectives of finance management. 14
2 Define the term time value of money and discuss the 14
techniques of time value of money in detail.

OR

- 2 What would be the present value of a sum to be deposited in 14
bank for a period of 6 years at 10% rate of interest to get
Rs. 1,41,728 ?
3 Explain the concept of capital budgeting and discuss the 14
importance of capital budgeting in detail.

OR

- 3 A company is considering to invest Rs. 40,000 in a capital 14
project. Its scrap value is nil. Its useful life is 5 years. Tax rate
is 50%. The company adopts the straight line method of
depreciation. The cash flow after tax is as follows :
First Year Rs. 8,000
Second Year Rs. 8,800
Third Year Rs. 11,200
Fourth Year Rs. 12,000
Fifth Year Rs. 20,000
On the basis of above information, calculate the rate of return
on average investment.

- 4 Give the meaning of capital structure along with the ideal features of capital structure. 14

OR

- 4 Discuss the factors affecting capital structure in an organization. 14
- 5 Write short notes : (any two) 14
- (a) Bridge finance
 - (b) Equity shares
 - (c) Term loan
 - (d) Debentures.
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