



DI-010-001402

Seat No. _____

B. B. A. (Sem. IV) Examination

March - 2022

Finanacial Management-010001302

Faculty Code : 010

Subject Code : 001402

Time : **2.30** Hours]

[Total Marks : **70**

- 1** Define working capital and discuss the types of working capital in detail. **14**

OR

- 1** Discuss the operating cycle of working capital and elaborate the factors affecting working capital in detail. **14**
- 2** Explain the meaning of inventory and discuss the techniques of inventory management in detail. **14**

OR

- 2** What is cash management and discuss the objective of cash management in detail. **14**
- 3** Explain cost of capital and give determinants of cost of capital which affect the organisation. **14**

OR

- 3 Calculate weighted average cost of capital from the following : 14

Capital	COC	Amt.
Equity shares	18%	1,00,000
Preference share	12%	8,00,000
Debenture	9%	5,00,000
Reserve & surplus	6.5%	12,00,000

- 4 Explain the term capitalisation. Discuss the causes and effects of under capitalisation in detail. 14

OR

- 4 (A) Calculate operating leverage : 7

Sales price per unit	Rs.10
Variable cost per unit	Rs.6
Sales	10,000 units
Fixed cost	Rs. 15,000

- 4 (B) Fixed cost Rs. 50,000 7

Variable cost per unit	Rs. 20
Sales price per unit	Rs. 40
Sales	5000 units
10% Debenture	1,00,000

- 5 Write short note (any two) 14

- (A) Venture Finance
- (B) Lease Finance
- (C) Seed finance
- (D) Short term finance