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Total No. of Questions : 07]

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**BBA (Sem. - 4<sup>th</sup>)**  
**FINANCIAL MANAGEMENT**  
**SUBJECT CODE : BB - 402**

**Paper ID : [C0219]**

[Note : Please fill subject code and paper ID on OMR]

**Time : 03 Hours**

**Maximum Marks : 60**

**Instruction to Candidates:**

- 1) Section - A is **Compulsory**.
- 2) Attempt any **Four** questions from Section - B.

**Section - A**

**Q1)**

**(10 x 2 = 20)**

- a) Name the various Financing Decisions.
- b) Profit Maximisation.
- c) Weighted average cost of capital.
- d) Specific cost and composite cost.
- e) Optimal capital structure.
- f) Accounting rate of return.
- g) Cost of debt.
- h) Give the scope of Financial Management.
- i) What is meant by capital structure?
- j) What is post pay back period?



## Section - B

(4 x 10 = 40)

- Q2)** What are the objectives of Financial Management? Should the goal of financial decision making be profit maximisation or wealth maximisation?
- Q3)** Explain the various methods for computing the cost of capital.
- Q4)** Compare and contrast the net income and net operating income approaches of capital structure?
- Q5)** Write notes on :
- (a) NPV.
  - (b) IRR.
  - (c) Profitability Index Method.
- Q6)** Compare and contrast the traditional and modern approach of Financial Management?
- Q7)** A project cost Rs. 5,00,000 and yields annually a profit of Rs. 80,000 after depreciation @ 12% p.a. but before tax of 50%. Calculate the pay back period.

