

Roll No. ....

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 × 2 = 20)**

- a) What is wealth maximisation?
- b) What is cash inflow?
- c) What are mutually exclusive projects?
- d) What is pay back period?
- e) What is cost of debt?
- f) What is trading on equity?
- g) What is cash solvency?
- h) What is accelerated depreciation?
- i) What is multiple internal rate of return?
- j) What is surrogate market information?

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**P.T.O.**

**Section - B**

**(4 × 10 = 40)**

- Q2)** What is financial management? What are its objectives?
- Q3)** What is capital budgeting? Which are the traditional approaches to capital budgeting?
- Q4)** What is inflation? How is the capital budgeting done during inflationary trends?
- Q5)** What is the overall cost of capital? How is it calculated on historical basis?
- Q6)** What is meant by capital structure? Which are the various capital structure decisions?
- Q7)** What is MM approach of capital structure? Give its salient features?

