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[Total No. of Pages: 02

BBA (Sem. - 4th)

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)

 $(10 \times 2 = 20)$

- 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

 $(4\times10=40)$

- 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?



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