



Roll No:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

BBA
(SEM III) THEORY EXAMINATION 2025-26
FINANCIAL MANAGEMENT

TIME: 3 HRS**M.MARKS: 70**

Note: Attempt all Sections. In case of any missing data; choose suitably.

SECTION A**1. Attempt all questions in brief.****02 x 7 = 14**

Q no.	Question	CO	Level
a.	Define Finance.	1	K2
b.	State any two objectives of Financial Management.	1	K2
c.	What is Time Value of Money?	2	K5
d.	Define Capital Budgeting.	2	K5
e.	What is Cost of Capital?	4	K3
f.	What is Dividend Policy?	5	K3
g.	Define Working Capital.	5	K3

SECTION B**2. Attempt any three of the following:****07 x 3 = 21**

a.	Explain the scope of Finance	1	K2
b.	Discuss Profit Maximization and Wealth Maximization.	1	K2
c.	Explain the process of Capital Budgeting.	2	K5
d.	Discuss risk and uncertainty in Capital Budgeting.	2	K7
e.	Explain the EBIT-EPS Analysis	4	K4

SECTION C**3. Attempt any one part of the following:****07 x 1 = 07**

a.	Explain the functions of a Finance Manager in the modern age.	1	K2
b.	Discuss Risk and Return Analysis in brief.	2	K2

4. Attempt any one part of the following:**07 x 1 = 07**

a.	Explain the NPV & IRR techniques of Capital Budgeting.	2	K5
b.	Describe Financial, Operating and Combined Leverage.	3	K7

5. Attempt any one part of the following:**07 x 1 = 07**

a.	Discuss the theories of Capital Structure	4	K3
b.	A company issues irredeemable debentures of ₹100 each at a net proceeds of ₹95 with a coupon rate of 10%. The corporate tax rate is 30%. Calculate the Cost of Irredeemable Debt .	4	K4

6. Attempt any one part of the following:**07 x 1 = 07**

a.	Explain Walter's Model & Gordon's Model of Dividend Policy	5	K3
b.	Discuss factors affecting Dividend Policy.	5	K3

7. Attempt any one part of the following:**07 x 1 = 07**

a.	Explain the concept and components of Working Capital.	5	K3
b.	Discuss sources of Working Capital financing.	5	K3