Total No. of Pages: 2

Seat What is Finance functions? Write any four recurring finance functions?

B.B.A. (Part - III) (Semester - V) Examination, Nov. - 2013 FINANCIAL MANAGEMENT (Paper - I)

Sub. Code: 43955

Day and Date: Thursday, 21 - 11 - 2013 The evolution of minimum brides

Total Marks:40

Time: 3.00 p.m. to 5.00 p.m.

Instructions: 1) All questions are compulsory.

2) Figures to the right indicate marks.

Q1) Calculate the average amount of working capital of XYZ Products Ltd. from the following:
[14]

uie i	ollowing.	
a)	Lag in payments:-	Figures for the year
/,		Rs.
	i) Wages 1½ weeks	5,20,000
	ii) Stores and materials 1½ months	96,000
	iii) Office staff 1½ months	1,24,800
	iv) Rent 6 months	20,000
	v) Other expenses 1½ months	96,000
	vi) Manager's salary ½ month	9,600
b)	Average amount locked up in stocks:-	
0)	i) Finished goods	10,000
	ii) Stock of stores	16,000
c)	Prepayments:- i) Expenses paid (quarterly in Advance)	16,000
d)	Period of average credit given: i) Domestic sales 6 weeks ii) Foreign sales 1½ weeks	6,24,000 1,56,000
e)	Add 10% for contingencies	

OR

What is Financial Management? Define and distinguish the profit maximisation objective and wealth maximisation objective.

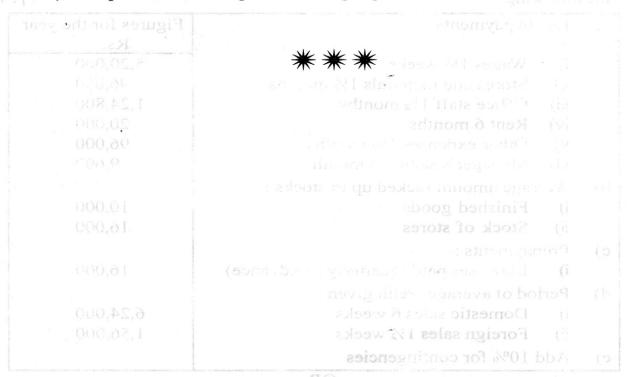
Q2) Write short answers (any two):

[16]

- a) What is Finance functions? Write any four recurring finance functions.
- b) What is Capitalisation? Explain over capitalisation and under capitalisation with illustration.
 - c) What is leverage? Explain the concept of Financial leverage with illustration.
 - d) Write and explain the factors affecting working capital needs.
- Q3) Write short notes (any two):

[10]

- a) Types of Financial Plans.
- b) Types of working capital.
- c) Concept of operating leverage.
- d) Importance of adequate working capital.



What is Financial Management? De fine and distinguish the profit maximisation birds in a profit maximisation