

Seat No.	
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B.B.A. (Part - III) (Semester - V) Examination, October - 2015

FINANCIAL MANAGEMENT (Paper - I)

Sub. Code : 43955

Day and Date : Friday, 30 - 10 - 2015

Total Marks : 40

Time : 12.00 noon to 2.00 p.m.

- Instructions :**
- 1) All questions are compulsory.
 - 2) Figures to the right indicate full marks.

Q1) What do you understand by Financial Management? Explain the core objectives of financial management. **[14]**

OR

From the following information, you are required to forecast working capital requirement:-

Particulars	Figures for the year (Rs.)
1] Lag in payment of:-	
a) Wages (1.5 weeks)	5,20,000
b) Stores and materials (1.5 months)	96,000
c) Office staff salary (Half month)	1,24,000
d) Rent (6 months)	20,000
e) Office Expenses (1.5 months)	96,000
f) Manager salary (Half month)	9,600
2] Average amount locked up in:-	
a) Stock of finished goods	10,000
b) Stock of stores material	16,000
3] Advance payments (paid quarterly in advance)	16,000
4] Period of credit given for:-	
a) Domestic sales (6 weeks)	6,24,000
b) Foreign sales (1.5 weeks)	1,56,000

P.T.O

Q2) Write short answers (Any two)

[16]

- a) Explain the re-curring finance functions.
- b) Explain the concept of networking capital and the types of working capital.
- c) State and explain the causes of overcapitalisation.
- d) What is financial plan? Explain the types of financial plan.

Q3) Write short notes (Any two)

[10]

- a) Non-recurring finance functions.
- b) Financial leverage
- c) Under capitalisation.
- d) Determinants of working capital requirement.

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