

UG-712

BBA-24

B.B.A. DEGREE EXAMINATION – JUNE 2006.

Second Year

(For candidates admitted in AY 2004-05 only)

FINANCIAL MANAGEMENT

Time : 3 hours

Maximum marks : 75

PART A — (3 × 5 = 15 marks)

Answer any THREE questions.

Each question carries equal marks.

1. What are the merits of pay back period method?
2. Explain the scope of finance functions.
3. Discuss the motives of holding cash.
4. What is the need and significance of cost of capital?
5. What is optimal capital structure?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

Each question carries equal marks.

6. Discuss the role of finance manager in changing economic scenario.
7. What are the various determinants of a dividend policy?
8. What are the basic strategies and techniques of cash management?
9. Describe briefly how you would compute a firm's weighted average cost of capital.
10. Discuss any two methods of discounted cash flow technique.
11. What are the main sources of finance available to industries for meeting short term and long term financial requirements.
12. What is capital structure? Explain the major determinants of capital structure.