Roll No…….. **Total No. of Printed Pages: 01**
Total No. of Questions: [09]

Business Administration (BBA-MBA Integrated) (Semester – 3rd)
FINANCIAL MANAGEMENT
Subject Code BMBAS1-302
Paper ID: [20390115]

Time: 03 Hours **Maximum Marks: 60**

Instruction for candidates:

1. Section A is compulsory. It consists of 10 parts of two marks each.
2. Section B consist of 5 questions of 5 marks each. The student has to attempt any 4 questions out of it.
3. Section C consist of 3 questions of 10 marks each. The student has to attempt any 2 questions.

Section – A **(2 marks each)**

Q1. Attempt the following:

a) Define the scope and nature of financial management.
b) Differentiate between profit maximization and wealth maximization.
c) Explain the meaning and significance of the cost of capital
d) What are the main functions of finance?
e) What is time value of money?
f) What is operating leverage?
g) Briefly describe the payback method for capital budgeting.
h) What are the factors affecting working capital management?
i) Explain the relevance of dividend policies.
j) What is a profitability index?

Section – B **(5 marks each)**

Q2. Discuss the long-term and short-term sources of finance.
Q3. Compare and contrast the Traditional Approach and the MM Approach to capital structure.
Q4. Analyze the nature and significance of investment decisions in financial management.
Q5. Discuss the different factors that influence dividend decisions in a company.
Q6. Explain the weighted average cost of capital and its significance.

Section – C **(10 marks each)**

Q7. Explain in detail the Net Present Value (NPV) and Internal Rate of Return (IRR) methods of capital budgeting. Compare their advantages and limitations.
Q8. Discuss the theories of capital structure with a focus on the NI Approach, NOI Approach, and MM Approach.
Q9. Explain the various forms of dividends and discuss the relevance and irrelevance theories of dividend decisions.