



RAN-3426

Second Year B.B.A. (Sem. III) Examination

March / April - 2019

FINANCIAL MANAGEMENT-I

સૂચના : / Instructions

નીચે દર્શાવેલ નિશાનીવાળી વિગતો ઉત્તરવહી પર અવશ્ય લખવી.
Fill up strictly the details of signs on your answer book

Name of the Examination:

Second Year B.B.A. (Sem. III)

Name of the Subject :

FINANCIAL MANAGEMENT-I

Subject Code No.: 3 4 2 6

Seat No.:

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Student's Signature

Q-1 Answer in brief (Any five):

(10)

1. What is proper capitalisation?
2. Which security is called variable income security and why?
3. State the finance functions performed in transitional phase.
4. Give meaning of financial intermediaries.
5. State two differences between leasing and hire purchase.
6. State the situation when there will be no trading on equity?

Q-2 a. Give classification of financial markets in India with diagram.

(6)

b. Differentiate equity shares and preference shares.

(7)

OR

a. Explain in detail functions of financial management.

(6)

b. ABC Ltd. Provides you following information:

(7)

1. Funds to be raised Rs. 10,00,000

2. Financial Plans:

Financial Plan I : 100% equity share of Rs 10 each

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[1]

[P.T.O.]

Financial Plan II : 40%, equity share of Rs. 10 each
60%, 10% Debenture of Rs. 100 each

3. Tax Rate : 40%

4. DEBIT : Rs. 1,50,000 for both plans

Which financial plan would you recommend and why?

Q-3 Explain in detail features of debentures with its merits and demerits from the point of view of investors and company. **(13)**

OR

- a. What is under capitalisation? State its merits and demerits in detail. **(6)**
b. Write a detailed note on venture capital. **(7)**

Q-4 Write short note on (Any two): **(14)**

1. Evolution of 3 phases of financial management
 2. Retained earnings
 3. Difference between capital market and money market
 4. Goals of financial management
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