

SEAT No. \_\_\_\_\_

No. of Printed Pages: 02

[30A]

SARDAR PATEL UNIVERSITY  
BBA LLB (Hon) Examination, IV Semester  
2017  
8<sup>th</sup> April  
2:00 P.M. To 4:00 P.M.  
UL04CBBH02: Financial Management-II

Total Marks: 50

Instructions:

- ❖ All the questions are mandatory.
- ❖ Each question carries certain marks. The mark for each question is stated at the right end of the question.
- ❖ Read the instructions very carefully. Also read the questions carefully before attempting to answer the questions.

- Q-1 A. What is **cash management**? Discuss the **objectives**. 6
- B. What is the **nature of cash**? Explain **facets of cash management** briefly. 6

OR

- Q-1 Briefly discuss the **investment in marketable securities** with examples. 12
- Q-2: What do you mean by **account receivable management**? Discuss **cost of accounts receivables management** and **benefits of receivables management** in detail. 13

OR

- Q-2: Write a short notes on:
- A. Monitoring accounts receivables. 7
- B. Types of Credit policy 6
- Q-3: What do you mean by **inventory management**? Discuss in detail the **techniques of inventory evaluations**. 12

(PTO)

OR

**Q-3:** Calculate & show the ABC analysis of Narayan Company ltd. and draw ABC analysis graph to understand it. 12

Item	Units	Unit cost
1	12,000	50
2	10,000	45
3	16,000	12
4	18,000	11
5	22,000	2
6	19,000	2.5
7	16,000	3

**Q-4:** Ram Ltd. Manufacturing firm detail is as follow. 13  
Annual production is 40000 units, ordering cost Rs.20/-, carrying cost Rs 0.40/-, safety stock is 5 days, lead time is 3 days and given days in a year is 300days.

Find out

1. Economic Order Quantity
2. Daily Usage
3. Reorder point
4. Safety stock
5. Maximum inventory.

OR

**Q-4:** What is leverage? Explain its impact on Profitability and all the three types of leverages. 13

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