

(78)

SEAT No. _____

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52

SARDAR PATEL UNIVERSITY
BBA LLB (Hon) Examination, III-Semester
Monday, Date: 13/11/2017
Session: Evening, Time: 2:00 P.M. To 4:00 P.M.
Subject Code: UL03CBBH02
Subject Title: Financial Management-I

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: Describe the scope of finance and goals of finance management in detail. [13]

OR

Q-1: Briefly explain the financial manager's role and AIMS of finance function in detail. [13]

Q-2: What is financial market? Explain the Indian financial system and functions of financial market. [12]

OR

Q-2: What is a preference share? Explain features, merits and demerits of preference share. [12]

Q-3: Write short note: (Any Two) [12]

- A. Merits and demerits of equity share.
- B. Importance of working capital.
- C. Balanced working capital.
- D. Factors that influencing working capital.

Q-4: Shradha ltd. Is considering investing in a project that is expected to cost Rs. 40,00,000. [13]
The expected cash inflows (before tax and depreciation) are given below. The co. is following SLM method of depreciation. Calculate PBP & NPV at 10%

Year	Cash flow (before Dep. & Tax)
1	10,00,000
2	11,00,000
3	9,00,000
4	12,00,000
5	8,00,000
Total	50,00,000

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(P.T.O.)

OR

Q-4: Project costing is Rs. 5,00,000 for a Batliwala co. Ltd. The expected cash inflows [13]
(before tax and depreciation) are given below. Calculate NPV at 10% and suggest the
best project in which company invest their fund.

Cash flow	Project A	Project B
Co	5,00,000	5,00,000
C1	1,85,000	2,00,000
C2	1,80,000	1,80,000
C3	95,000	1,50,000
C4	75,000	30,000
C5	50,000	1,30,000

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