

(3,16, A-4 & A-5)

Roll No. _____

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SARDAR PATEL UNIVERSITY
T.Y.B.B.A. (V- SEMESTER) EXAMINATION

(HM/TTM)

TUESDAY, 14TH NOV. 2017

10-00 A.M to 12-00 P.M.

FINANCIAL MANAGEMENT: UM05CBBH05/T05

Total Marks: 60

Q-1 Define Financial Management and discuss the A's of Financial Management. 15

OR

Q-1 What is Financial Planning? Discuss the factors affecting Financial Planning. 15

Q-2 Write notes on: 15

A) Retained Earnings. B) Debentures. C) Public Deposits.

OR

Q-2 Explain the Functions of SEBI. 15

Q-3 06

(A) Define Cost of Capital and state its importance. 06

(B) Find out the weighted average cost from the following capital structure: 09

Securities	Book Value (Rs.)	After-tax cost (%)
Equity shares	9,00,000	15
Retained Earnings	3,00,000	15
Preference share capital	2,00,000	08
Debentures	16,00,000	6

OR

Q-3 06

(A) Define Capital Structure and state its characteristics. 06

(B) XYZ Ltd. decides to use two financial plans and they need Rs. 50,000 for total investment.

Particulars	Plan A	Plan B
Debenture (interest at 10%)	40,000	10,000
Equity share (Rs. 10 each)	10,000	40,000
Total investment needed	50,000	50,000
Number of equity shares	4,000	4,000

The earnings before interest and tax are assumed at Rs. 5,000, and 12,500. The tax rate is 50%. Calculate the EPS. 09

(1)

(P.T.O.)

