

Exam. Code : 108503

Subject Code : 1677

**B.Com. 3<sup>rd</sup> Semester (Batch 2022-25)**

**FINANCIAL MANAGEMENT**

**Paper : BCG-305**

Time Allowed—3 Hours]

[Maximum Marks—50

**Note** :—Attempt **FIVE** questions in all, selecting at least **ONE** question from each section. The fifth question may be attempted from any section. All questions carry equal marks.

**SECTION—A**

1. Examine the various techniques employed to adjust the time value of money.
2. What is the relevance of cost of capital in capital budgeting and capital structure planning decisions ?

**SECTION—B**

3. What is Operating Leverage ? How does it help in magnifying revenue of a concern ?
4. Explain the term capital structure and mention the factors affecting capital structure.

**SECTION—C**

5. What factors would you take into consideration in estimating the Working Capital needs of a concern ?

6. Discuss the various recommendations of Tandon Committee on Working Capital.

#### SECTION—D

7. What do you understand by Capital Budgeting process ? Enumerate briefly the major steps involved in capital budgeting.
8. Discuss the Walter's and Gordon's model of Dividend Policy.