



Dezyne École College

Bachelor of Business Administration (B.B.A.) Second Year-4th Semester **Financial Management**

Unit- I

1. Define Financial Management. Explain its nature, scope, and significance in the modern business environment.
2. What are the primary objectives of Financial Management? Why is value maximization considered a superior objective to profit maximization?
3. Discuss the role and responsibilities of a Chief Financial Officer (CFO) in a modern business organization.
4. Explain the concept of Time Value of Money (TVM). Why is it important in financial decision-making? Illustrate with examples.
5. What is capital structure? Discuss the factors affecting capital structure decisions in a firm.
6. Discuss various patterns of capital structure with examples. How do companies design their capital structure?

Unit- II

1. Compare and contrast Operating Leverage and Financial Leverage. How do they impact a firm's risk and return?
2. What is Combined Leverage? How is it calculated and interpreted? Explain its significance in financial planning.
3. Define Working Capital. Discuss the nature and types of working capital with suitable examples.
4. What are the factors affecting working capital requirements in a business? Explain each with examples.
5. Explain the process of working capital management. What are the major components of working capital that require monitoring?
6. Define Inventory Management. Explain the objectives, types of inventories, and techniques used for efficient inventory control.

7. What is Cash Management? Discuss its objectives and the various models used for determining optimum cash balance.

Unit- III

1. Define Capital Budgeting. Discuss its importance and role in long-term investment decisions.
2. Compare and contrast the Payback Period and Net Present Value methods. Which method is more reliable and why?
3. Describe the various capital budgeting decision-making techniques. Classify them into non-discounted and discounted cash flow approaches.
4. Explain the features and assumptions of capital budgeting. How does it differ from short-term investment decisions?