**BBA sem -3**

**SUB: FINANCIAL MANAGEMENT**

**Question Bank**

**Unit -1 Introduction to Financial Management & Time Value of Money**

1. Define financial management. Discuss in detail traditional and modern approach to the scope of financial management.

2. Traditional Approach V/s. Modern Approach.

3. What are the objective of financial management?

4. Define Financial Management. Explain the scope of financial management.

5. What is Time Value of money? What are the reasons responsible for it.

6. Explain present value and compounded value.

**Unit -2 Sources of Finance**

1. Explain sources of finance in brief.

2. Write short notes:

* Equity share capital
* Preference share capital
* Debentures
* Venture capital
* Lease financing

**Unit -3 Capital Structure and leverage**

1. What is over capitalization? Discuss causes, effects and remedies of over capitalization.

2. What is under capitalization? Discuss causes, effects and remedies of under capitalization.

3. What is leverage? Explain types of leverages with example.

4. Practical Examples: All the Illustration as per text book.

**Unit -4 Cost of Capital**

1. Define cost of capital and give its classification.

2. Explain cost of capital. Discuss the computation of cost of debt, cost of preference share and cost of equity.

3. Practical Examples: All the Illustration as per text Book.