

Madras University

B.B.A Business Administration - Financial Management 2009

Part – A

1. What is Cost Accounting?
2. What is Internal Audit?
3. What is Internal Reporting?
4. What is Marginal Costing?
5. What is Cost Ascertainment?
6. What is Profit Planning?
7. What is Cost of Equity?
8. What is Cost of Preference Capital?
9. What do you mean by Capital Structure?
10. What is Equity Share?
11. What is Public Deposit?
12. What is maximization of return?

Part – B

13. Explain the Scope of Management Accounting?
14. Enumerate the limitations of Management Accounting?
15. Explain the assumptions of Break Analysis?
16. Describe the significance of Financial Planning in Financial Management?
17. Explain the classification of Cost of Capital?
18. Explain the importance of different types of leverages?

19. The capital structure of a ABC limited consists equity share capital of Rs. 100000 (10000 shares of Rs. 10 each) and 8% debentures of Rs. 50000. You are required to calculate and verify the degree of financial leverages on earnings before interest and tax (EBIT) level of Rs. 20000.

20. Explain the importance of financial information system?

Part – C

21. Explain the importance of Financial Statements?

22. Assuming cost structure and selling prices I and II. Find out the PV ration and breakeven point?

Period	Sales (Rs)	Total Cost (Rs)
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I	1,20,000	1,08,000
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II	1,40,000	1,24,000
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23. A firm issues debentures of Rs. 98000 after allowing of Rs. 100000 and realizes Rs. 98000 after allowing 2% commission to brokers. The debentures carry an interest rate of 10%. The debentures are due to maturity at the end of the 10th year. You are required to calculate the effective cost of debt before tax.

24. Explain the merits of issuing equity shares in a firm?