

**BIRLA INSTITUTE OF TECHNOLOGY, MESRA, RANCHI
(MID SEMESTER EXAMINATION SP/2025)**

CLASS: BBA
BRANCH: BBA

SEMESTER : IV
SESSION : SP/2025

SUBJECT: MN211 BASICS OF FINANCIAL MANAGEMENT

TIME: 02 Hours

FULL MARKS: 25

INSTRUCTIONS:

1. The question paper contains 5 questions each of 5 marks and total 25 marks.
2. Attempt all questions.
3. The missing data, if any, may be assumed suitably.
4. Tables/Data handbook/Graph paper etc., if applicable, will be supplied to the candidates

		CO	BL
Q.1(a) State the meaning of financial management.	[2]	1	1
Q.1(b) Discuss in brief financing functions.	[3]	1	2
Q.2(a) Write the objectives of financial management	[2]	1	1
Q.2(b) Examine the role and functions of finance executives in an entity.	[3]	1	2
Q.3(a) Explain the meaning of fund flow statement	[2]	2	1
Q.3(b) Explain the limitations and advantages of cash flow statement	[3]	2	3
Q.4(a) Give the difference between fund flow statement and cash flow statement	[2]	2	2
Q.4(b) The following is the Balance Sheet of a company as on 31st March:	[3]	2	3

Liabilities	RS.	Assets	Rs.
Share Capital	2,00,000	Land & Buildings	1,40,000
P&L Account	30,000	Plant & Machinery	3,50,000
General Reserve	40,000	Stock	2,00,000
12% Discount	4,20,000	Sundry Debtors	1,00,000
Sundry Creditors	1,00,000	Bills Receivables	10,000
Bills Payable	50,000	Cash at Bank	40,000
	8,40,000		8,40,000

Calculate:

- i. Current Ratio
- ii. Quick Ratio

Q.5(a) Why is it important for a business to have working capital?	[2]	3	2
Q.5(b) What are factors that influence working capital?	[3]	3	1

:28/02/2025:E