

Roll No.

Y – 2854

B.B.A. (Sixth Semester) EXAMINATION,

May/June-2021

Paper – 604

FINANCIAL ANALYSIS AND DECISION MAKING

Time : Three Hours

Maximum Marks : 40

Minimum Pass Marks : 16

Note—Attempt *all* the questions. Each question carries equal marks.

Unit-I

1. What do you mean by Ratio Analysis ? Explain its uses. 8

Unit-II

2. What are Receivables ? Discuss its Nature. 8

Unit-III

3. What is meant by ‘Economic Order Quantity’ ? What are the various costs which effect economic order quantity ? 8

Unit-IV

4. A firm has sales of Rs. 2,00,000, variable cost of Rs. 14,00,000 and fixed costs of Rs. 4,00,000 and debt of Rs. 10,00,000 at 10% rate of interest. What are the operating, financial and combined leverages ? If the firm wants to double its Earnings Before Interest and Tax (EBIT), how much of a rise in sales would be needed on a percentage basis ? 8

Unit-V

5. Write short notes on : 8
(i) Walter’s Model.
(ii) MM hypothesis.

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