

Bachelor of Commerce

B.Com

CHOICE BASED CREDIT SYSTEM

**BCOE – 143: FUNDAMENTALS OF FINANCIAL
MANAGEMENT**

ASSIGNMENT

2023-2024

Valid from 1st July 2023 to 30th June 2024

Fifth Semester



School of Management Studies

Indira Gandhi National Open University

Maidan Garhi, New Delhi -110068



**BACHELOR OF COMMERCE
CHOICE BASED CREDIT SYSTEM
BCOE – 143: FUNDAMENTALS OF FINANCIAL MANAGEMENT**

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Dear Students,

As explained in the Programme Guide, you have to do one Tutor Marked Assignment in this Course. The assignment has been divided into three sections. Section A Consists of long answer questions for 10 marks each, Section B consists of medium answer questions for 6 marks each and Section C consists of short answer questions for 5 marks each.

Assignment is given 30% weightage in the final assessment. To be eligible to appear in the Term-end examination, it is compulsory for you to submit the assignment as per the schedule. Before attempting the assignments, you should carefully read the instructions given in the Programme Guide.

1. Those students who are appearing in December 2023 Term End Examination they have to submit latest by in 15th October 2023.
2. Those students who are appearing in June 2024 exams. They have to submit the same latest by 15th March 2024.

You have to submit the assignment of all the courses to the Coordinator of your Study Centre.

TUTOR MARKED ASSIGNMENT

COURSE CODE	:	BCOE – 143
COURSE TITLE	:	FUNDAMENTALS OF FINANCIAL MANAGEMENT
ASSIGNMENT CODE	:	BCOE – 143/TMA/2023-24
COVERAGE	:	ALL BLOCKS

Maximum Marks: 100

Note: Attempt all the questions.

Section – A

1. Explain different sources of short-term finance available to the organization. (10)
2. Explain the characteristics of financial management. Describe the role of financial management. (10)
3. What do you understand by cost of capital? Explain the methods for calculating cost of capital. (10)
4. State the meaning of dividend policy. Also explain the M & M model of dividend decision. (10)
5. Discuss the procedure for cash flow estimation with suitable examples. (10)

Section – B

6. What is optimal capital structure? Explain. (6)
7. State the advantages and disadvantages of pay-back period method. (6)
8. What are the different stages of operating cycle? (6)
9. Explain Baumol's model of cash management. (6)
10. Explain the various types of bonds. (6)

Section – C

11. **Write short notes on:** (10)
 - a) ABC inventory management
 - b) Valuation of equity shares
12. **Distinguish between:** (10)
 - a) Operating leverage and financial leverage
 - b) Ordering cost and carrying cost