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 **Answer No 1:**
The following three important steps which are required for finance manager in each organization are below.
**Investment Decision:**
Those actions which are taken in any organization for Long Term and for Short Term in the shape of Finance (Budget) are called Investment Decision.
Long term investments called a capital budgeting investment .which involves a huge amount of long term investment, and are irreversible except at a huge cost.
Short term investment decisions are called working capital decisions, which effect day to day working of a business. It includes the decisions about the levels of cash, inventory and receivables
**Financing decision:**
A financial decision which is concerned with the amount of finance to be raised from various long term sources of funds like, equity shares, preference shares, debentures, bank loans etc .is called financing decision in others words it is a decision on the capital structure of the company.

**Dividend Decision:**
Dividend is a part of profits which available for distribution to equity shareholders. Payment of dividends should be analyzed in relation to the financial decision of a firm. There are two options available in dealing with the ordinary shareholders where there is no need of retention of earnings or they can be retained in the firm itself if they are required for financing of any business activity.

Answer 2: (A)
 The organizational objectives of management refer to the main objectives required to fulfill the economic goals of any business organization.
**Survival:**
 The basic objective of every business is to survive for a long period in the market. The management must ensure the survival of the organization by earning enough revenue to cover its costs.
**Profit:**
Only survival is not sufficient for business. Profit earning is essential for meeting the expenses and for successful continuity of the business. Thus, management must ensure earning of sufficient profits for the organization.
**Growth:**
The next important organizational objective of the management is to ensure future growth and development of the business which can be measured in terms of increased sales, increase in number of products, segments etc. The growth potential of the organization must be fully exploited by the management.
 (B)
There are only four ways to increase your revenue:
1:Increase the number of customers.

2: Increase the average transaction size.

3: Increase the frequency of transactions per customer.

4: Raise your prices.
1: Increasing the number of customers means you’re trying to bring more people in the door. This strategy is relatively straightforward: more visitors to your restaurant will equal more tabs, which (assuming the average transaction size stays the same), will bring in more money.

2: Increasing average transaction size means you’re trying to get each customer in to purchase more. This is typically done through a process called up selling. When a customer purchases an entree, you offer them appetizers, drinks, and dessert. The more of these items the customer purchases, the more they spend, and the more revenue you collect.

3: Increasing the frequency of transactions per customer means encouraging people to purchase from you more often. If your average customer comes in once a month, convincing them to patronize your business once a week will increase your revenue. The more frequently they visit your establishment, the more revenue your restaurant will bring in, assuming the average transaction size stays the same.

4: Raising your prices means you’ll collect more revenue from every purchase a customer makes. Assuming your volume, average transaction size, and frequency stay the same, raising your prices will bring in more revenue for the same amount of effort.

Answer 3: (A)
1:

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| **Basis** | **Money Market** | **Capital Market** |
| Meaning | A random course of financial institutions, bill brokers, money dealers, banks, etc. | The company or government securities are generated and patronized for the intention of establishing long-term finance to coincide the capital necessary is called as Capital Market. |
| Nature of Market | Informal | Formal |
| Organizations | Commercial bank, bill brokers, non-financial institutions, the central bank, acceptance houses, and so on. | The stock exchange, Commercial banks, non-banking organizations like insurance companies etc. |
| Risk Factor | Low | High |
| Return on Investment | Less | High |
| Financial Tools | Commercial Papers, Treasury Certificate of Deposit, Bills, Trade Credit, etc. | Bonds, Debentures, Shares, Asset Securitization, Retained Earnings, Euro Issues, etc. |

2:

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| --- | --- | --- |
| **Basis** | **Primary market** | **Secondary market** |
| Meaning | It is the market where securities are issued for the first time | It is the market where shares already issued earlier are then traded between investors |
| Purpose | Undertaken for expansionary plans or for promoters to offload their stakes | It provides a ready market for trading the securities between investors |
| Recipient on a gain on sale of shares | Company | It happens to be the investors in case of secondary markets |
| Price | It is fixed by the investment banks at the time of issue, after sufficient discussion with the management | The price depends on demand and supply forces or the security in the market |
| Intermediary | Underwriters: Companies seek the help of underwriters in issuing these securities to the public | Brokers: Investors trade these shares among each other through brokers |

(B)
 Everybody who owns one share of any sort owns one share of the company. That is “real” ownership.

Different shareholders may have different rights over the company and entitlements in terms of control, dividends, power and influence, shareholder rights, serving as a Board member or executive employee, and so on. Depending on the exact terms of the contracts governing shares, preferred shareholders may have significant rights to control the company’s decision, preferential rights to get paid, and so on. But that does not mean they own any more than one share of the company for every share they own.

By conventional venture capital standards, preferred investors typically own a minority share of the company, so they are the opposite of the real owners. They have a lot of extra rights to protect their interests despite the minority position.