

## M.B.A. (IInd Sem.) (FT) Examination-2015

## FINANCIAL MANAGEMENT

Paper - CP-204

Time Allowed : Three Hours

Maximum Marks : 80

**Note :** All questions are compulsory.

## Section-A

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**Note :** Answer any four questions. Each question carries 8 marks.  $8 \times 4 = 32$ 

- Q.I Describe briefly the aims of financial management ?
- Q.II Write a short note on "Hybrid Instruments" ?
- Q.III Describe the concept of "Optimum Capital Structure" ?
- Q.IV What do you mean by "Internal Financing" ? Why it is important ?
- Q.V Write a conceptual note on "Time Value of Money".
- Q.VI Narrate the features of "Profitability Index" ?
- Q.VII Discuss briefly the concept of "Cash Receivables" ?
- Q.VIII Narrate any four factors, which determine the need of "Working Capital".

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## Section-B

**Note :** Answer any three questions. Each question carries 16 marks.  $3 \times 16 = 48$ 

- Q.IX Write a note on "Cost Volume Profit Analysis" ?
- Q.X Discuss "Any two instruments" of "Long Term Finance" ? Also provide their relative benefits ?
- Q.XI Describe any two capital structure theories ?
- Q.XII Write a detailed note on concept of "Dividend Policy".
- Q.XIII A firm's after tax cost of specific sources is as follows—
- |                   |        |              |
|-------------------|--------|--------------|
| Cost of debts     | 3.76%  | onlineBU.com |
| Preference shares | 10.59% |              |
| Equity shares     | 15.00% |              |
- The following is the capital structure of the firm—
- |                                    |                  |
|------------------------------------|------------------|
| Debenture (Rs. 100/- each)         | Rs. 8,00,000.00  |
| Preference shares (Rs. 100/- each) | Rs. 2,00,000.00  |
| Equity shares (Rs. 10/- each)      | Rs. 10,00,000.00 |
|                                    | Rs. 20,00,000.00 |
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- Calculate the weighted average cost of capital using "Book value as weights".