

Financial Management

SECTION ' A'. 5 x 10 = 5

(Total 10 Question, Attempt ALL, write correct option in space provided in assignment sheets)

01. Objective type questions.

- A. The objective of financial management is ?
- a) Maximisation of profit
 - b) Maximisation of wealth
 - c) Maximisation of return
 - d) all above
- B. The financial technique of allocation of funds in financial management is
- a) Internal audit
 - b) Financial analysis
 - c) Budget cost control
 - d) all above.
- C. Which among the following is not internal factor of capital structure ?
- a) Nature of business
 - b) Conditions of capital market
 - c) Size of the business
 - d) Attitude of managers
- D. Which among the following external factor affects capital structure?

- a) Nature of investors
- b) Government control and policies
- c) State of competition
- d) All of above

E. Who decides the share of profit to be declared in from of dividend?

- a) Board of directors
- b) Owner's of the company
- c) Manager of the company
- d) The government

F. Whose interests are takes care of while formulating dividend policy ?

- a) the shareholders
- b) the company
- c) both a and b
- d) none of these

G. The concept of working capital is

- a) Quantitative approach
- b) Qualitative approach
- c) Operating cycle approach,
- d) all the above

H. In case of excess working capital, profitability

- a) Decreases
- b) Increases

- c) No change,
 - d) none of the above
- I. Which of the following is not Inventory ?
- a) Machines
 - b) Raw Material
 - c) Finished products
 - d) Consumable tools
- J. The time period between Placing an order its receipt in stock is khows as ?
- a) Lead time
 - b) Carring time
 - c) shortage time
 - d) Over time

SECTION ' B'. 1 x 5 = 5

(Total 10 Question, Attempt FIVE, question as per internal choice, write in space provided in assignment sheets)

02. What is financial management ?

OR

What is Capitalization?

03. What is Capital structure ?

OR

What do you mean by cost by Equity ?

04. What is Working Capital ?

OR

What are the objectivise working Capital management ?

05. What is receivable management ?

OR

What is inventory management ?

06. What is dividend policy ?

OR

What is bonus share ?

SECTION ' C'. 2 x 3 = 6

(Total 5 Question, Attempt Three, question as per internal choice, write in space provided in assignment sheets)

07. What are the importance and objectives of financial management ?
Explain

OR

What do you mean by leverages? Explain various Types of leverage.

08. What are the factors which influences working capitals of organisation.

OR

What is cash management? what are the objectives of cash management?

09. What are the various types of Dividend Policy? Briefly Explain.

SECTION ' D'. 3 x 3 = 9

(Total 5 Question, Attempt Three, question as per internal choice, write in space provided in assignment sheets)

10. In what respect is the objective of wealth maximisation superior to profit maximization.

OR

XYZ Ltd. Produced and sold 1,00,000 units of a product at the rate out Rs. 100.for production of 1,00,000 units,it has spend a variable cost Rs. 6,00,000 at the rate of Rs. 6 per unit and a fixed cost of Rs. 2,50,000.the firm has paid interest Rs.50,000 at the rate of 5 per cent and Rs. 1,00,000 debt. Calculate operating leverage.

11. "Working capital must be adequate but at the same time not excessive". Comment.

OR

List out the objectives of receivables management?

12. 'Payment of dividend involves legal considerations' – Discuss.

SECTION ' E'. 5 x 1 = 5

(Total 2 Question, any one, write in space provided in assignment sheets)

13. A limited firm has under consideration the following two projects their details are as followd :

	Project X Rs.	Project Y Rs.
Investment in machinery	10,00,000	15,00,000
Working capital	5,00,000	5,00,000
Life of machinery (Year)	4	6
Scrap value of machinery (%)	10	10
Tax rate (%)	50	50

Income before depreciation and tax at the end of

Year	1	2	3	4	5
X (Rs.)	5,000	4,000	3,000	1,000	--
Y (Rs.)	1,000	2,000	3,000	4,000	5,000

You are required to calculate the average rate of return and suggest
Which Project is to be preferred.

or

Discuss the important features of the miller and Orr model.