

Enrollment No:- _____

Exam Seat No:- _____

C.U.SHAH UNIVERSITY

Summer-2015

Subject Code: 5MS02FMT1

Subject Name: Financial Management

Course Name: M.B.A.

Date: 20/5/2015

Semester: II

Marks: 70

Time: 02:30 TO 05:30

Instructions:

- 1) Attempt all Questions in same answer book/Supplementary.
- 2) Use of Programmable calculator & any other electronic instrument prohibited.
- 3) Instructions written on main answer book are strictly to be obeyed.
- 4) Draw neat diagrams & figures (if necessary) at right places.
- 5) Assume suitable & perfect data if needed.

SECTION 1

QUE - 1

1. Define commercial paper. (2)
2. Define gross working capital. (2)
3. Give the meaning of receivables. (2)
4. Explain Meaning of profit maximization. (1)

QUE – 2

1. Define financial management & Explain scope of finance. (5)
2. Explain function of financial management (5)
3. Write a note on wealth maximization. (4)

OR

1. Write a note on time value of money. (5)
2. Write a note on approaches of working capital. (5)
3. Describe various financial decision areas. (4)

QUE – 3

1. Describe short term sources of working capital. (5)
2. Define inventory management & explain importance of inventory management (5)
3. Write a note on Walter's model. (4)

OR

1. Describe role of commercial bank in working capital management. (5)

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20-5

2. Write a note on Modigliani miller model. (5)
3. Write a note on valuation of security. (4)

SECTION 2

QUE - 4

1. Give the full form of NPV & IRR. (2)
2. Define capital structure. (2)
3. Define leverage. (2)
4. Explain retained earnings. (1)

QUE – 5

1. Write a note on pay back method of capital budgeting with example. (5)
2. Explain types of debentures. (5)
3. Write a note on combined leverage. (4)

OR

1. Write a note on plough back of profit. (5)
2. Write a note on equity shares. (5)
3. Write a note on bond. (4)

QUE – 6

1. Explain EBIT & EPS. (5)
2. Explain factors affecting dividend decision. (5)
3. Explain risk in capital budgeting. (4)

OR

1. Explain irrelevancy theory of dividend decision. (5)
2. Write a note on NOI approach of capital structure. (5)
3. Write a note on financial leverage. (4)

