

C.U. SHAH UNIVERSITY

Winter Examination-2018

Subject Name: Financial Management**Subject Code: 5MS02FMT1****Branch: MBA****Semester: 2****Date: 29/10/2018****Time: 02.30 To 05.30****Marks: 70****Instructions:**

- (1) Use of Programmable calculator and any other electronic instrument is prohibited.
- (2) Instructions written on main answer book are strictly to be obeyed.
- (3) Draw neat diagrams and figures (if necessary) at right places.
- (4) Assume suitable data if needed.

SECTION – I

Q-1	Attempt the Following questions	(07)
	a. Give formula of net working capital.	1
	b. What do you mean by unsystematic risk?	1
	c. What do you mean by security?	1
	d. Explain the concept of operating cycle.	1
	e. State Objective of Finance Management.	1
	f. Give full name of PVIFA.	1
	g. Give full name of EPS.	1
Q-2	Attempt all questions	(14)
1	Write the importance of EOQ.	04
2	Give differences between net working capital and gross working capital.	05
3	Distinguish between finance structure and capital structure.	05
OR		
Q-2	Attempt all questions	(14)
1	Write note on different types of risk.	04
2	Discuss the roles of finance manager in organization.	05
3	How pay back method assist to finance manager? Explain.	05
Q-3	Attempt all questions	(14)
1	Discuss briefly the features of equity share as sources of long term finance.	07
2	Discuss different types of debenture.	07
OR		
Q-3	1 Discuss the features of Bonds.	07



2 Write a note on Modigliani Miller approach of dividend distribution theory. 07

SECTION – II

Q-4 Attempt the Following questions (07)

- a. What do you mean by Inventory? 01
- b. Give formula of operating leverage. 01
- c. What do you mean by Barred debenture? 01
- d. Give full form of IPO. 01
- e. What do you mean by sensitivity analysis? 01
- f. Give the formula of EOQ. 01
- g. Write formula of financial leverage. 01

Q-5 Attempt all questions (14)

- 1 Discuss different factors affecting to working capital requirement. 07
- 2 Discuss in detail about NI approach and NOI approach. 07

OR

- Q-5**
- 1 Explain the sources of funds to commence any company. 07
 - 2 Explain different techniques of capital budgeting. 07

Q-6 Attempt all questions (14)

- 1 Write notes on EOQ and ABC method of Inventory management. 07
- 2 What do you mean by Debenture? Discuss different types of debenture. 07

OR

- Q-6 Attempt all Questions**
- 1 Discuss the factors involved in measuring profitability. 07
 - 2 Explain any two short term sources of finance with merit & demerit. 07

