

S.D.E.
M.B.A. (Gen.) / M.B.A.(HR) Sem-II (CBCS - 2018 Course) :
SUMMER - 2019
SUBJECT: FINANCIAL MANAGEMENT

Day: Saturday
Date: 04/05/2019

Time: 02.00 PM TO 05.00 PM
Max Marks. 70

S-2019-4995

N.B.

- 1) Attempt **ANY FOUR** questions from Section – **I** and **ANY TWO** questions from Section – **II**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Answers to both the sections should be written in **SAME** answer books.
- 4) Use of non – programmable calculator is **ALLOWED**.

SECTION - I

- Q.1** Elaborate the various factors affecting working capital requirement and discuss the components of working capital. **(10)**
- Q.2** Explain venture capital finance and highlight the venture capital scenario in India. **(10)**
- Q.3** Explain the meaning of capital structure and elaborate the factors affecting capital structure. **(10)**
- Q.4** Write in details any two techniques of Financial Statement Analysis. **(10)**
- Q.5** Write short notes on any **TWO** of the following: **(10)**
- a) Objectives of Financial Management
 - b) Leverages
 - c) Fund Flow Statement
 - d) Weight Average Cost of Capital (WACC)

SECTION - II

- Q.6** Explain in detail the following sources of long term finance **(15)**
- i) Equity Shares
 - ii) Debentures
 - iii) Retained earnings

P.T.O

Q.7 A firm whose cost of capital is 10% is considering two mutually exclusive (15)
proposals X and Y. The details of which are as follows

Particulars	Proposal 'X' Amount (Rs.)	Amount 'Y' Amount (Rs.)
Initial Investment	15,00,000	15,00,000
Projected Cash Inflow		
1 st year	1,00,000	6,50,000
2 nd year	2,50,000	6,00,000
3 rd year	3,50,000	6,00,000
4 th year	5,50,000	5,75,000
5 th year	7,50,000	5,25,000
Total	20,00,000	29,50,000

Calculate

- i) Payback Period
- ii) Net present value @ 10% rate of discount

Q.8 Calculate the Operating Leverage, Financial Leverage and Combined (15)
Leverage from the following details

Selling price per unit = Rs. 150

Variable cost per unit = Rs. 100

Fixed cost = Rs. 6,00,000

Sales = 20,000 units

The capital structure of the company is as follows

Equity capital	20,00,000
16% Debenture	<u>10,00,000</u>
Total	30,00,000

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