

S.D.E.

M.B.A. (IT) SEM – IV (2010 COURSE) (3 YEAR COURSE) :

WINTER - 2017

SUBJECT: FINANCIAL MANAGEMENT & CONTROL

Day: **Thursday**
Date: **21/12/2017**

W-2017-4359

Time: **02.00 P.M. TO 05.00 P.M.**
Max. Marks: 70

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 **SEPARATE** answer book.

SECTION-I

- Q.1** Explain “Profit Maximization” Vs “Wealth Maximization” as Objectives of Financial Management. (10)
- Q.2** Write a note on following Techniques of Financial Analysis. (10)
i) Ratio Analysis ii) Cash Flow Analysis
- Q.3** Explain the factors considered to have Optimum Capital Structure. (10)
- Q.4** Write a note on: (10)
i) Inventory Management ii) Receivables Management
- Q.5** Write short notes on any **TWO** of the following: (10)
a) Internal Rate of Return
b) Operating Leverage
c) Short Term Financing

SECTION-II

- Q.6** Bharat Company Ltd. Is considering two mutually exclusive proposals, P and Q. Cost of capital of the company is 10%. The details of which are as follows: (15)

Particulars	Proposal P ₹	Proposal Q ₹
Initial Investment	30,00,000	30,00,000
Projected Cash Inflows:		
1 st year	2,00,000	12,50,000
2 nd year	5,50,000	12,00,000
3 rd year	6,50,000	12,00,000
4 th year	10,50,000	10,75,000
5 th year	14,50,000	10,25,000

Calculate:

- i) Pay Back Period
- ii) Net Present Value @ 10% of discount
- iii) Profitability Index

The discounting factors at 10% are .909, .826, .751, .683 and .621.

- Q.7** Which factors are considered in Dividend Decision? (15)
- Q.8** Explain in detail any two sources of Long Term Finance. (15)

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