

Code: 12E01403

MBA (Finance) IV Semester Regular & Supplementary Examinations July 2015

STRATEGIC FINANCIAL MANAGEMENT

(For students admitted in 2011, 2012 and 2013 only)

Time: 3 hours

Max Marks: 60

Answer any FIVE questions

All questions carry equal marks

- 1 (a) What is strategic financial management? What are its functions?
(b) Outline the assumptions and limitations of corporate finance.
- 2 (a) What is strategic decision making?
(b) Explain the steps for strategic decision making process and approaches.
- 3 (a) Write roles and responsibilities of a project manager?
(b) Discuss major sources of working capital.
- 4 (a) What is 'Cost of capital' and how is it measured?
(b) What are the various components of "Cost of borrowed fund"?
- 5 (a) Explain the concept of risk. How can risk be measured?
(b) What are the advantages of the risk adjusted discount rate? What is the major problem in using this approach to handle risk in capital budgeting?
- 6 (a) Why is the business valuation enterprise under taken by corporate finance managers and investors?
(b) Explain: (i) Valuation of goodwill, (ii) Valuation of merged firm.
- 7 (a) What is the corporate restructuring? Why is it necessary? Explain the alternate restructuring sequences.
(b) Write about the different fund-raising instruments suited to different situations and businesses.
- 8 (a) What are the major strategic considerations to be used while designing a lease?
(b) Differentiate between financial lease and operating lease.
