Roll No. Total No. of Pages : 02

Total No. of Questions : 07

B.Com (2013 to 2017 Batch) (Sem.–6)

FINANCIAL MANAGEMENT

Subject Code : BCOP-603

Paper ID : [A2260]

Time : 3 Hrs. **Max. Marks : 60**

INSTRUCTION TO CANDIDATES :

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTION-B contains SIX questions carrying TEN marks each and a student has to attempt any FOUR questions.

SECTION-A

1. Write short notes on the following :

i. Payback period method

ii. Weighted average cost of capital

iii. EBIT EPS Analysis

iv. Investment decision

v. Permanent working capital

vi. Financial leverage

vii. Aging Schedule of Receivables

viii. Assumptions of EOQ

ix. Financial Plan

x. Time value of money

SECTION-B

2. What is financial management all about? How financial decision making involves risk return trade off? How is the goal of wealth maximization a better operative criterion than profit maximization?

3. What are the various facets of working capital management? How the working capital requirements are determined?

4. What is capital budgeting and what are its important steps? Compare and contrast NPV *vs.* IRR as method of appraising capital investments? Which method is better and why?

5. What do you understand by cost of capital? How the cost of various sources of finance is calculated?

6. Critically explain the MM approach to capital structure. Explain with suitable examples the arbitrage process of MM approach on capital structure.

7. What are the various factors to be kept in mind while framing dividend policy?