

- Note:**
- 1) Solve all 4 Question after exercising internal option.
  - 2) Maximum Time : 2 hours.
  - 3) Maximum marks : 60
  - 4) All questions carry equal marks.

**Q.1**

**5 marks each**

- 1) What are the qualities of a successful Finance Manager ?
- 2) Explain Financing Decision and Dividend Policy decision
- 3) Explain Functions of Treasurer

**OR**

**Q.1**

**5 marks each**

- 1) What are the objectives of financial Management ? Explain.
- 2) Explain the following :
  - a) Finance and Accounting
  - b) Finance and Production Management
  - c) Finance and Quantitative Techniques
- 3) Explain Functions of controller

**Q.2**

**5 marks each**

- 1) What is Primary Market and Secondary Market ?
- 2) What is Credit Rating ? Explain and give names of 3 credit Rating Agencies.
- 3) What are powers of SEBI? Explain.

**OR**

**Q.2**

**5 marks each**

- 1) What is Private Company and Public Company?  
Explain Characteristics of a company.
- 2) What is De-mat Trading ? Explain.
- 3) What are advantages & disadvantages of issuing Equity Shares to a company ?

**Q.3 A ) Explain the following**

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- 1) Business risk
- 2) Purchasing Power risk
- 3) Default risk

- B) Surya Ltd. has a paid up Equity Share Capital of as Rs. 40,00,000.

Additional Information.

9 marks

- a) Earnings available to Equity Shares holders Rs. 4 lakhs
- b) Dividend paid to equity shareholders Rs. 3,20,000
- c) Price earnings Ratio is 5.
- d) Face value of equity share Rs. 10.

You are required to find out market price of Karishma Ltd. using Walter's Formula.

**OR**

**Q.3 A Explain**

2 marks each

- a) Bonds with maturity period
- b) Bonds in perpetuity

**B Explain**

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- a) NPV Method
- b) IRR Method

**C) i) Explain Constant Growth Model**

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- ii) A Company pays dividend of Rs. 18 annually. The Capitalisation rate is 10% Determine the price of share using zero growth model (3 marks)

**Q.4** 1) What is Ratio Analysis? List down objectives of Ratio Analysis.

5 marks each

- 2) What are uses of funds flow statement ?
- 3) Explain in brief factors determining working capital ?

**OR**

**Q.4** 1) What are standards used for company Ratios ?

Explain procedure for comparison of Ratios ?

- 2) Give the format of cash flow statement.
- 3) Explain importance of adequate working capital.

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