

Subject : Financial Management

Day : Wednesday
Date : 07/12/2016



Time : 02.00 PM TO 05.00 PM
Max Marks : 70 Total Pages : 2

N.B.:

- 1) Attempt **ANY THREE** questions from Section – I and **ANY TWO** questions from Section – II.
- 2) Answer to both the sections should be written in the **SAME** answer book.
- 3) Use of non programmable **CALCULATOR** is allowed.
- 4) Figures to the right indicate **FULL** marks.

SECTION – I

- Q.1** Explain the following Finance functions: [14]
a) Dividend Decision
b) Investment Decision
- Q.2** Write a note on International Financing. [14]
- Q.3** Explain the factors to be considered in determining Working Capital of a Company. [14]
- Q.4** What do you mean by optimum Capital Structure? Which techniques used to determine Capital Structure? [14]
- Q.5** Write short notes on **ANY TWO** of the following: [14]
a) Time value of money
b) Internal Rate of Return
c) WACC

SECTION – II

- Q.6** Prepare a statement showing Requirement of Working Capital of Lucky Ltd., [14]

Particulars	Cost per unit
Raw Material	Rs. 80
Direct Labour	Rs. 30
Variable Overheads	Rs. 20

Projected sales for 2015 are 1,20,000 units at Rs. 200.

Additional Information:

- a) Raw material is in stock for 4 weeks.
- b) Wages are paid after 2 weeks.
- c) Finished goods are in stock for 2 weeks.
- d) Production and Processing time 4 weeks.
- e) Debtors pay after 6 weeks.
- f) Creditors are paid after 4 weeks.
- g) Assume cash balance Rs. 3,50,000.
- h) Assume 52 weeks in a year.

P.T.O.