

**Open Elective-II : Finance & Cost Management**

P. Pages : 1

Time : Three Hours



**PSM/KW/23/8229**

Max. Marks : 70

- Notes :
1. All questions carry marks as indicated.
  2. Solve Question 1 OR Questions No. 2.
  3. Solve Question 3 OR Questions No. 4.
  4. Solve Question 5 OR Questions No. 6.
  5. Solve Question 7 OR Questions No. 8.
  6. Solve Question 9 OR Questions No. 10.
  7. Due credit will be given to neatness and adequate dimensions.
  8. Assume suitable data whenever necessary.
  9. Diagrams and chemical equations should be given whenever necessary.
  10. Illustrate your answers whenever necessary with the help of neat sketches.
  11. Use of non programmable calculator is permitted.

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|-----------|-----------------------|--|----|
| 1.        | a)                    | Explain finance function & scope of financial management.                  | 7  |
|           | b)                    | Explain the goals & objective of financial management.                     | 7  |
| <b>OR</b> |                       |  |    |
| 2.        | a)                    | Explain functions of finance.  | 7  |
|           | b)                    | Write reasons of Time value of money.                                      | 7  |
| 3.        | Write short notes on- |  | 14 |
|           | i)                    | Replacement policy   |    |
|           | ii)                   | Make or Buy Decision   |    |
| <b>OR</b> |                       |  |    |
| 4.        | a)                    | What are the different types of capital?                                   | 7  |
|           | b)                    | Explain break even analysis.   | 7  |
| 5.        | a)                    | Differentiate between balance sheet & profit & loss statement.             | 7  |
|           | b)                    | Explain how accounting process is carried out.                             | 7  |
| <b>OR</b> |                       |  |    |
| 6.        | a)                    | Explain in detail journal entries.   | 7  |
|           | b)                    | How is preparation of Trial Balance done?                                  | 7  |
| 7.        | a)                    | Explain the meaning of cost of capital and state its principles.           | 7  |
|           | b)                    | State the factors affecting cost of capital.                               | 7  |
| <b>OR</b> |                       |  |    |
| 8.        | a)                    | Explain weighted average cost of capital.                                  | 7  |
|           | b)                    | How the cost of debt is determined Explain.                                | 7  |
| 9.        | a)                    | What is capital budgeting.   | 7  |
|           | b)                    | What is Internal Rate of Return?   | 7  |
| <b>OR</b> |                       |  |    |
| 10.       | a)                    | Explain Pay Back Method.   | 7  |
|           | b)                    | Explain what you understand by profitability index. Give suitable example. | 7  |

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