

Paper Code: MANB 411 Subject: Financial Management (Question Bank)

1. What do you understand by financial management? Explain the role of financial manager in financial management.
2. What are the objectives and functions of financial management? Explain in detail.
3. What is meant by the term 'leverage'? Explain mixed leverage
4. What is financial management? Explain its nature and scope of financial management.
5. What do you mean by capital structure? Briefly explain the various theories in capital structure.
6. Define cost of capital. Explain the procedure of computing Weighted Average Cost of Capital.
7. Briefly write the following:
 - a) Objectives of time value of money
 - [b) Goals of financial management
8. How is the cost of debt computed? How does it differ from the cost of preference share capital?
9.
 - a) Explain the causes of over capitalization and undercapitalization.
 - b) Explain various sources of funds to the business enterprise.
10. a) Briefly explain the EBIT-EPS analysis.
11. What is ratio analysis? Explain the significance of ratio analysis.
12. How do you classify ratios? Explain with examples.
13. Explain the following ratios:
 - a) Current Ratio
 - b) Debt-Equity Ratio
 - c) Gross Profit Ratio
14. Write a short notes on :
 - a) Liquidity Ratios

b) Profitability Ratios

c) Operating ratio

d) Working capital ratio

e) P/E ratio

15. What is funds flow statement? Discuss the significance of funds flow statement as a tool of financial analysis.

16. What are the steps to be followed for preparing the statement of sources and applications of fund?

17. Define cash flow statement. How does cash flow statement differ from funds flow statement? What are their uses?

18. Explain the following terms briefly:

a) Break-Even Point (BEP)

b) Profit-Volume Ratio

c) Margin of Safety

19. Write the following :

a) Objectives of capital budgeting.

b) Determinants of working capital.

20. What do you mean by working capital? What factors influence the working capital of a firm?

21. Explain the following :

a) IRR

b) NPV

c) ARR

22. What is capital budgeting ? Briefly explain the methods used to calculate IRR and NPV under capital budgeting.

23. Discuss the various methods of raising finance to the firm.

24. What do you understand by the cost of capital? Discuss its significance in capital budgeting decision.

25. Explain various methods of Financial statement Analysis

26. Describe factors influencing dividend decision.

27. write short notes on

1. Working capital cycle

2. Weighted average cost of capital

3. Capital structure theories