

- Q.27 What are the needs of calculating solvency ratio?
 - Q.28 What is cost of capital and its importance in taking investment decision?
 - Q.29 Explain the main features of financial management.
 - Q.30 Describe the scopes of financial management.
 - Q.31 What is the concept of time value of money, explain.
 - Q.32 Explain the concept of net present value.
 - Q.33 Write a short note on liquidity ratio.
 - Q.34 What are the main objectives of ratio analysis?
 - Q.35 Describe payback method of evaluating capital budgeting projects.

SECTION-D

Note: Long Answer type question. Attempt any two questions. (2x10=20)

- Q.36 Define financial management explain its nature and scope.

Q.37 Define ratio. Explain the importance of ratio analysis in financial management.

Q.38 What do you understand by capital budgeting explain it's importance in fast growing from.

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5th Sem / FAA
Subject : Financial Management

Time : 3 Hrs.

M.M. : 100

SECTION-A

Note: Multiple choice questions. All questions are compulsory. (10x1=10)

- Q.1 ABC analysis is a technique of _____

 - Inventory Management
 - Record Management
 - Both
 - None

Q.2 EOQ stands for _____.

 - Extra Order Quantity
 - Economic Order Quantity
 - Both
 - None

Q.3 Financial management include _____ future requirement of fund

 - Planning
 - organizing
 - Controlling
 - All of these

Q.4 Financial management take financial decisions under categories namely.

 - Investment
 - Financing
 - Dividend
 - All of these

- Q.5 Risk diversification is a goal of _____
 a) Marketing Management
 b) Financial Management
 c) Both
 d) None
- Q.6 In Financial Management TVM is _____
 a) Test Value of Money
 b) Top Value of Money
 c) Time Value of Money
 d) None
- Q.7 This is a source of Long term fund
 a) Share b) Term Loan
 c) Debentures d) All of these
- Q.8 Capital budgeting decision are for _____
 a) Long run b) Short run
 c) Both d) None
- Q.9 This includes relatively high risk _____
 a) Preference share b) Equity shares
 c) Both d) None
- Q.10 Minimum cost of capital is _____
 a) Profit b) Loss
 c) Interest d) None

SECTION-B

- Note :** Objective type questions. All questions are compulsory. (10x1=10)
- Q.11 (Solvency ratio = financial leverage ratio). (True/False)

- Q.12 Term Loan is not a source of Long run finance. (True/False)
- Q.13 NPV is Net Present Value. (True/False)
- Q.14 Ratio analysis provides financial health of a firm. (True/False)
- Q.15 Source and application of fund included in fund flow statement. (True/False)
- Q.16 Net working capital = Current assets - current liabilities. (True/False)
- Q.17 Controlling of financial activity is an objective of financial management. (True/False)
- Q.18 Retained profit distribution is the part of financial management. (True/False)
- Q.19 (Liquidity ratio = current paying capacity) (True/False)
- Q.20 Ability to pay off short term debt called as liquidity ratio. (True/False)

SECTION-C

- Note :** Short answer type questions. Attempt any twelve questions out of fifteen questions. (12x5=60)
- Q.21 What are the needs of ratio analysis?
- Q.22 What do you mean by net working capital. (CO-4)
- Q.23 Explain payback method of capital budgeting decision making?
- Q.24 Write main objectives of calculating time value of money.
- Q.25 What are the objectives of calculating IRR?
- Q.26 What are the implications of activity ratio in financial management?