

- Q.25 What are the characteristics of Equity Shares?
- Q.26 Distinguish between traditional and modern approach of Financial Management.
- Q.27 Explain the objectives of ratio analysis.
- Q.28 Explain the difference between Equity shares and debentures.
- Q.29 What are opening stock and closing stock in inventory management?
- Q.30 What are various kinds of capital budgeting Management.
- Q.31 Write short note on solvency ratio.
- Q.32 Write five points of importance of Inventory Management.
- Q.33 What is difference between accounting role of return and internal role of return?
- Q.34 Explain the functions of Financial Management.
- Q.35 Explain any five features of Capital Budgeting.

SECTION-D

- Note:** Long answer type questions. Attempt any two questions out of three questions. (2x10=20)
- Q.36 Explain briefly any two methods of Capital Budgeting.
- Q.37 What is the value of Money? Explain the method in which its appeals.
- Q.38 Explain long term short term source of Finance.

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5th Sem. / Branch : Financial Account & Auditing

Subject:- Financial Management

Time : 3Hrs.

M.M. : 100

SECTION-A

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

- Q.1 What is the primary goal of Financial Management?
- To minimize the risk
 - to maximize the owner's wealth
 - To maximize the return
 - To raise profit
- Q.2 Which rate is considered as safe margin of solvency?
- Current ratio
 - liquid ratio
 - Bad depth ratio
 - None of these
- Q.3 Liquid ratio is known as
- Acid test ratio
 - Quite and acid test ratio
 - Current ratio
 - None of these
- Q.4 Capital budgeting is also known as:
- Investment decision making
 - Planning capital expenditure
 - Both of the above
 - None of these

- Q.5 Capital B. what is ignored in profit maximization?
- Wealth
 - Net value
 - Time value of money
 - None of these
- Q.6 Capital Budgeting decision are of
- Long term nature
 - Short term nature
 - Both of the above
 - None of these
- Q.7 Which of the following the ratio of net profit to net sales
- Net operating ratio
 - Gross profit ratio
 - Net profit ratio
 - None of these
- Q.8 Which of the following model is used to calculate the _____ of the inventory order.
- EOG model
 - fixed order quantity model
 - Re-order Point model
 - all of the above
- Q.9 An example of purchase cost include
- Incoming freight
 - Storage cost
 - Insurance
 - Spoilage
- Q.10 Unsecured Corporate debt is called
- Shares
 - Debentures
 - bond
 - None of the above

SECTION-B

Note: Objective type questions. All questions are compulsory. (10x1=10)

- Q.11 _____ is the main objective of Financial Management.
- Q.12 Liquid Ratio is equal to Liquid Assets directed by _____.
- Q.13 What is the full form of HIFO?
- Q.14 The Long-run objective of Financial Management is to
- Maximize the value of the firm is common stock
 - Maximum Market share
- Q.15 Define Bank Credit.
- Q.16 What is retained Earning?
- Q.17 Write the formula to calculate current ratio.
- Q.18 To increase a given present value, the discount rate should be adjusted _____ (Upward/downward)
- Q.19 What is time value of Money?
- Q.20 What is ratio?

SECTION-C

Note: Short answer type questions. Attempt any twelve questions out of fifteen questions. (12x5=60)

- Q.21 What is the importance of time value of Money?
- Q.22 What are the features of present value?
- Q.23 Discuss the importance of Financial Management.
- Q.24 Write a short note in source of Finance.