

**MBAEV**

**Term-End Examination**

**June, 2012**

00373

**MCN-044 : FINANCIAL MANAGEMENT**

*Time : 3 hours*

*Maximum Marks : 100*

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*Note : Attempt any five questions. All questions carry equal marks.*

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1. Explain the functions of a Finance Manager in a Company. 20
2. What are the considerations which are taken into account before declaring dividend ? Explain. 20
3. What are the different Sources of Working capital finance ? Explain. 20
4. Explain net present value concept and discuss its importance in investment decisions. 20
5. What is meant by capital structure ? Explain how financing decisions affect capital structure ? 20
6. Write notes on the following : 20
  - (a) Return on Investment and Investment decisions
  - (b) Risk and Return Trade off

7. Distinguish between operating and financial leverage. 20

8. Calculate Debt Equity Ratio from the following information and interpret it : 20

Share Capital	₹. 1,00,000
Reserves and Surplus	₹. 3,00,000
Long term loans	₹. 2,00,000
Current Liabilities	₹. 1,00,000
Trade Creditors	₹. 1,00,000
Preference share Capital	₹. 1,00,000

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