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**MBA IN INTERNATIONAL HOSPITALITY
MANAGEMENT**

Term-End Examination

June, 2014

**MHY-018 : HOSPITALITY FINANCIAL
MANAGEMENT**

Time : 3 hours

Maximum Marks : 100

Note : Attempt any five questions.

1. What is Financial Management ? Explain the significance of Financial Management in context to hospitality management. 20
2. Distinguish between Wealth Maximisation and Profit Maximisation with illustration. 20
3. Write short notes on : 5x4
 - (a) Current Ratio
 - (b) Debt to Equity Ratio
 - (c) Inventory Turnover Ratio
 - (d) Operating Ratio
4. What are the profitability ratios ? Explain and illustrate. 20
5. What is meant by Capitalization ? Explain the consequences of Over-Capitalization and Under-Capitalization. 20

6. Write detail notes on **any two** : **10+10**
- (a) Capital Gearing
 - (b) Trading on Equity
 - (c) Watered Capital
7. What is meant by Working Capital Management ? What are the determinants of Working Capital need of an enterprise ? **20**
8. Discuss the uses and limitations of cash flow statement. **20**
9. Define Forecasting. What are the utilities of forecasting ? **20**
10. Distinguish between : **10+10**
- (a) Shares and Debentures
 - (b) Preference Shares and Equity Shares
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