



MBA DEGREE EXAMINATIONS: APRIL /MAY 2024

(Regulation 2021)

First Semester

MASTER OF BUSINESS ADMINISTRATION

P21MBC1507: Financial Management

COURSE OUTCOMES

CO1: Explain the basic concepts of financial management.

CO2: Display (Select) the best investment option among alternatives and choose on the best source of funds through leverage

CO3: Construct the optimum capital structure and the working capital requirements

Time: Three Hours

Maximum Marks: 100

(No Mathematical Calculation questions, only theory questions)

PART A (10 Q x 10 Marks = 100 Marks)

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| 1 | Explain time value of money in detail | CO1 | [K ₁] |
| 2 | List down and explain the MS Excel functions used in Future value and Present value calculations | CO1 | [K ₁] |
| 3 | Explain the tools of Capital Budget Decisions in detail. | CO1 | [K ₁] |
| 4 | Explain different sources of finance and how tax is treated with different sources. | CO2 | [K ₁] |
| 5 | What is financial leverage? Explain how can you achieve an optimum financial leverage. | CO1 | [K ₁] |
| 6 | What is the difference between Loan Amortization and Sinking fund? Explain in detail | CO1 | [K ₁] |
| 7 | Explain any two theories of capital structure with suitable example | CO2 | [K ₁] |
| 8 | Explain WACC in detail. | CO1 | [K ₁] |
| 9 | Share-holders wealth maximization is not decided by the growth in EBIT, but it is decided by the growth in the EPS. Explain the context in the view of debts in the capital structure and number of outstanding shares. | CO1 | [K ₁] |
| 10 | Explain one of the theories of dividend policy in detail | CO2 | [K ₁] |
