School of Development Studies

MBA Development Management

Batch-02nd (2022-2024)

First Year, Term 3, End Term Examinations, April 2023

CC- 611 Financial Management

Time - 3 Hour	**Maximum Marks:50 (Pass Marks: 20)**

The question paper contains 1 printed page.

Q1. Explain the concept of double-entry system. Do you think that debits are equal to credits and vice versa are epitome of this system?

(10 marks)

Q2. What do you mean by Financial Management? What are the components of financial decision-making process?

(10 marks)

Q3. (a) Explain the concept of working capital while highlighting gross and net concept of working capital. (2 marks)

(b) Examine relationship between profit maximization and wealth maximization. (2 marks)

(c) Mandate under complacent and competitive business environment. (2 marks)

(d) Explain capital market instruments. (2 marks)

(e) Systematic vs unsystematic risks. (2 marks)

Q4. Explain the concept of balance sheet while describing features of assets and liabilities. Is it true that capital is a liability, explain?

(10 marks)

Q5. Compare / examine the following: (2 x 5 = 10 marks)

(a) NPV vs IRR
(b) EOQ vs optimum cash model.
(c) Credit standard vs credit period.
(d) Factoring vs forfaiting.
(e) EPS vs DPS.