

Q.30 Calculate current Ratio:-	(₹)
Cash in hand	2,00,000
Sundry Debtors	80,000
Stock	1,20,000
Sundry Creditors	1,50,000
Bills Payable	50,000

Q.31 Define Risk. What is Risk-return trade off.

Q.32 Give the steps in preparing fund flow statement.

### SECTION-D

**Note:** Long answer type questions. Attempt any three questions out of four questions. 3x10=30

Q.33 Explain the various Methods of capital Budgeting.

Q.34 Bring out the importance of finance in an organisation.

Q.35 What do you mean by cash flow statement. Give its objectives and importance.

Q.36 What is financial management? Give its nature and scope?

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**3rd Sem. / DBM, DBM (IPM), FAA**

**Subject : Financial Management-I**

Time : 3 Hrs.

M.M. : 100

### SECTION-A

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

Q.1 Debtors turnover ratio =  $\frac{\text{Net Credit Sales}}{\text{Avg. Debtors} + \text{_____}}$

Q.2 Ratio analysis is a technique of Planning and Control. (True/False)

Q.3 Maximisation of \_\_\_\_\_ is the main goal of financial management.

Q.4 There is no relation among finance decisions. (True/False)

Q.5 Traditional concept of finance was limited to acquisition of funds. (True/False)

Q.6 Diversification Can reduce risk. (True/False)

Q.7 Capital Budgeting is short term decisions.

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(True/False)

- Q.8 Cash is the most \_\_\_\_\_ assets. (Fixed/Liquid)
- Q.9 There is no time gap between cash inflows and out flows. (True/False)
- Q.10 Ratio Analysis is the only technique of analysis of financial statements. (True/False)

### SECTION-B

**Note:**Very short answer type questions. Attempt any ten questions out of twelve questions. (10x2=20)

- Q.11 Discounted cash flow. (Define)
- Q.12 Net Present Value Method. (Define)
- Q.13 Define Ratio Analysis.
- Q.14 Give two limitations of cash flow statement.
- Q.15 What is meant by financing Activities.
- Q.16 What is Quick Ratio?
- Q.17 What is debt-equity ratio?
- Q.18 Give objectives of fund flow statement Analysis.
- Q.19 Define Fund.

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Q.20 Define Capital Budgeting.

Q.21 Define Financial Asset.

Q.22 What are two major inflows and two major outflows of cash from investing activities.

### SECTION-C

**Note:**Short answer type questions. Attempt any eight questions out of ten questions. 8x5=40

- Q.23 Give merits and demerits of pay-back method.
- Q.24 Discuss the role of finance department in an organisation.
- Q.25 What is profit planning? Give its importance.
- Q.26 Give merits and demerits of ratio analysis.
- Q.27 Explain importance of following ratios :-
- (a) Proprietary ratio (2.5)
  - (b) Fixed asset turnover Ratio. (2.5)
- Q.28 Give Importance of capital budgeting decisions.
- Q.29 Give Advantages and disadvantages of preparing fund flow statement.

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