**Code No.MB202C**

**METHODIST COLLEGE OF ENGINEERING & TECHNOLOGY**

**(An Autonomous Institution)**

**M.B.A II-Semester Regular Examination, September-2023**

**Subject: FINANCIAL MANAGEMENT**

**Time:3hours Max.Marks:60**

 **Note: Missing data, if any, maybe suitably assumed.**

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| **Answer All the questions. (05X2M=10M)** | CO. | Bloom’s Taxation |
| 1 a) | List the Fundamental principles of Finance. | 1 | L1 |
|  b) | Explain the advantages of Payback period method. | 2 | L2 |
|  c) | List out the theories of Capital structure. | 3 | L1 |
|  d)  | Discuss determinants of Dividend policy. | 4 | L2 |
|  e) | Outline few motives for Mergers. | 5 | L4 |

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| **PART-B****Answer Any Five questions**. **(5X10M=50M)** | CO | Blooms Taxation |
| 2 a) | Explain the objectives of Financial Management. | 1 | L2 |
|  b) | Explain Risk-Return Trade off  | 1 | L6 |
| 3 a) | Discuss the classification of Leverage | 3 | L2 |
|  b) | List the major determinants of Capital structure  | 3 | L1 |
| 4 a)  | Outline criticism of MM Approach | 4 | L4 |
|  b) | Define Gordon’s Approach | 4 | L1 |
| 5 a) | Describe a Levered buy-out  | 4 | L1 |
|  b) | Examine elements of value based management | 4 | L3 |
| 6 a)  b) | Mr .A is to receive 4000 after 5yrs from now. His time preference for money (rate of interest) is 10% per annum. Find its present value by using discount factor tables. Calculate the present value of Rs 1,000received in perpetuity for an infinite period, taking discount rate of 10%. | 2  | L3 |
| 7 a) | List advantages of stable dividend policy  | 3 | L1 |
|  b) | Explain EBIT-EPS Analysis | 4 | L6 |
| 8 a) | List out principles of Good governance  | 3 | L1 |
|  b) | Discuss co-efficient of variation method | 5 | L2 |
| 9 a) | What are the motives for mergers? Discuss  | **5** | L2 |
|  b) | Discuss the Major forms of dividends | **5** | L3 |