

**Master of Commerce Examination: September/October - 2022  
(Distance Education)**

Day & Date	Semester	Subject Name	Time	Code	Marks
Tuesday 20-09-2022	I (Fresh)	Management of Finance	11:00 AM To 02:10 PM	110051	75

**Instructions: 1) Attempt any five questions from Q. No.1 to Q. No. 7  
2) Figure to the right indicates marks.**

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|------------|---|-----------|
| <b>Q.1</b> | What is Financial Management? State the functions of Financial Management.                      | <b>15</b> |
| <b>Q.2</b> | Explain the approaches to determine the cost of equity capital with suitable examples.          | <b>15</b> |
| <b>Q.3</b> | Explain the Net Present Value Method of Investment Decisions with a suitable example.           | <b>15</b> |
| <b>Q.4</b> | Define Dividend Policies. Explain Forms of Dividends and Types of Stability in Dividend Policy. | <b>15</b> |
| <b>Q.5</b> | <b>a)</b> Explain the Traditional Theory of Capital Structure.                                  | <b>08</b> |
|            | <b>b)</b> What is the Cost of Capital? Explain the significance of the Cost of Capital.         | <b>07</b> |
| <b>Q.6</b> | <b>a)</b> Explain the Pay Back Period Method of Investment Decision.                            | <b>08</b> |
|            | <b>b)</b> Discuss the determinants of the working capital of an organization.                   | <b>07</b> |
| <b>Q.7</b> | <b>Write a short note. (Any Two)</b>  | <b>15</b> |
|            | <b>a)</b> Factors determining the ideal Capital Structure                                       |           |
|            | <b>b)</b> Operating and Financial Leverage  |           |
|            | <b>c)</b> Significance of Investment Decisions  |           |
|            | <b>d)</b> Receivable Management   |           |