

BACHELOR OF TECHNOLOGY (CBCS) (2021-COURSE)
B. Tech. Sem - VII Computer Science & Business Systems : SUMMER : 2025
SUBJECT: FINANCIAL MANAGEMENT

Day : Wednesday
Date : 14/05/2025

S-24198-2025

Time : 02:30 PM-05:30 PM
Max. Marks : 60

N.B.

- 1) All questions are **COMPULSORY**.
- 2) Figures to the right indicate **FULL** marks.
- 3) Use of non-programmable calculator is allowed.
- 4) Assume suitable data if necessary.

Q.1 Define Financial Management and discuss its scope and nature with examples. (10)

OR

Q.1 A loan of ₹.50,000 is taken at an interest rate of 10% per annum compounded annually for 8 years. Prepare an amortization table for the given information. (10)

Q.2 Discuss the concept valuation of securities and bond valuation with examples and explain how bond valuation is calculated. (10)

OR

Q.2 A bond with a face value of ₹1,000 has a market price of ₹.950 a coupon rate of 9% payable annually and 4 years to maturity. Calculate its approximate Yield to Maturity(YTM). (10)

Q.3 What is operating and financial leverage? Discuss their formula, benefits and risks. (10)

OR

Q.3 Company A is considering two financial plans: (10)
Plan -1 : 100% equity financing with 1,00,000 shares.
Plan -2 : 50% equity (50,000 shares) and 50% debt (₹ 10,00,000 at 10% interest).
If EBIT is ₹ 4,00,000 calculate the EPS under both plans.

Q.4 Discuss the concept of cost of capital. Which are the internal and external factors that influence the cost of factors? (10)

OR

Q.4 A project requires an initial investment of ₹ 5,00,000 and is expected to generate cash inflows of ₹ 1,00,000, ₹ 1,50,000, ₹ 2,00,000 and ₹ 3,00,000 over the next five years. Calculate the payback periods. (10)

Q.5 Explain the concept working capital management. What are the essential components, objectives and techniques of working capital management? (10)

OR

Q.5 A company has the following information: (10)
Current Assets ₹ 12,00,000
Inventory ₹ 3,00,000
Current Liabilities ₹ 6,00,000
Calculate the current ratio and quick ratio.

Q.6 Discuss objective, techniques, benefits and challenges of accounts receivable management. (10)

OR

Q.6 A company has annual credit sales of ₹ 24,00,000. The average collection period is 45 days. Calculate the average accounts receivable. (Assume a year has 360 days). (10)

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