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Reg. No. :

Name :

Second Semester M.A. (Human Resource Management) Degree Examination, July 2019

HRM 2.2.3 : FINANCIAL MANAGEMENT

(2018 Admn)

Time : 3 Hours

Max. Marks : 75

PART – A

Answer all questions :

- 1. What is Payback period?
- 2. What do you mean by ploughing back of profit?
- 3. What is meant by optimum capital structure?
- 4. What is Venture capital?
- 5. What is right issue?
- 6. What is trial balance?
- 7. What is mezzanine financing?
- 8. Differentiate capital and capital structure.
- 9. What is implicit cost of capital?
- 10. What is the objective of financial management?

(10 × 2 = 20 Marks)

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PART – B

Answer any five questions.

- Write a note on the approaches of working capital management. 11.
- 12. Discuss the role of financial manager towards the goal of financial management.
- 13. Differentiate between Bill discounting and factoring.
- 14. What are the limitations of financial statement analysis?
- 15. Explain the various techniques of project appraisal.
- Briefly explain the factors which determine the working capital needs of a firm. 16.
- 17. Explain on the factors affecting dividend policy.
- 18. Distinguish between money market and capital market.

 $(5 \times 5 = 25 \text{ Marks})$

PART – C

Answer any two questions.

- 19. Explain on the various types of working capital.
- 20. Critically evaluate the various theories of dividend.
- Examine the concept of cost of capital stating computation of the different 21. components of cost of capital.
- 22. From the following trial balance prepare final accounts :

Particulars	Debit (Rs.)	Credit (Rs.)
Opening stock :		
Raw Material	2,000	
Work in Progress	5,000	
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Particulars	Debit (Rs.)	Credit (Rs.)
Finished Goods	10,000	
Manufacturing Wages	10,000	
Purchase of Raw Material	30,000	
Factory Rent	5,000	
Carriage of Raw Material	3,000	
Salary of Works Manager	2,000	
Office Rent	2,000	
Printing and Stationery	1,000	
Bad debts	1,000	
Sales		60,000
Land and Building	30,000	
Plant and Machinery	20,000	
Depreciation on Plant	2,000	
Sundry Debtors	5,000	
Sundry Creditors		30,000
Cash in Hand	5,000	
Capital		43,000
Closing Stock were as follows :		
Raw material Rs. 5000		
Work in progress Rs. 4,000		
Finished Goods Rs. 10,000		
		(2 × 15 = 30 Marks)