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**SIDDHARTH INSTITUTE OF ENGINEERING & TECHNOLOGY:: PUTTUR
(AUTONOMOUS)
MBA I Year II Semester Supplementary Examinations Dec 2019
FINANCIAL MANAGEMENT**

Time: 3 hours

Max. Marks: 60

SECTION – A

(Answer all Five Units 5 x 10 = 50 Marks)

UNIT-I1 Discuss the nature and scope of Financial Management 10M**OR**2 Discuss "Profit maximization .Vs. wealth maximization" 10M**UNIT-II**3 Discuss the process of investment decision? 10M**OR**4 Explain the different methods of evaluating Investment projects with examples and their merits and demerits. 10M**UNIT-III**5 Briefly explain the factors which determine the capital structure of a firm. 10M**OR**6 Explain the various theories of Capital Structure of a firm. 10M**UNIT-IV**7 What are the factors that determine the dividend policy of a company? Discuss. 10M**OR**8 Explain the various models of dividend policy of a company. 10M**UNIT-V**9 Explain in brief the determinants of working capital management of a business concern. 10M**OR**10 Explain the various techniques of inventory control. 10M**SECTION – B**

(Compulsory Question)

1 x 10 = 10 Marks

11. Rajesh and company has two alternative projects under consideration. Project A requires a capital outlay of Rs.1, 50,000 but Project B requires Rs.1, 80,000. The projects are estimated to provide a cash flow for five years.

A – Rs.50,000 per year and

B – Rs. 55,000 per year

The cost of capital is 10% show which of the two projects is preferable from the view point of

- (i) Net Present Value and
- (ii) Internal Rate of Return.

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