

Financial Management

1. Explain the objectives and function of Financial management.
2. Explain and differentiate between profit maximisation and wealth maximisation.
3. What is ploughing back of profit? Advantages and disadvantages.
4. What is overcapitalisation and undercapitalisation? Mention the causes and effect of overcapitalisation and undercapitalisation.
5. What is O.L, F.L and C.L in leverage? Write notes on indifference point, EBIT- EPS Analysis, Trading on equity.
6. What is optimum capital structure? Discuss the features and factors to be considered determining the capital structure.
7. Discuss the NI Approach, NOI Approach and M-M Approach in capital structures with limitations.
8. What is working capital? Discuss the factors to be considered of working capital.
9. Write notes on Hard core current assets, positive working capital, negative working capital, working capital cycle.
10. What is source of working capital? Discuss.
11. What is capital budgeting decision? Importance of it. Briefly evaluate NPV, IRR and Profitability Index Method. (with assumptions and limitations).
12. What is dividend policy? What factors determine the dividend policy of a firm.
13. Discuss briefly the method of Walter Model, Gordon's Model and M-M Model (with assumptions and limitations).