

1056
M.E.F.B

Second Semester

FB-203: Business Management – III (Finance)

Max. Marks: 80

Time allowed: 3 Hours

NOTE: Attempt five questions in all, selecting atleast two questions from each Unit.

x-x-x

UNIT – I

- I. Computer Based Accounting is a talk of the day. Discuss the advantages of computer based accounting and what are the perquisites to incorporate such system in an organization. (16)
- II. Write note on:-
 - a) APT
 - b) EVA
 - c) Cash Flow Forecasting(16)
- III. Write a detailed note on Capital Assets Pricing Model along with its limitations. (16)
- IV. Discuss various methods to incorporate risk and uncertainty in Capital Budgeting Decision. (16)
- V. From the data, calculate :
 - a) Gross Profit Ratio
 - b) Net Profit Ratio
 - c) Return on Total Assets
 - d) Inventory Turnover
 - e) Working Capital Turnover
 - f) Net worth to Debt

Sales	25,20,000	Other Current Assets	7,60,000
Cost of sale	19,20,000	Fixed Assets	14,40,000
Net profit	3,60,000	Net worth	15,00,000
Inventory	8,00,000	Debt.	9,00,000
Current liabilities	6,00,000		

(16)

P.T.O

UNIT - II

- VI. Discuss major determinants of the success of a project and what are the common errors in investment analysis. (16)
- VII. Explain and Illustrate Modigliani-Miller Approach of Capital Structure along with its assumptions and limitations. (16)
- VIII. Discuss factors affecting dividend policy of an organization. Also explain Walter Model of Dividend Policy. (16)
- IX. Trace out the history of Venture Capital Finance in India. Discuss future prospects of Venture Financing. (16)
- X. Write note on:-
- Motives for holding Cash
 - EOQ
 - Factoring
 - Concept of Operating Cycle
- (4x4)

x-x-x

7,60,000	22,20,000	22,20,000	22,20,000	22,20,000
14,40,000	19,20,000	19,20,000	19,20,000	19,20,000
12,00,000	3,00,000	3,00,000	3,00,000	3,00,000
9,00,000	8,00,000	8,00,000	8,00,000	8,00,000
	6,00,000	6,00,000	6,00,000	6,00,000