

Duration: 3hrs

[Max Marks:80]

- N.B. : (1) Question No 1 is Compulsory.
(2) Attempt any three questions out of the remaining five.
(3) All questions carry equal marks.
(4) Assume suitable data, if required and state it clearly.

- 1 Attempt any FOUR [20]**
- a** Differentiate Equity Shares and Preference Shares
 - b** What do you mean by annuity and discuss about its types.
 - c** Explain various decisions in corporate finance
 - d** Define profitability index and explain.
 - e** Describe the relation between Capital Structure and Corporate Value.
- 2 a Explain various Financial Instruments in detail [10]**
- b Define risk and return. Explain Measurement of Historical Returns and Expected Returns of a Single Security and a Two-security Portfolio [10]**
- 3 a Discuss limitation of Ratio analysis [10]**
- b Explain Financial Statements—Balance Sheet, Profit and Loss Account, and Cash Flow Statement [10]**
- 4 a What are the objectives of financial management in an organization [10]**
- b Describe Modigliani Miller approach of dividend policy [10]**
- 5 a List the factors affecting working capital and explain in brief [10]**
- b Explain the net income approach of capital structure [10]**
- 6 a What are financial institutions? Explain various types in detail [10]**
- b Explain Gordon's approach of dividend policy [10]**
