25CSP105/22CSP105N

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

MCom (CS) DEGREE EXAMINATION MAY 2026
(First Semester)

Branch – **CORPORATE SECRETARYSHIP**

STRATEGIC AND FINANCIAL MANAGEMENT

Time: Three Hours | Maximum: 75 Marks

SECTION-A (10 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** marks (10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	Which of the following is not a component of business environment? a) Political factors b) Technological factors c) Psychological factors d) Economic factors	K1	CO1
	2	Porter's Five Force Model does not include_________ a) Threat of substitutes b) Bargaining power of suppliers c) Market segmentation d) Rivalry among competitors	K2	CO1
2	3	Which strategy focuses on product diversification and market expansion? a) BCG Growth Matrix b) Ansoff Matrix c) GE Model d) SWOT Analysis	K1	CO2
	4	Which of the following is a generic strategy proposed by Michael Porter? a) Cost leadership b) Market penetration c) Horizontal integration d) Product diversification	K2	CO2
3	5	Financial management is primarily concerned with________ a) Production planning b) Investment, financing, and dividend decisions c) Marketing strategies d) Logistics planning	K1	CO3
	6	The trade-off between risk and return is considered in which decision? a) Dividend decision b) Investment decision c) Financing decision d) All of the above	K2	CO3
4	7	Which capital structure theory assumes no taxes and perfect capital market? a) Net income approach b) Modigliani and Miller approach c) Traditional approach d) Net operating income approach	K1	CO4
	8	WACC stands for______________ a) Weighted Average Contribution Cost b) Weighted Average Capital Cost c) Weighted Average Cost of Capital d) Weighted Asset Cost of Capital	K2	CO4
5	9	Which of the following is not a technique of capital budgeting? a) Payback period b) Internal Rate of Return c) Break-even analysis d) Net Present Value	K1	CO5
	10	Dividend policy determines_______________ a) Cost of debt b) Retained earnings vs. distributed profit c) Operating leverage d) Cash flow forecasting	K2	CO5

Cont…

SECTION - B (35 Marks)

Answer **ALL** questions
ALL questions carry **EQUAL** Marks (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Explain the characteristics and components of business environment.	K2	CO1
		(OR)		
	11.b.	Discuss Porter's Five Forces Model of competitive environment.		
2	12.a.	Write a note on SWOT and TOWS analysis in strategic planning.	K3	CO2
		(OR)		
	12.b.	Explain Boston Consulting Group (BCG) Growth-Share Matrix with example.		
3	13.a.	Explain the scope and objectives of financial management.	K3	CO3
		(OR)		
	13.b.	Discuss the role and functions of a financial manager.		
4	14.a.	Describe the Net Income and Net Operating Income approaches to capital structure.	K4	CO4
		(OR)		
	14.b.	Calculate the Weighted Average Cost of Capital (WACC) given the following: Equity = ₹5,00,000, Cost of Equity = 12% Debt = ₹3,00,000, Cost of Debt = 10% (after tax) Preference = ₹2,00,000, Cost of Preference = 9%		
5	15.a.	Explain the importance and process of capital budgeting decisions.	K3	CO5
		(OR)		
	15.b.	Discuss the determinants of dividend policy with examples.		

SECTION -C (30 Marks)

Answer **ANY THREE** questions
ALL questions carry **EQUAL** Marks (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Evaluate the framework of strategic management and strategic decision-making models.	K4	CO1
2	17	Analyze the strategic alternatives proposed by Michael Porter and Glueck & Jauch.	K4	CO2
3	18	Critically examine the investment, financing, and dividend decisions in financial management.	K5	CO3
4	19	"Capital structure decisions are crucial in maximizing firm value." – Justify with reference to capital structure theories.	K5	CO4
5	20	Compare and contrast different capital budgeting techniques (NPV, IRR, PI, Payback). Which one do you recommend? Why?	K5	CO5

Z-Z-Z END