

8. a) Explain the concepts of privatization.  
(Or)  
b) Describe the Concepts of Liberalization.
9. a) Trace out the Functions of RBI and its role in Business Facilitation.  
(Or)  
b) State the role of NABARD in agriculture Development.
10. a) Illustrate the facets of the business.  
(Or)  
b) Describe any 5 stock Market Terminology.

**SECTION -C (30 Marks)**

Answer ALL questions

ALL questions carry EQUAL Marks

(5 x 6 = 30)

11. a) Distinguish between Business and Profession.  
(Or)  
b) Bring out the features of partnership.
12. a) Point out the purpose of Environment Analysis.  
(Or)  
b) Distinguish between proprietary and corporate form of Business Organization.
13. a) List out the Government policies and intended impact.  
(Or)  
b) Explain the concepts of Liberalization.
14. a) Explain about any two Development banks.  
(Or)  
b) How IRDAI facilitates Business Organization?
15. a) Elucidate any five Marketing Terminology.  
(Or)  
b) Describe any five Finance Terminology

Z-Z-Z END

PSG COLLEGE OF ARTS & SCIENCE  
(AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2022  
(Third Semester)

Branch – COMMERCE (PROFESSIONAL ACCOUNTING)

FINANCIAL MANAGEMENT

Time: Three Hours

Maximum: 50 Marks

**SECTION-A (5 Marks)**

Answer ALL questions

ALL questions carry EQUAL marks

(5 x 1 = 5)

- 1 What is the primary goal of financial management.
  - (i) To minimize the risk
  - (ii) To maximize the owner's wealth
  - (iii) To maximize the return
  - (iv) To raise profit
- 2 What does financial leverage measure?
  - (i) No Change with EBIT and EPS
  - (ii) The sensibility of EBIT with % change with respect to output.
  - (iii) The sensibility of EPS with % Change in the EBIT level
  - (iv) % variation in the level of production.
- 3 The Capital Budget is associated with
  - (i) Long term and short term assets
  - (ii) Fixed assets
  - (iii) Long term assets
  - (iv) Short term assets
- 4 A short term lease which is often cancellable is known as
  - (i) Financial lease
  - (ii) Net lease
  - (iii) Leverage lease
  - (iv) Operating lease
- 5 Dividends are paid out of
  - (i) Profit After Tax
  - (ii) Accumulated Profits
  - (iii) Gross Profit
  - (iv) General Reserve

**SECTION - B (15 Marks)**

Answer ALL Questions

ALL Questions Carry EQUAL Marks

(5 x 3 = 15)

- 6 (a). What are the objectives of Financial Management  
(OR)  
(b). Explain Profitability Ratio.
- 7 (a). What is the significance of Cost of Capital?  
(OR)  
(b). Ascertain Financial Leverage from the information given below:  
Net worth Rs. 20,00,000  
Debt/Equity Ratio ; 3:1  
Interest Rate – 10%  
Operating Profit Rs.18,00,000.

Cont...