

GOVERNMENT DEGREE COLLEGE MUMMIDIVARAM



(Affiliated to Adikavi Nannaya University)
Mummidiyaram, Dr. B. R. Ambedkar
Konaseema District- 533216



DEPARTMENT OF COMMERCE

MODEL QUESTION PAPER

B.Com Computer Application's:: IV Semester (2025-26 AY)

Paper : **FINANCIAL MANAGEMENT**

Time : 3 Hours

Maximum Marks: 75

SECTION – A

Answer any 5 Questions, Each question carries 4 Marks

(5 × 5 = 25 Marks)

1. Define financial management.
2. What is profit maximization?
3. What is wealth maximization?
4. Define capital structure.
5. What is cost of capital?
6. Define capital budgeting.
7. What is working capital?
8. List the components of working capital.

SECTION – B

Answer all the questions. Each question carries 10 Marks (5 × 10 = 50 Marks)

6. (a) Explain the scope and importance of financial management.
OR
(b) Discuss financial planning and its influencing factors.
7. (a) Explain the concept of capital structure and its determinants.
OR
(b) Analyze EBIT, EBT, and EPS with suitable examples.
8. (a) Explain the types and importance of cost of capital.
OR
(b) Discuss Weighted Average Cost of Capital (WACC).
9. (a) Explain the capital budgeting process.
OR
(b) Describe project appraisal techniques.
10. (a) Explain the determinants of working capital.
OR
(b) Discuss liquidity vs. profitability.

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DEPARTMENT OF COMMERCE

MODEL QUESTION PAPER-- IV Semester (2025-26 AY)

Paper: Financial Management

Time: 3 Hours

Maximum Marks: 70

SECTION – A

Answer any 5 Questions, Each question carries 4 Marks

(5 × 4 = 20 Marks)

1. Explain the goals of financial management.
2. What is financial forecasting?
3. Define optimum capital structure.
4. What is EBIT?
5. What is EPS?
6. Define leverage.
7. What is capital rationing?
8. Define liquidity.

SECTION – B

Answer All the questions. Each question carries 10 Marks

(5 × 10 = 50 Marks)

6. (a) Compare profit maximization and wealth maximization.
OR
(b) Explain factors affecting financial planning.
7. (a) Explain optimum capital structure in detail.
OR
(b) Discuss the relationship between EBIT, EBT, and EPS.
8. (a) Explain the measurement of cost of capital.
OR
(b) Discuss operating and financial leverage.
9. (a) Explain capital rationing and project selection.
OR
(b) Evaluate different capital budgeting techniques.
10. (a) Explain the need and importance of working capital.
OR
(b) Discuss computation of working capital.

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Sub. Financial Management Importance Questions

Unit I: Nature of Financial Management

1. Explain the **scope and importance of financial management**.
2. Compare **profit maximization and wealth maximization**.
3. Discuss **financial planning and forecasting**.
4. Explain the **factors affecting financial planning**.

Unit II: Capital Structure

1. Explain the concept of **capital structure**.
2. Discuss the **factors influencing capital structure**.
3. Explain **optimum capital structure**.
4. Analyze **EBIT, EBT, and EPS**.

Unit III: Cost of Capital

1. Explain the **concept and importance of cost of capital**.
2. Describe the **measurement of cost of capital**.
3. Explain **Weighted Average Cost of Capital (WACC)**.
4. Discuss **operating and financial leverage**.

Unit IV: Capital Budgeting

1. Explain the **capital budgeting process**.
2. Describe **project appraisal techniques (NPV, IRR, Payback)**.
3. Explain **capital rationing**.
4. Discuss **selection of projects under capital rationing**.

Unit V: Working Capital Management

1. Explain the **concept and importance of working capital**.
2. Discuss the **determinants of working capital**.
3. Explain the **components of working capital**.
4. Describe the **computation of working capital**.

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DEPARTMENT OF COMMERCE



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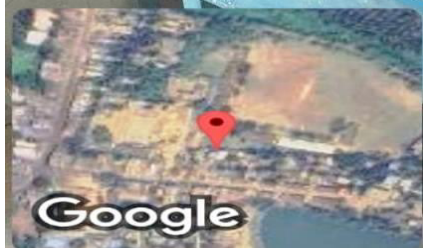
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DEPARTMENT OF COMMERCE



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