

SEAT No. _____

No. of Printed Pages: 1

[22]

SARDAR PATEL UNIVERSITY

B.COM. (II SEM) EXAMINATION

Thursday, 3rd August 2023
2-00 P.M. TO 5-00 P.M.



BUSINESS MANAGEMENT-III (FM-I): UB02DCOM81

Total Marks: 70

Q-1 Discuss the Profit maximization objectives of Financial Management. 18

OR

Q-1 Describe the scope of Financial Management. 18

Q-2 Explain the Short Term Sources of finance. 17

OR

Q-2 Explain the Long Term Sources of finance. 17

Q-3 Discuss the Money Market Instruments. 18

OR

Q-3 Discuss functions of capital market. 18

Q-4 Define Capital Budgeting and state its importance. 17

OR

Q-4 Evaluate the project under Net Present Value @ 10% & Profitability Index. 17

| Particulars | (Rs.) |
|----------------|----------|
| Initial Outlay | 1,00,000 |
| EBDT | |
| Year 1 | 25,000 |
| Year 2 | 25,000 |
| Year 3 | 20,000 |
| Year 4 | 20,000 |
| Year 5 | 25,000 |

The present value of Re. 1 at 10% discount rate is as under:

| Year | 1 | 2 | 3 | 4 | 5 |
|-----------|------|------|------|------|------|
| PVIF @ 10 | .909 | .826 | .751 | .683 | .621 |

The required rate of return is 10%. Tax rate is 50%. Depreciation is charged on straight line method.