

SECTION-B

2. What is financial management all about? How financial decision making involves risk return trade off? How is the goal of wealth maximization a better operative criterion than profit maximization?
3. What are the various facets of working capital management? How the working capital requirements are determined?
4. What is capital budgeting and what are its important steps? Compare and contrast NPV vs. IRR as method of appraising capital investments? Which method is better and why?
5. What do you understand by cost of capital? How the cost of various sources of finance is calculated?
6. Critically explain the MM approach to capital structure. Explain with suitable examples the arbitrage process of MM approach on capital structure.
7. What are the various factors to be kept in mind while framing dividend policy?