SET-1

INDIRA UNIVERSITY, PUNE

SCHOOL OF COMMERCE AND ECONOMICS- MCOM

Backlog Examination (2025 Pattern) April/ May – 2026 - Semester – I

Subject Name: Financial Management **Max. Marks: 50**
Subject Code: 25MOC106T **Time: 2:30 Hrs.**

Instructions

- All questions are compulsory

CO #	Cognitive Ability	Course Outcome
CO1	**Remember**	Recall and describe the fundamental concepts, objectives and scope of financial management and the key functions involved in financial decision - making
CO2	**Understand**	Explain the structure interpretation and significance of financial data and statements for effective managerial decision making
CO3	**Apply**	Apply appropriate financial tools and analytical techniques to evaluate organizational performance and support business decisions
CO4	**Analyse**	Analyse various financial decisions – including investments, financing and working capital management to determine their impact on organizational efficiency and value creation.
CO5	**Evaluate**	Evaluate alternative financial strategies and policies by assessing risk, cost and returns to support effective resource allocation.
CO6	**Create**	Formulate and design comprehensive financial plans and policies that ensure long term suitability and profitability of an organization

Q1.	**Fill in the blanks. (Attempt any 5 out of 7)** **(5 Marks)** 1. **The ____________ is not the function of Reserve Bank of India.** (Bankers to other Banks, Banker to Government, Sanctioning loan to farmer) 2. **Accounting period concept assumes ____________________ .** (Business may discontinue, Business is going concern, Business may liquidate) 3. **________________is not the element of Account Receivable Management.** (Credit standards, Cash Discounts, Capital Investment)	CO1

4. ___________________ **decisions are concerned with investment of funds in fixed and current assets.**
   (Revenue expenditure, Capital expenditure, Consumption expenditure)
5. **The difference between all current Assets and all current liabilities is termed as____.**
   a)Gross Working Capital b) Net Working Capital
   c) Gross Permanent Capital d) Net Permanent Capital
6. **Rate of return is consists of ____________________.**
   (capital gain yield + interest yield, return yield + stable yield, return yield + instable yield)
7. **Capital Budgeting is related to ________________**
   (short term assets, long term assets, current assets)

Q2. **Write Short notes. (Attempt any 3 out of 5)** **(15 Marks)** CO 2 and 3

1. New Trends in Financial Management
2. Capital Budgeting
3. Factoring and Lease Financing
4. Income Statement
5. SEBI

Q3 Define Financial Statements. Explain the elements of Financial Statements. **(10 Marks)** CO5 and 6

OR

Prepare a comparative statement from the following balance sheets of IRCTC for the year ended March, 2022 and March, 2023.

Balance Sheets of IRCTC (₹ in crores)

Liabilities	Mar-22	Mar-23	Assets	Mar-22	Mar-23
Equity Share Capital	160	160	Land & Building	229	276
Reserves	1,710	2,318	Plant & Machinery	102	110
Borrowings (Long Term)	105	84	Equipment	15	16
Trade Payables	691	852	Computers	102	110
Other Liabilities	1,218	1,674	Furniture & Fittings	17	17
			Vehicles	113	119
			Intangible Assets	42	42
			Gross Block	**621**	**689**
			Less: Depreciation	285	338
			Net Block	**336**	**351**
			CWIP	26	34
			Inventories	8	10

				Trade Receivables	572	1,143
				Cash Equivalents	1,732	1,934
				Other Assets	1,210	1,616
	Total Liabilities	**3,884**	**5,088**	**Total Assets**	**3,884**	**5,088**

Q4	Explain in detail the nature, objectives, and techniques of Capital Budgeting. **(10 Marks)** **OR** Aarti Enterprises has two investment project alternatives before them. Estimated Cash flow after tax from both the projects is as follows. You are requested to suggest a better investment opportunity based on Pay Back Period Method.	CO5 and 6

CFAT	Project A		Project B	
Particulars	Period	Amount	Period	Amount
Initial investment	0	12,00,000	0	10,00,000
Cash inflows	1	6,00,000	1	3,00,000
Cash inflows	2	5,00,000	2	4,00,000
Cash inflows	3	4,00,000	3	12,00,000
Cash inflows	4	3,00,000	4	4,00,000
Cash inflows	5	2,00,000	5	5,00,000
Cash inflows	6	1,00,000	6	2,00,000

Q5	Discover the role of the Reserve Bank of India as the regulator of the Indian Financial System. **(10 Marks)**	CO4