

NGM COLLEGE (AUTONOMOUS) POLLACHI

END-OF-SEMESTER EXAMINATIONS: MAY-2023

B.Com-Banking & Insurance

MAXIMUM MARKS: 70

VI SEMESTER

TIME: 3 HOURS

PART III

FINANCIAL AND INVESTMENT MANAGEMENT

SECTION – A

(10 X1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS

MULTIPLE CHOICE QUESTIONS

(K1)

1. The primary goal of the financial management is to _____
 - a) to maximize the return
 - b) to minimize the risk
 - c) to maximize the wealth of owners
 - d) to maximize profit
2. Capital budgeting decisions are of _____
 - a) long term nature
 - b) short term nature
 - c) both (a) and (b)
 - d) none of the above
3. The term capital structure refers to the relationship between _____
 - a) debentures, preference shares and equity shares
 - b) current assets and current liabilities
 - c) sum of all non-current assets
 - d) sum of all outsider's liabilities
4. Risk in any investment involves _____
 - a) loss of principal amount
 - b) higher returns at low risk
 - c) regulations and guidelines
 - d) all of the above
5. Which of the following relates to industry analysis?
 - a) infrastructure facilities
 - b) Interest rate
 - c) competitive forces
 - d) Market share

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES

(K2)

6. Who is called as a financial manager?
7. Explain equity capital.
8. Define Net Income Theory.
9. Explain is gambling.
10. Explain about company analysis?

SECTION – B (5 X 4 = 20 MARKS)**ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS. (K3)**

11. a) Describe the functions of financial management.
(OR)
b) List the functions of financial manager.
12. a) Discover the techniques of capital budgeting.
(OR)
b) Describe the cost of retained earnings.
13. a) Examine the importance of capital structure.
(OR)
b) Assess the Walter's Model .
14. a) List the importance of investments.
(OR)
b) Find the features of investment programme.
15. a) Examine the industry analysis.
(OR)
b) Describe the Dow Theory.

SECTION – C**(4 X 10 = 40 MARKS)****ANSWER ANY FOUR OUT OF SIX QUESTIONS.****(16TH QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS FROM Q.NO: 17 TO 21)****(K4) OR (K5)**

16. Analyze the factors favourable for investment.
17. Outline the duties and responsibilities of controller and treasurers in India.
18. Classify the cost of capital.
19. Discuss the capital structure theories.
20. Compare the investment with gambling.
21. Illustrate Technical Analysis with example.