

2012

(Nov.-Dec.)

COMMERCE

Paper : 201

(Financial Management)

Full Marks – 80

Time – Three hours

The figures in the margin indicate full marks for the questions.

1. (a) Give the meaning and definition of Financial Management. Explain, in brief, the functions of Financial Management. 6+10=16

Or

- (b) Discuss the traditional concept of finance as well as the modern concept of finance. In what respects, the modern concept of finance differs from the traditional concept?

10+6=16

2. (a) State how the analysis of financial statements is useful for financial planning. Give a few examples in support of your answer.

10+6=16

Or

(b) Write explanatory notes on : $8+8=16$

(i) Ratio analysis, and

(ii) Dupont System of Financial Analysis.

3. (a) Explain the advantages and disadvantages of equity shares as a source of long-term finance of companies. $8+8=16$

Or

(b) Make a comparison between Debentures and Term Loans as sources of long-term finance of companies. 16

4. (a) Discuss, in brief, the features of Bank Credit. Narrate the advantages of Bank Credit as a source of short-term finance. $6+10=16$

Or

(b) Describe the advantages of secured borrowing and unsecured borrowing as sources of short-term finance. $8+8=16$

5. (a) Critically analyse the recent trends in global derivatives markets. 16

Or

(b) Explain the structure of derivatives market in India. 16