SREENIVASA INSTITUTE OF TECHNOLOGY AND MANAGEMENT STUDIES
(AUTONOMOUS)

QUESTION BANK

Year / Semester: I MBA II Semester **Regulation: R22**

Subject and Code: FINANCIAL MANAGEMENT & 22MBA121

SYLLABUS

I MBA – Semester - II

Course Code		L	T	P	C
22MBA121	FINANCIAL MANAGEMENT	3	1	0	4

Course Educational Objectives (CEO):

CEO1: To provide basic knowledge on importance and applications of financial management in business, the role and functions of chief financial officer.
CEO2: To give an elaborate view about EBIT-EPS Analysis, Leverage Analysis and cost of capital - its calculation and how it is useful in decision making.
CEO3: To provide knowledge about various capital budgeting techniques.
CEO4: To make comprehend of dividend decisions and dividend theories (Walter's model, Gordon's model and M-M's Approach).
CEO5: To elucidate working capital management.

UNIT - I	The Finance Functions	**Lecture Hrs: 8**

Nature and Scope of Finance - Goals of Finance Function - Profit Maximization Vs Wealth Maximization - Risk-Return Trade off.

UNIT - II	The Capital Structure Decision and Cost of Capital	**Lecture Hrs: 12**

Capital structure decision: Meaning- Factors influencing capital structure - Capital Structure Decision in Practice: EBIT-EPS Analysis – Leverage Analysis.

Cost of Capital: Concept, Components, Determinants and Measurement of Cost of Capital -Cost of Equity, Preference Shares, Retained Earnings and Debt - Weighted Average Cost of Capital (WACC).

UNIT - III	The Investment Decision	**Lecture Hrs:12**

Investment Decision Process - Evaluation Techniques: Traditional and Discounted Cash Flow Methods: Pay-back Period (PBP), Discounted Payback Period, Average Rate of Return (ARR), Net Present Value (NPV), Profitability Index (PI) and Internal Rate of Return (IRR) Methods.

UNIT - IV	The Dividend Decision	**Lecture Hrs:12**

Meaning and determinants of dividend decision - Forms of Dividend – Theories of dividend policy: Walter's model, Gordon's model and M-M's Approach.

UNIT - V	Working Capital Management	**Lecture Hrs:12**

Concept, Components and Determinants of Working Capital - Operating Cycle Approach - Estimation of Working Capital. Management of Cash: Introduction, Basic Strategies for Cash Management - Cash Budget.

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Course Outcomes:		
On successful completion of the course the student will be able to,		POs related to COs
CO1	Understand **the importance, role and functions of financial management.**	**PO1,PO8**
CO2	Understand **the importance of cost of capital in decision making and its calculation.**	**PO1, PO2, PO8**
CO3	Evaluate **investment decisions using capital budgeting techniques.**	**PO1, PO2, PO8**
CO4	Demonstrate **the knowledge on factors influencing capital structure and dividend decisions and Theories of dividend policy.**	**PO1, PO2,PO8**
CO5	Understand **the importance of working capital and management.**	**PO1, PO2, PO8**

Text Books:

1. Financial Management, I.M. Pandey, Vikas Publishers, 2015.
2. Financial Management, P.V.Kulakarni and B.G.Satya Prasad, Himalaya Publishing House Pvt. Ltd. India, 2011.

Reference Books:

1. Financial Management, Tulsian P. C. & Tulsian Bharat, S Chand and Company Limited, New Delhi, 2016.
2. Financial Management-Management and Polic R.M.Srivastava, Himalaya Publishing House Pvt. Ltd., India, 2010.
3. Financial Management-Text and Problems, MY Khan and PK Jain, Tata McGraw-Hill, New Delhi, 2007.
4. Fundamentals of Financial Management, Chandra Bose D, PHI, 2006.
5. Corporate Finance: Theory and Practice, 2/e, Vishwanath.S.R., Sage Publications, 2007.
6. Case Studies in Finance, 5/e, Bruner.R.F. Tata McGraw Hill, New Delhi, 2007.
7. Financial Management, Prasanna Chandra, Tata McGraw Hill, New Delhi, 2009.

Online Learning Resources:

https://nptel.ac.in/courses/110107144
https://onlinecourses.nptel.ac.in/noc20_mg31/preview

Max Marks: 10

Prepared by Dr.K.Sudarsan

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S. No.	CO	Questions	BT
Unit I: The Finance Functions			
1	**1**	Explain the **nature and scope of Finance** and discuss how the finance function supports overall business operations in modern organizations.	**L1**
2	**1**	Evaluate the role of financial management in achieving organizational stability and growth. How does it influence strategic decision-making?	**L5**
3	**1**	Critically evaluate whether short-term financial goals conflict with long-term financial goals. Support your answer with examples.	**L5**
4	**1**	Differentiate between Profit Maximization and Wealth Maximization objectives. Analyze the limitations of profit maximization in modern corporate finance.	**L4**
5	**1**	Develop a decision-making framework for a company choosing between profit maximization and wealth maximization as its primary financial objective. Justify your model.	**L6**
6	**1**	"Profit maximization is a traditional concept, whereas wealth maximization is a superior objective." Evaluate this statement with logical arguments and examples.	**L5**
7	**1**	Differentiate between Profit Maximization and Wealth Maximization objectives. Analyze the limitations of profit maximization in modern corporate finance.	**L4**
8	**1**	Explain the concept of Risk–Return Trade-off. Using a suitable example, analyze how a finance manager makes investment decisions under varying levels of risk.	**L4**
9	**1**	Evaluate the importance of the Risk–Return Trade-off in capital budgeting and portfolio decisions. How does it affect shareholder wealth?	**L5**
10	**1**	Design a hypothetical investment portfolio for a moderate-risk investor and justify your choices based on the Risk–Return Trade-off principle.	**L6**

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S. No.	CO	Questions	BT
Unit II: The Capital Structure Decision and Cost of Capital The Capital Structure Decision and Cost of Capital			
1	**2**	Explain the **meaning of capital structure** and discuss the major factors influencing capital structure decisions in a firm.	**L1**
2	**2**	Analyze the internal and external factors that influence capital structure decisions. How do business risk and financial risk affect the choice between debt and equity?	**L4**
3	**2**	A company is considering two financing plans: Plan A – 100% Equity Plan B – 50% Equity and 50% Debt (10% interest). EBIT is expected to be ₹10,00,000. Tax Rate – 50% Apply **EBIT–EPS analysis** to determine which plan is more beneficial to equity shareholders. Interpret the results.	**L3**
4	**2**	Discuss the concept of **Leverage**. Analyze the impact of operating leverage, financial leverage, and combined leverage on a firm's earnings.	**L4**
5	**2**	Suppose, ABC Ltd. which is expecting the EBIT of Rs.1,50,000 per annum on an investment Rs.5,00,000, is considering the finalization of the capital structure or the financial plan. The company has access to raise funds of varying amounts by issuing equity share capital, 12% preference share and 10% debenture or any combination thereof. Suppose, it analyzes the following four options to raise the required funds of Rs.5,00,000. 1. By issuing equity share capital at par. 2. 50% funds by equity share capital and 50% funds by preference shares. 3. 5% funds by equity share capital, 25% by preference shares and 25% by issue of 10% debentures. 4. 2 5% funds by equity share capital, 25% as preference share and 50% by the issue of 10% debentures. Assuming that ABC Ltd. belongs to 50% tax bracket. Evaluate the EPS under the above four options and suggest which option is the best.	**L5**
6	**2**	The following details are provided by JP Limited: Units Sold: 10,000	**L1**

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		Selling Price per unit: ₹50 Variable Cost per unit: ₹30 Fixed Operating Cost: ₹1,00,000 Interest Expense: ₹20,000 You are required to calculate the operating, financial and combined leverages of the company.	
7	**2**	Explain the **concept and components of Cost of Capital**. Why is cost of capital considered the minimum required rate of return?	**L4**
8	**2**	Discuss the determinants of cost of capital and analyze how market conditions influence the cost of various sources of finance.	**L3**
9	**2**	A company has the following capital structure: • Equity Share Capital: ₹5,00,000 (Cost of Equity = 14%) • Preference Share Capital: ₹2,00,000 (Cost = 10%) • Debt: ₹3,00,000 (Cost = 8%) Calculate the **Weighted Average Cost of Capital (WACC)** and interpret the result.	**L4**
10	**2**	Explain and analyze the methods of measuring the cost of equity, cost of preference shares, cost of retained earnings, and cost of debt.	**L5**
11	**2**	The following details are provided by GPS Limited: Equity Share capital ` 65,00,000 12% Preference Share Capital ` 12,00,000 15% Redeemable Debentures ` 20,00,000 10% Convertible Debentures ` 8,00,000 The cost of equity capital for the company is 16.30% and Income Tax Rate for the company is 30%. You are required to calculate the Weighted Average Cost of Capital (WACC) of the company.	**L4**

S. No.	**CO**	**Questions**	**BT**
Unit III : The Investment Decision			
1	**3**	Explain the **Investment Decision Process** in financial management. Describe its key stages and significance in long-term financial planning.	**L2**

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<table>
<tr><td>2</td><td>3</td><td>Explain the Pay-back Period and Average Rate of Return (ARR) methods to evaluate the projects.</td><td>L4</td></tr>
<tr><td>3</td><td>3</td><td>Discuss the advantages and limitations of the Pay-back Period and Average Rate of Return (ARR) methods. Why are they considered traditional techniques?</td><td>L4</td></tr>
<tr><td>4</td><td>3</td><td>Discuss the advantages and limitations of the Net Present Value (NPV), Profitability Index (PI) and Internal Rate of Return (IRR) Methods. Why are they considered modern techniques?</td><td>L3</td></tr>
<tr><td>5</td><td>3</td><td>The following are the details relating to Project X and Project Y.

<table>
<tr><th>Particulars</th><th>Project – X (Rs.)</th><th>Project – Y (Rs.)</th></tr>
<tr><td>Project Cost</td><td>2,00,000</td><td>3,00,000</td></tr>
<tr><td>Life time (Years)</td><td>5</td><td>6</td></tr>
<tr><td>Estimated Cash Inflows:</td><td></td><td></td></tr>
<tr><td>Year - 1</td><td>30,000</td><td>60,000</td></tr>
<tr><td>Year – 2</td><td>40,000</td><td>70,000</td></tr>
<tr><td>Year – 3</td><td>55,000</td><td>90,000</td></tr>
<tr><td>Year – 4</td><td>70,000</td><td>1,20,000</td></tr>
<tr><td>Year - 5</td><td>40,000</td><td>1,00,000</td></tr>
<tr><td>Year - 6</td><td>--</td><td>80,000</td></tr>
</table>

Which project do you recommend based on pay-back period method?</td><td>L5</td></tr>
<tr><td>6</td><td>3</td><td>The following are the details relating to Project A and Project B.

<table>
<tr><td>Particulars</td><td>Project - A</td><td>Project - B</td></tr>
<tr><td>Project Cost</td><td>180000</td><td>260000</td></tr>
<tr><td>Life time (Years)</td><td>6</td><td>6</td></tr>
<tr><td>Estimated Cash Inflows:</td><td></td><td></td></tr>
<tr><td>Year - 1</td><td>35000</td><td>55000</td></tr>
<tr><td>Year – 2</td><td>50000</td><td>75000</td></tr>
<tr><td>Year – 3</td><td>65000</td><td>95000</td></tr>
<tr><td>Year – 4</td><td>50000</td><td>110000</td></tr>
<tr><td>Year - 5</td><td>45000</td><td>85000</td></tr>
<tr><td>Year - 6</td><td>40000</td><td>70000</td></tr>
</table>

Which project do you recommend based and ARR method?</td><td>L4</td></tr>
<tr><td>7</td><td>3</td><td>The following details are available in respect of the cash flows of Project s A & B.
<table>
<tr><th>Year</th><th>Project – A Cash Inflows (Rs.)</th><th>Project – B Cash Inflows (Rs.)</th></tr>
<tr><td>0</td><td>(4,00,000)</td><td>(5,00,000)</td></tr>
</table></td><td>L3</td></tr>
</table>

		1 | 2,00,000 | 1,00,000 2 | 1,75,000 | 2,00,000 3 | 25,000 | 3,00,000 4 | 2,00,000 | 4,00,000 5 | 1,50,000 | 2,00,000 Compute PBP and ARR. Suggest which project is best.	
8	**3**	A project cost Rs.25,000 and expected to generate cash inflows as: **Year** | **Cash inflows (Rs.)** 1 | 10,000 2 | 8,000 3 | 9,000 4 | 6,000 5 | 7,000 **The cost of capital is 12%. The present value factors are:** **Year** | **PV Factor at 12%** 1 | 0.893 2 | 0.797 3 | 0.712 4 | 0.636 5 | 0.567 Compute NPV of the Project.	**L5**
9	**3**	A company is looking to invest on a project. There are two projects available. The details are given below: **Year** | **Project – X Cash Flows (Rs.)** | **Project – X Cash Flows (Rs.)** 0 | (2,00,000) | (2,00,000) 1 | 40,000 | 85,000 2 | 60,000 | 75,000 3 | 65,000 | 65,000 4 | 75,000 | 60,000 5 | 85,000 | 40,000 The cost of capital is 10%. Suggest which project is best by applying NPV method.	**L5**
10	**3**	A company is looking to select a project for taking investment decision. The life time of the both projects is 5 years. There are two projects available. The details are given below: **Year** | **Project – X Cash Flows (Rs.)** | **Project – X Cash Flows (Rs.)** 0 | (1,50,000) | (2,50,000) 1 | 40,000 | 85,000	**L3**

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<table>
<tr><td></td><td></td><td>
<table>
<tr><td>2</td><td>65,000</td><td>75,000</td></tr>
<tr><td>3</td><td>95,000</td><td>65,000</td></tr>
<tr><td>4</td><td>55,000</td><td>60,000</td></tr>
<tr><td>5</td><td>35,000</td><td>40,000</td></tr>
<tr><td>Scrap</td><td>10,000</td><td>15,000</td></tr>
</table>
The cost of capital is 8%.
Suggest which project is best under NPV method.
</td><td></td></tr>
<tr><td>11</td><td>3</td><td>Z company is going to take investment decision. There are two projects available. The life time of the projects is 4 years and 5 years respectively. The details are given below:
<table>
<tr><th>Year</th><th>Project – X
Cash Flows (Rs.)</th><th>Project – X
Cash Flows (Rs.)</th></tr>
<tr><td>0</td><td>(1,40,000)</td><td>(2,10,000)</td></tr>
<tr><td>1</td><td>45,000</td><td>75,000</td></tr>
<tr><td>2</td><td>55,000</td><td>66,000</td></tr>
<tr><td>3</td><td>85,000</td><td>70,000</td></tr>
<tr><td>4</td><td>90,000</td><td>60,000</td></tr>
<tr><td>5</td><td>80,000</td><td>55,000</td></tr>
<tr><td>Scrap</td><td>13,000</td><td>16,000</td></tr>
</table>
The cost of capital is 10%.
Determine Profitability Index for the above projects and suggest which project is more profitable.</td><td>L5</td></tr>
<tr><td>12</td><td></td><td>ABC company is looking to select a project for taking investment decision. The life time of the both projects is 5 years. There are two projects available. The details are given below:
<table>
<tr><th>Year</th><th>Project – X
Cash Flows (Rs.)</th><th>Project – X
Cash Flows (Rs.)</th></tr>
<tr><td>0</td><td>(1,70,000)</td><td>(2,40,000)</td></tr>
<tr><td>1</td><td>45,000</td><td>95,000</td></tr>
<tr><td>2</td><td>55,000</td><td>85,000</td></tr>
<tr><td>3</td><td>85,000</td><td>65,000</td></tr>
<tr><td>4</td><td>65,000</td><td>50,000</td></tr>
<tr><td>5</td><td>45,000</td><td>45,000</td></tr>
<tr><td>Scrap</td><td>15,000</td><td>20,000</td></tr>
</table>
The cost of capital is 10%.
Determine IRR for the above projects and suggest which project is more profitable.</td><td>L5</td></tr>
</table>

S. No.	CO	Questions	BT
Unit IV: The Dividend Decision			

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1	**4**	Explain the **meaning of dividend decision** and discuss its importance in financial management.	**L1**
2	**4**	Analyze the major determinants influencing dividend decisions in a company. How do profitability, liquidity, legal constraints, and growth opportunities affect dividend policy?	**L4**
3	**4**	Explain the different forms of dividends such as cash dividend, stock dividend, bonus shares, and property dividend. Illustrate with suitable examples.	**L3**
4	**4**	Explain **Walter's Model** of dividend policy. Analyze its assumptions and implications for dividend decisions.	**L4**
5	**4**	A company has an Earnings per Share (EPS) of ₹10, cost of equity (Ke) of 12%, and return on investment (r) of 15%. Using **Walter's Model**, calculate the value of the share if the payout ratio is 40%. Interpret the result.	**L3**
6	**4**	Compare Walter's Model and Gordon's Model. Evaluate their relevance in modern corporate finance.	**L5**
7	**4**	Explain the **Modigliani and Miller (M-M) Approach** to dividend policy. Analyze the assumptions underlying the dividend irrelevance theory.	**L3**
8	**4**	The following information is available in respect of a firm: Capitalization Rate (K_e) = 10% Earnings Per Share (EPS) = Rs. 10/- Assumed rate of returns are : (i) 15%, (ii) 10%, (iii) 8% Show the effect of dividend policy on the market price of shares, using Walter's Model. Assume Dividend Pay-out (DP) Ratio (a) 0%; (b) 25%; (c) 50%; (d) 75% and (e) 100%. Also state the optimum DP Ratio.	**L5**
9	**4**	The following information is available in respect of a firm: Capitalization Rate (K_e) = 10% Earnings Per Share (EPS) = Rs. 10/- Assumed rate of returns are : (i) 15%, (ii) 10%, (iii) 8% Show the effect of dividend policy on the market price of shares, using Walter's Model. Assume Dividend Pay-out (DP) Ratio (a) 0%; (b) 25%; (c) 50%; (d) 75% and (e) 100%. Also state the optimum DP Ratio.	**L5**

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10	**4**	Star Ltd. is having its shares quoted in major stock exchanges. Its share current market price after dividend distributed at the rate of 20% per annum having a paid-up shares capital of Rs.10 Lakhs of Rs.10 each. Annual growth rate in dividend expected is 2%. The expected rate of return on its equity capital is 15%. Calculate the value of Star Ltd.'s share based on Gordons' model.	**L5**
11	**4**	Tech Engineering Ltd. belongs to a risk class for which the capitalization rate is 10 per cent. It currently has outstanding 10,000 shares selling at Rs.100 each. The firm is contemplating the declaration of a dividend of Rs. 5 per share at the end of the current financial year. It expects to have a net income of Rs.1,00,000 and has a proposal for making new investments of Rs.2,00,000. Show how under M-M Hypothesis, the payment of dividend does not affect the value of the firm.	**L5**

S.No.	**CO**	**Questions**	**BT**
Unit V: Working Capital Management			
1	**5**	Explain the **concept of Working Capital**. Discuss its components and importance in financial management.	**L1**
2	**5**	Analyze the determinants of working capital requirements in a manufacturing firm. How do nature of business, operating cycle, credit policy, and seasonal factors influence working capital?	**L4**
3	**5**	Explain the **Operating Cycle Approach** to working capital. Illustrate the stages involved in the operating cycle of a manufacturing company.	**L4**
4	**5**	The following data is available for a firm: 1. Raw Material Storage Period: 30 days 2. Work-in-Progress Period: 15 days 3. Finished Goods Storage Period: 20 days 4. Debtors Collection Period: 25 days 5. Creditors Payment Period: 20 days Calculate the **Operating Cycle Period** and comment on its significance.	**L3**

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<table>
<tr><td>5</td><td>5</td><td>Explain the concept of Cash Management. Discuss its objectives and importance in maintaining liquidity.</td><td>L3</td></tr>
<tr><td>6</td><td>5</td><td>Following is the information of Ashok Industries Ltd. Latur for the year 31st Mar. 2017. You are required to calculate the working capital requirements from the following information:

Particulars Rs.

Raw materials 160
Direct labour 60
Overheads 120

Total cost 340
Profit 60

Selling price 400
----
1. Raw materials are held in stock on an average for 1 month period.
2. Materials are in process on an average for ½ month period.
3. Finished goods are in stock on an average for 1 month period.
4. Credit allowed by suppliers is 1 month period and credit allowed to debtors is 2 month period.
5. Time lag in payment of wages is 1½ weeks.
6. Time lag in payment of overhead expenses is 1 month.
7. 1/4th of the sales are made on cash basis.
8. Cash in hand and at the bank is anticipated to be Rs. 50,000; and anticipated level of production Cash in hand and at the bank is anticipated to be Rs. 50,000; and
9. Anticipated level of production amounts to 1,04,000 units for a year of 52 weeks.
You may assume that production is carried on evenly throughout the year and a time period of four weeks is equivalent to a month.</td><td>L5</td></tr>
<tr><td>7</td><td>5</td><td>From the information below, prepare a cash budget for a company for April, May, and June 2024 in a columnar form.

<table>
<tr><th>Month</th><th>Sales</th><th>Purchases</th><th>Wages</th><th>Exp.</th></tr>
<tr><td>Jan. (actual)</td><td>80,000</td><td>45,000</td><td>20,000</td><td>5,000</td></tr>
<tr><td>Feb. (actual)</td><td>80,000</td><td>40,000</td><td>18,000</td><td>6,000</td></tr>
</table></td><td>L3</td></tr>
</table>

		Mar. (actual)	75,000	42,000	22,000	6,000
		Apr. Budget	90,000	50,000	24,000	6,000
		May Budget	85,000	45,000	20,000	6,000
		Jun. Budget	80,000	35,000	18,000	5,000

You are further informed that:

10% of purchases and 20% of sales are for cash.

The average collection period of the company is half a month and credit purchases are paid off regularly after one month.

Wages are paid half monthly and the rent of $500, excluded in expense, is paid monthly.

Cash and bank balance on April 1 was $15,000, and the company aims to keep it below this figure at the end of every month. The excess cash is placed in fixed deposits.

8	**5**	Prepare an estimate of net working capital requirement for the WCM Ltd. adding 10% for contingencies from the information given below : Estimated cost per unit of production 170 includes raw materials 80, direct labour 30 and overheads (exclusive of depreciation) 60. Selling price is 200 per unit. Level of activity per annum 1,04,000 units. Raw material in stock : average 4 weeks; work-in-progress (assume 50% completion stage): average 2 weeks; finished goods in stock : average 4 weeks; credit allowed by suppliers : average 4 weeks; credit allowed to debtors: average 8 weeks; lag in payment of wages : average 1.5 weeks, and cash at bank is expected to be 25,000. You may assume that production is carried on evenly throughout the year (52 weeks) and wages and overheads accrue similarly. All sales are on credit basis only. You may state your assumptions, if any.	**L6**
9	**5**	Hari Ltd. plans to sell 30,000 units next year. The expected cost of goods sold is as follows : (Rs. Per Unit) Raw material 100 Manufacturing expenses 30 Selling, administration and financial expenses 20 Selling price 200 The duration at various stages of the operating cycle is expected to be as	**L5**

		follows : Raw material stage - 2 months Work-in-progress stage - 1 month Finished stage - 1/2 month Debtors stage - 1 month Assuming the monthly sales level of 2,500 units, estimate the gross working capital requirement if the desired cash balance is 5% of the gross working capital requirement, and work-in-progress is 25% complete with respect to manufacturing expenses.	
10	5	ABC Ltd. wishes to prepare a **Cash Budget** for the months of January, February, and March 2026. The following information is available: **1. Sales (₹)** **Month Sales (₹)** November 2,00,000 December 2,40,000 January 3,00,000 February 3,60,000 March 4,00,000 • 20% of sales are cash sales. • 80% of sales are credit sales. • Credit sales are collected as follows: ○ 50% in the month following the sale ○ 30% in the second month following ○ 20% in the third month following **2. Purchases (₹)** Purchases are 60% of the next month's sales. Suppliers allow one month credit. **3. Expenses** • Wages: ₹40,000 per month (paid in the same month) • Administrative Expenses: ₹30,000 per month (paid with one month lag) • Selling Expenses: ₹20,000 per month (paid in the same month) **4. Additional Information** • A machine costing ₹1,00,000 will be purchased in February (payment in February). • Income tax of ₹50,000 will be paid in March. • Opening Cash Balance on 1st January 2026 is ₹75,000. • Minimum cash balance to be maintained is ₹50,000. Prepare a **Cash Budget** for the months of January, February, and March 2026 and determine the closing cash balance for each month.	**L6**

SREENIVASA INSTITUTE OF TECHNOLOGY AND MANAGEMENT STUDIES (AUTONOMOUS)

QUESTION BANK

Year / Semester: I MBA II Semester **Regulation: R22**

Subject and Code: FINANCIAL MANAGEMENT & 22MBA121

Note: L1-Remembering, L2-Understanding, L3-Applying, L4-Analyzing, L5-Evaluating, and L6-Creating

References

1. Financial Management, I.M. Pandey, Vikas Publishers, 2015.
2. Financial Management, P.V.Kulakarni and B.G.Satya Prasad, Himalaya Publishing House Pvt. Ltd. India, 2011.
3. Financial Management, Tulsian P. C. & Tulsian Bharat, S Chand and Company Limited, New Delhi, 2016.
4. Financial Management-Management and Polic R.M.Srivastava, Himalaya Publishing House Pvt. Ltd., India, 2010.
5. Financial Management-Text and Problems, MY Khan and PK Jain, Tata McGraw-Hill, New Delhi, 2007.
6. Fundamentals of Financial Management, Chandra Bose D, PHI, 2006.
7. Corporate Finance: Theory and Practice, 2/e, Vishwanath.S.R., Sage Publications, 2007.
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9. Financial Management, Prasanna Chandra, Tata McGraw Hill, New Delhi, 2009

The Six Levels of Bloom's Taxonomy:

1. **Remembering:** Retrieving, recognizing, and recalling relevant knowledge from long-term memory (e.g., list, define, name, locate).
2. **Understanding:** Constructing meaning, explaining ideas, or concepts (e.g., summarize, interpret, classify, compare).
3. **Applying:** Using information in new situations or implementing procedures to solve problems (e.g., solve, use, demonstrate, implement).
4. **Analyzing:** Breaking material into constituent parts, determining how the parts relate to one another and to an overall structure (e.g., contrast, categorize, distinguish, diagram).
5. **Evaluating:** Making judgments based on criteria and standards through checking and critiquing (e.g., judge, critique, justify, defend, argue).
6. **Creating:** Putting elements together to form a coherent or functional whole; reorganizing elements into a new pattern or structure (e.g., design, construct, develop, formulate).

Instruction to Faculty Members:

Prepared by Dr.K.Sudarsan

SREENIVASA INSTITUTE OF TECHNOLOGY AND MANAGEMENT STUDIES
(AUTONOMOUS)

QUESTION BANK

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- **Strictly follow the prescribed question paper template without deviation.**
- **Text book reference to quoted end of the fifth unit**
- **Set a** minimum of ten (10) **and a** maximum of fifteen (15) **subjective questions per unit. Each question shall carry** ten (10) marks**.**
- **Questions may include sub-questions as per the prescribed pattern: B.Tech: 10M** or **5M + 5M** or **6M + 4M**
- **For** M.Tech**, questions shall be set as per the following pattern only: 12M** or **6M + 6M**