

Goa Vidyaprasarak Mandal's
GOPAL GOVIND POY RAITURCAR COLLEGE OF COMMERCE AND
ECONOMICS, PONDA-GOA
B.COM. CBCS (SEMESTER-IV) EXAMINATION, JUNE 2022
FINANCIAL MANAGEMENT

Duration: 2 Hours

Marks :80

Instructions:

- i. All Questions are compulsory, however internal choice is available.
- ii. Figures to the right indicate marks.

Q1. Answer ANY FOUR of the following: (4 X 4=16)

- a. Explain any four objectives of Financial Management.
- b. Explain any four forms of Financial Capital.
- c. State and explain the functions of Financial Management.
- d. Briefly explain the types of Working Capital.
- e. Describe any four factors determining Working Capital requirement.
- f. Write a short note on the importance of Working Capital.

Q2. Answer ANY FOUR of the following: (4 X 4=16)

- a. Briefly explain any four factors determining cash needs.
- b. Describe any four objectives of Cash Management.
- c. Explain the techniques for speedy cash collection.
- d. Write a note on the types of Inventory.
- e. Explain the motives of holding Inventory .
- f. State and explain any four benefits of holding Inventory.

Q3. a. Explain the role and responsibilities of a Financial Manager. (12)

OR

Q3 b. Explain International Financial Management and discuss its importance. (12)

Q4.a. What is Working Capital? Explain the various sources of Working Capital. (12)

OR

Q4.b(i) The following is the Profit and Loss A/c and Balance sheet data of Asian Paints Limited. (06)

(Amount in ₹ .Cr.)

Profit and Loss Account data		Balance Sheet data	Beginning (April 2020)	End (March 2021)
Sales	18,280	Inventory	2,827	3,124
Cost of Goods sold	14,792	Accounts Receivables	1,109	1,809
		Accounts payable	1,760	2,814

You are required to calculate the Operating Cycle and Cash Cycle.

(ii) Prepare an estimate of working capital requirement from the following information of Kamat Trading concern (06)

Projected annual sales 50,000 units

Selling price ₹.10 per unit

Percentage of net profit on sales 20%

Average credit period allowed to customers is 8 weeks

Average credit period allowed by suppliers is 4 weeks

Average stock holding in terms of sales 12 weeks

Allow 10% for contingencies.

Q5.a. Carlton & Co. is a manufacturer of garments. The sales of the company (12)

vary seasonally. The management of the company wishes to prepare a cash budget for the period April to June. The financial manager has requested you to prepare a cash budget for the company for the period 1st April 2021 to 30th June 2021. Following information of the company is provided.

Month	Sales (₹.)	Purchases (₹.)	Wages (₹.)
February	3,80,000	2,69,600	44,000
March	4,04,000	3,08,000	48,000
April	2,36,000	3,06,000	42,000
May	3,68,000	5,12,000	40,000
June	2,72,000	5,56,000	50,000
July	3,06,000	5,18,000	48,000

