1 Answer in brief: (any five)  
   (1) What are right shares?  
   (2) What are the major types of financial management decision that business firms make?  
   (3) Define “Financial Management.”  
   (4) Explain the term capitalization.  
   (5) Define operating leverage.  
   (6) What is indenture?  

2 (a) Explain in detail traditional approach of financial management with its features.  
    (b) What is under capitalization? Discuss the causes of under capitalization.  

OR  

2 (a) A firm’s sales, variable cost and fixed cost amounts to Rs. 75,00,000; Rs. 42,00,000 and Rs. 6,00,000 respectively. It has borrowed Rs. 45,00,000 at 9% interest rate and its equity capital is Rs. 55,00,000. Calculate DOL, DFL and DCL.  
    (b) What are financial intermediaries? Explain the structure of financial intermediaries in India.
3 Explain in detail features of equity shares. Discuss its merits and demerits from the point of view of company and investors.

OR

3 (a) Write a detailed note on term loans.
(b) Explain the meaning of venture capital. Discuss advantages and disadvantages of venture capital.

4 Write short notes on : (any two)
(1) Difference between leasing and hire purchase.
(2) Global Depository Receipt
(3) Profit Maximization as a goal of financial management
(4) Finance functions.