RAN-2008000205060011

T. Y. B. Com. (Honors) (Sem.-V) Examination March - 2026

Financial Management - I

Time: 2 Hours] **[Total Marks: 50**

સૂચના : / Instructions

(1) ઉપરોક્ત દર્શાવેલ વિગતો ઉત્તરવહી પર અવશ્ય લખવી.
Fill up strictly the above details on your answer book

Seat No.:

Student's Signature

Q.1 **Answer in short:** **10**

1. Meaning of tax shield?
2. Cost of Retained earnings.
3. Explain Accounting Rate of Return method.
4. Define and mention goals of financial management.
5. How is cost of debt calculated?

Q.2 a What is cost of capital? Discuss the significance of determining cost of capital. Also mention various sources of cost of capital. **07**

Q.2 b. Explain combine leverage in detail. **07**

Q.3 a. Explain in detail traditional and modern approaches of Financial Management and also explain in detail profit maximisation, wealth maximisation and other maximisation objectives. **07**

Q.3 b. Write in detail factors affecting cost of capital. **07**

Q.4 **Write short notes: (any three)** **12**

1. Activity leverage
2. Payback period as investment evaluation criteria.
3. Weighted average cost of capital
4. Cost of debentures