

**Dr. Babasaheb Ambedkar Open University**  
**Term End Examination June – 2017**

Course	: DFM	Date	: 24-Jun-17
Subject Code	: DFM-01	Time	: 3:00 TO 6:00
Subject Name	: Basic Understanding of Fincial Management	Duration	: 03 Hours
		Max. Marks	: 70

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1. What is meant by Financial Management? Explain various objectives of financial management in detail with their criticism, if any. (14)

**OR**

Answer the following:

1. Distinguish between Accounting and Financial Management
  2. Explain briefly various functions performed by finance manager in modern time.
2. Discuss various ways available for financing working capital requirements of a company from a bank. (14)

**OR**

Write short notes on following:

1. Bridge Loan
  2. Factoring
3. What is meant by preference shares? Which are the types of preference shares? Explain. (14)

**OR**

Answer the following:

1. Explain issue of shares at a premium and issue of shares for other than cash consideration.
  2. Explain retained earnings as a source of long term finance.
4. Explain various regulatory requirements related with the business (14)

**OR**

Explain debentures as a source of long term finance with its merits and demerits.

5. Write short notes on: (Any Two) (14)
1. Various indirect taxes
  2. Leasing
  3. Stock Options
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