

TILAK MAHARASHTRA VIDYAPEETH, PUNE
MASTER OF BUSINESS ADMINISTRATION (M.B.A.)
EXAMINATION: DECEMBER - 2025
SEMESTER - III

Sub.: Advance Financial Management (MFM304,MBA24-FM303)

Date : 26/12/2025

Total Marks : 60

Time: 2.00pm to 4.30pm

- Instructions:** 1) All questions are compulsory.
 2) Figures to the right indicate full marks.

- Q. 1. Write Short notes on (Any Three) (15)**
1. Explain the statement: Dividend is an appropriation of profits.
 2. Discuss the obligations involved in case of Debt Financing.
 3. Explain the concept of Wealth Maximization.
 4. Discuss the meaning of Resource Constraints.
- Q. 2. Answer in detail (Any One) (10)**
1. Explain the calculation of Return on Preference Shares.
 2. Mention some of the Long-Term sources of Financing.
- Q. 3. Answer in detail (Any One) (10)**
1. Discuss the differences between Equity Shares and Preference Shares.
 2. Explain the 3 Approaches for finding the Cost of Equity.
- Q. 4. Answer in detail (Any One) (10)**
1. Elaborate the relevance of Finance Department in modern era company.
 2. Discuss the place of Finance Department in the organization structure of a company.
- Q. 5. L & T is in the expansion stage and the Board of Directors have diverse opinions on the various financing options which they have on table to choose from. One of the options available with them is the arrangement of taking a Term Loan Funding from a Financial Institution. You are required to find for them about the following financing option: (15)**
- 1) If L & T borrowed Rs. 7,50,00,000/- on 1.1.2021, at 12% interest, to be repaid equally along with interest in 5 installments at the end of each financial year, the first repayment to be started from 31.3.2022.
 - 2) Find the cash flow obligations of L & T till the loan is repaid.