

TILAK MAHARASHTRA VIDYAPEETH, PUNE
MASTER OF COMMERCE (M.COM)
EXAMINATION: MAY - 2026
FIRST SEMESTER
Sub: Financial Management (MCA24-106)

Date: 20/05/2026

Total marks: 30

Time: 10.00am to 11.30am

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

Q. 1 Answer the following questions. (Attempt any two) (16)

1. The following information is available of a firm during a period of 12 months.

Sales	12,00,000
Selling price per unit	Rs. 10
Variable Cost	Rs. 7
Total cost	Rs. 9

Credit period allowed to customer 1 month

Credit period is to be extended from 1 month to 2 month it will increase the sales by 25%

Return on investment 25%. Suggest Policy to credit.

2. Discuss Financial Planning and Strategic Planning.

3. ABC Co. wishes to arrange overdraft facility with banker. Prepare cash Budget from April to June from the following information.

Months	Sales	Purchase	Wages
Feb.	90000	62400	6000
Mar.	96000	72,000	7000
April	54,000	121500	5500
May	87000	123000	5000
June	63,000	134,000	7500

Additional information :

- 1) All sales are on credit 50% credit sales are realized in the month following the sales 50% in the second months.
- 2) Creditors are paid in the month following the month of purchase.
- 3) Opening cash Balance Rs. 12500.

Wages are paid in the same month.

4. Explain in detail the external factors affecting capital structure.

Q.2 Answer the following questions. (Attempt any two) (08)

1. Calculate Degree of operating leverage Financial leverage and combined leverage.

Output in units	30000
Fixed Cost	28000
Variable cost per unit	1.50

Interest on Borrowed Funds 16000

Selling price per unit 5.00

2. Explain short term bank finance.
3. State Factors determining cash needs.
4. Explain Capital in detail with proper example.

Q.3 Write short notes. (Attempt any two)

(06)

1. Diversification
 2. EBT
 3. Cash flow
 4. Net Investment
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