

Following Paper ID and Roll No. to be filled in your Answer Book.

**PAPER ID : 9115**

Roll  
No.

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**Int. LLB Examination 2016 - 2017**

**(Third Semester)**

**FINANCIAL MANAGEMENT AND PROJECT  
MANAGEMENT**

*Time : 3 Hours]*

*[Maximum Marks : 100*

**Note :-** Attempt all questions.

1. Attempt any four parts of the following :  $4 \times 5 = 20$ 
  - (a) GDR
  - (b) Working capital
  - (c) Mutual funds
  - (d) Financial leverage
  - (e) Capital structure
  - (f) Cost control
  
2. Attempt any two parts of the following :  $2 \times 10 = 20$ 
  - (a) Define technical analysis of the project. Explain the factors which have influence on the choice of location and site.

*[ P. T. O.*

- (b) Explain the role of inventory in operating cycle of businesses.
- (c) Explain the Capital Asset Pricing Model. Also draw its graph.

3. Attempt any two parts of the following :  $2 \times 10 = 20$

- (a) What are the finance functions or decisions performed by a finance manager? Describe each in detail.
- (b) Mr. Oberoi wanted to know the rate of return on equity from the following details :

If the Risk free rate is 3, the beta of the share is 0.5 and the risk or the market premium is 7. Help Mr. Oberoi in finding the rate of return using the formula :

$$\text{Return} = R_f + \beta [R_m - R_f]$$

- (c) Explain the weighted average cost of capital. Also explain its use and significance.

4. Attempt any two parts of the following :  $2 \times 10 = 20$

- (a) What is meant by social cost benefit analysis?
- (b) Explain the concept of time value of money.

- (c) What do you understand by risk? Explain the different types of risks also.

5. Attempt any two parts of the following :  $2 \times 10 = 20$

- (a) Explain what do you understand by ordinary shares, preference shares and debentures?
- (b) Explain the life cycle phases of project in detail.
- (c) Explain the degree of operating leverage and the degree of financial leverage.

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