

ANURAG Engineering College

(An Autonomous Institution)

II MBA II Semester Regular Examinations, June/July-2024

STRATEGIC FINANCIAL MANAGEMENT**(MASTER OF BUSINESS ADMINISTRATION)****Time: 3 Hours****Max. Marks: 60****Section – A (Short Answer type questions)****(10 Marks)****Answer All Questions**

	Course Outcome	B.T Level	Marks
1. List out the characteristics of Strategic financial Management.	CO1	L1	1M
2. What are the agency costs?	CO1	L1	1M
3. What is pure play technique?	CO2	L1	1M
4. Give a brief note on sensitivity analysis.	CO2	L2	1M
5. Define capital budgeting decision.	CO3	L1	1M
6. What is Bail out pay back.	CO3	L1	1M
7. Explain the tools available for developing an effective capital structure.	CO4	L2	1M
8. What is the concept of signalling theory.	CO4	L1	1M
9. Give a short note on BCG.	CO5	L1	1M
10. Define value-based management.	CO5	L1	1M

Section B (Essay Questions)**Answer all questions, each question carries equal marks.****(5 X 10M = 50M)**

11. A) Explain the decision-making process in strategic financial management.	CO1	L2	10M
OR			
B) Discuss the importance of strategic financial management in achieving organizational goals.	CO1	L3	10M
12. A) Describe the Monte Carlo approach to simulation and its relevance in investment analysis.	CO2	L2	10M
OR			
B) A company is deciding whether to invest in a new technology project. If the project succeeds, it will generate a profit of Rs. 200,000, but if it fails, it will result in a loss of Rs. 50,000. There's a 60% chance of success and a 40% chance of failure. Construct a decision tree to visualize the decision and determine the expected value of the project.	CO2	L3	10M
13. A) Interpret the terminal value and discuss its significance in investment analysis.	CO3	L2	10M
OR			
B) Identify the return on investment (ROI) calculated, and what insights does it provide for investment evaluation?	CO3	L3	10M
14. A) Explain the modes and methods of share buybacks.	CO4	L2	10M
OR			
B) Outline financial distress and outline its characteristics and causes.	CO4	L3	10M

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| 15. A) | Why do companies engage in mergers and acquisitions (M&A), and what strategic objectives do they seek to achieve? | CO5 | L2 | 10M |
| OR | | | | |
| B) | Discuss the elements that constitute value-based management and their roles in driving organizational performance. | CO5 | L3 | 10M |