

Name:

Enrolment No:



UNIVERSITY OF PETROLEUM & ENERGY STUDIES

End Semester Examination (Online) – July, 2020

Program: MBA Oil & GAS

Semester : II

Subject/Course: Petroleum Financial Management

Max. Marks: 100

Course Code: FINC 7013

Duration : 3 Hours

IMPORTANT INSTRUCTIONS

1. The student must write his/her name and enrolment no. in the space designated above.
2. The questions have to be answered in this MS Word document.
3. After attempting the questions in this document, the student has to upload this MS Word document on Blackboard.

	Attempt Any 5 Questions	Marks	COs
Q.1	Why there is Conflict in Profit versus Wealth Maximization Principle of the Firm. Critically examine the statement giving suitable example?	20	1,2,3
Q.2	What is the Relevance of Time Value of Money in financial decisions making. Explain what all-financial analysis in corporate firms & in personal life can be performed from TVM Concept?	20	1,2,3
Q.3	Critically Examine the Principles of “Trading on equity”? Which according to you are Indian firms applying this principle.	20	1,2,3
Q.4	Examine different tools for investment decision making in Corporate Finance. Which is the most appropriate & why?	20	1,2,3
Q.5	In time of COVID-19 which Factors to be taken into consideration while determining the requirement of working capital for Oil & Gas Industry & Automobile Sector?	20	1,2,3
Q.6.	Case Let: A Naive Investor wants to analyse the capital structure of a company: He has the following information about the X.Ltd company:		

years	2010	2015	2020
Long-term debt (11%)	12.27	9.46	11.19
Preferred stock (10%)	0.13	0.13	0.12
Common stock (Par ` 10)	0.01	0.14	12.6
Capital surplus	5.67	6.35	6.19
Retained earnings	33.93	60.31	125.2
Dividend paid	3.005	3.684	10.08

The present price of the share in BSE Is Rs. 450. There is a rumour in the market that the XLtd. May issue bonus shares shortly. The investor want to Answer for the following:

- a) Is there any ground for such rumour?
- b) Is the capital structure sound?
- c) Is it proper to purchase the shares?

Analyze the given data and advise him.

ANSWERS