I.M.C.A. SEM–II (2014 COURSE) CBCS : SUMMER - 2018
SUBJECT: FINANCIAL MANAGEMENT & ACCOUNTING

Day: **Friday** Time: **10.00 AM TO 01.00 PM**
Date: **04/05/2018** **S-2018-1755** Max. Marks: 100

N.B.:

1) Attempt any **FOUR** questions from Section –I and any **TWO** questions form Section –II.
2) Figures to the right indicate **FULL** marks.
3) Answers to both the sections should be written in **SEPARATE** answer book.
4) Use of non-programmable **CALCULATOR** is allowed.

SECTION-I

Q.1 Elaborate various Accounting Concepts. **(15)**

Q.2 Explain in detail concept and importance of Budgetary Control. **(15)**

Q.3 What do you mean by Working Capital? Discuss factors affecting Working Capital. **(15)**

Q.4 Explain the concept, nature and scope of Financial Management. **(15)**

Q.5 Explain the following: **(15)**
- i) Risk and Return
- ii) Margin of safety
- iii) Journal

Q.6 Elaborate the concept and significance of Ratio Analysis. **(15)**

Q.7 Write short note on any **THREE** of the following: **(15)**
- **a)** Venture Capital
- **b)** Inventory Management
- **c)** Cash Budget
- **d)** Standard Cost
- **e)** Ledger

P. T. O.

SECTION-II

Q.8 For the Production of 9,000 units the following are the Budgeted Expenses: **(20)**

Particulars	Cost per unit (Rs.)
Direct Materials	80
Direct Labour	60
Variable factory overhead	30
Fixed factory overhead (100% fixed)	10
Variable expenses (Direct)	13
Selling expenses (10% fixed)	12
Administration expenses (20% Variable)	15
Distribution Expenses (10% fixed)	5

On the basis of above information, prepare a Flexible Budget for the production of 7,000 units.

Q.9 The following information is available for Product A and B. **(20)**

Particulars	Product A (Rs.)	Product B (Rs.)
Sales	12,00,000	16,00,000
Marginal Cost	7,00,000	10,00,000
Fixed Cost	3,00,000	2,00,000

You are required to calculate, following for product A and Product B.

i) Profit   ii) P/V Ratio

iii) Break Even sales   iv) Margin of Safety

Q.10 A firm whose cost of capital is 10% is considering to mutually exclusive proposals X and Y the details of which are as follows: **(20)**

Year	Projected Cash Inflows	
	Proposal X (Rs.)	Proposal Y (Rs.)
1	1,00,000	2,00,000
2	2,50,000	3,00,000
3	3,00,000	3,50,000
4	4,50,000	4,50,000
5	6,00,000	5,00,000
Total:	**17,00,000**	**18,00,000**

Initial Investment for Project X is Rs.10, 00,000 and for Project Y is Rs.10, 00,000.

Calculate:

i) Simple Pay Back period

ii) Net Present Value at 10% rate of discount

iii) Profitability Index at 10 % rate of discount

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