

S.D.E.

M.B.A. (IT) SEM – IV (2010 COURSE) (3 YEAR COURSE) :

SUMMER - 2018

SUBJECT: FINANCIAL MANAGEMENT AND CONTROL

Day Tuesday
Date: 05/06/2018

S-2018-4550

Time: 02.00 P.M. TO 05.00 P.M.
Max. Marks: 70

N.B:

- 1) Answer **ANY FOUR** questions from Section-I and **ANY TWO** from Section-II.
- 2) Figures to the **RIGHT** indicate **FULL** marks.
- 3) Use of non programmable calculator is allowed.
- 4) Answers to both the sections should be written in the **SEPARATE** answer books.

SECTION-I

- Q.1** What is a Ratio? What are the limitations of Ratio analysis? (10)
- Q.2** Define Inventory control. What are the different methods of controlling inventory? (10)
- Q.3** Assess Equity shares and debentures as a source of long term finance. (10)
- Q.4** What are the components of working capital? (10)
- Q.5** Write short notes **ANY TWO** of the following: (10)
- a) Preference shares
 - b) Dividend decisions
 - c) Methods of capital Budgeting

SECTION-II

- Q.6** Your company wishes to buy a machine cost Rs 20, 00,000. Life is 10 years and scrap value would be Rs 50,000. (15)
- Rs.
- Average Annual Net profit before tax = 2,00,000
Tax Rate = 35%
Depreciation (already charged) = SLM
- Calculate: a) Pay- back period.
b) Pay- back profitability.
- Q.7** Following are the summarized Balance sheets of Ravi Ltd as on 31st Dec.2009 and 2010. (15)

Liabilities	2009	2010	Assets	2009	2010
Share capital	1,00,000	1,25,000	Land and Buliding	1,00,000	95,000
General Reserve	25,000	30,000	Plant	75,000	84,000
Profit and Loss A/C	15,250	15,300	Debtors	40,000	32,000
Bank overdraft	35,000	-	Stock	50,000	37,000
S. creditors	75,000	67,600	Cash	250	800
Provising for taxating	15,000	17,500	Bank	-	4100
			Goodwill	-	2,500
	2,65,250	2,55,400		2,65,250	2,55,400

Additional Information:

- a) Dividend of Rs 11,500 was paid.
- b) Depreciation written of plant Rs 7,000.
- c) Income Tax provision made during the year was Rs 16,500.

Prepare cash flow statement for the year ended 31st Dec 2010.

- Q.8** What do you understand by financial management? Explain its Aims and objectives. (15)

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