

**B.C.A. SEM-II (2014 COURSE) CBCS : WINTER - 2017**

**SUBJECT: FINANCIAL MANAGEMENT & ACCOUNTING**

Day: **Thursday**  
Date: **16/11/2017**

**W-2017-1609**

Time: **10.00 AM TO 01.00 PM**  
Max. Marks: 100

**N.B.:**

- 1) Attempt any **FOUR** questions from Section –I and any **TWO** questions from 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** Explain in detail nature and scope of Financial Management. **(15)**
- Q.2** What do you mean by Accounting? Discuss Various Accounting Conventions. **(15)**
- Q.3** Discuss various factors affecting Working Capital. **(15)**
- Q.4** Explain the following: **(15)**  
i) Time value of money  
ii) Venture Capital  
iii) Break Even Point
- Q.5** What do you mean by Ratio Analysis? Discuss the significance of Ratio Analysis. **(15)**
- Q.6** Write an exhaustive note on classification of 'Cost'. **(15)**
- Q.7** Write short notes on any **THREE** of the following: **(15)**  
a) Margin of safety  
b) Ledger  
c) Limitations of long term sources of Finance  
d) Budgetary control  
e) Inventory Management

**P. T. O.**

**SECTION-II**

**Q.8** For the Production of 10,000 units the following are the Budgeted Expenses: **(20)**

Particulars	Cost per unit (Rs.)
Direct Materials	80
Direct Labour	50
Variable factory overhead	25
Fixed factory overhead(100% fixed)	10
Variable expenses ( Direct)	12
Selling expenses ( 10% fixed)	10
Administration expenses ( 100% fixed)	15
Distribution Expenses ( 10% fixed)	5

Prepare a Flexible Budget for the Production of 12,000 units.

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

Particulars	Product A (Rs.)	Product B (Rs.)
Sales	15,00,000	18,00,000
Marginal Cost	9,00,000	13,00,000
Fixed Cost	2,00,000	2,50,000

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	2,80,000
3	3,00,000	3,20,000
4	4,00,000	4,00,000
5	5,50,000	6,00,000
<b>Total:</b>	<b>16,00,000</b>	<b>18,00,000</b>

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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