PART A

Q.1 Give the expansion of
   a. MSUV
   b. ROCE
   c. CHIPS
   d. ARR
   e. CARE
   f. WACC
   g. DCF
   h. CAPM

Q.2 State True or False
   a. Cloth is an indirect material for the Garment industry
   b. Coupon offer is an advertising expense
   c. Flexible budget is designed to change in accordance with level of activities
   d. Perpetual debt provides permanent fund
   e. Dealers act as agents for buying and selling securities
   f. UTI is not an investment company
   g. Treasury bill is a capital market instrument
   h. Sales budget is a functional budget
Q.3 Fill up the blanks

a. The relation between current asset and current liability is given by __________ ratio
b. Liquid assets is current assets less __________.

c. When EPS is same for different capital structure it is called __________ point

d. The value of debenture is determined by __________ technique

e. A graphical representation of marginal costing is called __________.

f. Rent of factory is __________ cost

g. A detailed plan of operation for some specific period is called __________.

h. The NOI approach is given by __________.

i. Cost which is ascertained only after the incurrence is called __________ cost

Q. 4 Match the following

<table>
<thead>
<tr>
<th>Column A</th>
<th>Column B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. EOQ</td>
<td>a. Activity Based</td>
</tr>
<tr>
<td>2. BEP</td>
<td>b. Time value</td>
</tr>
<tr>
<td>3. Gross Profit ratio</td>
<td>c. Marginal costing</td>
</tr>
<tr>
<td>4. Variance</td>
<td>d. Traditional method</td>
</tr>
<tr>
<td>5. Absorbtion cost</td>
<td>e. Standard costing</td>
</tr>
<tr>
<td>6. Decision making</td>
<td>f. Profitability ratio</td>
</tr>
<tr>
<td>7. Annuity</td>
<td>g. Zero profit</td>
</tr>
<tr>
<td>8. Cost Drive</td>
<td>h. Inventory</td>
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</tbody>
</table>

**PART B**

(Answer Any Three Questions each question carry 16 marks) 48 marks

Q 5.

Sales 12, 00,000
Variable cost 80%
Profit 90,000

a. Find P/V ratio, BEP sales and Margin of Safety

b. Find profit if sales is INR 20,00,000

c. Find sales required if profit is 10% of sales
Q2. Discuss in detail factors affecting working capital

Q3. Explain the different methods of analyzing financial statements

Q4. Explain the importance of financial management

Q5. Cash flow after tax for 4 years are as follows:
   Year 1 - 50,000
   Year 2 - 40,000
   Year 3 - 30,000
   Year 4 - 10,000
   Initial investment 1,00,000
   a. Find pay back period
   b. ARR
   c. Profitability index
   d. NPV at 10%

PART- C (Compulsory) 20 Marks

<table>
<thead>
<tr>
<th>Material</th>
<th>Standard</th>
<th>Actual</th>
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<tr>
<td></td>
<td>Quantity (Kg)</td>
<td>Price</td>
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<td>A</td>
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<td>B</td>
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<td>12</td>
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<tr>
<td>C</td>
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<td>TOTAL</td>
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<td>1000</td>
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<tr>
<td>Loss</td>
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<tr>
<td>Output</td>
<td>90</td>
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</tbody>
</table>

Calculate MPV, MUV, MCV, MMV and MSUV

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