

Q.1. A) Fill In the blanks with proper terms

(5 Marks)

1. _____ is required to prepare a project report
a. Land b. Machines c. Finance
2. _____ is no profit no loss point
a. Break-even point b. Margin of safety c. Equilibrium
3. Marginal costing is also called _____
a. Direct costing b. Operating costing c. Budgetary costing
4. Bonus issue increases the _____ of the company
a. Liability b. Creditworthiness c. Profits
5. _____ reviews the financial performance of the organization
a. MID b. RBI c. MICS

B) Write the full form of the following abbreviation

(5 Marks)

1. NPA 2. CRISIL 3. LOC 4. CPs 5. AIFI

C) Say whether the following are true or false

(5 Marks)

1. Profit is a condition of survival
2. Interest Rates are not decided by RBI
3. Over capitalization favorable for the growth of the company
4. A B/E is a negotiable Instrument
5. Lien means Right of retention

Q.2. A) Explain the features of corporate finance

(8 Marks)

B) What are the various scope of financial management? Explain

(7 Marks)

OR

C) Explain the relationship of finance function with other functional areas

(8 Marks)

D) Explain various types of risks

(7 Marks)

Q.3. A) Explain the basic principle of financial plan

(8 Marks)

B) Discuss the causes of over capitalization

(7 Marks)

OR

C) You are furnished with the following information of Excel Ltd

(15 Marks)

Fixed Cost for a period	Rs. 10,000
Variable Cost Per Unit	Rs. 20
Selling Price Per Unit	Rs. 30
Actual Units Sold	750 Units

Calculate:

1. P/V Ratio
2. Break-even point
3. Margin of safety sales in units and in rupees
4. New BEP if selling price increases by 20%
5. Profit if the sales are 1000 units at new selling price

Q.4. A) Tata Ltd has purchased machinery from Bata Ltd. on hire purchase basis. The details of purchase

Cash Price: 37,50,000. Down Payment of Rs.5,00,000 was made and balance in five installments of Rs.7,50,000 yearly. The vendor charges interest @ 10% per annum.

Prepare a table to show the analysis of payment and calculation of interest

(15 Marks)

OR

B) Penguin Ltd has the following data

(15 Marks)

Sales (10,000 Units)	Rs. 1,00,000
Variable Costs	Rs. 40,000
Fixed Costs	Rs. 50,000

- a. Find Out P/V Ratio
- b. BEP
- c. Margin of safety sales
- d. Evaluate the effect of the following
 - I. 20% increase in physical sales volume
 - II. 10% decrease in fixed costs

Q. 5. Write short notes (Any Three)

(15 Marks)

1. Capital Budgeting
2. Credit Rating
3. Bonus Shares
4. Right Issue
5. Debentures