

Roll No.

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Total No. of Pages : 02

Total No. of Questions : 18

MTTM (2018 Batch) (Sem.-2)
**INTRODUCTION TO BASIC ACCOUNTS AND
FINANCIAL MANAGEMENT**

Subject Code : MTTM-204-18

M.Code : 76032

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
2. SECTION-B contains FIVE questions carrying FIVE marks each and students have to attempt any FOUR questions.
3. SECTION-C contains THREE questions carrying TEN marks each and students have to attempt any TWO questions.

SECTION-A

Write briefly :

1. Define Trial Balance.
2. What is Financial Leverage?
3. What are accounts receivable?
4. What is Capital Structure?
5. What is dividend?
6. Differentiate between Profit & Loss account and Balance Sheet.
7. What is inventory management?
8. What is Capital Budgeting?
9. What are Public deposits?
10. What is meant by double entry system?

SECTION-B

11. Pen down the errors revealed by trial balance and errors not revealed by trial balance.
12. Explain the determinants of working capital.
13. A company is expecting an annual earnings before interest and tax (EBIT) of Rs. 5,00,000. The company in its capital structure has 12% Debentures of Rs. 15,00,000. The cost of equity or capitalization rate is 16%. You are required to calculate the value of the firm and overall cost of capital according to the Net income Approach.
14. Pen down the steps for the formulation of stable dividend policy.
15. What is dividend policy? Explain its determinants.

SECTION-C

16. What is Finance? Discuss the long term and short term finance with advantages and disadvantages of each.
17. Define financial management. Discuss the nature, role, scope and importance of financial management.
18. From the following balances extracted from the books of M/s Raj & Co., prepare Trading P&L a/c and Balance Sheet.

| Particulars | Amt | Particulars | Amt |
|------------------|-------|--------------------|------|
| Opening stock | 1250 | Plant | 6230 |
| Sales | 11800 | Return outward | 1380 |
| Depreciation | 667 | Cash in hand | 895 |
| Commission(Cr.) | 211 | salaries | 750 |
| Insurance | 380 | Debtors | 1905 |
| Carriage Inward | 300 | Discount(dr.) | 328 |
| Furniture | 670 | Bills receivable | 2730 |
| Printing Charges | 481 | Wages | 1589 |
| Carriage Outward | 200 | Return inward | 1659 |
| Capital | 9228 | Bank overdraft | 4000 |
| Creditors | 1780 | Purchases | 8679 |
| Bills Payable | 541 | Petty cash in hand | 47 |
| | | Bad debts | 180 |

Value of stock on 31 Dec, 2018 was Rs. 3700

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.