

12.a) What are the main objectives of preparing the Budgets and budgetary control (16)
Explains the classification of budgets

(or)

12.b) From the following particulars, Calculate B.E.P (16)

RS.

Sales 1,00,000

Variable cost 60,000

Fixed O/H 15,000 also calculate

(i). New B.E.P. If selling price is reduced by 10.%

(ii). New B.E.P If variable cost increases by 10%

(iii). New B.E.P if fixed O/H increases by 10%

13. Explain the merits and demerits of ARR, NPV, IRR method with example. (16)

14.a) Discuss the sources of long term finance of a company? (16)

(or)

14.b) What are the features of an optimal capital structure? (16)

15.a) Discuss the significance of working capital management in a business environment? (8)
What shall be the consequences if a firm has

(1) Shortage of working capital (4)

(2) Excess of working capital (4)

(or)

15.b.i) What is dividend and why dividend decisions important (8)

15.b.ii) How would you judge the efficiency of cash management of a company? (8)
