

**MAHARASHTRA ANIMAL AND FISHERY SCIENCES UNIVERSITY, NAGPUR**  
**SEMESTER END THEORY EXAMINATION, B.Tech. (DT)**

Semester	: VIII (V Dean)	Academic Year	: 2023-2024
Course No.	: DBM-810	Course Title	: <b>Financial Management and Cost Accounting</b>
Credits	: 2+1=3	Total Marks	: 50
Day & Date	: Friday; 19/07/2024	Time	: 02 hrs.

- Note :**
- 1) All questions from **Section 'A'** are compulsory.
  - 2) Solve **Any Three** questions from **Section 'B'**.
  - 3) Draw neat and well labeled diagram wherever necessary.

**SECTION –‘A’**

Q. 1 A) Define the following. (05)

- i) Profitability index
- ii) Internal rate of return
- iii) Accounting
- iv) Journal Folio
- v) Vouchers

B) Match the pairs. (05)

**Column 'A'**

- i) IRR
- ii) Overhead cost
- iii) Mercantile Basis of Accounting
- iv) Low margin of safety
- v) B-C ratio

**Column 'B'**

- a) High fixed cost
- b) Discounted measures
- c) Indirect cost
- d) NPW =0
- e) Accrual basis

Q. 2 A) State whether True or False. If false, rewrite the statement after making necessary corrections in underlined word(s). (05)

- i) A small angle of incidence indicates low rate of profit and suggests that variable costs form a major part of cost of production.
- ii) Balance sheet indicates the financial status of the business at a specific point of time.
- iii) In single entry accounting system, one account is debited and other is credited by the same account.
- iv) When the activity level expands, accruals decreases and when the activity level contracts, accruals increases.
- v) Project A have payback period of 5 years and Project B have 4 years, then project A is better than project B.

B) Choose the most appropriate answer from the options given below. (05)

- i) Earnings before interest and taxes (EBIT) is usually same thing as .....
  - a) Funds provided by operations
  - b) Earnings before tax
  - c) Net income
  - d) Operating profit
- ii) Future value interest factor takes .....
  - a) Compounding rate
  - b) Discounting rate
  - c) Inflation rate
  - d) Deflation rate
- iii) Working capital management is managing .....
  - a) Short term assets
  - b) Long term assets
  - c) Long term liabilities
  - d) Short term assets and liabilities

(P.T.O.)

- iv) Capital budgeting is related to .....
- a) Fixed assets
  - b) Short term assets
  - c) Long term assets
  - d) Short term and long term assets
- v) The primary goal of financial management is .....
- a) To maximize the returns
  - b) To minimize the risk
  - c) To maximize the wealth of owners
  - d) To maximize the profit

**SECTION –‘B’**

- Q. 3 A) Describe the functions of financial management with respect to various decisions taken by finance manager. (05)
- B) Write rules of debit and credit for personal account, nominal account and real account. (05)
- Q. 4 A) Describe double entry system of accounting. (05)
- B) Explain the techniques of inventory management. (05)
- Q. 5 A) Write short note on working capital management. (03)
- B) Differentiate between debt and equity. (03)
- C) Discuss various types of accounts along with example. (04)
- Q. 6 A) Define capital budgeting. Discuss the significance of capital budgeting. (03)
- B) Differentiate between financial accounting and cost accounting. (03)
- C) Write the causes of depreciation of assets. (04)
- Q. 7 Classify the cost on the basis of their utilities. (10)

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