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SNS College of Technology, Coimbatore-35.

(Autonomous)

Internal Assessment - III

Academic Year 2023-2024 (Odd)

First Semester

B

Department of Management Studies

23BAT605 – Financial Statement Analysis

Time: 1 ½ Hours

Maximum Marks: 50

Answer all the questions		CO	Bloom	Marks																															
1.	Recall the concept of CVP Analysis.	CO 4	U	2																															
2.	Spell out the formula of P/V Ratio.	CO 4	U	2																															
3.	Define Budget.	CO 5	R	2																															
4.	Outline the meaning of Zero Based Budgeting.	CO 5	U	2																															
5.	Write a note on Production Budget.	CO 5	U	2																															
PART B																																			
(2 * 13 Marks = 26 Marks & 1*14 Marks = 14 Marks)																																			
6.	a.	Explain the advantages and disadvantages of Marginal Costing with its assumptions.	CO 4	U	13																														
or																																			
6.	b.	Calculate Break-Even Point in terms of sales and units. Also calculate the number of units to be sold to earn a profit of Rs.3,00,000 Fixed Factory Overheads Rs.90,000 Fixed Administration and Selling Overheads Rs.1,10,000 Variable Manufacturing Cost Per Unit Rs.25 Variable Administration and Selling Cost Per Unit Rs.15 Selling Price Per Unit Rs.60.	CO 4	U	13																														
7.	a.	Prepare Cash Budget from the following data for 3 months ending 31st March 2023	CO 5	An	13																														
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		Additional Information: 1. Corporate Tax due on 31st March Rs.2,20,000																																	

		<ol style="list-style-type: none"> 2. Interest to be received for investment Rs.50,000 monthly 3. Cash in hand on 1st January 2017 Rs.1,70,000 4. Dividend of Rs.1,50,000 to be paid during March 5. 40% of sales amount received in the month of sales, discount allowed 5%. The balance amount is received equally in the following two months 6. Lag in payment of purchase 2 months 7. 30% of the wages remain arrears and will be paid in the following month. 8. Other expenses are paid in the following month. 																																																							
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	b.	Explain in detail the various functional budgets prepared by a business with an example.	CO 5	An	13																																																				
8	a.	Draw up a flexible budget for overhead expenses on the bases of the following data and determine the overhead rates at 70%, 80% and 90% Capacity.	CO 5	An	14																																																				
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	<p>b. Parker Limited manufactures two brands of pen Hero and Zero. The sales department of the company has three departments in different areas of the country.</p> <p>The sales budget for the year ending 31st December 2017 were: Hero – Department I 3,00,000; Department II 5,62,500; Department III 1,80,000 and Zero – Department I 4,00,000; Department II 6,00,000; Department III 20,000. Sales prices are Rs.3 and Rs.1.20 in all departments.</p> <p>It is estimated that by forced sales promotion the sale of ‘Zero’ in Department I will increase by 1,75,000. It is also expected that by increasing production and arranging extensive advertisement, Department III will be enabled to increase the sale of ‘Zero’ by 50,000.</p> <p>It is recognized that the estimated sales by Department II represent an unsatisfactory target. It is agreed to increase both estimates by 20%</p> <p>Prepare a Sales Budget for the year 2023</p>	CO 5	An	14
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*Abbreviations: CO: Course Outcome, R: Remember, U: Understand, APP: Apply, An: Analyze, E: Evaluate, C: Create

Course Faculty
S.Swarnam

Teaching Coordinator
S.Swarnam

HOD / MBA
Dr.P.Krishnaveni