

**B.Com. DEGREE EXAMINATION APRIL 2023**  
**BANKING, FINANCE AND ENTREPRENEURSHIP**  
**SECOND SEMESTER**

**COURSE : ALLIED – CORE**  
**PAPER : STRATEGIC FINANCIAL PLANNING**  
**TIME : 3 HOURS** **MAX. MARKS: 100**

**SECTION A**

**ANSWER ALL QUESTIONS** **(10 x 2 = 20)**

1. Define Strategic Planning.
2. What are rolling budgets?
3. Which is the best strategy in SWOT analysis?
4. What is 'Value'?
5. Who is the Father of business strategy?
6. State any two objectives of budgeting.
  
7. The production of cement by a firm in years 1 to 6 is given below:  

Year	1	2	3	4	5	6
Production (tons)	4	5	5	6	7	8

Calculate 3 yearly moving averages.
  
8. Given the following equation:  
 $Y=45+2.6x$  (Origin: 2015, x unit = 1 year, Y unit = Annual Production of Sugar)  
Shift the origin to 2020.
  
9. Ascertain the amount of profit or loss on sale of machinery  

Cost of machinery sold	Rs. 1,00,000
Accumulated depreciation on sold Machinery	Rs. 30,000
Sale value of Machinery	Rs. 85,000
  
10. From the following details compute the material consumption during November 2018:  

Estimated Sales	5,000 units
Expected closing stock	2,000 units
Opening Stock	1,000 units

Material requirement is 60 kgs for an output of 100 units of Finished product.

**SECTION B**

**ANSWER ANY FIVE QUESTIONS** **(5 x 8 = 40)**

11. Explain the relationship between Responsibility Accounting and Responsibility Budgeting.
12. Discuss the concept of Learning Curve.
13. Compare the Red ocean Strategy with the Blue ocean Strategy.

14. Describe the Value Chain Analysis.

15. Prepare a flexible budget for production at 80% and 100% activity on the basis of the following information:

Production at 50% capacity	-	5,000 units
Raw materials	-	Rs. 80 per unit
Direct labour	-	Rs. 50 per unit
Direct expenses	-	Rs. 15 per unit
Factory expenses	-	Rs. 50,000 (50% fixed)
Administration expenses	-	Rs. 60,000 (60% variable)

16. The number of units produced during 2007-14 are given below:

Year	2007	2008	2009	2010	2011	2012	2013	2014
Production	56	55	51	47	42	38	35	32

Fit a straight line trend and obtain the trend values.

17. Compute cash from operating activities from the following:

Profit for the year 2016 is a sum of Rs. 10,000 after providing depreciation of Rs. 2,000.

	2015	2016
	Rs.	Rs.
Sundry debtors	10,000	11,000
Provision for doubtful debts	1,000	1,200
Bills Receivable	4,000	3,000
Bills Payable	5,000	6,000
Sundry creditors	10,000	12,000
Inventories	5,000	8,000
Short-term investments	10,000	12,000

### SECTION C

ANSWER ANY TWO QUESTIONS

(2 x 20 = 40)

18. Explain the process of Strategic Planning.

19. The following table gives the aptitude test scores and productivity indices of 10 workers selected at random:

Aptitude Index	60	62	65	70	72	48	53	73	65	82
Productivity Index	68	60	62	80	85	40	52	62	60	81

Calculate the two regression equations and estimate the productivity index of a worker whose test score is 92.

20. Find seasonal variations by the ratio to trend method from the data given below:

Year	Quarters			
	I	II	III	IV
2010	60	80	72	68
2011	68	104	100	88
2012	80	116	108	96
2013	108	152	136	124
2014	160	184	172	164

21. The Comparative Balance Sheets of Mr. Wheldon for the two years were as follows:

<b>Liabilities</b>	<b>2008 Rs.</b>	<b>2009 Rs.</b>	<b>Assets</b>	<b>2008 Rs.</b>	<b>2009 Rs.</b>
Capital	1,50,000	1,75,000	Land & Buildings	1,10,000	1,50,000
Loan from Bank	1,60,000	1,00,000	Machinery	2,00,000	1,40,000
Creditors	90,000	1,00,000	Stock	50,000	45,000
Bills Payable	50,000	40,000	Debtors	70,000	80,000
Loan from IFC	-	25,000	Cash	20,000	25,000
	4,50,000	4,40,000		4,50,000	4,40,000

Additional Information:

Net profit for the year 2009 amounted to Rs. 60,000. During the year a machine costing Rs. 25,000 (accumulated depreciation Rs. 10,000) was sold for Rs. 13,000. The provision for depreciation against machinery as on 31-12-2008 was Rs. 50,000 and on 31-12-2009 Rs. 85,000. You are required to prepare a Cash Flow Statement.

\*\*\*\*\*