

**Govt. Shamsur Rahman College**

Goshairhat, Shariatpur.

Department of Accounting

MBA Preliminary to Master's

Pre Test examination- 2021

Subject: Business finance

Subject Code: 412505

Time: 4 Hours

Marks: 80

**Part-A**

Answer any ten questions

10×1=10

- 1.(ক) মূলধন বাজার কি
- (খ) সেতু অর্থায়ন কি
- (গ) কার্যকরী সুদের হার কি
- (ঘ) ব্যবসায় ঋণ কি
- (ঙ) বার্ষিক বৃদ্ধি কি
- (চ) বানিজ্যিক কাগজ কি
- (ছ) ক্ষতিপূরণ উদ্ভূত কি
- (জ) স্বতঃস্ফূর্ত অর্থায়ন কি?
- (ঝ) মূলধন বাজেটিং কি?
- (ঞ) অভ্যন্তরীণউপার্জনহারকি?
- (ট) মুনাফা অর্জন সূচককি?
- (ঠ)পরিচালন ইজারা কি?

**Part-B**

Answer any five questions

5×4=20

2. Mrkarim invest a single amount of tk 10000 for 5 years at 10%. At the end of 5 yearshe takes the proceeds and invest them for 12 years at 15%. How much will he have after 17 years.
3. Labu is considering buying a machine costing Tk 520000. The expected life of the machine is 5 years with a scarp value of tk 20000.It will also require Tk 50000 as working capital. The corporate tax is 40%. The expected CFBT for the next 5 years will be Tk 150000, 175000, 200000, 225000, 250000 respectively. Calculate net cash benefit.
4. Keya cosmetics Ltd.has a beta of 1.60. The risk free rate of return is 8% and risk premium is 6%. Determine the cost of common stock of Keya cosmetics Ltd. using CAPM.
5. There is a business man who buys goods amounting tk50000 on credit. the terms of credit are 3/10, n/30.

Required: (a) The cost of trade credit

(b) The amount payable the 10 th day

(c) The amount payable the 30 th day

6. মূলধনবাজেটিং ও মূলধন রেশনিংএরমধ্যে পার্থক্য কি?
7. ব্যবসায় অর্থায়নের নীতিমালা আলোচনা কর
৮. ব্যবসায়িক ঝুঁকি ও আর্থিক ঝুঁকির মধ্যে পার্থক্য আলোচনা কর
৯. ইজারা ও ক্রয়ের মধ্যে পার্থক্য আলোচনা কর।

Part- C

Answer any five questions

5×10=50

10. Mr. Jamil want to retire after 10 years, at which time he wants to have accumulated enough money to receive an annuity of Tk 10000 a year for 15 years of retirement. During the period before retirement he can earn 10% annually, while after retirement he can earn 5% on his money. What annual contribution to the retirement fund will allow him to receive the annuity of Tk 15000 per year.

11. Raka Co. Ltd. needs Tk 2000000 as working capital. Following three alternative modes of financing are available.

- (a) Forgo cash discount and pay on final due date (basis 2/10, net 30)
- (b) Borrow Tk 20 lakhs at 12% interest maintaining 14% compensating balance, interest payments are made in advance.
- (c) Issue Tk 2400000 of six month commercial paper to net Tk 2000000.

Further assuming that the firm would prefer the flexibility of bank financing provided the additional cost of this flexibility was no more than 3.5% per annum. Which alternative should the company select and why.

12. X Company is considering an investment proposal which requires an initial cash outlay of tk 500000. The project will have salvage value of tk 50000 at the end of its estimated life of 5 years. The Company uses straight line depreciation method. Tax rate is 40% and cost of capital is 10%. The estimated cash flows before tax for the 5 years are as follows:

120000, 140000, 160000, 180000, 200000

Required: (a) PBP

- (b) Surplus life
- (c) NPV
- (d) Profitability Index

13.

Year	Rate of return (Security A)	Rate of return (Security B)
2015	25%	30%
2016	22%	25%
2017	19%	20%

Required: (a) Calculate average return, Standard deviation, and coefficient of variation of two securities

(b) Which security is more risky?

14. The following information are available for the cost data of Acme Pharmaceutical Ltd. level of activity 104000 units of production per year.

Per unit cost:

Raw material Tk 80

Direct labour	Tk 30
Overhead	Tk 60
Total cost	Tk 170
Profit per unit	Tk 30
Selling price per unit	Tk 200

Additional information:

(i) Raw material stock on average	4 weeks
(i) WIP (50% completion stage)	2 weeks
(i) Finished goods in stock	4 weeks
(iv) Debtors are allowed	8 weeks
(v) Creditors are allowed	6 weeks
(vi) Lag in payment of wages	2 weeks
(vii) Lag in payment of overhead	2 weeks
(viii) Minimum cash balance requirement	Tk 440000

You are required to make an estimate of working capital requirement for next year showing investment in inventory and after current assets separately.

15. Puspo is thinking of acquiring a car. For that purpose she is to decide whether the car is to be purchased through 12% borrowing or to be acquired on lease rent basis.

The price of the car is Tk 600000. Its annual maintenance cost is Tk 25000 per year and expected life is 5 years. It is assumed that the straight line method of depreciation is allowable under income tax act and tax rate is 35%. The salvage value of the car is tk 100000. In case of leasing, the lease rent is Tk 200000 for 5 equal annual installment to be paid and maintenance cost to be borne by lessor.

Which alternative is to be selected by you for Puspo.

16. (ক) ঋন রেখা ও ঘূর্ণায়মান ঋনের মধ্যে পার্থক্য নির্ণয় কর।

(খ) ব্যবসায় ঋনের ব্যয় কে বহন করে?

17. (ক) অ্যানুইটির প্রকারভেদ আলোচনা কর।

(খ) স্বাধীন প্রকল্প ও পরস্পর বর্জনশীল প্রকল্প সম্পর্কে আলোচনা কর।