2025

M.Com. 3rd Semester Examination

PAPER : M250307 (MOOCS)

ENTREPRENEURIAL FINANCE AND ACCOUNTING TOOL BOX

Full Marks : 100 Time : Three Hours

The figures in the margin indicate full marks. Candidates are required to give their answers in their own words as far as practicable.

1. Answer any ***nine*** questions : 2×9=18

(a) Explain the term *Bootstrapping as a source of finance.*

(b) What is Earning Dashboard?

(c) What is Cash budget to an entrepreneur?

(d) What is ABC analysis in Inventory management?

(e) What is Economic Ordering Quantity in Inventory Management?

(f) Write the costs involved in debtors management.

(g) Write the name of different stages of financial life cycle in an entrepreneur.

P.T.O.

(h) Draw a format of Income Statement in an entrepreneur.

(i) Write any two differences between financial forecasting and budgeting.

(j) What is crowd funding?

(k) Can a startup borrow from a bank? Why?

(l) What do you mean by cold emailing?

(m) What is credit risk of an enterprise?

(n) What is risk matrix?

2. Answer any *five* questions : $4 \times 5 = 20$

(a) Why is Financial Literacy needed for Entrepreneurs?

(b) Mention the sources of finance at Seed stage and Expansion stage of an Entrepreneur.

(c) Briefly explain how Cash flow statement helps as an accounting toolbox to an entrepreneur.

(d) Write the relevance of ratio analysis to a new age entrepreneur.

(e) What are the advantages of venture capital?

(f) State the features of an angel investor.

(g) Discuss four pitch deck criteria.

(h) Narrate, in brief, the different valuation methods for fund raising of start up.

3. Answer any ***four*** questions : 8×4=32

(a) Write the needs of financial forecasting to an entrepreneur at the time of data-driven globalised economy. 8

(b) From the following information estimate the net working capital required for the project. Add 10% of your computed figure to allow contingencies.

Estimated cost per unit of production :	**Amount per unit (Rs.)**
Raw material	80
Direct labour	40
Overhead (inclusive of depreciation Rs. 10)	70
Total cost	190

Additional Information :

Selling price	Rs. 230 per unit
Level of activity	104000 units of production per annum
Raw material in stock	average 6 weeks
Work In Progress	average 2 weeks
Finished goods in stock	average 4 weeks
Credit allowed by supplier	average 4 weeks
Credit allowed to debtors	average 6 weeks
Lag in payment of wages	average 2 weeks

P.T.O.

Lag in payment of overhead average 1 week

Cash at bank is expected

to be Rs. 50000.

You may assume that production is carried on evenly throughout the year (52 weeks) and wages and overhead accrue evenly. 8

(c) From the following information prepare a Profit and Loss account and a Balance Sheet as on 31.3.2025.

Net Profit : 15% of Sales; Gross Profit : 25% of Sales ; Fixed assets : 3 times of net Current Assets ; Stock turnover : 6 times; Current ratio : 3 : 1; Quick ratio : 1 : 1; Sundry Debtors : 5% of Sales; Current liabilities (Sundry Creditors) : Rs. 100000; 10% Debentures : Rs. 100000; Profit and Loss account balance as on 01.04.2024: Rs. 80000; Share Capital : 3 times of Profit and Loss balance as on 31.3.2025. 4+4

(d) From the following summary cash account of Y Ltd., prepare cash flow statement for the current year ended on 31.3.2025 in accordance with AS-3 using the direct method. The company does not have any cash equivalents.

[*contd.*]

Summary of Cash Account for the year ended 31.3.2025

Particulars	Amount (Rs. '000)	Particulars	Amount (Rs. '000)
Opening balance	50	Payment to suppliers	2000
Issue of equity shares	300	Purchase of fixed assets	200
Receipt from customers	2800	Overhead expenses	200
Sale of fixed assets	100	Wages and Salaries	100
		Taxation	250
		Dividend	50
		Repayment of bank loan	300
		Closing balance	150

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(e) What are the Key Performance Indicators (KPIs) and valuation strategies during fund raising? 5+3

(f) What is exit strategy of a start up? State the different exit strategies of an existing start up. 2+6

Internal Assessment : 30 marks
