



- (b) From the following information calculate (i) BEP (ii) Sales to earn a profit of ₹ 50,000/- (2 + 2 = 4)

Selling price per unit	: ₹ 500.00
Direct material cost per unit	: ₹ 200.00
Direct labour cost per unit	: ₹ 100.00
Variable overheads per unit	: ₹ 75.00
Fixed overheads (Total)	: ₹ 5,50,000.00

- V. (a) What are the factors influencing capital structure decision of a typical company in the travel and tourism industry? (7)
- (b) Explain the concept of WACC, with a simple illustration. (Use assumed figures) (3)
- OR**
- VI. (a) Explain the sources of long term finance for a company engaged in tourism services. (8)
- (b) 'Time value of money concept is well applied in NPV method'. Comment and justify. (2)
- VII. (a) Explain the salient characteristics of capital investment decision. (4)
- (b) Describe briefly the following techniques (i) NPV (ii) IRR. (4)
- (c) Discuss briefly the MM theory on capital structure. (2)

OR

- VIII. (a) Calculate the IRR and ascertain the profitability of the following project whose initial investment is ₹ 40,000/- (Use trial and error method) (8)

Year	Estimated cash inflows (₹)
1	11,000
2	15,000
3	20,000
4	16,000
5	8,000
	70,000

- (b) Discuss the concept of Capital Rationing? (2)
- IX. Write short notes on (i) Utilization ratio (ii) Hotel and canteen costing (4 x 2½ = 10)
- (iii) Log book (iv) Calculation of room rent.

OR

- X. (a) M/s Marvel Holiday Resorts Ltd., Munnar, Kerala runs a canteen for the benefit of its employees. The employees of company are catered here at subsidized rates through coupon sales. From the following information, calculate the increase in subsidy per head during financial year (FY) 2013-14 over that in the last financial year (i.e. FY 2012-13). (6)

Sl. No.	Particulars	FY 2013-14	FY 2012-13
1.	Number of employees	400	350
2.	Sales realization through coupons (₹)	35,000	30,000
3.	Materials consumed (₹)	30,000	25,000
4.	Labour and supervision (₹)	20,000	16,000
5.	Overheads (₹)	29,000	24,000

- (Hint: Subsidy is the excess of whatever is actually incurred over whatever is charged or collected).
- (b) M/s. Hanuman Transports Ltd., Ernakulam has got 10 buses which are operated 25 days in a month. Each bus makes 4 trips. Distance of route is 20 kilometers (one side) and capacity of each bus is 40 passengers. Normally 90 per cent of the capacity is filled. Find (i) Total kilometers traveled per month (ii) Total passenger kilometers covered per month. (4)