

	<b>MIDTERM EXAMINATION</b> <b>SPRING 2007</b> <b>MTH302 - BUSINESS MATHEMATICS &amp; STATISTICS</b> <b>(Session - 2 )</b>	<b>Marks: 45</b> <b>Time: 90min</b>
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StudentID/LoginID: \_\_\_\_\_

Student Name: \_\_\_\_\_

Center Name/Code: \_\_\_\_\_

Exam Date: **Saturday, May 19, 2007**

**Please read the following instructions carefully before attempting any of the questions:**

1. Attempt all questions. Marks are written adjacent to each question.
2. Do not ask any questions about the contents of this examination from anyone.
  - a.* If you think that there is something wrong with any of the questions, attempt it to the best of your understanding.
  - b.* If you believe that some essential piece of information is missing, make an appropriate assumption and use it to solve the problem.
  - c.* Write all steps, missing steps may lead to deduction of marks.
  - d.* Attempt all the questions on Excel sheet and use only one excel sheet to solve all the questions. More than one sheets are not acceptable
  - e.* Solve the questions on excel sheet in usual manner i.e. from upward to downward not from left to right.

**\*\*WARNING: Please note that Virtual University takes serious note of unfair means. Anyone found involved in cheating will get an `F` grade in this course.**

For Teacher's use only										
Question	1	2	3	4	5					Total
Marks										

Initial cost of a business	-75000
Net income for the first year	25,000

Net income for the second year	35,000
Net income for the third year	56,000
Net income for the fourth year	43,000
Net income for the fifth year	62,000

**Marks 5**

- b) Find the depreciation allowance for twelfth year if initial cost is Rs 55,000, Salvage value is Rs. 7560 and years of useful life are 12 years.

**Marks 5**

**Question No: 5 ( Marks: 5 )**

- a) The selling price of a product is **Rs 200** per unit. Variable cost associated with producing and selling the product is **Rs 120**. Assume that the fixed cost related to the product is **2,500 Rs**. How much units the firm should sell to break even.
- b) If production capacity is **125** units per period, find BEP as percentage of capacity

**Marks 5**