



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

Board of Studies
The Institute of Chartered Accountants of India

19th April, 2024

Corrigendum to the Answers of Mock Test Paper 1 of Advanced Financial Management (New Scheme-CA Final Level) – Series I: March 2024

In the answer of Question No. 2(a) of Part II on page No. 2 please read first two tables as follows:

Working Notes:

Calculation of Forward Exchange Rates

End of Year	₹	₹/LKR
1	$0.37 \times \frac{1.06}{1.0502}$	0.373
2	$0.373 \times \frac{1.06}{1.0502}$	0.376
3	$0.376 \times \frac{1.06}{1.0502}$	0.380
4	$0.380 \times \frac{1.06}{1.0502}$	0.384
5.	$0.384 \times \frac{1.06}{1.0502}$	0.388

1. Home Currency Approach

Year	Cash Flow Billion LKR	₹ / LKR	Cash flow Billion ₹	PVF @ 8%	PV Billion ₹
1	5	0.373	1.865	0.92593	1.7269
2	6	0.376	2.256	0.85734	1.9342
3	7	0.380	2.660	0.79383	2.1116
4	8	0.384	3.072	0.73503	2.2580
5	9	0.388	3.492	0.68058	2.3766
					10.4073
Less: Investment	25	0.37			9.2500
NPV					1.1573