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QUESTION PAPER

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PTVA's ML DAHANUKAR COLLEGE OF COMMERCE

Academic Year: 2022-23

Semester End Examination

Class: F.Y.B.Com.(A & F)

Semester: I

Subject: Financial Management - I

Time: 2.5 hours

Total: 75 marks

Date: 17/11/2022

Time: 10 AM to 12.30 PM

Instructions:

1. This question paper contains 5 pages.
2. In all, 5 main questions shall be attempted.
3. Answers to each new question should begin on a fresh page.
4. Figures on the right hand side indicate full marks.
5. Use of simple calculator is allowed.

Q1. A. Multiple Choice Questions (any 8 out of 10)

8 marks

1. Capital budgeting is concerned with:
 - A. Short term investment
 - B. Long term investment
 - C. Medium term investment
 - D. None of these
2. Financial management has _____ applicability.
 - A. Local
 - B. Regional
 - C. National
 - D. Universal
3. Operating leverage is concerned with:
 - A. Financing activities of the firm
 - B. Operating activities of the firm
 - C. Investing activities of the firm
 - D. Production activities of the firm
4. Asset turnover is:
 - A. Net sales/Total assets
 - B. Net sales+Total assets
 - C. Net sales-Total assets
 - D. Net sales x Total assets
5. Sweat equity shares are given to:
 - A. Creditors
 - B. Banks

- C. Agents
- D. Employees
- 6. Debentures:
 - A. Have tax benefits
 - B. don't have tax benefits
 - C. None of these
 - D. Both
- 7. If capital is raised through debentures, the cost of debentures will be:
 - A. Dividend
 - B. Preference dividend
 - C. Interest
 - D. Any of these
- 8. Floatation cost will _____ the net proceeds:
 - A. Increase
 - B. Decrease
 - C. Have no effect on
 - D. None of these
- 9. If interest is paid quarterly then the investor will receive interest _____ times in a year.
 - A. 1
 - B. 2
 - C. 4
 - D. 12
- 10. Annuity involves:
 - A. Uniform cash flows
 - B. Different cash flows
 - C. Both
 - D. None of these

Q 1.B. State whether True or False (any 7 out of 10)

7 marks

1. The main objective of financial management is production maximization.
2. Strength of the organization depends upon its financial discipline.
3. The value of money is not affected due to time.
4. Compounding is done to get future value of an amount.
5. Financial leverage covers overall risk of the business.
6. Leverages do not show any relation between operating profit and sales.

7. Long term finances are for a period of more than 5 years.
8. Fixed assets should be purchased using short term finances.
9. The cost of capital should be as high as possible.
10. WACC is the average cost of capital.

- Q2.A. Calculate the cash flows for 5 years if the cash flow at the end of the first year is Rs. 3,00,000 and the growth rate is 5% per year in each of the following cases: 15 marks
- A. Growth rate is increasing by 10%
 - B. Growth rate is decreasing by 10%
 - C. Static growth rate

OR

- Q2.P. (1) If Rs. 20,000 is deposited annually for 5 years and the deposit earns a compound interest rate of 10%, what will be annuity at the end of 5 years? 8 marks

(2) Mr. B has bought shares of six different companies. The returns offered by them in the previous year are as follows: 21%, 10%, 19%, -25%, 18%, 12%

Find out the average return of the investor.

- Q2.Q. Mr. A has the following investments: 7 marks

Particulars	I	II	III
Amount Invested	2,00,000	1,00,000	80,000
Compound rate of interest	10%	8%	12%
Period	3 years	5 years	4 years

Calculate the future value of investment at the end of the period.

- Q3.A. From the following information prepare an income statement, find out Earnings per share (EPS) and all leverages: 15 marks

Particulars	X	Y	Z
Sales (in units)	20,000	25,000	30,000
Selling price p.u.	15	20	25
Variable cost p.u.	10	15	20
Fixed cost	30,000	40,000	50,000
Interest	15,000	25,000	35,000
Tax %	40	40	40
No. Of shares	5,000	9,000	10,000

OR

Q3.P. Prepare an income statement for all three companies.

15 marks

Particulars	X	Y	Z
Variable cost as a percentage of sales	66.67	75	50
Interest	200	300	1,000
Operating leverage	5	6	2
Financial leverage	3	4	2
Tax rate (%)	40	40	40

Q4.A. Three companies are in the same type of business however the capital structure of each of them is different. Following are the details:

15 marks

Particulars	X	Y	Z
Equity capital (Face value Rs.10)	4,00,000	2,50,000	5,00,000
Market value per share	15	20	25
Dividend per share	1.5	4	3.75
Debentures (face value Rs.100)	NIL	2,00,000	3,00,000
Market value per debenture	NIL	120	90
Interest rate	NIL	12%	18%

Assume tax rate to be 50%.

Compute Weighted Average Cost of Capital for each company.

OR

Q4.P. Company R issues 12%, 2000 debentures of Rs. 100 each. The debentures are redeemable after 8 years. The tax bracket is 30%. calculate the cost of debt if the debentures are issued at:

8 marks

1. Par
2. 10% discount
3. 10% premium

Q4.Q. The following is the income statement of a company:

7 marks

Particulars	Amt in Rs
Operating profit	120

Less interest on debentures	40	
	80	
Less income tax	40	
Net profit	40	

Capital structure is as follows:

Equity share capital (shares of Rs. 10) - 200

Reserves and surplus - 100

10% debentures (of Rs. 100 each) - 400

The market price per equity share is Rs. 20 and per debenture is Rs. 90.

1. What is the EPS?

2. What is the cost of capital for the company for the debentures and equity?

Q5.A. What is time Value of money? Explain the concepts of present value and future value. 8 marks

Q5.B. Explain all the sources of finance. 7 marks

OR

Q5.C. Short Notes (any 3 out of 5) 15 marks

1. Scope of financial management.
2. Internal Rate of Return.
3. Types of leverages.
4. Need for long term finance.
5. Weighted Average Cost of Capital.

PTVA's ML DAHANUKAR COLLEGE OF COMMERCE

Academic Year: 2022-23

Semester End Examination

Class: S.Y.B.Com.(A & F)

Semester: III

Subject: Financial Accounting III

Time: 2.5 hours

Total: 75 marks

Date: 18/11/2022

Time: 10.00 AM to 12.30 PM

Instructions:

1. This question paper contains 6 pages
2. In all, 5 main questions shall be attempted.
3. Answers to each new question should begin on a fresh page.
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Q 1.A. True or False (any 8 out of 10)

8 marks

1. When PSR is not given, partner shares their profit or loss equally.
2. Wife of the partner is preferential unsecured creditor.
3. Cash is the monetary item.
4. Vehicle is a non-monetary item.
5. Profit and Loss appropriation records all the income and expenses.
6. Closing Stock is always shown on the balance sheet, asset side.
7. When goodwill is bought in cash, cash account is credited.
8. When goodwill is not bought in cash, new partner account is debited.
9. When outstanding expenses is shown in the trial balance it is added to the expenses in profit and loss account
10. When prepaid expenses is shown in the trial balance, it is recorded on the asset side.

1B. Match the following column (any 7)

(7 marks)

A	B
1. Partners Wife	a. Partner's capital account is debited
2. Law of Partnership	b. Partner's capital account is credited.
3. Liabilities taken over by the partner	c. Representative personal account
4. Interest received from Partner	d. Real Account
5. Cash Receipt	e. Unsecured Creditors
6. Outstanding wages	f. Cash account is debited
7. Furniture Account	g. Partnership Act
8. Interest Paid	h. Expenses – Trading Account
9. Interest Received	i. Expenses -Profit and Loss Account
10. Wages	j. Income-Profit and Loss Account

Q.2A

(15 marks)

Jammu and Kashmir were partners in the firm sharing profit and losses in the ratio of 3:2. on 01-04-2019, Ladakh was admitted in the firm for 1/6 TH of the profit. Ladakh bought Rs. 160,000 in cash for which Rs.60,000 was considered as his share of the goodwill. The trail balance on 31-3-2020 is as follows.

PARTICULARS	DR AMOUNT	CR AMOUNT
Sales		431450
Purchases	251460	
Discount received		4300
Discount allowed	6250	
Reserve for doubtful debts		2400
Sundry debtors	80400	
Sundry Creditors		65080
Opening stock	85640	
Carriage inward	6500	
Sundry expenses	15680	
Motor vehicles	100000	
Land and building	160000	
Cash in hand	10080	
Telephone Expenses	6480	
Postage and stationery	5380	
Rent rates and insurance	6400	
Bad debts	800	
Investments	120000	
CAPITAL ACCOUNT		
Jammu		130000
Kashmir		70000
Cash paid by Ladakh on 01-04-2019		160000
DRAWING		
Jammu	10000	
Kashmir	8000	
Ladakh	4000	
Bank overdraft		13840
TOTAL	877070	877070

1. Stock on 31-03-2020 was Rs.84,500
2. Debtors Include Rs.2,400 from insolvent customer.
3. Depreciate Land and Building and Motor Vehicle at 5% and 20% respectively.
4. RDD is maintained at 5% on the debtors.
5. Goods of Rs.1600 have been destroyed by fire and insurance company admitted the claim for Rs.1200 only.

Prepare Final Accounts.

OR

Q.2B

(15 marks)

Assam, Arunachal and Sikkim were sharing profit and losses in the ratio of 2:1:2,
Following is the trial balance on 31-12-2019.

DEBIT BALANCES	AMOUNT	CREDIT BALANCES	AMOUNT
Plant and machinery	22500	Creditors	3500
Stock (31-12-19)	3500	Bills Payable	2000
Repairs (Rs.300 up to sept)	500	Gross Profit	31000
Bills receivable	2000	Outstanding Expenses	2500
Cash	2000	Capital	
Bank	1500	Assam	7500
Debtors	8000	Arunachal	5000
Bad Debts (Rs.900 up to sept)	1000	Sikkim	9000
Salaries and wages	4000		
Carriage outward	3500		
Prepaid Expenses	500		
Other Expenses	6000		
Drawings			
Assam	1000		
Arunachal	2000		
Sikkim	2500		
TOTAL	60500	TOTAL	60500

According to partnership deed, Interest of 10% should be provided on partners' capital. And Arunachal and Sikkim should get salary of Rs.100 per month. Sikkim retired on 30-09-2019 and his share was taken over by remaining partner in old ratio. The goodwill on the given date was Rs.3000, agreed that it should not appear in the books of accounts.

Sikkim is entitled to the interest of 12% on his balance after retirement. Depreciation on plant and machinery is Rs.2000.

Prepare Final Accounts.

Q.3A

(15 marks)

Following is balance sheet as on 31-3-2018 of Mr. Ooty, Mr. Munnar and Mr. Coorg who shared profit and losses in ratio of 4:3:2.

Liabilities	Amount	Assets	Amount
Capital		Cash	5000
Mr. Ooty	32000	Debtors	36500
Mr. Munnar	22500	Stock	32500
Mr. Coorg	21000	Machinery	35000
Creditors	14000		
Mrs. Munnar Loan	7000		
Bills Payable	3500		
General Reserve	9000		

	109000		109000
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The firm dissolved on the following date and Rs.1500 was kept aside for the realization expenses.

Following realizations were made.

April 2018	26,000
May 2018	34,500
June 2018	31500

Actual realization expenses were Rs.1725. Show Piecemeal Distribution of Cash.

OR

Q.3B

(15 marks)

Kullu and Manali were sharing profit and losses in the ratio of 2:3. Sissu and Jispa are partners who share profit and losses equally. It was decided both the firms will amalgamate from 01-04-2020.

Balance Sheet of the firm on 31-03-2020 was as follows.

LIABILITIES	Kullu Manali	Sissu Jispa	ASSETS	Kullu Manali	Sissu Jispa
Capital					
Kullu	31200		Goodwill	9360	6240
Manali	27300		Machinery	42120	32760
Sissu		21840	Furniture	8424	6552
Jispa		19500	Car	56160	37440
General reserves	7800	6240	Stock	26598	23010
Creditors	30810	22230	Debtors	30576	25038
Bills Payable	15210	10530	Bills receivable	9282	8424
Loan from SBI	74100	62400	Cash and Bank	3900	3276
	186420	142740		186420	142740

The firms were amalgamated in Himachal & Co with the following terms and conditions.

1. Creditors of the both firms are taken at discount of 10%
2. Machinery of the both the firms are subject to 5% depreciation.
3. Car of both the firm is appreciated by 10%
4. Furniture of both the firm is not taken over by new firm.
5. Stock is to be appreciate by 20% for both the firms.
6. Goodwill of Kullu Manali is Rs.18720 and that of Sissu Jispa is Rs.11700
7. Capital of new firm should be Rs.280800 adjusted in the ratio of 3:2:3:2 between partners. Any adjustments to be made in cash.

Make necessary ledgers and prepare balance sheet of the Himachal & Co.

Q.4A

Pass the journal entries in the book of Spiti Ltd

(15 marks)

Date	Transaction & Party	Amount in \$	Rate ₹ per \$
01-01-17	Export- Shimla Ltd	48,000	68
01-02-17	Import -Sangla Ltd	60,000	69
10-03-17	Receipt- Shimla Ltd	32,000	70
20-03-17	Payment -Sangla Ltd	32,000	68

15-04-17	Receipt- Shimla Ltd	Balance	70.5
25-05-17	Payment- Sangla Ltd	Balance	72

The rate on 31-03-2017 is \$1 = ₹70.

OR

Q.4B

(15 marks)

Kedarnath and Badrinath were the partners in the firm sharing profit and losses in the ratio of 2:3 respectively. The balance sheet of the firm on 31-3-2020 was as follows.

LIABILITIES	RS	ASSETS	RS
Capital Account		Building	72000
Kedarnath	60000	Machinery	12000
Badrinath	60000	Furniture	15000
Profit and Loss Account	6000	Investment	9000
Bank Loan	30000	Debtors	42000
Creditors	36000	Stock	21000
		Cash Bank	21000
	192,000		192,000

On 01-04-2020, the company was converted into Chardham LTD under following conditions.

1. Company took all assets and liabilities of the firm except cash.
2. Goodwill of the firm is Rs.24,000
3. Building and Machinery is to be valued at Rs.90,000 and Rs.15,000 respectively. The investment are to be valued at Rs.12,000.
4. Debtors are subject to 10% bad debt reserves.
5. Remaining assets and liabilities are to be settled at the book value.
6. In purchase consideration company offered 12,000 equity shares of Rs.10 each equally and balance in cash.

Prepare all necessary ledgers.

Q.5

A. Explain the procedure of Amalgamation in Detail.

(8 Marks)

B. Explain the treatment of goodwill at the time of retirement or the death

(7 Marks)

OR

C. Write short notes on the following (Any 3)

(15m)

- a. Quotient Method
- b. Profit and Loss A/c
- c. Foreign Exchange Fluctuation A/c
- d. Admission of Partner
- e. Statement of Excess Capital

M.L.DAHANUKAR COLLEGE COMMERCE
EXTERNAL EXAMINATION – NOVEMBER 2022
FYBMS/FYBAF/FYBBI/FYBFM
SEMESTER- I

Marks:75

SUBJECT :BUSINESS COMMUNICATION I

Date & Time: 18/11/2022 10:00 am to 12:30 pm

- Q1A) Answer the following Multiple Choice Questions. (any 8 out of 10)** 8 marks
1. On the basis of ____ feedback can be classified into immediate and delayed feedback.
a) Money b) Time c) Fame d) Respect
 2. Traditional resume is called ____ resume.
a) Chronological b) Functional c) Combined d) Official
 3. _____ becomes an integral part of wealth creation process.
a) Social Responsibility b) Journalism c) Email d) Media
 4. Effective speaker _____ for a moment before an important point.
a) Frown b) cough c) scream d) Pause
 5. _____ refers to name, address, telephone number and other details of sender.
a) Salutation b) Body of letter c) Letterhead d) Subject line.
 6. Closed mind is _____ barrier in communication.
a) Physical b) Semantic c) Psychological d) Social
 7. Date in letter has _____.
a) Sentimental value b) Legal value c) No significance d) Entertainment value.
 8. The fastest means of communication is _____.
a) Vertical b) Grapevine c) Diagonal d) Horizontal
 9. The idea which the sender desires to share with the receiver is called _____.
a) Feedback b) Medium c) Message d) Channel
 10. _____ is result of self- discipline, inner trust, and honest decision in all situations.
a) Integrity b) Politics c) Social anxiety d) Work out
- Q1B) State whether the following statements are True or False. (any 7 out of 10)** 7 marks
1. ALL CAPS should be used often in Email.
 2. A journalist can break the law in order to obtain news.
 3. Written communication has legal value.
 4. Closed mind is physical barrier.
 5. Horizontal communication leads to ego clashes.
 6. Inventions, art works, designs are intellectual properties.
 7. Interruption by listener with question during presentation is sign of good listening.
 8. Use of jargons makes communication better.
 9. Gestures are part of non-verbal communication.
 10. Email is slow means of communication.
- Q2 A** Briefly enumerate the merits and demerits of vertical communication. 8 Marks
Q2 B Briefly explain the different types of non-verbal communication 7 Marks

OR

- Q2 P Discuss the impact of technological advancements on communication. 8 Marks
- Q2 Q Briefly enumerate the advantages of SMS communication. 7 Marks
- Q3 A Elaborate the importance of communication in the business world. 8 Marks
- Q3 B Briefly enumerate the disadvantages of Oral communication. 7 Marks
- OR
- Q3P Explain the advantages and disadvantages of diagonal communication. 8 Marks
- Q3 Q Explain the characteristics of a good listener. 7 Marks
- Q4 A Deutsche Bank has placed an advertisement in the Times Ascent dated Wednesday, October 19th 2022, stating their requirement for Assistant Manager, Human Resource, Job Code HR569. Applicants are required to address the letter to the HR Manager, ABN AMRO Bank, ABN AMRO Towers, Nariman Point, Mumbai, within 15 days of the date of the advertisement. You are required to draft a job application letter, in Full Block Form, along with Curriculum Vitae, for the position. 10 Marks
- Q4 B Mr.Kapil Gehlot has been holding the position of Head, Corporate Relations at Standard Chartered Bank, since the past ten years. He has been selected as Head, Global Banking Operations, at Bank of America and is required to take up his new position at the earliest. He would therefore like to resign from his current position at Standard Chartered Bank. Draft a letter of resignation on behalf of Mr.Gehlot. Use the Modified Block Form of layout. 5 Marks
- OR
- Q4P Draft a letter of Application along with Curriculum Vitae for the position of Senior Manager-Accounts and Finance at Tata Sons Ltd., Bandra Kurla Complex, Mumbai. The letter is to be addressed to the HR Manager. Use the Full Block Form of layout. 10 Marks
- Q4 Q Mr.Vohra is resigning from his position as Chief Accountant with Blue Dart Couriers due to health reasons. He has worked for 20 years with Blue Dart. Draft Mr.Vohra's letter of Resignation in Modified Block form of Layout. 5 Marks
- Q5 A Elaborate the parts of a business letter. 8 Marks
- Q5 B Discuss how to overcome psychological barriers 7 Marks
- OR
- Q5 **Write Short Notes On (any 3)** 15 Marks
- 1 Importance of feedback in communication
 - 2 Importance of listening
 - 3 Differentiate between instruction and order
 - 4 Organisational barriers
 - 5 Solicited letter

M.L.DAHANUKAR COLLEGE COMMERCE
EXTERNAL EXAMINATION – NOVEMBER 2022
FYBMS/FYBAF/FYBBI/FYBFM
SEMESTER- I
SUBJECT: FOUNDATION COURSE I

Marks:75

Date & Time: 19/11/2022 10:00 am to 12:30 pm

- Q1A) Multiple Choice Questions (any 8 out of 10)** 8 marks
1. The holy book of Sikh is _____
a) Bhagvad Gita b) Quran c) Guru Granth Sahib d) Bible
 2. The business and traders' caste in Varna System is _____
a) Vaishya b) Kshatriya c) Brahmin d) Shudras
 3. At times, _____ leads to violence and lawlessness in the society.
a) Co-ordination b) Conflict c) Co-operation d) Compromise
 4. Constitution day is celebrated on _____.
a) 26th January b) 26th May c) 26th November d) 26th December.
 5. _____ is the head of the Gram Panchayat.
a) Gram Sevak b) Sarpanch c) Zilla Adhikari d) Nagar Sevak
 6. There is a water dispute over _____ river in the States of Maharashtra, Karnataka and Andhra Pradesh.
a) Krishna Godavari b) Ganga c) Narmada d) Kaveri
 7. _____ is the executive head of the Panchayat Samiti
a) Block Development Officer b) Sarpanch c) Chairperson d) Gram Sevak
 8. In India, _____ state has highest literacy rate.
a) Uttar Pradesh b) Karnataka c) Maharashtra d) Kerala
 9. Mental retardation means when Intelligence score is below _____.
a) 70 b) 80 c) 90 d) 95
 10. Indian Constitution has adopted _____ democracy.
a) Direct b) Presidential c) Parliamentary d) Indirect
- Q1B) True or False (any 7 out of 10)** 7 marks
1. India is a land of 'Unity in Diversity'.
 2. Caste system is a form of political stratification.
 3. The Constitution of India does not give any language the status of National Language.
 4. Regional conflict can boost our economy.
 5. The 42nd amendment to the Constitution did not add the word 'Secular'.
 6. Preamble is regarded as soul of Constitution.
 7. Gram panchayat is Urban local self-government.
 8. The three jewels of Buddhism are Buddha (the teacher), dharma (the teaching) and Sangha (the community).
 9. Bride burning is not a violence against women.
 10. BJP is an example of regional Party.
- Q2 A** State the main religions of India. 8 Marks
- Q2 B** Elaborate the characteristics of Caste System in India. 7 Marks
- OR**
- Q2 P** State the causes of violence against women in India. 8 Marks
- Q2 Q** Explain the old Varna system and mention the factors responsible for growth of Caste System in India. 7 Marks

Q3 A	What are the causes of conflict in Society?	8 Marks
Q3 B	Explain the salient features of the Indian Constitution	7 Marks
OR		
Q3 P	Briefly explain the Fundamental Rights granted by the Constitution of India.	8 Marks
Q3 Q	Define "Communalism." Describe the causes of communalism.	7 Marks
Q4 A	Features of Political Parties in India	8 Marks
Q4 B	Characteristics of rural India.	7 Marks
OR		
Q4 P	Briefly enumerate types of Physical Disabilities.	8 Marks
Q4 Q	Elaborate on Urban local Self-government.	7 Marks
Q5 A	Explain the inequalities generated due to caste system in India.	8 Marks
Q5 B	Women's Participation in Indian Politics.	7 Marks
OR		
Q5	Write Short Notes On (any 3)	15 Marks
1	Main characteristics of Indian Culture.	5 Marks
2	Positive portrayal of women in mass media.	5 Marks
3	Any instance of regional conflicts.	5 Marks
4	Preamble of Indian Constitution	5 Marks
5	Corruption in Politics	5 Marks

PTVA's ML DAHANUKAR COLLEGE OF COMMERCE

Academic Year: 2022-23

Semester End Examination

Class: F.Y.B.Com.(A & F)

Semester: I

Subject: Financial Accounting I

Time: 2.5 hours

Total: 75 marks

Date: 14/11/2022

Time: 10 AM to 12.30 PM

Instructions:

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Q 1.A. Multiple Choice Questions (any 8 out of 10)

8 marks

1. The following factor should be considered while selecting and applying accounting policies

(a) Going Concern	(b) Substance Over Form
(c) Growth of business	(d) Solvency

2. An inventory costing method that assumes that those items which have been purchased first are sold first

(a) Weighted Average Method	(b) Specific Identification Method
(c) Last in First Out	(d) First In First Out

3. Balancing Figure in Manufacturing Account is

(a) Gross Profit	(b) Net Profit
(c) Cost of production	(d) None of these

4. Carriage inward on purchases are _____ the cost of inventory

(a) Included in	(b) Deducted from
(c) Ignored from	(d) None of these

5. Revenue from Sale on Approval basis is to be recognised when

(a) Goods are delivered	(b) When invoice is sent
(c) period for approval expires	(d) When customers approves

6. Income Tax paid is allocated in _____

- | | |
|-------------------|-------------------------|
| (a) Sales Ratio | (b) Purchase Ratio |
| (c) Area Occupied | (d) Cannot be allocated |
7. As soon as the _____ payment is made, the hirer gets possession of the article and can start using it immediately
- | | |
|----------|----------|
| (a) Down | (b) Cash |
| (c) Full | (d) Last |
8. Under Hire Purchase System, first installment paid under hire purchase comprises of _____
- | | |
|---------------------------|---------------------------|
| (a) Interest | (b) Cash Price + Interest |
| (c) Cash Price - Interest | (d) Down Payment |
9. The hire purchaser can record the asset under full cash price method at its _____
- | | |
|-------------------------|-------------------|
| (a) Hire Purchase Price | (b) Cash Price |
| (c) Down payment | (d) None of these |
10. Discount allowed is allocated in _____
- | | |
|--------------------|-------------------------|
| (a) Purchase Ratio | (b) Sales Ratio |
| (c) Area Occupied | (d) Cannot be allocated |

Q 1.B. True or False (any 7 out of 10)

7 marks

1. AS 1 need not be followed by a partnership firm.
2. Trading account always shows debit balance.
3. Inventories are assets held for sale in ordinary course of business.
4. Different accounting policies may be adopted by different concerns relating to consistency.
5. Down-payment is made up of part payment towards interest.
6. Capital Expenditure is non - recurring in nature.
7. The stocks are valued, under the FIFO method, at the rate of latest Net Realisable Value.
8. Expenditure which results in acquisition of a permanent asset is a capital expenditure.
9. Current assets are kept in business for a long time.
10. AS 2 does not apply to consumables awaiting use in the production process.

Q 2 From the following particulars, prepare stock register by FIFO method for the month of December, 2021 and find the value of closing stock. 15 marks

Date	Transaction	Units	Rate per unit (₹)

01/12/2021	Opening Stock	1,000	15.00
03/12/2021	Purchases	1,500	22.00
07/12/2021	Sales	2,000	32.00
12/12/2021	Purchases	2,750	20.00
15/12/2021	Sales	1,000	35.00
17/12/2021	Sales	1,500	34.00
25/12/2021	Purchases	3,000	19.00
27/12/2021	Sales	1,750	34.00
31/12/2021	Purchases	1,000	22.00

OR

Q 2A Mr. Govardhan who close his books of accounts on 31st March every year failed to take the stock. The actual stock was taken on 04/04/2022 where it was ascertained by him that the goods are of worth ₹3,55,000. 8 marks

It was found that goods worth ₹25,000 was purchased on 30/03/2022 but was received on 15/04/2022. The proprietor has received goods of ₹20,000 was received back from its own customers on 02/04/2022. Sales between the 01/04/2022 and 04/04/2022 was of worth ₹25,000. Purchases in the same period was made for ₹30,000. Gross profit ratio is 25% on cost.

Ascertain the value of closing stock as on 31st March, 2022.

Q 2B Pandey Brothers imported goods at the purchase price of \$30,000 when exchange rate was ₹75/\$. Custom duty was levied of ₹5,00,000. 7 marks

The imported goods were restricted commercial goods on which countervailing duty of ₹2,00,000 was also levied. The buyer has paid commission of ₹3,00,000. Loading & Unloading charges were ₹1,00,000 & Goods & Service Tax on all of the above were paid to the extent of ₹5,00,000 (of which ₹3,00,000 are refundable).

Find the Cost of Purchases.

Q 3 From the following particulars of Mr. Iyer. Prepare Manufacturing Account, Trading and Profit & Loss A/c for the year ended 31st March, 2022. Also prepare Balance Sheet as on that date. 15 marks

Debit balance	₹	Credit balance	₹
Carriage Inward	12,500	Capital A/c	5,30,000
Purchases	2,50,000	Sales	5,84,000
Heating & Lighting	25,000	Discount	₹8,000
Carriage Outward	35,000	Creditors	35,000

Plant & Machinery	5,00,000		
Furniture	1,00,000		
Debtors	60,000		
Opening Stock of:			
Raw Material	40,000		
WIP	55,000		
Finished Goods	50,000		
Wages	15,000		
Printing & Stationery	14,500		
	11,57,000		11,48,000

Additional Information:

1. Closing Stock as on 31st March, 2022 of i) Raw Material - ₹55,000; ii) WIP - ₹25,000 & iii) Finished Goods - ₹85,000
2. Depreciation on Plant & Machinery is to be charged at 10% p.a & Furniture at 15% p.a.
3. Provision for Bad Debts is to be made at 2 ½%.
4. O/s Lighting & Heating - ₹2,500.

OR

Q3 State with reason whether the following expenditures or receipts are capital or revenue. 15 marks

1. Purchased computer worth ₹50,000.
2. Purchased machinery of ₹1,00,000 also incurred ₹2,000 for the installation of the same.
3. Subscribed for the annual newspaper subscription for office employees - ₹5,000.
4. Received subsidy from Madhya Pradesh State Government for acquisition of machinery.
5. Received discount from creditors for bulk purchased of Raw Material.
6. Cost of replacement of parts of machinery.
7. Paid towards mediclaim premium of employees.

Q4 From the following particulars of R-Mart Company, prepare Departmental Trading and Profit & Loss A/c for the year ended 31st March, 2022. 15 marks

Particulars	Cosmetics	Personal Care	Total
Opening Stock	25,000	28,000	53,000
Purchases	2,00,000	2,50,000	4,50,000
Sales	3,00,000	5,00,000	8,00,000
Closing Stock	18,000	22,000	40,000
Wages	14,000	25,000	39,000

Salaries	12,000	15,000	27,000
Lighting & Heating			25,000
Discount Allowed			4,000
Discount Received			2,250
Rent			35,000
Advertising			40,000
Selling Commission			20,000
General Expenses			21,000
Insurance			15,000

Additional Information:

1. Area occupied Cosmetics department and Personal care department is in the ratio of 2:3.
2. General Expenses and Insurance is to be apportioned in the ratio of 1:2.
3. Lighting & Heating Expenses is to be apportioned in the ratio of 2:3.

OR

- Q4 Mr. Vijay bought a machinery on Hire Purchase on 01-01-2022 at a Cash Price of ₹1,50,000 from Mr. Dinanath. The interest rate for the same was 10% p.a. Mr. Vijay also made a down-payment of ₹25,000 immediately. Balance payment was supposed to be made in 3 installment of ₹50,264 p.a. Depreciation is chargeable at the rate 15% p.a. on reducing balance method. Prepare ledger of i) Dinanath, & ii) Machinery in the books of Mr. Vijay for the year 2022, 2023 & 2024. Working Notes should form part of your answer. 15 marks

- Q5.A. What are the characteristics of Capital Expenditure? 8 marks
- Q5.B. Explain the advantages and disadvantages of Weighted Average method. 7 marks

OR

- Q5.C. Short Notes (any 3 out of 5) 15 marks
1. Bad Debts
 2. Departmental Accounting
 3. Fundamental accounting assumptions
 4. Hire Purchase Agreement
 5. Revenue Expenditure

M.L.DAHANUKAR COLLEGE COMMERCE
EXTERNAL EXAMINATION – NOVEMBER 2022
FYBMS/FYBAF/FYBBI/FYBFM

Marks:75

SEMESTER- I

SUBJECT: BUSINESS ECONOMICS I

Date & Time: 21/11/2022 10:00 am to 12:30 pm

Q1A) Multiple Choice Questions(any 8 out of 10)

8 marks

1. Resources need to be used optimally because
 - A) They are free available
 - B) They are scarce in nature
 - C) Their supply is unlimited
 - D) They can be used only for one purpose
2. Opportunity cost is defined as
 - A) Sacrifice of the next best alternative use of a factor
 - B) Cost of production
 - C) Selling cost
 - D) Overhead cost
3. A fall in the price of a commodity
 - A) Increases consumer's nominal income
 - B) Increases the consumer's real income
 - C) Decreases the consumer's nominal income
 - D) Decreases the consumer's real income
4. As the price of a commodity falls, it becomes relatively cheaper than other alternatives. This effect is known as _____.
 - A) Substitution effect
 - B) Income effect
 - C) Price effect
 - D) Snob effect
5. Returns to scale determines the behaviour of
 - A) Shorter and average cost
 - B) Marginal cost
 - C) Average fixed cost
 - D) Long run average cost
6. _____ is a situation of no profit no loss.
 - A) Breakeven point
 - B) Perfect competition
 - C) Monopoly
 - D) Market practice
7. A kinked demand curve indicates
 - A) Price flexibility in non-collusive oligopoly
 - B) Price flexibility in collusive oligopoly
 - C) Price rigidity in collusive oligopoly
 - D) Price rigidity in non-collusive oligopoly
8. Excess profit is earned when
 - A) $AR > AC$
 - B) $AR = AC$
 - C) $AR < AC$
 - D) $TR = TC$

9. Marginal cost pricing is generally followed by ---
 A) Private enterprises
 B) Small scale industries
 C) Public sector enterprises
 D) MNCs
10. Under dumping a monopolist's demand curve in the Home Market is _____
 a) Downward sloping
 b) More elastic
 c) Perfectly elastic
 d) Perfectly inelastic

Q1B) True or False (any 7 out of 10)

7 marks

1. An exogenous variable is within an economic model.
2. Price always has a tendency to move away from equilibrium.
3. All inferior goods are Giffen goods.
4. Relatively inelastic demand is represented by a vertical demand curve.
5. Fixed proportion production function is characterised by constant returns to scale.
6. Fixed costs are independent of output.
7. A market is a geographical location where buyers and sellers must physically meet each other.
8. A monopolist sells a commodity which has no substitutes.
9. Full cost pricing method has certain limitations.
10. Transfer pricing is used to maximise the profits of only one unit of a firm.

Q2 A) Explain determinants of demand in detail.

8 Marks

Q2 B) Write an explanatory note on degrees of Income elasticity of demand.

7 Marks

OR

Q2 C) What is demand forecasting and Explain steps involved in the process of demand forecasting.

8 Marks

Q2 D) Elaborate any two methods of demand forecasting in detail.

7 Marks

Q3 A) Define iso quant and Explain its properties along with suitable diagram.

8 Marks

Q3 B) A businessman pays ₹15,00,000 as wages per year, ₹3,00,000 in interest per year on capital and rent of ₹50,000 yearly. If the entrepreneur worked for somebody else, she would have earned ₹5,00,000.

7 Marks

Calculate economic profit and accounting profit if he receives ₹35,00,000 as revenue in his year's output.

OR

Q3C) Explain law of variable proportion along with suitable diagram.

8 Marks

Q3 D) Given TFC as Rs.200 Calculate TC, AC, AVC, AFC, MC from the information given in the following

7 Marks

output	1	2	3	4	5	6
Total variable cost	10	12	15	18	20	17

Q4 A) Explain the short run equilibrium of a firm in the perfect competition.

8 Marks

Q4 B) Discuss the arguments against advertisement in monopolistic competition.

7 Marks

OR

- Q4 P Elaborate the difference between Monopolistic competition and monopoly. 8 Marks
- Q4 Q What is the various source of monopoly power? 7 Marks
- Q5 A Explain the marginal cost pricing with suitable diagram 8 Marks
- Q5 B Define price discrimination concept and Explain the conditions for discrimination. 7 Marks
- OR
- Q5 Write Short Notes On (any 3) 15 Marks
- 1 Dumping
 - 2 Internal economies of scale
 - 3 Opportunity cost
 - 4 Degrees of price discrimination
 - 5 Transfer pricing

F.Y BAF sem-I

PTVA's ML DAHANUKAR COLLEGE OF COMMERCE

Academic Year: 2022-23

Semester End Examination

Class: F.Y.B.Com.(A & F)

Semester: I

Subject: Cost Accounting I

Time: 2.5 hours

Total: 75 marks

Date: 15/11/2022

Time: 10 AM to 12.30 PM

Instructions:

1. This question paper contains 5 pages
2. In all, 5 main questions shall be attempted.
3. Answers to each new question should begin on a fresh page.
4. Figures on the right hand side indicate full marks.
5. Use of simple calculator is allowed.

Q 1.A. Fill in the blanks / True or False / Match the Column / Multiple Choice Questions (any 8 out of 10) 8 marks

Sr.No	Column A	Sr.No	Column B
1	Fixed Cost	A	Basis of fixing prices and for cost control
2	Direct Material	B	Prime Cost
3	Estimated Cost	C	Simple to understand
4	Halsey Plan	D	No Production No Cost
5	Rent and Rates	E	Difficult to understand
6	Standard Cost	F	Based on past data
7	Cleaning Material	G	Floor area occupied
8	Indirect Material	H	No Production Yes Cost
9	Rowan Plan	I	No. of Machines
10	Variable Cost	J	Overheads

Q 1.B. True or False (any 7 out of 10)

7 marks

1. Cash discounts are generally excluded completely from costs
2. In repeated distribution method the production at which the costs of a service cost centers are to be distributed to production cost centers
3. CAS 13 defines service cost centers
4. Administrative overheads are usually absorbed as a percentage of prime cost

5. Collection of overheads means the collecting of indirect items of expenses from books of accounts.
6. Labour Cost means payment made to employees permanent or temporary for their services
7. Cost Accounting is classifying, recording, and appropriate allocation of expenditure for determination of costs of products or services
8. Cost behavior means change in cost due to change in output
9. Your monthly basic cable bill does not change regardless of how much viewing you do is example of total fixed cost.
10. CAS 3 defines material cost.

Q 2 A Material A is used as follows

15 marks

Maximum usage in a month – 600 units

Minimum usage in a month – 400 units

Normal usage in a month – 450 units

Lead time: Maximum 6 months, Minimum 2 months

Re-order quantity – 1500 units

Maximum Reorder period for emergency purchases – 1 month

Calculate – Reorder Level, Maximum Level, Minimum Level, Average Stock Level and Danger Level

OR

- Q 2 P**
1. Calculate EOQ from the following:
 2. Annual Total Cost

15 marks

Annual Consumption – 12000 units

Cost of ordering – Rs. 15 per order

Cost of material – Rs. 1.25 per unit

Storage cost – 20% of average inventory

Q 3 A Standard time set for Job A and Job B is 40 hours and 200 hours respectively. Mr. Keshav is engaged on Job A and Mr. Madhav is engaged on Job B. Mr. Keshav is paid as per Halsey Plan & Mr. Madhav is paid as per Rowan Plan

08 marks

Mr. Keshav : Time Rate per hour Rs. 5 and actual time taken 30 hours
 Mr. Madhav : Time Rate per hour Rs. 3 and actual time taken 150 hours
 Calculate earnings and effective rate of earnings of Keshav & Madhav

Q 3 B On the basis of following information, calculate the earnings of Hitesh and Karan on Straight Piece Rate System and Taylors Differential Piece Rate System 07 Marks

Standard Production : 30 units per hour

Normal Time Rate : Rs. 15 per hour

Differential to be applied: 80% of piece rate below standard

120% of piece rate at or above standard

In a 9 hours day, Hitesh produces 250 units and Karan produces 300 units

OR

Q 3 P Alex the employee of XYZ Ltd. gets the following benefits 08 marks

Basic Salary Rs. 5000 p.m.

Dearness Allowance Rs. 4000 p.m.

Employers contribution to Provident Fund @ 10% of Basic + DA

Employers contribution to ESI @ 5% of Basic + DA

Other Allowances Rs . 30,000 p.a.

Bonus @ 20% of Basic + DA

Alex works for 2500 hours p.a. out of which 500 hours are non-productive but treated as normal idle time. You are required to find out the effective hourly cost of Alex.

Q 3 Q Calculate the earnings of a worker from the following information: 07 marks

a) Time Rate Method b) Halsey Plan and c) Rowan Plan Information given:

Standard Time – 48 hours: Time taken - 40 hours

Hourly rate of wages is Re. 5 per hour plus a dearness allowance @ 2.50

Rs. per hour worked.

Q 4 Dhoni Ltd. has 3 production departments A, B and C and two service departments X and Y. The following particulars are available for the month of the March 2019 concerning the organisation: 15 marks

Rent	Rs. 15,000	Power	Rs.6,000
Canteen Expenses	Rs. 30,000	Depreciation on machinery	Rs.40,000
Lighting	Rs. 2,400	Other Labour related costs	Rs.10,000
Indirect wages	Rs. 6,000		

Following further details are also available:

	Total	A	B	C	X	Y
Floor space (Sq. Mts.)	5,000	1,000	1,250	1,500	1,000	250
Light Points (Nos.)	240	40	60	80	40	20
Direct Wages (Rs)	40,000	12,000	8,000	12,000	6,000	2,000
Direct Material (Rs.)	50,000	10,000	15,000	20,000	2500	2500
Horsepower of machines (Nos.)	150	60	30	50	10	-
Cost of machines (Rs)	2,00,000	48,000	64,000	80,000	4,000	4,000

You are required to show Primary Distribution of Overheads

OR

Q 4 P

A factory has three production departments A, B and C and two service departments X and Y. The Overhead Cost of the different department incurred in May 2019 is as follows

8 marks

Dept A – Rs. 6300

Dept B – Rs. 7400

Dept C – Rs. 2800

Dept X – Rs. 4500

Dept Y – Rs. 2000

The service dept costs are shared as follows

	A	B	C	X	Y
X	40%	30%	20%		10%
Y	30%	30%	20%	20%	

Find out overheads of production dept by repeated distribution Method.

Q 4 Q

A factory has three production departments A, B and C and two service departments X and Y. The Overhead Cost of the different department incurred in May 2019 is as follows

7 marks

Dept A – Rs. 10,000

Dept B – Rs. 8000

Dept C – Rs. 6000

Dept X – Rs. 5000

Dept Y – Rs. 3000

The cost of Department X have to be charged in the ratio 2:2:1 and those of Dept. Y equally to Dept. A, B and C respectively. Find Production dept. Overheads.

- Q 5.A. Explain Importance and advantages of cost accounting 8 marks
- Q 5.B. Explain Classification of Cost On the basis of Behavior 7 marks
- OR
- Q 5.P. *Short Notes (any 3 out of 5)* 15 marks
1. Imputed Cost
 2. Inventory Turnover Ratio
 3. Labour Cost
 4. Helsey Plan
 5. Marginal Cost
