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B.Com SEM VI

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Question Papers

T.Y. B.Com (Semester - VI) Examination, April/May 2011
COST AND MANAGEMENT ACCOUNTING
 (Methods and Techniques of Costing - II) (Major - II)

Duration : 2 Hours

Total Marks : 80

- Instructions : 1) Question No.1 is compulsory.
 2) Answer any three from Q.No.2 to Q.No.6.
 3) All questions carry equal marks.
 4) Give working notes wherever necessary.

Q1) The Sales, Turnover and profit of ABC Ltd. during the period of two years were as follows : [20]

Year	Sales (Rs.)	Profit (Rs.)
2009	3,00,000	40,000
2010	3,40,000	50,000

You are required to find out :

- P/V ratio.
- Fixed cost and B.E.P. $F = C + P$
- Profit made when sales are Rs. 5,00,000.
- Safety Margin at a profit of Rs. 1,20,000.
- Sales required to earn a profit of Rs. 60,000.

Q2) From the following data, calculate material variances. [20]

Material	Standard mix	Actual mix
Material A	200 units @ Rs. 10 per unit	160 units @ Rs. 13 per unit
Material B	100 units @ Rs. 12 per unit	140 units @ Rs. 10 per unit

Standard loss is 10% of input. Actual output is 260 units.

Find out :

- Material cost variance.
- Material price variance.
- Material usage variance.
- Material mix variance.
- Material yield variance.

Q3) a) The following details relate to the manufacturing of two products 'P' & 'Q'. [10]

Particulars	Product 'P'	Product 'Q'
	(per unit)	(per unit)
	Rs.	Rs.
Selling price	100	100
Direct Material (Rs. 10 per kg)	20	40
Direct Wages (Rs. 4 per kg)	28	20
Variable overhead	4	10

Total fixed overhead Rs. 12,000.

Which of the products would you recommend under each of the following circumstance.

- Total sales potential in units is limited.
- Raw material is in short supply.
- Labour hours is the limiting factor.

b) What is management reporting? Explain the classification of reports. [10]

Q4) a) The standard cost card for one unit of product shows the following labour cost :- [10]
10 hours @ Rs. 20 per hour.

Actual Cost data :

Production for the month of January was 5,700 units. Actual labour cost - 56,800 hours @ Rs. 22 per hour. Abnormal idle time included in actual hours - 100 hours.

Find out :

- Labour cost variance.
- Labour rate variance.
- Labour efficiency variance.
- Idle time variance.

b) What is uniform costing? State its advantages and disadvantages. [10]

Q5) a) What do you mean by variance analysis? State the uses of standard costing. [10]

b) What are the assumptions of the technique Marginal Costing? State why Marginal Costing is important to management. [10]

Q6) Explain any four of the following :

- a) Objectives of uniform costing.
- b) Need for inter firm comparison.
- c) Performance budgeting.
- d) Transfer price determination.
- e) Responsibility accounting.
- f) Uniform costing manual.



[Total No. of Questions : 6]

T.Y. B.Com (Semester - VI) Examination, April/May 2011
COST AND MANAGEMENT ACCOUNTING
(Cost and Management Audit) (Major - III)

Duration : 2 Hours

Total Marks : 80

- Instructions :
- 1) All questions are compulsory.
 - 2) Figures to the right indicate maximum marks allotted to the question/sub-question.
 - 3) Answer sub-questions in Q.No.1 and Q.No.2 in not more than 100 words each.
 - 4) Answer Q.No.3 to Q.No.6 in not more than 400 words each.

Q1) Answer any four of the following : [16]

- a) Accounting for wages and salaries. ✓
- b) Random Number Selection Method.
- c) Accounting for Depreciation.
- d) Cost Accounting Records Rules.
- e) Review of Cost Audit Report.
- f) Inventory Control.

Q2) Answer any four of the following : [16]

- a) Cost Audit Report Rules.
- b) Unqualified opinion.
- c) Management Auditor.
- d) Features of Management Audit.
- e) Management Information System.
- f) Process of Management Audit.

Q3) a) What is capacity utilization? Enumerate the factors to be considered for its evaluation. [4]

b) What is Qualified Opinion? [4]

OR

- a) Discuss the evaluation of Budgetary control. [4]
- b) What are Notes in the Cost Audit Report? [4]

Q4) a) Explain the contents of Cost Audit Report.

OR

b) Discuss the End use of Cost Audit Report.

Q5) a) List down the special penal provision for Cost Auditor.

b) What is Management Audit? Explain in brief its scope for evaluation of organisational function.

OR

a) Explain the necessity of Cost Audit.

b) Enumerate the objectives and benefits of Management Audit.

Q6) What is corporate Image? How would you evaluate it.

OR

Explain in detail the concept of Social Cost Benefit Analysis.



Total No. of Questions : 6

B.Com (Semester - VI) Examination, April/May 2011

BUSINESS ECONOMICS

Indian Economy

2 copy

Duration : 2 Hours

Total Marks : 80

- Instructions :
- 1) All questions are compulsory. However internal choice is available.
 - 2) Answer sub-questions in Question 1 and Question 2 in not more than 100 words each.
 - 3) Answer Question 3 to Question 6 each in not more than 400 words.
 - 4) Figures to the right indicate maximum marks to the question/sub question.

Q1) - Answer any four of the following :

[4 × 4 = 16]

- a) Explain any two features of the Indian economy. I
- b) Examine the role of commercial banks in extending agricultural credit in India. II
- c) What is the human development index? II
- d) Explain the contribution of agriculture to India's economic development. II (any two points)
- e) Explain any two causes of low agricultural productivity in India. II
- f) Explain the role of NABARD in rural finance in India. II

Q2) Answer any four of the following :

[4 × 4 = 16]

- a) What are Trade Related Investment Measures? IV
- b) What are the major trends in the direction of India's imports? III
- c) Explain any two features of the New Industrial Policy 1991. III
- d) Explain any two problems faced by small enterprises in India. III
- e) Explain any two drawbacks of multinational corporations in India. III
- f) Explain the impact of globalization on the Indian economy. (any two points) IV

Q3) ✓ Examine the progress that has so far been made towards the achievement of the objectives of economic planning in India? I [12]

OR

a) Explain the development strategy adopted during the second five year plan. I [12]

Q4) ✓ a) What are the defects of agricultural marketing in India? II [12]

OR

b) Explain the measures to raise the level of agricultural productivity in India. I [12]

Q5) a) Critically evaluate the industrial development of India since the introduction of planning. [12]

OR

✓ b) Examine the importance of small enterprises in India's economic development. II [12]

Q6) a) Describe the main trends in the composition of India's foreign trade since 1951. [12]

OR

✓ b) Analyse the implications for India of the WTO agreements relating to trade related intellectual property rights and General Agreement on trade in services. ✓ [12]

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B.Com. (Semester - VI) Examination, April/May 2011

Entrepreneurship Management - II

Duration : 2 Hours

Total Marks : 80

- Instructions :
- 1) All questions are compulsory, however internal choice is available.
 - 2) Answer sub-question in question 1 and question 2 each in not more than 100 words.
 - 3) Answer question 3 to question 6 each in not more than 400 words.
 - 4) Figure to the right indicates maximum marks to the question/sub-question.

Q1) Answer any four of the following :

[16]

- a) What are the features of Private Limited Company?
- b) What is the procedure that entrepreneur has to follow before placing an order for Machinery?
- c) Explain in brief the role of National Alliance of Young Entrepreneurs.
- d) What are the schemes that Economic Development Corporation offers?
- e) What do you mean by incentives and subsidies?
- f) Explain the Prime Ministers Rozgar Yojana Scheme.

Q2) Answer any four of the following :

[16]

- a) What are the problems faced by an entrepreneur while marketing industrial products?
- b) State the different sources of Fixed Capital.
- c) What are the internal causes of Industrial Sickness?
- d) What are the effects of Industrial Sickness?
- e) What are the responsibilities of an entrepreneur towards Society?
- f) What do you mean by "Environmental Impact Assessment"?

G - 86

Q3) Explain the following steps relating to setting up of a Small Scale Industry : [12]

Industry :

- a) Preliminary Preparation of a Project Report.
- b) Procurement and Installation of Machinery.
- c) Recruitment and Training of Staff.

OR

How will you choose the most appropriate form of entrepreneurial organization for your business? [12]

Q4) What is the role played by Entrepreneurship Development Institute of India in entrepreneurship development? [12]

OR

Explain the functions of a State Financial Corporation. [12]

Q5) What is Fixed Capital? Explain its significance in business enterprise. [12]

OR

Explain the factors which need special thought while selecting a precise channel of distribution. [12]

Q6) What is Industrial Sickness? Explain the different counteractive way to prevent Industrial Sickness. [12]

OR

Explain in detail the incentives and subsidies offered by Government of Goa to entrepreneurs. [12]



T.Y.B.Com. (Semester - VI) Examination, October - 2011
COST AND MANAGEMENT ACCOUNTING (Major - II)
Methods and Techniques of Costing - II

Time: 2 Hours

Total Marks : 80

- Instructions: 1) Question No. 1 is compulsory.
 2) Answer any three questions from Q. No. 2 to Q.No. 6
 3) All questions carry equal marks.
 4) Give working notes wherever necessary.

The analysis of cost of ABC manufacturing company showed the following information:

[20]

Variable cost :

Direct Material	-	35% of sales
Direct labour cost	-	25% of sales
Variable factory overhead	-	12% of sales.
Variable selling overhead	-	8% of sales.

Total fixed cost Rs 1,00,000

Budgeted sales Rs. 12,00,000

You are required to find out:

- a) P/V ratio and Break Even sales volume.
 b) Profit at budgeted sales volume.
 c) Sale required to earn a profit of Rs. 20,000
 d) Profit at 80% of budgeted sales.
 e) Variable cost at 50% of budgeted sales.
 f) Margin of safety sales at a profit of Rs. 80,000.

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Contribution - FC

Q2) The standard labour cost to manufacture one unit of product 'P' in A Ltd, is as follows:
 Skilled workers - 5 Hours @ Rs. 50 per hour
 Unskilled workers - 2 Hours @ Rs. 20 per hour
 Actual Labour cost data extracted from cost records of the company for the January, 2011 were;

- a) Actual units manufactured were 100 units of product 'P'.
- b) Details of workers employed :
 Skilled workers - 520 Hours @ Rs. 50 per hour
 Unskilled workers - 210 hours @ Rs. 18 per hour

Calculate:

- i) Labour cost variance
- ii) Labour rate variance.
- iii) Labour efficiency variance.
- iv) Labour mix variance.

Q3) a) The following particulars are extracted from the records of a company:

Particulars	product 'A' (per unit) Rs.	Product 'B' (per unit) Rs.
Selling price	100	120
Direct material cost @ Rs. 4 per kg	12	16
Direct wages @ Rs. 3 per hour	15	18
Direct expenses	3	4
Variable overhead	2	4

Comment on the profitability of each product (both use same raw - material) when:

- i) Total sales potential in value is limited.
 - ii) Raw material is in short supply.
- b) What are the guiding principles relating to the preparation of management reports?

Q) a) The following data are given :

Standard quantity of direct material per unit - 4 kg

Standard price

Rs. 50 per kg

Actual output

2000 units

Actual price of material

Rs. 48 per kg

Quantity used to manufacture actual output

8700 kg.

[10]

Find out :

i) Material cost variance

ii) Material price variance

iii) Material usage variance.

b) What is 'uniform costing'? State the need for uniform costing.

[10]

Q5) a) "The technique of marginal costing is a valuable aid to management". Discuss.

[10]

b) Outline the limitation of standard costing.

[5]

c) What do you mean by variance analysis? State the reasons for each of the following variance.

[5]

i) Direct material usage variance.

ii) Direct material mix variance.

iii) Labour rate variance

Q6) Explain any four of the following :

[4 × 5 = 20]

a) Advantages of interfirm comparison.

b) Transfer pricing.

c) Significance of performance budgeting.

d) Limitations of uniform costing.

e) Types of Responsibility centres

f) Fields covered by uniform costing system.



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T.Y.B.Com. (Semester - VI) Examination, October - 2011
COST AND MANAGEMENT ACCOUNTING (Major - II)
Methods and Techniques of Costing - II

on : 2 Hours

Total Marks : 80

- Directions: 1) Question No. 1 is compulsory.
 2) Answer any three questions from Q. No. 2 to Q.No. 6
 3) All questions carry equal marks.
 4) Give working notes wherever necessary.

The analysis of cost of ABC manufacturing company showed the following information:

[20]

Variable cost :

Pb - 25/96

- Direct Material - 35% of sales
- Direct labour cost - 25% of sales
- Variable factory overhead - 12% of sales
- Variable selling overhead - 8% of sales.

Total fixed cost Rs 1,00,000

Budgeted sales Rs. 12,00,000

You are required to find out

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- a) P/V ratio and Break-Even sales volume.
- b) Profit at budgeted sales volume.
- c) Sale required to earn a profit of Rs. 20,000
- d) Profit at 80% of budgeted sales.
- e) Variable cost at 50% of budgeted sales.
- f) Margin of safety sales at a profit of Rs. 80,000.

Contribution - FC

of Questions : 6)

T.Y.B.Com. (Semester - VI) Examination, October - 2011
COST AND MANAGEMENT ACCOUNTING (Major - II)
Methods and Techniques of Costing - II

Time : 2 Hours

Total Marks : 80

- Instructions:
- 1) Question No. 1 is compulsory.
 - 2) Answer any three questions from Q. No. 2 to Q.No. 6
 - 3) All questions carry equal marks.
 - 4) Give working notes wherever necessary.

The analysis of cost of ABC manufacturing company showed the following information: [20]

Pb - 25/36

Variable cost :

Direct Material	-	35% of sales
Direct labour cost	-	25% of sales
Variable factory overhead	-	12% of sales.
Variable selling overhead	-	8% of sales.
Total fixed cost	Rs 1,00,000	
Budgeted sales		Rs. 12,00,000

You are required to find out:

- a) P/V ratio and Break-Even sales volume.
- b) Profit at budgeted sales volume.
- c) Sale required to earn a profit of Rs. 20,000
- d) Profit at 80% of budgeted sales.
- e) Variable cost at 50% of budgeted sales.
- f) Margin of safety sales at a profit of Rs. 80,000.

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Contribution - FC

Q2) The standard labour cost to manufacture one unit of product 'P' in A Ltd, is as follows:
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 Actual Labour cost data extracted from cost records of the company for the month of January, 2011 were;

- a) Actual units manufactured were 100 units of product 'P'.
 b) Details of workers employed :
 Skilled workers - 520 Hours @ Rs. 50 per hour
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Calculate:

- i) Labour cost variance
- ii) Labour rate variance.
- iii) Labour efficiency variance.
- iv) Labour mix variance.

Q3) a) The following particulars are extracted from the records of a company:

Particulars	product 'A' (per unit) Rs.	Product 'B' (per unit) Rs.
Selling price	100	120
Direct material cost @ Rs. 4 per kg	12	16
Direct wages @ Rs. 3 per hour	15	18
Direct expenses	3	4
Variable overhead	2	4

Comment on the profitability of each product (both use same raw - material) when:

- i) Total sales potential in value is limited.
 - ii) Raw material is in short supply.
- b) What are the guiding principles relating to the preparation of management reports?

3) The following data are given :

Standard quantity of direct material per unit - 4 kg
Standard price
Actual output

Rs. 50 per kg
2000 units
Rs. 48 per kg
8700 kg.

Actual price of material
Quantity used to manufacture actual output
Find out :

- i) Material cost variance
 - ii) Material price variance
 - iii) Material usage variance.
- b) What is 'uniform costing'? State the need for uniform costing. [10]

a) "The technique of marginal costing is a valuable aid to management". Discuss. [10]

b) Outline the limitation of standard costing. [5]

c) What do you mean by variance analysis? State the reasons for each of the following variance. [5]

- i) Direct material usage variance.
- ii) Direct material mix variance.
- iii) Labour rate variance

6) Explain any four of the following : [4 x 5 = 20]

- a) Advantages of interfirm comparison.
- b) Transfer pricing.
- c) Significance of performance budgeting.
- d) Limitations of uniform costing.
- e) Types of Responsibility centres
- f) Fields covered by uniform costing system.



B - 249
Total No. of Questions : 6]

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B.Com. (Semester - V) Examination, Oct./Nov. - 2011
BUSINESS ECONOMICS
International Trade & Finance

Duration : 2 Hours

Total Marks : 80

- Instructions :
- 1) All questions are compulsory, however internal choice is available.
 - 2) Figures to the right indicate maximum marks.
 - 3) Start each new question on a fresh page.
 - 4) Answer to Questions 3 to 6 must be of approximately 400 words each.

Q1) Answer ANY FOUR of the following in approximately 100 words each : [16]

a) Explain any two gains from international trade.

~~b)~~ Give any four points of distinction between internal and external trade.

c) State any four merits of floating exchange rate system.

d) What is meant by Swap transaction?

e) Explain any two features of a foreign exchange market.

~~f)~~ Comment on the Purchasing Power Parity as a long term factor affecting exchange rates.

Q2) Answer ANY FOUR of the following in approximately 100 words each : [16]

~~a)~~ Distinguish between Autonomous and Accommodating transactions.

b) What do you mean by a balance of payment disequilibrium?

c) Give any four points of distinction between Balance of Trade and Balance of Payments.

d) Explain any two effects of tariffs.

~~e)~~ Comment on Anti-dumping & Countervailing duties.

f) State any four objectives of the World Trade Organisation.

Q3) Why do developing countries face unfavourable terms of trade? [12]

OR

+ Write a note on Multinational Companies and Transport costs as factors affecting international trade.

B - 249

5
Q4) Explain the different functions performed by the foreign exchange market.

OR
State any six advantages and disadvantages of fixed exchange rates.

X Q5) Explain the structure and components of the Balance of Payments.

OR
Briefly describe the monetary measures of correcting the disequilibrium in the Balance of Payments.

Q6) What is a Protectionist policy? State any five arguments in favour of Protectionist Policy.

OR
Define the term Import Quotas and explain the different types of import quotas.

B.Com. (Semester - V) Examination, October - 2011
MAJOR - I : COST AND MANAGEMENT ACCOUNTING
 Process Costing and Integral Accounting

Duration : 2 Hours

- Instructions : 1) Question No. 1 is compulsory.
 2) Answer any three questions from the remaining questions.
 3) Figures to the right indicate full marks.

Total Marks : 80

Q1) Following particulars relate to the manufacture and sale of 1,000 units during the year 2010.

	Rs.	[20]
Direct Material Cost		
Direct Wages	20,000	
Factory Overheads	12,000	
Selling Overheads	8,000 (50% fixed and 50% variable)	
Office Overheads	1,000	
Profit-20% on selling price.	4,000 (50% fixed and 50% variable)	

During the year 2011, it was estimated that :

- Production would be increased to 1,200 units.
- Material cost per unit would increase by 20%.
- Wages per unit would decrease by 10%.
- Selling Overheads per unit would decline by 20%

You are required to prepare :

- Cost Sheet for the year 2010 showing total and per unit cost and profit.
- Cost Sheet for the year 2011 showing price at which the units should be marked so as to get the same rate of profit as earned during the year 2010.

Q2) Amit manufacturing Pvt. Ltd. provides you the following data for the month of March 2011: [20]

Particulars	Process E	Process F	Process G
Units of Raw material introduced	6,000	1,220	1,300
Cost per unit of Raw Material (Rs.)	5	5	5
Labour (Rs.)	17,000	12,000	7,500
Other Expenses (Rs.)	8,080	8,100	4,800
Weight lost	4%	5%	3%
Scrap	6%	5%	4%
Sale value of scrap per unit (Rs.)	3	4	5
Output sold	30%	40%	100%
Output transferred to next process	70%	60%	
Sale price of output sold per unit (Rs.)	12	16	17

Prepare Process Accounts and Normal Loss Account.

Q3) A product passes through three processes I, II and III before it is transferred to Finished Stock. The following information is obtained for the year 2010. [20]

	Process I	Process II	Process III	FIN. STOCK
Opening Stock (Rs.)	40,000	48,000	32,000	1,20,000
Direct Material (Rs.)	90,000	90,000	1,00,000	-
Direct Wages (Rs.)	50,000	54,000	84,000	-
Overheads (Rs.)	56,000	24,000	1,60,000	-
Closing Stock (Rs.)	20,000	24,000	16,000	60,000
Profit on transfer price	25%	20%	20%	-
Inter process profit for opening stock (Rs.)	-	8,000	8,000	44,000
Sales (Rs.)	-	-	-	15,00,000

Stocks in the processes are valued at prime cost and finished stock has been valued at the price at which it is received from process III.

Prepare Process Accounts and Finished Stock Account showing the profit element at each stage.

Q4) a) Pass the Journal entries in the cost books (non-integrated accounting system) for the following transactions : [14]

i) Materials purchased	Rs. 5,15,000
ii) Materials issued for production	3,87,000
iii) Materials used in repairs	10,000
iv) Direct labour	84,000
v) Indirect labour	15,000
vi) Carriage Inwards	6,050
vii) Cost of completed work	7,05,000

b) What is unit costing? Write any four industries in which this method is applicable. [6]

Q5) a) From the following information, pass the journal entries under the integral system of accounts : [14]

i) Raw Materials purchased on credit	3,05,700
ii) Raw Materials issued to production	1,24,000
iii) Direct Expenses	10,000
iv) Payment to creditors	60,000
v) Received from debtors	50,000
vi) Finished product at cost	2,68,000
vii) Credit Sales	5,00,000

b) From the following details prepare a Statement of Equivalent Production and ascertain the element wise cost per unit of Equivalent Production : [6]

Input - 10,000 units.

Output - 8,000 units.

Closing Work in Progress - 2,000 units.

Degree of completion of closing work in progress.

Material - 90%, Labour - 60% and Overheads - 50%.

Process cost - Materials Rs. 58,800, Labour Rs. 36,800 and Overheads Rs. 9,000.

Q6) a) Write a note on Costing Profit and Loss Account. [5]

b) What is a non-integrated accounting system? What are the advantages of cost ledger? [5]

c) Explain the basic principles considered while designing the system of an integral accounting system. [5]

d) Write a note on Selling and Distribution Overhead Account and Cost of sales Account. [5]

