AT-101

April-2017

B.Com., Sem.-IV

207 : Production Management

Time : 3 Hours]

[Max. Marks : 70

1. (A) What is production management ? Explain characteristics of production management.

   6

   OR

   What is production planning ? Explain the scope of production planning.

   (B) Explain the difference between production planning and production control.

   4

   OR

   Explain Importance of production control.

   (C) Answer the following in short : (any two)

   4

   (1) What is continuous production method ?

   (2) What is scheduling ?

   (3) Discuss job production.

   (4) What is batch production ?

2. (A) Explain the methods of purchasing in short.

   6

   OR

   Explain the principles of scientific purchasing.

   (B) Explain merits and demerits of centralised purchasing in short.

   4

   OR

   Make or purchase decisions.

   (C) (1) What is Blanket purchase ?

   (2) What is tender ?

   OR

   (1) What is scientific purchasing ?

   (2) Give two merits of Decentralised purchasing.

3. (A) Explain the meaning of Inventory Control and its importance. **6**

    OR

    Explain the various types of Inventory.

    (B) Write short note : (any **one**) **4**
    (1) ABC methods of Inventory Control.
    (2) VED analysis method.

    (C) Explain the following terms. **4**
    (1) Maximum level
    (2) Ordering level

4. (A) Explain the new product adoption process. **6**

    OR

    Explain the meaning and advantages of product simplification.

    (B) Write short note : (any **one**) **4**
    (1) Factors affecting the product mix.
    (2) Advantages of product diversification.

    (C) Answer any **one**. **4**
    (1) Limitations of product diversification.
    (2) Limitations of product simplification.

5. Answer the following questions in short : (any **seven**) **14**
    (1) What is production ?
    (2) What is semifinished goods ?
    (3) What is work-in-progress ?
    (4) What is danger level ?
    (5) What is customer satisfaction ?
    (6) What is new product ?
    (7) Give the meaning of FSN analysis.
    (8) What is by-product ?
    (9) Give the meaning of purchase policy.

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AT-101
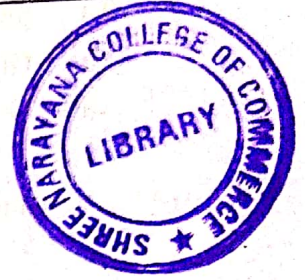
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AS-101

April-2017

B.Com., Sem.-IV

CE-204 (A) : Advance Account & Auditing

(Auditing – 1)

Time : 3 Hours] [Max. Marks : 70

Instruction : Figures to the right indicate full marks of the question.

1. (A) Define 'Auditing'. Discuss characteristics and advantages & disadvantages of Auditing. **7**

OR

What is meant by 'Continuous Audit' ? State the advantages and disadvantages of such Audit. What precaution would you suggest to overcome the disadvantages ?

(B) Answer any **two** from the following questions : **4**
 (i) Mention the three remedies for prevention of Accounting Frauds.
 (ii) Auditor's Lien.
 (iii) Remuneration of an auditor.

(C) Answer any **two** in brief from the following : **3**
 (i) State the qualification of an auditor.
 (ii) State the provisions of Companies Act regarding removal of company auditor.
 (iii) State the main objects of 'Auditing'.

2. (A) What is Internal Check system ? State the features of an ideal system of Internal Check. **7**

OR

Distinguish between Internal Audit and Statutory Audit.

(B) Answer any **two** from the following questions : **4**
 (i) Internal check system in respect of cash sales.
 (ii) Explain advantages of internal check.
 (iii) When a 'Surprise Checking' is undertaken ?

(C) Answer any **two** in brief from the following :
    (i)   State the two objectives of 'Routine Checking'.
    (ii)   Give two advantages of 'Sample Checking'.
    (iii) Give three details which are included in Audit Notebook.

3.   (A) 'Vouching is the Soul of Auditing.' Discuss.

<p align="center">OR</p>

Describe importance of Vouching and auditor's duties with regard to vouching.

   (B) Answer any **two** from the following questions :   4
    (i)   Give any two points of difference between "Vouching" and "Routine Checking".
    (ii)   State the points that an auditor has to keep in mind while vouching.
    (iii) Which types of vouchers are to be considered for "Sales Returns" ?

   (C) How will you vouch the following : (any **two**)   3
    (i)   Cash purchases
    (ii)   Preliminary expenses
    (iii) Subscription received

4.   (A) Explain the meaning of 'Verification of Assets' and also describe its guiding principles.

<p align="center">OR</p>

State the Auditor's duties in connection with verification and valuation of stock of goods.   7

   (B) Answer any **two** from the following questions :   4
    (i)   Indicate any four points of difference between verification and valuation of assets.
    (ii)   State the advantages of verifications.
    (iii) What is meant by Contingent Liabilities ? Give three examples of Contingent Liabilities.

   (C) Answer any **two** in brief from the following :
    (i)   Mention three illustrations of 'Contingent Assets'.
    (ii)   State three characteristics of "Intangible Assets".
    (iii) Indicate three points of verification of "Provision for tax".

AS-101   6

5. In the following sub-questions, more than one answer is given, of which you have to select only one correct answer : (one mark for each question)   14

(1) The word 'audit' has been derived from the Latin word "_____".

    (a) Account   (b) Audire

    (c) Audience   (d) Author

(2) Which one of the following errors does not affect the trial balance ?

    (a) Errors of principle

    (b) Writing incorrect balance of an account in the trial balance

    (c) Overcasting of sales book

    (d) Posting on the wrong side of an account

(3) Which one of the following errors is considered "Clerical error" ?

    (a) Mistake in totaling of subsidiary books

    (b) Not making an adjusting entry for outstanding expenses

    (c) Sending statements to the debtors for confirmation

    (d) Wrong allocation of expenditure between capital and revenue.

(4) When the auditor checking of only a few selected transactions, it is known as _____.

    (a) Surprise Checking   (b) Test Checking

    (c) Routine Checking   (d) None of these

(5) When the audit of accounts is carried on by salaried staff appointed by the business unit is called _____.

    (a) Statutory Audit   (b) Internal Audit

    (c) External Audit   (d) None of these

(6) A plan for carrying out audit work prepared by the auditor is called _____.

    (a) Audit Report   (b) Audit Note Book

    (c) Audit Programme   (d) Audit Certificate

(7) The system, whereby work of one employee is subjected to an independent check by another employee is called _____.

    (a) Internal Audit   (b) External Check

    (c) External Audit   (d) Internal Check

(8) To whom, internal auditor has to submit his report ?

    (a) Management   (b) Shareholders

    (c) Company Secretary   (d) Registrar

(9) Which of the following is relevant voucher for vouching of transactions of "Purchase Goods Return" ?

    (a) Credit note issued to customers

    (b) Goods inward register

    (c) Entry of Bills receivable

    (d) Credit note received from supplier

(10) Which one of the following is not a relevant voucher for vouching of cash received on issue of shares ?

    (a) Cash book & Pass book

    (b) Share application and allotment sheets

    (c) Board of Director's resolution

    (d) Agreements with the financial institutions for borrowing loans

(11) Which one of the following is not a relevant voucher for vouching of 'proceeds from sale of investments' ?

    (a) Sales Invoice

    (b) Correspondence with purchaser

    (c) Bank Pass book

    (d) Sale deed or Broker's sold note invoice

(12) "Verification means proving the truth of confirmation." This is the definition of _____ .

    (a) Jagdish Prakash   (b) B.N. Tandon

    (c) J.R. Batliboy   (d) Spicer and Pagler

(13) When goods are sent for sale but such goods are not received at the last date of financial year by the party to whom it is sent, then it is known as _____ .

    (a) Goods for sale or return   (b) Goods sent on consignment

    (c) Goods sent to Branch   (d) Goods in transit

(14) _____ is the representative of the shareholders.

    (a) Company Secretary   (b) Company Auditor

    (c) Company Registrar   (d) All of above

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AQ-127

April-2017

B.Com., Sem.-IV

209 : Commercial Communication – IV
(Vignettes of Life)

Time : 3 Hours] [Max. Marks : 70

Instructions : (1) Mention clearly the option you attempt.
(2) Figures to the right indicate full marks.

1. Write brief answers of any **seven** of the following : 14
   (1) Why was the grandfather chosen to serve on the committee ?
   (2) Why was the daughter-in-law upset ?
   (3) What made Khanna's father take a sudden interest in religion ?
   (4) Why did Khanna's father stop talking to Radhey Mohan ?
   (5) What are Taipan's retirement plans ?
   (6) What were the two things that the narrator was well aware of ?
   (7) What was the blunder committed by Scoresby ?
   (8) What according to Taipan was the only thing that mattered ?
   (9) What was the grain merchant's condition about giving donation ?

2. Attempt any **two** short notes :
   (1) Taipan
   (2) Scoresby
   (3) Diamond Rice – A Satire

3. Define Upward Communication and mention its objectives, advantages and
   limitations. 14

   OR

   Write a detailed note on various personal barriers.

4. Draft a letter of negotiation for better terms and conditions for a new agency. 14

   OR

   As a Principal write a letter of termination of agency.

5. (A) Draft a circular announcing increase in price. 7

OR

Write a circular letter to your dealers about the details of the new premises.

(B) Do as directed : 7

I. Match the following :

A	B
Child's play	To inquire
In a nut shell	An easy task
To look into	Very tough task
Himalayan Task	Briefly

II. Give meaning of : Sailing in the same boat
Now and then
At the spur of the moment

_____

AR-101

April-2017

B.Com., Sem.-IV

CE-203 A : Adv. Acc. & Auditing
(Cost Accounting-II)
(New)

Time : 3 Hours]

[Max. Marks : 70

1. The following Particular is obtained from the book of Vadalawala Mfg. Co. Ltd. for the year 2016 :

14

Production and Sales	20,000 Units
	₹
Direct Material	12,00,000
Direct Wages	10,00,000
Direct Expenses	8,00,000
Factory Overheads	6,00,000
Office Overheads (Fixed)	4,00,000
Selling Overheads	2,00,000
Profit	8,40,000
	50,40,000

It is ascertained that factory overheads fluctuate variable and fixed in the ratio 2 : 1 and 80% selling Overheads fluctuate with sales.

During the year 2017, it is anticipated that the production and sales will be of 50,000 units. All direct expenses and variable factory overhead per unit will increase by 10% : fixed factory overheads will increase by ₹ 3,50,000; Office overheads and selling overheads will increase by 25%.

Prepare a cost sheet for the year 2017 showing the price at which the unit will be sold so as to earn same rate of profit on cost as in the year 2016.

OR

1. The Profit and Loss Account of Shweta Ltd. for the year ending on 31st March 2016 is as under :

14

Dr.   Profit and Loss A/c   Cr.

Particulars	₹	Particulars	₹
To Opening Stock	3,60,000	By Sales : (75,000 Units)	66,00,000
(Finished Stock 6000 Units)		By Closing Stock	6,60,000
To Direct Materials	24,00,000	(Finished Stock 11,000 units)	
To Direct Wages	12,00,000		
To Factory Expenses	8,00,000		
To Gross Profit	25,00,000		
	72,60,000		72,60,000
To Office Expenses	4,00,000	By Gross Profit	25,00,000
To Selling Expenses	4,50,000		
To Net Profit	16,50,000		
	25,00,000		25,00,000

The company will produce 1,20,000 units and 1,00,000 units will be sold during 2017, the estimates for changes in various items are as under :

(1) The price of materials will go up by 20%.

(2) In additions to the proportionate increase in number of workers, another additions wages ₹ 3,00,000 are to be paid.

Factory expenses will rise in proportion to the combined cost of materials and Wages.

(4) Administrative expenses per unit will be reduced by 20%.

(5) Selling expenses per unit will go up by ₹ 2.

(6) Last year's percentage of profit on selling price is to be maintained.

Prepare cost sheet for the March 2017 on the basis of the above information.

2. The following figures are available from Kavisha Ltd.'s financial accounts for the year ended 31-3-2016.

Particulars	₹
Direct Material consumption	2,05,000
Direct Wages	2,20,000
Factory Overheads	1,10,000
Administration Overheads	1,15,000
Selling and distribution overheads	1,30,000
Interest and Divided Received	40,000
Share transfer fee	60,000
Penalty paid	20,000
Legal charges	30,000
Primary expenses written off	40,000
Sales (40,000 Units)	5,00,000
Closing Stock :	
Finished Stock (10,000 units)	1,00,000
Work-in-progress (at Prime cost in both books)	40,000

The Cost Accounts reveal :

(1) Direct Material consumption ₹ 2,00,000.

(2) Direct Wages ₹ 2,40,000.

(3) Factory overheads at 25% on prime cost.

(4) Administration overheads at ₹ 2 per unit of production.

(5) Selling and Distribution overheads at ₹ 3 per unit sold.

Prepare :

(i) Cost sheet

(ii) Financial Profit and Loss Account.

(iii) Statement reconciling the Profit disclosed by the cost sheet and Financial Profit and Loss Account.

OR

2. (A) Financial account of Saloni Ltd. Reveal :   7

Office Overheads   ₹ 1,47,000
Selling Overheads   ₹   92,000
Closing Stock   ₹   13,500
Net Profit   ₹ 1,00,000

It is found that :

(i) Office Overhead shown in financial account 5% more in comparison to cost Account.

(ii) Selling overhead shown in financial account 8% less in comparison to cost Account.

(iii) Closing stock shown in financial account 10% less in comparison to cost Account.

Find out the profit as per cost account.

(B) Explain : Over recovery and Under recovery of overheads in cost accounts.   4

(C) Which items are not recorded in cost account explain with example.   3

3. Labdhi Transport Company maintains a fleet of 15 buses as follows :   14

10 Buses (90% seats are occupied in each trip)

5 Buses (75% of seats are occupied in each trip)

Caring capacity of each bus is 40 passengers. Each bus makes six-trips (Round Trip) in a day covering a distance of 20 km in one journey. Assuming that fleet is on road for 25 days in a month, work out the operating cost per passenger kilometer using the following particulars :

Particulars	₹	
Wages per driver	9,000	per month
Wages per conductor (2 conductors in a bus)	4,500	per month
Tiffin allowance per driver	180	per day
Tiffin allowance per conductor	90	per day
Diesel 5 km per litre at	15	per litre
Oil	3	per k.m.
Repairs per bus on an average	3,600	per month
Tyres, Tubes etc. per bus	5,400	per month
Depreciation for all buses	32,40,000	per annum
Servicing etc. per bus	21,600	per annum
Interest on borrowed capital for all buses	16,20,000	per annum
Insurance per bus	10,800	per annum
Road tax per bus	21,600	per annum
Misc. expenses per bus	32,400	per annum
General supervision charges	6,48,000	per annum

OR

12

3. (A) From the following particulars of Kaivan Transport Company, find out rent per passenger kilometre : 7

(i) Cost price of the bus is ₹ 15,00,000 and its estimated life is 3,00,000 kilometres.

(ii) During the month bus had done 10 round trips for 25 days, between two places, having distance of 50 kilometres.

(iii) Details regarding passengers :

Kilometres	Passenger
10	40,000
20	20,000
40	10,000
50	8,000

(iv) Expenses during the month :

Diesel	₹	1,00,000
Salary of Driver	₹	75,000
Oil	₹	50,000
Repairs	₹	25,000
Licence fee	₹	15,000
Tyre and tubes	₹	10,000

Calculate 20% profit on cost.

(B) Explain : Characteristics of Operating Costing. 4

(C) State the unit cost in the following service company : 3

(i) Torrent power Electricity Company

(ii) Hotel Taj

(iii) V. S. Hospital

4. The following particulars are obtained from the books of Rupesh Construction Company Limited for the contract costing ₹ 30,00,000 :

Particulars	31-12-2015	31-12-2016
Work-in-Progress A/c :		
Certified Work	12,00,000	24,00,000
Uncertified Work	1,20,000	2,40,000
Materials	12,000	24,000
Machines (after Depreciation)	1,20,000	?
(Cost price of machine ₹ 2,40,000)		
Reserve Profit	2,52,000	?

Particulars	1-1-'2016 to 31-12-'2016 Actual Cost (₹)	1-1-'2017 to 31-3-'2017 Estimated Cost (₹)
Materials Expenses	6,00,000	2,40,000
Labour Expenses	3,00,000	24,000
Indirect Expenses	1,50,000	2,400
Sales of materials	24,000	—
(Cost price 26,400)		

Other information :

(i) Machines are depreciated at 25% on straight line method.

(ii) The contract would be completed by 31-3-2017.

(iii) The value of materials on hand will be ₹ 5,000.

From the above information :

    (a) Prepare Contract Account for the year ended on 31-12-2016 and profit to be deposited in profit-loss A/C.

    (b) Prepare Pro-forma Contract Account showing estimated profit.

OR

4. (A) Following details has been taken from the costing records of a Sapana Ltd. for the Job No. 9 .   7

    (i) Materials : ₹ 22,500

    (ii) Wages :

        Department A 150 hours @ ₹ 15 per hour

        Department B 90 hours @ ₹ 12.5 per hour

        Department C 60 hours @ ₹ 7.5 per hour

        Department D 30 hours @ ₹ 5 per hour

(iii) Variable overheads for these departments were estimated as follows :

Variable Overheads	A	B	C	D
Factory overheads ₹	30,000	25,000	15,000	2,000
Office overheads ₹	30,000	20,000	10,000	1,000
Selling overheads ₹	15,000	11,250	5,000	750

(iv) Labour hours for these four departments are as under :

A 5,000 hours, B 4,500 hours C 3,000 hours D 500 hours

(v) Fixed overheads estimated ₹ 2,12,500 for 17,000 normal working hours.

(vi) You are required to calculate the cost of the job and selling price of the job to get 25% profit on selling price.

(B) Explain Cost Plus Contract. 4

(C) Write Short Notes : Meaning and uses of Batch Costing. 3

5. Choose the correct option from the given options : (Any Seven) 14

(1) Cost per passenger k.m. is ₹ 0.32. Distance between two cities is 150 km. Profit expected is 40% of fare income. What will be the bus fair ?

(a) ₹ 32 (b) ₹ 67.2

(c) ₹ 80 (d) None

(2) Prime cost ₹ 75,000, Conversion costs ₹ 1,20,000 and total factory cost ₹ 1,50,000 are occurred for the production of 500 units in a company. The cost of direct labour is

(a) ₹ 75,000 (b) ₹ 30,000

(c) ₹ 45,000 (d) ₹ 60,000

(3) The main objective of keeping Cost Account is

(a) To determine the selling price

(b) To keep control over cost

(c) To get the information about the per unit cost

(d) All of the above

(4) Indirect exp. as per cost accounts are ₹ 2,500 and actual indirect exp. are ₹ 3,125. It will be considered as :

    (a) Over absorption 25%
    (b) Over absorption 20%

    (c) Under absorption 25%
    (d) Under absorption 20%

(5) Expenses not recorded in Financial Account

    (a) Bank Interest
    (b) Commission

    (c) Rent of own house
    (d) Office salary

(6) In a factory, the annual batch consumption of materials is 9,720 units. The setting-up cost etc. is ₹ 12. Annual interest rate is 10%, the carrying cost of one unit is ₹ 8. Find out Economic batch size.

    (a) 750 Units
    (b) 500 Units

    (c) 540 Units
    (d) None

(7) In a job, material and wages are ₹ 200 and ₹ 100 respectively. Factory expenses are added at 60% of wages and Administrative expenses are added 25% of factory cost. What will be price of the job, if 20% profit on cost is expected ?

    (a) ₹ 540
    (b) ₹ 560

    (c) ₹ 500
    (d) None

(8) Profit of a contract credited to P & L A/c is ₹ 2,88,000. This amount is calculated on the basis of 2/3 of 80% cash receipt. Find out total profit of contract.

    (a) ₹ 5,40,000
    (b) ₹ 2,40,000

    (c) ₹ 2,00,000
    (d) None

(9) Escalation clause means

    (a) Increase in contract price due to price hike in materials and labour.

    (b) Cost plus contract

    (c) Increase in price of contract at fixed percentage per annum.

    (d) Cost of contract + Profit.

AP-121

April-2017

B.Com., Sem.-IV

CC-210 : Fundamental Statistics

(New Course)

Time : 3 Hours] [**Max. Marks : 70**

1. (a) Giving definition of derivative, find derivative of $f(x) = x^2$ by using definition. 4

    OR

    Write rules of derivative

    (b) Find derivative of following function with respect to x. 6

    (i) $y = e^x \cdot x^5$ (ii) $y = \dfrac{2x + 3}{x + 4}$

    OR

    Find derivative of following functions with respect to x.

    (i) $y = \log \{e^x \cdot x^2 \cdot 5^x\}$ (ii) $y = \dfrac{x^2 - 7x + 12}{x^2 - 10x + 21}$

    (c) If $f(x) = 2x - 10$, for which rate of x, $f(x) = f'(x)$.

    OR

    If $f(x) = 3x^2 - 7x + 10$, then prove that $f'(1) = -1$.

2. (a) Define maximum and minimum rates of a function and describe its necessary and sufficient conditions. 4

    OR

    Give meaning of Price elasticity of demand and write different formulas to obtain it.

    (b) Obtain maximum and minimum values of $f(x) = 2x^3 + 9x^2 - 60x + 10$. 6

    OR

    The demand function of monopolist is $x = 50 - 5P$ and its total cost function is $C = \dfrac{x^2}{20} + 10$. How many units should be produced to obtain maximum profit ? Find maximum profit and price for it.

(c) For any commodity demand function is $x = 50 - 10P$, find elasticity of demand when $P = 4$ ₹.   4

OR

The supply function of a commodity is $x = -10 + 6P$. Find elasticity of supply when $P = 10$.

(a) Explain the meaning of an Index number and describe its characteristics.   4

OR

State uses of an Index numbers.

(b) From the following data, find Fisher's and Marshal-Edgeworth's Index Number.   6

Item	Base Year		Current Year	
	Price	Quantity	Price	Quantity
A	2	20	5	24
B	1	22	4	25
C	6	16	12	22
D	3	8	6	8
E	9	12	12	16

OR

From the following data, calculate Laspayer's Index number and check time reversal test and factor reversal test for it.

Item	Base Year		Current Year
	Price	Quantity	Price
A	4	12	12
B	9	15	18
C	12	18	18
D	6	16	24

(c) Convert following fixed base index number into chain base index number.   4

Year	2004	2005	2006	2007	2008	2009	2010	2011
Index Number	100	110	105	122	120	114	116	130

OR

From the following data obtain index number by family budget method

Group	Total Expense	Price	
		2000	2005
Food	400	2	6
Cloth	200	1	3
Rent	100	1.5	3.0
Fuel	200	2	4
Misc.	300	1	3

4. (a) Explain the meaning of time series and describe its main uses.

<div align="center">OR</div>

Explain different types of variations observed in a time series.

(b) From the following time series, determine trend and short term variations by using four yearly moving averages.

6

Year	Supply	Year	Supply
2000	29	2008	40
2001	34	2009	46
2002	30	2010	42
2003	32	2011	44
2004	35	2012	49
2005	39	2013	54
2006	34	2014	50
2007	36	2015	56

<div align="center">OR</div>

From the following time series, determine trend and short term variation by using appropriate period of moving average.

Year	Demand (Thousand Unit)	Year	Demand (Thousand Unit)
2002	20	2009	36
2003	28	2010	32
2004	25	2011	35
2005	26	2012	42
2006	29	2013	40
2007	35	2014	43
2008	30	2015	46

(c) Calculate seasonal Indices from the following data :   4

Year	Season			
	Q₁	Q₂	Q₃	Q₄
2009	40	42	49	54
2010	50	54	56	60
2011	58	59	64	69
2012	64	68	75	80
2013	73	72	82	87

OR

The average yearly sales of a company is 200000 units and the index number of each month is as given below. Determine average sales of each month.

Month	Index No.	Month	Index No.
January	120	July	110
February	130	August	105
March	105	September	92
April	85	October	100
May	80	November	108
June	70	December	95

5. Select the suitable option from the following options :   14

(1) If $f(x) = 4x^2 - 5x + 10$ then $f'(2) =$ _____

   (a) -8 (b)   8   (c)   6   (d) -6

(2) If $f(x) = x^2 - 6x + 4$ and $f'(x) = 6$ then $x =$ _____

   (a)   0   (b)   6   (c) -6 (d)   4

(3) If $xy + 4 = 0$ then $\dfrac{dy}{dx} =$ _____

   (a) x (b) $\dfrac{4}{x^2}$ (c) $-\dfrac{4}{x^2}$ (d)   0

(4) If price elasticity of demand is 1, then the demand of commodity is called _____ .

   (a)   relatively elastic demand   (b)   unitary elastic demand

   (c)   relatively inelastic demand   (d)   perfectly inelastic demand

AP-121   9   P.T.O.

(5) If $f(x) = \log x$ then $f''(2) =$ _____

(a) 0 (b) $-1/4$ (c) $1/4$ (d) 2

(6) The index number of base year is _____ .

(a) 100 (b) 1 (c) 10 (d) 1000

(7) The ideal average used in the calculation of index number is _____ .

(a) Mean (b) Median (c) Mode (d) Geometric Mean

(8) If price in the current year increases 6 times then index number then index number of current year is _____ .

(a) 600 (b) 100 (c) 6 (d) 700

(9) Index number compares by _____ .

(a) Addition (b) Subtraction

(c) Multiplication (d) Ratio

(10) $I_{01} \times I_{10} =$ _____

(a) $\dfrac{\Sigma p_1 q_1}{\Sigma p_0 q_0}$ (b) 0 (c) $\dfrac{\Sigma p_0 q_0}{\Sigma p_1 q_1}$ (d) 1

(11) If $\Sigma IW = 21400$ and index number is 285.33 then total weight is _____ .

(a) 80 (b) 100 (c) 90 (d) 75

(12) In time series, the approximate sum of seasonal variation is _____ .

(a) 1 (b) 100 (c) 400 (d) 0

(13) The period of seasonal variation is _____ .

(a) 3 years (b) more then 1 year

(c) 1 year (d) Less than 1 year

(14) The addition model in the time series is _____ .

(a) $y = ax + b$ (b) $x = ay + b$

(c) $y = O + T$ (d) $O = T + C + S + I$

_____

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April-2017

B.Com., Sem.-IV

208 : Taxation-II
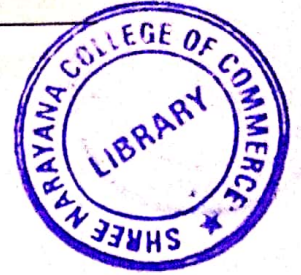
Time : 3 Hours]   [Max. Marks : 70

1. The Income and expenditure account of Dr. Jasumatiben for the year ending on
31-03-2016 is as under :   14

Expenditure	₹	Income	₹
To Staff salary	8,96,000	By Income from Nursing	14,40,000
To Marriage exps. of daughter	3,44,000	Home (Surgical)	
To Electricity	1,28,000	By Income from operations theatre	5,80,000
To Purchase of medicine	1,32,000	By Dividend (Gross)	12,000
To Telephone exps.	20,000	By Int. on NSC	4,000
To Rent of Nursing Home	72,000	By Consultation fees	1,04,000
To Depreciation of surgical		By Winning from lottery	12,000
instrument	24,000		
Depreciation of other assets	4,000	By Birthday Gift (of a minor son)	1,22,000
Local Taxes	16,000	To Rental income of house	
Rent of equipment	8,000	Property	1,84,000
Insurance Premium	28,000		
Excess of Income over exps.	7,86,000		
	24,58,000		24,58,000

Additional Informations :

(1) Salary included ₹ 2,40,000 paid to her sister who is a qualified nurse and attend duty on weekends only.

(2) The allowable depreciation on surgical instruments is ₹ 40,000 and on other assets is ₹ 3000.

(3) Local taxes include the sum of ₹ 6,000 paid in respect of her property which is let out.

(4) She has received honorarium of ₹ 1,50,000 as a visiting professor.

(5) Insurance premium included ₹ 8,000 being mediclaim insurance (self) and ₹ 4,000 being life insurance premium.

Compute the taxable income of Dr. Jasumatiben from business and profession for the A.Y. 2016-17.

OR

P.T.O.
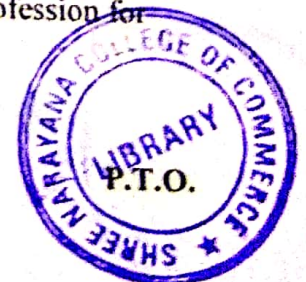
Profit and Loss Account for the year ended on 31-3-16 of Mr. Dineshkumar is as under. Compute his income from business and profession for A. Y. 2016-17

14

Dr.   Cr.

Expenses	₹	Income	₹
To Salary	3,00,000	By Gross Profit	11,28,000
To Subscription	4,000	By Profit from the sale of land	56,000
To Depreciation	16,000	By Winning prize from Horse race	32,000
To Taxi rent	14,000	By Birthday gift	42,000
To Bad debt reserve	6,000	By Bad debt reserved	10,000
To Fitting charge of machine	10,000	By Bank interest	4,000
To Legal Exps.	10,000		
To VAT	20,000		
To Purchase of stationery	30,000		
To Loss due to theft	20,000		
To Net profit	8,42,000		
	12,72,000		12,72,000

Additional Information :

(1) Taxi rent includes ₹ 6,000 for the travelling exps. of his family.

(2) 30% of the VAT debited is still unpaid.

(3) The closing stock of un-used stationery is ₹ 4,000.

(4) Allowable amount of depreciation is ₹ 20,000.

(5) Bad debt recovered includes ₹ 6,000 which is not allowed as bad debts.

(6) Audit fee ₹ 10,000 is not recorded in the books.

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2. From the following information about income of Mr. Taral for A. Y. 2016-17, you are required to calculate his taxable Income under the head "Income from other sources".

		₹
(1)	Dividend received on equity shares of an Indian company.	24,000
(2)	Family pension received.	1,20,000
(3)	Interest received on bank fixed deposit.	4,200
(4)	Rent received from sub-tenant of a house property.	18,000
(5)	Interest received on Debenture of MRF Ltd. (TDS @ 10%)	54,000
(6)	Income from card games (TDS @ 30%)	35,000
(7)	Sitting fee received for attending board mitting as Director of a company.	96,000
(8)	Composite rent received of Machinery & Building (Gross)	64,000
(9)	Income from unexplained source.	24,000
(10)	Interest from wholly tax free Govt. securities covered U/s 10(.15)	16,000

Shree Taral claims following deductions in respect of above incomes.

(i)	Interest paid on loan taken to invest in equity shares of Indian company.	6,000
(ii)	Interest paid on loan taken to invest in Debentures of MRF Ltd.	12,000
(iii)	Exp. incurred in respect of card games income	6,000

OR

AO-127   11   P.T.O.
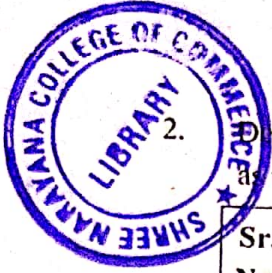
2. Details regarding transactions done by Ms. Nency for the year ended on 31-3-2016 are as under : Find out taxable capital gain for A. Y. 2016-17.   14

Sr. No.	Assets	Date of Purchase	Date of Sales	Purchase Price (₹)	Selling price (₹)	Index No.
1.	Residential bunglow	1-1-75	31-10-15	1,60,000	40,16,000	100
2.	Diamonds	1-7-04	30-11-15	48,000	2,36,900	480
3.	Agricultural Land	1-1-07	1-2-16	6,00,000	10,00,000	519
4.	Personal car	1-1-06	1-1-16	1,80,000	1,20,000	497
5.	Residential flat	1-3-16	–	10,54,000	–	–

Index number for the financial year 2015-16 is 1081.

The fair market value of residential Bunglow as on 1-4-1981 has been considered ₹ 2,00,000.

3. (A) Explain the following deductions : (Any two)   7

   (1) Royalty received by an author of book u/s 80QQB.

   (2) Deduction in respect of medical Treatment of Handicapped dependent u/s 80 DD.

   (3) Deduction in respect of interest on Saving Account us/s 80TTA.

OR

3. (A) Calculate deduction available u/s 80C for A.Y. 2016-17   7

		₹
(1)	Repayment of housing loan for construction of self-residential house (principal value)	51,000
(2)	Investment as a term deposit with Bank of India (for 2 years)	30,000
(3)	Children tution see (@ ₹ 10,000 per child)	30,000
(4)	Life Insurance Premium (for self on a policy of ₹ 1,00,000 taken on 1-10-2012)	20,000
(5)	Subscription to P.P.F.	30,000
(6)	Investment in National Savings Certificate	10,000
(7)	Interest paid on housing loan	40,000

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(B) Explain : (Any **One**)   4

    (1) Unexplained Investments

    (2) Carry forward of losses.

(C) Write Short notes : (Any **One**)   3

    (1) Contribution under Central Government's pension scheme u/s 80 CCD.

    (2) Provision of education loan u/s 80E.

4. (A) Write short notes on merits and demerits of VAT.   7

                  OR

    Explain the taxable event for service tax.

(B) Explain under Gujarat VAT Act. (Any **Two**)   4

    (1) Registration requirement under Gujarat VAT Act 2003.

    (2) Explain the term 'dealer' under VAT Act 2003.

    (3) What is invoice under VAT ? State its types.

(C) Answer in short : (Any **One**)

    (1) Explain the tax-free limit from the service tax.

    (2) Explain in brief Goods and Service tax.

    (3) Explain the term Goods under Gujarat VAT Act.

5. In the following sub-question. more than one answer is given of which you have to select only one correct answer. (Any Seven)

(1) Which of the following expenses are inadmissible in context to income from business & profession ?

 (a) VAT

 (b) Income Tax

 (c) Service Tax

 (d) None

(2) Interest income on Saving bank account allowed u/s 80TTA is :

 (a) ₹ 20,000

 (b) ₹ 10,000

 (c) ₹ 5,000

 (d) None

(3) What is the maximum time allowed for carry forward of losses of speculation business ?

 (a) 8 years

 (b) 4 years

 (c) 2 years

 (d) None

(4) What exemption is allowable in respect of income of minor children clubbed in the income of the parent concerned ?

 (a) ₹ 1,500 per minor child.

 (b) Actual income clubbed or ₹ 1,500 per minor child whichever is less.

 (c) No exemption

 (d) None

14

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(5) Deduction allowed u/s 80D in case of an Individual shall be limited to :

    (a) ₹ 15,000

    (b) ₹ 25,000

    (c) ₹ 30,000

    (d) None

(6) What is the correct based for payment of Service Tax ?

    (a) Receipt basis

    (b) Receipt or accrual – whichever is earlier

    (c) Accrual basis

    (d) Receipt or accrual–whichever is later

(7) The turnover of the trader for Lumpsum payment of tax under Gujarat VAT should be

    (a) less than ₹ 10 lakhs

    (b) less than ₹ 50 lakhs

    (c) less than ₹ 25 lakhs

    (d) None

(8) Deduction u/s 54EC is available only if the assesse has invested the long term capital gain in 3 years bond issued by

    (a) RBI

    (b) NHAI

    (c) NSDL

    (d) None

(9) Salary and allowance received by a member of Parliament, Assembly are taxable under

    (a)   Salary Income

    (b)   Income from other sources

    (c)   Business & profession income

    (d)   None

(10) Interest received on Income tax refund is taxable under

    (a)   Business & profession income

    (b)   Income from other sources

    (c)   Capital Receipt

    (d)   None

AN-110

April-2017

B.Com., Sem.-IV

Economics

206 : Economics of Growth and Development

Time : 3 Hours]

[**Max. Marks : 70**

1. (A) What is Economic development ? Discuss the factors affecting economic development. **6**

OR

Discuss the concept of Human Development Index (HDI).

(B) Explain the concept of economic growth and Economic development. **4**

OR

Explain the concept of Physical Quality of Life Index (PQLI).

(C) Explain the gender index. **4**

OR

Write a note on 'Human Poverty Index'.

2. (A) Discuss Domar model of Economic growth. **6**

OR

Explain Balanced growth model.

(B) Compare the Harrod and Domar models of Economic growth. **4**

OR

Explain briefly the Prof. Hirschman's model of unbalanced growth.

(C) Explain the Nurkse's theory of disguised unemployment. **4**

OR

Discuss the difference between balanced growth model and unbalanced growth model.

3. (A) Explain the meaning and indicators of poverty. **6**

OR

Explain the concept of 'Relative Poverty' and 'Absolute Poverty'.

(B) Discuss the theory of demographic transistion. **4**

OR

Discuss the causes of high birth rate in developing countries.

(C) Explain the economic effects of unemployment. **4**

OR

Write a note on seasonal unemployment.

4. (A) Explain the meaning and types of pollution. **6**

OR

What is income inequality ? How can be measured income inequality ?

(B) Discuss the concept of sustainable development. **4**

OR

Discuss the concept of carbon credit.

(C) Write a note on Dualism. **4**

OR

Write a note on Kyoto protocol.

5. Select the correct option from the given options : **14**
(1) Who introduced the concept of PQLI ?

    (a) Schumpeter   (b) David Morris

    (c) Todaro   (d) Keynes

(2) Development is a multi-dimensional process. Who said so ?

    (a) Schumpeter   (b) Kindle Berger

    (c) Todaro   (d) Keynes

(3) Which concept is qualitative ?

    (a)   National income   (b)   Per Capita Income

    (c)   Economic growth   (d)   Economic development

(4) Which condition is necessary for full employment equilibrium growth ?

    (a) $G = Gw$ (b) $G = Gn$

    (c) $G = Gw = Gn$ (d) $Gw = Gn$

(5) Actual rate of growth is represented by the symbol :

    (a) Gw (b) G

    (c) Gn (d) Gk

(6) Who advocated unbalanced growth strategy ?

    (a)   Hirschman   (b)   Rengar Nurkse

    (c)   Singer   (d)   Paul Streeten

(7) In which country the concept of relative poverty is used ?

    (a)   India   (b)   Pakistan

    (c)   U.S.A.   (d)   Egypt

(8) The concept of poverty line was introduce by _____.

    (a)   Amartya Sen   (b)   Dr. Mehboob-Ul-Haque

    (c)   Lord Beud Ore   (d)   Keynes

(9) In which unemployment the marginal productivity is zero ?

    (a)   Cyclical   (b)   Disguised

    (c)   Seasonal   (d)   Frictional

(10) Mostly economist have been accepted which measure for poverty ?

    (a)   Daily Income   (b)   Ratio of property

    (c)   Ratio of calories   (d)   Size of family

(11) Which of the following pollution is not man made ?

    (a)   Marine pollution   (b)   Forest conflagration

    (c)   Radioactive pollution   (d)   Thermal pollution
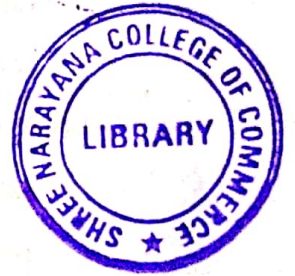
(12) For how many tons of decrease in carbon dioxide, one carbon credit is given ?

    (a)   1 ton
    (b)   2 ton

    (c)   3 ton
    (d)   4 ton

(13) From which year, Kyoto protocol has been implemented ?

    (a)   March 1994
    (b)   December 1997

    (c)   April 1998
    (d)   November 2001

(14) Which unemployment generate in economy due to lack of aggregate demand ?

    (a)   Cyclical
    (b)   Disguised

    (c)   Seasonal
    (d)   Voluntary

———————