Time : 3 Hours]   [Max. Marks : 70

1.   (A)   Explain the objectives of Customer Relationship Management (CRM).   6

OR

Discuss the factors affecting Marketing of service.

(B)   Explain the methods of measuring customer satisfaction.   4

OR

Explain the types of service marketing in short.

(C)   Write note on Loyalty Programme.   4

OR

Discuss the specific characteristics of service.

2.   (A)   Explain any eight activities of Retailing.   6

OR

Explain the position of Retailing in India.

(B)   Discuss the factors responsible for the spread of shopping Mall in India.   4

OR

Explain any six types of Retailing.

(C)   Write notes on Margin Free Chains.   4
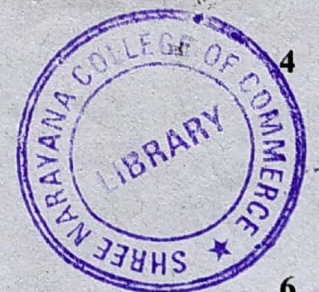
OR

Explain the measures of determining efficiency of Retailing.

3.   (A)   Explain the meaning and importance of Rural Marketing.   6

OR

Discuss the Rural market segmentation from Demographic viewpoint.

(B) Explain the drivers of Rural Market.

OR

Explain the factors affecting to Rural Communication.

(C) Explain the special characteristics of Rural Salesmen.

OR

Explain the channel of physical distribution in Rural Market.

4. (A) Explain the methods of developing a case study.

OR

Explain any eight advantages of case study.

(B) Explain in short "SWOT" analysis.

OR

Explain the characteristics of case study.

(C) Explain any six objectives of case study.

OR

Explain any six guiding principles to make case study effective.

5. **Answer in two or three lines only : (Any seven)**   14

(1) Distinguish between service and product.

(2) Explain the service as a system.

(3) Give the meaning of margin free distribution channel.

(4) Give four names of global retailers in Indian market.

(5) How physical distribution of goods is done in Rural market ?

(6) Explain the distribution system in surrounding nutritive towns.

(7) For which objectives RUDI is established ?

(8) State the steps taken by GSTDC for the development of tourism sector of Gujarat.

_____

Seat No. : _____

# NO-101

November-2017

B.Com., Sem.-V

304 : Commercial Communication – V

[Max. Marks : 70

Time : 3 Hours]

1. (a) Answer any **four** questions in brief :   12
   (1) What did Della buy for Jim ? How much did she pay for it ?
   (2) Why was the king's arena built ?
   (3) What did the black boy's mother do to support her children ? What did she tell them when she was in despair ?
   (4) Why did the black boy refrain himself from going out ?
   (5) Why did the astrologer run from his village ?
   (6) What did the sniper do to satisfy his curiosity at the end of the story ?

   (b) State whether the following statements are **true** or **false** :   2
   (1) The arena of the king was built to give the people opportunity of seeing performances by gladiators.
   (2) The astrologer wore a saffron-coloured turban around his head.

2. (a) Write a short note on any **one** :   8
   (1) The character of the Republican sniper
   (2) The Princess and the fate of her lover.
   (3) The character of the astrologer

   (b) Choose the appropriate options :   6
   (1) What gift did Della's husband buy for her ?
       (a) A gold chain
       (b) Pure tortoise-shell combs
       (c) A heart-shaped pendant
   (2) What did the black boy's mother give him on his third visit to the store ?
       (a) Money
       (b) Money and a note
       (c) Money, a note and a stick
   (3) What did the astrologer apply on his forehead to complete his look ?
       (a) Sacred ash and vermilion
       (b) Vermilion
       (c) Turmeric paste and ash
   (4) When the accused walked into the arena how many doors was he expected to choose from ?
       (a) Three   (b) two   (c) one
   (5) To which political group did the sniper belong ?
       (a) Communist   (b) Free Stater   (c) Republican
   (6) Who was the author threatened by on his way to the store ?
       (a) A gang of boys
       (b) A group of old men
       (c) The ghost of the dead woman
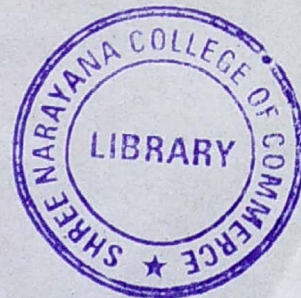
3. Write a simple questionnaire on any **one** :   14
   (1)   Lifestyle and Socio-economic conditions of Primary School Teachers.
   (2)   College students' views on participation in the Extra Curricular Activities.
   (3)   Consumers' Preference for a Tooth-paste.

4. Mr. Jyotir Joshi intends to take a life insurance policy from Life Insurance Corporation of India. Sabarmati Branch, Ahmedabad. Write a letter to the company soliciting information about various life insurance policies.   14

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

   Write a suitable letter on behalf of Mr. Arnav Solanki to the Branch Manager, Life Insurance Corporation of India, Motera branch, Ahmedabad intimating change of nomination.

5. (a)   Read the following passage and select the correct options :   7

   (N.B.: Write the answers only instead of reproducing the whole passage)

   Swami Vivekananda was an eager learner. There was an earnest longing ___(1)___ knowledge in him. He wanted to know everything that was around him. He always tried ___(2)___ everything and this spirit of inquiry had made him unpopular sometimes. People did not like this young man ___(3)___ seemed to be questioning all the time. His Guru Shri Ramkrishna Paramhansa alone understood the spirit that made his ___(4)___ so very inquisitive. Shri Ramkrishna ___(5)___ was repeatedly questioned by this disciple on many subjects. However, instead of being annoyed. Shri Ramkrishna would encourage him to judge everything, to test everything before accepting them as true. He ___(6)___ not go much into details while teaching Swamiji. He knew that infinite knowledge was all stored up in his beloved devotee. It was enough to make Swamiji ___(7)___ of his potentialities and of the great role that he was to play in the future.

 | | | |
   |---|---|---|
   | Blank 1 : (A) with | (B) for | (C) on |
   | Blank 2 : (A) to understand | (B) understood | (C) understands |
   | Blank 3 : (A) which | (B) who | (C) whose |
   | Blank 4 : (A) disciple | (B) master | (C) enemy |
   | Blank 5 : (A) herself | (B) themselves | (C) himself |
   | Blank 6 : (A) do | (B) did | (C) had |
   | Blank 7 : (A) unconscious | (B) subconscious | (C) conscious |

   (b)   Do as directed :   7
   (1)   Match the following :

A	B
En masse	Annually
In camera	In proportion
Per annum	In a mass or crowd / altogether
Pro rata	Behind closed door / privately

   (2)   Give the meaning of the following :
   Proximo
   In toto
   Lacuna
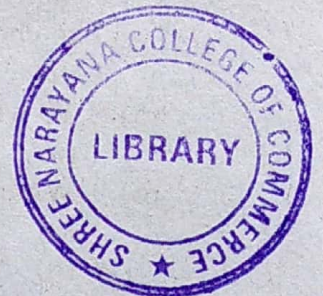
Seat No. : _____

NP-101

November-2017

B.Com., Sem.-V

305 : Fundamentals of Statistics – III
(New Course)

Time : 3 Hours]

[Max. Marks : 70

Instructions : (1) Use of simple calculator is allowed.

(2) Graph paper will be supplied on request.

(3) Figures to the right side indicate marks of the question.

1. (a) State probability mass function of Hypergeometric distribution. State its properties.   4

OR

When Binomial distribution tends to Poisson distribution ? State properties of Poisson distribution.

(b) For a Poisson variate X if $P(X = 3) = 5 \, P(X = 5)$, then find its parameter and $P(X \geq 1)$.

($e^{-4} = 0.0183$, $e^{-2} = 0.1353$)   5

OR

The probability of a printing mistake in a book of 300 pages is 0.1 percent. Find the probability that

(i) there is no mistake.

(ii) there are at least 2 printing mistake in a page.

($e^{-0.1} = 0.9048$, $e^{-0.3} = 0.7408$)

(c) A person invites 20 guests for a party which includes 12 males. He selects 4 guests at random to play a certain game. Find the probability that (i) at least one male is selected, (ii) at the most 2 females are selected.   5

OR

From a pack of 52 cards 4 cards are drawn one by one. Find the probability of getting at least one king in them. Also find the mean of king cards.

NP-101   13   P.T.O.

2. (a) Give the definition of Integration and state its rules. 4

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

What is definite Integration ? State any four properties of it.

(b) Integrate the following functions : 6

(i) $\int (4x^3 - x + e^{3x} - 4^x + \dfrac{1}{x} - 3)dx$

(ii) $\int_{0}^{3} x(3-x)^{\frac{1}{2}} dx$

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

(i) $\int \dfrac{x^2}{x-3} dx$

(ii) $\int_{3}^{5} \left(\dfrac{\sqrt{8-x}}{\sqrt{x}+\sqrt{8-x}} \right) dx$

(c) If the marginal cost function is $MC = 5 + \dfrac{x}{50} + e^{-0.05x}$ and fixed cost is ₹ 15, then find the total production cost for 100 units. $(e^{-5} = 0.0067)$ 4

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

If the marginal revenue function of a commodity x is $MR = 7 - 5x + 3x^2$. Find the total revenue when 10 units are sold.

3. (a) What is variation ? Discuss the causes of variations in production process. 6

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

Explain : (i) Theory of runs.

(ii) Modified limits.

NP-101 14

(b) Draw $\bar{X}$ and R charts for the following data and state your conclusion about production process. Ten samples each of size 5 are taken. **8**

$$(A_2 = 0.58, D_3 = 0, D_4 = 2.12)$$

Sample No.	1	2	3	4	5	6	7	8	9	10
$\bar{X}$	14	20	29	22	18	20	24	28	35	30
R	9	8	3	10	5	2	3	5	1	4

OR

Ten samples each of 100 items are drawn from a production process. The number of defective items in each sample are respectively : 2, 12, 10, 5, 14, 11, 15, 9, 4, 8. Draw np chart and give your conclusion.

4. (a) What is Acceptance Sampling ? Give the advantages of Acceptance Sampling. **4**

OR

What is an Operating Characteristic (O.C.) curve ? State its properties.

(b) For a single sampling plan (50, 10, 0) AQL = 0.02 and LTPD = 0.04. Find producer's risk and consumer's risk. **6**

OR

For a single sampling plan (1000, 250, 1) if P' = 0.012 and P' = 0.01, then find the values of AOQ and ATI.
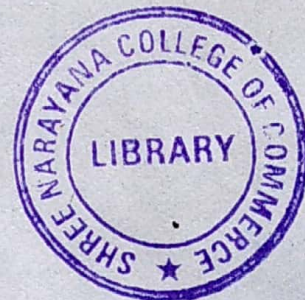
$(e^{-3} = 0.050, e^{-2.5} = 0.082)$

(c) Which plan will you prefer out of the following two plans ? Give required calculations. **4**

| Plan-I	(1000, 300, 3)	Pa = 0.65
Plan-II	(1000, 400, 2)	Pa = 0.76

OR

Explain : Producer's risk and Consumer's risk.

5. Answer the following questions : 14

(1) For a Poisson distribution if mean = 2 and $P(X = 0) = 0.1353$, then find $P(X = 1)$.

(2) In usual notation if $n = 32$, $r = 10$ and mean of Hypergeometric distribution is 2, then find the value of m.

(3) In a Poisson distribution $P(X = 0) = 0.22$, then find the value of mean.

$$(e^{-0.22} = 0.80, \, e^{-1.5} = 0.22)$$

(4) In a C chart if $\bar{C} = 14.2$, then find its control limits.

(5) Write control limits of P-chart.

(6) Explain single sampling plan (1000, 100, 3).

(7) For single sampling plan (N, 100, 1) if $P' = 0.02$, $Pa = 0.95$ and $ATI = 195$, then find the value of N and AOQ.
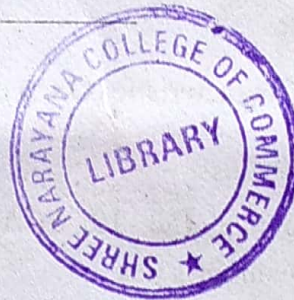
NM-101

November-2017

B.Com., Sem.-V

CE-302 (A) : Management Accountancy-I

Time : 3 Hours]　　　　　　　　　　　　　　　　　　　　　[Max. Marks : 70

1. (A) Write difference between Management Accounting and Cost Accounting. 　7
   (B) Explain Scope of Management Accounting. 　7

OR

Prepare Trend Percentages statements from the following Balance Sheets. 　14

Particulars	31-3-2015	31-3-2016	31-3-2017
Liabilities :			
Equity Share Capital	6,00,000	6,00,000	6,00,000
Preference Share Capital	2,00,000	5,00,000	5,00,000
Total :	**8,00,000**	**11,00,000**	**11,00,000**
Reserve & Surplus :			
General Reserve	2,50,000	3,00,000	4,00,000
P & L A/C.	80,000	60,000	40,000
Securities Premium	1,40,000	1,80,000	2,00,000
Total :	**4,70,000**	**5,40,000**	**6,40,000**
Long term Liabilities :			
Bank Loan	4,40,000	5,60,000	6,00,000
Debentures	2,00,000	1,80,000	1,60,000
Total :	**6,40,000**	**7,40,000**	**7,60,000**
Current Liabilities :			
Bills Payable	1,20,000	80,000	1,00,000
Creditors	80,000	60,000	50,000
Provision for Tax	70,000	90,000	1,00,000
Employee's Fund	40,000	70,000	90,000
Total :	**3,10,000**	**3,00,000**	**3,40,000**
	22,20,000	**26,80,000**	**28,40,000**
Assets :			
Goodwill	2,00,000	2,00,000	2,00,000
Land Building	7,40,000	8,40,000	8,20,000
Machinery	6,00,000	5,60,000	6,40,000
Furniture	2,40,000	2,20,000	3,00,000
Total :	**17,80,000**	**18,20,000**	**19,60,000**
Current Assets :			
Debtors	1,00,000	1,80,000	1,40,000
Cash	2,00,000	3,60,000	4,00,000
Bank Balance	40,000	2,00,000	2,00,000
Bills Receivables	20,000	40,000	60,000
Other Current Assets	80,000	80,000	80,000
Total :	**4,40,000**	**8,60,000**	**8,80,000**
	22,20,000	**26,80,000**	**28,40,000**

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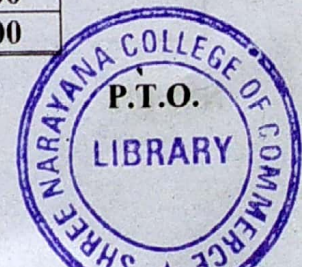
2. The information of Samir Ltd. for the year 2016 and 2017. Calculate following Ratios. **14**
   (1) Gross Profit Ratio (2) Net Profit Ratio
   (3) Current Ratio (4) Liquid Ratio
   (5) Stock Ratio (6) Debtors Ratio (365 days)
   (7) Return on Equity Shareholders Fund

Liabilities	2016	2017	Assets	2016	2017
Equity Share Capital	90,000	1,35,000	Machinery	81,000	81,000
10% Preference			Land & Building	90,000	81,000
Share Capital	45,000	45,000	Bills Receivable	5,700	7,800
P & L A/C.	27,000	27,000	Debtors	60,000	30,000
General Reserve	18,000	–	Stock	67,500	81,000
12% Debentures	90,000	45,000	Cash-Bank	15,300	43,200
Bills Payable	27,000	31,500	Preliminary		
Bank Over Draft	9,000	18,000	expenses	–	9,000
Creditors	13,500	31,500			
	3,19,500	3,33,000		3,19,500	3,33,000

Other Information :

Particulars	2016	2017
Cost of Goods Sold	1,97,100	1,31,400
Sales	3,28,500	1,97,100
Opening Stock	63,900	–
Net Profit before preference dividend	31,500	42,750

OR

(A) State Advantages of Ratios. **7**

(B) Cost of Goods Sold ₹ 15,00,000, Opening Stock ₹ 2,50,000 and if Stock Ratio is 5 times then find out value of Closing Stock **4**

(C) If Gross Profit Ratio is 30% and sales is ₹ 17,00,000 then find out Cost of goods sold. **3**

3. Information of Ayan Ltd. for the year 2016 and 2017 is as follows. Prepare Cash Flow Statement as per AS 3. **14**

Liabilities	2016	2017	Assets	2016	2017
Equity Share Capital ₹ 10	16,80,000	25,20,000	Goodwill	6,72,000	5,04,000
Preference Share Capital		–	Building	13,44,000	21,00,000
₹ 10, ₹ 7 per share paid up	5,88,000		Machinery	11,76,000	16,80,000
P&L A/c.	2,94,000	6,30,000	Investment	3,36,000	–
General Reserve	6,72,000	4,20,000	Stock	2,52,000	4,20,000
Securities Premium	1,26,000	84,000	Debtors	3,69,600	3,36,000
12% Debentures	–	8,40,000	Bills Receivable	84,000	84,000
Bills Payable	1,68,000	–	Cash	84,000	92,400
Creditors	4,20,000	5,04,000	Bank	–	3,36,000
Provision for Tax	2,01,600	2,52,000			
Proposed Divided	1,68,000	3,02,400			
	43,17,600	55,52,400		43,17,600	55,52,400

Other Information :

(1) Preference Share redeemed at 5% premium with provision of Company Act. Transferred of ₹ 8,40,000 from General reserve to Capital Redemption Reserve.

(2) During the year Provision for depreciation on Building ₹ 2,52,000 and Machinery ₹ 2,10,000.

(3) Issue Debentures of ₹ 8,40,000 at 5% discount at the end of year 2017.

(4) Company issued Bonus share in the proportion of 2 : 1 to existing Equity Shareholders from Capital Redemption Reserve.

(5) Sold investment at 20% profit on sales.

(6) Paid ₹ 2,10,000 for income tax and paid also dividend of previous year.

OR

(A) Difference between Cash Flow Statement and Fund Flow Statement.　　　　7

(B) Utilities of Cash Flow Statement　　　　7

4. Prepare Cash Budget of 3 months from April 2017 to June 2017 of Sarim Ltd.　　14

(1) Cash Balance on Date 1-04-2017 ₹ 10,000.

(2)

Month	Total Sales	Purchase	Wages	Overhead
February 2017	1,00,000	50,000	20,000	20,000
March 2017	75,000	45,000	18,000	15,000
April 2017	1,12,500	55,000	24,000	22,500
May 2017	1,50,000	80,000	25,000	25,000
June 2017	87,500	40,000	21,000	17,500

(3) Assume 20% Cash and 80% Credit sales of Total sales.

(4) 50% of credit sales are received in the next month after sale and remaining 50% is received second month after sale.

(5) 2% Commission on sales is to be given in next month after actual sales are made.

(6) Lag period is one month for suppliers.

(7) Monthly depreciation on fixed assets ₹ 5,000 is included in Overhead.

(8) Lag period for Wages is 1/4 month and for Overhead 1/2 month.

(9) Dividend ₹ 10,000 for the year 2016-17 is to be paid in June.

OR

(A) Budgeted Selling expenses of Rimsha Ltd. for the year 2017 is as follows :　　7

Particulars	Anand	Nadiad	Ahmedabad	Total
Salesman's Salary	5,000	6,000	7,000	18,000
Rent & Taxes	2,000	4,000	6,000	12,000
Advertisement	4,000	3,000	2,000	9,000
Godown expenses	12,000	13,000	14,000	39,000
Commission on sales	7,000	8,000	7,000	22,000
Sales expenses	2,000	3,000	5,000	10,000

Following changes will be made for selling expenses budget of the year 2017.

(1) Increase 10% in Commission on sales.

(2) Increase 20% in rent.

(3) Decrease 10% in advertisement in Anand and Ahmedabd.

(4) total salaries of Salesmen will be increase of ₹ 6,000, which will be increase to all cities in the proportion of 3 : 2 : 1 respectively.

(B) Write note : Zero base Budgeting.　　　　7

NM-101　　　　　　　7　　　　　　　P.T.O.
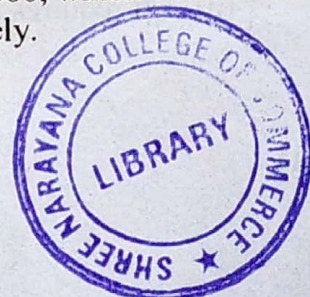
5. Select the correct option for the following questions : (any **seven**)   14

(1) The various reports prepared with the method of management accountancy should be presented to _____
  (a) SEBI
  (b) Shareholders
  (c) Creditors
  (d) Various Level of Management

(2) Management by exception is _____
  (a) A part of Cost Accountancy
  (b) A part of Financial Accounting
  (c) A tool of Management Accountancy
  (d) Not any type of accounting method

(3) A company has cash of ₹ 20,000, Bank Balance ₹ 90,000, instantly encashable securities of ₹ 50,000 and Liquid liabilities of ₹ 2,40,000. Find out acid test ratio.
  (a) 1 : 1
  (b) 0.67 : 1
  (c) 1.5 : 1
  (d) 0.40 : 1

(4) A company's operating ratio is 80% and it sales ₹ 10,00,000, Sales return is ₹ 1,00,000. If the operating expenses is ₹ 50,000, find out cost of sales.
  (a) ₹ 6,70,000
  (b) ₹ 7,70,000
  (c) ₹ 6,25,000
  (d) ₹ 7,30,000

(5) A company's investment A/c shows ₹ 1,50,000 as opening balance and ₹ 1,80,000 as closing balance. Some of the investments were sold at a price of ₹ 20,000 during the year and new investments worth ₹ 60,000 was purchased. Find out the loss on the sales of investment during the year.
  (a) ₹ 10,000
  (b) ₹ 20,000
  (c) ₹ 30,000
  (d) ₹ 40,000

(6) Which of the following statement is correct ?
  (a) Cash flow increase due to increase in current assets.
  (b) Cash flow decrease due to increase in current assets.
  (c) Cash flow decrease due to decrease in current assets.
  (d) Cash flow increase due to decrease in current liabilities.

(7) Which assets is not included while calculating the Rate of Return on Investments ?
  (a) Fixed
  (b) Current
  (c) Intangible
  (d) Fictitious

(8) A Company wants to prepare Production budget for the for coming year. The following is the information regarding it :
  Sales of 10,000 units as per budget
  Opening stock 600 units
  Closing stock 500 units
  10% of the finished product units are rejected due to faulty method of production. Find out the number of finished product units to cater to the market demand.
  (a) 11,000
  (b) 10,000
  (c) 10,100
  (d) 11,100

(9) Which of the following is not a purpose of budgeting ?
  (a) Budgeting forces advance planning.
  (b) It communicates management's policies to sub-ordinates.
  (c) It establishes prices for internal services.
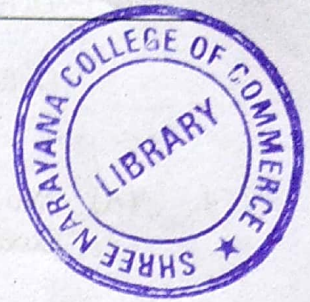 (d) It requires approval for routine spending.

_____

NK-101

November-2017

B.Com., Sem.-V

301 : Business Law-I

Time : 3 Hours]　　　　　　　　　　　　　　　　　　　　　　[Max. Marks : 70

1. (A) Define free consent. Explain "undue influence" in brief.　　　　　　　6

    OR

    State rules relating to the agreement by and with minor under the Indian Contract Act.

   (B) Explain "Voidable Contrct".　　　　　　　　　　　　　　　　　　4

    OR

    "All contracts are agreement but all agreements are not contract." Explain.

   (C) What is "void agreement" and "void contract" ?　　　　　　　　　4

    OR

    Explain the meaning of "Adult."

2. (A) State conditional contracts under the Indian Contract Act.　　　　　6

    OR

    State exceptions of the rule "Contract without consideration is void."

   (B) Explain "Anticipatory breach of contract."　　　　　　　　　　　4

    OR

    Explain doctrine of Frustration.

   (C) What is "Novation" ?　　　　　　　　　　　　　　　　　　　　4

    OR

    Explain "Appropriation of payment".

3. (A) Explain exemption from Excise Duty.

    OR

    Write short note on :

    Additional Custom Duty and Special Additional Custom Duty.

   (B) State types of Excise Duty.　　　　　　　　　　　　　　　　　4

    OR

    Write short note on :

    Anti-dumping Custom Duty.

NK-101　　　　　　　　　　　　　　3　　　　　　　　　　　　　P.T.O.
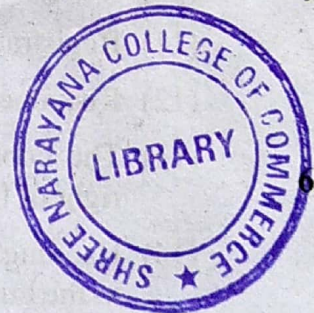
(C) Define any two Excisable goods, Producer, Factory.

OR

Define any two Dutiable goods, Prohibited goods, Export.

4. (A) "No seller can give a better title to the buyer than what he has". Explain with exceptions.

OR

State difference between 'Sale' and 'Agreement to sell."

(B) State various types of goods.

OR

Explain unpaid seller's "right of lien."

(C) Explain documents of title of goods.

OR

What is doctrine of caveat emptor ?

5. State whether the following statements are **true** or **false**.

(1) Acceptance should be absolute and unqualified.

(2) An offer must be made to a definite person.

(3) Mere silence is not fraud.

(4) Minor cannot be an agent but he can be the principal.

(5) Stranger to the consideration can sue on a contract.

(6) Every agreement in restraint of marriage of any person is void.

(7) No consideration is necessary for novation.

(8) Finder of goods has no rights against the goods.

(9) The word "Produced" covers agricultural or mineral produce.

(10) The general rate of basic duty from 1-3-2003 is 20%.

(11) Registration under Rule 9 of Central Excise Rules, is not transferable.

(12) Risk does not pass with property.

(13) The unpaid seller's right of stoppage of goods in transit is an extension of the right of lien.

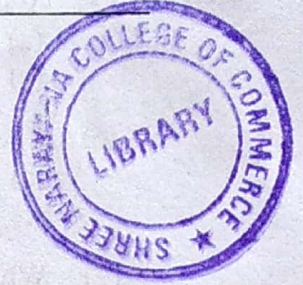(14) Handing over the key of a godown to a buyer is constructive delivery of the goods to the buyer.
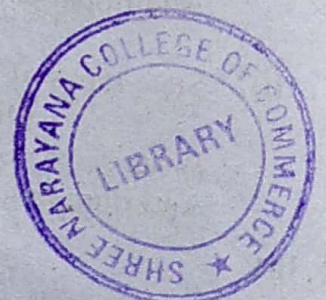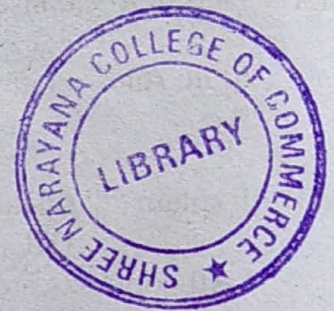
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NJ-101

November-2017

B.Com, Sem.-V

### 301 : Economics of International Trade

Time : 3 Hours]   [Max. Marks : 70

1. Critically explain the comparative cost advantage theory of Ricardo.   14
   OR
   Critically discuss factor endowment theory of Heckscher-Ohlin.

2. What is an offer curve ? Explain the offer curve theory of the terms of trade.   14
   OR
   (a) Briefly explain Prof. Mill's theory of Reciprocal demand.   7
   (b) Discuss the measures to correct unfavourable balance of payments.   7

3. Discuss the advantages and disadvantages of free trade policy.   14
   OR
   (a) Examine the argument of infant industry in favour of protection.   7
   (b) Writer a note : Anti-dumping policy.   7

4. Discuss critically the purchasing power parity theory of exchange rate.   14
   OR
   (a) Discuss the disadvantages of fixed exchange rate.   7
   (b) Examine the advantages of flexible exchange rate policy.   7

5. Multiple Choice Questions. (MCQs).   14
   (1) International trade is the outcome of
       (a) division of labour   (b) political relations
       (c) co-operation   (d) cultural relations

   (2) India is a exporter of hand made carpets and an importer of hightech products like
       computer memory chips, printers. This pattern of Indian Trade is explained by the
       (a) Ricardian theory   (b) Hechscher Ohlin theory
       (c) Labour theory of value   (d) Purchasing power parity theory

   (3) International trade is not possible in a situation of
       (a) Absolute cost difference   (b) Comparative cost difference
       (c) Equal cost difference   (d) Zero cost difference

   (4) The classical theory of International trade is mainly concerned with
       (a) The gains from trade   (b) The structure of trade
       (c) The terms of trade   (d) All the above

NJ-101   3   P.T.O.
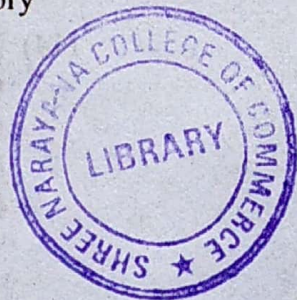
(5) Who propounded the theory of offer curves ?
    (a) Heckscher-Ohlin   (b) Mill
    (c) Ricardo   (d) Marshall-Edgeworth

(6) The concept of net barter terms of trade was first used by
    (a) Prof. Ricardo   (b) Prof. Marshall
    (c) Prof. Taussing   (d) Prof. Adam Smith

(7) Which factor does not influence the terms of trade ?
    (a) Import   (b) Political relations
    (c) Tariff   (d) Devaluation

(8) The terms of trade measure :
    (a) How many units of goods must be given up for each unit received.
    (b) Relative prices in the importing country.
    (c) Relative prices in the exporting country.
    (d) The volume of exports.

(9) Due to import duties
    (a) Production increases   (b) Price is declining
    (c) Consumption increases   (d) Import increases

(10) How many accounts are there in the balance of payment ?
    (a) One   (b) Three
    (c) Two   (d) Five

(11) What is False ? Tariff on imports leads to
    (a) Increase in price of imported goods.
    (b) Increase in Public Revenue
    (c) Increase in Consumption
    (d) Encouragement in import substitutes

(12) A tariff will
    (a) Improve a country's terms of trade.
    (b) Increase the domestic price of imported goods.
    (c) Increase the income of the government.
    (d) All the above

(13) Trade is invisible refers to
    (a) Trade in services   (b) Unrecorded trade
    (c) Smuggling   (d) Trade in military goods

(14) The principal cause for the fluctuation in the rate of exchange of a currency is
    (a) Stock exchange quotations.
    (b) Changes in the Demand and supply of currencies.
    (c) Changing price level in the economy.
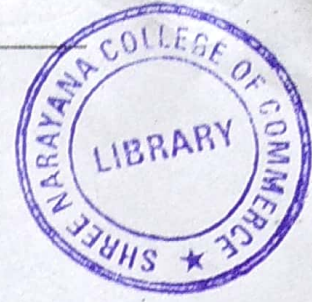   (d) All the above

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NL-101

November-2017

B.Com., Sem.-V

CE – 301(A) : Cost & Financial Accounting

Time : 3 Hours]

[Max. Marks : 70

Instructions : Figures at the right indicate marks of the question.

1. A product passes through three processes X, Y and Z. 10,000 units were introduced to process X at ₹ 10 per unit. The other direct expenses were as follows : **14**

Particulars	Process : X ₹	Process : Y ₹	Process : Z ₹
Sundry materials	10,000	15,000	5,000
Direct Labour	50,000	80,000	65,000
Direct Expenses	10,500	11,875	20,090
Other Information :			
Actual output (in units)	9,500	9,100	8,100
Normal wastage	3%	5%	(?)
Selling price of normal wastage per unit	2.50	5.0	10.00

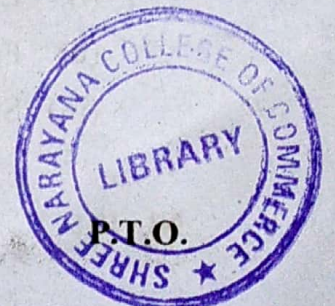The final product was sold at ₹ 51 per unit at a profit of $16\frac{2}{3}$ % on sale.

Prepare Process Accounts and find out the percentage of normal wastage in Process Z.

OR

(a) In Sagar company main product is 'X' and by-product is 'A' and 'B'. The combined expenses of production are as under : **7**

Materials	₹ 1,36,400
Labour	₹ 96,800
Overheads	₹ 74,800

Separate expenses are as under :

Particulars	Product-X ₹	By-Product-A ₹	By-Product-B ₹
Materials	24,000	19,200	21,600
Labour	28,800	16,800	20,400
Overheads	31,200	12,000	14,000
Selling price	5,04,000	2,08,000	2,00,000
Profit on selling price	50%	50%	30%

Prepare statement showing distribution of combined expense and cost-sheet of main product 'X'.

(b) Distinguish between Job costing and Process costing.

(c) Write short note on Abnormal loss and Abnormal gain.

2. A product passes through three processes X, Y and Z and thereafter it is transferred to finished stock account. Output of process-X is transferred to process-Y at 25% profit on the transfer price and output of process-Y and process-Z each is transferred at 20% profit on each transfer price.

The following information is available on 31-03-2017.

Particulars	Process-X ₹	Process-Y ₹	Process-Z ₹	Finished Stock (₹)
Opening Stock	50,000	60,000	40,000	1,50,000
Direct Materials	1,00,000	1,05,000	1,50,000	–
Direct Wages	75,000	75,000	80,000	–
Factory Direct Expenses	70,000	30,000	2,00,000	–
Closing Stock	25,000	30,000	20,000	75,000
Inter process Profit for Opening Stock	–	10,000	10,000	55,000

Stock in process are valued at prime cost. From which is received from process 'Z' during the year. Sales were ₹ 20,00,000.

Prepare :

(i) Every Process Account.

(ii) Finished Stock Account.

(iii) Statement of actual realized profit.

OR

The following information is obtained in respect of Process – 2 for the month of March 2017.

			₹
(i)	Opening Stock	800 Units	5,520
	Degree of Completion :		
	Material	70%	
	Labour	60%	
	Overhead	60%	
(ii)	Transfer from Process-1	5,100 Units	10,200
(iii)	Transfer to Process-3	4,600 Units	
(iv)	Expenses :		
	Direct material added in Process-2		4,480
	Direct labour in Process-2		13,140
	Work overheads in Process-2		17,520
(v)	Units scrapped :	400 Units	
	Degree of Completion :		
	Material	100%	
	labour	70%	
	Overhead	70%	
(vi)	Closing Stock	900 Units	
	Degree of completion :		
	Material :	60%	
	Labour :	40%	
	Overhead :	40%	
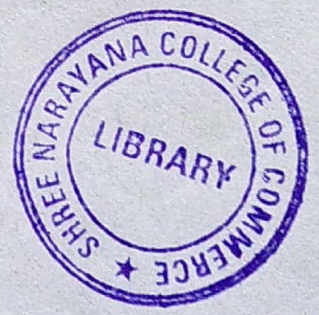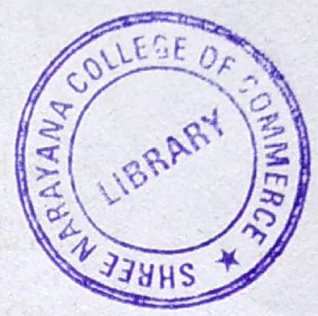
(vii) Normal loss in process 10% of production.
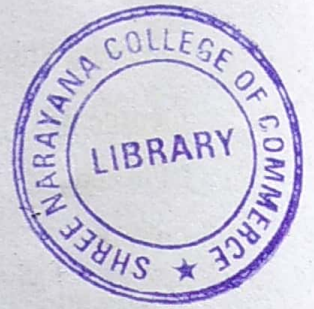
(viii) Units scrapped realized ₹ 2 per unit.

Prepare :

(1) Statement of equivalent production.

(2) Process-2 Account.

(3) Statement of Cost.

(4) Abnormal Loss / Gain Account.

3. (a) The following information is obtained from the record of Samir Ltd. 7

Variable cost (per unit) ₹ 40

Fixed cost ₹ 1,00,000 per year

Production Capacity 4,000 unit per year

Selling price per unit ₹ 140

You are required to :

(1) Find the Break Even Point.

(2) Find the number of units to be sold to get profit of ₹ 60,000.

(3) If the company can manufacture 1,200 units more per year with an additional fixed cost of ₹ 4,000 what should be the selling price to maintain the profit per unit as at (2) above ?

(b) The following figures are taken from the books of manufacturing concern :

	₹
Direct materials	4,10,000
Direct labour	1,50,000
Fixed overheads	1,20,000
Variable overheads	2,00,000
Sales	10,00,000

Calculate :

(1) Breakeven point.

(2) What will be effect of Breakeven point of an increase of 10% in fixed expenses ?

(3) What will be the effect of Breakeven point of an increase of 10% in variable expenses ?

OR

(a) Sonalee Ltd. produces two types of products 'A' and 'B'. Details of relating products are as under :   7

Particulars	Product 'A' ₹	Product 'B' ₹
(i) Selling price (per unit)	160	100
(ii) Direct materials (per unit)	64	44
(iii) Direct labour hours (per unit) (Rate of labour per hour ₹ 2)	10 hours	8 hours
(iv) Variable overheads (% of direct labour)	100%	100%

Maximum production capacity of the factory is 40,000 units of 'A' and 60,000 units of 'B'. If labour hours available are 5,60,000 hours only. Then how much of both products be manufactured to get the maximum profit ?

(b) The following information is obtained from the record of Vaishali Ltd.   7

Variable expenses per unit   ₹ 90

Total fixed expenses   ₹ 1,20,000

Selling price per unit   ₹ 120

(i) Find out Breakeven point by preparing Break-even chart.

(ii) Show angle of Incidence of Break-even chart.

OR

Explain the following terms : (any **two**)

(i) Step cost

(ii) Margin of safety

(iii) Opportunity cost

4. Jay Ltd., and Vijay Ltd. were amalgamated on and from 1-4-2017. A new company Ajay Ltd., was formed to take over the business of existing companies. Following are the Balance Sheet of both the companies as on 31-03-2017.

14

Balance Sheet

| Liabilities	Jay Ltd.	Vijay Ltd.	Assets	Jay Ltd.	Vijay Ltd.
Share Capital			Fixed Assets	15,00,000	10,50,000
Equity shares of ₹ 100 each fully paid-up.	12,50,000	10,00,000	Current Assets	5,00,000	4,50,000
Reserve & Surplus					
General Reserve	2,50,000	2,25,000			
Revaluation Reserve	1,00,000	50,000			
Investment Allowance Reserve	40,000	10,000			
Profit & Loss A/c	50,000	75,000			
Secured Loan					
15% Debentures (each ₹ 100)	2,00,000	1,00,000			
Current Liabilities					
Creditors	1,10,000	40,000			
	20,00,000	15,00,000		20,00,000	15,00,000

Additional Information :

(1) 15% Debenture holders of Jay Ltd. and Vijay Ltd. are discharged by Ajay Ltd. issuing such number of its 10% Debentures of ₹ 100 each so as to maintain the same amount of interest.

(2) Ajay Ltd. will issue 4 equity shares for each equity share of Jay Ltd. and Vijay Ltd. The shares are to be issued ₹ 30 each and having a face value of ₹ 10 per equity share.

(3) Investment allowance reserve is to be maintained by 2 more years.

Assuming that the amalgamation is in the following two forms prepare Balance Sheet of Ajay Ltd. as on 1-4-2017.

(i) The amalgamation is in the form of merger.

(ii) The amalgamation is in the form of purchase.

OR
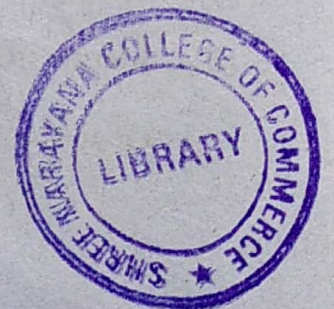
(a) Explain Amalgamation in form of merger and in the form of purchase under Standard-14 [AS-14].   7

(b) Give five conditions to be satisfied in amalgamation, so that it is said to be merger as per accounting standard – 14.   4

(c) Write a short note on objects of amalgamation of the companies.   3

5. In the following sub-questions more than one answers are given. Select the correct answer and if it is required, provide necessary working note. (Attempt any **Seven**)   14

(1) In process A 50,000 units were introduced at a cost of ₹ 5,50,000 and 47,000 units at a cost of ₹ 14,10,000 were transferred to process B. In process A a normal wastage of 5,000 units realized ₹ 35,000. Find out the cost of Abnormal gain.

    (a)   ₹ 22,000   (b)   ₹ 14,000

    (c)   ₹ 60,000   (d)   None of the above

(2) Units introduced in Process-A 15,000 units, Normal wastage 8% of input, Actual production 13,500 units.

       From given information find out units of abnormal wastage.

    (a)   300   (b)   1,500

    (c)   120   (d)   1,200

(3) A product passes through three process No. 1, 2 and 3. In Process-1 wastage is 8% while in process-2 abnormal gain is 10% and in Process-3 wastage is 10% of units introduced. To get final output of 2,277 units at the end of Process-3, how many units are to be introduced in the beginning of Process-1 ?

    (a)   2,500   (b)   2,400

    (c)   2,300   (d)   3,000

(4) Product cost of Process No. 1 is ₹ 25,000. If profit is added at 20% on transfer price or 25% on production cost, show the amount of profit in both cases.
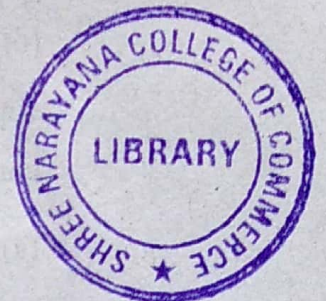
    (a)   ₹ 5,000 and ₹ 5,000   (b)   ₹ 6,250 and ₹ 5,000

    (c)   ₹ 6,250 and ₹ 6,250   (d)   ₹ 5,000 and ₹ 6,250

(5) Information of Rajgore Ltd. is as follows :

Particulars	Closing Stock ₹	Unrealized Profit ₹
Process – A	30,000	–
Process – B	60,000	10,000
Process – C	1,00,000	12,000
Finished Stock	1,50,000	14,000

Stock valuation for Balance Sheet will be as under :

    (a)   ₹ 36,000   (b)   ₹ 1,50,000

    (c)   ₹ 3,04,000   (d)   ₹ 1,36,000

(6) If P.V. ratio is 50%, margin of safety is 40% and sales is ₹ 5,00,000, find out profit at 80% of sales.

(a) ₹ 50,000

(b) ₹ 1,00,000

(c) ₹ 80,000

(d) ₹ 1,60,000

(7) Chaudhari Ltd. produces two products 'A' and 'B'. Per unit details of both products are as under :

Particulars	Product-A (₹)	Product-B (₹)
Selling price	880	1,110
Direct materials	220	250
Rate of labour per hour	5	4
Required labour hours	30	50
Variable overheads (% of direct labour)	80%	75%

If the labour is short supply, then which product will be profitable ?

(a) Product-B

(b) Product-A

(c) Both

(d) None of both

(8) In amalgamation, share received from the new company are recorded in the books of vendor at which of the following values ?

(a) Face value

(b) Average value

(c) Market value

(d) None of the above

(9) While calculating Net Assets which of the following values of assets are considered ?

(a) Book value

(b) Market value

(c) Average price

(d) New fixed values