

Seat No. : \_\_\_\_\_

**DL-117**

December-2017

M.Com., Sem.-I

**402 : Financial Management**

Time : 3 Hours]

[Max. Marks : 70

**Instructions :** Figures to the right indicate marks allotted to each question..

1. Describe the objectives of financial management. 14

**OR**

(A) Explain the managerial finance functions. 7

(B) Discuss the various approaches of finance function. 7

2. What is risk ? Discuss the causes of financial risk and business risk. 14

**OR**

(A) You have invested ₹ 60,000, 40% of which is invested in company X, which has a expected rate of return 15%. And rest 60% is invested in company Y, with an expected return of 12%. What is the return on your portfolio ? What is the expected percentage rate of return ? 7

(B) Explain the time value of money with illustration. 7

3. The ABC company is planning to purchase a machine. The data about it are as follow : 14

(1) Cost of machine ₹ 1,00,000

(2) Installation charges ₹ 21,000

(3) Scrap value ₹ Nil

Other estimates are as follow :

Year	Sales (₹)	Cost of goods sold (Including Depreciation of ₹ 24,000)	Other Costs (₹)
1	1,50,000	1,20,000	10,000
2	1,60,000	1,35,000	15,000
3	1,75,000	1,40,000	20,000
4	1,80,000	1,50,000	25,000

Tax rate is 50%.

2  
Calculating the following :

- (1) Payback period
- (2) Average rate of return
- (3) Present value method assuming 15% discount rate.

1 <sup>st</sup> Year	0.870
2 <sup>nd</sup> Year	0.756
3 <sup>rd</sup> Year	0.658
4 <sup>th</sup> Year	0.572

OR

- (A) Describe the principles of working capital management. 7
- (B) Discuss the factors affecting capital budget. 7

4. What is capital structure ? Discuss the net income approach and traditional approach in the context of capital structure. 14

OR

- (A) Explain Preference Share with new provisions. 7
- (B) The particulars of three firms X, Y and Z are given in the following table : 7

Firm	Sales (₹)	Marginal cost (₹)	Operating Fixed cost (₹)	Financing Fixed cost (₹)
X	1,20,000	60,000	20,000	5,000
Y	1,20,000	40,000	30,000	7,000
Z	1,20,000	50,000	40,000	Nil

Calculate :

- (1) Operating leverage
- (2) Financial leverage
- (3) Combined leverage

5. Choose the correct answer :

(1) The formula of return on investment is \_\_\_\_\_.

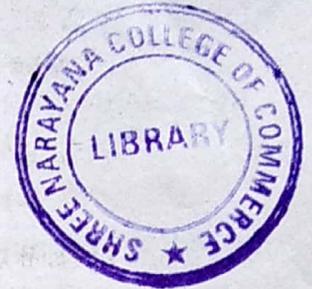
- |  |   |
|--|---|
| (a) $\frac{\text{total investment}}{\text{Net profit}}$              | (b) $\frac{\text{Net profit (after tax)}}{\text{Total investment}}$ |
| (c) $\frac{\text{Net profit (before tax)}}{\text{Total investment}}$ | (d) None of these   |

(2) The value of an asset on a specific date in the future that is equivalent in value to a specified sum today it is called \_\_\_\_\_.

- |                    |                         |
|--------------------|-------------------------|
| (a) Future value   | (b) Present value       |
| (c) Compound value | (d) Time value of money |



- (3) The rule of thumb involves two numbers individually, which are \_\_\_\_\_ and \_\_\_\_\_.
- (a) 59, 69 (b) 79, 69  
(c) 72, 69 (d) 62, 72
- (4) The face value of 100 equity share is ₹ 100 and market price is ₹ 250. What will be capital gain ?
- (a) ₹ 25,000 (b) ₹ 15,000  
(c) ₹ 35,000 (d) ₹ 10,000
- (5) The portfolio analysis begins where the \_\_\_\_\_ ends.
- (a) business risk (b) financial risk  
(c) market risk (d) security analysis
- (6) In  $P_0 = E_1 \times \frac{P_0}{E_1}$  where  $E_1 =$  \_\_\_\_\_.
- (a) Estimated value of share (b) Estimated value of bonds  
(c) Estimated value of debenture (d) Estimated value of loans
- (7) Current yield is equal to \_\_\_\_\_.
- (a)  $\frac{\text{Interest}}{\text{Cost}}$  (b)  $\frac{\text{Annual Interest}}{\text{Price}}$   
(c)  $\frac{\text{Annual Interest}}{(1+r)^n}$  (d)  $\frac{\text{Annual Interest}}{\text{Yield}}$
- (8) Cash flow means \_\_\_\_\_.
- (a) Net profit (b) Total income – Total expenses  
(c) Cash income – cash expenses (d) Total income
- (9) Certain amount of working capital is required for continuity of the production process it is \_\_\_\_\_ working capital.
- (a) Permanent (b) Special  
(c) Seasonal (d) Flexible
- (10) B Ltd. issued 10% preference share of ₹ 100 each The floatation cost is estimated at 5%. What would be the cost of capital ?
- (a) 9.52% (b) 10.52%  
(c) 10% (d) 10.62%
- (11) The level at which total operating expenses are equal to the amount of total interest is called \_\_\_\_\_.
- (a) Break-even financial leverage (b) Break-even combined leverage  
(c) Financial leverage (d) Both (a) and (b)



Q

(12) The changes in the borrowing capital does not affect the weighted average cost of capital and total value of the firm. This approach is called \_\_\_\_\_.

- (a) Net Income approach
- (b) Traditional approach
- (c) Net operating income approach
- (d) Modigliani and Miller approach

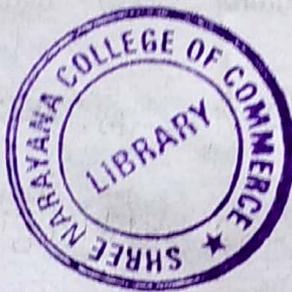
(13) Complete the formula given by Modigliani and Miller

$$r = \frac{D_1 + ( \quad )}{P_0}$$

- (a)  $P_1 - P_0$
- (b)  $K_e - g$
- (c)  $P_1 + P_0$
- (d)  $r - D$

(14) When the company issues new shares in the market, it gives first right to purchase the share to the old shareholders is called \_\_\_\_\_.

- (a) Bonus share
- (b) Equity share
- (c) Preference share
- (d) Right share



5

Seat No. : \_\_\_\_\_

**DN-125**

December-2017

**M.Com., Sem.-I**

**403 : Marketing Management**



[Max. Marks : 70]

**Time : 3 Hours]**

- Instructions :**
- (1) Write answer to the point.
  - (2) **All** questions are compulsory.
  - (3) Write in your answer book the exact question No. mentioned in the question paper.
  - (4) Figures to the right indicate marks of questions.

1. (A) Define marketing and explain its process. 7

**OR**

Write note on : 'Attracting and Retaining Customers.'

(B) Answer in brief : (any two) 4

- (i) What is Consumer satisfaction ?
- (ii) State the meaning of Marketing plan.
- (iii) Define Marketing task.

(C) Answer in **one-two** lines only :

- (i) Give the meaning of production concept.
- (ii) What is Marketing adjustment ?
- (iii) What is Consumer value ?

2. (A) Explain the term 'Consumer Behaviour' and discuss personal factors influencing consumer behaviour. 7

**OR**

What is Market segmentation ? Explain the basis of Market segmentation.

(B) Answer in brief (any two) : 4

- (i) Give meaning of Marketing Research.
- (ii) Mention the steps of buying decision process.
- (iii) What is online marketing research ?

DN-125

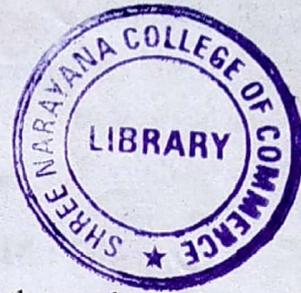
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(C) Answer in **one-two** lines only :

- (i) How to identify Competitors ?
- (ii) What is product Positioning ?
- (iii) What is observational Research ?



3

3. (A) Explain the term-‘Product Line’ and describe the product mix strategies.

7

**OR**

State the meaning of Marketing Communication mix and explain the steps in developing effective communication.

(B) Answer in brief (any **two**) :

4

- (i) Define branding.
- (ii) What is new product development ?
- (iii) What is consumer adoption ?

(C) Answer in **one-two** lines only :

- (i) What are Channel Management decisions ?
- (ii) What is Idea screening ?
- (iii) What is Market penetration pricing ?

*Answer obtained from Com.*

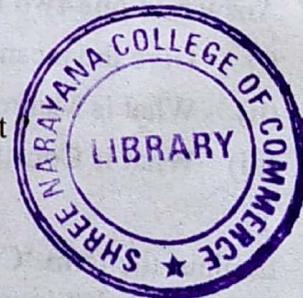
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4. (A) Explain the marketing strategies for service firms.

7

**OR**

How should a firm decide to enter the Global Market



(B) Answer in brief : (any **two**)

4

- (i) Define term ‘service’.
- (ii) How should a firm decide whether to go abroad or not ?
- (iii) What is a Global Firm ?

(C) Answer in **one-two** lines only :

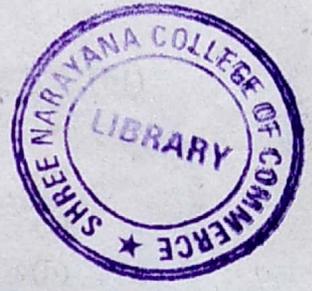
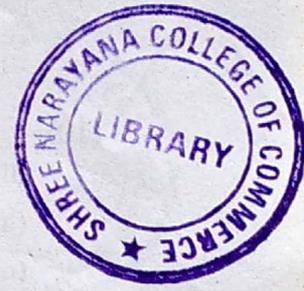
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- (i) Mention the features of services.
- (ii) What is direct investment ?
- (iii) What is product support services ?

7

5. Select the right answer :

- (1) Marketing is a creation and delivery of a standard of living to \_\_\_\_\_.  
(a) Person (b) Society  
(c) Family (d) None of these
  
- (2) \_\_\_\_\_ is one of the most important output of the marketing process.  
(a) Selling (b) Target  
(c) Competition (d) Marketing Plan
  
- (3) Channel design is a \_\_\_\_\_ marketing tool.  
(a) Fixed (b) Permanent  
(c) Strategic (d) Stable
  
- (4) Future costs are based on \_\_\_\_\_.  
(a) Production (b) Forecasts  
(c) Advertising (d) Per unit cost
  
- (5) \_\_\_\_\_ consist of information that already exists somewhere, having been collected from another purpose.  
(a) Primary data (b) Secondary data  
(c) Both (a) and (b) (d) None of these
  
- (6) \_\_\_\_\_ is all about creating differences between products.  
(a) Consumer knowledge (b) Product perceptions  
(c) Perception (d) Branding
  
- (7) The main objective of marketing research is related with \_\_\_\_\_.  
(a) Sampling (b) Finding the fact  
(c) Set of design (d) None of these
  
- (8) The specific mix of advertising, personal selling, sales promotion, public relation is called \_\_\_\_\_.  
(a) Marketing mix (b) Marketing communication mix  
(c) Product mix (d) All of these



9

(9) \_\_\_\_\_ is a tax levied by a Foreign Government against certain imported products.

- (a) Tariff
- (b) GST
- (c) Quota
- (d) All of these

(10) \_\_\_\_\_ means producing product/services in the domestic country and selling, distributing them to other countries.

- (a) Import
- (b) Export
- (c) Joint venture
- (d) Licensing

(11) \_\_\_\_\_ concept propose that consumers favour products offering the most quality, performance, innovative features.

- (a) The production concept
- (b) The product concept
- (c) The selling concept
- (d) The marketing concept

(12) \_\_\_\_\_ means that services cannot be stored for later sale or use.

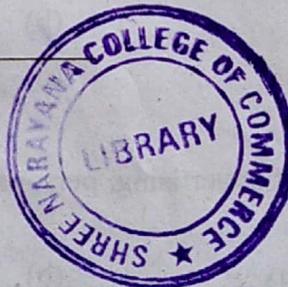
- (a) Quality
- (b) Price
- (c) Parishability
- (d) None of these

(13) Business buyers are influenced heavily by factors in the current and expected \_\_\_\_\_.

- (a) Economic condition
- (b) GDP
- (c) Product/Services
- (d) Knowledge

(14) \_\_\_\_\_ a marketing channel that has no intermediary levels.

- (a) Indirect Marketing Channel
- (b) Direct Marketing Channel
- (c) Two level
- (d) Three level



Seat No. : \_\_\_\_\_

**DP-116**

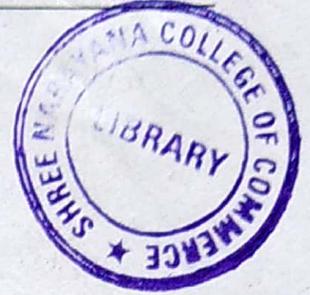
December-2017

**M.Com., Sem.-I**

**404 : Statistics**

**(Business Research Methods)**

**(New Course)**



**Time : 3 Hours]**

**[Max. Marks : 70**

- Instructions :**
- (1) The figures on right side indicate the marks.
  - (2) Use of calculator is allowed.
  - (3) Values of statistical tables are given in question.

1. (A) Define Research Design. Describe various types of experimental research design in detail. 7

**OR**

Write the meaning of Research. Explain criteria of evaluation of research study in detail.

- (B) Answer any **two** : 4
- (i) State the characteristics of applied research.
  - (ii) Explain basic principles of experimental design in short.
  - (iii) Explain main points of Research process in short.
- (C) Answer in **two or three** lines : 3
- (i) Give the meaning of Qualitative Research.
  - (ii) State any two characteristics of good research.
  - (iii) State only the names of types of research design.

2. (A) What is Questionnaire ? Explain its steps of framing. 7

**OR**

Define probability sampling and non-probability sampling. Explain types of non-probability sampling with illustration.

- (B) Draw "Less than and more than" types of cumulative frequency curve from the following data : 4

Age	0-5	5-10	10-15	15-20	20-25	25-30
Frequency	2	3	10	9	4	2

**OR**

Define Tabulation. Explain it's uses.

**DP-116**

**5**

**P.T.O.**



4. (A) Study the performance of four detergents at four different water temperatures, the following 'Whiteness' readings were obtained with specially designed equipment :

7

Water Temperature	Detergent A	Detergent B	Detergent C	Detergent D
Cold Water	110	115	107	112
Warm Water	112	120	110	116
Hot Water	114	107	109	110
Very Hot Water	108	116	120	108

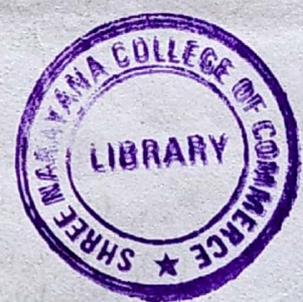
Perform a two-way analysis of variance, by using coding method subtracting 110 from each data value.

[Given  $F(9, 3) = 3.86$  and  $F(3, 9) = 6.61$  at 5% level of significance]

OR

The relation between general knowledge and English knowledge of 200 students of M.Com.-Sem-I is given below, test the hypothesis that "Both attributes are independent" by using  $\chi^2$  - Test.

English Knowledge	General Knowledge		
	Good	Medium	Poor
Good	43	26	14
Medium	34	28	21
Poor	07	12	15



$[\chi^2_{0.05} = 9.49]$

(B) A sample of 256 units gives sample mean 50 and variance 16. Can we say that the mean of population is more than 52 ? [ $Z_{0.05} = 1.96$ ]

4

OR

The random sample of size 10 and 12 respectively are drawn from two normal population and for that  $\bar{X}_1 = 24$ ,  $\bar{X}_2 = 28$ ,  $S_1^2 = 25$  and  $S_2^2 = 36$ .

Test the hypothesis that the "population mean are equal." [ $t_{0.05} = 2.09$ ]

(C) Do as direct :

3

- (i) State the main difference between type-I error and type-II error.
- (ii) Define Null hypothesis.
- (iii) What is unbiased estimator ?

12

5. (A) Attempt any **three** :

- (i) State any two characteristics of research.
- (ii) State any two purposes of research design.
- (iii) What is the meaning of sampling error ?
- (iv) What is Systematic Sampling ?

(B) Multiple Choice Question : (Do necessary calculation)

(i) If  $\Sigma (x_1 - \bar{x}_1)^2 = 49$ ,  $\Sigma (x_2 - \bar{x}_2)^2 = 192$ ,  $n_1 = 8$ ,  $n_2 = 9$  then  $F_{cal} = \underline{\hspace{2cm}}$ .

- (a) 3.43
- (b) 3.83
- (c) 0.29
- (d) None of these

(ii) In binomial distribution  $n = 5$ , acceptance region is  $x \geq 2$  and  $H_0 : P = \frac{1}{2}$   $V/S H_1 : P = \frac{1}{4}$  then the probability of type-I error =  $\underline{\hspace{2cm}}$ .

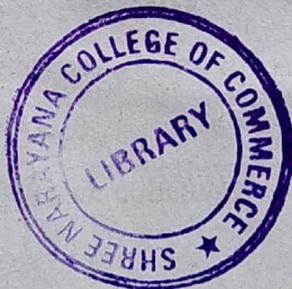
- (a)  $\frac{1}{32}$
- (b)  $\frac{3}{16}$
- (c)  $\frac{5}{32}$
- (d) None of these

(iii) Correlation co-efficient  $r_{xy} = 0.79$ ,  $S_x = 5.39$ ,  $S_y = 4.47$  then  $b_{yx} = \underline{\hspace{2cm}}$  and  $b_{xy} = \underline{\hspace{2cm}}$ .

- (a) 0.66, 0.95
- (b) 0.24, 0.58
- (c) 0.95, 0.66
- (d) None of these

(iv)  $\Sigma fd = 0$ ,  $\Sigma f = 131$ ,  $\Sigma fd^2 = 582$ ,  $A = 80$ ,  $i = 10$  and  $z = 80$ , then Karl Pearson's co-efficient of skewness =  $\underline{\hspace{2cm}}$ .

- (a) 0
- (b) 2.1
- (c) 1
- (d) None of these



Seat No. : \_\_\_\_\_

**JA-105**

January-2018

**M.Com., Sem.-I**

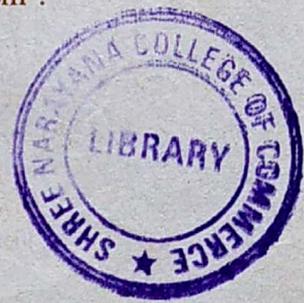
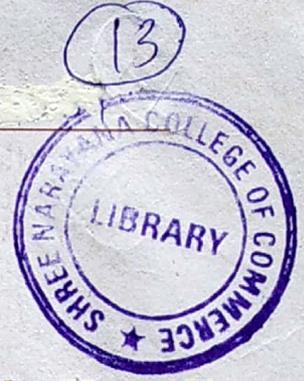
**405 : Financial Markets**

**Time : 3 Hours]**

**[Max. Marks : 70**

**Instruction :** All questions are compulsory and carry equal marks.

1. Explain in detail the interaction between the various components of a financial system. 14
- OR**
- (a) Explain the benefits and disadvantages of market based financial system. 7
- (b) Explain the relationship between financial system and economic growth. 7
2. What is a Certificate of Deposit ? Discuss the guidelines for issuing a certificate of deposit. 14
- OR**
- (a) Write a note on Types of Treasury Bills. 7
- (b) Explain the role of RBI in Money Market. 7
3. What is an IPO ? Discuss the Entry Norms for issuing shares through IPO. 14
- OR**
- (a) Write a note on ECB. 7
- (b) Explain the process of Electronic Right Issue. 7
4. Discuss the procedure of listing of securities on a Stock exchange. 14
- OR**
- (a) Write a note on Circuit Breakers. 7
- (b) Write a note on National Stock Exchange. 7
5. Choose the correct option : 14
- (1) Which among the following is not correct for informal financial system ?
- i. Low Transaction cost
  - ii. Flexibility of operations
  - iii. High Interest Rates
  - iv. High Default Risk
  - v. High Interaction between creditors and debtors
- (a) i, ii, iii (b) i, iii, v
- (c) i, iii, iv (d) i, ii, v
- (2) Which among the below institutions is not a specialized development financial institution ?
- (a) TFCI (b) SBI
- (c) NHB (d) NABARD



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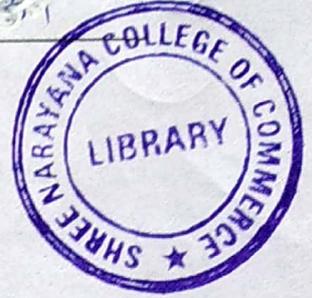
- (3) \_\_\_\_\_ is a most fundamental element for a well functioning financial system.
- (a) Strong legal system (b) Efficient Public debt management  
(c) Information system (d) Well organized banking system
- (4) Which of the following points is not a function of Money Market ?
- (a) Provide a focal point for central bank intervention.  
(b) Strikes a balance between demand and supply of short term funds.  
(c) Provides access to supplies and users of long term funds to fulfill their requirements.  
(d) Plays a central role in monetary policy transmission.
- (5) Which of the following statement not correct for Commercial Papers ?
- (a) Commercial Papers are unsecured, short term promissory notes.  
(b) They are privately placed through a merchant banker or bank.  
(c) Amount invested by a single investor should not be less than ₹ 5 Lakh  
(d) They are issued for fulfilling long term capital requirements of a corporate.
- (6) In how many stages was the Call money Market converted into a Pure Inter-bank Market ?
- (a) 4 (b) 5  
(c) 6 (d) 7
- (7) The minimum order lot for normal market in the CBLO segment is
- (a) ₹ 2 Lakh (b) ₹ 3 Lakh  
(c) ₹ 4 Lakh (d) ₹ 5 Lakh
- (8) What is ADR ?
- (a) American Depository Receipts  
(b) Argentinian Depository Receipts  
(c) Asian Depository Receipts  
(d) Australian Depository Receipts
- (9) \_\_\_\_\_ are collected to prevent operators from taking risks in excess of their buying capacities.
- (a) Margins (b) Charges  
(c) Taxes (d) Fees
- (10) In case of right issue, the issuer fixes a \_\_\_\_\_ to identify the shareholders.
- (a) book date (b) sale date  
(c) display date (d) record date
- (11) The draft prospectus would be displayed on the website of SEBI for \_\_\_\_\_ for public comments.
- (a) 20 days (b) 21 days  
(c) 22 days (d) 23 days
- (12) SA in the green shoe option is a
- (a) Secured Applicant (b) Stabilizing Agent  
(c) Second Applicant (d) Statutory Agent.
- (13) The rate of CRR and SLR are decided by
- (a) RBI (b) SEBI  
(c) Government of India (d) Ministry of Finance
- (14) The reporting of call money market transactions is done on
- (a) NDS (b) FIMMDA  
(c) NSE (d) OTCEI



Seat No. : \_\_\_\_\_

15

**JC-101**  
January-2018  
**M.Com., Sem.-I**  
**406 : Accounting for Managers**



**Time : 3 Hours]**

**[Max. Marks : 70**

1. (a) Give the format of vertical Balance Sheet as per Revised Schedule-6 of the Companies Act. 7.

**OR**

Briefly explain the users and uses of Accounting information.

- (b) What is IFRS ? Discuss the Scope and requirement of IFRS. 7

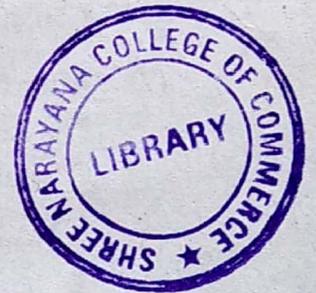
**OR**

Explain the concept of Accounting Standard and discuss the usefulness of Accounting Standard.

2. From the following particulars, prepare the Balance Sheet of Gaurang Trading Co. Ltd. as on 31<sup>st</sup> March, 2017. 14

(1) Current Ratio	2
(2) Working Capital	₹ 8,00,000
(3) Capital Block/Current Assets	3 : 2
(4) Fixed Assets/Turnover	1 : 3
(5) Cash Sales : Credit sales	1 : 2
(6) Stock velocity	2 months
(7) Creditor's velocity	2 months
(8) Debtor's velocity	3 months
(9) Net Profit (of sales)	10% of Turnover
(10) Reserve (of sales)	2.5% of Turnover
(11) Debentures/Share Capital	1 : 2
(12) Gross Profit Ratio	25%

**OR**



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2. Prepare Cash Flow Statement from the Balance Sheets of Pragnesh Limited as on 31-3-2016 and 31-3-2017 as per Accounting Standard No. 3.

14

Liabilities	31-3-16	31-3-17	Assets	31-3-16	31-3-17
	₹	₹		₹	₹
Equity shares of ₹ 10 each fully paid	4,00,000	6,00,000	Goodwill	1,60,000	1,20,000
Preference Share Capital ₹ 10 each, ₹ 7 paid	1,40,000	-	Building	3,20,000	5,00,000
Securities premium	30,000	20,000	Machinery	2,80,000	4,00,000
Reserves	1,60,000	1,00,000	Investments	80,000	-
Profit and Loss A/c.	70,000	1,50,000	Stock	60,000	1,00,000
4% debentures	-	2,00,000	Debtors	88,000	80,000
Creditors	1,00,000	1,20,000	Bills Receivable	20,000	20,000
Bills payable	40,000	-	Cash	20,000	22,000
Tax provision	48,000	60,000	Bank	-	80,000
Proposed dividend	40,000	72,000			
	<b>10,28,000</b>	<b>13,22,000</b>		<b>10,28,000</b>	<b>13,22,000</b>

**Additional information :**

- (1) Depreciation provided during the year for Building is ₹ 60,000 and Machinery ₹ 50,000.
- (2) After fulfilment of Companies Act provisions, Preference Shares are redeemed at 5% Redemption Premium; ₹ 2,00,000 is transferred from General Reserve to Capital Redemption Fund.
- (3) Debentures of ₹ 2,00,000 are issued at 5% discount.
- (4) The company has issued Bonus shares at 2 : 1 to present equity shareholders from Capital Redemption Fund.
- (5) Income tax paid ₹ 50,000 and proposed dividend of previous year is also paid.
- (6) Investments are sold at a profit of 20% on selling price.



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3. The Balance Sheet of Divyang Limited as on 1-4-2016 and Income Statement for the year ending 31-3-2017 are as under.

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**Balance Sheet as on 1-4-2016**

Liabilities	₹	Assets	₹
Equity Share Capital	3,00,000	Machinery	2,64,000
13.5% Debentures	60,000	Stock	36,000
Creditors	60,000	Debtors	60,000
		Cash and Bank Balance	60,000
	<b>4,20,000</b>		<b>4,20,000</b>



**Income Statement for the year ending 31-3-2017**

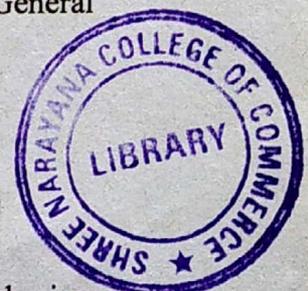
Particulars	₹	₹
Sales		4,80,000
Less : Cost of Goods Sold :		
Opening Stock (FIFO)	36,000	
+ Purchase	1,44,000	
	1,80,000	
- Closing Stock (FIFO)	- 30,000	1,50,000
Gross Profit on sales		3,30,000
Less : Administrative expenses	72,000	
Depreciation	26,400	
Debenture Interest (Paid on 31-3-2017)	8,100	1,06,500
Retained earnings		<b>2,23,500</b>

During the year there is no change in the balances of Debtors and Creditors. General Price Index Numbers was as under :

1 <sup>st</sup> April, 2016	280
Average during the year	350
31 <sup>st</sup> March, 2017	420

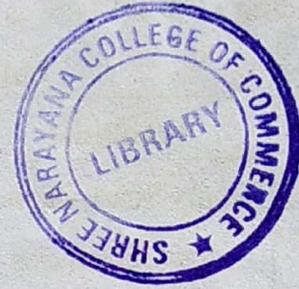
Prepare Final Accounts for the year ending 31-3-2017 as per Current Purchasing Power Method (CPP) after giving effects of changes in general price level.

OR



3. Write notes on : (any two)

- (1) Importance of Human Resource Accounting.
- (2) Limitations of Environment Accounting.
- (3) Models of Social Accounting.
- (4) Value Added Concept.



4. Karm Limited manufactures a machine which has a variable cost structure as follows :

Per Unit (₹)	
Material	80
Labour	20
Overheads	8
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Sales during the current year are expected to be ₹ 27,00,000 at selling price ₹ 180 per unit and Fixed Overheads ₹ 2,80,000.

Under a wage agreement, an increase of 10% is payable to all direct workers from the beginning of the next year, while the Material Costs are expected to increase by 7.5%, variable Overheads costs by 5% and Fixed Overhead costs by 3%.

You are required to calculate :

- (1) The new Selling Price if the current year's Profit-Volume Ratio is to be maintained in the next year, and
- (2) The quantity to be sold during the next year to yield the same amount of profit as the current year, assuming the selling price is to remain at ₹ 180.

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OR

4. (A) What is Zero based budgeting ? State its Advantages and Limitations.

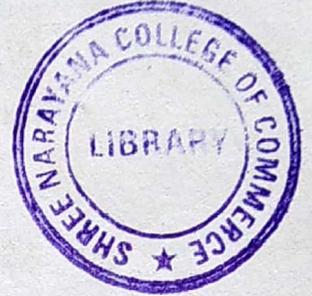
7

(B) Explain the limitations of Breakeven analysis.

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5. Select appropriate alternative :

- (1) Audit of Human Resources Accounts is compulsory for
- (a) Sole proprietorship (b) Partnership firm  
(c) Company (d) None of the above
- (2) Give Full form of IASB :
- (a) International Accounting Standard Board  
(b) International Accounting Security Board  
(c) International Accounting Service Board  
(d) None of the above
- (3) From the following information, calculate profit :
- sales ₹ 16,00,000.  
Variable cost ₹ 12,00,000  
Break-even sales ₹ 12,00,000
- (a) ₹ 1,00,000 (b) ₹ 2,00,000  
(c) ₹ 50,000 (d) ₹ 1,50,000
- (4) Accounting for amalgamation is dealt with by
- (a) AS-14 (b) AS-10  
(c) AS-9 (d) AS-13
- (5) Cash Receipts from issue of Debentures is
- (a) a financing activity (b) an investing activity  
(c) an operating activity (d) None of the above
- (6) While preparing value added statement, which of the following is not shown under the heading of value added retained by the business ?
- (a) Transfer to General Reserve  
(b) Transfer to Fixed Assets Replacement Reserve  
(c) Bad Debt Reserve  
(d) None of the above



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(7) Calculate Gearing Ratio from the following information :

Equity share capital : 20,000 equity shares of ₹ 10 each.

15% Debentures : ₹ 3,00,000

12% Preference Share Capital : 1000 shares of ₹ 100 each.

- (a) 1 (b) 5  
(c) 2 (d) None of the above

(8) AS-12 deals with

- (a) Accounting of Foreign Exchange  
(b) Accounting of Borrowing Cost  
(c) Accounting of Government Grants  
(d) None of the above



(9) The excess of current assets over current debts is called

- (a) Shareholder's Fund (b) Net Liability  
(c) Working Capital (d) Net Fixed Assets

(10) If opening stock is ₹ 40,000 less than the closing stock, purchase is ₹ 6,40,000, Closing stock is ₹ 2,00,000 and sales is ₹ 8,00,000, then gross profit ratio will be

- (a) 20% (b) 25%  
(c)  $33\frac{1}{3}\%$  (d) None of the above

(11) If P.V. Ratio is 40%, Margin of safety is 30% and sales is ₹ 20,00,000, amount of fixed cost will be

- (a) ₹ 8,00,000 (b) ₹ 5,60,000  
(c) ₹ 12,00,000 (d) ₹ 14,00,000



(12) From which date Indian Accounting Standard No.9 is come into force mandatory to all types of Companies ?

- (a) 1-4-1993
- (b) 1-4-1991
- (c) 1-4-1992
- (d) 1-4-1990

(13) 2,00,000 equity shares of ₹ 10 each ₹ 8 paid up and 10% is the interim dividend, then the amount of dividend will be

- (a) ₹ 80,000
- (b) ₹ 1,60,000
- (c) ₹ 2,00,000
- (d) ₹ 1,80,000

(14) Which of the following item is considered as "Contingent Liability" for a company ?

- (a) Proposed Dividend
- (b) Unpaid dividend on Cumulative Preference Shares
- (c) Unclaimed dividend
- (d) Provision for taxes

