

Sem 1

M.COM

21/4
2014

QP Code :02338

(2 Hours)

[Total Marks : 60

- N.B.:** (1) All questions are compulsory.
 (2) Figures to the right indicate full marks allotted to the question.
 (3) Each question has an internal option.
 (3) Working notes should form part of the answer.

1. Following information is available regarding process A for the month of October 2014.

- (i) Opening work-in-progress 40,000 units
 [Material 100 % Complete, 25 % Complete for labour and overheads]
- (ii) Units introduced 1,80,000 units
- (iii) Units completed 1,50,000 units
- (iv) Units in process on 31-10-14 70,000 units

[Material 100 % Complete, 50 % Complete for labour and overheads]

(v) Cost records showed

• Opening Work-in-progress :

Material ₹ 1,00,000
 Labour ₹ 25,000
 Overheads ₹ 45,000

(vi) Cost incurred during the month October 2014

Material ₹ 6,60,000
 Labour ₹ 5,55,000
 Overheads ₹ 9,25,000

Assume FIFO method is used for WIP inventory valuation.

Required to prepare

- (a) Statement of Equivalent Production.
 (b) Statement showing cost for each element
 (c) Statement of cost apportionment
 (d) Process A account.

OR

438000
405000
676500

204400
94500
152850

15
116800
91000
135200

333100
1519500
456750

23,10,000

158200
457100

The following information is provided to you for Process I & Process II.

15

		Process I	Process II
Period July 2014		NIL	NIL
Workin-in-progress			
Cost incurred in the period :			
Direct Materials	₹	1,05,000	?
Labour	₹	21,000	28,000
Factory Overheads	₹	42,000	35,000
Units of Production :			
Received in process (units)		70,000	63,000
Completed and transferred (units)		63,000	56,000
Remaining in process at the end of period (units)...		3,500	4,375
(Degree of completion : Material 100%, labour & Overheads 50%)			
Loss in process (Normal loss) (units)		3,500	2,625

Required to prepare :

- Statement of Equivalent Production
 - Statement showing cost for each element
 - Statement of Cost Apportionment
 - Process I A/c and Process II A/c.
- Use Average Method.

2. Prepare a cash budget for the three months ended 30th September, 2014 based on the following information :

15

- Cash and Bank Balance on 1st July, 2014 ₹ 31,250
- Estimated monthly salaries and wages ₹ 12,500
- Interest payable – August 2014 ₹ 5,000

Estimated	June	July	August	September
	₹	₹	₹	₹
Cash sales	—	1,75,000	1,90,000	1,51,250
Credit sales	1,25,000	1,00,000	1,75,000	1,50,000
Purchases	2,00,000	2,12,500	3,00,000	2,25,000
Other Expenses	—	25,000	27,500	26,250

Credit Sales are collected 50% in the month of sales and 50% in the month following the month of sales, collections from credit sales are subject to 5% discount if payment is received in the same month and 2½%, if payment is received in the following month. Creditors are paid either on a prompt or 30 days basis. It is estimated that 10% of the creditors are in the prompt category.

OR

[TURN OVER

2. Three articles X, Y, and Z are produced in a factory. They pass through two cost centres A and B. From the data furnished, Compile a statement for budgeted machine utilisation in both the centres. 15

Sales Budget for the year :

Product	Annual Budget Sales (units)	Opening Stock of Finished Products (units)	Closing Stock
X	4,800	600	Equivalent to 2 months sales
Y	2,400	300	Equivalent to 2 months sales
Z	2,400	800	Equivalent to 2 months sales

Machine hours per unit of products :

Product	Machine hours per unit cost centre	
	A	B
X	30	70
Y	200	100
Z	30	20

Total Number of machines

Cost Centre	Number
A	284
B	256
Total	540

Total working hours during the year : Estimated 2500 hours per machine.

You are required to prepare Production Budget and Machine Utilisation Budget.

3. The standard cost of a chemical mixture is as under : 15

8 tones of material A at ₹ 40 per tonne
 12 tones of material B at ₹ 60 per tonne
 Standard Yield is 90% of input

Actual cost for a period is as under :

10 tones of material A at ₹ 30 per tonne
 20 tones of material B at ₹ 68 per tonne
 Actual Yield is 26.5 tons.

Calculate –

- Material Cost Variance
- Material Usage Variance
- Material Price Variance
- Material Mix Variance
- Material Yield Variance.

[TURN OVER

OR

3. Happy Ltd. furnishes the following information relating to budgeted sales and actual sales for the month of March 2014. 15

	Product	Sales Quantity	Sale Price
		Units	Per Unit ₹
Budget sales	A	1,200	15
	B	800	20
	C	2,000	40
Actual sales	A	880	18
	B	880	20
	C	2,640	38

You are required to prepare :-

- (a) Sales Price Variance
 (b) Sales Volume Variance
 (c) Sales Mix Variance ✓
 (d) Sales Value Variance
 (e) Sales Sub-Quantity Variance

4. (a) State whether the following statements are **True** or **False** and rewrite. 8

- (i) Cost audit is compulsory for all the companies. ✓ F
 (ii) Flexible Budget is a dynamic. ✓
 (iii) Cost Auditor is required to submit his report to the Central Government. ✓ F
 (iv) Cost variance is a difference between standard cost and actual cost. ✓
 (v) Production report is a part of cost records. ✓
 (vi) Equivalent units are units equal to input. ✓ F
 (vii) Non-controllable variance arises due to change in government policies. ✓
 (viii) The object of cost audit is to prevent unnecessary expenditure by the producers. ✓ F

4. (b) Fill in the banks with suitable words :-

- (i) Equivalent Units are Average quantity of completed units.
 (ii) The audit required by statute is called as Statutory
 (iii) Budget is drawn for planning period
 (iv) Cost of Normal loss is charged to process
 (v) Scrap is the Wastage realisable.
 (vi) Master budget is a summary of all the functional Budgets.
 (vii) Cement Companies follow process method

OR

[TURN OVER

4. (a) Match the column.

8

Column A

- (1) Sales Budget
- (2) Idle time variance
- (3) Attendance Register
- (4) Budget
- (5) Normal loss
- (6) Cost auditor
- (7) Efficient buying
- (8) Key factor

Column B

- Future oriented
- Estimates of production
- is debited to process A/c
- Central Government
- Purchase Manager
- Scare factor
- Estimates of sales
- Credited to process A/c
- Cost record about wages
- Always unfavourable

4. (b) Answer in one sentence :-

7

- (i) What is abnormal loss ?
 - (ii) What is by-product ?
 - (iii) Explain Zero Base Budgeting.
 - (iv) Give formula for fixed overheads cost variance.
 - (v) What do you mean by ideal standard ?
 - (vi) What is propriety audit ?
 - (vii) What is meaning of test checking ?
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Sem 1

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QP Code :02329

(2 Hours)

[Total Marks : 60

- N.B. :** (1) All Questions are compulsory.
 (2) Figures to the right indicate maximum marks.
 (3) All Working Notes should form part of the answer.

1. H Ltd. acquired 3,200 equity shares of S Ltd. on 31st December, 2013. The summarized 15 balance sheets of the two companies as at that date are given below :—

Liabilities	H Ltd. ₹	S Ltd. ₹	Assets	H Ltd. ₹	S Ltd. ₹
Share Capital (Rs. 100 each, fully paid)	10,00,000	4,00,000	Buildings ✓	3,00,000	3,60,000
General Reserves	4,80,000	3,40,000	Plant and machinery	4,80,000	3,18,800
Profit and Loss A/c.	1,14,400	72,000	Investments in S Ltd. (at cost)	6,80,000	—
Bank Term Loan	1,60,000	—	Stock	2,40,000	72,000
Bills payable (including Rs. 6,000 to H Ltd.)	—	16,800	Sundry Debtors	89,200	83,200
Sundry Creditors	95,600	21,200	Bills Receivable (including Rs. 6,000 from S Ltd.)	31,600	—
			Cash at Bank	29,200	16,000
	18,50,000	8,50,000		18,50,000	8,50,000

You are given that :—

- (a) S Ltd. made a bonus issue on 31st December, 2013 of one equity share for every four shares held by its shareholders. This has not been accounted for.
 (b) Sundry Creditors of H Ltd. includes Rs. 24,000 due to S Ltd.
 (c) The directors have decided to revalue Land and Buildings and Plant and Machinery of S Ltd. at Rs. 4,00,000 and Rs. 2,98,800 respectively.

Prepare consolidated Balance Sheet as at 31st December, 2013 with workings.

OR

1. The following is the summarized Balance Sheet of 'A' Ltd. and 'B' Ltd as on 15 31st December, 2013:—

Liabilities	'A' Ltd ₹	'B' Ltd ₹	Assets	'A' Ltd ₹	'B' Ltd ₹
Paid up capital of Rs. 10 each	20,00,000	6,00,000	Freehold Premises	9,00,000	2,40,000
General Reserve	8,00,000	2,50,000	Plant and Machinery	7,00,000	3,20,000
Profit and Loss A/c	6,00,000	3,50,000	Furniture	1,60,000	60,000
Sundry Creditors	2,00,000	1,40,000	Debtors	6,00,000	3,40,000
			Stock	6,40,000	3,20,000
			Investment in shares in B Ltd. (40,000 shares of Rs. 10 each)	5,20,000	—
			Cash in Hand	80,000	60,000
	36,00,000	13,40,000		36,00,000	13,40,000

[TURN OVER

You are required to prepare a consolidated Balance Sheet as on 31st December 2013, showing in detail necessary adjustments and taking into consideration the following information :—

- 'A' Ltd. acquired shares of 'B' Ltd. as on 1-1-2013 when the balances in their Profit and Loss Account and General Reserve were Rs. 1,50,000 and Rs. 1,60,000 respectively.
 - Stock of Rs. 3,20,000 held by 'B' Ltd. consists of Rs. 1,20,000 goods purchased from 'A' Ltd. who charges profit at 25% on cost.
 - Included in Debtors of 'A' Ltd. Rs. 30,000 due from 'B' Ltd.
2. From the following balances of Kalyan Bank Ltd., on 31.3.2014, prepare Profit and Loss Account and Balance Sheet as on that date. 15

Particulars	Debit ₹	Credit ₹
Equity Share Capital of Rs. 100 each Rs. 50 paid up	—	4,00,000
Profit and Loss Account on 1.4.2013	—	1,60,000
Current Deposit Account	—	13,64,000
Fixed deposit Account	—	15,60,000
Saving A/c.	—	10,26,000
Directors Fees	18,000	
Audit Fees	4,000	
Furniture (Cost Rs. 4,00,000)	3,48,000	
Interest and discount received	—	8,40,000
Commission and Exchange	—	4,00,000
Reserve Fund	—	1,40,000
Printing & Stationery	16,000	—
Rent and Taxes	34,000	
Salary	2,80,000	
Building (Cost Rs. 12,00,000)	9,00,000	
Law Charges	6,000	
Cash-in-hand	64,000	
Cash with RBI	14,00,000	
Cash with other bank	13,00,000	
Investment at cost	4,80,000	
Loans, Cash Credit and Overdrafts	12,00,000	
Bills Discounted and Purchased	5,60,000	
Interest Paid	6,00,000	
Borrowings	—	8,00,000
Branch Adjustment Account	—	5,20,000
Total	72,10,000	72,10,000

Following additional information is available :—

- The bank has accepted on behalf of the customers bills worth Rs. 6,00,000 against the securities of Rs. 7,60,000 lodged with the bank.
- Rebate on bills discounted Rs. 22,000 as on 31-03-2014.
- Provide depreciation on building 10% and Furniture 5% on cost.
- Provide Rs. 6,000 for bad and doubtful debts.

OR

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2. From the following information prepare a Balance Sheet of Continental Bank Ltd. as on 31st March, 2014 giving the relevant schedules. 15

Debit Balance	(Rs. In 000)	Credit Balance	(Rs. In 000)
Current Accounts ³⁰	2800	Share Capital	
Cash Credits	81210	19,80,000 shares of Rs.10 each	19800
Cash in Hand ⁶	16015	Statutory Reserve ²	23100
Cash with RBI ⁶	3788	Net Profit before Appropriation ⁽¹⁾	15000
Cash with other Banks ⁷	15587	Profit and Loss A/c. ²	41200
Money at Call ⁷	21012	Fixed Deposit A/c. ³	51700
Gold ⁸	5523	Saving Deposit A/c. ³	45000
Govt. Securities ⁸	11017	Current A/c. ³	52012
Premises ¹⁰	15570	Bills payable ⁵	10
Furniture ¹⁰	7012	Borrowings from other Banks ⁴	11000
Term Loans ⁹	79288		
	258822		258822

Additional Information :—

Bills for collection	18,10,000 ¹²
Advances and Endorsements	14,12,000 ¹²
Claims against the bank not acknowledged at debt	55,000 ¹²
Depreciation charges - Premises	1,10,000
Furniture	78,000

21002 (L)
174812
36190

50% of the Term Loans are secured by Government Guarantees. 10% of Cash Credits is unsecured.

Note: The Value of Premises & Furniture as on 31st March, 2014 is after charging of Depreciation.

3. The following balances appeared in the books of Mumbai Branch of a firm in U.K. on 31-12-2013. 15

Particulars	Dr. Rs.	Cr. Rs.
Stock as on 1-1-2013 ^T	37,800	—
Purchases - ^T	2,25,000	—
Sales ^T	—	3,37,500
Debtors ^{C.A}	1,17,000	—
Creditors ^{C.L}	—	78,000
Bills Receivable ^{C.A}	31,200	—
Bills Payable ^{C.L}	—	27,300
Wages and Salaries ^T	14,400	—
Rent, Rates and Taxes ^{P&L}	10,800	—
Miscellaneous Expenses. ^{P&L}	4,500	—
Furniture ^{F.A}	14,730	—
Cash at Bank ^{C.A}	90,870	—
Head Office Account ^L	—	1,03,500
	5,46,300	5,46,300

4. (a) Match the Following :—

8

Group A		Group B
1. Reserves & Surplus	2	Schedule 14
2. Borrowings	5	Schedule 10
3. Cash and Balances with Reserve Bank of India		Schedule 1
4. Investments	2	Schedule 4
5. Fixed Assets		Schedule 15
6. Contingent Liabilities	4	Schedule 8
7. Other Income	3	Schedule 6
8. Operating Expenses	6	Schedule 12
	1	Schedule 2
	16	Schedule 16

(b) State Whether the following statements are **True** or **False** :—

7

- (1) Every banking company in India is required to transfer atleast 40% of its Current Year's profit to the reserve fund.
- (2) Surplus on revaluation should be treated as Capital Reserve.
- (3) Revenue Profits are the pre-acquisition profits of subsidiary Company.
- (4) When the amount of investment in subsidiary is more than the nominal value of the share capital acquired by the holding company, the difference represents Goodwill.
- (5) Closing Rate is the rate of exchange at the balance sheet date.
- (6) Reporting currency is the currency used in presenting the financial statements.
- (7) In banking companies the heading 'Other Assets' includes Gold.

OR

4. Write Short notes on any three of the following :—

15

- (1) Published Corporate Annual Reports.
- (2) Foreign Currency Conversion (AS 11).
- (3) Rebate on Bills Discounted.
- (4) Minority Interest.
- (5) Consolidated Financial Statements (AS 21).

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Nov-2014
Sen 1
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Q.P. Code : 04152

(REVISED COURSE)

(2 Hours)

[Total Marks : 60

N.B. : (1) All questions are compulsory.
(2) Figures to the right indicate full marks

1. Answer the following (any two) :-

- (a) Explain the application of vision and business mission statement of a company ?
(b) What are the H.R. strategies adopted by an organisation ?
(c) Describe the process of environmental scanning.

15

2. Answer the following (any two) :-

- (a) Give a brief note on strategy formulation and strategy implementation.
(b) Describe the steps developed in BCG Matrix.
(c) Explain the various aspects of organisational culture.

15

3. Answer the following (any two) :-

- (a) What are the reasons of growing outsourcing in India ?
(b) Explain the Benefits and Barriers of MIS.
(c) Describe the emerging strategies of telecommunication sector.

15

4. Give explanatory note on (any two) :-

- (a) Strategic management process
(b) Strategic choice
(c) Business reengineering strategies.

15

Nov-2014

Sem 1

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QP Code : 02327

(2 Hours)

[Total Marks : 60

- N.B : (1) All questions are compulsory.
(2) Figures to the right indicate full marks.

1. (a) Discuss the types and effects of tariffs. 14
OR
(b) (i) What is dumping? Explain the types of dumping. 7
(ii) Write a note on international cartels. 7
2. (a) (i) Discuss the types of economic integration. 7
(ii) Bring out the achievements of APEC. 7
OR
(b) (i) Discuss the achievements of SAARC. 7
(ii) What is multilateralism? Outline its advantages and disadvantages. 7
3. (a) (i) Explain the emerging trends in global trade. 7
(ii) Discuss the trade and environmental issues under WTO. 7
OR
(b) (i) Discuss the important contentious issues of WTO. 7
(ii) Explain the main aspects of Agreement on Agriculture (AoA) under WTO. 7
4. Write explanatory notes on any two of the following :— 18
(a) Non-tariff barriers
(b) NAFTA
(c) Steps in the dispute settlement process of WTO.
- NTB
Domestic Subsidy

(मराठी रुपांतर)

(२ तास)

एकूण गुण : ६०

- सूचना : (१) सर्व प्रश्न सोडविणे अनिवार्य आहे.
(२) उजवीकडील अंक पूर्ण गुण दर्शवितात.

१. (अ) जकातीचे प्रकार आणि परिणाम स्पष्ट करा. १४
किंवा
(ब) (१) अवपुंजन म्हणजे काय? अवपुंजनाचे प्रकार स्पष्ट करा. ७
(२) आंतरराष्ट्रीय कार्टेलवर टिप लिहा. ७
२. (अ) (१) आर्थिक एकात्मतेचे विविध प्रकार सांगा. ७
(२) अपेक (APEC) या संघटनेची साध्ये स्पष्ट करा. ७
किंवा

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CM-Con.:951-14.

S.M.

M.COM part I sem I

2014

Q.P. Code : 04152

(REVISED COURSE)

(2 Hours)

[Total Marks : 60

- N.B. :** (1) All questions are compulsory.
(2) Figures to the right indicate full marks

1. Answer the following (any two) :- 15
- (a) Explain the application of vision and business mission statement of a company ?
 - (b) What are the H.R. strategies adopted by an organisation ?
 - (c) Describe the process of environmental scanning.
2. Answer the following (any two) :- 15
- (a) Give a brief note on strategy formulation and strategy implementation.
 - (b) Describe the steps developed in BCG Matrix.
 - (c) Explain the various aspects of organisational culture.
3. Answer the following (any two) :- 15
- (a) What are the reasons of growing outsourcing in India ?
 - (b) Explain the Benefits and Barriers of MIS.
 - (c) Describe the emerging strategies of telecommunication sector.
4. Give explanatory note on (any two) :- 15
- (a) Strategic management process
 - (b) Strategic choice
 - (c) Business reengineering strategies.