Time: 3 Hours]

# CS/BBA (H) (SUPPLE)/SEM-5/BBA-501/09 FINANCIAL MANAGEMENT-II ( SEMESTER - 5 )

UNIVERSITY OF TECHNOLOGY

[Full Marks: 70

1.									d			ch	-	<b>♣</b>	
2.	Signature of Invigilator  Reg.  Signature of the Officer-in-Charge	No.													
	Roll No. of the Candidate														
	CS/BBA (H) ENGINEERING & MANA FINANCIAL MAN	GEM	EN'	ΓE	ΧA	MI	TA	Oľ	VS,	ΑU	GUS		 )9		

#### **INSTRUCTIONS TO THE CANDIDATES:**

- 1. This Booklet is a Question-cum-Answer Booklet. The Booklet consists of **32 pages**. The questions of this concerned subject commence from Page No. 3.
- 2. a) In **Group A**, Questions are of Multiple Choice type. You have to write the correct choice in the box provided **against each question**.
  - b) For **Groups B** & **C** you have to answer the questions in the space provided marked 'Answer Sheet'. Questions of **Group B** are Short answer type. Questions of **Group C** are Long answer type. Write on both sides of the paper.
- 3. **Fill in your Roll No. in the box** provided as in your Admit Card before answering the questions.
- 4. Read the instructions given inside carefully before answering.
- 5. You should not forget to write the corresponding question numbers while answering.
- 6. Do not write your name or put any special mark in the booklet that may disclose your identity, which will render you liable to disqualification. Any candidate found copying will be subject to Disciplinary Action under the relevant rules.
- 7. Use of Mobile Phone and Programmable Calculator is totally prohibited in the examination hall.
- 8. You should return the booklet to the invigilator at the end of the examination and should not take any page of this booklet with you outside the examination hall, **which will lead to disqualification**.
- 9. Rough work, if necessary is to be done in this booklet only and cross it through.

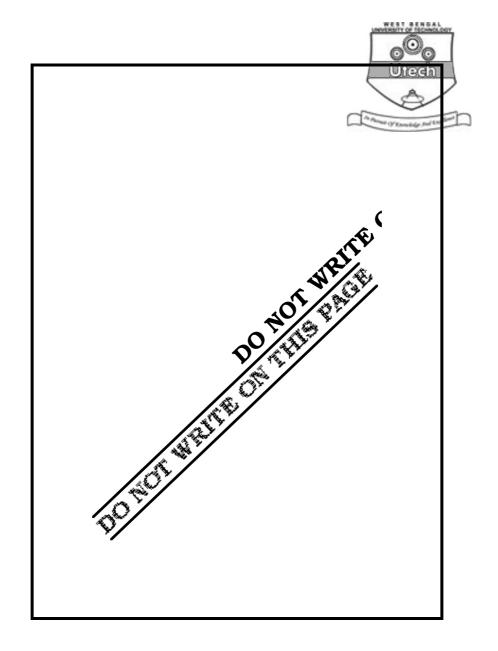
#### No additional sheets are to be used and no loose paper will be provided

# FOR OFFICE USE / EVALUATION ONLY Marks Obtained Group - A Group - B Group - C Question Number Marks Obtained Marks Obtained

Head-Exami	iner/Co-Ordi	nator/Scrutin	eer

S-54057 (22/08)







# CS/BBA (H) (SUPPLE)/SEM-5/BBA-501/09 FINANCIAL MANAGEMENT-IF-SEMESTER - 5

Time: 3 Hours [ Full Marks: 70

## GROUP - A

# ( Multiple Choice Type Questions )

l.	Choo	ose th	e correct alternatives for any te	n of th	e following:	$0 \times 1 = 10$
	i)	Whi	ch of the following can be used	as a ra	w material in other process	?
		a)	Scrap	b)	Spoilage	
		c)	Waste	d)	None of these.	
	ii)	Abne	ormal idle time arises out of wh	ich of t	he following causes ?	
		a)	Waiting for instructions	b)	Time taken for picking up	the work
		c)	Power failure	d)	Both (a) and (c).	
	iii)	Indi	rect cost is referred as			
		a)	materials	b)	labour	
		c)	overhead	d)	prime cost.	
	iv)	Whi	ch of the following inventory va	aluation	ns methods show higher pro	fits during
		the j	period of rising price ?			
		a)	FIFO	b)	LIFO	
		c)	Simple average methods	d)	Weighted average methods	
	v)	Cost	of service industry is compute	d by		
		a)	Process costing	b)	Operating costing	
		c)	Standard costing	d)	none of these.	
	vi)	Indu	stries like bakeries, flour mills	employ	7	
		a)	Operating costing	b)	Process costing	
		c)	Job costing	d)	Step costing.	



vii)	The principal factor to be considered in designing a cost system include							
	a)	Manufacturing process						
	b)	Nature of business		A				
	c)	Company Organization structur	re	A Agama (4'8) same ladar 3 mil 8 mil 6 mil				
	d)	all of these.						
viii)		most suitable cost system where performed is	e the p	roducts differ in type of mate	rials and			
	a)	Job costing	b)	Process costing				
	c)	Operating costing	d)	None of these.				
ix)	In ca	ase of loss in an incompleted cone	ntract,	the total amount of loss is tr	ansfered			
	a)	Profit and Loss A/c	b)	Reserve A/c				
	c)	National A/c	d)	None of these.				
x)	The t	term "variable costs" refers to						
	a)	all costs which are likely to re them by a specified manager	spond	to the amount of attention de	evoted to			
	b)	all costs which are associated billing activities	with n	narketing, shipping, warehou	sing and			
	c)	all manufacturing costs incurre	ed to p	roduce units of output				
	d)	all costs which fluctuate in tota utilization of capacity.	al in re	esponse to small change in th	e rate of			
xi)		cost of idle time incurred by e uction process should be charg		ees that is considered norma	l for the			
	a)	Work-in-process inventory	b)	Direct labour				
	c)	Administrative expense	d)	Factory overhead.				
xii)	The j	process of attributing proportio	ns of i	tems of costs amongst cost c	entres is			
	a)	overhead absorption	b)	absorption of indirect costs				
	c)	cost apportionment	d)	cost allocation.				



#### **GROUP - B**

#### (Short Answer Type Questions)

Answer any three of the following.

 $3 \times 5 = 15$ 

- 2. How is idle time controlled in a manufacturing organization?
- 3. Briefly state the importance of cost audit.
- 4. Distinguish between a Bin Card and a Stores Ledger.
- 5. What are the advantages of the job costing system derived by the large brands?
- 6. State briefly with an example, the meaning of the expression "recovery of overhead".

#### GROUP - C

#### (Long Answer Type Questions)

Answer any *three* of the following.

 $3 \times 15 = 45$ 

7. Mr. *G* owns a fleet of taxis and the following information is available from the records maintained by him:

No. of taxis : 10

Cost of each taxi : Rs. 5,46,000

Salary of manager : Rs. 7,000 p.m.

Salary of accountant : Rs. 5,000 p.m.

Salary of cleaner : Rs. 2,000 p.m.

Salary of mechanics : Rs. 4,000 p.m.

Garage rent : Rs. 6,000 p.m.

Insurance premium : 5% p.a.

Annual tax : Rs. 9,000 per taxi

Driver's salary : Rs. 3,500 p.m. per taxi

Annual repairs : Rs. 10,000 per taxi

Total life of a taxi is about 2,00,000 km. A taxi runs in all 3000 km in a month and 30% of this distance has to be run without any passenger. Diesel consumption is one litre for every 10 km @ Rs.  $44\cdot10$  per litre. Oil and sundries are Rs.  $105\cdot00$  per 100 kms.

Calculate the cost of running a taxi per km.



5

- 8. a) Define cost classification.
  - Following information has been obtained from the records of a manufacturing b) company:

	1. 1. 2008	31. 12. 2008	
	Rs.	A Parago (N'Exercisio Sed California	
Stock of Raw Materials	40,000	50,000	
Stock of Finished Goods	1,00,000	1,50,000	
Stock of Work-in-Progress	10,000	14,000	
	Rs.		Rs.
Indirect Labour	50,000	Administrative Expenses	1,00,000
Lubricants	10,000	Power	30,000
Insurance of Plant	3,000	Direct Labour	3,00,000
Purchase of raw materials	4,00,000	Depreciation on machinery	50,000
Salesmen Commission	60,000	Factory Rent	60,000
Salaries of Salesmen	1,00,000	Tax on Factory Building	11,000
Carriage Outward	20,000	Sales	12,00,000

Prepare a Statement of Cost and Profit showing:

- Prime cost; (ii) Factory cost; (iii) Cost of Production; (iv) Cost of 3 + 12Goods sold; (v) Cost of sales and (vi) Profit.
- 9. In a manufacturing concern bonus to workers is paid on a slab rate based on savings of cost towards labour and overheads. The following are the slab rates :

i)	Upto 10% savings	:	5% of the earning
ii)	Above 10% and upto 15% savings	:	9% of the earning
iii)	Above 15% and upto 20% savings	;	13% of the earning
iv)	Above 20% and upto 30% savings	:	21% of the earning
v)	Above 30% and upto 40% savings	:	28% of the earning
vi)	Above 40% savings	:	32% of the earning.

The wage rates per hour of 4 workers — A, B, C and D are Re. 1.00, Rs. 1.10, Rs. 1.20 and Rs. 1.40 respectively. Overhead is recovered on direct wages at the rate of 200%. Standard cost under wages and overhead per unit of production is fixed at Rs. 30. The workers have completed one unit each in 8, 7,  $5\frac{1}{2}$  and 5 hours respectively. Calculate in respect of each worker

- Amount of bonus earned. a)
- 5 b) Total earnings.
- c) Total earnings per hour. 5

#### 7



- 10. Panda Ltd. furnishes the following information :
  - i) Consumption 300 units per quarter
  - ii) Cost per unit Rs. 40
  - iii) Cost of processing an order Rs. 600
  - iv) Obsolescence 15%
  - v) Insurance on inventory 25%.

### Compute:

- a) EOQ
- b) No. of order per year and
- c) Time between two consecutive orders.

A supplier offers a discount of 2% on a purchase of 600 units. Should it be accepted?

10 + 5

11. Write short notes on any three of the following:

 $3 \times 5$ 

- a) Cost-Plus Contract
- b) Uniform Costing
- c) Escalation clause
- d) Profit on Incomplete contracts
- e) Halsey-Wein plan
- f) EBQ
- g) Marginal costing.

END