

REENA METHA COLLEGE OF COMMERCE & MANAGEMENT STUDIES

INTERNAL EXAMINATION (Regular) 2017-2018

SEMESTER: VI (TYBAF)

Subject: Cost Accounting-IV

Time: 40 mins

Date: 05/02/2018

Marks: 20

Q1 (A) Multiple Choice Question:

Marks: 2.5

1. Which of the following is not a part of Cash Budget?
a. Salaries b. Cash Sales c. Depreciation
2. Direct Material is _____.
a. Fixed Cost b. Semi Variable Cost c. Variable Cost
3. Production Budget helps to find out _____.
a. Raw Material Consumed b. Sales c. Production (In Units)
4. Material Usage Variance= (Standard Qty. – Actual Qty.) X _____.
a. Standard Rate b. Actual Rate c. None of the above
5. Fixed Overhead Cost Variance= _____ - Actual Overheads.
a. Budgeted Overheads b. Recovered Overheads c. Standard Overheads

Q1 (B) State whether the following statement are True or False:

Marks: 2.5

1. Non-Cash items are excluded from Cash Budget.
2. Labour Cost Variance = Standard Cost – Actual Cost.
3. Revised Quantity = Actual Mix in the Ratio of Standard Quantity.
4. Material Mix Variance = (Revised Qty. – Actual Qty.) X Standard Rate.
5. Flexible budget shows how cost changes at different level of output (Sales).

Q.2) The standard cost for one unit shows:

Marks 7

Material cost 2kg @ Rs. 2.5 per kg.

Labour 2Hours @ Rs. 1 per hour.

The actual which have emerged from business operation are as follows:

Production: 8000 units

Material consumed 16,500kg @ Rs. 2.4 per kg.

Wages paid 18,000 hours @ Rs. 1.2 per hour.

Calculate Possible Material and Labour Variances.

Q.3) At 90% capacity, ABC Ltd. produce 10,800 units and incurred the expenses as under:

Marks 8

Particulars	Cost Per Unit (Rs.)
Direct Material	7
Direct Labour	5
Other Variable Expenses	4.5
Production Overheads	3 (20% Variable)
Administration Overheads	6 (40% Variable)
Selling Overheads	3 (75% Variable)
Selling Price	60

Prepare Flexible Budget for 90% (10,800units) and 100% (12,000units).

REENA METHA COLLEGE OF COMMERCE & MANAGEMENT STUDIES

INTERNAL EXAMINATION (Regular) 2017-2018

SEMESTER: VI (TYBAF)

Subject: Indian Economy

Date: 05/02/2018

Time: 40 mins

Marks: 20

Q.1) (A) Multiple Choice Question:

Marks: 2.5

1. According to census 2011 India's population is _____mn. (1220 / 1210.2 / 1029.4)
2. _____ is not an adverse effect of urbanization. (Congestion / Crimes / Convenience)
3. _____unemployment is not applicable to India. (Seasonal / Cyclical / educated).
4. The total percentage of population in India BPL 2011-12 is _____. (37.2 / 21.9 / 27.5)
5. The density of population in India is showing _____ trend. (Falling / Rising / Constant)

Q.1) (B) State whether the following statements are True or False:

Marks: 2.5

1. Distribution of income is Unequal in India ,as well as in other countries.
2. Urbanisation is not a part of development process.
3. National population policy was announced in year 2000.
4. There is a wide variation in unemployment across states in India.
5. Poverty is multidimensional concept.

Q.2) Answer in 1-2 sentences

Marks: 5

1. Explain disguised unemployment.
2. Write any two poverty alleviation measures taken by Government of India.
3. Define urbanization.
4. Write two measures of Income inequality in a country like India.
5. What does MGNREGA stands for?

Q.3) Answer in Brief (Any 2)

Marks: 10

1. Write in detail the causes of high population growth in India.
2. Explain the demographic profile of India.
3. Explain the causes of Rural & Urban unemployment in India.

REENA METHA COLLEGE OF COMMERCE & MANAGEMENT STUDIES

INTERNAL EXAMINATION (Regular) 2017-2018

SEMESTER: VI (TYBAF)

Subject: Financial Management-III

Date: 06/02/2018

Time: 40 mins

Marks: 20

Q1 (A) Multiple Choice Question:

Marks: 2.5

1. The irrelevance theory of dividend was supported by ____
 - a) Walter
 - b) Gordon
 - c) MM
 - d) Fayol
2. When the correlation co-efficient is greater than 0, it is ____ correlation
 - a) Negative
 - b) Positive
 - c) Perfectly positive
 - d) Perfectly negative
3. The concept of homemade dividends supports the arguments for irrelevance of dividend policies in shareholders ____ maximization.
 - a) Dividend
 - b) Wealth
 - c) Investment
 - d) None
4. ____ is a measure of performance of a particular share in relation to general movement of market.
 - a) Co-variance
 - b) Standard deviation
 - c) Beta
 - d) Co-efficient of correlation
5. Risk can be classified as
 - a) Systematic risk
 - b) Unsystematic risk
 - c) Both
 - d) None of the above

Q1 (B) State whether the following statement are True or False:

Marks: 2.5

- 1 The risk that affects the companies is systematic risk.
- 2 Dividend becomes liability when it is recommended by directors
- 3 Portfolio returns depends on returns of the securities in portfolio.
- 4 The basic objective of investment portfolio is to maximize returns with minimum risk.
5. If a share has a beta of 1 its rise and fall corresponds exactly with the market.

Q.2) Mrs. Ash has a holding 25% of shares in AB Junior Ltd. She has assessed and found that Khan Ltd is of same and equivalent risk class. As financial advisor of her you are required to explain her whether she will be better off in switching holding to Khan Ltd or not using the following information.

Marks: 7

Particular	AB Junior Ltd.	Khan Ltd.
Total No. of Equity shares	10,00,000	1,00,000
Market Price Per Share	Rs.58	Rs.145
15% Debentures	Rs. 50,00,000	-
10% Debentures	-	Rs. 50,00,000
Profit before interest	Rs. 1,27,50,000	Rs. 35,00,000
Tax Rate	50%	50%

Note: All profits available for distribution as dividend are distributed.

Q.3) From the following information you are required to calculate:

Marks: 8

(i) Measure of systematic risk

(ii) Expected returns using measure of systematic risk.

Year	% returns of Reliance Ltd.	% returns of Birla Ltd	Market Returns
1	10.00	11.00	16.00
2	12.00	11.00	15.00
3	14.00	15.00	17.00
4	13.00	11.00	12.00
5	15.00	11.00	14.00
6	13.00	12.00	16.00
7	14.00	13.00	15.00

Risk Free rate of return : 10.00%

REENA METHA COLLEGE OF COMMERCE & MANAGEMENT STUDIES

INTERNAL EXAMINATION (Regular) 2017-2018

SEMESTER: VI (TYBAF)

Subject: *Financial Accounting-VI*

Date: 06/02/2018

Time: 40 mins

Marks: 20

Q1 (A) Multiple Choice Question:

Marks: 2.5

- Banking Regulation Act.
a. 1947 b. 1932 c. 1949 d. 1956
- Every Banking company incorporated in India shall transfer.
a. 20% b. 35% c. 30% d. 15%
- Schedules required knowing the Profit and Loss of Banks.
a. 10,11,12,13 b. 13,14,15,16 c. 1,2,3,4 d. 5,6,7,8
- Loss on revaluation of investment
a. Schedule 13 b. Schedule 14 c. Schedule 15 d. Schedule 16
- Other Assets Includes.
a. Inter-office adjustments b. Interest accrued c. Stationary and stamps
d. all of the above

Q1 (B) State whether the following statement are True or False:

Marks: 2.5

- Cash, receivables and payable and examples of non-monetary items.
- An inventory is a non-monetary item.
- Average rate is the mean of the exchange rates on the first day and the last day of the accounting year.
- Closing rate is the exchange rate at the close of the day on which a transaction takes place.
- Foreign Currency is a currency other than the Indian rupee.

Q.2:-While closing the books a bank its advance was classified on 31st March, 2014 as under:- Marks: 7

	(in lakhs)
Standard Assets	1,60,000
Sub-standard	13,000
Doubtful Assets: (Secured)	
Upto one year	7,000
One to Three Years	4,000
More than three years	2,000
Loss Assets	5,000

You are requested to calculate the amount of provisions to be made by bank as on 31st March, 2014

Q.3 Madhav exported goods to US Company worth US \$ 1 lac on 01-01-2004 when exchange rate was US \$ 1 = ₹.43.00. The payment was received as below:- Marks: 8

Date	Instalment US \$	Rate of Exchange (₹.)
01-02-2004	20,000	43.25
15-03-2004	25,000	43.50
01-05-2004	Balance	42.75

The rate of exchange was US \$ 1 = ₹.43.75 as on 31-03-2004.

Pass journal entries in the books of Mr. Madhav (including those for cash) in accordance with AS-11.

REENA METHA COLLEGE OF COMMERCE & MANAGEMENT STUDIES

INTERNAL EXAMINATION (Regular) 2017-2018

SEMESTER: VI (TYBAF)

Subject: Taxation

Date: 07/02/2018

Time: 40 mins

Marks: 20

Q1 (A) Multiple Choice Question:

Marks: 2.5

1. Income of a Minor Child on account of _____ shall be taxable in his hands.
a) Any manual work done by him b) Any other Income
2. Income from asset transferred to spouse for inadequate consideration, is clubbed in the total income of.
a) Transferor b) Transferee
3. Transfer of Income without transfer of asset would be taxable in the hands of.
a) Transfer only b) Transferee only
4. All income which arises to the minor child shall be clubbed in the income of his/her.
a) Parents b) Siblings
5. In whose total income, the income of a minor child is included
a) Father b) Parent whose total income is greater

Q1 (B) State whether the following statement are True or False:

Marks: 2.5

1. The income of minor child will always be included in the income of his / her parents.
2. Where an individual has substantial interest in a concern, there shall be included in his total income any remuneration paid by such concern to the spouse of such individual.
3. Clubbing provisions under section 64(1)(vi) are applicable where the asset is transferred by an individual without any adequate consideration to major son.
4. When income of minor child is clubbed in the income of the parent concerned, such parent will be allowed exemption of lump-sum Rs 1,500 per minor child.
5. If any income has to be clubbed under section 64, it will be clubbed under the relevant head-to which it belongs.

Q.2) Mr. C, a law graduate, is legal advisor of L Ltd. She gets salary of Rs 2, 80,000. Mr. C is holding 20% shares in L Ltd. His income from business, during the previous year 2016-17 is Rs 5, 00,000. Compute their total income.

Marks: 7

Q.3) Mr. Mittal has four minor children consisting of three daughters and one son. The annual income of all the children for the Assessment Year 2017-18 were as follows:

Marks: 8

Particulars	Rs
First daughter (including Scholarship received Rs 5,000)	10,000
Second daughter	8,500
Third daughter (suffering from disability specified u/s 80U)	4,500
Son	40,000

Mr. Mittal had gifted Rs 2, 00,000 in an earlier year to his minor son who invested the same in the business and derived income of Rs 20,000 during the current year which is included above. Compute the amount of income earned by minor children to be clubbed in the hands of Mr. Mittal.

REENA METHA COLLEGE OF COMMERCE & MANAGEMENT STUDIES

INTERNAL EXAMINATION (Regular) 2017-2018

SEMESTER: VI (TYBAF)

Subject: Financial Accounts-VII

Date: 07/02/2018

Time: 40 mins

Marks: 20

Q1 (A) Multiple Choice Question:

Marks: 2.5

1. If transactions with the reporting enterprise are not a high proportion of the foreign operation's activities, it is
 - a) An integral foreign operation
 - b) A non-Integral foreign operation
2. Monetary items in the integral foreign operations are translated at
 - a) opening rate
 - b) closing rate
 - c) exchange rate on the date of transaction
 - d) Average rate
3. Non-monetary items in the non-integral foreign operations is translated at
 - a) opening rate
 - b) closing rate
 - c) exchange rate on the date of transaction
 - d) Average rate
4. Exchange difference of Non integral foreign operation is
 - a) Transferred to profit and loss account
 - b) Transferred to foreign currency translation reserves account
5. If a foreign operation which sells goods imported from the reporting enterprise and remits the proceeds to the reporting enterprise, it is
 - a) An integral foreign operation
 - b) A non-integral foreign operation

Q1 (B) State whether the following statement are True or False:

Marks: 2.5

1. Exchange difference in case integral foreign operation is transferred to foreign currency translation reserve account.
2. Non-monetary items in case of integral foreign operation are translated at closing rate.
3. Outstanding wages in case of integral foreign operation are translated at average rate.
4. If the foreign operation's sales are mainly in currencies other than the reporting currency then it is a non-integral foreign operation.
5. Provision for depreciation on fixed asset is translated at closing rate in case of integral operation.

Q.2) KBC computers have head office at USA and a branch at Parel on 31/12/2017. The following balances appeared in the books of branch

(Marks: 15)

Particulars	Debit (Rs.)	Credit (Rs.)
Sales		4,50,000
Opening Stock	50,400	
Furniture	19,640	
Creditors		1,04,000
Cash at Bank	1,15,960	

Salaries	19,200	
Rent	14,400	
Taxes	6,000	
Debtors	1,56,000	
Head Office Account		1,32,800
Purchases	3,00,000	
Bills of exchange	41,600	36,400
	7,23,200	7,23,200

Stock on 31/12/2017 was Rs.1,43,000. Parel branch account in the books of USA Head office showed Dr. balance of \$5,360 on 31/12/2017.

Furniture were purchased from a remittance of \$700 received from head office which exactly covered the cost of furniture.

The exchange rates were : on 31/12/2016 Rs.28 per \$, on 31/12/2017 Rs.26 per \$, Average rate may be taken at Rs.24 per \$.

Prepare trading and profit & loss account and balance sheet of branch in the books of head office assuming integral foreign operations.

OR

Q.2) From the following information, prepare converted trial balance of a branch in New York and also prepare final accounts as on 31/3/2017. **(Marks: 15)**

Particulars	Debit (\$)	Credit (\$)
Sales		1,20,000
Opening Stock	15,000	
Furniture	20,000	
Creditors		1,000
Cash in hand	100	
Cash at Bank	2,900	
Owing for Expenses		2,000
Salaries	6,000	
Rent	500	
Taxes	2,000	
Debtors	4,500	
Goods from HO Account	90,000	
Head Office Account		18,000
	1,41,000	1,41,000

1. The exchange rates are Opening 1\$=Rs.41.50, Closing 1\$=Rs.43, Average 1\$-Rs.42
2. Furniture's were acquired on 1/8/2016 when 1\$=Rs.40. Depreciate furniture @ 10%p.a.
3. The branch account in the books of Head Office shows a debit balance of Rs.7,74,000 whereas goods sent to branch account shows a credit balance of Rs.35,60,000.
4. The closing stock recorded by branch is \$20,000
5. The rent of \$100 is outstanding which is not yet recorded.