

PROGRAMME : FYBMS / BAF / BBI
 SUBJECT : BUSINESS COMMUNICATION I
 DATE : 22/11/2022

SEMESTER : I
 MARKS : 75 Marks
 TIME : 7.15am-9.45 am

NOTE: 1. All questions are compulsory
 2. Figures to right indicated marks

Q1 A Match the Columns (any 8)

(08)

A	B
1. Physical Barrier	A. Jargon
2. Salutation	B. Use of symbols
3. Persuasion	C. Outdoor Publicity
4. Technical Terminology	D. Noise
5. Posters	E. Courtesy
6. Kinesics	F. Mass Communication
7. C of Communication	G. Sales Objective
8. Address to large Group	H. Response
9. Encoding	I. Facial Expression
10. Feedback	J. Dear Sir

(07)

Q1 B State whether the following statements are True or False (any 7)

1. A message and a communication are the same.
2. The Inside address is a compulsory part of a business letter.
3. When a Manager advises a subordinate it is downward communication.
4. Listening enables understanding of a message.
5. Communication by touch is a type of Non-verbal communication.
6. Email is a slow means of communication.
7. The sender and the encoder may be two different people.
8. Editing of a paragraph cannot be done by the person writing it.
9. Passive verbs should be used in Letters rather than active voice.
10. Management must not listen to employees while framing their plans and policies.

(08)

Q2 A Define communication and explain its process with a labeled diagram

(07)

B Explain the difference between Horizontal and vertical communication.

OR

Q2 P Discuss the significance of feedback.

(08)

Q Explain the term Business Ethics with special reference to CSR.

(07)

Q3 A Explain the importance of Listening Skills.

(08)

B Explain Physical barriers and ways to overcome these barriers.

(07)

OR

- Q3 P List the advantages and disadvantages of written communication. (08)
Q Explain the term Business Ethics with special reference to Media. (07)
- Q4 A Draft a Letter of Application with Curriculum Vitae for the Post of a Senior Clerk with Reliance Pvt. Ltd. Kandivali, Mumbai 400067. Use Block Format. (10)

B Mr. Anil Sharma has been offered the Post of a Senior Accountant with Tata Pvt. Ltd., Bandra, Mumbai 400050. Draft a Letter of Job Acceptance on his behalf. Use Modified Block Format. (05)

OR

Q4 P A leading multi-national company requires Management Trainees for its newly opened branch at Mumbai. The candidate should be a Post Graduate and should have excellent communication skills. Apply with Curriculum Vitae to P.O. Box No. 123, The Times of India, Mumbai. Use Block Format. (10)

Q Mr. Raj Shah has been working as an Operation Manager with Bata Pvt. Ltd. since the last ten years and would now like to resign from his post. Draft a Letter of Resignation on his behalf. Use Semi-Modified Block Format. (05)

Q5A Read the Passage and Answer the Questions (15)

Once upon a time, there was a very old man. His eyes were dim and his ears were useless for hearing and his knees trembled. Often he spilt his food over the tablecloth and sometimes down his clothes. At this, his son and daughter-in-law were vexed. They gave him his meals in an earthen dish. This made him very sad. His eyes were moistened with tears. One day the dish fell on the ground and broke into pieces. The young daughter-in-law scolded him. But he did not reply and only sighed. After that, they bought him a wooden dish for a few paise. He had now to eat out of that. One day his little grandson was fitting together some pieces of wood. "What are you making", asked the old man. "I am making it for my father and mother to feed out when I grow big". His parents heard this and they were ashamed of their conduct. Then they behaved well with the old man.

Questions

- (a) How do we know that the grandfather was old and weak?
- (b) Why did his son and daughter-in-law give him food in an earthen dish?
- (c) What made the old man grow sad?
- (d) Why did the daughter-in-law scold him?
- (e) Why did the little boy make the wooden trough?

OR

Q5 Write a short note on: (any three) (15)

1. Impact of technological advancement on communication.
2. Surrogate Advertising.
3. Principles of effective Letter writing.
4. 'You Attitude' in communication.
5. Telephone and Handshake Etiquette.

Note: 1. All questions are compulsory.

2. Figures to right indicate marks.

Q.1 (A)	Choose the correct answer. (Any Eight)	(08)
1.	----- studies the economic behaviour of individual units.	
	a. Microeconomics b. Macroeconomics c. Indian economy	
2.	Opportunity cost is defined as-----.	
	a. Sacrifice of the next best alternative use of a factor b. Cost of production c. Selling cost	
3.	Total revenue (TR) = Price (P) * -----	
	a. Average cost (AC) b. Quantity (Q) c. Marginal cost (MC)	
4.	----- is an estimation of demand for the product for a future period.	
	a. Supply forecasting b. Profit forecasting c. Demand forecasting	
5.	In the long run all cost are -----.	
	a. fixed b. variable c. avoidable	
6.	Law of variable proportion is a ----- phenomenon.	
	a. Short run b. Long run c. Neutral	
7.	Long run average cost curve is also called as----- curve.	
	a. Right angled b. Envelope c. Application	
8.	A firm's equilibrium price and output are determined at -----.	
	a. $MC = MR$ b. $MC > MR$ c. $MC < MR$	
9.	An oligopolist faces ----- demand curve.	
	a. downward b. upward c. kinked	
10	Price discrimination refers to-----.	
	a. charging different prices for different commodities b. charging different prices to the same buyer at different times c. charging different prices for same commodity to different buyers	
Q.1 B.	State whether the following statements are True or False. (Any seven)	(07)
1	Demand curve always slopes downward.	
2.	Income elasticity of demand refers to change in quantity demanded due to change in price.	
3	Economics deals with the problem of scarcity of resources.	
4	Two iso-quants curve always intersect each other.	
5	Demand forecasts are essential to plan future production.	
6	Economies of scale leads to increase in cost of production.	
7	Product differentiation is a unique feature of monopolistic competition.	
8.	A firm under perfect competition incurs heavy selling cost.	

9.	Price and quantity rigidity prevails in oligopoly.															
10	Full cost pricing method has no limitations.															
Q.2	A Define price elasticity of demand and discuss its types with the help of diagram.	(08)														
	B Define demand forecasting and discuss its significance.	(07)														
OR																
C	Given demand function for banana given as $Q_b = 200 - 5P_b$.	(08)														
	1) Calculate quantity demanded at 5, 10, 15, 20, 25 and derive the demand schedule.															
	2) With the help of above schedule, draw demand curve.															
	3) Calculate the price elasticity of demand when price changes from 10 to 20.															
D	Discuss the Law of demand with assumptions.	(07)														
Q.3	A Explain the law of returns to scale with diagram	(08)														
	B Define economies of scale and discuss internal economies of scale	(07)														
OR																
C	Given TFC as Rs.150, calculate TC, ATC, AFC and MC from the information given below-	(08)														
	<table border="1" style="margin-left: 40px;"> <tr> <td>Units</td> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5</td> <td>6</td> </tr> <tr> <td>TVC</td> <td>35</td> <td>60</td> <td>80</td> <td>110</td> <td>160</td> <td>230</td> </tr> </table>	Units	1	2	3	4	5	6	TVC	35	60	80	110	160	230	
Units	1	2	3	4	5	6										
TVC	35	60	80	110	160	230										
D	What is the break- even point with graphic method? Discuss its significance.	(07)														
Q.4	A Explain price and output determination in monopolistic market structure.	(08)														
	B Discuss the features of oligopoly market structure.	(07)														
OR																
C	Distinguish between perfect and monopoly market structure.	(08)														
D	What is price leadership? Explain the types of price leadership.	(07)														
Q.5	A Discuss full cost pricing method with example.	(08)														
	B What is price discrimination? Discuss its degrees.	(07)														
OR																
Q.5	Write short notes on the following – (Any Three)	(15)														
	a) Use of marginal analysis in decision making															
	b) Learning curve															
	c) Dumping															
	d) Distinguish between fixed and variable cost															
	e) Survey method of demand forecasting															

GES/SBVC/SEMESTEREXAM NOV,22

PROGRAMME : FYBMS / BAF / BBI

SUBJECT : FOUNDATION COURSE I

DATE : 24/11/2022

SEMESTER : I

MARKS : 75

TIME: 7.15am-9.45 am

NOTE: 1.All question are compulsory

2. Figures to right indicated marks

Q.1 (A) Choose the correct alternative (Any EIGHT)	(08)
(1) India has _____ party system a) Bi b) Single c) Multi	
(2) Hinayana and Mahayana are the two major schools of thought in _____ a) Hindu b) Buddhism c) Jainism	
(3) Mental retardation means when intelligent ko current score is below _____ a) 100 b) 70 c) 80	
(4) Deficiency of Vitamin _____ causes blindness a) A b) B c) C d)B12	
(5) The traditional Hindu society was divided into _____ varnas a) 2 b) 4 c) 8	
(6) _____ is a serious form of conductivity a) Astigmatism b) Trachoma c) Glaucoma	
(7) _____ has the final power to interpret the constitution a) Executive b)Judiciary c) Legislative	
(8) Fundamental Duties are incorporated in the constitution by Article _____ a) 50 b) 51A c)51	
(9) _____ water dispute involves the state of Karnataka & Tamil Nadu a) Krishna b) Godavari c) Cauvery	
(10) Zenda Avesta is the religious book of _____ a) Judaism b) Zoroastrianism c) Hindu	
Q.1 (B) State whether the following statements are True or False.(Any SEVEN)	(07)
(1) Polio caused by virus called polio virus	
(2) Urban society is heterogeneous in nature	
(3) The Mayor is elected for the term of 5 years	
(4) Tribal group of India has language of its own	
(5) There are 10 fundamental duties enshrined in the Indian Constitution	
(6) Preamble reflects philosophy of Indian Constitution	
(7) Women are paid more than men in unorganised sector in India	
(8) According to Jesus-Christ 'desire is the root cause of sorrow'	
(9) Sons of soil theory implies jobs for all in a state	
(10) In modern India percentage of rural population is more than Urban population	

Q.2 (A)	Explain the characteristics of Indian Culture	(15)
	OR	
Q.2 (B)	Explain the various regional difference.	(15)
Q.3 (A)	What are the causes of violence against women	(15)
	OR	
Q.3 (B)	Explain the causes of declining the gender ratio.	(15)
Q.4 (A)	Explain the inequalities caused by the caste system	(15)
	OR	
Q.4 (B)	Discuss linguistic and suggest measures to resolve linguistic conflicts in India.	(15)
Q.5 (A)	State the fundamental duties of Indian citizen under the constitution.	(15)
	OR	
Q.5 (B)	Write short notes on (Any 3)	(15)
	(1) Concept of Panchayati Raj in India.	
	(2) Corruption in politics	
	(3) Special provisions for people with disabilities	
	(4) Parliamentary system	
	(5) Preamble of Indian constitution	

---X---

Note: 1. All questions are compulsory.

2. Figures to right indicate marks

Q. No. 1	Fill in the blanks with suitable words and rewrite the sentence (Any 8)	(08)																						
1	_____ issues accounting standards in India. (ICAI / ICSI)																							
2	An expenditure is treated as capital when it increases _____ of fixed assets. (Cost / profit earning capacity)																							
3	Prepaid expenses are shown as _____ in Balance Sheet. (Current liabilities / Current Asset)																							
4	Discount received is shown on the _____ of Profit and Loss account. (Debit side / Credit side)																							
5	_____ is not covered by AS 9. (Lease Rent / Dividend)																							
6	For a Sugar mill, sugarcane is a _____. (Raw material / Finished Goods)																							
7	Advertising expenses are allocated on the basis of _____. (Purchase / Sales)																							
8	In case of default in payment the seller under hire purchase can _____, (take back possession of goods / take legal action against the buyer)																							
9	Sale of scrap appears in _____ side of Manufacturing account. (Credit / Debit)																							
10	Lower of cost or market rule' is an example of the concept of _____. (Consistency / Conservatism)																							
Q. No. 1 (B)	Match the following and rewrite both the side. (any 7)	(07)																						
	<table border="1"> <thead> <tr> <th>Column A</th> <th>Column B</th> </tr> </thead> <tbody> <tr> <td>1. Going Concern Concept</td> <td>a) Cost of Production</td> </tr> <tr> <td>2. Sundry Creditors</td> <td>b) After payment of last instalment</td> </tr> <tr> <td>3. Delivery Van Expenses</td> <td>c) AS 2</td> </tr> <tr> <td>4. Goodwill</td> <td>d) AS 9</td> </tr> <tr> <td>5. Repayment of loan</td> <td>e) Fundamental Accounting Assumption</td> </tr> <tr> <td>6. Deprecation</td> <td>f) Apportioned on the basis of sales</td> </tr> <tr> <td>7. Right of Ownership</td> <td>g) Capital Expenditure</td> </tr> <tr> <td>8. Retail Method</td> <td>h) Intangible Assets</td> </tr> <tr> <td>9. Manufacturing Account</td> <td>i) Current Liabilities</td> </tr> <tr> <td>10. Revenue from Sales</td> <td>j) Apportioned on the basis of Asset Value</td> </tr> </tbody> </table>	Column A	Column B	1. Going Concern Concept	a) Cost of Production	2. Sundry Creditors	b) After payment of last instalment	3. Delivery Van Expenses	c) AS 2	4. Goodwill	d) AS 9	5. Repayment of loan	e) Fundamental Accounting Assumption	6. Deprecation	f) Apportioned on the basis of sales	7. Right of Ownership	g) Capital Expenditure	8. Retail Method	h) Intangible Assets	9. Manufacturing Account	i) Current Liabilities	10. Revenue from Sales	j) Apportioned on the basis of Asset Value	
Column A	Column B																							
1. Going Concern Concept	a) Cost of Production																							
2. Sundry Creditors	b) After payment of last instalment																							
3. Delivery Van Expenses	c) AS 2																							
4. Goodwill	d) AS 9																							
5. Repayment of loan	e) Fundamental Accounting Assumption																							
6. Deprecation	f) Apportioned on the basis of sales																							
7. Right of Ownership	g) Capital Expenditure																							
8. Retail Method	h) Intangible Assets																							
9. Manufacturing Account	i) Current Liabilities																							
10. Revenue from Sales	j) Apportioned on the basis of Asset Value																							

**Q. No. 2
(A)**

From the following Trial Balance as on 31st March, 2021 of Mr. Kumar, prepare Manufacturing Account and Profit and Loss account for the year ended 31st March, 2021 and Balance sheet as on that date :

(15)

Trial Balance as on 31st March, 2021

Particulars	Debit (₹)	Credit (₹)
Purchase of Raw Material	3,15,000	
Sales		5,00,000
Furniture	32,000	
Opening stock of Raw Material	32,000	
Opening stock of Work in Progress	6,000	
Opening stock of Finished Goods	20,000	
Capital		1,05,000
Carriage inward	3,000	
Direct Wages	24,000	
Factory Rent	20,000	
Factory Power and Fuel	18,000	
Factory Electricity	21,000	
Machinery	95,000	
Drawing	15,000	
Office Salaries	23,000	
Cash at Bank	5,000	
Selling and Distribution Expenses	13,000	
Bank charges	7,000	
Discount allowed	5,000	
Creditors		45,000
Bad Debts	2,000	
Provision for Bad Debts		2,000
Sundry Debtors	49,000	
Bills Payable		46,000
Discount Received		10,000
Sundry Expenses	3,000	
	7,08,000	7,08,000

Additional information:

1. Closing stock as on 31st March, 2021 was Raw Material ₹ 16,000, Work-in-Progress ₹ 10,000, Finished Goods ₹ 28,000.
2. Outstanding Factory Rent is ₹ 1,000.
3. Depreciate Machinery @ 5% p.a. and Furniture @ 20% p.a.
4. Debtors include ₹ 15,000 due from Raj an amount of ₹ 8,000 is also due to him which is included in creditors, which needs to be adjusted.
5. Provide Reserve for doubtful debts @ 10% on debtors.

OR

**Q. No. 2
(B)**

From the following information relating to M/s Eden Departmental Stores, prepare Departmental Trading, Profit and Loss Account and also prepare General Profit and Loss for the year ended 31st March, 2020:

(15)

Particulars	Dept. A (₹)	Dept. B (₹)
Opening stock	12,000	15,000
Purchased	1,05,000	1,20,000

Sales	1,35,000	1,80,000
Wages	6,000	8,850

Following are the other common expenses/incomes:

Particulars	₹
Salaries	18,300
Rent and Rates	9,000
Carriage Inward	2,250
Carriage Outward	4,200
Discount Allowed	2,100
Discount Received	1,500
Advertisement Expenses	6,300
Audit Fees	600
Legal Expenses	1,200

Additional information:

- Salaries are to be allocated equally.
- The area occupied is in the ratio of 1 : 2 between the two department respectively.
- Closing stock : Department A ₹ 30,000; Department B ₹ 37,500.
- The remaining common expenses / income to be allocated on appropriate basis to the extent possible.

Q. No. 3 (A)	Dhuri Purchased a printing machine from HP printers on hire purchase basis on 1 st July 2019. The term of the contract were as follows: <ol style="list-style-type: none"> The cash price of the machine was ₹ 75,000. ₹ 15,000 was paid on signing the contract on 1st July, 2019. The balance was paid in installment of ₹ 20,000 plus interest at 15% p.a. The installment was paid on 31st December every year commencing from 31st December, 2019. Dhuri charged depreciation at 20% p.a. under WDV method. They closed their book on 31st December. Show in the books of Dhuri necessary accounts till the end of 2021.	(15)
---------------------	--	------

OR

Q. No. 3 (B)	State whether the following expenditure are Capital or Revenue. Give reasons for the same.	
1.	Amount spent on uniform of workers.	(02)
2.	Wages of ₹ 80,000 paid on construction of the building extension.	(02)
3.	Loss of ₹ 10,000 was incurred on goods destroyed by fire.	(02)
4.	Premium of ₹ 3,00,000 on issue of shares.	(02)
5.	Commission received on sales.	(02)
6.	₹ 15,000 spent for purchase of stationery.	(02)
7.	A dealer in timber acquired wood worth ₹ 3,00,000 and made furniture out of it at a cost of ₹ 3,75,000 and sold it to a customer for ₹ 4,50,000.	(03)

<p>Q. No. 4 (A)</p>	<p>Following is the record of transactions regarding purchase and sales of Mr. Bharat.</p> <table border="1" data-bbox="269 204 1450 774"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>Units</th> <th>Rate per unit in (₹)</th> </tr> </thead> <tbody> <tr> <td>1.3.2021</td> <td>Opening Balance</td> <td>1,500</td> <td>50</td> </tr> <tr> <td>6.3.2021</td> <td>Purchases</td> <td>2,000</td> <td>60</td> </tr> <tr> <td>13.3.2021</td> <td>Sales</td> <td>2,500</td> <td>80</td> </tr> <tr> <td>15.3.2021</td> <td>Purchases</td> <td>1,500</td> <td>65</td> </tr> <tr> <td>21.3.2021</td> <td>Sales</td> <td>2,000</td> <td>90</td> </tr> <tr> <td>25.3.2021</td> <td>Purchase</td> <td>1,800</td> <td>70</td> </tr> <tr> <td>28.3.2021</td> <td>Sales</td> <td>1,000</td> <td>95</td> </tr> <tr> <td>29.3.2021</td> <td>Sales</td> <td>500</td> <td>100</td> </tr> <tr> <td>30.3.2021</td> <td>Purchases</td> <td>1,200</td> <td>80</td> </tr> </tbody> </table> <p>Find the following the above:</p> <ol style="list-style-type: none"> Value of Stock under FIFO method as on 31st March, 2021. Cost of Goods Sold for the month of March, 2021 Sales and Gross Profit for the month of March, 2021 	Date	Particulars	Units	Rate per unit in (₹)	1.3.2021	Opening Balance	1,500	50	6.3.2021	Purchases	2,000	60	13.3.2021	Sales	2,500	80	15.3.2021	Purchases	1,500	65	21.3.2021	Sales	2,000	90	25.3.2021	Purchase	1,800	70	28.3.2021	Sales	1,000	95	29.3.2021	Sales	500	100	30.3.2021	Purchases	1,200	80	<p>(15)</p>
Date	Particulars	Units	Rate per unit in (₹)																																							
1.3.2021	Opening Balance	1,500	50																																							
6.3.2021	Purchases	2,000	60																																							
13.3.2021	Sales	2,500	80																																							
15.3.2021	Purchases	1,500	65																																							
21.3.2021	Sales	2,000	90																																							
25.3.2021	Purchase	1,800	70																																							
28.3.2021	Sales	1,000	95																																							
29.3.2021	Sales	500	100																																							
30.3.2021	Purchases	1,200	80																																							
OR																																										
<p>Q. No. 4 (A)</p>	<p>Determine the value of stock to be taken for Balance Sheet as at 31st March, 2021 from the following information:</p> <p>The stock was physically verified on 25th March, 2021 and was valued at ₹ 12,00,000. Between 25th March, 2021 and 31st March, 2021; the following transactions had taken place.</p> <ol style="list-style-type: none"> Purchase of ₹ 1,00,000 of these goods worth ₹ 40,000 were delivered on 7th April, 2021. Out of goods sent on consignment, goods worth ₹ 60,000 (at cost) were unsold. Sales of ₹ 3,40,000, includes goods worth ₹ 80,000 sent on approval. Half of these were returned before 31st March. As regards remaining, no intimation was received. Normally the firm sells goods on cost plus 25%. However, a lot of goods costing ₹ 60,000 was sold at ₹ 30,000. 	<p>(10)</p>																																								
<p>(B)</p>	<p>Sameer Ltd. produces chemical A. From the following data, calculate the value of closing stock:</p> <table data-bbox="293 1763 927 2085"> <tr> <td>Direct Material</td> <td>₹ 10 per unit</td> </tr> <tr> <td>Direct Labour</td> <td>₹ 4 per unit</td> </tr> <tr> <td>Chargeable Expenses</td> <td>₹ 6 per unit</td> </tr> <tr> <td>Normal Capacity</td> <td>12,000 units p.a.</td> </tr> <tr> <td>Actual Production</td> <td>10,000 units p.a.</td> </tr> <tr> <td>Fixed Production Overheads</td> <td>₹ 40,000 p.a.</td> </tr> </table> <p>The company has 4,000 units of closing stock at the end of the year.</p>	Direct Material	₹ 10 per unit	Direct Labour	₹ 4 per unit	Chargeable Expenses	₹ 6 per unit	Normal Capacity	12,000 units p.a.	Actual Production	10,000 units p.a.	Fixed Production Overheads	₹ 40,000 p.a.	<p>(05)</p>																												
Direct Material	₹ 10 per unit																																									
Direct Labour	₹ 4 per unit																																									
Chargeable Expenses	₹ 6 per unit																																									
Normal Capacity	12,000 units p.a.																																									
Actual Production	10,000 units p.a.																																									
Fixed Production Overheads	₹ 40,000 p.a.																																									
<p>Q. No. 5 (A)</p>	<p>(A) How is provision for unrealised profit accounted? (B) Distinguish between: Capital Expenditure and Revenue Expenditure.</p>	<p>(08) (07)</p>																																								
<p>Q. No. 5 (B)</p>	<p>Write a short note on (Any Three).</p> <ol style="list-style-type: none"> Main features of AS 9 Accounting Policies v/s Accounting Assumptions Income received in advance Hire Purchase Agreement Periodic system of Inventory 	<p>(15)</p>																																								

Note: 1. All questions are compulsory.

2. Figures to right indicate marks.

Q. No 1 (A)	State whether the following statement is True or False. (Any 8)	(8)
1.	Cost Accounting is a branch of Financial Accounting.	
2.	Material not forming part of the finished product are known as indirect materials.	
3.	Dearness Allowance is linked with cost of living.	
4.	Staff salary is an administrative overheads.	
5.	Normal Loss is avoidable.	
6.	Sunk cost are relevant to present decision.	
7.	Re-order level means the quantity to be ordered.	
8.	In Halsey Premium Plan, time wages are guaranteed.	
9.	Under FIFO Method, materials purchased first are deemed to be issued last.	
10.	Rent is apportioned on the basis of floor area occupied.	
Q. No. 1 (B)	Multiple Choice Questions (Any 7)	(7)
1.	Maximum level indicates _____. (a) Maximum inventory to be kept (c) Minimum inventory to be kept (b) Average inventory to be kept (d) Direct inventory to be kept	
2.	Power is allocated on the basis of _____. (a) H.P. of machine (c) Cost of machines (b) Machines hours of machine (d) Labour hours	
3.	A material loss during production or storage due to evaporation or shrinkage is called _____. (a) Scrap (b) Waste (c) Spoilage (d) Material loss	
4.	Under Taylor differential piece rate system a worker whose production is higher than the standard will get _____ of normal piece rate. (a) 110% (b) 115% (c) 120% (d) 130%	
5.	Under the method a new cost is determine after each purchase. (a) FIFO (b) LIFO (c) Weighted Average (d) Both LIFO and FIFO	
6.	_____ is unproductive labour hours. (a) Idle (b) Overtime (c) Regular (d) working	
7.	Cost which can be identified easily is called as _____. (a) Indirect Cost (b) Direct Cost (c) Manufacturing Cost (d) Fixed Cost	
8.	Under perpetual inventory control _____. (a) Stock is verified continuously (c) Stock is verified half yearly (b) Stock is verified periodically (d) Stock is verified at the end of every quarter	
9.	Cost of Production is equal to _____. (a) Factory Cost + Administrative Cost (c) Factory Cost + Prime Cost (b) Administrative Overheads + Selling Overhead (d) Prime Cost + Selling Overhead	
10.	Warehouse expense is an example of _____. (a) Production Overhead (c) Selling and Distribution Overhead (b) Administrative Overhead (d) Manufacturing Overhead	

Q. No.	From the following information calculate Labour Turnover as per	(7)
3 (B)	<p>(i) Replacement Method</p> <p>(ii) Separation Method</p> <p>(iii) Flux Method</p> <p>No. of workers as on 1/4/2021 = 11,400</p> <p>No. of workers as on 31/3/2022 = 12,600</p> <p>During the year, 120 workers left while 480 workers were discharged 2,250 workers were recruited during the year of these, 450 workers were recruited because of exits and the rest were recruited in accordance with expansion plans.</p>	

OR

Q. No.	The following information is given :	(15)
3 (C)	<p>Standard time allowed = 1 hour for 1 unit</p> <p>Actual time taken = 32 hours for 40 units</p> <p>Standard Wages rate = Rs. 20 per unit and Rs. 20 per hour.</p> <p>Differential Piece Rate System 80% below standard and 120% above standard</p> <p>Calculate the Earnings of the worker under :</p> <p>(i) Taylor's Differential Piece Rate System</p> <p>(ii) Merrick Differential Piece Rate System</p> <p>(iii) Gantt Task Bonus Plan (high piece rate = Rs 35 per unit)</p> <p>(iv) Halsey Premium Plan</p> <p>(v) Rowan Plan</p>	

Q. No.	The Modern Company is divided into four departments : A,B and C are production department and D is service department. The actual cost for a period are as follows:	(8)
4 (A)		

Particulars	Rs.	Particulars	Rs.
Rent	10,000	Fire insurance (Stock)	5,000
Repairs to plant	6,000	Power	9,000
Depreciation	4,500	Light	1,000
Supervision	1,500		

The following information are available in respect of the four departments:

Particulars	Dept. A	Dept. B	Dept. C	Dept. D
Area (sq. ft.)	1,500	1,100	900	500
No. of workers	20	15	10	15
Horsepower of machines	800	500	200	---
Total wages (Rs.)	60,000	40,000	30,000	20,000
Value of plant (Rs.)	240,000	180,000	120,000	60,000
Value of stock (Rs.)	150,000	90,000	60,000	---
Light points (Nos.)	40	30	20	10

Apportion the costs of the various department by the most equitable method.

Q. No.	From the following, compute machine hour rate :	(7)
4 (B)	<p>Cost of machine Rs. 100,000</p> <p>Installation charges Rs. 10,000</p> <p>Scrap Value Rs. 5,000</p> <p>Rent and Rates for the shop Rs. 200 per month</p>	

General Lighting for the shop	Rs. 300 per month
Insurance Premium for the machine	Rs. 960 per annum
Repairs and maintenance	Rs. 1,000 per annum
Supervisor's Salary for the shop	Rs. 600 per month
Power consumption – 10 units per hour	
Rate of power per 100 units	Rs. 20
Estimated working hours per annum – 2,000	
The machine occupies 1/4 th of the total area of shop. The supervisor is expected to devote 1/5 th of his time for supervising the machine.	

OR

Q. No. 4 (C) Ram Ltd. has 4 Production Departments A, B, C & D and 2 Service Departments X & Y (15)
The particulars of expenses of the respective departments are as follows:

Departments	A	B	C	D	E	F
Rs.	1,000	900	800	700	550	380

The expenses of service Departments are charges out on a percentage basis given below:

Particulars	Departments					
	A	B	C	D	X	Y
Service Dept. X	10%	30%	20%	20%	---	20%
Service Dept. Y	30%	20%	30%	10%	10%	---

You are required to apportionment of overheads under

- (i) Simultaneous Equation Method
- (ii) Repeated Distribution Method

Q. No. 5 (A) Explain the various classification of cost based on management decisions. (8)

(B) Distinguish between Cost Accounting and Financial Accounting. (7)

OR

Q. No. 5 Write a short note on (Any 3) (15)

- (a) ABC Analysis
- (b) Idle Time
- (c) Distinguish between Bin card and Stores ledger.
- (d) Over and Under Absorption of Overhead
- (e) Relationship between Cost Department with Other Department.

Note: 1. All questions are compulsory.

2. Figures to right indicate marks.

Q-1(A) Match the column: (Any 8)

(8)

Column A	Column B
1. Equity share capital	a. Discounted cash flow
2. Capital structure	a. Affected by fixed cost
3. Combined leverage	b. Owed fund
4. Wealth maximization	c. Compounding
5. Cost of preference shares	d. Money market instrument
6. Present value	e. No fix division
7. Operating leverage	f. Debt : Equity
8. Debentures	g. Contribution / NPBT
9. Future value	h. Object of Financial Management
10. Commercial paper	i. Dividend

Q-1(B) True or false: (Any 7)

(7)

- The person who handles financial management of a company is known as Chief Financial Officer.
- EPS Analysis is one of the investment decision tools.
- In simple interest, interest is earned only on the original principal.
- A stream of regular periodic payments made for a specific time period is known as perpetuity.
- Financial leverage depends upon the fixed financial charges.
- If EBIT for two firms are same, than the EPS of these firms would also always be same.
- Credit purchase can be a good source of short term finance.
- Bank overdraft is a long term source of funds.
- WACC is the overall cost of capital of the firm.
- Cost of equity capital does not comprise any risk premium.

Q-2(A) Mr. Vishal has following investments in two banks I and II

(8)

Particulars	Bank I	Bank II
Amount invested (in ₹)	8,00,000	10,00,000
Compounded rate of investment	10% p.a.	8% p.a.
Period	3 years	3 years

Calculate the future value of investments at the end of third year.

Q-2(B) Calculate the present value of annuity of ₹ 15,000 received annually for four years when discounting factors is 8% p.a.

(7)

OR

Q-2(A) Calculate the amount if ₹5,00,000 is invested for 2 years at 10%. Compounding to be done.

(8)

- Semi-annually
- Quarterly

Q-2(B) Mr. Bhavin is planning to purchase a machine at a discount rate of 10%. This would give following cash flow. Find out the present value of cash flows, if the cost of machine is ₹2,50,000. Will it be a correct decision to buy this machine? (7)

Year	Cash flow (₹)
1	75,000
2	90,000
3	1,60,000
4	90,000

PV factors of ₹1

Years	1	2	3	4	5
10%	0.909	0.826	0.751	0.683	0.621

Q-3 From the following particulars, prepare income statement of Galaxy Ltd. and Star Ltd. (15)

Particulars	Galaxy Ltd.	Star Ltd.
Operating leverage	3 times	4 times
Financial leverage	2 times	3 times
Interest charges p.a. (in ₹)	24 lakhs	20 lakhs
Tax rate	40%	40%
Variable cost as % of sales	60%	50%

OR

Q-3 Following are the details of two companies. (15)

Particulars	X Ltd (₹)	Y Ltd (₹)
Number of units sold p.a.	20,000	30,000
Selling price per unit	350	250
Variable cost per unit	210	150
Fixed cost	8,00,000	10,00,000
10% debentures	50,00,000	40,00,000

Calculate:

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

Q-4(A) Reliance Ltd. issued ₹ 30 lakhs, 14% Preference Shares of ₹ 100 each redeemable after 10 years. Calculate the Cost of Preference Share in the following cases: (8)

- 1) if the issue is at par with 5% floatation cost.
- 2) if the issue is at 10% premium with 5% floatation cost on face value.

Q-4(B) Tesla Ltd issues 25,00,000, 12% Debentures of ₹1000 each. The Debentures are redeemable after the expiry period of 5 years. Tax rate applicable to the company is 35%. Calculate the cost of debt after tax, if debentures are issued at 5% discount with 2% floatation cost (on face value) (7)

OR

Q-4 Following is the capital structure of Infosys Ltd. as on 31st March 2022: (15)

Particulars	BV(₹)	MV(₹)
Equity shares of ₹10 each	60,00,000	1,00,00,000
Retained earning	15,00,000	-----
10% Preference shares of ₹100 each	10,00,000	12,00,000
12% Debentures of ₹ 100 each	36,00,000	40,00,000

Market price of Equity Shares is ₹ 50 per shares and it is expected that a dividend of ₹4 per share would be declared. The dividend per share is expected to grow at the rate share is expected to grow at the rate of 8% every year. Income tax rate applicable to the company is 40% and shareholder's personal income tax rate is 20%.

You are required to calculate:

- 1) Cost of capital for each source of capital.
- 2) Weighted Average Cost of Capital on the basis of Book Value weighted.
- 3) Weighted Average Cost of Capital on the basis of Market Value weights.

Q-5(A) Differentiate between Debentures and Equity Shares. (8)

Q-5(B) Explain in the function of Chief Financial Officer. (7)

OR

Q-5 Write short note on: (Any 3) (15)

- 1) Distinguish between Operating leverage and Financial leverage
- 2) Commercial Paper
- 3) Concept of Time Value of Money
- 4) Weighted Average Cost of Capital
- 5) Tools of Financial Management.

GES/SBVC/BAF

EXTERNAL EXAM, NOV, 2022

DATE :- 29/11/2022

TIME:- 7:15 am to 9:45 am

PROGRAMME:- FYBAF (SEM - I)

75 MARKS

COURSE :- COMMERCE (BUSINESS ENVIRONMENT) - I

Note: 1. All questions are compulsory.

2. Figures to right indicate marks.

Q1.A. Multiple Choice Questions (Any 8)

(08)

1. A company is affected by two broad set of factors that are _____.
 - a) Local & Regional
 - b) Internal and External ----
 - c) Financial And non-financial
 - d) Commercial and non-commercial
2. Study of human population is called as _____ environment.
 - a) Demographic
 - b) Economic
 - c) Social
 - d) Political
3. PESTLE is an analytical tool which helps to undertake _____.
 - a) An internal analysis
 - b) An Strategic analysis
 - c) An external analysis
 - d) An SWOT analysis
4. Moral Principals of right conduct are _____.
 - a) Ethics
 - b) Morality
 - c) Etiquette
 - d) Social Responsibility
5. An individual who initiates, creates, manages a new business can be called _____.
 - a) A Leader
 - b) An Entrepreneur
 - c) A Manager
 - d) A Professional
6. MSME Act was passed in the year _____.
 - a) 2012
 - b) 2018
 - c) 2005
 - d) 2006
7. Charging a fair price for goods and services is the responsibility of the business towards _____.
 - a) Consumers
 - b) Shareholders
 - c) Employees
 - d) Suppliers
8. _____ Audit is a report of economic performance.
 - a) Social
 - b) Commercial
 - c) Human Resource
 - d) Inflation
9. India is _____ of WTO.
 - a) Not Member
 - b) One Member
 - c) Founder Member
 - d) Co-Member

P.T.O

10. _____ refers to only the difference between the value of imports and exports.
- Balance of Payment
 - Balance of trade
 - Balance of Finance
 - Balance of Debt

Q1.B. State whether the following statement are True/False (Any 7) (07)

- The Element of risk and uncertainty is very high in business.
- Survival, growth and recognition are organic objectives of business.
- Globalization is not necessary for developing country.
- Ethics is a religion which must be followed by everyone.
- A consumer's complaint can be filed only by the consumer himself/herself.
- The cost to start a new business is called start-up costs.
- Corporate Social Responsibility creates a favorable public image.
- Social Audit is conducted on a yearly basis.
- WTO establishes a framework for trade policies.
- FDI is one of the ways of globalization.

Q2.A. Define business. Explain the various features of business. (08)

Q2.B. Explain briefly the various Micro factors constituting business environment. (07)

OR

Q2.C. Explain the meaning of business objectives. Explain its features. (08)

Q2.D. Explain briefly various internal factors constituting business environment. (07)

Q3.A. What is business ethics? Discuss its main features. (08)

Q3.B. Explain Characteristics of entrepreneur. (07)

OR

Q3.C. Explain Emerging Sector in India with reference to entrepreneurship. (08)

Q3.D. Explain the basic consumer rights and features of consumer movement. (07)

Q4.A. What do you mean by Corporate Social Responsibility? State its Advantages. (08)

Q4.B. Distinguish clearly between Social Audit & Commercial Audit. (07)

OR

Q4.C. Suggest measures for ecology consciousness at business level. (08)

Q4. D. What is Social Audit? Explain its Features. (07)

Q5.A. Explain the merits of multinational company. (08)

Q5.B. What is FDI? Explain needs of FDI. (07)

OR

Q5. Write Short Notes on: (Any 3) (15)

- SWOT Analysis
- Corporate Culture
- Carbon Credit
- Ethical Dilemma
- Balance of Trade
