

Reg. No.

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III Semester B.B.A.3 (Regular) Examination, November/December 2018
FUNDAMENTALS OF COST ACCOUNTING

Time : 3 Hours

Max. Marks : 80

Instruction : Simple calculator is allowed.

SECTION – A

Answer **any ten** of the following.

(10×2 =20)

1. Define costing.
2. What do you mean by FIFO method ?
3. Give the formula of EOQ.
4. What is cost sheet ?
5. What is 'Material Control' ?
6. What is Re-order level ?
7. What is overheads ?
8. What is Abnormal loss ?
9. What is reconciliation statement ?
10. What is contribution ?
11. What is BEP ?
12. What is P/V ratio ?

SECTION – B

Answer **any four** of the following .

(4×5 =20)

13. What are the objectives of Cost Accounting ?
14. Write the advantages and disadvantages of FIFO method.
15. Define overheads. Distinguish between direct expenses and indirect expenses.
16. Calculate EOQ from the following :
 - 1) Annual consumption = 600 units
 - 2) Ordering cost Rs. 12 per order
 - 3) Carrying cost 20%.
 - 4) Price per unit Rs. 20.

P.T.O.



17. From the following particulars you are required to prepare a statement showing

- 1) Material consumed.
- 2) Prime cost.
- 3) Works cost.
- 4) Total cost.
- 5) Profit.

| | |
|------------------------------------|---------------|
| Stock of finished good on 31-12-92 | Rs. 73,000 |
| Stock of raw material on 31-12-92 | Rs. 35,000 |
| Purchases of raw material | Rs. 7,60,000 |
| Productive wages | Rs. 5,20,000 |
| Stock of finished on 31-12-93 | Rs. 82,500 |
| Stock of raw materials on 31-12-93 | Rs. 37,500 |
| Sales | Rs. 15,45,800 |
| Works overheads charges | Rs. 1,30,200 |
| Office and general charges | Rs. 69,700 |

18. Calculate

- 1) Re-order level.
- 2) Re-order quantity
- 3) Maximum stock level

| | | |
|---------------------|---|----------------------|
| Minimum stock level | — | 3000 units |
| Average stock level | — | 6500 units |
| Minimum consumption | — | 1000 units per month |
| Maximum consumption | — | 2500 units per month |
| Delivery period | — | 4 to 6 weeks |

SECTION – C

Answer any three.

(3×10 =30)

19. From the following data supplied by Ashok Co. Ltd., calculate B.E.P.

| | |
|--------------------------|-----------------------|
| Direct material per unit | Rs. 3 |
| Direct labour per unit | Rs. 2 |
| Fixed overheads total | Rs. 10,000 |
| Variable overheads | 100% on direct labour |
| Selling price per unit | Rs. 10 |
| Trade discount | 5% |

20. The following particulars relate to receipts and issues of material during May 2017

- May 4 Received 500 units @ Rs. 2.00 each
- May 8 Received 350 units @ Rs. 2.10 each
- May 12 Issued 600 units
- May 16 Received 600 units @ Rs. 2.20 each
- May 20 Issued 450 units
- May 24 Received 500 units @ Rs. 2.30 each
- May 28 Issued 500 units
- May 30 Issued 100 units

Prepare Stores Ledger Account on the basis of LIFO method.

21. Calculate Machine hour rate from the following.

- a) Cost of machine Rs. 23,500
- b) Estimate scrap value Rs. 1,500
- c) Repairs and maintenance charges p.m. Rs.150
- d) Standing charges to machine p.m. Rs. 70
- e) Effective working life of machine 166 hours
- f) Running time per month 166 hours
- g) Power used by machine 7 units per hour at 25 paise per unit.

22. Find out the amount of Profit as per Financial accounts by preparing reconciliation statement.

| | |
|--|--------------|
| 1) Profit as per cost accounts | Rs. 1,50,300 |
| 2) Works overheads under-recovered | Rs. 4,000 |
| 3) Administrative overheads over-recovered | Rs. 1,500 |
| 4) Depreciation over -recovered | Rs. 450 |
| 5) Interest on investment received | Rs. 500 |
| 6) Provision for bad debts in financial accounts | Rs. 1,500 |
| 7) Share transfer fees collected | Rs. 120 |
| 8) Stores adjustment credited in Cost accounts | Rs. 750 |

23. A product passes through two distinct processes A, B here at the transfer to Finished stock. From the following information you are required to prepare Process Cost Accounts.

| | Process A | process B |
|----------------------------|------------------|------------------|
| Material consumed | Rs. 12,000 | Rs. 6,000 |
| Direct labour | Rs. 14,000 | Rs. 8,000 |
| Manufacturing expenses | Rs. 4,000 | Rs. 4,000 |
| Input in Process A (units) | 10,000 | — |



| | | |
|--|------------|-------|
| Input in Process A (Value) | Rs. 10,000 | — |
| Output in units | 9,400 | 8,300 |
| Normal wastage | 5% | 10% |
| Value of normal wastage (per 100 units) | 8 | 10 |

SECTION – D
(Compulsory)

(1×10 =10)

24. Find which of the product mix is most profitable from the following :

| | Product A (Per unit) | Product B (Per unit) |
|--------------------|-------------------------|-------------------------|
| Sales price | 100 | 150 |
| Raw materials | 20 | 40 |
| Direct wages | 25 | 30 |
| Variable overheads | 15 | 20 |

The fixed cost Rs. 1,00,000

The product mix combinations are

- I) A 5000 units and B 3000 units
- II) A 4000 units and B 4000 units
- III) A 2000 units and B 6000 units

Also find the net profit from the best product mix.

Reg. No.

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III Semester B.B.A.3 Degree Examination, Nov./Dec. 2018
COMPUTER APPLICATIONS IN BUSINESS

Time : 3 Hours

Max. Marks : 80

Instruction : Section D is compulsory.

SECTION – A

I. Answer any ten :

(2×10=20)

- 1) Define computer.
- 2) Expand EDSAC and ENIAC.
- 3) What is operating system ?
- 4) What is flowchart ?
- 5) What do you mean by variable in 'C' programming ?
- 6) Expand OAS and TPS.
- 7) Write the differences between hardware and software.
- 8) Define compiler and interpreter.
- 9) What is looping in 'C' programming ?
- 10) What is system ?
- 11) Mention any two examples of modern operating systems.
- 12) Define array. List the types of array.

SECTION – B

II. Answer any 4 :

(5×4=20)

- 13) Explain the characteristics of Management Information System (M.I.S.).
- 14) Write a C program to find factorial of a given number.
- 15) What is ROM ? Explain the types of ROM.
- 16) Draw a flowchart to check whether a given year is leap year or not.
- 17) Explain multiprogramming and time sharing operating systems.
- 18) Explain any four types of operators in 'C' language.

SECTION – C

III. Answer any 3 :

(10×3=30)

- 19) Explain in detail generations of computers.
- 20) What are the functions of operating system ? Explain the need of an operating system.
- 21) What is branching statement in 'C' programming ? Explain the types of branching statements with syntax and examples.
- 22) Explain the role and responsibilities of a system analyst.
- 23) Write short notes on (any two) :
 - a) Keyboard
 - b) Methods of Data and Information Collection
 - c) Algorithm
 - d) Features of 'C' programming language.

SECTION – D

- 24) Write a 'C' program to find the transpose of a given matrix.

Reg. No.

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III Semester B.B.A.3 Degree Examination, Nov./Dec. 2018
PERSONALITY DEVELOPMENT AND LIFE SKILLS

Time : 3 Hours

Max. Marks : 80

- Instructions :** 1) *Read all questions carefully.*
2) *Write Qu. No. correctly.*
3) *Section – D compulsory.*

SECTION – AI. Answer **any ten** of the following questions :**(10×2=20)**

- 1) What is time management ?
- 2) What is brain storming ?
- 3) State two dress codes for men.
- 4) What do you mean by critical thinking ?
- 5) What are leadership skills ?
- 6) Write any two steps for improving self confidence.
- 7) Define decision making.
- 8) What do you understand by interpersonal skills ?
- 9) Define team.
- 10) Expand SMART goal.
- 11) What do you mean by value of time ?
- 12) What do you mean by creativity ?

SECTION – BII. Answer **any four** of the following questions :**(4×5=20)**

- 13) Write about social and professional etiquettes.
- 14) Discuss the importance of teamwork.
- 15) What is the importance of weekly planner to do list ?
- 16) Write about determinants of personality.
- 17) Explain the process of decision making.
- 18) Discuss the qualities of good leader.

P.T.O.



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III Semester B.B.A.3 Degree Examination, Nov./Dec. 2018
QUANTITATIVE TECHNIQUES
(New Syllabus) (Regular)

Time : 3 Hours

Max. Marks : 80

Instruction : Simple calculator is allowed.

SECTION – A

Answer any ten of the following. Each carries 2 marks.

(10×2=20)

1. Define mutually exclusive events.
2. Define Type I error and Type II error.
3. Define Random Variable.
4. The mean of a Poisson distribution is 16. Then, find the standard deviation.
5. Write any two properties of normal distribution.
6. Define binomial distribution.
7. Calculate mathematical expectation of the following table :

| | | | |
|------|-----|-----|-----|
| x | 0 | 1 | 2 |
| p(x) | 0.6 | 0.4 | 0.3 |

8. What do you mean by two tailed test ?
9. If $P(A) = 0.5$, $P(B) = 0.3$ and $P(A \cap B) = 0.75$ find $P(A \cup B)$.
10. If $b_{xy} = -7.3$ and $b_{yx} = -0.11$ find coefficient of correlation.
11. Write any two properties of correlation.
12. Write any two applications of chi-square test.

SECTION – B

Answer any four of the following. Each carries 5 marks.

(4×5=20)

13. Write the procedure of testing of hypothesis.
14. The probability that firer A hits a target is $\frac{2}{3}$. The probability that firer B hits a target is $\frac{3}{4}$.
If each of them shoot at the target, what is the probability that the target is hit by them ?
15. For the following probability distribution, find mean, $\text{Var}(x)$ and $\text{SD}(X)$.

| | | | | |
|------|-----|-----|-----|-----|
| x | -2 | 0 | 1 | 2 |
| p(x) | 0.2 | 0.4 | 0.3 | 0.1 |

P.T.O.



16. Calculate coefficient of correlation by rank method.

| | | | | | | | | |
|---|-----|-----|-----|-----|-----|-----|-----|-----|
| x | 54 | 58 | 85 | 75 | 65 | 90 | 80 | 50 |
| y | 120 | 134 | 150 | 115 | 110 | 140 | 142 | 100 |

17. A machine is designed so as to fill plastic bags with 500 ml. milk. A sample of 400 bags when checked had an average content 498 ml. milk. The standard deviation was 8 ml. At 5% level of significance, test whether the machine is functioning properly. [The critical value is -1.96 and 1.96].
18. Team A has probability of $\frac{2}{3}$ of winning a game. If it plays 4 games, find the probability that it wins at least one game.

SECTION - C

Answer any three of the following. Each carries 10 marks.

(3×10=30)

19. In a manufacturing organization, the distribution of wages was perfectly normal and the number of workers employed in the organization was 6,000. The mean wages of workers were calculated at Rs. 900 per month and the standard deviation was worked out to Rs. 200. On the basis of information estimate

- The number of workers getting wages above Rs. 1,100.
- The number of workers getting wages below Rs. 700.

[Table value 0 to 1 is 0.3413 and 0 to -1 is 0.3413].

20. The following table gives the number of days in a 60-day period during which road accidents occurred in a town. Fit Poisson distribution to the data. Obtain the theoretical frequencies.

| | | | | | |
|----------------------|----|----|---|---|---|
| No. of accidents (x) | 0 | 1 | 2 | 3 | 4 |
| No. of days (f) | 31 | 18 | 7 | 3 | 1 |

[$e^{-0.75} = 0.4724$]

21. It is known that IQ of boys has standard deviation 10 and that IQ of girls has standard deviation 12. Mean IQ of 200 randomly selected boys is 99 and mean IQ of 300 randomly selected girls is 97. Can we conclude that on an average boys and girls have the same IQ? At 1% level of significance test it. [The critical values are -2.58 and 2.58].
22. Calculate Karl Pearson coefficient of correlation.

| | | | | | | | | | | |
|---|----|----|----|----|----|----|----|----|----|----|
| x | 41 | 51 | 54 | 59 | 65 | 67 | 64 | 59 | 57 | 33 |
| y | 10 | 12 | 17 | 21 | 25 | 39 | 30 | 26 | 23 | 17 |



23. The following results were obtained from marks in Statistics (x) and Mathematics (y).

| | Marks in Statistics (x) | Marks in Mathematics (y) |
|--------------------|-------------------------|--------------------------|
| Mean | 100 | 50 |
| Standard Deviation | 10 | 5 |

The coefficient of correlation is $r = 0.5$.

Obtain both the regression lines and estimate y if $x = 70$.

SECTION – D

(1×10=10)

(Compulsory)

24. There are two candidates A and B contesting an election. A pre-election survey of 80 men and 120 women gave the following results.

| | Voted for A | Voted for B | Total |
|--------------|-------------|-------------|---------|
| Men | 27 | 53 | 80 |
| Women | 64 | 56 | 120 |
| Total | 91 | 109 | N = 200 |

Apply chi-square test at 5% level of significance to see whether voting pattern is the same among men and women. [Table value $\chi^2_{0.05} = 3.84$]



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Reg. No.

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III Semester B.B.A. 2 Degree Examination, November/December 2018
QUANTITATIVE TECHNIQUES
(Repeater)

Time : 3 Hours

Max. Marks : 80

Instruction : Simple calculator is allowed.

SECTION – A

1. Answer any ten of the following. Each carries 2 marks.

(10×2=20)

- a) Define sample space.
- b) Define type I error and type II error.
- c) Write the standard form of following LPP.
Maximize $Z = 2x_1 + 3x_2$
Subject to constraints,
 $3x_1 + 5x_2 \leq 8$
 $5x_1 + 2x_2 \geq 5$
and $x_1, x_2 \geq 0$
- d) Define mutually exclusive events.
- e) Define binomial distribution.
- f) Define balanced transportation problem with example.
- g) Define critical region.
- h) Write any two applications of chi-square distribution.
- i) Write any two properties of normal distribution.
- j) Define assignment problem.

k) If $P(A) = \frac{2}{5}$, $P(B) = \frac{1}{4}$ and $P(A \cap B) = \frac{3}{8}$ find $P(A \cup B)$.

l) Write any two examples for Poisson distribution.

P.T.O.



SECTION – B

Answer any five of the following. Each carries 8 marks.

(5×8=40)

2. Solve the following L.P.P. graphically :

$$\text{Max } Z = 2x_1 + 5x_2$$

$$\text{Subject to, } x_1 + x_2 \leq 6$$

$$2x_1 + x_2 \leq 4$$

$$\text{and } x_1, x_2 \geq 0$$

3. Solve the following assignment problem.

Job

| | P | Q | R | S |
|---|----|----|----|----|
| A | 85 | 50 | 30 | 40 |
| B | 90 | 40 | 70 | 45 |
| C | 70 | 60 | 60 | 50 |
| D | 75 | 45 | 35 | 55 |

4. Find the initial basic feasible solution by using least cost method, for the following T.P.

| | D ₁ | D ₂ | D ₃ | D ₄ | Availability |
|----------------|----------------|----------------|----------------|----------------|--------------|
| O ₁ | 11 | 13 | 17 | 14 | 250 |
| O ₂ | 16 | 18 | 14 | 10 | 300 |
| O ₃ | 21 | 24 | 13 | 10 | 400 |
| Requirement | 200 | 225 | 275 | 250 | |

5. Explain the general procedure of testing of hypothesis.
6. The probability that firer 'A' hits a target is $\frac{1}{3}$. The probability that firer 'B' hits is $\frac{1}{4}$. If each of them shoot at the target, what is the probability that the target is hit by them ?
7. X is a normal variate with mean 42 and standard deviation 4. Find the probability that a value taken by x is a) less than 50 b) greater than 40.

$$[\text{area from 0 to 2} = 0.4772$$

$$\text{area from 0 to 0.5} = 0.1915]$$

8. Samples of electric lamps manufactured by two firms gave the following results.

| | Firm A | Firm B |
|-----------------------|--------|--------|
| Sample size | 80 | 60 |
| Average Burning hours | 1348 | 1270 |
| Standard deviation | 108 | 96 |

Is there significant difference in the average life of bulbs manufactured by the two firm ? Test at

1% level of significance $\left[\begin{array}{l} \text{Table value} \\ -2.58 \text{ \& } 2.58 \end{array} \right]$



SECTION – C
(Compulsory)

Answer the following questions. Each question carries 10 marks. (2×10=20)

9. The following data relates to the number of mistakes in each page of a book containing 180 pages.

| | | | | | | | |
|-----------------------------|-----|----|----|---|---|-----------|-------|
| Number of mistakes per page | 0 | 1 | 2 | 3 | 4 | 5 or more | Total |
| Number of pages | 130 | 32 | 15 | 2 | 1 | 0 | 180 |

Test whether Poisson distribution is a goodfit to this observed distribution.

10. Solve the following transportation problem by using VAM method and find basic feasible solution.

| | | | | |
|--------|-------|-------|-------|--------|
| | W_1 | W_2 | W_3 | Supply |
| F_1 | 16 | 22 | 14 | 200 |
| F_2 | 18 | 14 | 18 | 150 |
| F_3 | 8 | 14 | 16 | 100 |
| Demand | 175 | 125 | 150 | |

| | | | | | | | |
|--|--|--|--|--|--|--|--|
| | | | | | | | |
|--|--|--|--|--|--|--|--|

III Semester B.B.A.3 Examination, Nov./Dec. 2018

CORPORATE ACCOUNTING – I

Time : 3 Hours

Max. Marks : 80

- Instructions :**
- *Calculators are allowed.*
 - *Solve the problems as per prescribed format of Companies Act.*
 - *Part – D is compulsory.*

PART – A

Answer **any ten**. Each carries **two** marks.

1. Define goodwill.
2. Name the types of goodwill.
3. What is under subscription ?
4. What is issue of shares at discount ?
5. What are current liabilities ?
6. Mention few expenses which are allocated on time ratio.
7. What is E.P.S. ?
8. Mention the methods of valuation of shares.
9. How you determine capital employed in a business ?
10. What are super profit ?
11. Why internal reconstruction takes place ?
12. How cost of material is consumed ?

(2×10=20)

PART – B

Answer **any four**. Each carries **five** marks.

13. The following are the particulars relating to a company :

| | ₹ |
|--|----------|
| • Total assets | 3,00,000 |
| • External liabilities | 80,000 |
| • 10,000 equity shares of ₹ 10 each fully paid | 1,00,000 |
| • 5,000 equity shares of ₹ 10 each ₹ 5 per share paid up | 25,000 |

Calculate the value of each class of share.

P.T.O.



14. Sha and Company decided to go in for internal reconstruction which was approved by Court.

The scheme is as follows :

- 10,000 equity shares of ₹ 10 each fully paid be reduced by ₹ 7 per share.
- 2,000 preference shares of ₹ 100 each fully paid be reduced by ₹ 20 per share.
- The available amount will be utilised to write off P & L (Loss) ₹ 45,000 and the balance will be used to write of patents.

Pass necessary Journal Entries.

15. Ganesh Co. Ltd. forfeited 220 shares of ₹ 10 each for non-payment of final call ₹ 3 per share.

These shares were re-issued at ₹ 6 per share. Give the Journal Entries.

16. How do you apportion the following expenses in profit prior to incorporation :

- Lighting
- Selling expenses
- Director fees
- Interest
- Rent
- Bad-debts
- Advertisement
- Salaries
- General expenses
- Office expenses

17. Give the format of assets side of Balance Sheet prescribed by Schedule VI of Companies Act.

18. The profits of a partnership firm for the past 5 years

₹

2013 – 25,000

2014 – 20,000

2015 – 24,000

2016 – 26,000

2017 – 25,000

Calculate average profit and value of goodwill based on 2 years purchase of average profits.

(5×4=20)

PART - C

Answer any three. Each carries ten marks.

19. From the following information furnished by 'BBB' Co. Ltd. prepare the statement of P & L A/c for the year ending 31-3-2018 in the prescribed form along with the relevant notes to accounts :

| Particulars | Debit | Credit |
|------------------------|-------|-----------|
| | ₹ | ₹ |
| Sale of goods | — | 20,50,000 |
| Other operating income | — | 50,000 |

| | | |
|---|------------------|------------------|
| Excise-duty | 2,00,000 | — |
| Interest and dividend income | — | 20,000 |
| Other non-operative income | — | 5,000 |
| Opening stock of raw-materials (1-4-2017) | 1,00,000 | — |
| Purchase of raw-materials | 9,50,000 | — |
| Purchase of stock in trade | 3,20,000 | — |
| Return of stock in trade | — | 20,000 |
| Salaries and wages | 2,00,000 | — |
| Staff welfare expenses | 20,000 | — |
| Interest expenses | 15,000 | — |
| Power and fuel | 10,000 | — |
| Audit fees | 30,000 | — |
| Profit on sale of machinery | — | 10,000 |
| Loss on sale of investment in subsidiary | 4,000 | — |
| Tax paid | 13,000 | — |
| Total | 18,62,000 | 21,55,000 |

Adjustments :

- Provide depreciation of ₹ 20,000 on fixed assets.
- Closing stock of raw materials ₹ 1,00,000.

20. Vishesh Co. Ltd. was incorporated on 1-9-2017 to take over a running business from 1-4-2017. The P & L A/c of the company for the year ending 31-3-2018 was as follows :

| Particulars | Amount |
|---------------------------------------|---------------|
| | ₹ |
| Revenue from operations | 20,00,000 |
| Expenses : | |
| ● Cost of sales | 16,71,000 |
| ● Salaries | 39,000 |
| ● General expenses | 15,000 |
| ● Interest on debentures | 12,000 |
| ● Interest to Vendor (upto 30-9-2017) | 15,000 |
| ● Depreciation | 40,000 |



| | |
|---------------------|------------------|
| • Carriage outward | 30,000 |
| • Advertisement | 40,000 |
| • Preliminary exps. | 8,000 |
| • Audit fees | 10,000 |
| • Selling expenses | 10,000 |
| | 18,90,000 |
| Profit for the year | 1,10,000 |
| Total | 20,00,000 |

Sales upto 1-9-2017 were ₹ 4,00,000 and thereafter ₹ 16,00,000.

Prepare the statement showing profit prior to incorporation and after incorporation.

21. Anusha Company Ltd. issued 12000 equity shares of ₹ 10 each at a premium of ₹ 1 per share.

The amount is payable as follows :

- On application ₹ 4 per share
- On allotment ₹ 4 per share (including premium)
- On I and final call ₹ 3 per share.

All the shares were subscribed. All the money were received except first and final call money on 1200 shares.

22. The balance sheet of NM Co. Ltd. as on 31-3-2018 was as follows :

| Particulars | Note No. | Amount ₹ |
|------------------------------------|----------|-----------------|
| I. <u>Equity and Liabilities</u> : | 1 | 9,00,000 |
| Share capital | 2 | (-) 3,67,500 |
| Reserve and Surplus | | |
| Long term borrowings | 3 | 1,50,000 |
| Short term borrowings | 4 | 75,000 |
| Trade payables | 5 | 1,50,000 |
| Total | | 9,07,500 |
| II. <u>Assets</u> : | | |
| Tangible fixed assets | 6 | 7,50,000 |
| Intangible fixed assets | 7 | 15,000 |
| <u>Current Assets</u> : | | |
| Inventories | 8 | 75,000 |
| Trade receivables | 9 | 60,000 |
| Cash and cash equivalents | 10 | 7,500 |
| Total | | 9,07,500 |

Notes to Balance Sheet

Note 1 : Issued, subscribed and paid up capital :

| | |
|--|-----------------|
| • 3,000, 8% preference shares of ₹ 100 each fully paid | 3,00,000 |
| • 6,000 equity shares of ₹ 100 each fully paid | 6,00,000 |
| | 9,00,000 |

Note 2 Reserves and surplus

| | |
|------------------|----------------|
| P & L A/c (Loss) | (-) 3,67,500 |
|------------------|----------------|

Note 3 Long term borrowings

| | |
|---------------|----------|
| 9% debentures | 1,50,000 |
|---------------|----------|

Note 4 Short term borrowings

| | |
|----------------|--------|
| Bank overdraft | 75,000 |
|----------------|--------|

Note 5 Trade-payables

| | |
|------------------|----------|
| Sundry creditors | 1,50,000 |
|------------------|----------|

Note 6 Tangible assets

| | |
|-----------|-----------------|
| Buildings | 3,00,000 |
| Machinery | 4,50,000 |
| | 7,50,000 |

Note 7 Intangible assets

| | |
|----------|--------|
| Goodwill | 15,000 |
|----------|--------|

Note 8 Inventories

| | |
|-------|--------|
| Stock | 75,000 |
|-------|--------|

Note 9 Trade receivables

| | |
|----------------|--------|
| Sundry debtors | 60,000 |
|----------------|--------|

Note 10 Cash and cash equivalents

7,500

The following internal reconstruction scheme was approved by Court.

- Preference shares to be reduced to ₹ 75 per share fully paid-up and equity shares to ₹ 40 per share fully paid.
- The debenture holders took over the stock in trade and debtors in full satisfaction of the amount due to them.
- The Goodwill A/c is to be eliminated.
- The value of building increased by 30% and machinery decreased by 20%.
- The expenses of reconstruction amounted to ₹ 2,000.

Give the Journal Entries and prepare revised Balance Sheet.

23. Write a note on valuation of Goodwill.

(10×3=30)



PART -- D
Case-let
(Compulsory)

24. The following is the Balance Sheet of Viraj Ltd. as on 31-3-2018 :

| Particulars | Note No. | Amount ₹ |
|------------------------------------|----------|-----------------|
| I. Equity and Liabilities : | | |
| • Share capital | 1 | 1,00,000 |
| • Reserve and surplus | 2 | 30,000 |
| Current Liabilities : | | |
| • Trade payables | 3 | 94,000 |
| Total | | 2,24,000 |
| II. Assets : | | |
| • Tangible fixed assets | 4 | 1,20,000 |
| • Intangible fixed assets | 5 | 10,000 |
| Current Assets : | | |
| • Inventories – stock | 6 | 24,000 |
| • Trade receivable Debtors | 7 | 44,000 |
| • Cash and cash equivalents | 8 | 26,000 |
| Cash at bank | | 2,24,000 |

Notes to Balance Sheet

Note 1 : Share capital :

1000 equity shares of ₹ 100 each 1,00,000

Note 2 : Reserves and Surplus :

General reserve 20,000

P & L A/c 10,000

30,000

Note 3 : Trade payables :

Sundry creditors 94,000

Note 4 : Tangible fixed assets :

| | |
|---------------------|-----------------|
| Land and building | 55,000 |
| Plant and machinery | 65,000 |
| | 1,20,000 |

Note 5 : Intangible fixed assets :

| | |
|---------|--------|
| Patents | 10,000 |
|---------|--------|

The expert valuer valued land and building at ₹ 1,20,000, Goodwill at ₹ 80,000, Plant and machinery at ₹ 60,000.

The profits of the company were :

₹

2015-16 – 42,000

2016-17 – 35,000

2017-18 – 46,000

Similar type of companies earn at 10% of the value of their shares.

Ascertain the value of the company's share under :

a) Net Assets Method.

b) Yield Value Method.

(10×1=10)

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III Semester B.B.A.2 Degree Examination, Nov./Dec. 2018
CORPORATE ACCOUNTING (Repeaters)

Time : 3 Hours

Max. Marks : 80

Instruction : Part – C is compulsory. Simple calculators is allowed.

PART – A

- I. Answer any ten of the following : (2×10=20)
- 1) What is joint venture ?
 - 2) What is memorandum method ?
 - 3) What do you mean by value of shares ?
 - 4) What is market value of shares ?
 - 5) Define 'Amalgamation'.
 - 6) What is 'Transferor Co. and Transferee Co. ?
 - 7) Define 'Reconstruction'.
 - 8) What is external reconstruction ?
 - 9) What do you mean by capital reduction ?
 - 10) What do you mean by 'Profit prior to Incorporation' ?
 - 11) What is 'Time ratio' ?
 - 12) Pass the journal entry if the Eq. shares of ₹ 100 each are reduced to ₹ 70 on 2000 shares.

PART – B

- II. Answer any five of the following : (5×8=40)
- 13) Prince and Queen enter into a Joint Venture to prepare a film for Bollywood. The Bollywood agrees to pay ₹ 12,00,000. Prince contributes ₹ 2,00,000 and Queen contributes ₹ 2,50,000. These amounts are paid into a Joint Bank A/c. Payment made out of the Joint A/c were, Purchase of equipment ₹ 60,000, Hire of equipment ₹ 50,000, Wages ₹ 4,50,000, Materials ₹ 90,000, Office Expenses ₹ 60,000. Prince paid ₹ 40,000 as Licencing Fees. On completion, the film was found defective and the Bollywood made a deduction of ₹ 2,00,000. The equipment was taken over by Queen at a valuation of ₹ 30,000. Separate books were maintained for the J.V. whose profits were divided in the ratio of Prince 2/5 and Queen 3/5. Prepare the necessary Ledger Account.
 - 14) From the following information, calculate the value of an equity share.
 - 1) The average annual profits of the company after depreciation but before tax is ₹ 25,00,000. It is considered necessary to transfer ₹ 1,25,000 to General Reserve before declaring any dividend. Rate and Tax is 50%.
 - 2) The Normal rate of return is 20%.
 - 3) The subscribed capital consists of 10,000, 14% preference shares of ₹ 100 each and 2,00,000 equity shares of ₹ 10 each. All the shares are fully paid up.
 - 15) Explain the factors affecting valuation of shares.

P.T.O.



- 16) 'X' Co. Ltd. and 'Y' Co. Ltd. have agreed to amalgamate and to form a new company called 'Z' Co. Ltd., which has taken over business of both the companies as per the B/S given below :

| B/S of 'X' Co. and 'Y' Co. Ltd. | | | | | |
|---------------------------------|-----------------|------------------|---------------------|-----------------|------------------|
| Liabilities | X Co. Ltd. | Y Co. Ltd. | Assets | X Co. Ltd. | Y Co. Ltd. |
| Share Capital : | | | Land and Building | 2,00,000 | 3,00,000 |
| Shares of | | | Plant and Machinery | 1,50,000 | 2,50,000 |
| ₹ 10 each | 5,00,000 | 8,00,000 | Patents | — | 1,50,000 |
| General Reserve | 1,50,000 | 3,00,000 | Furniture | 50,000 | 50,000 |
| Surplus | 50,000 | 1,00,000 | Investments | 2,00,000 | 4,50,000 |
| Secured loan | — | 1,50,000 | Current Assets : | | |
| Unsecured loan | — | 50,000 | Stock | 90,000 | 1,20,000 |
| Creditors | 80,000 | 60,000 | Debtors | 80,000 | 90,000 |
| Bills payable | 20,000 | 40,000 | Bank | 30,000 | 90,000 |
| | 8,00,000 | 15,00,000 | | 8,00,000 | 15,00,000 |

You are required to calculate the purchase consideration and prepare the Balance Sheet of Z Co. Ltd. which has authorised capital of ₹ 25,00,000.

- 17) The Balance Sheet of X Co. Ltd. on 30th Dec. 2017 was as follows :

| B/S of X Co. Ltd. as at 30-12-2017 | | | |
|------------------------------------|-----------------|--------------------|-----------------|
| Liabilities | ₹ | Assets | ₹ |
| Share Capital : | | Goodwill | 50,000 |
| 2000 equity shares of ₹ 100 | 2,00,000 | Land and Buildings | 1,00,000 |
| 10% Debentures | 1,50,000 | Plant | 87,500 |
| Loans | 75,000 | Stock | 62,500 |
| Preferential Creditors | 25,000 | Debtors | 75,000 |
| Sundry Creditors | 50,000 | P and L A/c | 1,25,000 |
| | 5,00,000 | | 5,00,000 |

The company was re-constructed under the following scheme :

- 1) The paid up value of shares was reduced to ₹ 60 each.
- 2) Debenture holders agreed to reduce their claim to ₹ 1,25,000.
- 3) Loans accepted ₹ 50,000 in cash in full settlement of their claims.
- 4) Preferential creditors were paid in full.
- 5) Land and Buildings revalued ₹ 1,50,000 and provision for RDD ₹ 5,000 was made.
- 6) Goodwill and P and L A/c to be written off.
- 7) Balance of ₹ 40 per share was called and paid in full.

Draft journal entries and prepare Balance Sheet of 'X' Co. Ltd.

18) What is Internal Re-construction ? What are the reasons for Internal Re-construction ? Explain.

19) XYZ Co. Ltd. was incorporated on 1st May, 2017 acquiring the business of a soletrader with effect from 1st Jan. 2017. The accounts of the Co. were closed for the first time on 30th Sept. 2017, disclosing a gross profit of ₹ 1,68,000. The establishment expenses were ₹ 42,660, directors fees ₹ 3,000 p.m., Preliminary expenses written-off ₹ 4,000, rent upto June 2017 was ₹ 300 p.m. which was thereafter increased to ₹ 750 p.m. salary to manager was at ₹ 1,500 per month who was appointed as a director at the time of incorporation of the company.

Prepare a statement showing profit prior and subsequent to incorporation assuming that net sales were ₹ 24,60,000, the monthly average of which for the first four months of 2017 was half of that of the remaining period.

PART – C (Compulsory)

(15+5=20)

20) The Balance Sheet of Laxmi Co. Ltd. as on 31-3-2018 revealed the following :

| Liabilities | ₹ | Assets | ₹ |
|------------------------|------------------|----------------|------------------|
| Share capital (issued) | | Fixed Assets | 7,90,000 |
| 1,00,000 Eq. shares of | | Goodwill | 80,000 |
| ₹ 10 each of which ₹ 8 | | Current Assets | 5,00,000 |
| paid up | 8,00,000 | | |
| Profit and Loss A/c | 20,000 | | |
| 10% Debenture | 1,00,000 | | |
| Current Liabilities | 2,50,000 | | |
| Reserve | 2,00,000 | | |
| | 13,70,000 | | 13,70,000 |

Additional information :

- 1) Fixed assets and Goodwill were valued at ₹ 7,50,000 and ₹ 1,00,000 respectively.
- 2) The net profit after tax for the immediately preceding three years were ₹ 1,10,000, ₹ 1,05,000 and ₹ 1,45,000 of which 25% were transferred to reserve.
- 3) A fair return in industry in which the company is engaged considered to be 10%.

Compare the value of company's share by

- 1) Net assets method
- 2) Yield value method.

21) Write note on "Types of Amalgamation".



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**III Semester B.B.A.2 Degree Examination, November/December 2018
(Repeaters)**

BASICS OF INSURANCE AND BANKING

Time : 3 Hours

Max. Marks : 80

Note : Part – C is compulsory.

PART – A

Answer **any ten** questions. Each question carries **two** marks :

(2×10=20)

1. a) Define insurance.
- b) What is life insurance ?
- c) What do you mean by reinsurance ?
- d) What is fire insurance ?
- e) What is marine insurance ?
- f) What is rural insurance ?
- g) What do you mean by banker ?
- h) Who is customer in banking system ?
- i) Differentiate between pledge and lien.
- j) Who is present governor of RBI ?
- k) Expand KYC and NPA.
- l) What do you mean by overdraft ?

PART – B

Answer **any five** questions. Each question carries **eight** marks.

(5×8=40)

2. What are the principles of insurance ? Give in detail.
3. Explain different types of fire policies.
4. Explain scope of marine insurance policy.
5. What is commercial bank ? Explain functions of commercial bank.
6. Explain general relationship between banker and customer.
7. What is bank lending ? Explain principles of bank lending in detail.

PART – C

(Compulsory)

8. As a branch manager, how you deal with the following :

- a) A stranger presents a bearer cheque for Rs. 10,000 drawn by customer for payment.
- b) A customer presents a bearer cheque with amount and figure mismatched.
- c) A cheque endorsed in pencil and presented for pencil.
- d) A third party customer presents a cheque with two lines crossed on cheque.

(5+5+5+5=20)

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III Semester B.B.A.2 Examination, November/December 2018
ENTREPRENEURSHIP DEVELOPMENT (Repeaters)

Time : 3 Hours

Max. Marks : 80

Instruction : Section C compulsory. Write the question no.s correctly.

SECTION – A

1. Answer any ten of the following. (2×10=20)
- i) Define entrepreneurship.
 - ii) What is sole proprietorship ?
 - iii) What is Franchising ?
 - iv) What is commercialization ?
 - v) What is N.Ach ?
 - vi) What is creativity ?
 - vii) Who is an intrapreneur ?
 - viii) Who is a drone entrepreneur ?
 - ix) Write any two merits of co-operative organisation.
 - x) What is competency ?
 - xi) What is break through innovation ?
 - xii) What is enterprise ?

SECTION – B

- Answer any five. (8×5=40)
2. Who is an entrepreneur ? Explain the characteristics of entrepreneur.
 3. Write the differences between the entrepreneur and intrapreneur.
 4. What is partnership firm ? Explain its merits and demerits.
 5. Explain the various factors influencing entrepreneurial motivation.
 6. Write differences between public and private company.
 7. Explain the role and significance of entrepreneurship in economic development.
 8. Explain the process of creativity.

SECTION – C

- (10+10=20)
9. Outline the entrepreneurial competencies of Shri. Ratan Tata.
 10. Write any ten innovative features that you can add to a pen.
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