

Enrollment No.....



Faculty of Commerce
End Sem (Even) Examination May-2022
CM6CW01 Advanced Accounting & Finance

Programme: Ph.D.
(Course Work)

Branch/Specialisation: Commerce

Duration: 3 Hrs.**Maximum Marks: 60**

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

- Q.1 i. A company can redeem preference shares- 1
 (a) At par (b) At premium
 (c) Out of free reserve (d) All of these
- ii. At the time of forfeiture of shares the share capital account is debited with- 1
 (a) Face value (b) Called up value
 (c) Paid up value (d) Issued value
- iii. Budgetary control starts with _____. 1
 (a) Planning (b) Organizing (c) Budgeting (d) Controlling
- iv. Marginal costing is also known as- 1
 (a) Indirect costing (b) Direct costing
 (c) Variable costing (d) Both (b) and (c)
- v. Indifference curve slopes- 1
 (a) Downward to the right (b) Upward to the right
 (c) Downward to the left (d) Upward to the left
- vi. Elastic demand is- 1
 (a) Greater than one (b) Less than one
 (c) Equal to one (d) Zero
- vii. Cost of capital is the _____ required rate of return expected by investors. 1
 (a) Fixed (b) Minimum (c) Maximum (d) Variable
- viii. Operating leverage helps in analysis of- 1
 (a) Business Risk (b) Financing Risk
 (c) Production Risk (d) Credit Risk

P.T.O.


[2]

- ix. RBI control commercial bank through- **1**
 (a) Periodic inspection of bank
 (b) Follow-up action
 (c) Calling for returns and other information
 (d) All of these
- x. All banking institution are- **1**
 (a) Intermediaries (b) Non-Intermediaries
 (c) Specialised Institution (d) Term lending Institution
- Q.2 i. Explain any two conventions of accounting. **2**
 ii. What is meant by forfeiture of shares? What entries are made on reissue of forfeited shares? **8**
- OR iii. Neha Ltd. Issued 20,000 7% preference shares of Rs. 100 each fully paid-up on 1st January 2021. These shares are redeemable on 31st December 2022. Pass the necessary journal entries in the books of Neha Ltd. For annual and for redemption of shares assuming a provision of Rs. 5,00,000 is made every year out of divisible profits for redemption of these shares. **8**
- Q.3 i. Explain the term of cash flow statement. **2**
 ii. What are the essentials of an effective budgetary control system? **8**
- OR iii. You are given the following data of a company for the year 2022: **8**
- | Particulars | Amount |
|---------------|--------------|
| Sales | Rs. 5,00,000 |
| Variable cost | Rs. 3,00,000 |
| Fixed cost | Rs. 1,50,000 |
| Net profit | Rs. 50,000 |
- Find out the following:
 (a) Contribution (b) P/V Ratio (c) BEP (d) MOS
- Q.4 i. What is profit maximisation? **2**
 ii. Explain the concept of elasticity of demand with reference to cross elasticity. **8**
- OR iii. Define business economics. Describe the nature and uses of business economics. **8**

[3]

- Q.5 i. Explain any two short term sources of finance. **2**
 ii. The following particulars are available: **8**
- | Particulars | Amount |
|-----------------|--------------|
| Sales | Rs. 1,00,000 |
| Variable Cost | Rs. 70,000 |
| Fixed Cost | Rs. 20,000 |
| Long term loans | Rs. 50,000 |
- At 10 percent compute the Combined leverage.
- | Particulars | Amount |
|-----------------|---------------|
| Sales | Rs. 10,00,000 |
| Variable Cost | Rs. 650,000 |
| Fixed Cost | Rs. 250,000 |
| Long term loans | Rs. 30,0000 |
- At 15 percent compute the Operating and Financial leverage.
- OR iii. What is cost of capital? Explain significances of cost of capital. **8**
- Q.6 Attempt any two:
- i. Explain any five importance of banking to business. **5**
 ii. Elaborate any four significances of E-Banking in today's scenario. **5**
 iii. Give the full form of NABRAD. Explain its functions. **5**

Scheme of Marking

 <p>Medi-Caps University Knowledge is Power</p>	<p>Faculty of Commerce End Sem (Even) Examination May-2022 CM6CW01 Advanced Accounting and finance</p>	
<p>Programme: Ph.D. (Course Work).</p>	<p>Branch/Specialisation:</p>	

Note: The Paper Setter should provide the answer wise splitting of the marks in the scheme below.

Q.1	i)	All of these	1
	ii)	Called up value	1
	iii)	Budgeting	1
	iv)	Both (b) and (c)	1
	v)	Downward to the right	1
	vi)	Greater than one	1
	vii)	Minimum	1
	viii)	Business Risk	1
	ix)	All of these	1
	x)	Intermediaries	1
Q.2	i.	1x2	2
	ii.	2 for margin, 6 for entries	8
	iii.	as Per entries	8
OR	iv.		2
Q.3	i.	2 margin	8
	ii.	1x8 essentials	
OR	iii.		8
Q.4	i.	Profit maximisation	2
	ii.	as Per answer	8
OR	iii.	as Per answer	8
Q.5	i.	2x1	2

	ii.		8
OR	iii.	mean ≥ 2 significant 6	8
Q.6			
	i.	5x1 important	5
	ii.	3x1	5
	iii.	1 for full form 4 for function	5
