Seat No.: _____ Enrolment No._____

GUJARAT TECHNOLOGICAL UNIVERSITY

BE - SEMESTER–VI • EXAMINATION – SUMMER 2013

Subject Code: 161503 **Date: 28-05-2013**

Subject Name: Finance Management & Cost control

Time: 10.30 am - 01.00 pm **Total Marks: 70**

Instructions:

1. **Attempt all questions.**
2. **Make suitable assumptions wherever necessary.**
3. **Figures to the right indicate full marks.**

Q.1 **(a)** Discuss Material costing. Discuss procedure/steps in calculating Welding material cost. **07**

(b) A welding job requires preparation of 60 ^{o} angle by gas welding, using two MS plates of 3 mtrs x 5 cm x 1 cm and 2 mtrs x 7 cm x 1 cm. Calculate cost of gases, neglecting edge preparation cost, and considering following data: **07**

i) Oxygen and Acetylene consumption is 1.25 cuM/Hr and 1.75 cuM/Hr, respectively.

ii) Costs of Oxygen and Acetylene is Rs. 5/CuM and Rs. 12/CuM, respectively.

iii) Filler rod diameter and length are 5 mm and 4.5 m/m of welding, respectively

iv) Density of filler rod metal is 7gm/cc, and cost Rs. 15/Kg.

v) Welding rate is 20 Min/Mtr of welding.

Q.2 **(a)** Differentiate costing and Engineering estimation, quoting examples. **07**

(b) Classify and discuss basic elements of variable indirect expenses. **07**

OR

(b) M/S XYZ Ltd. employs 150 workers during a month of 30 days where details of expenditures are given below. Calculate total cost of production. **07**

1. Material cost-Rs. 300000
2. Rate of wages of each workers: Rs. 15/hr
3. Duration of work- 8 hrs/day
4. No. of holidays in month-5
5. Total overhead expenses- Rs. 75000

Q.3 **(a)** Discuss Allocation of overheads, and different methods to calculate them. **07**

(b) Classify sources of Finance available to entrepreneurs. Discuss any one source of finance in detail. **07**

OR

Q.3 **(a)** Prepare a Trading P & L account and balance sheet for following data. **07**

Particulars	**Amount in Rs.**
Overdraft from bank	100000
Opening stock	450000
Bills receivable	50000
Fixtures	55000
Cash in hand	10000
Purchases	500000
Creditors	400000
Debtors	630000
MSDôs capital	200000
Machinery	134000
Bills payable	70000
Sales	1290000
Return from creditors	11000
Returns from customers	10000
Salaries	90000
Mfg. wages	40000
Commission & TA	55000
Trade expenses	40000
Discount (Cr.)	40000
Rent	22000

(b) Discuss various Classes of shares and debentures. **07**

Q.4 **(a)** Discuss comparison of financial accounting reports through various ratios in finance management. Discuss and explain two important ratios. **07**

(b) Discuss Preparation of balance sheet and its significance. **07**

OR

Q.4 **(a)** Explain Double entry book keeping, and distinguish it from single entry book keeping system **07**

Q.4 **(b)** Discuss evaluation of investment alternatives as a budgetary control measure. **07**

Q.5 **(a)** Discuss Depreciation and various methods of calculation of depreciation. **07**

(b) Discuss various elements of indirect overhead expenses. **07**

OR

Q.5 **(a)** Discuss various budgetary control methods. **07**

(b) Discuss break even analysis as a cost control measure. **07**

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