Seat No.: _____ Enrolment No._____

GUJARAT TECHNOLOGICAL UNIVERSITY

BE - SEMESTER–VI • EXAMINATION – SUMMER • 2014

Subject Code: 161503 **Date: 23-05-2014**

Subject Name: Finance Management and 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 the importance of finance management for any industry. **07**

(b) Explain method of financial analysis and its importance. **07**

Q.2 **(a)** Differentiate single entry system and double entry system of accounting. **07**

(b) Show and explain relationship between assets, liability and owner's equity. **07**

OR

(b) Explain its objective of trial balance with its importance for any industry. **07**

Q.3 **(a)** Discuss depreciation. Explain the method of depreciation can be used in any CERAMIC industry. **07**

(b) Explain importance of costing department and nature of costing department in a process industry. **07**

OR

Q.3 **(a)** Explain how cost estimation is carried out for any component? **07**

(b) A welding shop is to make an angle by gas welding using two MS plates of 2.75mx5.0cmx1 cm and 1.50mx5cmx1cm. Calculate the cost of gas used for welding.(neglecting the edge preparation cost).Assume the following data: **07**

1. oxygen and acetylene consumption is Rs. 1.55 cum/hour and 1.6 cum/hour.
2.cost of oxygen and acetylene is Rs. 20/cum and Rs. 25/cum respectively.
3.Filler rod diameter and length is 5mm and 4m per meter of welding respectively.
4.Density of filler rod metal is 9 gm/cc and cost is Rs. 50/kg.
5.welding rate is 35min/meter of welding.

Q.4 **(a)** Below given is a trial balance for M/S PNG Ltd., GANDHIDHAM. Derive trading, P&L A/C and Balance sheet for the year ending 2012 **07**

Particular	**Rs.**	**Particular**	**Rs.**
MR. PNG' drawings	34,000	Sales	250000
MR.PNG 'S capital	54,000	Purchases	35,000
Sundrycreditors	70,000	Officesalaries	70,000
Sundrydebtors	93,000	Manu.Wages	55,000
Billsreceivable	35,000	Commission	36,000
Operatingstock	75,000	Tradeexpenses	45,000
Fixturesandfittings	36,500	Rent	25,000
Cashatoffice	31,000	Discountreceived	34,000
Machinery	65,000	Billspayables	40,000
BankO/D	35,000	Closingstock	82,000
Purchases	90,000		

(b) Write note: cost estimation process of forged part. **07**

OR

Q.4 **(a)** What is allocation of overheads? Discuss method of allocation of overheads. Can be used in any process industry. **07**

(b) Give elaborate explanatory note on cost structure and determination of sales price. **07**

Q.5 **(a)** Discuss the role of an industrial engineer as a cost estimator and cost controller. **07**

(b) What is budget ? Explain various types of budgets. **07**

OR

Q.5 **(a)** Write note: Ratio analysis and its importance. **07**

(b) Explain various sources of finance for short and long term financing for any medium scale industry. **07**

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