

GUJARAT TECHNOLOGICAL UNIVERSITY**BE- VIth SEMESTER-EXAMINATION – MAY- 2012****Subject code: 161503****Date: 15/05/2012****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 the main functions of finance management and explain its interrelationship with other department. **07**

(b) Discuss financial analysis and state 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) What is trial balance ? Explain its objective. **07**

Q.3 (a) Discuss depreciation. State and discuss any one method of its calculation. **07**

(b) State importance of costing department and nature of costing department in a job order production industry. **07**

OR

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

(b) A welding shop is to make an angle by gas welding using two MS plates of 1.75mx5.5cmx1 cm and 1.75mx7cmx1cm. 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. 1.75 cum/hour and 1.6 cum/hour.

2.cost of oxygen and acetylene is Rs. 10/cum and Rs. 25/cum respectively.

3.Filler rod diameter and length is 6mm and 5m per meter of welding respectively.

4.Density of filler rod metal is 9 gm/cc and cost is Rs. 30/kg.

5.welding rate is 30min/meter of welding.

Q.4 (a) Below given is a trial balance for M/S PNG Ltd., Morbi. Derive trading, P&L A/C and Balance sheet for the year ending 2011. **07**

Particulars	Rs.
MR. PNG' drawings	24,000
MR.PNG 'S capital	44,000
Sundry creditors	60,000
Sundry debtors	83,000
Bills receivable	25,000
Operating stock	65,000
Fixtures and fittings	26,500
Cash at office	21,000
Machinery	35,000

Bank O/D	25,000
Purchases	80,000
Sales	150000
Purchases	25,000
Office salaries	50,000
Manu. Wages	25,000
Commission	16,000
Trade expenses	15,000
Rent	15,000
Discount received	14,000
Bills payables	20,000
Closing stock	72,000

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

OR

- Q.4** (a) What is allocation of overheads? Discuss methods of allocation of overheads. **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 controller. **07**

- (b) What is budgeting and budgeting control? 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 large scale industry. **07**
