Seat No.: _____ Enrolment No._____

GUJARAT TECHNOLOGICAL UNIVERSITY

BE - SEMESTER–VI • EXAMINATION – WINTER 2013

Subject Code: 161503 **Date: 02-12-2013**

Subject Name: Finance Management and Cost control

Time: 02:30 pm to 05:00 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)** Differentiate costing and estimation, quoting examples. **07**

(b) Discuss basic elements of variable indirect expenses **07**

Q.2 **(a)** 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 2 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.

OR

(b) Calculate a) cost of cutting a V- Groove with gas, b) welding cost for two 1 m long M.S. plates of 10 mm thickness. If cost of Oxygen Rs. 15/m^3 , Cost of Acetylene- Rs. 50/ m^3, Cost of filler rod- Rs. 15/kg, labour charges Rs. 1.8/hr, 60 degree V-Groove is prepared for welding. Assume cutting speed= 20m/Hr., Oxygen consumption= 2 cu.m./Hr., Acetylene consumption= 0.2 cu.m./Hr **07**

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

(b) Depreciation and various methods of calculation of depreciation. **07**

OR

Q.3 **(a)** Describe procedure for estimation of material cost in Forging shop. **07**

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

Q.4 **(a)** Discuss broad decision areas of finance management. **07**

(b) Prepare a Trading P and 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
MSD's capital	200000
Machinery	134000
Bills payable	70000
Sales	1290000
Return from creditors	11000
Returns from customers	10000
Salaries	90000
Mfg. wages	40000
Commission and TA	55000
Trade expenses	40000
Discount (Cr.)	40000
Rent	22000

OR

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

(b) Discuss different ratios for financial analysis. Explain with example. **07**

Q.5 **(a)** Classify sources of Finance available to entrepreneurs. Discuss any one source of finance in detail. **07**

(b) Demonstrate balance sheet of a company as a financial health parameter. Discuss typical components of a balance sheet, with an example. **07**

OR

Q.5 **(a)** What's budgeting? Explain different budgetary control methods. **07**

(b) Discuss methods and instruments for valuation of current assets. **07**

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