

**2020/TDC/ODD/SEM/
BCMh-303 (A/B/C)/221**

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**TDC Odd Semester Exam., 2020
held in July, 2021**

COMMERCE
(Honours)

(3rd Semester)

Course No. : BCMH-303

*Full Marks : 50
Pass Marks : 17*

Time : 2 hours

*The figures in the margin indicate full marks
for the questions*

Candidates have to answer *either* Option—A
or Option—B *or* Option—C

OPTION—A

Course No. : BCMH-303 (A)

(Advance Cost Accounting)

Answer **five** questions, taking **one** from each Unit

UNIT—I

1. (a) Define Cost Accounting. 2

(b) Distinguish between Cost Accounting
and Management Accounting. 8

2. “Cost Accounting is an aid to management.”
Discuss the main points in support of this
statement. 10

UNIT—II

3. (a) Give the four points of difference
between job costing and contract
costing. 4

(b) The demand of an item is uniform at a
rate of 25 units per month. The fixed
(set up) cost is ₹30 each time a
production is made. The production
cost is ₹3 per item and inventory
carrying is 50 paise per unit per month.
If the storage cost is ₹3 per item per
month, determine how often to make a
production run and of what size. Also
calculate reorder level. 6

4. (a) What is job costing? 2

(b) In which types of industries this system
would be suitable? 2

(c) What are the advantages and weak-
nesses of job order Cost Accounting? 6

(3)

UNIT—III

5. What do you understand by the terms 'normal process loss', 'abnormal process loss' and 'abnormal process gain'? How would you treat them in the accounts? 6+4=10
6. Product Z is obtained after it passes three distinct processes. The following information is obtained from the accounts for the month ending December 31, 2020 :

Items	Total ₹	Process		
		I ₹	II ₹	III ₹
Direct Material	7,542	2,600	1,980	2,962
Direct Wages	9,000	2,000	3,000	4,000
Production Overhead	9,000	—	—	—

1000 units at ₹ 3 each were introduced to Process—I. There was no stock material or WIP at the beginning or end of the period. The output of each process passes direct to the next process and finally to finished stores. Production overhead is recovered on 100% of direct wages. The following additional data are obtained :

Process	Output during the month	Percentage of normal loss to input	Value of scrap per unit
I	950	5%	2
II	840	10%	4
III	750	15%	5

Prepare Processes—I, II and III A/cs. 10

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UNIT—IV

7. (a) What is work-in-progress? 2
 (b) How is it shown in the Contractor's Balance Sheet? 3
 (c) Write a detailed note on retention money. 5
8. Adhikari Brothers accepted a contract from the construction of a building for ₹ 10,00,000. The contractee agreeing to pay 90% of work certified by the architect. During the first year, the amounts spent were as follows :

	₹
Materials	1,20,000
Labour	1,45,000
Machinery	30,000
Other Expenses	90,000
Outstanding Wages	5,000

At the end of the year, the machinery was considered to be of ₹ 20,000 and materials at site were of the value of ₹ 5,000. The work certified during the year totalling ₹ 4,00,000. Work-in-progress but not certified at the end of the year was ₹ 15,000.

Prepare Contract A/c in the books of Adhikari Brothers. 10

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UNIT—V

9. Following are the particulars for the production of 2000 sewing machines of NE Engineering Co. Ltd. for the year 2020 :

	₹
Cost of Materials	1,60,000
Wages	2,40,000
Manufacturing Expenses	1,00,000
Salaries	1,20,000
Rent, Rates and Insurance	20,000
Selling Expenses	60,000
General Expenses	40,000
Sales	8,00,000

The Company plans to manufacture 3000 sewing machines during the year 2021.

You are required to submit a statement showing the price at which the machines would be sold so as to show a profit of 10% on selling price. The following additional information are supplied to you : 10

- (i) Price of the materials is expected to rise by 20%

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- (ii) Manufacturing expenses will rise in production to the combined cost of the materials and wages
- (iii) Selling expenses per unit will remain the same
- (iv) Other expenses will remain unaffected by the rise in output

10. What is Production Account? Give a specimen of Production Account. 2+8=10

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OPTION—B

Course No. : BCMH-303 (B)

(Marketing Management—I)

Answer **five** questions, taking **one** from each Unit

UNIT—I

1. What do you mean by marketing?
Distinguish between selling and marketing. 4+6=10
2. Narrate the nature and scope of marketing. 5+5=10

UNIT—II

3. Explain the various phases of product life cycle. 10
4. Write notes on the following : 5+5=10
 - (a) Brand Equity
 - (b) Test Marketing

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UNIT—III

5. Write notes on the following : 5+5=10
 - (a) Internal factors affecting pricing decision
 - (b) External factors affecting pricing decision
6. Discuss any two types of pricing policy. 10

UNIT—IV

7. What do you understand by advertising?
Discuss the important factors influencing the choice of an advertisement media. 3+7=10
8. Explain the various methods of sales promotion. Distinguish between sales promotion and personal selling. 6+4=10

UNIT—V

9. Define wholesaler. Discuss the services rendered by wholesalers towards manufacturers and retailers. 2+4+4=10
10. Write notes on the following : 5+5=10
 - (a) Inventory Control
 - (b) Warehousing

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OPTION—C

Course No. : BCMH-303 (C)

(Principles of Insurance)

Answer **five** questions, taking **one** from each Unit

UNIT—I

1. Discuss the advantages of life insurance contract. 10
2. "Life insurance involves both protection as well as investment." Explain this statement. 10

UNIT—II

3. Classify insurance policies according to duration of policies and participation in profits. 5+5=10
4. Write a detailed note on the Non-conventional Life Insurance Policies. 10

UNIT—III

5. Define surrender value. Explain the essential requirements for obtaining surrender value. 2+8=10

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6. Under what circumstances, alternation of Life Insurance Policies may be allowed? Discuss. 10

UNIT—IV

7. Discuss the various types of annuities according to the disposition of proceeds. 10
8. Define annuity. Distinguish between annuity and insurance. 2+8=10

UNIT—V

9. Define nomination in a Life Insurance Policy. State the rules regarding nomination. 2+8=10
10. Write notes on the following : 5+5=10
 - (a) Assignment
 - (b) Difference between nomination and assignment
