

M.C.M. CBCS Pattern Semester-I  
**PCMCMT101 - Commercial Practices**

P. Pages : 2

Time : Three Hours



**GUG/S/24/10754**

Max. Marks : 80

- Notes :
1. All questions are compulsory.
  2. All questions carry equal marks.
  3. Avoid vague answers and write specific points/answer related to questions.

**Either :**

1. a) Distinguish between capital receipt and Revenue receipt. 8
- b) Explain the various basic concepts and conventions of accounting. 8

**OR**

- c) Journalize the following transactions in the books of Mr. Rudra. 8  
2022 April
- 1 Rudra commenced business with cash 80,000.
  - 3 Purchased Goods from Kiran Rs. 40,000 on credit
  - 5 Paid rent Rs. 2,000
  - 10 Sold goods to Mr. Vikas Rs. 55,000 on credit
  - 15 Purchased furniture of Rs. 30,000
  - 18 Received a Bearer cheque of Rs. 25,000 from Mr. Vikas
  - 21 Paid to Kiran by Cheque of Dena Bank Rs. 20,000.
  - 30 Paid salary Rs. 5,000

- d) From the following information prepare trading account of Sangita traders 31<sup>st</sup> March 2022. 8

Particular	Amount	Particular	Amount
Wages	16,000	Stock (01/04/2021)	22,000
Royalties	11,000	Sales	3,80,000
Sales Returns	24,000	Purchases	1,90,000
Goods withdrawn by Sangita for personal use	16,000	Purchase Returns	6,400
Factory Rent	4,200	Manufacturing Expenses	8,400
		Motive Power	16,000
Stock (31/03/2022)	36,000	Freight	7,400

**Either :**

2. a) Explain the term flexible budget and cash budget. 8
- b) Write the meaning of cost accounting explain it's scope. 8

**OR**

- c) Statement of marginal cost and profit is a. 8

Particular	Rs.
Sales (16,000 units)	3,20,000
(-) variable (cost Rs. 15 per unit)	2,40,000
contribution.	80,000
(-) Fixed cost	60,000
Net profit	20,000

Calculate :

- 1) P/V Ratio
- 2) Break Even Point
- 3) Sales 40% of P/V Ratio
- 4) Contribution at sales of Rs. 2,56,000

d) A cost of motorcycle included the following item.

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	Rs.
Material use for the production	5,500
Material use of the packing of Raw materials	1,000
Material use of the packing of finished goods	150
Material use in factory	75
Material use in office	125
Labour use of Production	1,000
Wages paid for factory supervision	2,000
Direct factory expenses	100
Office Expenses	125
Office Building Depreciation	75
Factory Depreciation	175
Selling Expenses	350
Carriage on sales	500
Advertisement	125

What will be the selling price if the profit percentage is 25% on sale.

**Either :**

3. a) Explain the concept of offer and acceptance. 8
  - b) Define Prospectus. Discuss the contents of Prospectus. 8
- OR**
- c) Explain the difference between shares and Debentures. 8
  - d) Define partnership. What are the different duties of partners. 8

**Either :**

4. a) Discuss the management is an art, science and profession. 8
  - b) Define controlling. State the need and characteristics of control. 8
- OR**
- c) State the elements and process of communication. 8
  - d) Define Leadership. Explain its types. 8

5. Solve all questions.
- a) Explain Basic concepts of Income tax. 4
- b) Explain limitation of cost accounting. 4
- c) Explain the term Dissolution of partnership. 4
- d) Explain the concept of management. 4

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