



UNIVERSITY OF THE PUNJAB

Roll No.

First Semester 2018
Examination: B.S. 4 Years Programme

PAPER: Financial Accounting-I
Course Code: COMM-101

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Q # 1 ENCIRCLES THE CORRECT ANSWER:

1) The term 2/10-n/30 implies that _____ % discount will be given if the payment is made within _____ days or full amount is receivable within 30 days

- A) 2,10
- B) 10,2
- C) 10,30
- D) 3,15

2) Using "lower of cost and net realizable value" for the purpose of inventory valuation is the implementation of which of the following concepts?

- A) The going concern concept
- B) The separate entity concept
- C) The prudence concept
- D) Matching concept

3) The matching concept matches which of the following?

- A) Asset with liabilities
- B) Capital with income
- C) Revenues with expenses
- D) Expenses with capital

4) Which of the following is another term for debtor control account?

- A) Sales account
- B) Receivable account
- C) Creditor control account
- D) Sales ledger control account

P.T.O.

5) Control accounts are most commonly used for which of the following purposes?

- A) Preparing cash flow statement
- B) Making entries in other accounts
- C) Accumulating the total balances of related accounts
- D) Detecting errors in accounting records

6) Net income equal to Revenues minus

- A) Gains
- B) Depreciation
- C) Expenses
- D) Capital expenditures

7) Collection of account receivable will

- A) Increase assets and decrease assets
- B) Increase assets and decrease liabilities
- C) Increase assets and increase capital
- D) Increase assets and increase cash

8) _____ is the common base for preparing a trial balance

- A) Ledger accounts
- B) General Journal
- C) Specialized journals
- D) Balance sheet

9) Which of the following account with normal balance is shown at the credit side of a trial balance?

- A) Cash account
- B) Bank account
- C) Equipment account
- D) Accrued expenses account

10) A journal entry in which two or more account is debited or credited is referred as

- A) Journal entry
- B) Multi entry
- C) Additional entry
- D) Compound entry



UNIVERSITY OF THE PUNJAB

First Semester 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Financial Accounting-I
Course Code: COMM-101

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Answer all the questions.

Q # 2 Give Short answers of the following questions:

(20)

1. Define going concern concept
2. What is cash flow statement?
3. What is merchandize?
4. What is matching principle?
5. What is net income?
6. What is meant by accounting equation?
7. Explain balance sheet?
8. What are control accounts?
9. Define creditors.
10. What is contra asset account?

Q # 3 Prepare journal entries to record the above merchandising transactions of Blink Company, which applies the perpetual inventory system.

- July 1 Purchased merchandise from Boden Company for \$6,100 under credit terms of 2/15, n/30, FOB shipping point, invoice dated July 1.
- 2 Sold merchandise to Creek Co. for \$900 under credit terms of 2/10, n/60, FOB shipping point, invoice dated July 2. The merchandise had cost \$508.
 - 3 Paid \$120 cash for freight charges on the purchase of July 1.
 - 8 Sold merchandise that had cost \$1,400 for \$1,800 cash.
 - 9 Purchased merchandise from Leight Co. for \$2,900 under credit terms of 2/15, n/60, FOB destination, invoice dated July 9.
 - 11 Received a \$900 credit memorandum from Leight Co. for the return of part of the merchandise purchased on July 9.
 - 12 Received the balance due from Creek Co. for the invoice dated July 2, net of the discount.
 - 16 Paid the balance due to Boden Company within the discount period.
 - 19 Sold merchandise that cost \$1,000 to Art Co. for \$1,500 under credit terms of 2/15, n/60, FOB shipping point, invoice dated July 19.
 - 21 Issued a \$250 credit memorandum to Art Co. for an allowance on goods sold on July 19.
 - 24 Paid Leight Co. the balance due after deducting the discount.
 - 30 Received the balance due from Art Co. for the invoice dated July 19, net of discount.
 - 31 Sold merchandise that cost \$4,900 to Creek Co. for \$6,800 under credit terms of 2/10, n/60, FOB shipping point, invoice dated July 31.

PTO

Q # 4 Elizabeth Carver, a certified public accountant, resigned from her position with a large CPA firm in order to begin her own public accounting practice. The business transactions during September while the new venture was being organized are listed below:

- Sept. 1 Carver opened a bank checking account in the name of her firm, Elizabeth Carver, Certified Public Accountant, by depositing \$32,000 which she had saved over a period of years.
- Sept. 10 Purchased a small office building located on a large lot for a total price of \$91,200, of which \$48,000 was applicable to the land and \$43,200 to the building. A cash payment of \$18,240 was made and a note payable was issued for the balance of the purchase price
- Sept. 15 Purchased a microcomputer system from Computer Stores, Inc., for \$4,680 cash.
- Sept. 19 Purchased office furniture, filing cabinets, and a typewriter from Davidson Office Supply Company at a cost of \$3,960. A cash down payment of \$720 was made, the balance to be paid in three equal installments due September 28, October 28, and November. The purchase was on open account and did not require signing of a promissory note.
- Sept. 26 A \$140 monitor in the microcomputer system purchased on September 15 stopped working. The monitor was returned to Computer Stores, Inc., which promised to refund the \$140 within five days.
- Sept. 28 Paid Davidson Office Supply Company \$1,080 cash as the first installment due on the account payable for office equipment.
- Sept. 30 Received \$140 cash from Computer Stores, Inc., in full settlement of the account receivable created on September 26.

Instructions:

Prepare journal entries to record the above transactions. Select the appropriate account titles from the following chart of accounts:

Cash	Office equipment
Accounts receivable	Notes payable
Land	Accounts payable
Building	Elizabeth Carver, capital

Q # 5 Island Hopper Island airline providing passenger and freight services among some Pacific islands. The accounts are adjusted and closed each month. At June 30th the trial balance shown was prepared from the ledger.

ISLAND HOPPER
Trial balance
June 30, 2017

Cash	\$23,600	
Accounts Receivable	7,200	
Prepaid Rent	9,600	
Unexpired Insurance	21,000	
Aircraft	12,00,000	
Accumulated Depreciation Aircraft		\$3,80,000
Notes Payable		6,00,000
Unearned Passenger Revenue		60,000
Mary Earhart Capital		2,30,850
Mary Earhart Drawing	7,000	
Freight Revenue		1,30,950
Fuel Expense	53,800	
Salaries Expense	66,700	
Maintenance Expense	12,900	
	14,01,800	14,01,800

Other Date:

- a. The aircraft is being depreciated by the straight line method. Over a period of 10 years.
- b. The amount shown as unearned passenger revenue represents tickets sold to customers in advance of flights. During June, \$ 38,650 of this amount was earned by the airline.
- c. Salaries earned by employees but not yet paid amount to \$ 3,300.
- d. Accrued interest on notes payable amounts to \$ 5,000 at June 30 and has not yet been recorded.
- e. Three month rent (\$14,400) had been prepaid on May 1.
- f. On April 1, a 12-month insurance policy had been purchased for \$ 25,200.

Instructions:

- 1 Prepare income statement for the month ended June 30, 2017.
- 2 Prepare balance sheet as at June 30, 2017.



UNIVERSITY OF THE PUNJAB

Second Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Financial Accounting-II

TIME ALLOWED: 15 Mints.

Course Code: COMM-102 / COM-12355 Part-I (Compulsory)

MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Please encircle the correct option. Each MCQ carries 1 Mark. This Paper will be collected back after expiry of time limit mentioned above.

Q.1 Choose the correct answers from the following MCQ's questions. (10 Marks)

1. Which of the following item is not fixed asset:
 - a) Furniture
 - b) Franchises
 - c) Plant
 - d) Building
2. Each of the following measures strengthens internal control over cash receipts except:
 - a) The use of a voucher system
 - b) Preparation of a daily listing of all cheques received through the mail
 - c) The deposit of cash receipt intact in the bank on a daily basis
 - d) The use of cash registers
3. Debts are divided into following types in terms of their repayment:
 - a) Good debt
 - b) Bad debt
 - c) Doubtful debt
 - d) All of the above
4. Inventory is considered as:
 - a) Contra asset
 - b) Fixed asset
 - c) Current asset
 - d) Quick asset
5. Cost ratio is used in following inventory estimating technique:
 - a) Gross profit method
 - b) Retail method
 - c) Both 'a' and 'b'
 - d) None of these
6. The method based on the assumption that first merchandise acquired is the first merchandise sold:
 - a) LIFO
 - b) FIFO
 - c) JIT
 - d) Average cost
7. The statement of resources and claim against these resources is called:
 - a) Statement of affairs
 - b) Statement of profit or loss
 - c) Balance sheet
 - d) Statement of Owner's equity
8. Which of the following is fixed liability:
 - a) Notes payable
 - b) Bonds
 - c) Account payable
 - d) Outstanding taxes
9. The silent features of partnership include:
 - a) Ease of formation
 - b) Limited life
 - c) Unlimited liability
 - d) All of above
10. Which of the following is the formula of debt ratio?
 - a) Total debt divided by total assets
 - b) To current debts divided by current assets
 - c) Total debt divided by total equity
 - d) None of these



UNIVERSITY OF THE PUNJAB

Second Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Financial Accounting-II

TIME ALLOWED: 2 Hrs. & 45 Mints.

Course Code: COMM-102 / COM-12355 Part – II

MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q.2 Give short answers to the following terms: - (10x2=20)

1. Voucher
2. Payee
3. Contra asset account
4. Average cost method
5. Just in time inventory
6. Amortization
7. Replacement cost
8. Operating income
9. Limited partnership
10. Going concern concept

Numerical Questions (10×3=30 marks)

Q.3 Sadiq maintains a petty cash fund to control small cash payments. The company does not use a voucher system. Shown below are the transactions involving the establishment of the fund and its replenishment Sept. 30th the end of the company's fiscal year:

Sept. 12 A cheque for Rs. 500 was issued and cashed to establish a petty cash fund.

Sept. 30 A count of the fund showed currency and coin of Rs. 104.10 remaining on hand. Petty cash receipts on hand. Petty cash receipts in the fund were as follows:

Office supplies expenses.....	Rs. 100.43
Postage expenses	43.92
Travel and entertainment expenses	183.10
Misc. expenses	66.44

Sept 30 Although the fund has not been used fully, management wished to replenish the fund before the accounts were closed for the fiscal year. A cheque was, therefore, issued and cashed on this date in the amount necessary to restore the funds to Rs. 500.

Instructions:

- a) Prepare journal entries to record the establishment of the fund on September 30th.
- b) What would have been the effect, if any, on net income for the fiscal year ended September 30th if the company had forgotten to replenish the fund on September 30th? Explain.

(P.T.O.)

- Q.4** Al Azeez Corporation uses a periodic inventory system. One of the most popular items carried out in stock by 16-foot Refrigerator. The inventory quantities purchases and sales of this unit for the most recent year are shown below:

	Number of Units	Cost per Unit	Total Cost
Inventory, Jan. 1 st	270	30,000	810,000
First purchase (May 12)	354	31,000	1,097,400
Second purchase (July, 9 th)	240	31,500	7,560,000
Third purchase (Oct. 8 th)	186	31,600	5,877,600
Fourth purchase (Dec. 18 th)	300	32,000	<u>9,600,000</u>
Goods available for sale	1350		<u>24,945,000</u>
Units sold during the year	<u>960</u>		
Inventory, Dec. 31 st	<u>390</u>		

Instructions:

- a. Using periodic costing procedures, compute the cost of the December 31st inventory and the cost of goods sold for the 16-foot refrigerator units during the year under each of the following conditions:
 - I. First in, first out
 - II. Last in, last out
 - III. Average method
- b. Which of the three inventory pricing methods provides the most realistic balance sheet valuation of inventory in the light of current replacement cost of the 16-foot refrigerators? Does the same method also produce the most realistic measure of income in the light of costing being acquired by Al Azeez Corporation to replace the refrigerators when they are sold? Explain.

- Q.5** During the fiscal year ended 31st December, Nishat Mills Limited carried out the following transactions involving notes payable:

- Aug. 6 Borrowed Rs. 10,000 from Ali & Co. issuing to him a note 45 days, 12% note payable.
- Sept. 16 Purchased office equipment from Doce Company. The invoice amount was Rs. 16,800 and Doce Company agreed to accept full payment as 3-month, 12% note for the invoice amount.
- Sept. 20 Paid the Ali & Co. note plus interest.
- Nov. 1st Borrowed Rs. 235,000 from National Bank at an interest rate of 12% per annum; signed a 90-days note payable for Rs. 242,256, which included a Rs. 7056 interest charge in the face amount.
- Dec. 1st Purchased merchandise in the amount of Rs. 3000 from Dalda Company. Gave in settlement a 90-day note interest bearing interest at 14%. (A perpetual inventory system is in use).
- Dec. 16th The Rs. 16800 note payable to Doce Company matured today. Paid the interest accrued and issued a new 30-day, 12% note to replace the maturing note.

Instructions:

- a) Prepare the journal entries (in general journal form) to record the above transactions. Use a 360 day year in making the interest calculation.
- b) Prepare adjusting entries needed at December 31st prior to closing the accounts. Use one entry for the two notes on which interest is stated separately and a separate entry for the National Bank note in which interest is included in the face amount of the note.



UNIVERSITY OF THE PUNJAB

Third Semester 2018
Examination: B.S. 4 Years Programme

Roll No.

PAPER: Advanced Financial Accounting-I
Course Code: COMM-201/COM-21356

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Answer all the questions.

SUBJECTIVE

Q # 2 Give Short answers of the following questions: (20)

1. What are secured creditors?
2. What are the sources of bonus issue?
3. Write down the formula for value of right?
4. Distinguish between external and internal reconstruction.
5. Write any two objects of issuing bonus shares?
6. What is super profit?
7. What is profit & loss appropriation account?
8. Who is liquidator?
9. Calculate quantum of bonus if: Free Reserves Rs. 40,00,000 and Existing Capital Rs. 30,00,000.
10. What are the determinants of success of rights issue?

Q # 3 The Balance Sheet of Dilshad Ltd. as on 31.12.2017 was as follows:- (15)

	Rs.		Rs.
Share Capital		Land & Building	25,000
20,000 Equity shares of Rs. 10 each	2,00,000	Other Fixed Assets	2,00,000
Bank Loan	4,00,000	Stock	5,25,000
8% Debentures	1,00,000	Debtors	1,00,000
Interest outstanding on Debentures	8,000	Profit & Loss A/c	58,000
Creditors	2,00,000		
	9,08,000		9,08,000

The company went into liquidation on the date. Prepare Liquidator's Statement of Account after taking into account the following:

1. Liquidation expenses and liquidator's remuneration amounted to Rs. 3,000 and Rs. 10,000 respectively.
2. Bank loan was secured by pledge of stock.
3. Debentures and interest thereon are secured by a floating charge on all assets.
4. Fixed assets were realized at book values and current assets at 80% of book values.

Q # 4 The following information is given: (15)

- a) Capital employed Rs. 1,50,000
- b) Normal rate of profit 10%
- c) Present value of annuity of Re 1 for 5 years at 10% = 3.78
- d) Net profits for five years: 2012 Rs. 14,400; 2013 Rs. 15,400; 2014 Rs. 16,900; 2015 Rs. 17,400 and 2016 Rs. 17,900

The profits included non-recurring profits on an average basis of Rs. 1,000 out of which it was deemed that even non-recurring profits had a tendency of appearing at the rate of Rs. 600 p.a.

You are required to calculate goodwill:

1. As per annuity method
2. As per five years' purchase of super profit
3. As per capitalization of super profit method



UNIVERSITY OF THE PUNJAB

Roll No.

Third Semester 2018
Examination: B.S. 4 Years Programme

PAPER: Advanced Financial Accounting-I
Course Code: COMM-201/COM-21356

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

OBJECTIVE

Q # 1 ENCIRCLES THE CORRECT ANSWER:

1. Dividends are usually paid on:
 - a. Authorized capital
 - b. Issued capital
 - c. Paid-up capital
 - d. None of the above
2. Share premium account is shown on the liability side in the balance sheet under the heading :
 - a. Share capital
 - b. Reserves
 - c. Long-term liabilities
 - d. Current liabilities
3. Weighted average profit method is suitable:
 - a. When there is stability in profits
 - b. When there is instability in profits
 - c. When there is increase in profits gradually
 - d. When there is decrease in profits gradually
4. If the net assets taken over by the company are less than the purchase consideration, the difference shall be treated as:
 - a. Secret Reserve
 - b. Goodwill
 - c. Capital Reserve
 - d. General Reserve
5. Debenture holders having a floating charge have priority in payment over:
 - a. Preferential creditors
 - b. Secured creditors
 - c. Unsecured creditors
 - d. None of the above
6. Debentures issued as collateral security for Rs. 1,00,000 should be debited to:
 - a. Debenture suspense account
 - b. Bank account
 - c. Debentures account
 - d. None of the above
7. X Ltd. goes into liquidation and an existing company Z Ltd. purchases the business of X Ltd. It is a case of:
 - a. Absorption
 - b. External reconstruction
 - c. Amalgamation
 - d. None of the above
8. The free reserves and surpluses retained after the issue of bonus shares (residual reserve) should not be less than ----- of the increased paid up capital:
 - a. 20%
 - b. 25%
 - c. 30%
 - d. 35%
9. In which order are the financial statements prepared?
 - a. Income Statement, Balance Sheet, Statement of Retained Earnings.
 - b. Income Statement, Statement of Retained Earnings, Balance Sheet.
 - c. Balance Sheet, Statement of Retained Earnings, Income Statement.
 - d. Statement of Retained Earnings, Income Statement, Balance Sheet.
10. Profit on cancellation of own debentures is transferred to:
 - a. Capital reserve
 - b. Dividend equalization fund
 - c. Profit and loss account
 - d. None of the above



UNIVERSITY OF THE PUNJAB

Third Semester 2018
Examination: B.S. 4 Years Programme

Roll No.

PAPER: Business & Industrial Law
Course Code: COMM-202/COM-21357

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Subjective Part

Q2. ANSWER THE SHORT QUESTIONS:

(2 X 10 = 20 MARKS)

- i. When can an unpaid seller exercise his right of lien?
- ii. What is an open cheque?
- iii. Explain condition in a contract of sale.
- iv. What is an agreement to sell?
- v. Can a person of unsound mind be appointed as an agent?
- vi. Can a finder of lost goods retain possession of goods?
- vii. Explain the contract of indemnity.
- viii. Explain the suit for specific performance.
- ix. What is meant by alteration of contract?
- x. Can a contract be avoided in case of mistake of law?

Q3. ANSWER THE FOLLOWING LONG QUESTIONS:

(3 X 10 = 30 MARKS)

- i. Explain the characteristics of negotiable instruments with the help of the illustrations.
- ii. Explain the following modes of discharge of contract.
 - (a) Discharge by subsequent impossibility.
 - (b) Discharge by laps of time.
 - (c) Discharge by operation of law.
- iii. Explain the following remedies available to the aggrieved person in case of breach of contract.
 - (a) Suit for rescission.
 - (b) Suit for quantum meruit.
 - (c) Suit for specific performance.
 - (d) Suit for injunction.



UNIVERSITY OF THE PUNJAB

Roll No.

Third Semester 2018
Examination: B.S. 4 Years Programme

PAPER: Business & Industrial Law
Course Code: COMM-202/COM-21357

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Q1. MULTIPLE CHOICE QUESTIONS

(1x10 = 10 MARKS)

1. Which of the following is not the essential of valid consideration?
 - a) Promisee or other person
 - b) Desire of promisor
 - c) Act or abstinence.
 - d) None of these

2. Essential elements of valid contract does not include.
 - a) Adequacy of consideration.
 - b) Free consent.
 - c) Capacity of parties.
 - d) Lawful object.

3. Which of the following agreement is against the public policy?
 - a) Agreements to influence the officer of justice.
 - b) Agreements which disturbs the friendly relations of the state.
 - c) Agreement to influence the judges
 - d) All of above.
 - e) None of these.

4. If no specific time is mentioned in the contract for the performance, the time for performance of that contract is:
 - a) One week
 - b) Reasonable time.
 - c) Two week
 - d) None of these

5. Primary liability lies on which of the following, in case of contract of guarantee.
 - a) None of these.
 - b) Creditor
 - c) Guarantor
 - d) Surety

6. A contract by which ownership of the moveable goods is transferred is called:
 - a) Barter Trade
 - b) Contrast of sale of goods
 - c) Quasi contract
 - d) Implied contract

P.T.O.

7. The goods which are identified only after the formation of contract are called:

- a) Ascertained goods
- b) Past goods
- c) Future goods
- d) Present goods.

8. The ratification means:

- a) Correction of mistake in the contract.
- b) Validity of agreement without consideration.
- c) Acceptance of an act already done.
- d) Acceptance of the agreement.

9. Bill of exchange is an order to pay certain sum by the creditor upon:

- a) Debtor.
- b) Acceptor.
- c) Drawer.
- d) None of these.

10. Which of the following is not the essential of promissory note?

- a) Order of payment
- b) Promise to pay
- c) Certain sum
- d) Unconditional promise



UNIVERSITY OF THE PUNJAB

Third Semester 2018
Examination: B.S. 4 Years Programme

Roll No.

PAPER: Income Tax Law
Course Code: COMM-203/COM-21358

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q.No.2 Writes Short answers to the following questions (2 x 10 = 20)

- | | |
|------------------------|---|
| 1. Agricultural Income | 2. Non-Profit Organization |
| 3. Small Company | 4. Resident and Non-Resident Individual |
| 5. Business | 6. Whistle Blower |
| 7. Person | 8. Stock in Trade |
| 9. Principal officer | 10. Finance Society |

Q.No.3 Discuss at least ten not allowable deductions under the head "Income from Business" under Section 21 of the Income Tax Ordinance 2001 (15)

Q.No.4 Muhammad Imran received the following income during the year ended on 30th June 2017 (15)

Basic salary	15,000 p.m.
Bonus	100,000 P.A.
Conveyance allowance	2,200 p.m.
Medical allowance	2,000 p.m.
Shares from Association of person	5,000 P.A.
Life Insurance premium paid by employee	12,000 P.A.

Notes

1. Rent-free accommodation has been provided to Muhammad Imran by his employer.
2. Muhammad Imran was provided free electricity worth Rs. 10,000 by his employer during the year.

Required. Calculate the tax payable by Muhammad Imran for the tax year 2017.

S. No.	Slabs	Rate of Tax
1	Where the taxable income exceeds Rs.4,00,000 but does not exceed Rs.5,00,000	2% of the amount exceeding Rs. 4,00,000
2	Where the taxable income exceeds Rs.5,00,000 but does not exceed Rs. 7,50,000	Rs.2,000+5% of the amount exceeding Rs.5,00,000
3	Where the taxable income exceeds Rs.7,50,000 but does not exceed Rs. 14,00,000	Rs. 14,500+10% of the amount exceeding Rs.7,50,000



UNIVERSITY OF THE PUNJAB

Roll No.

Third Semester 2018
Examination: B.S. 4 Years Programme

PAPER: Income Tax Law
Course Code: COMM-203/COM-21358

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

- Q.No.1 Encircle appropriate option (10)
1. On 14th August 1947, Pakistan Government adopted the Income Tax Act
 - a 1918
 - b 1921
 - c 1922
 - d 1944
 2. Income Tax Rules are effective from
 - a 1979
 - b 2000
 - c 2001
 - d 2002
 3. which one of the following person includes Active tax payer
 - a Black list persons
 - b Non-filer
 - c Filer
 - d Fails to file return within due date
 4. What is the rate of Income Tax on income of a Small Company
 - a 25 % of taxable income
 - b 22 % of taxable income
 - c 20 % of taxable income
 - d 15 % of taxable income
 5. Special Allowance includes:
 - a Travelling Allowance
 - b Daily Allowance
 - c Uniform allowance
 - d All of the above
 6. Unadjustable advance rent is included in rented value of property up to
 - a 1/4th
 - b 1/6th
 - c 1/8th
 - d 1/10th
 7. Which is not the example of income from other sources
 - a Dividend
 - b Royalty
 - c Ground rent
 - d Rental income from property
 8. A person is eligible to amortize cost of intangible asset
 - a At the rate of 10 %
 - b At the rate of 20%
 - c Upto ten years
 - d Upto twenty years
 9. Advance tax is paid in:
 - a Three equal installments
 - b Four equal installments
 - c Two equal installments
 - d Six equal installments
 10. Any unadjusted business loss for a tax year shall be carried forward till:
 - a 6 tax years
 - b 6 calendar years
 - c Financial year
 - d None of the above



UNIVERSITY OF THE PUNJAB

Third Semester 2018
Examination: B.S. 4 Years Programme

Roll No.

PAPER: Money Banking & Finance
Course Code: COMM-204/COM-21359

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Part II: Questions with short answers (10x2=20 marks)

Q. 2. Provide short and very brief answers to the following questions.

- i. Define metallic money
- ii. List down basic functions of money
- iii. Differentiate in three points between money and currency
- iv. Explain Modaraba Islamic mode of business
- v. What is meant by credit creation
- vi. Explain floating exchange rate system
- vii. Define Banking principle of note issue
- viii. Define foreign exchange reserves
- ix. Define paper money
- x. Explain the concept of equity financing

Part III: Questions with brief answers (3x10=30 marks)

Q. 3. Provide brief answers to the following questions.

- i. Explain the merits that paper money has over another forms of money
- ii. Discuss the functions of central bank.
- iii. Explain the sources of business finance



UNIVERSITY OF THE PUNJAB

Roll No.

Third Semester 2018
Examination: B.S. 4 Years Programme

PAPER: Money Banking & Finance
Course Code: COMM-204/COM-21359

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Part I: Multiple Choice Questions (10x1=10 marks)

Q. 1. Encircle appropriate option with respect to statement.

- i. The interest rate at which central bank rediscounts bills of exchange of commercial banks
 - a. Bank rate
 - b. KIBOR
 - c. Interbank rate
 - d. Official rate
- ii. Who inaugurated the State Bank of Pakistan
 - a. Molana Muhammad Ali Johar
 - b. Quaid e Azam Muhammad Ali Jinnah
 - c. Zulfqar Ali Bhutto
 - d. Liaqat Ali Khan
- iii. Increase in the rate of exchange of currency
 - a. Devaluation
 - b. Depreciation
 - c. Appreciation
 - d. None of the above
- iv. KIBOR stands for
 - a. Karachi Interbank Offered Rate
 - b. Kalabagh Interbank Offered Rate
 - c. Karachi International Offered Rate
 - d. Kashmir Interbank offered Rate
- v. Where both parties contribute skills and participation in business affairs
 - a. Musharka
 - b. Bai Sa'am
 - c. Bai Istisna
 - d. Modaraba
- vi. In commercial banking, "Lender of last resort" is referred to
 - a. Central Bank
 - b. Islamic Development Bank
 - c. Asian Development Bank
 - d. IMF
- vii. Deposits which fetches profit on balance and having the facility of any time withdrawal
 - a. Current deposit
 - b. Fixed deposit
 - c. Term deposit
 - d. None of the above
- viii. Buying of country's products to the foreign countries
 - a. Exports
 - b. Imports
 - c. Retail trade
 - d. Home trade
- ix. Credit which is advanced for non-business purposes
 - a. Consumers' credit
 - b. Commercial credit
 - c. Investment credit
 - d. None of the above
- x. Represents the ownership right in a company
 - a. Shares
 - b. Debentures
 - c. Promissory note
 - d. None of the above



UNIVERSITY OF THE PUNJAB

Fourth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Advanced Financial Accounting-II

TIME ALLOWED: 15 Mints.

Course Code: COMM-205 / COM-22356 Part - I (Compulsory) MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Please encircle the correct option. Each MCQ carries 1 Mark. This Paper will be collected back after expiry of time limit mentioned above.

Q. No. 1:

1/10/18

S. No.	Question
i	Joint bank Account is opened when----- for the venture are maintained (a). no separate books; (b) separate books; (c) Both (a) and (b); (d) None of these is true
ii	In case of Memorandum Method when there are three co-ventures, each co-venture open in its books-----accounts for the ventures. (a). One ; (b) two; (c) Three ; (d) four
iii	In the books of consignee the sale of goods is credit to-----account. (a). Consigners ; (b) Sales ; (c) Consignee ; (d) Consignment
iv	Goods sent on consignment should be debited by consigner to-----account. (a). Consignment ; (b) Goods sent to consignment ; (c) Trading; (d) Consignee
v	In case cash received is Rs. 40,000 representing 80 % of the work certified the amount of work certified will be----- (a). Rs. 40,000; (b) Rs. 50,000; (c) Rs. 32,000 (d) Rs. 36,000
vi	Under stock debtors system the branch account is----- account. (a). Real; (b) Nominal; (c) Personal; (d) Impersonal
vii	Goods are sent to the branch at 20 % margin on selling price. Branch stock reveals a surplus of Rs. 2,000. The amount to be credited to branch adjustment account. (a). Rs. 2,000 (b) Rs.400; (c) Rs. 500 (d) Rs. 1,000
viii	When branch 'A' send goods to branch 'B' in the books of branch 'A' debit is given to -----account. (a). Head office; (b) Branch; (c) A's ; (d) B's
ix	If the rate of gross profit for department A is 25 % of cost then the amount of gross profit on a turnover of Rs. 1 lac will be: (a). Rs. 25,000; (b) Rs.20,000; (c) Rs.33,333; (d) Rs.45,000
x	Machinery repairing charges are apportioned over different departments according to ----- (a). The number of machines; (b) Value of machinery; (c) Floor area occupied; (d) None of these



UNIVERSITY OF THE PUNJAB

Fourth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Advanced Financial Accounting-II
Course Code: COMM-205 / COM-22356 Part - II

TIME ALLOWED: 2 Hrs. & 45 Min.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q. No.	Question	Marks																												
2	<p>Give short answers of the following questions.</p> <p>a) What is the difference between a consignment and joint venture account?</p> <p>b). List the objectives of departmental account.</p> <p>c). How the abnormal loss is treated in contract accounting?</p> <p>d). What are the advantages of Cost-plus invoicing in consignment accounting?</p> <p>e). What do you understand by inter-departmental transfer transactions?</p> <p>f). What do you mean by work in progress in contract accounting and how it is calculated?</p> <p>g). What is the difference between operating lease and finance lease?</p> <p>h). What is meant by credible profit and how it is calculated?</p> <p>i). What is accounting treatment of normal and abnormal loss in consignment accounting? Illustrate with example.</p> <p>j). What is the difference between sale account and account sale?</p>	(10x2=20)																												
3	<p>Calico Printers Ltd. opened a shop at Multan in 2017. Goods were invoiced at selling price which was fixed by adding 20 % to the cost. From the following particulars relating to 2017 ascertain the profits or loss made at the branch if Calico Printers Ltd uses the stock and debtors system.</p> <table style="width: 100%; margin-top: 10px;"> <tr> <td>Stock at Branch on 1st Jan: (Invoice value)</td> <td style="text-align: right;">Rs. 22,200</td> </tr> <tr> <td>Debtors at Branch on 1st Jan:</td> <td style="text-align: right;">4,000</td> </tr> <tr> <td>Goods sent to Branch (Invoice value)</td> <td style="text-align: right;">2,65,200</td> </tr> <tr> <td>Sales Cash</td> <td style="text-align: right;">80,000</td> </tr> <tr> <td> Credit</td> <td style="text-align: right;">1,60,000</td> </tr> <tr> <td>Cash received from Debtors</td> <td style="text-align: right;">1,51,400</td> </tr> <tr> <td>Discount allowed to Customers</td> <td style="text-align: right;">2,600</td> </tr> <tr> <td>Goods return by Customers</td> <td style="text-align: right;">1,500</td> </tr> <tr> <td>Cash sent to branch for Expenses</td> <td style="text-align: right;">10,500</td> </tr> <tr> <td>Stock at Branch on 31st December (Invoice value)</td> <td style="text-align: right;">47,800</td> </tr> </table>	Stock at Branch on 1 st Jan: (Invoice value)	Rs. 22,200	Debtors at Branch on 1 st Jan:	4,000	Goods sent to Branch (Invoice value)	2,65,200	Sales Cash	80,000	Credit	1,60,000	Cash received from Debtors	1,51,400	Discount allowed to Customers	2,600	Goods return by Customers	1,500	Cash sent to branch for Expenses	10,500	Stock at Branch on 31 st December (Invoice value)	47,800	(10)								
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4	<p>By using the following information, prepare contract account of X Ltd. for the year 2017.</p> <table style="width: 100%; margin-top: 10px;"> <tr> <td>Materials sent to site</td> <td style="text-align: right;">Rs.1,70,698</td> </tr> <tr> <td>Wages</td> <td style="text-align: right;">1,48,750</td> </tr> <tr> <td>Plant</td> <td style="text-align: right;">30,000</td> </tr> <tr> <td>Direct expenses</td> <td style="text-align: right;">6,334</td> </tr> <tr> <td>Establishments charges</td> <td style="text-align: right;">8,252</td> </tr> <tr> <td>Materials returned to store</td> <td style="text-align: right;">1,098</td> </tr> <tr> <td>Work certified</td> <td style="text-align: right;">3,90,000</td> </tr> <tr> <td>Work uncertified</td> <td style="text-align: right;">9,000</td> </tr> <tr> <td>Material at site (31-12-2017)</td> <td style="text-align: right;">3,766</td> </tr> <tr> <td>Wages accrued (31-12-2017)</td> <td style="text-align: right;">48,00</td> </tr> <tr> <td>Direct expenses accrued (31-12-2017)</td> <td style="text-align: right;">480</td> </tr> <tr> <td>Value of plant (31-12-2017)</td> <td style="text-align: right;">22,000</td> </tr> </table> <p>The contract price was Rs. 5,00,000 and the cash received from the contractee was 80 % of the value of work certified</p>	Materials sent to site	Rs.1,70,698	Wages	1,48,750	Plant	30,000	Direct expenses	6,334	Establishments charges	8,252	Materials returned to store	1,098	Work certified	3,90,000	Work uncertified	9,000	Material at site (31-12-2017)	3,766	Wages accrued (31-12-2017)	48,00	Direct expenses accrued (31-12-2017)	480	Value of plant (31-12-2017)	22,000	(10)				
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5	<p>City departmental store has three departments: Vegetables, Fruits and Flowers. Following data is available with respect to each of the three departments.</p> <table style="width: 100%; margin-top: 10px;"> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: center;">Vegetables Dept. (Rs.)</th> <th style="text-align: center;">Fruits Dept. (Rs.)</th> <th style="text-align: center;">Flowers Dept. (Rs.)</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td style="text-align: right;">886,100</td> <td style="text-align: right;">775,700</td> <td style="text-align: right;">399,400</td> </tr> <tr> <td>Purchases</td> <td style="text-align: right;">599,900</td> <td style="text-align: right;">549,600</td> <td style="text-align: right;">280,500</td> </tr> <tr> <td>Opening Stock</td> <td style="text-align: right;">41,800</td> <td style="text-align: right;">38,000</td> <td style="text-align: right;">19,200</td> </tr> <tr> <td>Closing Stock</td> <td style="text-align: right;">35,400</td> <td style="text-align: right;">40,900</td> <td style="text-align: right;">20,500</td> </tr> <tr> <td>Salaries</td> <td style="text-align: right;">20,000</td> <td style="text-align: right;">12,000</td> <td style="text-align: right;">7,000</td> </tr> <tr> <td>Depreciation of Fixtures</td> <td style="text-align: right;">2,400</td> <td style="text-align: right;">2,000</td> <td style="text-align: right;">2,000</td> </tr> </tbody> </table> <p>Unallocated Expenses: Heating and lighting Rs. 18,000; Rent Rs. 12,000; Rates Rs. 6,000; Advertising Rs. 6,000; General Expenses Rs. 12,000. Heating and lighting, rent and rates are to be allocated in the ratio of 2: 2: 1 and advertising and general expenses are to be allocated equally among all three departments.</p> <p>Required: Prepare departmental trading and profit and loss Account of the three Departments separately.</p>	Particulars	Vegetables Dept. (Rs.)	Fruits Dept. (Rs.)	Flowers Dept. (Rs.)	Sales	886,100	775,700	399,400	Purchases	599,900	549,600	280,500	Opening Stock	41,800	38,000	19,200	Closing Stock	35,400	40,900	20,500	Salaries	20,000	12,000	7,000	Depreciation of Fixtures	2,400	2,000	2,000	(10)
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UNIVERSITY OF THE PUNJAB

Fourth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Auditing

TIME ALLOWED: 15 Mints.

Course Code: COMM-206 / COM-22360 Part - I (Compulsory) MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Please encircle the correct option. Each MCO carries 1 Mark. This Paper will be collected back after expiry of time limit mentioned above.

Q # 1 Encircle or Tick the best possible answer of the following:

(1x10=10)

1 Payments should be:

- A Authorized by chief accountant
- B Approved by internal creditor
- C Recorded in accounts/ cash department
- D Gone through all above steps

2 Good may be misappropriated when:

- A Receipt column is understated
- B Issue column is overstated
- C Balance column is under casted
- D All of above

3 Continues audit is also called:

- A Balance sheet audit
- B Running audit
- C Interim audit
- D Ad-hoc audit

4 End product of every audit is:

- A Income statement
- B Fund flow statement
- C Cash flow statement
- D Audit report

5 Audit covers the:

- A Examination of business accounts
- B Examination of business record
- C Examination of financial statement
- D All the above

6 The auditor is representative of:

- A Govt. Employee
- B Customer
- C Director
- D Shareholders

7 The investigator may be appointed by:

- A Shareholders
- B Owners
- C Creditors
- D All of the above

8 Contingent liabilities are shown in:

- A Balance sheet
- B Profit & loss account
- C Foot note attached to the balance sheet
- D None of the above

9 Current assets are shown in balance sheet at:

- A Cost price
- B Market price
- C Cost or market price whichever is higher
- D Cost or market price whichever is lower

10 A voucher may be:

- A Cash memo
- B An invoice
- C A bank receipt
- D All of the above



UNIVERSITY OF THE PUNJAB

Fourth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Auditing

TIME ALLOWED: 2 Hrs. & 45 Mints.

Course Code: COMM-206 / COM-22360 Part – II

MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q # 2 Write short notes on the following (5x4=20)

1. Working paper
2. Three benefits of audit program
3. Compensating error
4. Calling over
5. Verification

Answer the following questions. All questions carry equal marks (3x10=30)

- Q # 3 What points should be kept in mind by an auditor while examining the accounts of Insurance Companies?
- Q # 4 Elaborate the rights and duties of an auditor under Company Act 2017.
- Q # 5 Under what circumstances an auditor can be held liable for Misfeasance liability. Support your answer with relevant case law.



UNIVERSITY OF THE PUNJAB

Fourth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Cost Accounting

TIME ALLOWED: 15 Mints.

Course Code: COMM-207 / COM-22361 Part - I (Compulsory)

MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Please encircle the correct option. Each MCQ carries 1 Mark. This Paper will be collected back after expiry of time limit mentioned above.

Q # 1

(1x10=10)

1. What would conversion costs if costs of raw materials, direct labor costs, and manufacturing overhead costs Rs.80,000, Rs.50,000, and Rs.60,000, respectively?

- A. Rs.110,000
- B. Rs.130,000
- C. Rs.140,000
- D. Rs.190,000

2. If cost of sales is Rs. 90,000, income from sales Rs. 200,000 and operating expenses Rs. 100,000. What will be net result?

- A. Rs. 10,000 Profit
- B. Rs.10,000 Profits
- C. Rs 1,95,000 Profits
- D. Rs 1,95,000 Losses

3. Net Profit = Income - _____

- A. Expenses
- B. Assets
- C. Liabilities
- D. Capital

4. Which of the following Organization converts raw material into finished goods?

- A. Manufacturing concern
- B. Trading concern
- C. Merchandising concern
- D. Service concern

5. Cost of goods manufactured + opening finished goods – ending finished goods = _____?

- A. Cost of goods sold
- B. Fixed cost
- C. Prime cost
- D. Conversion cost

6. Factory Overhead cost includes:

- A. Marketing cost
- B. Factory rent
- C. Administrative cost
- D. All of the given

7. Under _____ system, a complete and continuous record of movement of each inventory item is maintained.

- A. Periodic
- B. Perpetual
- C. Average cost method
- D. None

8. A good Cost Accounting System is:

- A. If it computes estimated cost only
- B. If it enables management to increase productivity and rationalize cost structure
- C. If it cannot be reconciled with financial accounts
- D. None of the above

9. Which of the following is reported in production cost report?

- A. Marketing cost
- B. Cost charged to the department
- C. Administrative cost
- D. None

10. _____ part of cost of production report explains the units started, completed, still in process:

- A. Quantity schedule
- B. Cost accounted for as follow
- C. Cost charge to the department
- D. None



UNIVERSITY OF THE PUNJAB

Fourth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Sales Tax Custom and Federal Excise Duty

TIME ALLOWED: 15 Mints.

Course Code: COMM-208 / COM-22362 Part - I (Compulsory)

MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Please encircle the correct option. Each MCQ carries 1 Mark. This Paper will be collected back after expiry of time limit mentioned above.

Q.No.1

(1x10=10)

- 1 On 14th August 1947, Sales tax was a provincial subject , levied in the
 - a Province of Punjab and Sindh
 - b Provincially Administered Tribal Areas
 - c Federally Administered Tribal Areas
 - d Both (a) and (b)
- 2 On the 1st day of April 1948 Sales Tax was declared a Federal subject, levied in Pakistan through
 - A General Sales Tax Act, 1948
 - b India Sales Tax Act, 1935
 - c British Sales Tax Act, 1940
 - d None of the above.
- 3 Appellate Tribunal Inland revenue under Sales Tax Act, Consists of :
 - a Judicial members
 - b Accountant members
 - c Both (a) and (b)
 - d Technical members
- 4 Which one of the following does not appear to be an associate:
 - a Individual and its relatives
 - b AOP and its members
 - c Trust and its beneficiaries
 - d Employer and its employees
- 5 Under the provisions of the Sales Tax Act, 1990, and rules made there under excess of input tax over output tax, for any period can be:
 - a Carried forward indefinitely
 - b Cannot be carried forward
 - c Carried forward to 6 months
 - d Carried forward to 3 month
- 6 The Uniform Sales Tax rate applicable in case of un-registered person under the Sales Tax Act, 1990 is
 - a 17% plus 2 %
 - b 18% plus 2 %
 - c 17 % plus 1 %
 - d 19 % plus 2 %
- 7 Federal Excise Act, 2005 contains:
 - a 41 Sections and 3 Schedules
 - b 45 Sections and 4 Schedules
 - c 48 Sections and 3 Schedules
 - d 50 Sections and 4 Schedules
- 8 Goods on which duty is collectable under the Sales Tax mode entitlement for adjustment with Sales Tax are mentioned :
 - a First Schedule
 - b Second Schedule
 - c Third Schedule
 - d Fourth Schedule
- 9 Exemptions, levy and repayment of customs duties are available under:
 - a First Schedule
 - b Second & third Schedules
 - c Fourth and fifth schedules
 - d Both (a) and (b)
- 10 Customs Act, 1969 is amended through Finance Act/ordinance for every :
 - a 3 months
 - b 6 months
 - c 9 months
 - d One year



UNIVERSITY OF THE PUNJAB

Fourth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Sales Tax Custom and Federal Excise Duty
Course Code: COMM-208 / COM-22362 Part - II

TIME ALLOWED: 2 Hrs. & 45 Mints.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

- Q.No.2 Define the following terms under the Sales Tax Act, 1990 (5x 4 =20)
- (a) Supply
 - (b) Taxable Activity
 - (c) Tax Invoice
 - (d) Tier-1 Retailers
 - (e) Time of Supply
- Q.No.3 What are the requirements relating to registration of persons under Sales Tax Act, 1990 (10)
- Q.No.4 Discuss the documents required for Custom Duty (10)
- Q.No.5 Mr. Usman Ali is engaged in manufacturing business. He is registered with sales tax as manufacturer. Data regarding his business during June 2018 is given below. During the period Mr. Usman Ali makes some transaction, of purchases and supplies, on credit basis. (10)

Sales to registered persons	Rs. 40,00,000
Supplies to public sector organization	10,00,000
Sales to non-registered persons (including the amount of sales tax)	200,000
Zero-rated supplies	180,000
Supplies made for personal use (including the amount of sales tax)	500,000
Supplies donated to charitable institutions	130,000
Taxable purchases from registered persons (on credit basis)	600,000
Purchases from wholesaler	100,000
Purchase office equipments	300,000
Purchase of items supplies in the ninth schedule	90,000
Acquisition of fixed assets from registered persons (Fixed assets put into operation during July 2018)	12,00,000
Debit notes issued for taxable purchases	125,000
Sales tax debit	50,000
Input Tax amounting to Rs. 77,500 was paid in May 2018 but inadvertently not claimed In the return for May 2018.	

Required:

Compute the sales tax liability for the month of June 2018.



Attempt this Paper on this Question Sheet only.

OBJECTIVE TYPE

Note: Attempt ALL questions.

Q. 1 ENCIRCLE THE CORRECT ANSWER:

1. The ability to think and to conceptualize about abstract and complex situation is called:
 - A. Human skills
 - B. Technical skills
 - C. Conceptual skills
 - D. Controlling skills
2. Who gave the idea of job specialization?
 - A. Adam Smith
 - B. Henri Fayol
 - C. Winslow Taylor
 - D. Max Weber
3. Who is called "Father of Scientific Management"?
 - A. Adam Smith
 - B. Henry Fayol
 - C. Gilberth
 - D. F.W. Taylor
4. The view of management in which manager has all the powers and liable for company's success and failure:
 - A. Symbolic view
 - B. Controversial view
 - C. Cultural view
 - D. Omnipotent view
5. _____ is a statement of purpose of an organization:
 - A. Vision
 - B. Mission
 - C. Strategies
 - D. All of above
6. _____ is the breakdown of jobs into narrow and repetitive tasks.
 - E. Division of labor
 - F. Specialization
 - G. Both a & b
 - H. None of the above
7. _____ is not one of the Mintzberg's management roles.
 - E. Interpersonal roles
 - F. Communication roles
 - G. Informational roles
 - H. Decisional roles
8. Choice between two alternatives is called _____.
 - E. Problem statement
 - F. Decision
 - G. Intituton
 - H. All of above
9. A formal group of employees who operate without a manager and are responsible for a complete work process or segment is called _____.
 - A. Problem solving team
 - B. Cross functional team
 - C. Self managed team
 - D. Virtual team
10. Communication that flows down from a manager to employees is:
 - A. Lateral communication
 - B. Upward communication
 - C. Downward communication
 - D. None of the above



UNIVERSITY OF THE PUNJAB

Fifth Semester 2018
Examination: B.S. 4 Years Programme

Roll No.

PAPER: Business Management
Course Code: COMM-301

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

SUBJECTIVE TYPE

Q. 2 Give Short answers:

(10×2=20)

1. Differentiate between efficiency and effectiveness.
2. List down various types of plans.
3. Explain theory of scientific management.
4. How employees learn culture?
5. Differentiate between symbolic and omnipotent view of manager?
6. Define Management by Walking Around.
7. What do you mean by Cost Leadership Strategy?
8. List down Katz's essential managerial skills
9. What is by MBO?
10. What is control process?

Q.3 Why is contingency approach is important? Discuss the popular contingency variables.

(10)

Q.4 What is decision? Write a note on decision making process.

(10)

Q.5 Write a detailed note on Maslow's hierarchy of need theory.

(10)



UNIVERSITY OF THE PUNJAB

Roll No.

Fifth Semester 2018

Examination: B.S. 4 Years Programme

PAPER: Entrepreneurship (Commerce)

TIME ALLOWED: 30 mins.

Course Code: COMM-302

MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

OBJECTIVE TYPE

Q1. Choose the correct answer.

(10X1=10)

1. _____ is the difference between the cost of product or service and its selling price.
 - a. Mark up
 - b. Cost
 - c. Contribution margin
 - d. All of above
2. A solid marketing plan should:
 - a. Determine customer needs and wants through market research
 - b. Analyze the firm's competitive advantage
 - c. Create a marketing mix that that meets customer needs and wants
 - d. All of above
3. _____ financing is raising money by selling part of the ownership of the business to investors.
 - a. Debt
 - b. Equity
 - c. Venture capitalist
 - d. Public offering
4. Exit strategies cover:
 - a. A straight business sale
 - b. A business sale with an agreement for the founder to stay on
 - c. Restructuring the company
 - d. All of these
5. Of the following, which one is not considered a key component of a business plan?
 - a. Sources of funding
 - b. Market trend analysis
 - c. Methods for dissolution of the organization
 - d. Description of products or services
 - e. Expansion plans
6. _____ is the result of a disciplined, systematic process of applying creativity and innovation to needs and opportunities in the marketplace.
 - a. Creativity
 - b. Entrepreneurship
 - c. Women entrepreneurship
 - d. All of these

P.T.O.

7. The entrepreneur who is committed to the entrepreneurial effort because it makes good business sense is classified as a/an _____.
- a. Inventor
 - b. Opportunist
 - c. Hacker
 - d. Craftsman
8. A preconceived idea of what the world is, what it should be and how it should be is
- a. Creativity
 - b. Innovation
 - c. Paradigm
 - d. All of these
9. For small business owners, one of the most important objective is _____.
- a. Market presence
 - b. Growth
 - c. Profitability
 - d. Adaptability
 - e. Innovation
10. The ability to apply creative solutions to problems and opportunities to enrich people's lives is:
- a. Creativity
 - b. Innovation
 - c. Idea
 - d. Both a & b



UNIVERSITY OF THE PUNJAB

Fifth Semester 2018
Examination: B.S. 4 Years Programme

Roll No.

PAPER: Entrepreneurship (Commerce)
Course Code: COMM-302

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

SUBJECTIVE TYPE

Q2. Give short answers.

(10X2=20)

1. What are the major benefits of entrepreneurship?
2. Explain the difference between creativity and innovation?
3. How paradigms influence creativity?
4. Briefly summarize steps of strategic management process?
5. How marketing mix of a trading and services business differ?
6. Explain difference between creativity and innovation with an example?
7. Define business angels and venture capital?
8. Differentiate between market penetration and market skimming pricing strategies?
9. What is SWOT analysis?
10. Define guerrilla marketing?

Q3. Long Question

(15×2=30)

- Q1. Outline the basic principles of managing a small firm's receivables, payables and inventory?
- Q2. How Michael Porter Five Forces model help in identifying attractiveness of a market?



Attempt this Paper on this Question Sheet only.

OBJECTIVE TYPE

Q1. Choose the correct answer

(1X10=10)

1. It is the act of obtaining a desired product by offering something in return:
 - A. Exchange
 - B. need
 - C. demand
 - D. value

2. Domestic controllable elements that constitute a marketer's decision area do not include.
 - A. Price
 - B. Product
 - C. Political Forces
 - D. Place

3. The technique of identifying distinct groups of buyers who might require different marketing mix or separate products is called:
 - A. Market target
 - B. Market positioning
 - C. Market segmentation
 - D. None

4. One of the following is not the part of promotion mix:
 - A. Sales
 - B. Product
 - C. Place
 - D. Price

5. It is the process of understanding, creating, and delivering profitable value to targeted customers better than competitors and is called:
 - A. Satisfaction
 - B. Marketing
 - C. Marketing Planning
 - D. Marketing Process

6. Any paid form of non-personal communication from identified sponsor is called.
 - A. Advertising
 - B. Direct Marketing
 - C. Public Relations
 - D. Personal Selling

7. In domestic environment uncontrollable elements include except.
 - A. Competitive Structure
 - B. Legal Forces
 - C. Economic Climate
 - D. Promotion

8. It is the stage of product life cycle that focuses in expanding market and creating product awareness and trail:
 - A. Maturity stage
 - B. Decline stage
 - C. Introduction stage
 - D. Growth stage

9. Balancing of Customer's want satisfaction, Society's well-being and Company's profits while setting marketing policies refer to the concept of: A. Policy
 - A. Societal Marketing
 - B. Production
 - C. Marketing
 - D. Product

10. A state of felt deprivation of some basic satisfaction (Food, Clothing, Shelter, and Belonging etc.) is called:
 - A. Want
 - B. Need
 - C. Demand
 - D. Value



UNIVERSITY OF THE PUNJAB

Fifth Semester 2018
Examination: B.S. 4 Years Programme

Roll No.

PAPER: Principles of Marketing
Course Code: COMM-304

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

SUBJECTIVE TYPE

Q2. Give short answers.

(10x2 = 20)

1. Explain Societal Marketing Orientation stage?
2. State difference between marketing and retailing?
3. Explain the concept of behavioral segmentation?
4. What is Marketing Information System?
5. What are advantages of retailer as middleman?
6. Briefly state stages of PLC?
7. Explain demography as external non-controllable macro- environment?
8. Briefly explain value added by distribution channels?
9. State difference between price skimming and price penetration strategies?
10. Explain the importance of wholesaler in marketing?

Q3. Give answers of the following questions

(3X10 = 30)

- Q.1 Define segmentation. Also state the various methods of consumer segmentation?
- Q.2 State the elements micro environment. How these elements affect marketing decisions?
- Q.3 Explain the elements of promotion mix?



Attempt this Paper on this Question Sheet only.

OBJECTIVE TYPE

Q1. Choose the correct answer.

(10*1=10 Marks)

1. If the instrument is measuring the same which it intends to measure then it is called?
 - a. Reliable
 - b. Valid
 - c. Replicable
 - d. Both a and c

2. A small scale exploratory research technique that uses sampling but does not apply rigorous standards and include information of a limited number of occurrences.
 - a. Case study
 - b. Experience survey
 - c. Secondary data analysis
 - d. Pilot study

3. The studies in which the researcher study the phenomenon at more than one point in time.
 - a. Cross sectional study
 - b. Longitudinal study
 - c. Panel study
 - d. Both b and c

4. The research done to solve current problem is called:
 - a. Basic research
 - b. Reporting research
 - c. Applied research
 - d. Predictive research

5. Scale used to tap preferences between two or among more objects or items.
 - a. Rating scale
 - b. Ranking scale
 - c. Ratio scale
 - d. Likert scale

6. The type of reasoning in which researcher go from specific to general is:
 - a. Deductive
 - b. Inductive
 - c. Deductive-Inductive
 - d. None

7. Sources of primary data collection are:
 - a. Individual, focus groups
 - b. Government publications, internet
 - c. Interviews, questionnaire survey
 - d. Both a and c

8. The questioning technique that starts from general and go towards more specific one is:
 - a. Pyramid technique
 - b. Funneling technique
 - c. Unbiased technique
 - d. Rephrasing technique

9. A scale that measures both the direction and intensity of the attributes of a concept:
 - a. Staple scale
 - b. Dichotomous scale
 - c. Likert scale
 - d. Constant sum rating scale

10. The artificial study setting is known as:
 - a. Natural study setting
 - b. Contrived study setting
 - c. Non-contrived study setting
 - d. Both a and b



UNIVERSITY OF THE PUNJAB

Fifth Semester 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Research Methods in Business

TIME ALLOWED: 2 hrs. & 30 mins.

Course Code: COMM-305

MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

SUBJECTIVE TYPE

Answer all the questions.

Q2. Give short answers to the following questions. Be brief in providing answers.

(10*2=20)

1. Define scientific research.
2. Distinguish between applied and basic research.
3. Define Nonprobability sampling
4. What steps are to be followed during an interview in order to avoid biases during the interview?
5. Write down two advantages and two disadvantages of the external researcher.
6. Differentiate Likert and Dichotomous scale?
7. Explain the pyramid technique of questioning.
8. Differentiate Null and Alternate Hypothesis.
9. What is meant by unstructured interview?
10. Differentiate between static and dynamic panel.

LONG QUESTIONS

(10*3=30)

Q3. Write a detailed note on sampling and its types.

Q4. Describe hypothetico- deductive method in detail?

Q5. Explain various types of data collection methods in research.



Attempt this Paper on this Question Sheet only.

Part-I

Objective Type

Q.1 Tick the appropriate option only. (MCQS) (10)

- i. Interpersonal skills include:
i) strangeness ii) similarity iii) self awareness iv) common sense
- ii. Interpersonal means:
i) self ii) others iii) within relatives iv) with other persons
- iii. Managers of organizations need to maintain:
i) relations ii) communication iii) time iv) stress
- iv. Stress management means:
i) ignore issues ii) emotionally attach iii) under pressure iv) act well under pressure
- v. Employees in an organization work committed, if the manager is:
i) trustworthy ii) loving iii) irregular iv) hardworking
- vi. Paralanguage means:
i) spiritual communication ii) fanciful talk iii) vocal qualities iv) touch
- vii. Kinesics means:
i) distancing ii) keeping right distance iii) body language iv) verbal expressions
- viii. Proxemics is:
i) distancing ii) keeping right distances iii) coming close iv) religious practice
- ix. Negotiation is:
i) come to agreement ii) achieving mutual targets iii) bitter discussion iv) caring
- x. Role playing in group means:
i) working on given tasks ii) fighting with each other iii) combined effort iv) unique



UNIVERSITY OF THE PUNJAB

Fifth Semester 2018
Examination: B.S. 4 Years Programme

Roll No.

PAPER: Interpersonal Skills
Course Code: COMM-303

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Part-II

Subjective Type

Section-II

Q-2 Give short answers to the following questions: 5x4 (20)

- i) Name the ways to develop Self-awareness with their definitions.
- ii) Discuss briefly the components of Trust.
- iii) What are the Fears associated with Self disclosure?
- iv) Differentiate the role of Emotional Intelligence with the Intelligence Quotient.
- v) What is Assertive communication?

Section-III

Q-3 Answer all the following questions briefly. 15x2 (30)

- (i) Write down in detail the need of establishing goals and identifying values applied in the organizations while setting targets.
- (ii) Describe in detail Developmental Stages of Teams for effective results.



UNIVERSITY OF THE PUNJAB

Sixth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Financial Management (Commerce)
Course Code: COMM-306 Part – II

TIME ALLOWED: 2 Hrs. & 45 Mints.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q2: GIVE SHORT ANSWERS TO THE FOLLOWING QUESTIONS. (10*2=20)

1. What is meant by acid test ratio?
2. Differentiate between primary and secondary market.
3. Define cash conversion cycle.
4. Explain how the shareholder's wealth maximization is the goal of the firm?
5. Why cash budgets are prepared?
6. Define agency problems, and describe how they give rise to agency costs.
7. Differentiate accrual basis and cash basis.
8. Define float.
9. Define perpetuity.
10. List down five c's of credit.

Numerical Questions (10 X 3 = 30 marks)

Q3 Ms. Hira while vacationing in Murree saw the house of her dreams. On inquiring, the sale price of the house was presently found to be Rs. 20 million. Hira, who is 40 years old plans to work until the age of 55 and after that she wants to shift to this house. She believes that she can earn an annual rate of 8% on her investments and use the money to buy the house on her retirement. For this purpose she has planned to make equal annual end of year payments into her bank account for the next 15 years.

Required:

- i. If inflation is expected to be 4% annually, what would hira's dream house cost on her retirement?
How much must Ms. Hira invest in her account each year for the next 15 years in order to be able to buy the house?

Q .4. Mexes ltd. makes use of 2880 units of their product each year on a continuous basis. The product generates a cost of Rs. 45 per order and has a further carrying cost of Rs. 4 per unit each year. The terms with the supplier are good so he delivers the shipment within 6 days of placing the order. The firm has plans to hold 5 days of stock as reserve in times of contingencies. (Use a 360 day year)

Required:

- i. Calculate the EOQ units
- ii. Calculate the quantity of the safety stock
- iii. Determine the Re-order level

(P.T.O.)

Q.No.5.The financial statements of Zach Industries for the year ended December 31, 2016, follow. (30 marks)

**Zach Industries Income Statement
For the Year Ended December 31, 2016**

Sales revenue	\$ 160,000
Less Cost of goods sold	<u>106,000</u>
Gross profit	54,000
Less operating expenses	<u>37,000</u>
Operating profit	17,000
Less interest expense	<u>6,100</u>
Net profit before taxes	10,900
Less taxes	<u>4,360</u>
Net profit after taxes	6,540

Zach Industries Balance Sheet December 31, 2016

Assets		Liabilities and Stockholders' Equity	
Cash	\$500	Accounts payable	\$22,000
Marketable securities	1,000	Notes Payable	<u>47,000</u>
Accounts Receivable	25,000	Total Current Liabilities	<u>69,000</u>
Inventories	<u>45,500</u>	Long term debt	<u>22,950</u>
Total Current Assets	<u>72,000</u>	Total Liabilities	<u>91,950</u>
Land	26,000	Common stock	31,500
Building and equipment (net)	<u>52,000</u>	Retained earnings	<u>26,550</u>
Total assets	<u>150,000</u>	Total liabilities and Stockholder's equity	<u>150,000</u>

<u>Ratios</u>	Industry Average	Actual 2015	Actual 2016
Current ratio	1.80	1.75	-----
Quick ratio	0.70	0.75	-----
Inventory turnover	2.50	2.60	-----
Average collection period	37	30	-----
Debt ratio	65%	67%	-----
Interest coverage ratio	3.5	4	-----
Gross profit margin	40%	42%	-----
Net profit margin	3.5%	3.6%	-----
Return on total assets	4%	4%	-----
Return on common equity	9%	8%	-----
Market / book ratio	1.1	1.2	-----

Assume 365 days in a year; number of shares outstanding 3,000 and market price on December 31, 2016, \$25 per share.

Required:

Part (a) Use the preceding financial statements to complete the above table. Assume the industry averages given in the table are applicable for both 2015 and 2016.

Part (b) Analyze Zach Industries' financial condition as it is related to (1) liquidity, (2) activity, (3) debt, (4) profitability, and (5) market. Summarize the company's overall financial condition.



UNIVERSITY OF THE PUNJAB

Sixth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Financial Management (Commerce)
Course Code: COMM-306 Part – I (Compulsory)

TIME ALLOWED: 15 Mints.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Please encircle the correct option. Each MCQ carries 1 Mark. This Paper will be collected back after expiry of time limit mentioned above.

Q1. ENCIRCLE THE RIGHT ANSWER.

(1x10=10)

1) In Net Profit Ratio, the denominator is:

- (a) Net Purchases,
- (b) Net Sales,
- (c) Credit Sales,
- (d) Cost of goods sold

2) Which of the following is not shown in Cash Budget?

- (a) Proposed Issue of Capital,
- (b) Loan Repayment,
- (c) Interest on loan,
- (d) Depreciation

3) 5Cs of the credit does not include

- (a) Collateral,
- (b) Character,
- (c) Conditions,
- (d) None of the above.

4) Ageing schedule incorporates the relationship between

- (a) Creditors and Days Outstanding,
- (b) Debtors and Days Outstanding,
- (c) Average Age of Directors,
- (d) Average Age of All Employees.

5) Cash Discount term 3/15, net 40 means

- (a) 3% Discount if payment in 15 days, otherwise full payment in 40 days,
- (b) 15% Discount if payment in 3 days, otherwise full payment 40 days,
- (c) 3% Interest if payment made in 40 days and 15% interest thereafter
- (d) None of the above.

(P.T.O.)



UNIVERSITY OF THE PUNJAB

Sixth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Banking Law and Practice

TIME ALLOWED: 2 Hrs. & 45 Mints.

Course Code: COMM-307 Part – II

MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q.2 Short Questions

(2x10=20)

- i. What is meant by bank notes?
- ii. Who is the customer of the bank?
- iii. Differentiate between dividend and interest warrants?
- iv. What is discounting of bills?
- v. What do you understand by postal order?
- vi. What are the rights of bankers against borrower?
- vii. What is modarba financing?
- viii. Describe loans (term finance)?
- ix. Define banking mohtasib and his responsibilities?
- x. What is higher-purchase and leasing finance?

Q.3 Long Questions

(3x10=30)

- i. Explain banking company's ordinance 1962?
- ii. Explain negotiable instruments?
- iii. What are the various forms of lending?



UNIVERSITY OF THE PUNJAB

Sixth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Banking Law and Practice

TIME ALLOWED: 15 Mints.

Course Code: COMM-307 Part – I (Compulsory)

MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Please encircle the correct option. Each MCQ carries 1 Mark. This Paper will be collected back after expiry of time limit mentioned above.

Q.1 MULTIPLE CHOICE QUESTIONS

(1x10=10)

- 1) Dividend warrants are:
 - a) Cash
 - b) a kind
 - c) A draft
 - d) all of these
- 2) SBP Act 1956 has:
 - a) 55 sections
 - b) 66 sections
 - c) 77 sections
 - d) 88 sections
- 3) In PLS account, profit or loss is determined & distributed after:
 - a) 3 months
 - b) 6 months
 - c) 9 months
 - d) 1 year
- 4) State bank of Pakistan was established on:
 - a) 1st July 1948
 - b) 15 August 1948
 - c) 11 September 1948
 - d) 5 December 1948
- 5) Prime securities are deposited by:
 - a) By the third party
 - b) by the bank
 - c) By the borrowers
 - d) all of these
- 6) Can a bank can act as Mudarba company:
 - a) Yes
 - b) no
 - c) With the permission of SBP
 - d) none of these
- 7) Travelers cheques are issued for:
 - a) import of goods
 - b) medical treatment abroad
 - c) education abroad
 - d) all of these
- 8) Postal orders are issued by:
 - a) state bank
 - b) any bank
 - c) post office
 - d) none of these
- 9) Negotiable instrument act was passed in:
 - a) 1880
 - b) 1881
 - c) 1882
 - d) 1885
- 10) A bank can collect negotiable instruments on behalf of the customers
 - a) Yes
 - b) no
 - c) Sometimes
 - d) none of these



UNIVERSITY OF THE PUNJAB

Sixth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Islamic Principles of Business & Finance
Course Code: COMM-308 Part – II

TIME ALLOWED: 2 Hrs. & 45 Mints.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q.No.2. Briefly explain the followings (3-4 lines only) (10x2=20 Marks).

- i. Underwriting
- ii. Islamic Economics
- iii. Takaful
- iv. Salam and Parallel Salam
- v. Wakala
- vi. Sukuk
- vii. Diminishing Musharka
- viii. Differentiate between Bai Salam & Bai Murabah
- ix. Discuss Gharar as prohibition in Islamic Sharia
- x. List any four sources of Islamic law

Q.No.3. Provide brief answer to the followings (3x10=30 Marks).

- i. What are the issues and challenges for Islamic banking in modern age.
- ii. Why "Riba" is prohibited in Islam, discuss in detail.
- iii. Explain modern uses of Ijara



UNIVERSITY OF THE PUNJAB

Sixth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Islamic Principles of Business & Finance

TIME ALLOWED: 15 Mints.

Course Code: COMM-308 Part – I (Compulsory)

MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Please encircle the correct option. Each MCQ carries 1 Mark. This Paper will be collected back after expiry of time limit mentioned above.

Q.No.1. Encircle the appropriate option out of given choices (10x1=10 Marks)

- i. Social system, where all the resources are in the hand of government
 - a. Capitalism
 - b. Socialism
 - c. Islamic Society
 - d. Mixed economy
- ii. The Islamic finance philosophy is
 - a. Concentration of wealth
 - b. Distribution of wealth
 - c. Both
 - d. None
- iii. Additional amount paid or payable on debts is known as
 - a. Bai
 - b. Riba
 - c. Hiba
 - d. Maiser
- iv. Contract of advance payment with deferred delivery is called
 - a. Bai Salam
 - b. Bai Muajjal
 - c. Bai Murabaha
 - d. Bai Musawamah
- v. Insurance related products are offered in
 - a. Sukuk
 - b. Takaful
 - c. Salam
 - d. Istisnaa
- vi. A contract wherein the price was paid later and goods to be delivered in advance is called
 - a. Murabaha
 - b. Salam
 - c. Musawamah
 - d. Ijara
- vii. Riba which deals with time value factor is known
 - a. Riba Al Nashihya
 - b. Riba Al Fadle
 - c. Both
 - d. None
- viii. Medium and long term project based financing instruments in Islamic finance
 - a. Tabarru
 - b. Sukuk
 - c. Wakala
 - d. Takaful
- ix. Leasing related products in Islamic finance
 - a. Takaful
 - b. Wakala
 - c. Ijara
 - d. Sukuk
- x. A trade agreement where the price is settled without disclosing cost price through negotiation
 - a. Bai Murabaha
 - b. Ijara
 - c. Bai Musawama
 - d. Bai Salam



UNIVERSITY OF THE PUNJAB

Sixth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Logic & Critical Thinking (Commerce)
Course Code: COMM-309 Part – II

TIME ALLOWED: 2 Hrs. & 45 Mints.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q2 Questions with Short Answers

Differentiate between the following terms.

(2.5x8=20)

- Logic and Reason
- Thinking and Critical Thinking
- Validity and Invalidity
- False Analogy and False Cause
- Conjunction and disjunction
- Strong and Weak Disjunction
- Necessary and sufficient conditions
- Antecedent and consequent
- Formal and informal fallacy

Q3. Use truth table to prove the validity of the following arguments. Justify your answer (10)

a) $P \supset Q$
 $P \wedge \neg Q$

b) $P \supset Q$
 $Q \supset R$
 $\wedge P \supset R$

Q4) Explain various kinds of Definition with at least one example each. (10)

Q5) What is a fallacy of Presumption? Discuss at least Three Fallacies of Presumption. (10)



UNIVERSITY OF THE PUNJAB

Sixth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Logic & Critical Thinking (Commerce)

TIME ALLOWED: 15 Mints.

Course Code: COMM-309 Part – I (Compulsory)

MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Please encircle the correct option. Each MCO carries 1 Mark. This Paper will be collected back after expiry of time limit mentioned above.

Q1. Multiple Choice Question

- A) An argument consists of premises and a _____.
1. Conclusion
 2. Contradiction
 3. Contingent
 4. Comment
- B) Which one of the following is a premise indicator?
1. Consequently
 2. Therefore
 3. Thus
 4. For
- C) Which one of the following is always a True proposition?
1. Tautology
 2. Contingent
 3. Contradictory
 4. None of the above
- D) The deductive argument is intended to provide:
1. Valid support for its conclusion
 2. Probable support for its conclusion
 3. Truth preserving support for its conclusion
 4. Conclusive support for its conclusion
- E) When two statements are combined with the word "BUT" then the resultant proposition is known as
1. Disjunction
 2. Conjunction
 3. Antecedent
 4. Consequent
- F) An argument that is logically and factually correct is known as
1. Strong Argument
 2. Sound Argument
 3. Weak Argument
 4. Competing argument
- G) Every categorical syllogism contains exactly _____ propositions
1. One
 2. Two
 3. Three
 4. Four
- H) In a proposition "P is the necessary condition for proposition Q". What Q is called
1. Antecedent
 2. Consequent
 3. Cause
 4. Effect
- I) A formal fallacy that is committed when the middle term in a categorical syllogism is not distributed in either the minor premise or the major premise. The fallacy is known as
1. Undistributed Middle
 2. Distributed Middle
 3. Predicate Middle
 4. Subject Middle
- J) Converse of "Some S are P" is
1. ALL P are S
 2. NO P are S
 3. Some P are S
 4. Some P are not S



UNIVERSITY OF THE PUNJAB

Sixth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Organizational Behavior

TIME ALLOWED: 2 Hrs. & 45 Mints.

Course Code: COMM-310 Part – II

MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q-2 Answer the following short Questions.

(10*2 = 20)

1. What is difference between intellectual abilities and physical abilities?
2. Define Values.
3. Who are extroverts and extroverts?
4. What does mean by locus of control?
5. Define organizational behavior?
6. What is anthropology?
7. What are the determinants of job satisfaction?
8. What are the main management functions?
9. What is learning?
10. Define equity theory

Long Questions:

(3*10 = 30)

Q-3 Differentiate planned and unplanned change. Elaborate four main approaches to manage organizational change.

Q-4 Define 'Organizational Behavior' and explain major behavioral disciplines that contribute to OB.

Q-5 Define "Personality". Briefly explain key traits in Big Five personality model



UNIVERSITY OF THE PUNJAB

Sixth Semester - 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Organizational Behavior

TIME ALLOWED: 15 Mints.

Course Code: COMM-310 Part – I (Compulsory)

MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Please encircle the correct option. Each MCQ carries 1 Mark. This Paper will be collected back after expiry of time limit mentioned above.

Q-1 Encircle Correct Answer.

(10x1=10)

1. Which of the following is a form of recognition?
 - a) Personal congratulations
 - b) Job enlargement
 - c) Job sharing
 - d) Flexible benefit packages
2. The problem solving process begins with
 - a) Clarification of the situation
 - b) Establishment of alternatives
 - c) Identification of the difficulty
 - d) Isolation of the cause
3. Forces which are affecting organizational behavior are
 - a) People
 - b) Environment
 - c) Technology
 - d) All of above
4. _____ focuses on how to set goals for people to reach
 - a) Equity Theory
 - b) Expectancy Theory
 - c) Goal Attain Theory
 - d) Goal Setting Theory
5. OB does not contribute to improve
 - a) Motivation
 - b) Interpersonal relations
 - c) Efficacy
 - d) Communication
6. _____ forms of conflict support the goals of the group and improve its performance
 - a) Dysfunctional
 - b) Functional
 - c) Concordant
 - d) Relationship
7. Which of the following is not one of the types of attitude?
 - a) Job Involvement
 - b) Job Satisfaction
 - c) Organizational Commitment
 - d) Organizational Behavior
8. Which of the following theory is known as social cognitive theory or social learning theory?
 - a) Self-Efficacy
 - b) Reinforcement
 - c) Goal Setting
 - d) Cognitive Evaluation
9. Organizational objectives can be achieved by
 - a) Group Work
 - b) Hierarchy of Authority
 - c) Division of Labour
 - d) All of above
10. The social science discipline that focuses directly on understanding and predicting individual behavior is known as
 - a) Psychology
 - b) Sociology
 - c) Anthropology
 - d) Political Science



UNIVERSITY OF THE PUNJAB

Seventh Semester 2018
Examination: B.S. 4 Years Programme

Roll No.

PAPER: Corporate Law
Course Code: COMM-401

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Subjective Part

Q2. ANSWER THE SHORT QUESTIONS:

(2 x 10 = 20 MARKS)

- i. Define private company.
- ii. Can a promoter sue a company to recover expenses?
- iii. Explain the holding and subsidiary company.
- iv. What are the pre incorporation contracts?
- v. What is Table A?
- vi. What is the statement in lieu of prospectus?
- vii. Explain the liability clause of the memorandum of association?
- viii. Who is the subscriber of memorandum of association?
- ix. When it is said oppression exists in the company?
- x. Name the statutory restrictions on alteration of the articles of association.

Q3. ANSWER THE FOLLOWING LONG QUESTIONS:

(3 x 10 = 30 MARKS)

- i. Discuss in detail, legal principle laid down in the landmark case Salomon vs Salomon & Co. Ltd (1897) AC 22.
- ii. Explain the doctrine of indoor management. Discuss the circumstances under which doctrine of indoor management does not apply.
- iii. What is the meaning of allotment of shares? What are the rules of allotment of shares?



UNIVERSITY OF THE PUNJAB

Roll No.

Seventh Semester 2018
Examination: B.S. 4 Years Programme

PAPER: Corporate Law
Course Code: COMM-401

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Q1. MULTIPLE CHOICE QUESTIONS

(1x10 = 10 MARKS)

1. Which of the following may be the ground of winding up by court?
 - a) Oppression
 - b) Death of contributory.
 - c) Injunctive order of court
 - d) None of these

2. Proof of existence of company.
 - a) Articles of association
 - b) Memorandum of association
 - c) Prospectus
 - d) Certificate of incorporation.

3. A company wishes to raise fiancé by issuing new shares to existing share holders for an amount slightly less than the current market value is called issues of:
 - a) Bonus shares
 - b) Right shares
 - c) Shares at discount
 - d) At nominal value

4. Which of the following is entitled to file an application for winding up by court?
 - a) Share holders
 - b) company
 - c) Promoters
 - d) director.

5. If no specified time is mentioned the allotment of shares must be made within:
 - a) One week
 - b) One year
 - c) One month
 - d) Reasonable time

P.T.O.

6. A company having 60% shares of another company:
- a) Subsidiary company
 - b) holding company.
 - c) public company
 - d) private company.
7. Which of the following shall preside the general meeting of the company?
- a) Director holding 30% shares
 - b) Chairman Board of Directors
 - c) Member holding 50% shares
 - d) None of these.
8. Responsibilities of chief executive are defined by the:
- a) board of directors
 - b) shareholders
 - c) managing director
 - d) members
9. Company can obtain redeemable capital by issuing?
- a) sukuk
 - b) participation term certificate.
 - c) musharika certificate .
 - d) All of the above.
10. Shares of a public company are:
- a) Non transferable
 - b) freely transferable
 - c) non refundable
 - d) refundable



UNIVERSITY OF THE PUNJAB

Seventh Semester 2018
Examination: B.S. 4 Years Programme

Roll No.

PAPER: Human Resource Management
Course Code: COMM-402

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

SUBJECTIVE TYPE

Q-2 Answer the following short Questions.

(20)

- i. Define Controlling.
- ii. What is Job Design?
- iii. Describe benefits of online recruiting.
- iv. What is concurrent validity?
- v. Define On-the-Job Training.
- vi. What do you mean by Management by Objective?
- vii. What is external career?
- viii. Define Halo effect.
- ix. What is Job evaluation?
- x. What is internal search?

Long Questions:

- Q-3 Define Career. Give details about traditional career stages. (10)
- Q-4 Define Recruitment. Describe internal and external sources of recruiting. (10)
- Q-5 Describe the term *360-degree appraisal*. Give details about factors that can distort appraisal. (10)



UNIVERSITY OF THE PUNJAB

Roll No.

Seventh Semester 2018
Examination: B.S. 4 Years Programme

PAPER: Human Resource Management
Course Code: COMM-402

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

OBJECTIVE TYPE

Q-1 Encircle Correct Answer.

(10x1=10)

- 1) The basic functions of the management process include all of the following EXCEPT _____.
- a) Planning b) Organizing c) Outsourcing d) Leading
- 2- Which of the following provides a comprehensive view of both a firm's current situation and its goals for the next 3 to 5 years?
- a) SWOT analysis b) Business plan c) Value proposition d) Financial plan
- 3- Acquiring control of competitors in the same or similar markets with the same or similar products is known as _____.
- a) Market penetration b) Product development c) Vertical integration
d) Horizontal integration
- 4- How many steps are involved in the job analysis process?
- a) Two b) Four c) Six d) Eight
- 5- When using either a trend analysis or a ratio analysis, it is assumed that _____ will remain the same.
- a) Staffing levels b) Currency rates c) Economic forecasts d) Productivity levels
- 6- Which of the following is another term for an unstructured interview?
- a) Directive b) Nondirective c) Standardized d) Administrative
- 7- Which of the following terms refers to a procedure for providing new employees with basic background information about the firm?
- a) Recruitment b) Selection c) Orientation d) Development
- 8- The most popular method for ranking employees is the _____ method.
- a) Alternation ranking b) Graphic ranking scale
c) Constant sum ranking scale d) Paired comparison
- 9- Which of the following factors has the LEAST effect on the design of an organization's pay plan?
- a) Legal b) Union c) Company vision d) Company policy
- 10- Which of the following is categorized as an indirect payment portion of employee compensation?
- a) Wages b) Salaries c) Employer-paid insurance d) Commission



UNIVERSITY OF THE PUNJAB

Seventh Semester 2018
Examination: B.S. 4 Years Programme

Roll No.

PAPER: Insurance & Risk Management
Course Code: COMM-403

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Answer all the questions.

Q. 2 Give Short answers of the following questions:

(10×2=20)

- I. Differentiate between pure and speculative risk.
- II. Elaborate law of large number.
- III. What do you mean by hedging?
- IV. What is the difference between insurance and gambling?
- V. List down some of the costs of insurance to the society.
- VI. Define risk management.
- VII. What is the difference between active retention and passive retention?
- VIII. What do you mean by doctrine of waiver and estoppel?
- IX. What are the exceptions of principle of indemnity?
- X. What is endowment insurance?

Q.3 Briefly explain the methods of handling risk.

(10)

Q.4 Write a note on benefits of insurance to the society.

(10)

Q.5 What are the steps involved in risk management process. Explain them.

(10)



UNIVERSITY OF THE PUNJAB

Roll No.

Seventh Semester 2018
Examination: B.S. 4 Years Programme

PAPER: Insurance & Risk Management
Course Code: COMM-403

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Q. 1 ENCIRCLES THE CORRECT ANSWER:

1. Objective risk is also known as _____ :
 - A. Degree of risk
 - B. Frequency of risk
 - C. Severity of risk
 - D. None of the above

2. _____ is the condition that creates or increases the chances of loss:
 - A. Peril
 - B. Hazard
 - C. Insurance
 - D. Reinsurance

3. When an individual is consciously aware of the risk and deliberately retain all or part of it is:
 - A. Low level retention
 - B. High level retention
 - C. Active retention
 - D. Passive retention

4. When an individual is restored to his/her financial position prior to the occurrence of loss this state is known as _____
 - A. Rehabilitation
 - B. Indemnification
 - C. Identification of loss
 - D. Risk transfer

5. _____ is the spreading of loss incurred by few over a large number of people.
 - A. Pooling
 - B. Segregating
 - C. Forecasting
 - D. All of the above

6. _____ refers to the measure that reduces the severity of a loss.
 - A. Loss reduction
 - B. Loss prevention
 - C. Risk financing
 - D. Both A & B

7. The insured must be in the position to lose financially if covered loss occurs, is the principle of:
 - A. Indemnity
 - B. Subrogation
 - C. Insurable interest
 - D. Utmost good faith

P.T.O.

8. A _____ is a statement that becomes part of the insurance contract and is guaranteed by the maker to be true in all respects.

- A. Warranty
- B. Concealment
- C. Representation
- D. Exclusions

9. Which one of the following is the generic name of a non-participating policy?

- A. Current assumption whole life insurance
- B. Determinate premium whole life insurance
- C. Extendable premium whole life insurance
- D. Indeterminate premium whole life insurance

10. Which one of them is not the type of exclusion?

- A. Excluded perils
- B. Excluded hazards
- C. Excluded losses
- D. Excluded property



UNIVERSITY OF THE PUNJAB

Seventh Semester 2018
Examination: B.S. 4 Years Programme

Roll No.

PAPER: Managerial Economics
Course Code: COMM-404

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Question 2. Answer the following in 5 to 10 sentences each. Unnecessarily long answers will lead to negative marking. Maximum Marks: 20 (2 each)

- i. "Managerial Economics is economic s that is applied in decision making". Comment.
- ii. Maximize Total Revenue if $TR = 100Q - 10Q^2$
- iii. Describe any two methods of demand estimation.
- iv. Differentiate between individual demand function and market demand function.
- v. Differentiate between expansion of demand and increase in demand
- vi. What happens to production in the second stage of production? Why?
- vii. What is meant by decreasing returns to scale?
- viii. Explain any two characteristics of Monopolistic Competition.
- ix. What is the difference in short run and long run in Perfect competition?
- x. What is meant by Capital Budgeting?

Answer the following questions. Avoid unnecessary details. (Marks:10 Marks per question)

- Q 3. Explain the law of Variable Proportions? What are the stages of production? How is this concept relevant to managerial decision making?
- Q 4. What is Monopolistic Competition? Give example from real life. Discuss the long run equilibrium
- Q 5. Consider the following Demand Function and related information and answer the questions.

$$Q = 500 - 0.5P + 0.6I + 0.2P_s$$

Where Q = Quantity Demanded, P = Price and I = Income, P_s = Price of substitute

Let $P = 10$ and $I = 500$, $P_s = 8$

- a) Calculate the quantity demanded
- b) Calculate and interpret the price elasticity of demand at the given values
- c) Calculate and interpret the income elasticity of demand at the given values
- d) Calculate and interpret the cross elasticity of demand at the given values
- e) Is the good under consideration a normal good?



UNIVERSITY OF THE PUNJAB

Roll No.

Seventh Semester 2018
Examination: B.S. 4 Years Programme

PAPER: Managerial Economics
Course Code: COMM-404

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Question 1. *Encircle the best choice. More than one circle will be considered wrong answer. Cutting and overwriting is not allowed.* (Maximum Marks: 10, one each)

- i. Managerial economics is a field that
 - a. uses economic theory only
 - b. applies economic theory and the tools of decision science.
 - c. combines economic theory and mathematics.
 - d. None of the previous options
- ii. If $Z = X + Y + 5XY$, then the second order cross partial derivative Z_{xy} would be
 - a. $5Y$
 - b. 5
 - c. $5XY$
 - d. XY
- iii. The income Elasticity of demand for Normal goods is
 - a. Positive
 - b. negative
 - c. Negative and less than minus one
 - d. zero
- iv. If the demand for coffee decreases as income decreases, coffee is:
 - a. An inferior good.
 - b. A normal good.
 - c. A complementary good.
 - d. A substitute good.
- v. To increase the revenue in case demand is highly elastic, the price can be
 - a. decreased
 - b. Increased
 - c. Kept constant
 - d. negative

(P.T.O.)

vi. The best stage of production in the short run is the

- a. First Stage
- b. Second Stage
- c. Third Stage
- d. Both stage I and stage II

vii. A firm will shut down in the short run if

- a. $\text{loss} = \text{Fixed Cost}$
- b. $\text{AR} = \text{Fixed Cost}$
- c. $\text{AR} = \text{AC}$
- d. $\text{AR} > \text{AC}$

viii. A firm will shut down in the short run if

- a. $\text{loss} = \text{Fixed Cost}$
- b. $\text{AR} = \text{Fixed Cost}$
- c. $\text{AR} = \text{AC}$
- d. $\text{AR} > \text{AC}$

ix. Under Monopolistic Competition

- a. Products are identical
- b. There are few sellers
- c. Firms can enter and exit the market freely
- d. All of the above

x. All of the following influence capital budgeting cash flows EXCEPT:

- a. accelerated depreciation
- b. salvage value
- c. tax rate changes
- d. method of project financing used



UNIVERSITY OF THE PUNJAB

Seventh Semester 2018
Examination: B.S. 4 Years Programme

Roll No.

PAPER: Management Accounting
Course Code: COMM-405

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q # 2. Answers the following questions 10 x 2=20 Marks

1. Explain capital expenditure budget?
2. Define spending variance?
3. Define Differential cost?
4. Explain the margin of safety?
5. Define Opportunity cost?
6. Define cost centre?
7. What is standard costing?
8. Define cost of production report?
9. Explain Absorption costing method?
10. Explain activity based costing?

Q # 3. Rayon Rising Co. makes lawnmowers for sales. The company has standard model but also makes custom designed lawnmowers. Management has designed an Activity based costing system with the following activity cost pools and activity rates. (15 x 2= 30 Marks)

<u>Activity cost Pool</u>	<u>Activity Rate</u>
Order processing	Rs 568 per order
Supporting direct Labor Hours	Rs 52 per direct labor hour
Custom Design processing	Rs 372 per custom design
Customer service	Rs 758 per customer

Management would like an analysis of the profitability of a customer, Klumper Inc. which has ordered the following products over the last one year.

	<u>Standard Model</u>	<u>Custom design</u>
Number of Lawnmovers	40	6
Number of orders	2	6
Number of Custom designs	0	6
Direct Labor Hour per Lawnmover	52.70	56
Selling Price per Unit	Rs 3700	Rs. 4800
Direct material Cost Per Unit	Rs. 1128	1268

The company direct labor rate is \$ 39 per hour.

Requirement:

1. Using the company activity based costing system. Compute the customer margin of Klumper Inc.
2. Explain how Activity based Costing is different from traditional Costing.

Q # 4 The Marks sporting goods Shop present the following data for two types of sports gloves , leather and fabric for the 19A and 19B.

	<u>19A (Budgeted)</u>			<u>19B (Actual)</u>		
	<u>Units</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Units</u>	<u>Unit Price</u>	<u>Amount</u>
Sales:						
Leather sports Gloves	8000	Rs. 8.00	Rs. 64,000	12000	Rs 10.00	Rs. 120,000
Fabric sports Gloves	8000	Rs. 4.00	Rs. 32,000	20000	Rs. 6.00	Rs. 120,000
Cost of goods sold:						
Leather sports Gloves	8000	Rs. 6.00	Rs. 48,000	12000	Rs 9.00	Rs. 108,000
Fabric sports Gloves	8000	Rs. 3.00	Rs. 24,000	20000	Rs 5.00	Rs. 100,000

Required:

1. The price and volume variances for sales and cost.
2. The sales mix and final sales volume variances.



UNIVERSITY OF THE PUNJAB

Roll No.

Seventh Semester 2018

Examination: B.S. 4 Years Programme

PAPER: Management Accounting
Course Code: COMM-405

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Q # 1. Choose the correct answer.

(10X1=10)

1. Term used as a mean of assessing the difference between a predetermined amount and the actual amount:
 - A. Activity based costing
 - B. Investment appraisal
 - C. Variance analysis
 - D. Budgeting
2. If standard cost is higher than the actual cost the difference will be called
 - A. Unfavorable
 - B. Positive
 - C. Negative
 - D. Favorable
3. The formula for Labour rate variance is:
 - A. Standard hours less actual hours multiplied by standard wage
 - B. Standard wage rate less actual wage rate multiplied by actual hours
 - C. Standard wage rate less actual wage rate multiplied by standard hours
 - D. None of these
4. For sales variance analysis which of the following would be considerable factor
 - A. Volume variance
 - B. Mix variance
 - C. Selling price variance
 - D. All of these
5. Marginal costing also known as
 - A. Direct costing
 - B. Variable costing
 - C. A & B
 - D. None of these

(P.T.O.)

6. Prime cost when added with the factory overhead it is called:

- A. Total cost
- B. Conversion cost
- C. production
- D. None of these

7. Volume variance arise when

- A. There is rise in overhead rate per hour
- B. There is decline in overhead rate per hour
- C. There is decrease or increase in actual output compare to the budgeted output
- D. None of these

8. Breakeven point is one where a firm

- A. Earns maximum profit
- B. Earns minimum profit
- C. Earn no profit and suffer no loss
- D. All of these

9. When analyzing sales variance which of the following would not be an important factor:

- A. Volume variance
- B. Mix variance
- C. Recovery rate
- D. Selling price variance

10. Budget that involves estimates of anticipated cash receipts and disbursement for a period is known as:

- A. Flexible budget
- B. Cash budget
- C. Fixed period budget
- D. All of these



UNIVERSITY OF THE PUNJAB

Seventh Semester 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Corporate Finance (Finance Specialization)
Course Code: COMM-406

TIME ALLOWED: 2 hrs. & 30 mins.
MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

SHORT QUESTIONS [10×2=20 Marks]

Q.2 Give short answers to the following terms:

1. Corporate finance
2. Independent projects
3. Internal rate of return (IRR).
4. Differentiate between holding and subsidiary company
5. Capital Rationing
6. Residual theory of dividend
7. Financial leverage
8. Weighted average cost of capital
9. Zero coupon bond
10. Profitability index

LONG QUESTIONS [10×3=30 Marks]

Q.3 Imran Enterprises recently sold 100000 units at \$550 each; its variable costs are \$200 and its fixed operating costs are \$250000. Annual interest charges total \$90000 and the firm has 8000 shares of common stock outstanding. Assume that the firm is subject to a 40% tax rate.

- a) At what level of sales (in units) would the firm break even on operations?
- b) Calculate the firm's earnings per share at current level of sales.
- c) Calculate the firm's degree of operating leverage (DOL).

Q.4 Blue Chip Manufacturing is attempting to choose a project for expanding the firm's warehouse capacity. The relevant cash flows for the projects are shown in the following table:

Years	Cash flows
0	\$(40000)
1	20000
2	15000
3	15000
4	12000
5	9000

The firm's cost of capital is 16%.

Calculate Net present value (NPV), Profitability index (PI), and Internal rate of return (IRR), and comments on the acceptability of the project.

(P.T.O.)

Q.5 Gorge Corp. a supplier of fitness equipment is trying to decide whether to undertake and or all of the proposed projects in its investment opportunities schedule (IOS). The firm's cost of capital schedule and investment opportunities schedules follow:

Range of new financing	Sources	Weights	After tax cost
0 - \$600,000	Debt	50%	6.3%
	Preferred stock	10%	12.5%
	Common stock equity	40%	15.3%
\$600,000 - \$1,000,000	Debt	50%	6.3%
	Preferred stock	10%	12.5%
	Common stock equity	40%	16.4%
Above \$1,000,000	Debt	50%	7.8%
	Preferred stock	10%	12.5%
	Common stock equity	40%	16.4%

Investment Opportunities Schedule

Investment Opportunity	Internal rate of return	Cost (\$)
Project H	14.50%	200,000
Project G	13.00%	700,000
Project K	12.80%	500,000
Project M	11.40%	600,000

- a) Compute the cost of capital schedule by calculating the WACC and WMCC for the various ranges of new financing
- b) Identify those projects that you recommend that Gorge Corp. undertake in the next year
- c) Illustrate your recommendations by drawing a graph of Gorge's weighted average costs and investment opportunities
- d) Explain why certain projects are recommended and other (s) are not



UNIVERSITY OF THE PUNJAB

Roll No.

Seventh Semester 2018
Examination: B.S. 4 Years Programme

PAPER: Corporate Finance (Finance Specialization)
Course Code: COMM-406

TIME ALLOWED: 30 mins.
MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

MULTIPLE CHOICE QUESTIONS [10×1=10 Marks]

Q.1 Choose the correct answer from the following MCQ's questions.

1. The dividend paid in the form of shares is known as:
 - a) Stock dividend
 - b) Cash dividend
 - c) Property dividend
 - d) None of the above
2. If cost of capital increases the NPV of a project:
 - a) Also increases
 - b) Decreases
 - c) Remains constant
 - d) None of the above
3. When floatation cost increases, the cost of a particular source of financing:
 - a) Decreases
 - b) Increases
 - c) Remains constant
 - d) None of the above
4. In determining expected cash flows from a new investment project, which of the following is not considered:
 - a) Opportunity cost
 - b) Sales proceeds from old assets
 - c) Change in net working capital
 - d) Sunk cost
5. The period of time required for the cumulative expected cash flows from an investment project is equal to the initial cash outflow is:
 - a) Profitability index
 - b) Accounting rate of return
 - c) Payback period
 - d) None of the above
6. A discount rate which equates the present value of the expected cash flows with the initial cash outflow is:
 - a) Internal rate of return
 - b) Cost of capital
 - c) Sensitivity analysis
 - d) None of the above
7. Which of the following is used as an alternative of cost of capital?
 - a) Risk free rate of return
 - b) Required rate of return
 - c) Financial risk premium
 - d) None of the above
8. A quantitative measure of the sensitivity of a firm's operating profits to a change in the firm's sales is:
 - a) Breakeven point
 - b) Degree of financial leverage
 - c) Degree of operating leverage
 - d) Degree of total leverage
9. A plan which allows shareholders to automatically reinvest dividend payments in additional shares of the company's stock is:
 - a) Stock split
 - b) Retention ratio
 - c) Both a and b
 - d) Dividends reinvest plans
10. Which type of security holders are known as residual claimants?
 - a) Bond holders
 - b) Preferred stockholders
 - c) Common stockholders
 - d) All of the above



UNIVERSITY OF THE PUNJAB

Seventh Semester 2018

Examination: B.S. 4 Years Programme

Roll No.

PAPER: Consumer Behavior (Marketing Specialization) TIME ALLOWED: 2 hrs. & 30 mins.
Course Code: COMM-407 MAX. MARKS: 50

Attempt this Paper on Separate Answer Sheet provided.

Q2. Give short answers

(10x2 = 20)

1. The study of consumer behavior is mainly concerned with?
2. What are elements of perception?
3. What are innate needs and acquired needs?
4. Define ego?
5. Briefly state the role of attitude?
6. What is the concept of sensation?
7. What is brand loyalty?
8. Differentiate by defining between information retention and retrieval in consumer behavior perspective?
9. What is role of humor in increasing acceptance and persuasiveness in advertising?
10. Explain briefly the basic learning theories?

Q3. Give answers of the following questions

(3X10 = 30)

1. Discuss in detail the concept of perceptual interpretation.
2. Explain the simplified version of the Theory of Reasoned Action.
3. What are the dynamics of the opinion leadership process and the reasons of their effectiveness?



UNIVERSITY OF THE PUNJAB

Roll No.

Seventh Semester 2018
Examination: B.S. 4 Years Programme

PAPER: Consumer Behavior (Marketing Specialization) TIME ALLOWED: 30 mins.
Course Code: COMM-407 MAX. MARKS: 10

Attempt this Paper on this Question Sheet only.

Q1. Choose the correct answer (1X10=10)

1. From a marketing perspective, the process by which individuals acquire the purchase and consumption knowledge and experience that they apply to future related behavior is known as _____.
 - A) Brand loyalty
 - B) Brand equity
 - C) Positive reinforcement
 - D) None of above
2. Which of the following is not a suitable strategy for increasing involvement with brands so that consumers have positive associations with them?
 - A) Raising the price
 - B) Using celebrities
 - C) Linking the brand to hedonic needs
 - D) Telling a story
3. One of the following is not the element of perception:
 - A) Sensation
 - B) Retention
 - C) Differential threshold
 - D) Subliminal perception
4. Active Learning is when:
 - A) Consumers engage in extensive information search to acquire knowledge before purchasing
 - B) Consumers learn about brands and products through watching TV
 - C) There is an absence of consumer resistance to what is learned
 - D) None of above
5. The first stage in the perception process is:
 - A) Attention
 - B) Interpretation
 - C) Exposure to stimuli
 - D) Responses

P.T.O.

6. Which of the following situations is likely to increase perceived risk perceptions among consumers?
- A) Where there is a lot of information about the product or service
 - B) Where the consumer has extensive experience of the product class
 - C) Where there are many other products like it on the market already
 - D) Where there are major differences among brands
7. Contactual reference groups are:
- A) Close groups that we currently belong to, or perhaps belonged to in the past, but no longer want to associate ourselves with
 - B) Close groups with which we interact regularly and where there is a degree of proximity
 - C) Groups of people that the consumer can identify or admire (often from afar), and aspires to be like them in some way
 - D) None of above
8. Market share is calculated by:
- A) Dividing the total purchases of the category by the total purchase of the brand
 - B) Multiplying the total purchases of the category by the total purchase of the brand
 - C) Dividing the total purchase of the brand by the total purchases of the category
 - D) Multiplying the total purchase of the brand by the total purchases of the category
9. The process by which children acquire the skills, knowledge, and attitudes necessary to function as consumers:
- A) Consumer socialization
 - B) Friendship groups
 - C) Shopping groups
 - D) Work groups
10. The ratio between the customer's perceived benefits and the resources used to obtain those benefits is called:
- A) Customer value
 - B) Customer satisfaction
 - C) Customer trust
 - D) Customer retention