

**BACHELOR OF BUSINESS ADMINISTRATION  
(RETAIL SERVICES)  
(BBARS)**

**Term-End Examination**

**June, 2016**

**00119**

**BRS-023 : RETAIL ECONOMICS AND SPACE  
PRODUCTIVITY**

*Time : 3 hours*

*Maximum Marks : 100*

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**Note :** Attempt any **five** questions out of eight questions.  
*Marks are given against the questions.*

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1. Explain the basic premise of the Retail method of Accounting. What are the components of Retail Profit and Loss statement ? Present an example.

*10+10=20*

2. In what ways are the Balance Sheet and Income Statement different ? How do retailers use these two financial statements ?

*10+10=20*

3. What is the impact of taxation on Retail Economics ? How can the retailer understand the tax and regulatory framework before entering into a retail business ? What types of taxes impact the retail business ? Discuss.

*5+10+5=20*

4. What are the margins in case of retail ? A hardware store with sales for the year of ₹ 5,72,000 and other income of ₹ 32,000 has operating expenses of ₹ 2,34,000. Its cost of goods sold is ₹ 3,07,000. What is its gross margin, its operating profit, and its net profit in terms of rupees ? 5+15=20
5. Discuss the concept of depreciation and interest. How are they accounted for at the time of preparing the Balance Sheet and Income Statement of a retail business ? Discuss the methods of depreciation that are used for equipments, building and other types of accessories. Give example to illustrate your answer. 5+5+10=20
6. What do you understand by space productivity ? How is it measured ? How does shelf planning lead to increasing the space productivity and reducing the losses ? How can shelf planning be optimized using various methods ? Discuss these methods in brief. 5+5+10=20
7. How can planning for growth in case of retail business be done using various enablers like quantity, average selling price and margins ? Give examples to illustrate your answer. 20

8. Write short notes on any *four* of the following : 4×5=20

- (a) Setting of retail price of merchandise
  - (b) Retail Planogram
  - (c) GMROI Contribution
  - (d) Advertising and Promotion as cost elements
  - (e) Concept of average selling price
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