UNIVERSITY PAPER

F.Y.BCAF

SEM-I

NOV. - 2017

C0441 / C0542   FINANCIAL ACCOUNTING I

Q.P. Code :00139

[Time: $2\frac{1}{2}$ Hours]   [Marks:75]

Please check whether you have got the right question paper.

N.B:
1. Solve all questions after exercising Internal Option.
2. Working Notes are allotted separate marks.
3. Use of simple calculator is allowed.

Q.1 A) State whether the following statements are True or False and rewrite the sentence. (Any 08)   **(08)**

1. Cost of purchase does not include duties and taxes.

2. Accounting standards are laid down by law.

3. AS-9 deals with government grants.

4. Bin card shows stock position in the Bin.

5. Livestock is a Current Asset.

6. Drawings are deducted from Capital.

7. Wages paid to worker is a Revenue Expenditure.

8. Rent of building is allocated on the basis of area.

9. There is no difference between hire Purchase price and Cash price.

10. Under Hire Purchase installment is treated as hire charges.

Q. 1 B) Fill in the blanks with an appropriate word (Any 7)   **(07)**
1. Following factors should be considered in selection of accounting policies _____.
(Materiality / Cost)
2. AS-2 defines inventory as _____ assets.
(Current / Fixed)
3. Under Perpetual inventory system inventory is valued _____.
(Continuously / Periodically)
4. Following is not covered by AS-9 _____.
(Lease Rent / Interest)
5. Stock is valued as cost or market value whichever is lower as per _____ concept.
(Realisation / Matching)

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6. Expenditure incurred for acquiring the right to carry business is _____ expenditure.
   (Capital / Revenue)
7. Salaries and wages appear in _____ account.
   (Profit & Loss / Trading)
8. For a Plastic company plastic is a _____.
   (Raw material / Finished goods)
9. Following is a direct expenses in departmental accounting _____.
   (Purchase / Advertising)
10. Amount paid at the time of taking delivery of goods is _____.
    (down / cash)

(0,

Q.2 A) From the following information of Omkar Brothers prepare statement of valuation of stock by   **(15)**
Weighted Average Method.

Transactions	Date	Units	Rate per unit(Rs)
Opening Stock	1st Dec 2015	3000	20.00
Purchases	3rd Dec 2015	6000	21.00
	7th Dec 2015	5500	23.00
	9th Dec 2015	4300	22.00
	11th Dec 2015	4700	21.00
	13th Dec 2015	5400	24.00
Sales	2nd Dec 2015	2500	-
	5th Dec 2015	5200	-
	8th Dec 2015	4600	-
	10th Dec 2015	5200	-
	15th Dec 2015	6000	-

OR

Q. 2 State with reasons whether the following are Capital or Revenue in nature.   **(15)**
1 Cost of construction of building.
2 Amount spent on uniform of staff.
3 Heavy Advertisement Expenditure for launch of a new product.
4 Term Loan from bank.
5 Income from sale of goods.

Q.3 On 1st January 2014 Sudha purchased a LED T.V. from Vijay Sales on Hire Purchase System. **(15)**
The terms of Contract were as under:
1. The cash price of the T.V. was Rs. 1, 30,000.
2. Rs. 40,000 was to be paid on signing of the contract.
3. The balance was to be paid in annual installments of Rs. 30,000 each plus interest.
4. Interest chargeable on the outstanding balance was 6% p.a.
5. Depreciation @10% is to be written off on W.D.V. method.
You are required to prepare in the books of Sudha the following :
   1. Statement showing calculation of interest.
   2. LED T.V.'s account
   3. Depreciation account
   4. Vijay Sales account

OR

Q.3 A) Mr. Suresh's Financial year ends on 30th June, 2016 but the actual physical stock is not taken until **(10)**
the following 8th July, 2016, when it is ascertained at Rs.74, 250.

You Find that :
1. Sales are entered in the sales day book on the day of dispatch and returns inwards in return inward book when goods are received back.
2. Purchase are entered in purchase book as the invoices are received.
3. Sales between 1st to 8th July as per sales book and cash book are Rs. 86, 000.
4. Goods purchased between 1st to 8th July as per purchase book are Rs. 6600 but out of these goods amounting to Rs.600 are not received till 8th July.
5. Goods Purchased and invoiced before 30th June amounted to Rs.5000 out of which Rs.3500 worth of goods are received between 1st to 8th July and remaining goods after 8th July.

Find out the Value of stock as on 30th June 2016 assuming that rate of profit is on cost $\frac{1}{3}$.

Q.3 B) Ascertain the cost purchase by using the following data: **(05)**

1. Cost of Purchase of inventory	Rs. 5.50 lakhs
2. Duties & Taxes paid and recoverable from Tax Authorities	Rs. 0.50 lakhs
3. Trade Discount	Rs. 0.50 lakhs
4. Duties & Taxes paid and not recoverable	Rs. 1.00 lakhs
5. Freight Inward	Rs. 2.00 lakhs

Q.4   AB and Co has two departments viz 'A' Department and 'B' Department. From the following   **(15)**
       information -
       Prepare Departmental Trading and Profit and Loss account for the year ended 31st March 2016.

Transactions	'A' Department (Rs)	'B' Department (Rs)	Total (Rs)
Opening Stock	13400	11200	24600
Purchase	73600	71400	145000
Sales	110000	88000	198000
Salaries	8000	7000	15000
Common Expenses and Income			
Interest on Loan			2000
Carriage outward			2900
Discount earned			1450
Depreciation			7500
Rent & Rates			5400
Advertisement			8100
Building insurance			1800
General expenses			4500
Discount allowed			2700

Additional Information :
1. Closing stock A Dept.: Rs.20500 and B Dept.: Rs. 17600.
2. The area occupied by the two department is in ratio 5:4
3. Depreciation and general expenses are to be allocated equally.

OR

Q. 4   From the following Trial Balance of Happy Chemicals, prepare-   **(15)**
       i) Manufacturing Account
       ii) Trading and Profit and Loss Account
       iii) Balance Sheet for the year ended 31st March, 2016.

07

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Particulars	Debit (Rs.)	Credit (Rs.)
Goodwill	1,00,000	-
Factory Building	40,000	-
Plant & Machinery	2,60,000	-
Furniture	16,000	-
Investment	20,000	-
Capital	-	3,90,000
Bank Loan	-	6,00,000
Creditors	-	3,00,000
Debtors	2,70,000	-
Stock on 1-4-2015		-
- Material	2,60,000	
- Work-in-progress	15,000	
- Finished Goods	1,65,000	
Sales	-	22,00,000
Miscellaneous Income	-	8,000
Bad Debt Reserve	-	10,000
Purchases	17,20,000	-
Freight on Materials	1,00,000	-
Factory Power	30,000	-
Salaries and Wages		-
- Factory	3,00,000	
- Office	1,30,000	
Repairs	5,000	-
Rent and Taxes	33,000	-
Insurance	7,800	-
General Expenses	36,200	-
Total	35,08,000	35,08,000

Additional information:-

1. Closing stock: Materials Rs. 4, 20,000; Work-in-progress Rs. 25,000 and Finished Goods Rs.4, 15,000.
2. Depreciation to be provided at 2.5% on Factory Building; 10% on Plant & Machinery and 15% on Furniture.
3. Repairs, Rent & Taxes are to be apportioned between Factory and Office in the ratio of 3:2.
4. Reserve for bad and doubtful debts to be provided at 4% on debtors.
5. Insurance Premium covers a period of one month in advance.

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Q.5   Answer the following:
1) Explain in brief- FIFO method and Weighted Average Method.   (08)
2. Distinguish between Capital Expenditure and Revenue Expenditure.   (07)

OR

Q. 5   Answer the following any 3 out 5.   (15)
1. Differentiate between Hire Purchase System and Installment system.
2. What are the Adjusting and Closing Journal Entries made during Finalization of Accounts?
3. Explain interdepartmental transfers at cost and selling price.
4. What are the considerations in selection of accounting policies as per AS-1?
5. Explain Revenue from rendering of services as per AS-9.

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C0441 / C0543   COST ACCOUNTING I

Q. P. Code:-24467

(Time:-2½ *Hours*)   (Marks:75)

Note: 1] Q – 1 is compulsory

2] Q – 2 to Q -5 with internal choice

3] Figures at right indicates full marks for question.

4] Use of standard calculator is permitted

5] Working notes should form part of your answers

Q- 1 A] State whether the following Statement is True / False (Any 08)   (08)

1. Prime cost includes factory overheads.
2. Stock levels are fixed up for inventory control.
3. Dearness allowance is linked with cost of living index.
4. Piece rate method pays the workers by results.
5. Selling and distribution overheads are same as administrative overheads.
6. Linking overheads to cost unit is known as overhead absorption.
7. Stores Ledger shows movement of materials showing quantity and value
8. In no case, material should go below minimum level.
9. Power is allocated on the basis of H.P. of machines.
10. Employee welfare expenses are allocated on the basis of labour hours.

B] Select correct alternative and rewrite the sentence (Any 07)   (07)
1. Labour hour rate is followed when most of the work is done by
   a) labour   b) machines   c) different groups of machines
2. Clock Card is placed at
   a) The entrance of the office b) the entrance of the factory c) the entrance of the stores
3. Stores Department maintains a record in which a separate folio is maintained for each item
   a) Stores Ledger   b) Bin Card   c) Stock Register
4. When allocating service department costs to production departments, the method that does not consider different cost behaviour pattern is the
   a) step method   b) reciprocal method   c) simple rate method d) dual rate method
5. A common absorption rate used throughout the following for all jobs and units of output irrespective of the department in which they were produced is called
   a) machine hour rate   b) department absorption rate c) overall absorption rate
   d) blanket absorption rate
6. The process by which cost items are charged direct to a cost unit is called
   a) absorption b) apportionment   c) allocation   d) allotment
7. Goods received note is normally prepared in
   a) Six copies b) five copies c) four copies

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8. Material control includes

     a) inventory control   b) control over labour c) control over overheads

9. The method of remuneration to give stability of labour cost of the employers is

     a) straight piece work b) premium bonus   c) measured day work

10. Casual workers are employed when

     a) Workers are absent b) accident takes place   c) there machine breakdown

Q – 2 The following are the receipts and issues of coal in a factory during March 2017:   (15)

March	1	Opening stock 2000 tons at Rs. 46 per ton.
	4	Issued 1400 tons
	6	Purchased 3500 tons at Rs. 45 per ton.
	8	Return due to damage condition purchased on 6th March 300 tones.
	9	Issued 800 tons
	14	Issued 2100 tons
	17	Purchased 2000 tons at RS. 48 per ton
	20	Issued 1200 tons
	25	Purchased 1800 tons at Rs. 47 per ton
	28	Issued 2800 tons
	31	Excess found in stock 430 tons due to wrong weighing during the month

The maximum level fixed is 4000 tons, the minimum 750 tons and the reorder level is 1000 tons.
Show the Stores Ledger Account under FIFO system and weighted average method

OR

Q – 2 A. Two components 'A' and 'B' are used in Mahindra – Industries as follows: (08)

Normal Usage	:	300 units per week each
Minimum Usage	:	150 units per week each
Maximum Usage	:	450 units per week each
Re – order Quantity : A	:	1800 units
B	:	3000 units
Re – order Period : A		4 to 6 weeks
B		2 to 4 weeks

Calculate for each component:

   1. Re – order Level

   2. Minimum Level

   3. Maximum Level

   4. Average Stock Level

B] Determine the EOQ from the following particulars: (07)

Annual Consumption	:	2,025units
Cost of material	:	Rs. 60 per unit
Cost of placing an order	:	Rs. 36
Annual carrying cost of one unit	:	10% of inventory value

Q – 3 a] From the following particulars, work out earnings for the week of a worker under:(08)

1. Straight Piece rate System 2. Differential Piece rate System
3. Halsey Premium System   4. Rowan System
Number of working Hours per week :   48
Wages per hour   :   Rs. 3.75
Rate per piece   :   Rs. 1.50
Normal Time per piece   :   20 minutes
Normal Output per week   :   120 pieces
Actual Output for the week :   150 pieces
Differential Piece rate : 80% of piece rate when output is below standard and 120% when above standard.

B] Daily wage rate guaranteed for a worker is Rs. 1.80 and he standard output fixed for a week is 100 articles, representing 100% efficiency. The guaranteed wage rate is paid without bonus, to those workers who show efficiency upto 70% of the standard. Beyond this, bonus is payable on a graded scale in the fixed ratio to the increased output as under :
Efficiency: 90% Bonus Payable : 10%
Efficiency: 100%   Bonus payable : 20%
Further increased of 1% in the bonus is given for every 1% increase in the efficiency.
Calculate the total earnings of 4 workers who have worked for a week and their output was as under :
No. 1 : 50 articles   No. 2 : 90 articles   No. 3 : 100 articles   No. 4: 120 articles week is considered to be of 6 days only
(07)

OR

Q – 3 A] Explain the factors affecting wages   (08)

B] Calculate the total remuneration of three workers A, B, C from the following data: (07)

1. Standard production per month per worker : 1,000 units
2. Actual production during the month : A 850 units, B : 750 units , C 950 units
3. Piece work rate is 10 paise per unit of production
4. Additional production bonus is RS. 10 for each percentage of actual production exceeding 80% of standard production
5. Dearness allowance: fixed @ Rs. 50 p.m.

Q – 4 Krunal Ltd. has four production departments A, B, C and D and two service department X and Y. The particulars of expenses of the respective departments are as follows: (15)

Production departments				Service departments	
A	B	C	D	X	Y
Rs.5000	Rs.4,500	Rs.4,000	Rs.3,500	Rs.2,750	Rs.1,900

The expenses of Service Departments are charges out on a percentage basis given below:

Particulars	Production Dept.				Service Department	
	A	B	C	D	X	Y
Service Dept. X	10%	30%	20%	20%	-	20%
Service Dept. Y	30%	20%	30%	10%	10%	-

 Prepare statement showing distribution of overheads using Repeated Distribution method and Simultaneous Equation Method

<div align="center">OR</div>

Q – 4 From the following information work out the production hour rate of recovery of overhead in department M, N and O   (15)

Particulars	Total	Production Department			Service Department	
	Rs.	M (Rs.)	N (Rs.)	O (Rs.)	P (Rs.)	Q (Rs.)
Rent	5,000	1,000	2,000	750	750	500
Electricity	1,000	250	400	150	100	100
Fire insurance	2,000	400	800	300	300	200
Plant Depreciation	20,000	5,000	7,500	5,000	1,500	1,000
Transport	2,000	250	250	250	500	750
Estimated Working Hours	-	5,000	12,500	9,000	-	-

Expenses of service Department P and Q are apportioned as under

	M	N	O	P	Q
Service Department P	30%	40%	20%	-	10%
Service department Q	10%	20%	50%	20%	-

The expenses of Service Department may be apportioned with the help of Repeated Distribution method and Simultaneous Equation Method

Q – 5   A] What is time keeping ? Explain the need of recording attendance time   (08)

        B] Explain the functions of Purchase department   (07)

<div align="center">OR</div>

Q – 5 Write Short Notes (Any 3)

1. Absorption of overheads

2. ABC Analysis

3. Fixed cost and variable cost

4. Stock levels

5. Primary distribution of overheads

<div align="center">************</div>

Q.P. Code : 00288

[Time: $2\frac{1}{2}$ Hours]

[Marks:75]

N.B:
1. All questions are compulsory each carrying 15 marks.
2. Use of only simple calculator is permitted.
3. Working notes should form part of your answer.

Q.1 A) Fill in the blanks **(any 8 out of 10)**. (08)

1) There are _____ decisions of financial management.
2) Capital structure is relevant in _____ decision.
3) Making one deposit today in order to be able to make several withdrawals late is called as _____.
4) If the rate is 16% compounded quarterly and deposits will be made for 5 years, then the number of period's are_____.
5) EBIT(-) _____ = EBT
6) _____ Value is the end value of the fixed asset at the end of its useful life.
7) WACC stands for _____.
8) The abbreviation "IPO" stands for _____.
9) Financing decision involve the most appropriate mix of _____.
10) _____ is the inability of a company to cover fixed financial changes.

B) Match the following **(any 7 out of 10)**. (07)

Sr.No.	A	Sr.No.	B
1	Assets	A	Compounding
2	Share Stock	B	Share
3	Present Value	C	Bundle of Shares
4	Cost of Debt	D	Investment Decision
5	Dividend	E	Liabilities + Equity
6	Capital Budgeting	F	Affected by Tax
7	Future Value	G	Discounting
8	Wealth Maximization	H	Non cash Item
9	WACC	I	Objective of Financial Management
10	Depreciation	J	Lowest

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Q.2 A) Mr. Akshay deposits Rs.200000 annually in a bank for 5 years. The deposit earns 10% per year. What is (08) the future value at the end of 5 years?

B) Mr. Mahi is planning to purchase a machine at a discount rate of 10%. This would give following cash (07) flow. Find out the present value of the cash flows. If the cost of machine is Rs.2,20,000 will it be a feasible option.

Year	Cash flow (Rs.)
1	65000
2	80000
3	150000
4	80000

PV factors of Rs 1

Year	1	2	3	4	5
10%	0.909	0.826	0.751	0.683	0.621

OR

Q.2 A) Seven equal annual payments of Rs.50000 are made into a deposit account that pays 11 percent interest (08) per year. What is the future value of this annuity?

B) A bank Promises to give you Rs.1100000 after 3 years at the rate of 9.5% interest. How much should you (07) deposit today?

Q.3 Calculate operating leverage and financial leverage under situations 1 and 2 and financial plans A and B (15) respectively from the following information relating to the operation and capital structure of a company.

Installed capacity - 8000 units
Actual Production and sales 50% of installed capacity
Selling price per unit - Rs.40
Variable cost per unit - Rs.20
Fixed cost: Under Situation I – Rs.50000
Under Situation II – Rs.75000

	Plan A	Plan B
Equity share capital of Rs.100 each	5,00,000	4,00,000
Bank Loan at 6%	3,00,000	4,00,000

OR

Q.3   From the following particulars, prepare income statement of A Ltd.   (15)

	A Ltd.	B Ltd.
Operating leverage	3	4
Financial leverage	2	3
Interest charges per annum	12 Lakhs	10 Lakhs
Tax rate	40%	40%
Variable cost as % of sales	60%	50%

Q.4 A) PAM.Ltd. issued Rs.50 Lakhs Preference shares of Rs.100 each redeemable at par after 6 years. Dividend   (08)
tax rate is 20%. Calculate the cost of Preference Shares.
1. no floatation cost
2. if the issue is at par with 10% floatation cost

B) Risk Ltd. Plans to issue 8000 new equity shares of Rs.100 each at par. The floatation cost is expected to be (07)
5% of the share price. The company pays dividend of Rs.15 per share and growth in dividend is expected
to be 5%. Compute the cost of equity share, if the market price of equity share is Rs.220.

OR

Q.4   Following are the details of KBS Ltd.   (15)
10% Debentures (Rs.100 Per debentures) – Rs.10,00,000
8% Preference Shares(Rs.100 Per Share) – Rs.5,00,000
Equity Shares(Rs.10 Per Share) – Rs. 20,00,000
Dividend is expected at the end of the year Rs.3 per share, growth rate in dividend in 10% and
Tax rate is 40%.
Calculate the weighted average cost of capital by considering the above information.

Q.5 A) Explain the advantages of Retained earnings.   (08)
B) Explain the importance of financial management.   (07)

OR

A) Write short notes on **any three**:   (15)
1. Debentures
2. Long term source of finance
3. Profit Maximization
4. Financial decisions
5. Financial Leverage

(Time: 2 ½ Hours)   (Total Marks: 75)

Please check that you have the Correct Question Paper
N.B.: All questions are compulsory

Q.I. (A) Match the Columns (Any Eight):   (8)

1. 'C' Of Communication   A. Facial Expressions

2. Proxemics   B. Distance

3. Kinesics   C. Courtesy

4. Physical Barrier   D. Nearness

5. General Agreement   E. Language Barrier

6. Homonyms   F. Jargon

7. Salutation   G. Sales Objective

8. Persuasion   H. Outdoor Publicity

9. Posters   I. Dear Sir/Madam

10. Technical Terminology   J. Consensus

(B) State whether the following statements are True or False (Any Seven):   (7)

1. In a letter the signature is positioned below the sender's name.

2. Grapevine is a formal, primary channel of communication.

3. Oral communication is necessarily only face-to-face.

4. Silence is not a means of communication.

5. High morale boosts workplace performance.

6. When a Manager advises a subordinate it is Downward Communication.

7. Hearing is by choice.

8. Sound files can be sent by SMS.

9. To motivate is to discourage a person.

10. The Inside Address is a compulsory part of a Business Letter.

P.T.O.

II. (A) List the rules for effective Listening. (7)

(B) Elaborate on the importance of Feedback in communication. (8)

Or

(C) Elaborate on the importance of Body Language in communication. (7)

(D) List and explain the advantages and disadvantages of Horizontal Communication in an organization. (8)

III. (A) List and explain the advantages, disadvantages and common patterns of Grapevine Communication. (15)

Or

(B) Explain the term Business Ethics with special reference to Surrogate Advertising. (15)

IV. (A) Draft a Letter of Application with Curriculum Vitae for the post of a Senior Clerk with Proconnect Productions Pvt. Ltd., Andheri West, Mumbai. Use the Full Block format. (10)

(B) Ms. Mehvish Shah has been offered the post of a Senior Accountant with Synergy Productions Pvt. Ltd., Bandra West, Mumbai. Draft a Letter of Job Acceptance on her behalf. Use the Modified Block format. (05)

Or

(C) Draft a Letter of Application with Curriculum Vitae for the post of Senior Manager at Sophya Films Pvt. Ltd., Lower Parel, Mumbai. Use the Complete Block format. (10)

(D) Ms. Madhavi Singh has been working as Senior Accountant with Rajeshwari Industries, Nashik since the last seven years and would now like to resign from her post to seek a better career opportunity. Draft a Letter of Resignation on her behalf. Use the Semi Block layout. (05)

V. Write Short Notes on the following (Any Three): (15)

1. Corporate Social Responsibility
2. Socio-cultural Barriers to Communication
3. 'You' Attitude
4. The Advantages and Disadvantages of the Internet
5. Personal Integrity as a Business Ethic

Q.P. Code :22472

B) State whether the following statements are true or false. (Any seven)   07
   i)   The founder of Sikhism is Guru Govind Singh.
   ii)   Eve teasing is a social violence against women
   iii)   In India, the states are formed mostly on the basis of language.
   iv)   Glaucoma can be detected during pregnancy.
   v)   Communalism is opposed to secularism.
   vi)   Regionalism can cause inter – state tension and confrontation.
   vii)   The Fundamental Duties in Indian Constitution are justiciable in nature.
   viii) The Indian constitution is the shortest written constitution of the world.
   ix)   The existence of political parties is not an essential requirement of a democratic country.
   x)   The Constitution of India confers single citizenship.

Q.2   Explain the regional variation in India according to rural and urban characteristics.   15
                                          OR
      Discuss various types of violence against women in Indian society.

Q.3   Define 'Communalism'. Discuss the features of communal conflict in India.   15
                                          OR
      What is Regionalism? What are the causes for growth of Regionalism?

Q.4   Discuss in brief salient features of the Indian constitution.   15
                                          OR
      Discuss the Fundamental Duties of Indian Citizen enshrined in the Indian Constitution.

Q.5   What are the challenges to women's political participation in India? Suggest measures to overcome the   15
      challenges.
                                          OR
      Write short note on (Any three)
      i)   India as a multicultural society.
      ii)   Inequalities against people with physical disabilities
      iii)   Caste conflicts in India.
      iv)   The Preamble to the Indian constitution.
      v)   The Regional political parties in India.

[Time: 2:30Hours]   [Marks:75]

Please check whether you have got the right question paper.

N.B: 1. All questions are compulsory.
        2. Figures to the right indicate full marks.

Q.1   A) Choose the correct alternative. (any eight)   08
            i)   -------------- is the holy book of the Christians.
                    a) Bible   b)Quran   c)Torah

            ii)   Indian society is -------------- in nature.
                    a) a)Tribal   b) Urban   c)Pluralistic

            iii)   The traditional Hindu society was divided into ----------- varnas.
                    a) Three b) Four c) Six

            iv)   Dowry harassment is a type of ---------- violence against women.
                    a) Social   b) Sexual c) Domestic

            v)   ----------------- is a serious form of conjunctivitis.
                    a) Astigmation b)Glaucoma c)Trachoma

            vi)   Anti – Hindi agitations took place in -------------- India.
                    a) Northern   b)Southern c)Western

            vii)   -------------- arises out of religious fundamentalism.
                    a) Communalism b)Casteism c)Secularism

            viii)   The word -------------- envisages the goal of a welfare state.
                    a) Sovereign b)Seculer c)Socialist.

            ix)   Indian constitution has adopted ------------- Democracy.
                    a) Parliamentary b)Presidential c)Direct

            x)   ------------ is the head of the Gram panchayat.
                    a) President c)Mayor c)Sarpanch

Page 1 of 5

Q.P. Code: 25908

Duration: 2 1/2 hours   Max marks: 75

NOTE: i. All questions are compulsory.

            ii. Figures to the right indicate full marks.

            iii. Draw neat and clean diagram wherever necessary.

Q1   a.   Match the Column: (Any 8)   8

     1) Organic Objective   a. Not Allowed

     2) Political Environment   b. 100%

     3) Demographic Environment   c. Internal Growth Strategy

     4) Generate Employment   d. Survival

     5) SEBI   e. Investment upto 25 Lakhs

     6) Diversification   f. Legislature, Executive and Judiciary

     7) Investment in Micro Manufacturing Enterprises   g. Investment upto 10 Lakhs

     8) Investment in Micro Service Enterprises   h. Responsibility Towards Society

     9) FDI in Telecom   i. Clause 49

     10) FDI in Gambling   j. Age & Gender

   b.   State whether the following statements are true or false (Any 7)   7

     1) Corporate Culture acts as comforting security blanket for employees in the organisation.

     2) PESTLE Analysis pinpoints shortcomings in the present set up of the company.

     3) District forum entertains complaints upto rupees twenty lakhs.

     4) Ecological degradation is the result of unplanned industrialization.

     5) World Environment Day is on 6th June every year.

     6) Balance of trade is favourable when exports are less than imports.

     7) FDI inflow is permitted in gambling and betting.

     8) MNCs have helped but not harmed the developing countries.

     9) Corporate Governance is socially useful.

     10) Profit and Profiteering is one and the same.

Q2   a   Explain meaning and importance of business objectives.   8

   b.   Discuss Technological and Legal environment in detail.   7

OR

Q2	a	What is business ethics? Discuss its main features.	8
	b.	Explain the economic and psychological factors influencing entrepreneurial development.	7
Q3	a	Discuss the reasons for slow growth of consumerism in India.	8
	b.	Enumerate the features of Consumer Protection Act, 1986.	7

OR

Q3	a	Explain the advantages of good corporate citizenship.	8
	b.	Write a detailed note of Audit Committee.	7
Q4	a	State and explain the features of social audit.	8
	b.	Discuss briefly the external growth strategies.	7

OR

Q4	a	Explain the dangers of MNCs to developing countries with reference to present scenario.	8
	b.	Write a detailed note on India's Foreign Trade.	7
Q5	a	Discuss objectives and functions of WTO.	8
	b.	Explain positive implications of FDI in India.	7

OR

Q5		Write short notes on **any 3:**	15
	a.	National Objectives of Business	
	b.	SWOT Analysis	
	c.	Corporate Culture	
	d.	Carbon Credit	
	e.	Unethical Business Practices	

[Time: $2\frac{1}{2}$ Hours]

[Marks:75]

Please check whether you have got the right question paper.

N.B:
1. All Questions are compulsory.
2. Figures to right indicate full marks.
3. Draw diagrams wherever necessary

Q.1 a) State whether the following statements are True or False. (Any Eight)   (08)
1) Microeconomics deals with the analysis of national income.
2) Extension and contraction can be shown on the same demand curve.
3) Regression method forecasts demand accurately.
4) Cross elasticity of demand for substitutes is positive.
5) A technically efficient- production function indicates absence of wastage of resources.
6) External economies may occur due to division of labour.
7) Demand curve of a monopolist is sloping upward from left to right.
8) Price is very flexible in oligopoly.
9) Dumping is known as international price discrimination.
10) Full cost pricing method has certain limitation.

b) Match the following (Any Seven)   (07)

Group A	Group B
1) Equations	a) Shut down point
2) Negative income effect	b) Substitutes
3) Demand forecasting	c) External economies
4) Positive cross elasticity of demand	d) Mathematically express functions
5) Iso-cost line	e) Prof. Paul Sweezy
6) Localisation economies	f) Inferior goods
7) TVC = TR	g) Determined by govt
8) kinked demand curve	h) Survey method
9) Administered Pricing	i) Cost incurred on additional unit
10) Marginal cost pricing	j) Budget line
	k) Hall and Hitch
	l) Complementary

Q.2 a) Explain the different types of income elasticity of demand.   (08)

b) Describe in detail the different methods of demand forecasting.   (07)

OR

c) The demand function for commodity wheat is given by $Q_{dw}= 100-5_{pw}$. The price of wheat is given in below table. -

Price of wheat (Rs.)	Quantity demanded (kg)
2	
4	
6	
8	

Answer the following questions:-
1) Calculate quantity of demand for wheat at given prices. **(03)**
2) With the help of above demand Schedule draw the demand curve. **(02)**
3) Calculate price elasticity of demand when price changes from Rs 4 to Rs 8. **(03)**

d) Explain the relationship between AR and MR curves under monopoly. **(07)**

Q.3 a) Discuss the laws of returns to scale in detail. **(08)**

b) Explain the various types of external economies of scale. **(07)**

OR

c) Given TFC as Rs 150, Calculate TC, ATC, AFC and MC from the information given below. **(08)**

Units	1	2	3	4	5	6
TVC	35	60	80	110	160	230

d) What is Break even point? Explain the business application of Break even analysis. **(07)**

Q.4 a) Explain long run equilibrium of a firm under the monopolistic competitive market. **(08)**

b) Distinguish between perfect competition and monopoly. **(07)**

OR

c) What is perfect competition and what are its features? **(08)**

d) What is price leadership? Explain the types of price leadership. **(07)**

Q.5 a) Define price discrimination. What are the various forms of price discrimination? **(08)**

b) What is multiproduct pricing? How is it done? **(07)**

OR

Q.5 Write short Notes: (Any Three) **(15)**
1) Production Possibility Curve
2) Factors affecting demand
3) Promotional elasticity of demand
4) Types of Production function
5) Cartel formation