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QUESTION PAPER

BCBI

SEM-I

NOV.22

M.L.DAHANUKAR COLLEGE COMMERCE
EXTERNAL EXAMINATION –NOVEMBER 22
F.Y.B.COM (BANKING AND INSURANCE)
SEMESTER- I
SUBJECT: PRINCIPLES OF MANAGEMENT

Marks:75

Date – 15th Nov, 22

Time : 2 ½ hours

Q1A)	Multiple Choice Questions (any 8 out of 10)	
		8 marks
1	The business run by joint family under the leadership and control of senior member of the family called "_____" a. Proprietor b. Owner c. Co-parceners d. Karta	
2.	In _____ management, training is not given much of importance a. Contemporary b. Medivial c. Traditional d. Modern	
3.	_____ refers to the study and analysis of the movement of an operator in performing a job so that attempts can be made to remove irrelevant movements. a. Work Study b. Method Study c. Motion Study d. Fatigue Study	
4.	_____ seeks to bridge the gap between where we are and where we want to be? a. Planning b. Organising c. Staffing d. Controlling	
5.	_____ is the oldest and the simplest form of organisation structure. a. Formal Organisation b. Staff Organisation c. Informal Organisation d. Line Organisation	
6.	Appointment of actuary requires approval from _____ a. Insurance company b. IRDA c. Government d. RBI	
7.	Responsibility moves in the _____ direction. a. Upward b. Downward c. Cyclical d. Hand in Hand	
8.	J. R. Tata started Institute of Fundamental Research at _____. a. Kota b. Mumbai c. Jamshedpur d. Bangalore	
9.	_____ has Asia's largest insulin and statin facilities. a. Biocon b. Tata c. Reliance d. Wipro	
10.	The RBI was established in _____. a. 1st April, 1935 b. 6th March, 1934 c. 1st April, 1937 d. 30th June, 1937	

Q1B)	True or False Questions (any 7 out of 10)	
		7 marks
1.	The American Development Bank is global development bank.	
2.	Mr. Kumar Mangalam Birla is Lawyer by profession.	
3.	Financial budget is the basic type of budget.	
4.	Dr. Verghese Kurien was known as "Milk Man of India".	
5.	Planning is one time process.	
6.	Organisation structure should be designed in simple manner.	
7.	Managers must behave professionally.	
8.	Taylor is known as the father of principles of management	
9.	Principles of management are flexible in nature.	

10.	Staffing improves job satisfaction.	
Q2 A	Elaborate on Steps of MBO.	8 Marks
Q2 B	Discuss in detail, the difference between traditional management and contemporary management.	7 Marks
	OR	
Q2 P	What is departmentation? Elaborate on Bases of departmentation.	8 Marks
Q2 Q	Write a comprehensive note about Azim Premji.	7 Marks
Q3 A	Explain the contribution of C.K.Prahalad	8 Marks
Q3 B	Explain 6 M's of management.	7 Marks
	OR	
Q3P	Write a note on IRDA	8 Marks
Q3 Q	Elaborate on Objectives of IMF.	7 Marks
Q4 A	Write a note on Narayan Murthy.	8 Marks
Q4 B	What procedure is followed in controlling?	7 Marks
	OR	
Q4P	Explain in detail difference between Formal and Informal organisation.	8 Marks
Q4 Q	Elaborate on Principles of Henry Fayol.	7 Marks
Q5 A	Explain the advantages and disadvantages of planning.	8 Marks
Q5 B	What is management? Explain features of management.	7 Marks
	OR	
Q5	Write short Notes on (any 3)	
1	Middle Level Management	15 Marks
2	KYC	
3	Professionalism in management	
4	J.R.D. Tata	
5	Centralisation	

	M.L.DAHANUKAR COLLEGE COMMERCE **EXTERNAL EXAMINATION – Nov 22** **F.Y.B.COM (BANKING AND INSURANCE)** **SEMESTER- I** __SUBJECT__ **: Quantitative Methods - 1**	**Marks:75**
	Date : 16th Nov, 22 **Time : 2 ½ hours**	
Q1A)	**Choose the correct alternative: (any 8 out of 10)**	**8 marks**
1.	In less than cumulative curve the less than frequencies are plotted against ----------. a) Lower class limit b) Class mark c) Upper class limit d) Width	
2.	The data collected by investigators using questionnaires for the first time is called ----------. a) Primary data b) Secondary data c) Statistics data d) Random Data.	
3.	----------- is a positional average. a) Ninth decile b) Arithmetic mean c) Median d) Geometric mean	
4.	Median of 53 , 42 , 30 , 55 , 75 , 50 , 32 , 39 , 62 is ------------. a) 53 b) 50 c) 55 d) 62	
5.	If $Q_1 = 900$ and $Q_3 = 1175$, then the quartile deviation = -----------. a) 275 b) 0.132 c) 137.5 d) None of these.	
6.	If for a set of data , coefficient of variation = 20% , Arithmetic mean = 1100 the its standard deviation = -----------. a) 25 b) 220 c) 210 d) 5500	
7.	------------ gives numerical measure for the extent of correlation between two variables. a) Scatter diagram b) regression coefficient d) correlation coefficient d) Standard deviation	
8.	If the values of regression coefficients are 0.7 each , then value of correlation coefficient is -----------. a) 0.7 b) – 0.7 c) 0.49 d) $\pm$ 0.7	
9.	E.O.L. stands for Expected ------------ Loss. a) Objective b) Overall c) Opportunity d) Occupancy	
10.	The tabulated rate of annual premium is calculated per Rs. -----------. a) 100 b) 1000 c) insured value d) 10	
Q1B)	**State whether the following statements are True or False (any 7)**	**7 marks**
1.	Statistical methods can be applied to only quantitative data.	
2.	Insurance premium cannot be paid monthly.	
3.	Coefficient of correlation lies between -1 and +1.	
4.	Probability of an event can be negative.	
5.	Median can be obtained graphically with the help of histogram.	
6.	Variance is always positive.	
7.	Mode of the data : 5 , 3 , 5 , 3 , 5 , 3 , 7 is 7.	
8..	In Minimax regret criterion we find average payoff values for each course of action.	
9.	In calculating Laspeyre's price index number quantity of the base year is taken as weight.	

10.	If for the events A and B , A ∩ B is a null (empty) set , then they are called as mutually exclusive events.	

Q2 A	Draw less than cumulative curve and locate median on the curve for the following data:	8 Marks

Age in years	10-14	14-18	18-22	22-26	26-30
Number of insurance policy holders	10	13	15	30	20

Q2 B	Calculate Laspeyrs's and Paasche's price index numbers from the following data for the year 2015 with the base 2010.	7 Marks

Commodities	Price for 2010	Price for 2015	Quantity for 2010	Quantity for 2015
A	10	12	20	22
B	13	13	23	24
C	16	18	20	18
D	20	18	5	6
E	18	20	7	8

OR

Q2 P	Calculate standard deviation and coefficient of variation for the following data: Height in cms : 90 , 94 , 95 , 97 , 100 , 103 , 105 , 108	8 Marks

Q2 Q	A bag contains 7 white balls , 5 black balls and 4 red balls. If 2 balls are drawn at random from the bag, then find the probability that , i) Both the balls are white ii) One is white and the other is black	7 Marks

Q3 A	For a person 50 years of age , the tabulated rate of annual premium for an endowment policy for 20 years is Rs. 50.70 per thousand. A person wants to buy a policy with sum assured Rs. 3,00,000 and pay premium every month. The company adds extra 5% on the tabulated premium for the monthly payment but offers a reduction of Rs.2 per thousand for a policy with sum assured more than Rs. 1,00,000 . Find the net monthly premium that the person has to pay on his policy.	8 Marks

Q3 B	Calculate Spearman's Rank coefficient of correlation between the marks in Mathematics and marks in English:	7 Marks

Marks in English	40	45	65	60	50	55
Marks in Mathematics	90	70	80	50	60	75

OR

Q3P	Following is the pay-off table corresponding to 4 states of nature S_1, S_2, S_3, S_4 And 4 courses of actions A_1 , A_2 , A_3 , A_4:	8 Marks

	S_1	S_2	S_3	S_4
A_1	100	300	150	400
A_2	0	50	30	-10
A_3	120	160	200	140
A_4	-100	0	500	300
Probability	0.3	0.2	0.4	0.1

Choose best decision using E.O.L Criterion.

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Q3 Q	Find Mode and ninth decile(D_9) for the following data:							7 Marks
	Rainfall in cms	20-25	25-30	30-35	35-40	40-45	45-50	50-55
	Number of years	2	5	8	12	10	7	6

Q4 A	Find combined mean and combined standard deviation for the following:			8 Marks
		Male	Female	
	Number	40	60	
	Mean height	170 cm	160 cm	
	Standard Deviation	5 cm	2 cm	

Q4 B	Given the following data , find the two regression equations and estimate y when x = 40 and estimate x when y = 35.			7 Marks
		x	y	
	Arithmetic Mean	43	37	
	Standard Deviation	3.1	2.8	
	Coefficient of correlation (r)	0.65		

OR

Q4 P	Find the Karl Pearson's coefficient of correlation for the following data:						8 Marks
	Price of Rice(x)	15	18	20	19	23	
	Price of wheat(y)	10	10	11	12	12	
	Also comment on the value of the coefficient.						

Q4 Q	Find the Cost Of Living Index number for 2005 from the following data by Family Budget Method with 2000 as the base.			7 Marks
	Group	Group Index (I) (2005)	Weight(W)	
	Food	250	45	
	Fuel & lighting	200	15	
	Clothing	180	7	
	House Rent	250	18	
	Miscellaneous	200	15	
	Mr. Raju's monthly income in the year 2000 was Rs. 20,000. What should be his monthly income in 2005 to maintain the same standard of living as in the year 2000?			

Q5 A	Define Statistics and explain functions of it	8 Marks
Q5 B	Explain measure of dispersion and its types.	7 Marks

OR

Q5	**Write Short Notes On (any 3)**	15 Marks
1	Merits and demerits of median	
2	Properties of regression lines	
3	Define: i) Probability of an event ii) probability distribution of a random variable iii) Addition theorem of probability	
4	Paid up value of the policy	
5	Properties of correlation coefficient	

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M.L.DAHANUKAR COLLEGE COMMERCE
EXTERNAL EXAMINATION – OCTOBER 22
F.Y.B.COM (BANKING AND INSURANCE)
SEMESTER- I
SUBJECT: ENVIRONMENT AND MANAGEMENT OF FINANCIAL SERVICES

Marks:75

Date : 17th Nov 22,

Time : 2 ½ hours

Q1A)	**Multiple Choice Questions (any 8 out of 10)**	
		8 marks
1.	_____ is the apex financial institution of the country.	
	(a) Central Government (b) RBI	
	(c) SEBI (d) World Bank	
2.	In _____, the borrower may withdraw any amount within his credit limit and interest is charged on the amount actually withdrawn.	
	(a) Cash Credit (b) Term Loan	
	(c) Overdraft (d) Bill Discounting	
3.	The main objective of development banks are _____	
	(a) Create Finance (b) Create Investment Opportunity	
	(c) Extend Loan (d) Develop backward areas	
4.	_____ are offered by various online megastores for taking discounting on purchase done through online shopping.	
	(a) Debit Card (b) Credit Card	
	(c) Net Banking (d) E-Coupon	
5.	_____ provide financial support in the event of policyholder becoming unable to work because of disabling illness or injury.	
	(a) Life Insurance (b) Health Insurance	
	(c) Disability Insurance (d) Property Insurance	
6.	_____ is the consideration of the contract of insurance.	
	(a) Payoff (b) Installment	
	(c) Premium (d) Rent	
7.	Section 22 of the Banking Regulation Act provides that it is essential for every banking company to hold a license issued by _____	
	(a) Central Government (b) Ministry of Finance	
	(c) Securities Exchange of India (d) Reserve Bank of India	
8.	If any risk is concerned with financial loss it is termed as _____	
	(a) Financial Risk (b) Non-Financial Risk	
	(c) Static Risk (d) Dynamic Risk	
9.	The objective of _____ is to control liquidity risk.	
	(a) Securities Exchange of India (b) Central Government	
	(c) Asset Liability Management (d) IRDA	
10.	An asset which has remained NPA for a period of less than or equal to 12 months is called as _____	
	(a) Standard Asset (b) Doubtful Assets	
	(c) Loss Assets (d) Sub Standard Asset	
Q1B)	True or False (any 7 out of 10)	
		7 marks

1.	Financial Instruments can be classified into primary and money market.	
2.	Kisan Vikas Patra, National Savings Certificate are sold through banks.	
3.	Banks are an indispensable part in a modern developing society.	
4.	Insurance is viewed as one of the income tax saving device.	
5.	Bill of Exchange is a negotiable instrument.	
6.	Objective of Central Government is to regulate financial policy and develop banking facilities throughout the country	
7.	Risk reduction is not possible in insurance sector.	
8.	The term Fundamental Risk is used to designate those situations that involve only the chances of loss or no loss.	
9.	Acceptance of Risk are those risks which cannot be avoided.	
10.	All banks have risk management committee.	
Q2 A	What are the functions of Financial System?	
Q2 B	What are the functions of NABARD?	8 Marks
		7 Marks
	OR	
Q2 P	What are the advantages of investing in Mutual Fund?	
Q2 Q	What are the functions of Insurance?	8 Marks
		7 Marks
Q3 A	What are the secondary functions of a banking company?	
Q3 B	What are the recommendation of Narsimham Committee 1991?	8 Marks
		7 Marks
	OR	
Q3P	What are the guidelines on Mergers & Acquisitions of Joint Parliamentary Committee 2002?	8 Marks
Q3 Q	What are the advantages of Bancassurance?	
		7 Marks
Q4 A	What are the benefits of Risk Management in Insurance Companies?	
Q4 B	What are the functions of Asset Liability Management (ALM)?	8 Marks
		7 Marks
	OR	
Q4 P	What are the objectives of RBI?	
Q4 Q	What are the policy of Income recognition of NPA based on the recovery of income?	8 Marks
		7 Marks
Q5 A	What are the powers & functions of IRDA?	
Q5 B	What is the role of RBI?	
	OR	
Q5	Write Short Notes On (any 3)	
1	Pledge	15 Marks
2	Risk Management Information Systems	
3	Treasury Bills	
4	Internet Banking	
5	Insurable Interest	

M.L.DAHANUKAR COLLEGE COMMERCE   **Marks:75**
EXTERNAL EXAMINATION – NOVEMBER 2022
FYBMS/FYBAF/FYBBI/FYBFM
SEMESTER- I
SUBJECT :BUSINESS COMMUNICATION I
Date & Time: 18/11/2022 10:00 am to 12:30 pm

Q1A)   **Answer the following Multiple Choice Questions. (any 8 out 0f 10)**   **8 marks**

1. On the basis of ____ feedback can be classified into immediate and delayed feedback.
   a) Money b) Time c) Fame d) Respect

2. Traditional resume is called _____ resume.
   a) Chronological b) Functional c) Combined d) Official

3. _____ becomes an integral part of wealth creation process.
   a) Social Responsibility b) Journalism c) Email d) Media

4. Effective speaker _____ for a moment before an important point.
   a) Frown b) cough c) scream d) Pause

5. _____ refers to name, address, telephone number and other details of sender.
   a) Salutation b) Body of letter c) Letterhead d) Subject line.

6. Closed mind is _____ barrier in communication.
   a) Physical b) Semantic c) Psychological d) Social

7. Date in letter has _____.
   a) Sentimental value b) Legal value c) No significance d) Entertainment value.

8. The fastest means of communication is ____ communication.
   a) Vertical b) Grapevine c) Diagonal d) Horizontal

9. The idea which the sender desires to share with the receiver is called _____
   a) Feedback b) Medium c) Message d) Channel

10. _____ is result of self- discipline, inner trust, and honest decision in all situations.
    a) Integrity b) Politics c) Social anxiety d) Work out

Q1B)   **State whether the following statements are True or False. (any 7 out 0f 10)**   **7 marks**
1. ALL CAPS should be used often in Email.
2. A journalist can break the law in order to obtain news.
3. Written communication has legal value.
4. Closed mind is physical barrier.
5. Horizontal communication leads to ego clashes.
6. Inventions, art works, designs are intellectual properties.
7. Interruption by listener with question during presentation is sign of good listening.
8.. Use of jargons makes communication better.
9. Gestures are part of non-verbal communication.
10. Email is slow means of communication.

Q2 A·   Briefly enumerate the merits and demerits of vertical communication.   **8 Marks**
Q2 B   Briefly explain the different types of non-verbal communication   **7 Marks**
                                                     OR

Q2 P	Discuss the impact of technological advancements on communication.	8 Marks
Q2 Q	Briefly enumerate the advantages of SMS communication.	7 Marks
Q3 A	Elaborate the importance of communication in the business world.	8 Marks
Q3 B	Briefly enumerate the disadvantages of Oral communication.	7 Marks

OR

Q3P	Explain the advantages and disadvantages of diagonal communication.	8 Marks
Q3 Q	Explain the characteristics of a good listener.	7 Marks

Q4 A Deutsche Bank has placed an advertisement in the Times Ascent dated Wednesday, October 19th 2022, stating their requirement for Assistant Manager, Human Resource, Job Code HR569. Applicants are required to address the letter to the HR Manager, ABN AMRO Bank, ABN AMRO Towers, Nariman Point, Mumbai, within 15 days of the date of the advertisement. You are required to draft a job application letter, in Full Block Form, along with Curriculum Vitae, for the position. — 10 Marks

Q4 B Mr.Kapil Gehlot has been holding the position of Head, Corporate Relations at Standard Chartered Bank, since the past ten years. He has been selected as Head, Global Banking Operations, at Bank of America and is required to take up his new position at the earliest. He would therefore like to resign from his current position at Standard Chartered Bank. Draft a letter of resignation on behalf of Mr.Gehlot. Use the Modified Block Form of layout. — 5 Marks

OR

Q4P Draft a letter of Application along with Curriculum Vitae for the position of Senior Manager-Accounts and Finance at Tata Sons Ltd., Bandra Kurla Complex, Mumbai. The letter is to be addressed to the HR Manager. Use the Full Block Form of layout. — 10 Marks

Q4 Q Mr.Vohra is resigning from his position as Chief Accountant with Blue Dart Couriers due to health reasons. He has worked for 20 years with Blue Dart. Draft Mr.Vohra's letter of Resignation in Modified Block form of Layout. — 5 Marks

Q5 A	Elaborate the parts of a business letter.	8 Marks
Q5 B	Discuss how to overcome psychological barriers	7 Marks

OR

Q5	**Write Short Notes On (any 3)**	15 Marks
1	Importance of feedback in communication	
2	Importance of listening	
3	Differentiate between instruction and order	
4	Organisational barriers	
5	Solicited letter	

M.L.DAHANUKAR COLLEGE COMMERCE
EXTERNAL EXAMINATION – NOVEMBER 2022
FYBMS/FYBAF/FYBBI/FYBFM
SEMESTER- I
SUBJECT: FOUNDATION COURSE I
Date & Time: 19/11/2022 10:00 am to 12:30 pm

Marks:75

Q1A)   **Multiple Choice Questions (any 8 out 0f 10)**   8 marks

1.   The holy book of Sikh is _____
     a) Bhagvad Gita b) Quran c) Guru Granth Sahib d) Bible
2.   The business and traders' caste in Varna System is _____
     a) Vaishya b) Kshatriya c) Brahmin d) Shudras
3.   At times, _____ leads to violence and lawlessness in the society.
     a) Co-ordination b) Conflict c) Co-operation d) Compromise
4.   Constitution day is celebrated on _____.
     a)26th January b)26th May c)26th November d)26th December.
5.   _____is the head of the Gram Panchayat.
     a) Gram Sevak b) Sarpanch c) Zilla Adhikari d) Nagar Sevak
6.   There is a water dispute over _____river in the States of Maharashtra,
     Karnataka and Andhra Pradesh.
     a) Krishna Godavari b) Ganga c) Narmada d) Kaveri
7.   _____ is the executive head of the Panchayat Samiti
     a)Block Development Officer b)Sarpanch b)Chairperson d)Gram Sevak
8.   In India, _____ state has highest literacy rate.
     a) Uttar Pradesh b) Karnataka c) Maharashtra d) Kerala
9.   Mental retardation means when Intelligence score is below _____
     a)70 b)80 c)90 d)95
10. Indian Constitution has adopted _____democracy.
     a) Direct b) Presidential c) Parliamentary d) Indirect

Q1B)   **True or False (any 7 out 0f 10)**   7 marks

1.   India is a land of 'Unity in Diversity'.
2.   Caste system is a form of political stratification.
3.   The Constitution of India does not give any language the status of National
     Language.
4.   Regional conflict can boost our economy.
5.   The 42nd amendment to the Constitution did not add the word 'Secular'.
6.   Preamble is regarded as soul of Constitution.
7.   Gram panchayat is Urban local self-government.
8.. The three jewels of Buddhism are Buddha (the teacher), dharma (the teaching) and
     Sangha (the community).
9.   Bride burning is not a violence against women.
10. BJP is an example of regional Party.

Q2 A   State the main religions of India.   8 Marks
Q2 B   Elaborate the characteristics of Caste System in India.   7 Marks
                                    OR
Q2 P   State the causes of violence against women in India.   8 Marks
Q2 Q   Explain the old Varna system and mention the factors responsible for growth of   7 Marks
        Caste System in India.

1

Q3 A	What are the causes of conflict in Society?	
Q3 B	Explain the salient features of the Indian Constitution	8 Marks
		7 Marks

OR

Q3 P	Briefly explain the Fundamental Rights granted by the Constitution of India.	8 Marks
Q3 Q	Define "Communalism." Describe the causes of communalism.	7 Marks

Q4 A	Features of Political Parties in India	8 Marks
Q4 B	Characteristics of rural India.	7 Marks

OR

Q4 P	Briefly enumerate types of Physical Disabilities.	8 Marks
Q4 Q	Elaborate on Urban local Self-government.	7 Marks

Q5 A	Explain the inequalities generated due to caste system in India.	8 Marks
Q5 B	Women's Participation in Indian Politics.	7 Marks

OR

Q5	**Write Short Notes On (any 3)**	15 Marks
1	Main characteristics of Indian Culture.	5 Marks
2	Positive portrayal of women in mass media.	5 Marks
3	Any instance of regional conflicts.	5 Marks
4	Preamble of Indian Constitution	5 Marks
5	Corruption in Politics	5 Marks

2

M.L.DAHANUKAR COLLEGE OF COMMERCE EXTERNAL EXAMINATION – November 22 F.Y.B.B.I. SEMESTER- I Subject : Financial Accounting – I	Marks:75
Date: 14th Nov,22 Time : 2 ½ hours	

Q1A)	**Choose the correct option : (any 8 out 0f 10)**	8 marks
1.	_____ is not an example of real a/c. a) Machinery b) Building c) Cash d) Brokerage	
2.	The transferring of debit and credit items from journal to the respective accounts in the ledger is called as _____. a) Ledger b) Posting c) Forward Journal d) Contra Entry	
3.	Rectification entries are passed in _____. a) Journal b) Ledger c) Purchase book d) Sales book	
4.	Power used in the factory will be debited to _____. a) Manufacturing Account b) Trading Account c) Profit and Loss Account d) Balance sheet	
5.	_____ is the initial payment made at the time of signing the hire purchase agreement. a) HP price b) Instalment price c) Cash price d) Down payment	
6.	Improper valuation of inventory effects _____. a) Profitability b) Financial position c) Cash inflows d) Both Profitability and Financial position	
7.	Dividend Equalisation Reserve is shown in _____. a) Revaluation Account b) Trading Account c) Profit and Loss Account d) Balance sheet	
8.	In cash book, the favourable balance indicates _____. a) Credit Balance b) Debit Balance c) Bank Overdraft d) Adjusted Balance	
9.	Proposed Dividend is considered to be a/an _____. a) provision b) asset c) income d) expense	
10.	Failure to differentiate between capital and revenue expenditure, this error is called as _____. a) Error of omission b) compensating errors c) Error of principle d) Error of commission	
Q1B)	**State whether following statements are True or False : (any 7 out of 10)**	7 marks
1.	Loss is excess of revenue over expenses.	
2.	Cash discount is not recorded in the books of accounts.	
3.	IFRS are issued by ICAI.	
4.	Cash received on sale of old furniture is capital receipt.	
5.	All expenses in the long run are revenue in nature.	
6.	Purchase expenses should be deducted from purchases.	
7.	State bank of India is a personal account.	
8.	All facts whether material of immaterial are recorded in accounts.	
9.	In hire purchase, depreciation on asset is charged by hire purchaser.	
10.	A person buying the goods is termed as vendor.	

Q2 A	From the following transactions, prepare the necessary Ledger accounts in the books of Nidhi and balance them. Following are the balances appearing on 1st March, 2022. Ridhi a/c ₹ 28,000 (creditor), Goods a/c ₹ 22,500, Cash a/c ₹ 25,000. **March 2022** 3 — Goods purchased for ₹ 4,500 by cash. 10 — Sold goods worth ₹ 7,500 for cash. 15 — Cash paid to Ridhi on account. ₹ 3,000. 18 — Goods purchased from Ridhi ₹ 7,500 on credit. 19 — Goods worth ₹ 300 returned to Ridhi since they were damaged in transit. 25 — Sold goods to Shankar for cash ₹ 5,000. 28 — Cash sales ₹ 13,000.	15 Marks	

OR			
Q2 P	Record the following transactions in the Cash Book (three column form) and balance the same. **February 2022** 1 — Opening Cash balance ₹ 3,500, Bank overdraft ₹ 2,000. 2 — Introduced further cash ₹ 7,000 in the business. 4 — Deposited ₹5,000 into the bank. 6 — Cheque received from Chaya for ₹ 1,170 in full settlement of ₹ 1,200. 7 — Issued a cheque for children school fees ₹ 2,000. 10 — Issued cheque to Tina of ₹ 980 in full settlement of her a/c of ₹ 1,000. 11 — Cheque received from Mona on account ₹ 500. 12 — Endorsed Mona's cheque in favour of Leena to settle her account. 14 — Cash Purchases ₹ 800, Cash Sales ₹ 700 20 — Purchased in cash Cupboard worth ₹ 2,000 for office use. 24 — Paid salaries ₹700, Rent ₹ 150 & Commission ₹ 200 in cash. 27 — Bank collected dividend ₹ 100 and credited to our account. 28 — Deposited all the cash in excess of ₹ 1,000.	15 Marks	

Q3 A	From the following information, Prepare a bank reconciliation statement showing the balance as per cash book on March 31, 2021. a) Balance as per cash book on 31st March,2021 was ₹ 2,500. b) Cheques for Rs. 700 were issued but were not presented for payment till 10th April,2021. c) A cheques of Rs. 3,000 received from a customers were deposited in the bank but out of these, cheques of ₹1,500 were collected till 31st March. d) Direct payment for insurance ₹650 by bank as per standing instructions. e) Bank charges ₹ 60 debited by bank for which no entry was recorded in the cash book. f) Bank allowed interest of ₹ 40 for which no entry was recorded in the cash book. g) Transfer of ₹ 2,000 from fixed deposit to this account was not recorded in the cash book. h) Dividend of ₹ 300 and Debenture Interest of ₹ 200 collected by the bank but not recorded in Cash Book.	8 Marks	
Q 3 B	Rectify the following errors, giving journal entries wherever necessary : i) Extension to building ₹ 20,000 was debited to repairs to building a/c.	7 Marks	

2

	ii) Goods Purchased from Y for ₹ 1,750 have been wrongly passed through the purchase book as ₹ 1,570. iii) ₹ 800 for purchase of chairs have been passed through purchase book. iv) Salaries paid ₹ 1,500 to staff were debited to salaries a/c as ₹ 5,100 v) ₹ 500 paid as a deposit for registering a scooter for office is charged to purchase a/c. vi) Rent paid ₹ 2,000 has been posted twice in Rent a/c. vii) Total of discount column on debit side of the cash book is credited to discount a/c ₹ 51.	
	OR	
Q3 P	State whether the following expenditure are Capital, Revenue or Deferred Revenue. Give reasons : i) A new machine is purchased for ₹ 60,000, ₹ 800 were spent on its carriage and ₹ 1,500 were paid as wages for its installation. ii) A sum of ₹ 10,000 was spent on painting the new factory. iii) ₹ 1,500 were spent on the repair of machinery. iv) ₹ 10,000 was paid as brokerage on the issue of shares and other expenses of the issue were ₹ 25,000. v) ₹ 40,000 was spent in dismantling and removing the machinery from old sites to a more suitable site. vi) Damages paid by a transport company to its passengers ₹20,000 injured in an accident... vii) Expenses incurred in connection with obtaining a licence for starting the factory for ₹ 25,000. viii) Advertisement expenses amounted to ₹ 10 crores to introduce a new product.	15 Marks
Q4	AB Ltd. had purchased a machinery on hire purchase system from PM Ltd. The terms are that AB Ltd. would pay ₹20,000 down on signing of the agreement and 4 annual instalments of ₹11,000 each commencing from the beginning of the next year. AB Ltd. charged depreciation @ 10% on cost under W.D.V. system. PM Ltd. charged interest @ 10% p.a. in their hire purchase contract. Prepare Machinery Account and PM Ltd. for five years in the books of AB Ltd.	15 Marks
	OR	
Q4	The following balances were extracted from the books of Barve as on 31st March, 2018. You are required to prepare Trading, Profit & Loss A/c for the year ended 31st March, 2018 and Balance sheet as on that date.	15 Marks

Particulars	₹	Particulars	₹
Cash at bank	6,200	Creditors	12,000
Debtors	25,000	Commission received	4,000
Machinery	26,000	Sales	84,800
Purchases	45,000	Capital	60,000
Opening Stock	15,000	R.D.D.	1,700
Wages	10,600	Bills Payable	5,000
Salaries	3,500		
Bills Receivables	4,000		
10% Investment	10,000		

Furniture	7,000	
Carriage inward	4,500	
Carriage outward	4,600	
Printing & Stationery	3,400	
Advertisement	1,000	
Insurance	750	
Postage & Telegram	700	
Bad debts	250	
Total	**1,67,500**	**Total**	**1,67,500**

<u>Additional information :</u>

a) Closing stock was valued at ₹ 40,000.

b) Wages included ₹ 4,000 paid for installation of machinery purchased on 1-4-2009.

c) Provide depreciation @ 10% on machinery and furniture.

d) Outstanding salary ₹ 1,000.

d) Create a provision for bad debts @ 5% on sundry debtors.

Q5 A	Distinguish between Hire Purchase System and Instalment System.	
Q5 B	Define cheque. What are the different types of cheques ?	8 Marks
		7 Marks
	OR	
Q5	**Write Short Notes On (any 3)**	
1	FIFO method of stock valuation	15 Marks
2	AS-9 Revenue Recognition	
3	Suspense account	
4	Convention of disclosure	
5	Books of prime entry	

M.L.DAHANUKAR COLLEGE COMMERCE   Marks:75
EXTERNAL EXAMINATION – NOVEMBER 2022
FYBMS/FYBAF/FYBBI/FYBFM
SEMESTER- I
SUBJECT: BUSINESS ECONOMICS I
Date & Time: 21/11/2022 10:00 am to 12:30 pm

Q1A) Multiple Choice Questions(any 8 out 0f 10)   8 marks

1. Resources need to be used optimally because
   A) They are free available
   B) They are scarce in nature
   C) There supply is unlimited
   D) They can be used only for one purpose

2. Opportunity cost is defined as
   A) Sacrifice of the next best alternative use of a factor
   B) Cost of production
   C) Selling cost
   D) Overhead cost

3. A fall in the price of a commodity
   A) Increases consumer's nominal income
   B) Increases the consumer's real income
   C) Decreases the consumers nominal income
   D) Decreases the consumer's real income

4. As the price of a commodity falls, it becomes relatively cheaper than other alternatives. This effect is known as _____.
   A) Substitution effect
   B) Income effect
   C) Price effect
   D) Snob effect

5. Returns to scale determines the behaviour of
   A) Shorter and average cost
   B) Marginal cost
   C) Average fix cost
   D) Long run average cost

6. _____ is a Situation of no profit no loss.
   A)   Breakeven point
   B)   Perfect competition
   C)   Monopoly
   D)   Market practice

7. A kinked demand curve indicates
   A) Price flexibility in non-collusive oligopoly
   B) Price flexibility in collusive oligopoly
   C) Price rigidity in collusive oligopoly
   D) Price rigidity in non-collusive oligopoly

8. Excess profit is earned when
   A) AR >AC
   B) AR = AC
   C) AR <AC
   D) TR = TC

9. Marginal cost pricing is generally followed by ---
   A) Private enterprises
   B) Small scale industries
   C) Public sector enterprises
   D) MNCs

10. Under dumping a monopolist's demand curve in the Home Market is_____.
   a) Downward sloping
   b) More elastic
   c) Perfectly elastic
   d) Perfectly inelastic

Q1B)   True or False (any 7 out 0f 10)   7 marks
   1. An exogenous variable is within an economic model.
   2. Price always has a tendency to move away from equilibrium.
   3. All inferior goods are Giffen goods.
   4. Relatively inelastic demand is represented by a vertical demand curve.
   5. Fixed proportion production function is characterised by constant returns to scale.
   6. Fixed costs are independent of output.
   7. A market is a geographical location where buyers and sellers must physically meet each other.
   8.. A monopolist sells a commodity which has no substitutes.
   9. Full cost pricing method has certain limitations.
   10. Transfer pricing is used to maximise the profits of only one unit of a firm.

Q2 A)   Explain determinants of demand in detail.
Q2 B)   Write an explanatory note on degrees of Income elasticity of demand.   8 Marks
                                                                                      7 Marks
                              OR
Q2 C)   What is demand forecasting and Explain steps involved in the process of demand   8 Marks
        forecasting.
Q2 D)   Elaborate any two methods of demand forecasting in detail.   7 Marks

Q3 A   Define iso quant and Explain its properties along with suitable diagram.   8 Marks
Q3 B   A businessman pays ▢15,00,000 as wages per year, ▢ 3,00,000 in interest per   7 Marks
        year on capital and rent of ▢ 50,000 yearly. If the entrepreneur worked for
        somebody else, she would have earned ▢5,00,000.
        Calculate economic profit and accounting profit if he receives ▢35,00,000 as
        revenue in his year's output.

                              OR
Q3C)   Explain law of variable proportion along with suitable diagram.   8 Marks
Q3 D)   Given TFC as Rs.200 Calculate TC , AC, AVC, AFC, MC from   7 Marks
        the information given in the following

output	1	2	3	4	5	6
Total variable cost	10	12	15	18	20	17

Q4 A   Explain the short run equilibrium of a firm in the perfect competition.   8 Marks
Q4 B   Discuss the arguments against advertisement in monopolistic competition.   7 Marks
                              OR

2

9. Marginal cost pricing is generally followed by ---
   A) Private enterprises
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9. Full cost pricing method has certain limitations.
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Q2 A) Explain determinants of demand in detail.   8 Marks
Q2 B) Write an explanatory note on degrees of Income elasticity of demand.   7 Marks
                                OR
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Calculate economic profit and accounting profit if he receives ▢35,00,000 as revenue in his year's output.
                                OR
Q3C) Explain law of variable proportion along with suitable diagram.   8 Marks
Q3 D) Given TFC as Rs.200 Calculate TC , AC, AVC, AFC, MC from the information given in the following   7 Marks

output	1	2	3	4	5	6
Total variable cost	10	12	15	18	20	17

Q4 A Explain the short run equilibrium of a firm in the perfect competition.   8 Marks
Q4 B Discuss the arguments against advertisement in monopolistic competition.   7 Marks
                                OR

Q4 P	Elaborate the difference between Monopolistic competition and monopoly.	8 Marks
Q4 Q	What is the various source of monopoly power?	7 Marks
Q5 A	Explain the marginal cost pricing with suitable diagram	8 Marks
Q5 B	Define price discrimination concept and Explain the conditions for discrimination.	7 Marks

OR

Q5	Write Short Notes On (any 3)	15 Marks
1	Dumping	
2	Internal economies of scale	
3	Opportunity cost	
4	Degrees of price discrimination	
5	Transfer pricing	