UNIVERSITY PAPER

F.Y.B.F.M

SEM-I

DEC.-2018

10/12/2018

Set FYBFM. Sem I

(2 ½ Hours)

[Total Marks: 75]

N.B : (1) **All** questions are **compulsory**.
    (2) **Figures** to the right indicate **full** marks.
    (3) Draw **neat diagram** wherever necessary.

1. (A) State whether following statements are true of false.(Any **Eight**)   8

    (1) An equation is true only for a specific value.
    (2) A variable is an identity whose quantity can change over a specified time period.
    (3) Demand curve always slopes upward.
    (4) Geometric method measures the elasticity of demand at a point on the demand curve.
    (5) The concept of iso-quants is used to explain the expansion path.
    (6) Economies of scale help to reduce the cost of production.
    (7) A monopoly firm and industry are identical.
    (8) A firm under perfect competition incurs heavy selling cost.
    (9) Under marginal cost pricing, prices are determined on the basis of fixed cost only.
    (10) Today firms produce a variety of products rather than a single product.

(b) Match the following (Any **seven**)   7

	Group 'A'		Group 'B'
1.	Slope	a.	Q = f (p)
2.	Graphs	b.	P X Q
3.	Demand function	c.	Next best alternative use
4.	TR	d.	Few sellers
5.	Law of returns to scale	e.	Refers to change in one variable due to change in other variable
6.	Opportunity cost	f.	OPEC
7.	Oligopoly	g.	Monopoly
8.	Cartel	h.	Cost incurred in producing an additional units of output
9.	Discriminating pricing	i.	long-run production
10.	Marginal cost	j.	show the pictoral presentation and the relationship between two variables

2. (A) Explain the nature of demand curve under perfect competition.   8
   (B) Discuss the types of cross elasticity of demand.   7

OR

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(C) The demand schedule for an industry in a purely competitive market is given as follows –

$$Q = 500 - 3P$$

The short-run supply schedule of the industry is as follows-

$$Q = -3 + 8P$$

Questions-
1. What is the equilibrium price and quantity in the market? 4
2. What is the total expenditure incurred by the consumers? 2
3. Calculate the total revenue of the firms. 2

(D) Discuss the survey method of demand forecasting. 8

3. (A) Explain the law of diminishing marginal returns with the help of an illustration and suitable diagram . 8

(B) Discuss the types of internal economies of scale. 7

OR

(C) From the following cost function-
$$TC = 100 + 50Q + 4Q^2$$

Questions-
1. Calculate TFC , TVC, AVC, 4
2. Find out AC, ATC, and AFC if the output is 10. 4

(D) Explain with the help of diagram the concept of break-even analysis. 7

4. (A) Explain the long-run equilibrium of price and output of the industry under perfect competition. 8

(B) Discuss the equilibrium of a firm under monopolistic competition in short-run. 7

OR

(C) Discuss the various types of price leadership. 8

(D) What is price rigidity? Discuss it with the help of suitable diagram. 7

5. (A) Discuss the merits and demerits of full cost pricing. 8

(B) Explain the concept of transfer pricing without external market. 7

OR

Write short notes (Any **Three**) 15
(a) Use of marginal analysis in decision making.
(b) Types of price elasticity of demand.
(c) Ridge lines.
(d) Kinky demand curve.
(e) Types of price discrimination.

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Q.P. Code :19342

[Time: 2:30 Hours]

[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) Select the most appropriate alternative and rewrite the statements. (Attempt any 8)   **(08)**
   1) Basic objectives of business is _____.
      a) Profit maximization 2) Buying and selling 3) Profiteering
   2) Business environment is_____.
      a) Dynamic b) Static c) Simple to understand
   3) State commission can deal with cases involving value of goods\compensation not exceeding_____.
      a) 20 lakhs b) 50 lakhs c) One crore
   4) _____Audit is a report of economic performance.
      a) Commercial b) Social c) Human resource
   5) Study of ethics is a part of_____.
      a) Social science b) History c) Economic
   6) Business helps in_____ of employment opportunities.
      a) Creation b) Bridging c) Objecting
   7) Commercial audit is inspection of account & balance sheet of a company as per the provision of Indians Companies ACT, _____.
      a) 2013 b) 1956 c) 1986
   8) TNCs are _____to MNCs.
      a) Superior b) Inferior c) Equal
   9) FDI _____industrial and economic development.
      a) Promotes b) Restricts c) Avoids
   10) Share of developing countries in India's export is _____.
      a) Increasing b) Decreasing c) Limited

Q.1 b) State whether the following statements are **True** or **False**. (Attempt any 7)   **(07)**
   1) Strengths & weakness are often internal to an organization.
   2) Face to face ethics is one of the forms of ethical dilemmas.
   3) The maximum compensation sought is upto Rs. 5 lakhs on filling a complaint before the district forum.
   4) India's balance of trade is unfavorable.
   5) Business objectives should not be rigid.
   6) Avoiding profiteering is one of the social objectives.
   7) Humanistic attitude makes employees happy.
   8) GATT was replaced by WTO
   9) FDI helps in technology diffusion.
   10) Maximizing profits is the only key to accomplish organization goals.

Q.2   a) Explain the Characteristic of business.
Q.2   b) Discuss the Role of objectives in business management.   **(08)**
                                                                      (07)
                        OR
Q.2   c) Explain SWOT analysis.
Q.2   d) State and explain the Characteristic of business environment.   **(08)**
                                                                               (07)

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Q.3 a) Define corporate culture. Explain its features.   (08)
Q.3 b) Explain the features of Consumer protection ACT 1986.   (07)
                                            OR
Q.3 c) Discuss the relationship between entrepreneurship and economic development. (08)
Q.3 d) What Factors influence business ethics in India?   (07)

Q.4 a) Explain the need for corporate governance.   (08)
Q.4 b) Discuss the arguments in favour of social responsibility of business.   (07)
                                            OR
Q.4 c) Explain the Features of social audit.   (08)
Q.4 d) Distinguish between Social audit and Commercial audit.   (07)

Q.5 a) Explain the External growth strategies.   (08)
Q.5 b) What are the characteristics of a MNC?   (07)
                                            OR
Q.5 Write short note on **any three** from the following: (15)
    a) MNCs
    b) FDI
    c) MSMEs
    d) Ethical climate
    e) Economic objectives of business

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Max Marks: 100

Time: 3 Hrs.

N.B. (1) All questions are compulsory
   (2) Figures to the right indicate full marks
   (3) Graph papers will be provided on request
   (4) Use of simple non-programmable calculator is allowed

SECTION I

Q1. Attempt **any FOUR** from the following:

a) Mr. Vijay invested in shares of face value Rs. 10. At 6% rate, he received a total dividend of Rs. 62.40. How many shares did he purchase? (5)

b) A person sold 400 shares at Rs. 55 each paying 0.5% brokerage. What is net amount received by him? (5)

c) Ms. Aayushi invested Rs. 18000 in a mutual fund when the NAV was Rs. 210.47 and redeemed all the units when the NAV was Rs.290.50. What was the total gain? What was the rate of return? There were no loads. (Number of units was rounded off upto 3 decimal places.) (5)

d) Mr. Sachin invested Rs. 30,000 in a mutual fund on 03/05/10 when its NAV was Rs. 66.11. On 5/03/12, he received a dividend @ Rs. 5 per unit. Find the total dividend received by him, assuming no entry load. (5)

e) An investor invested Rs. 4,000 on the 2nd of every month for 5 months in an SIP of a mutual fund. The N.A.V.s on these dates was Rs. 33.26, Rs. 28.25, Rs. 35.57, Rs. 38.45 and Rs. 44.32 respectively. There was same entry load of 2.22% for all these months. Find the average acquisition cost per unit. (5)

Q2. Attempt **any FOUR** from the following:

a) In how many different ways can the letters of the word "FRIDAY" be arranged? Also find how many of these begin with D. (5)

b) A group of 10 people contains 4 males and 6 females. A committee of 5 is to be formed, find the number of ways such that the committee has all females. (5)

c) Solve the LPP graphically: (5)

Max $Z = x + y$

Subject to

$2x + 3y \le 12$

$2x + y \le 8$

$x, y \ge 0$

d) Solve the LPP graphically: (5)

Min Z = 7x + y

subject to

x + 4y ≥ 4

3x + y ≥ 3

x, y ≥ 0

f) A diet of a sick person must contain atleast 4000 units of vitamins, 50 units of minerals and 1400 calories. Two foods F1 and F2 are available at cost of Rs.4 and Rs.8 per unit respectively. If one unit of F1 contains 200 units of vitamins, 2 units of minerals and 40 calories and one unit of F2 contains 1000 units of vitamins, 2 units of minerals and 20 calories.

Formulate the LPP to minimize the cost. (5)

SECTION II

Q3. Attempt **any FOUR** of the following:

a) State the different types of measures of dispersion. (5)

b) Calculate the mean and mode for the following data. (5)

Age in years	10	20	30	40	50
No. of Persons	6	11	20	15	8

c) The following data represents the marks of 150 students in a class. Calculate Q_1 & Q_3 and hence evaluate the coefficient of quartile deviation. (5)

Marks	0-20	20-40	40-60	60-80	80-100
No. of Students	23	37	50	24	16

d) The following distribution gives the weight of forty children living in a colony. Calculate the standard deviation for the given data. (5)

Weights in kgs.	5-10	10-15	15-20	20-25	25-30
No. of children	4	8	12	10	6

e) Calculate the combine mean of the two groups for the following data and hence check which group is more consistent. (5)

	Group I	Group II
Number	100	200
Mean	50	45
S.D.	5	3

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Q.4 Attempt **any FOUR** of the following

a) One ticket is drawn at random from a set of 20 tickets numbered from 1 to 20. What is the probability that number of the ticket drawn is divisible by 2 or 3? (5)

b) If A and B are two independent events and $P(A) = \frac{2}{3}$, $P(B) = \frac{3}{5}$ Find $P(A')$ & $P(A \cup B)$. (5) (where A' is complement of A)

c) Three unbiased coins are toss at a time. Find the expected value of number of Heads. (5)

d) In a group of 125 students, 70 passed in mathematics, 55 passed in statistics and 30 passed in both. What is the probability that a student selected at random has passed (i) at least in one subject (ii) in only one subject. (5)

e) Explain Random variable, Probability distribution and its Expectation with suitable example. (5)

Q5. Attempt **any FOUR** of the following:

a) Explain the term 'Opportunity loss' in 'Decision theory'. Explain how the optimal decision is obtained with respect to 'Opportunity loss'? (5)

b) Solve the given decision problem using i) Maximax ii) Maximin criteria (5)

Events → Actions ↓	S_1	S_2	S_3
A_1	5	10	18
A_2	8	22	8
A_3	21	18	12
A_4	30	7	19

c) Determine the best decision according to Minimax Regret criterion for the following pay off matrix: (5)

Events↓ Action→	A	B	C
S1	10	12	25
S2	18	24	10
S3	25	30	20

d) Given the pay-off matrix, solve the decision problem using EMV criterion. (5)

	States of nature		
Action	E_1	E_2	E_3
P	15	14	10
Q	13	15	12
R	17	16	25
Probability	0.5	0.4	0.1

e) Draw a decision tree for the given pay-off table and suggest the optimum decision. (5)

	Participation Level		
Type of Policy	High	Medium	Low
A	20	18	10
B	15	30	20
Probability	0.35	0.30	0.35

--xxxxx--

Time: 2 ½ hours

MARKS: 75

NB : (1) All questions are compulsory
(2) Figures to the right indicate full marks

1. (A) Choose the correct alternative **(any eight)** (08)

(i) In India the state of _____ has the lowest gender ratio.
(Punjab, Haryana, Bihar)

(ii) Shwetambar and Digambar are the two major sects of _____.
(Sikhism, Jainism, Buddhism)

(iii) Marathi belongs to _____ language family.
(Dravidian, Indo-Aryan, Austric)

(iv) Deficiency of Vitamin _____ may cause blindness.
(A, B, C)

(v) The practice of untouchability is prohibited in India by Article _____ of the
Constitution.
(15,16,17)

(vi) Demand for 'son of the soil' is an example _____.
(communalism, casteism, regionalism)

(vii) _____ has the final power to interpret the Constitution.
(Legislature, Executive, Judiciary)

(viii) According to Indian Constitution there are _____ types of emergency.
(two, three, four)

(ix) The word _____ implies equal treatment to all religions.
(sovereign, secular, socialist)

(x) Panchayati Raj was given constitutional status by _____ Amendment Act.
(72nd, 73rd, 74th)

(B) State whether the following statements are True or False **(any seven)**. (07)

(i) The Constitution of India recognizes 22 languages.
(ii) English is the secondary official language of Indian Union.
(iii) Maharashtra was the first state to be formed on linguistic basis.
(iv) The terms 'Secular' was added to the Preamble of Indian Constitution by 44th
Amendment Act.
(v) Trachoma is a serious form of conjunctivitis.

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(vi)   Down's syndrome is a defect due to extra chromosome.
(vii)   Indian Constitution does not confer double citizenship.
(viii) Fundamental rights are justiciable in nature.
(ix)   Indian Constitution has adopted Parliamentary democracy.
(x)   Trinamool congress is a national party.

2. Explain the causes and consequences of declining gender ratio in India.   (15)

OR

Examine the various problems faced by the people with disabilities in India.

3. Discuss the reasons for communal violence in modern India. Suggest measures to overcome the problems of communalism.   (15)

OR

Explain the various issues related to regional conflicts in India.

4. Discuss the significance for Fundamental Duties as incorporated in Indian Constitution.   (15)

OR

Explain the outstanding features of Indian Constitution.

5. '73rd Constitutional Amendment Act ensures democratic participation at the grassroot level' - Discuss.   (15)

OR

Write short notes on **any three:**

(a) Rural-urban divide in India.
(b) Religious diversity in India
(c) Portrayal of women in media
(d) Linguistic conflicts in India
(e) Features of Indian party system

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Total Marks: 75 marks

Time: 2 ½ hrs.

N.B. All questions are compulsory

I (A) Match the Columns: (Any Eight)

(08 marks)

(1) Encoding	(a) Mass Communication	
(2) Blogs with Photos	(b) Needs Mental Discipline	
(3) Kinesics	(c) Introduces the Sender to the Receiver	
(4) Hierarchy	(d) Levels of Authority and Power	
(5) Semantic Barriers	(e) Providing Lip Service	
(6) Fake Listening	(f) Involves the use of common symbols	
(7) Good Listening	(g) Photo Blog	
(8) Letterhead	(h) Body Language	
(9) Post Script	(i) Related to Language	
(10) Address to a Large Group	(j) Extension of the Body of the Letter	

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

(07 marks)

a) Jobs may be advertised through websites, but applications should never be sent through e-mail.

b) Use of Jargon shows command over language.

c) Listening enables understanding of a message.

d) A communication gap can be created due to a psychological barrier to communication.

e) A virus protection software scans incoming mails.

f) The Inside Address is a compulsory part of a business letter.

g) Grapevine is a formal channel of communication.

h) Communication by touch is a type of non-verbal communication.

i) Email is a slow means of communication.

j) Communication should result in an understanding response.

2(A)   Define Communication and explain its process with a labelled diagram.   (07 marks)

(B)   List any five advantages and disadvantages of Written Communication.   (08 marks)

OR

(A)   Discuss and explain in detail Vertical Communication.   (07 marks)

(B)   List any five advantages and disadvantages of Oral Communication.   (08 marks)

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3. Explain the term Business Ethics with special reference to Corporate Social Responsibility. (15 marks)

OR

List and explain any five Psychological Barriers to Communication and explain how they (15 marks) can be overcome.

4. (A) A leading multi-national company requires Management Trainees for its newly (10 marks) opened branch at Mumbai. The candidate should be a post-graduate with a minimum of 02 years work experience and should have excellent communication skills. Apply with Curriculum Vitae to P.O. Box No 123, The Times of India, Mumbai. Use the Complete Block layout.

(B) You have received an offer for the position of a Senior Sales Executive at U Foam (05 marks) Mattresses. Write a Letter of Job Acceptance. Use the Modified Block layout.

OR

(C) Draft a Letter of Application with Curriculum Vitae for the post of a Company (10 marks) Secretary at Fair Cosmetic Company Private Limited. Use the Complete Block layout.

(D) After a commendable service as a Personal Secretary for the past 10 years, you (05 marks) have decided to quit your job due to unavoidable domestic circumstances.

Write your Letter of Resignation. Use the Modified Block layout.

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

(a) Feedback
(b) Education as an Objective of Communication
(c) The Importance of Listening
(d) Inside Address and Salutation
(e) Communication by Touch

Q. P. Code: 12168

Total Marks: 75 marks

Time: 2 ½ hrs.

N.B. All questions are compulsory

I (A) Match the Columns: (Any Eight)   (08 marks)

(1) Encoding	(a) Mass Communication
(2) Blogs with Photos	(b) Needs Mental Discipline
(3) Kinesics	(c) Introduces the Sender to the Receiver
(4) Hierarchy	(d) Levels of Authority and Power
(5) Semantic Barriers	(e) Providing Lip Service
(6) Fake Listening	(f) Involves the use of common symbols
(7) Good Listening	(g) Photo Blog
(8) Letterhead	(h) Body Language
(9) Post Script	(i) Related to Language
(10) Address to a Large Group	(j) Extension of the Body of the Letter

(B) State whether the following are True or False: (Any Seven)   (07 marks)

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c) Listening enables understanding of a message.

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2(A) Define Communication and explain its process with a labelled diagram.   (07 marks)

(B) List any five advantages and disadvantages of Written Communication.   (08 marks)

OR

(A) Discuss and explain in detail Vertical Communication.   (07 marks)

(B) List any five advantages and disadvantages of Oral Communication.   (08 marks)

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OR

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(B) You have received an offer for the position of a Senior Sales Executive at U Foam (05 marks) Mattresses. Write a Letter of Job Acceptance. Use the Modified Block layout.

OR

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(D) After a commendable service as a Personal Secretary for the past 10 years, you (05 marks) have decided to quit your job due to unavoidable domestic circumstances.

Write your Letter of Resignation. Use the Modified Block layout.

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

   (a) Feedback
   (b) Education as an Objective of Communication
   (c) The Importance of Listening
   (d) Inside Address and Salutation
   (e) Communication by Touch

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03/12/2018

Paper / Subject Code: 81203 / Business Mathematics.

BFM-sem-1   Q.P. Code : 19812

[Time: 2:30 Hours]

[Marks:75]

Please check whether you have got the right question paper.

N.B:
1. All Questions are Compulsory and carry equal marks
2. Use of simple Calculator is allowed
3. Figures to right indicate full marks to each sub question.

Q.1 (A) Choose the correct alternative. Attempt **any eight** from the following   **(8)**

1) If x:y = 2:3 and y:z 4:3 then x:y:z is_____.
   a) 7:11:10
   b) 8:12:9
   c) 10:12:11
   d) None of these

2) If 19-x, 26-x, 35-x and 50-x are in proportion then x is_____.
   a) 2
   b) 5
   c) 4
   d) None of these

3) The Cash discount is calculated on _____.
   a) Net selling price
   b) Cost price
   c) Invoice price
   d) None of these

4) The simple interest on Rs. 15000 for8 months at 10% p.a. is_____.
   a) RS. 1000
   b) RS.1500
   c) RS.1050
   d) None of these.

5) The future value of an amount is always _____ its present value.
   a) Greater than
   b) Less than
   c) Equal to
   d) None of these

6) If the payments of an annuity is made at the end of periods the annuity is called_____.
   a) Annuity due
   b) Immediate annuity
   c) Uniform annuity
   d) None of these

7) The rate of dividend is given for____ of a share.
   a) Market value
   b) Face value
   c) a) or b)
   d) none of these

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8) A share of face value Rs. 100 has a market price of Rs. 10 below par means its market price is_____.
   a) RS.90
   b) RS.110
   c) RS.95
   d) None of these

9) The compound interest on Rs. 10000 at 5% P.a. per 3years is_____.
   a) Rs.1500
   b) Rs.1600
   c) Rs.1400
   d) None of these

10) Mutual funds are managed by_____.
    a) Board of Directors
    b) Asset management companies
    c) SEBI
    d) None of these

Q.1 (B) State whether following statements are true or false attempt **any seven.**   **(7)**
   1) If a<b then the ratio a:b is called as a ratio of lesser in equality.
   2) Percentage is ratio with 100 as numerator.
   3) CP= LOSS+NSP.
   4) A del creder agent who does not charge any commission from the seller.
   5) The list price cannot be calculated if only the rates of discounts and the net Selling price are given.
   6) The buyer has to pay the seller and the broker both.
   7) In mutual fund, SIP stands for simple increment plan.
   8) If a share is available at par, then the difference between its market value and its face value is zero.
   9) If the interest is charged only on the principal, then it is called the simple interest.
   10) A sinking fund is not an annuity.

Q.2 (A) A company fixed the rate of commission to its salesman as follows: **(8)**
   3% on the first Rs. 5000, 5% on the next Rs. 8000, 8% on next Rs. 10000 and
   11% on the balance company had agreed to pay 1/4% of total sales as bonus if the sales crossed Rs. 30000. A salesman of the company secured sales worth Rs. 32000 calculated total earning of the salesman.

(B) 10 bulls can plough 13 hectors of farmland in 7 days. How many bulls will be required to plough 117 hectors in 35 days?   **(7)**

OR

Q.2 (C) A merchant allowed 40% trade discount and further 2% cash discount and thus made 10.691% profit on his cost price if the listed price was Rs. 7530 find his cost price.   **(8)**

(D) P,Q and R are in partner ship with their capitals in the ratio 2:4:1 they decide to dissolve the partnership. The assets of the company are sold for Rs. 1960000 and the liabilities (other than the capital) of Rs. 835000 are paid in full. They incur realization expense of Rs.5000 what is the amount that each partner would get as the final settlement after the dissolution?   **(7)**

Q.3 (A) Saroj invested certain amount in a bank for 3 years and received Rs. 119790 as the final **(8)** amount at a certain rate of interest. She deposited an identical amount in another bank for 5 years and got Rs. 144945.90 as the final amount with same rate find the principal amount and the rate of compound interest.

(B) Find the acceptability of following project using the NPV method (use 13% P.a. as the interest rate) **(7)**

Year	0	1	2	3	4	5
Cash flow Rs.	-70000	15000	17000	20000	22000	25000

OR

Q.3 (C) The simple interest at 10% P.a. for 4 years on a certain sum is RS. 8000 Find the compound **(8)** Interest on the same sum at the same rate for the same period.

(D) Mr. Joshi deposits RS. 8000 at the end of every year for 5 years in a bank. The bank **(7)** Charges the rate as 8% P.a. compounded Quarterly. Find the effective rate of interest P.a. Also find the accumulated value.

Q.4 (A) Pooja wants to invest some amount in company A or company B by purchasing equity shares **(8)** Of face value Rs. 10 each with market price of Rs.220 and 190 respectively the companies are expected to declare dividends at 25% and 15% respectively. In which company is it profitable to invest her Money? Why?

(B) Any invested Rs. 12000 on 10th august 2008 at NAV of Rs. 43.378. After wards he **(7)** Redeemed all his units on Rs. 27th October 2008 with total gain of Rs.875.15. If the entry load was 2.25% and exit load was 1% find the NAV on 27th oct 2008.

OR

Q.4 (C) An amount of Rs.34068 was invested by Ms. Aasin in 5% stock at 85. She sold the stock at 82 after **(8)** receiving the dividend the brokerage for purchase and sales were 0.2% and 0.1% respectively. Calculate her net gain or loss and also % gain or loss.

(D) Kiran invested Rs. 25000 in mutual fund in 1st may 2009 when the NAV was Rs. 1073.2568. He **(7)** redeemed the units on 8th july 2009 with NAV of Rs. 1349.6395. there was no entry load or exit load. Find the number of units purchased, the gain and rate of return.

Q.5 (A) Explain Briefly proportion and its types. **(8)**

(B) Explain briefly Dividend Re- investment options in mutual fund. **(7)**

OR

Q.5 Write short notes on the following. Attempt **any three** **(15)**
   a) profit and loss
   b) annuity and its types
   c) preference shares and bonus shares
   d) load on mutual fund
   e) discount

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30/11/2018

Paper / Subject Code: 81202 / Introduction to Financial System.

BFM - Sem - I

Time: 2½ Hours

Marks: 75

Q.1 A) Fill in the blanks (Any Eight) (08)

1. A _____ system helps in mobilizing the savings from the households
2. _____ is the short form of asset management company
3. _____ based financial services involve a commission
4. Financial markets can be physical or _____
5. _____ markets provide access to short-term funds
6. _____ are investors who profit from differences in prices in two different markets
7. Government securities are issued by the _____ on behalf of Government of India
8. _____ is the regulatory authority for commodity futures market in India
9. _____ instruments have both the features of equity and debentures
10. The _____ are financial instruments which derive value from the underlying asset

B) State whether the following statements are True or False (Any Seven) (07)

1. Money market is a long term market
2. RBI's main function is financial stability
3. Financial instruments are first issued in primary market
4. GDRs are traded in American stock market
5. CRAs assess the credibility of borrowers
6. AMFI is Asset Management Financial of India
7. Coupon is the periodic interest payment
8. A hedger is one who enters the market to make profit
9. Insurance companies are non financial intermediaries
10. Foreign exchange market has no physical location

Q. 2. Explain the various components of financial markets (15)

OR

Q. 2 c. Explain the functions of financial markets in financial system (8)

d. Explain the role of banking system in the Indian financial system (7)

Q. 3. a. What are the differences between organized and unorganized financial markets (8)

b. Explain the functions of capital market (7)

OR

Q. 3. c. Who are the participants in the currency market? (8)

d. Explain the advantages and disadvantages of capital market. (7)

Q. 4. a. Explain IRDA's primary role in safeguarding the interest of policyholders. (8)

b. Why are financial regulators important in the financial system? (7)

OR

Q. 4. Explain the various quantitative and qualitative credit controls methods used by RBI (15)

Q. 5. a. Explain the features of debt instruments. (8)

b. Explain the various advantages that equity instruments have over debt instruments. (7)

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OR

Q.5 Write short notes on: (Any Three)   (15)
1. Commercial paper
2. Credit Rating Agencies
3. FIIs
4. SEBI
5. Derivatives

Duration: 2.5 hours   **Marks-75**

Note: 1) All questions are compulsory.
  2) Working Notes should form part of your answer.
  3) Figures to the right indicate full marks.

Q.1. (A) Select the most appropriate alternatives from those given below and rewrite the statements. (Any 8) **(08)**

1. The amount of depreciation goes on decreasing every year under the _____method.
   a) Straight Line Method   b) Fixed Instalment Method
   c) Revaluation Method   d) Written Down Value Method

2. _____ is a commodity in which trader regularly deals.
   a) Cash   b) Assets
   c) Goods   d) Service

3. The book in which every account is maintained is called _____.
   a) Journal   b) Subsidiary books
   c) Ledger   d) None of these

4. Revenue Expenditure is_____ in nature.
   a) Abnormal   b) Recurring
   c) Non-recurring   d) Capital

5. The immediate recognition of loss is supported by principle of _____.
   a) Going Concern   b) Conservatism
   c) Entity Concept   d) Dual Aspect

6. Any entry recorded on both the sides of cash book is known as ____ entry.
   a) Opening   b) Rectifying
   c) Contra   d) Transfer

7. Trial Balance is useful for locating_____.
   a) Errors   b) Debit Balances
   c) Financial Position   d) None of these

8. A brief description of transaction written below each journal entry is known as _____
   a) Narration   b) Voucher
   c) Explanation   d) Description

9. If Fixed Capital Method is adopted, net profit is transferred to _____account.
   a) Partner's Capital   b) Partner's Current
   c) Balance Sheet   d) Trading

10. AS 3 is _____
    a) Cash flow statement   b) Valuation of inventories
    c) Borrowing Cost   d) Segment reporting

Q.1. (B) State whether you would consider the following as Capital Expenditure, Revenue Expenditure, Deferred Revenue Expenditure, Capital Receipt or Revenue Receipt. (Any 7) **(07)**

a. Sale of Old Machinery.
b. Interest paid on Bank overdraft.
c. Rs.7000 was incurred for issue of shares

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    d. A sum of Rs.10000 paid for obtaining a license to carry a business.
    e. Commission received on sales.
    f. Wages paid for erection of machinery
    g. Brokerage paid on purchase of land.
    h. Sold 4% government bonds for Rs.140000.
    i. Repairing charges paid for keeping the machinery in working condition.
    j. Term loan taken from banks

Q.2 Journalise the following transaction in the books of Akshay for the month of April 2018   (15)

1	Commenced business with cash Rs.1,20,000 ,goods Rs.60,000 and furniture Rs.65000
3	Opened a current account in Bank of Baroda by depositing Rs.75,000
5	Cash Purchases Rs.35,000
9	Cash Sales Rs.55,000
11	Purchased goods worth Rs.20,000 from Amit & co subject to trade discount of 2%
14	Credit Sales to Kalpana Rs.15,000
16	Paid cash to Amit & Co Rs.9,500 who allowed us discount Rs.100
19	Goods distributed as free samples of Rs.1,500
21	Received Cash from Kalpana Rs.4,800 on account of and allowed her cash discount Rs.200
24	Returned goods of Rs.750 to Amit & co.
26	Purchased shares of Rs.15,000 of HDFC Bank
29	Received goods returned by kalpana Rs.200

OR

Q.2 Enter the following transaction in the books of Mr. Joshi in Cash and Bank columns for the month of September 2018.   (15)

1	Cash Balance Rs.56,000
	Bank Overdraft Rs.11,000
3	Purchased goods for Rs.13,000 for cash at 2% cash discount
6	Received bearer cheque for Rs.13,250 from Govind traders.
9	Purchased 100 shares of Amar Ltd of Rs.100 each at Rs.110 each and paid by cheque immediately
11	Sold goods of Rs.7000 at 5% cash discount to Amod and he paid half amount immediately
14	Deposited into bank Rs.11,000
17	Received a crossed a cheque for Rs.18,000 from Ganesh Traders
20	Bank paid our telephone bill Rs.3,230
21	Bank charged Rs.540 as interest on overdraft
22	Paid by cheque to Urmila Rs.8,000
25	Deposited into Bank the cheque received from Govind Traders
27	Received a bearer cheque for Rs.3460 for rent which was deposited into bank.
29	Bank informed that cheque received for rent was dishonoured

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30	Paid life insurance premium of Mr. Joshi Rs.4,250 by cash and electricity bill Rs.7400 by cheque.

Q.3 Prasad Trading company purchased a Machine worth Rs.77,600 and installed Rs.2400 on 1st October 2014. On 1st April 2015 an additional Machinery costing Rs.40,000 was purchased. The Machinery purchased on 1st April 2015 having become obsolete and was sold for Rs. 22,000 on 1st October 2017 and new machinery costing Rs.60,000 was purchased on 1st November 2017.The depreciation was provided annually on 31st March @ 10% p.a. by original cost method. Show **Machinery Account for the year ended 2014-15, 2015-16,2016-17 and 2017-18.** (15)

OR

Q.3 (A) From the following ledger balances, prepare a trial balance of M/s Patil and associates as on 31/03/2018 (08)

Particulars	Rs.
Opening Stock	90,000
Bills Receivable	22,000
Bills payable	18,000
Salary	10,500
Carriage Outward	1,800
Wages	12,500
Debtors	84,000
Creditors	72,500
Commission (Dr)	800
Purchases	2,10,000
Sales	3,27,000
Purchase Return	4,000
Sales Return	2,000
Insurance	2,400
Commission (Cr)	700
Cash in hand	15,700
Royalty	4,000
Bank Loan	70,000
Machinery	80,000
Rent and taxes	1,500
Furniture	30,000
Advertisement	6,000
Capital	90,000
Drawings	9,000

Q.3 (B) From the following Particulars of Mr.Kartik prepare an analytical petty cash book under imprest system for the month of July 2018. (07)

1	Cash balance Rs.70. Advanced received from head cashier Rs.730
3	Purchased Postal stamps Rs.35 and postal cards Rs.50
5	Paid Ananya Printers for printing the bill book Rs.110
8	Paid railway freight Rs.88
11	Purchase CFL Tubes Rs.102
14	Paid bus fare Rs.24
15	Sold old news papers Rs.115
17	Paid coolie Charges Rs.25
19	Gave tips to peon Rs.30
21	Paid to Mr.Pratap Rs.115

Q.4 Sonam Chemicals has the following ledger balances as on 31st March 2018. (15)

Particulars	Rs	Rs
Goodwill	50,000	
Factory Shed	20,000	
Machinery	1,30,000	
Furniture	8,000	
Investments	10,000	
Capital		1,95,000
Bank Loan		3,00,000
Creditors		1,50,000
Debtors	1,35,000	
Stock on 01/04/2017		
Materials	1,30,000	
Work in Progress	7,500	
Finished Goods	82,500	
Net Sales		11,00,000
Miscellaneous Income		4,000
Bad debts Reserve		5,000
Purchase of Materials	8,60,000	
Freight on Materials	50,000	
Factory Power	15,000	
Salaries and wages:		
Factory	1,50,000	
Office	65,000	
Repairs	2,500	
Rent and taxes	16,500	
Insurance	3,900	
General Expenses	18,100	
Total	17,54,000	17,54,000

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The following Additional Information:

1. Closing stock : Materials Rs.2,10,000, Work in progress Rs.12,500 and Finished Goods Rs.2,07,500
2. Depreciation to be provided at 2.5% on factory shed, 10% on Machinery and 15% on Furniture.
3. Repairs and Rent & taxes are to be apportioned between Factory and Office in the ratio 3:2
4. Reserve for doubtful debts to be provided at 4% on debtors.
5. Prepaid Insurance Rs.325.

You are required to prepare **Manufacturing, Trading, Profit and loss account and Balance Sheet as on 31st March 2018.** (15)

OR

Q.4 Mayur and Nilesh are Partners. Their Balance sheet as on 31/12/2018

Particulars	Rs	Particulars	Rs
Building	74,000	Mayur's Capital	90,000
Machinery	40,000	Nilesh's Capital	90,000
Furniture	20,000	Sales	6,80,000
Purchases	2,98,000	Creditors	52,000
Stock	60,000	R.D.D.	3,000
Wages	65,000	Discount	10,000
Carriage Inward	25,000		
Salaries	40,000		
Repairs	18,000		
Commission	5,700		
General Expenses	30,000		
Rent and taxes	21,000		
Bank balance	95,000		
Cash Balance	49,300		
Debtors	84,000		
Total	9,25,000	Total	9,25,000

Additional Information

1. Closing Stock was Rs.50,000
2. Nilesh took other goods worth Rs.5,000 for his personal use for which no entry was made in the books of accounts.
3. Wages outstanding Rs.6,000
4. Write of Bad debts of Rs.2000 and Reserve for bad debts Rs.5000
5. Goods costing Rs.2500 was stolen but no entry was passed

Prepare Trading account, Profit And Loss Account and Balance Sheet as on 31st March 2018. (15)

Q.5 A. What are the objectives of Book keeping and accountancy (08)

Q.5 B. Distinguish Between Straight line method and WDV method. (07)

OR

Q.5 Short Notes (ANY 3) (15)

1. Debtors and Creditors
2. Capital and Revenue Expenditure
3. Going Concern Concept
4. Need of Subsidiary Books
5. Reasons for difference in cash book and pass book.

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