

Duration: 3 Hours

Total Marks: 80

N.B.:-

1. Question No.1 is compulsory
2. Solve any three out of remaining questions
3. Assume suitable data if required and mention it clearly
4. Figures to right indicate full marks



- Q1 A] Explain concept of Production Possibility Frontier and opportunity Cost 5
 B] Explain law of supply 5
 C] Explain Concept of circular flow of income 5
 D] Write short note on –Mutual funds 5

- Q2 A] Explain following with respect to types of markets:- 10
 i. Perfect Competition
 ii. Monopoly
 B] In a factory two types of products are manufactured A&B 10
 From following particulars prepare a statement showing cost and profit per product sold:-

	Product A (Rs)	Product B (Rs)
Materials	27300	108680
Labour	15600	62920

Works overhead is charged at 80% on labour and office overhead is taken at 15% of work cost.

Selling price of both products is Rs 1000

Total 78 units of Product A and 286 units of Product B were sold.

- Q3 A] Explain different methods of measuring national income. 10
 B] Explain importance of depreciation and also explain various methods of depreciation 10
 Q4 A] Explain sources of long term finance. 10
 B] Following is the Trial Balance of Shrish Company prepare Trading account and Profit and Loss account for the year 2016-17 10

Particulars (Year 2016-17)	Dr. Rs.	Cr. Rs.
Sales & Purchase Returns	8,000	3,000
Carriage Inward	4,000	
Carriage Outward	6,000	
Opening Stock	1,55,000	
Drawings	25,000	
Purchases & Sales	10,75,000	15,00,000
Wages	1,05,000	

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Salaries & Adm. Expenses	1,30,000	
Cash & Bank Overdraft	12,000	15,000
Sundry Debtors & Creditors	4,27,000	2,40,000
Rent & Taxes	20,000	
Insurance	18,000	
Miscellaneous Assets	2,00,000	
Bills receivable and payable	1,50,000	2,00,000
Machinery Repairs	15,000	
Factory Expenses	8,000	
Plant Machinery & Capital	6,00,000	10,00,000
Total	29,58,000	29,58,000

Adjustment:

- i. Closing Stock as on 31st March, 2017 is Rs 2,60,000
- ii. Depreciation 12% on Plant & Machinery and Miscellaneous Assets
- iii. Insurance is prepaid by Rs 3,000
- iv. Due wages Rs 6,000
- v. Overpaid Salary Rs 5,000

- Q5 A] Explain any four financial ratios with suitable examples. 10
 B] The standard quantity and standard Price of raw material required for one unit of product A are given below:- 10

	Quantity	Standard Price
Material X	2 Kgs	Rs 3 per Kg
Material Y	4 Kgs	Rs 2 per Kg

The actual production and relevant data are as follows:-
 Output 500 units of product A

Material	Total Quantity for 500 Units	Total Cost (Rs)
X	1200 Kg	3900
Y	1800 Kg	4500

Calculate Material Cost Variance and Material Price Variance

- Q6 Write Short notes on:-

- A] Ledger 5
- B] Comparative balance sheet 5
- C] Process Costing 5
- D] Joint Product Costing 5
