

Duration 3 hrs.

Total Marks 80

N.B.

1. Question No 1 is **compulsory**.
2. Attempt any **three** questions out of the remaining **five** questions.
3. Figures to right indicate full marks.
4. Assume any additional data appropriately, if required.



- Q1 Attempt **any five** questions
- A] Distinguish between Micro and Macro Economics 04
- B] How to measure National Income? 04
- C] Compare Monopoly and Perfect Competitive Market. 04
- D] Role of SEBI in Money Market. 04
- E] Functions of Commercial Banks. 04
- F] Exceptions for Law of Demand. 04
- Q2 A] List the types of accounts and write its Basic Rule. 06
- B] From the following Trial Balance prepare a Trading and Profit and Loss Account for the year ending 31st December, 2017 and Balance Sheet as on that date. 14

Trial Balance as on 31-12-2017

Particulars	Dr. Rs.	Cr. Rs.
Plant & Machinery	40,000	
Carriage	8,600	
General Expenses	1,400	
Electricity and Lighting	6,000	
Debtors	24,000	
Advertisement	3,000	
Capitals		78,800
Furniture	14,200	
Wages	26,000	
Purchases	30,000	
Stock	20,800	
Creditors		1,20,000
Printing and Stationery	4,200	
Interest on Loan	4,000	
Land and Building	56,600	
Sales		42,000
Discount	800	
Cash in Hand	1,000	
Returns	1,000	800
	2,41,600	2,41,600

Adjustments:

1. Stock of goods on 31st December, 2017 was valued at Rs. 24,000/-
2. Provide Reserve for bad debts at 5% on debtors and 10% discount on doubtful debts.
3. Plant and Machinery is to be depreciated at 10%. And other assets at 15%
4. Prepaid wages Rs.6,000/- and Outstanding on Advertisement Rs.500/-
5. Discount on Creditors 4%

Q3 A] You are required to prepare Process accounts for the two processes given below. 10

Items	Process I	Process II
Material Cost	25000	6000
Labour Cost	23000	22000
Material Units	3000	200
Output Units	2700	2800
Normal Loss	4%	6%
Scrap Rate	Rs.3 per unit	Rs. 5 per unit

B] List and explain in brief various measures can be taken to control Inflation. 10

Q4 A] The cost data for sale of 2000 units for this year is as follows: 14

Material Cost per unit	1,000
Labour Cost per unit	600
Direct expenses per unit	100
Sales Price per unit	5,000
Distribution Charge per unit	50
Selling Overheads	12,00,000
Factory Overheads	6,80,000
Administrative Overheads	4,48,000

Compute the cost sheet (total and per unit) for the next year, when company plans to Triple its production. The anticipated changes are

- a) Material consumption is 10% less.
- b) Wage rate is 15% more
- c) Selling and distribution expenses in same proportion with sales
- d) Profit at the same proportion to sales
- e) All overheads are 40% fixed and 60% variable.

B] Classify the sources of finance in detail. 06

Q5 A] Jet Roadways can carry a maximum of 12000 passengers per month on one of its routes at a fare of Rs.55/-. Variable cost is Rs.10/- per passenger and fixed cost is Rs. 30,000/- per month. Determine 10

- i) Break Even Quantity.
- ii) Break Even Sales.
- iii) Margin of Safety.
- iv) Sales required to achieve profit of Rs.1,50,000/-

- B] How financial performance is measured. Explain any five financial ratios with its significance. Support your answer with appropriate formulae. 10
- Q6 Write short note on any four from the following
- A] Elasticity of Supply 05
- B] Fiscal Policy 05
- C] Methods to calculate Depreciation 05
- D] Functions of Money 05
- E] Exceptions to Law of Diminishing Marginal Utility. 05
