

Duration 3 Hours

Total Marks 80

N.B.

1. Question Number **ONE** is compulsory.
2. Attempt any **three** questions from remaining **five** questions.
3. Assume suitable data if necessary.

Q1.a From the following Trial Balance prepare a Trading and Profit and Loss Account for the year ending 31st December, 2018 and Balance Sheet as on that date.

14

Trial Balance as on 31-12-2018

Particulars	Dr. Rs.	Cr. Rs.
Plant & Machinery	50,000	
Carriage	9,600	
General Expenses	1,400	
Electricity and Lighting	15,000	
Debtors	14,000	
Advertisement	2,000	
Capitals		69,600
Furniture	5,200	
Wages	30,000	
Purchases	26,000	
Stock	20,800	
Creditors		1,29,200
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, 2018 was valued at Rs. 21,000/-
2. Plant and Machinery is to be depreciated at 15%. And other assets at 10%
3. Prepaid wages were Rs. 16,000/-

b. Explain any two financial ratios.

06

Q2. Answer in brief any four from the following.

20

- a) Money Market.
- b) Concept of National Income.
- c) Fiscal Policy
- d) Functions of SEBI.
- e) Market Competition.

Q3. a) Air Travel can carry a maximum of 8000 passengers per month on one of its routes at a fare of Rs.95/-. Variable cost is Rs.15/- per passenger and fixed cost is Rs. 40,000/- 10

per month. Determine

- i) Break Even Quantity.
- ii) Break Even Sales.
- iii) Margin of Safety.
- iv) Sales required to achieve profit of Rs.1,60,000/-

Q3. b) Write detail note on Importance of Depreciation and Methods of Depreciation. 10

Q4. a) Write Standard structure of Cost Sheet. 10

Q4. b) The wages data of departments P and Q are given below 10

	Department P	Department P
Actual Hours Worked	4,100	2,900
Actual Gross Wages	Rs.2,96,800	Rs.2,58,050
Standard Hours of Production	4,000	3,000
Standard Rate per Hour	Rs.35/-	Rs.42/-

Determine all labour variances for department P and Q.

Q5. a) Write detail note on INFLATION, causes and remedies?. 10

Q5. b) Write detail note on Mutual Fund and Share Market. 10

Q6. Write short note on any four from the following 20

- i) Sources of Finance.
- ii) Law of Supply.
- iii) Functions of Commercial Bank.
- iv) Book Keeping and Accountancy.
- v) Law of Diminishing Marginal Utility.
