

Sem- VIII / CBGS / 12.06.2017
Prd

Q.P. Code: 18474

Total Marks: 80

Duration: 3 Hours



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 law of demand 5
 B) Define economy. Explain central problems of economy 5
 C) State functions of commercial banks. 5
 D) Explain role of mutual funds in capital market 5

- Q2 A) With respect to consumer behaviour explain following:- 10
 i. Utility,
 ii. Marginal utility
 iii. Law of diminishing marginal utility.

- B) The following data relate to the manufacture of a product during the month of January 10

Raw materials consumed	Rs 80,000
Direct Wages	Rs 48, 000
Machine hour worked	8000 Hours
Machine hour rate	Rs 4

Office overhead 10% of works cost

Selling overhead Rs 1.50 Per unit

Unit produced 4,000

Units sold 3,600 at Rs 50 each.

Prepare cost sheet and show (a) cost per unit and (b) profit for the period.

- Q3 A) Explain theory of Inflation, concepts of Inflation, effects of Inflation and anti-inflationary policies. 10

- B) Raj Corpn. Ltd. has prepared the following budget estimates for the year 2015-2016. 10

Sales (units)	15000
Fixed Expenses	Rs 34,000
Sales	Rs 1,50,000
Variable Costs	Rs 6 per unit

You are required to:

- (i) Find the P/V ration, break-even point and margin of safety.
- (ii) Calculate the revised P/V ration, break-even point and margin of safety in each of the following cases:
 - (a) Decrease of 10% in selling price:
 - (b) Increase of 10% in variable costs:

Q4 A] With respect to following explain following:-

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- i. Role of stock exchange
- ii. Role of SEBI
- iii. Role of investment bankers

B] From the following Trial Balance of M/s Vikram Brothers prepare Trading and Profit and Loss Account for the year ended 31st March 2016

Particulars	Dr. Balances Rs	Particulars	Cr. Balance Rs
Cash in hand	500	Capital	70000
Motor car	25000	Discount Received	2000
Drawings	48000	Sales	230000
Legal charges	1500	Creditors	46000
Plant & Machinery	60000	Interest on investment	5200
Investments	40000	Purchases Return	3800
Opening stock	35000	Bills payable	34000
Sales Returns	2500		
Salaries	12000		
Discount allowed	600		
Carriage Inward	1800		
Wages	21000		
Postage	400		
Debtors	60000		
Interest	1500		
Insurance Premium	1200		
Purchases	80000		
	391000		391000

Closing stock as on 31.3.2016 Rs 28000

- Q5 A] Explain following financial ratios with one example of each:- 10
- i. Leverage ratios
 - ii. Liquidity ratios
 - iii. Turnover ratios
 - iv. Profitability ratios
- B] What is variance Analysis? What is its importance? Describe to managerial use of variance analysis 10
- Q6 Write short notes on :-
- A] Process Costing 05
 - B] Journal and Ledger 05
 - C] Book Keeping and Record Maintenance 05
 - D] Functions of money 05
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