

Question Paper Set of

F.Y.B.A.F. – Sem-I

Regular Exam

University of Mumbai

November, 2018

FYBAF Sem I

Q.P. Code :24466

[Time: $2\frac{1}{2}$ Hours]

[Marks:75]

Please check whether you have got the right question paper.

N.B: 1. All questions are compulsory.

1.1 (A)

Multiple Choice question (Any Eight)

08

1. A Material loss during production or storage due to evaporation or shrinkage is called
 - a. Scrap
 - b. Waste
 - c. Spoilage
 - d. Material Loss
2. The process by which cost items are charged direct to a cost unit or cost centre is called
 - a. Absorption
 - b. Apportionment
 - c. Allocation
 - d. Allotment
3. The difference between hours paid and hours is called
 - a. Normal time
 - b. Time saved
 - c. Standard time
 - d. Idle time
4. Under Taylor differential piece rate system, a worker whose production is higher than the standard will get ----- of normal piece rate
 - a. 110%
 - b. 115%
 - c. 120%
 - d. 130%
5. The inefficient workers is penalized by paying him low piece rate in
 - a. Rowan Plan
 - b. Merrick Plan
 - c. Taylor Plan
 - d. Rucker
6. A ----- is a planned cost for a unit of product of service rendered
 - a. Standard cost
 - b. Marginal cost
 - c. Opportunity cost
 - d. Historical cost
7. Rent paid for the factory building which is temporarily closed is example
 - a. Imputed cost
 - b. Sunk cost
 - c. Shut down cost
 - d. Temporary cost

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9. The model and formula of Economic Order Quantity was developed by — in 1913

- F.W.Taylor
- F. Wilson Harris
- F. Walter Harris
- F. W. Marshall

10. ----- are not recorded in the books of account

- Implicit Cost
- Explicit Cost
- Sunk cost
- All of the above

Q.1 (B)

State whether True or False (Any Seven)

07

- Cost Accounting is a branch of Financial Accounting
- Conversion cost is equal to direct wages and factory overhead
- Notional expenses are not included for ascertaining cost
- Fixed cost vary with volume rather than time
- FIFO method of pricing material issue results in higher profit
- Bin card shows the value of a material at any movement of time
- Labour turnover is the movement of people out of the organization
- Merrick differential piece rate system is less punitive than Taylor system
- Pre-determined overhead rates are used only in standard costing system
- Waste can be realized but scrap cannot be realized

Q.2 (A)

The following details are available in respect of a consignment of 1500 kgs of material Z

08

Invoice Price	Rs.20per kg.
Excise Duty	30% of Invoice Price
Sales tax	10% of Invoice Price including Excise Duty
Trade Discount	10% of Invoice Price
Insurance	1% of aggregate net price
Delivery charges	Rs.300

Cost of container @ Rs.50 per container for 50kgs of material. Rebate is allowed @Rs.40 per container, if returned within six weeks, which is a normal feature. One container load of material was rejected on inspection and not accepted.

Cost of unloading and handling @0.25% of the cost of material ultimately accepted.

You are required to find out the landed cost per per kg .of material Z

Q.2 (B)

A company manufactures 6000 units of a product per month. The cost of placing an order is Rs.100.

07

The purchase price of the raw material is Rs.15 per kg. The re-order period is 4 to 8 weeks. The consumption of raw material varies from 150 kgs. to 450 kgs. per week. The average consumption being 300 kgs. The carrying cost of inventory is 20% per annum.

You are required to calculate

Re-order quantity

Re-order level

Minimum stock level

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Maximum stock level

Average stock level (apply both the formulas)

OR

The store ledger account for Material Y in a manufacturing concern reveals the following data for the quarter ended 30.9.2016

07

Date	Receipts		Issues	
	Quantity	Price	Quantity	Price
	(Units)	(Per Unit)	(Units)	(Rs.)
July-01 (Bal. b/d)	1500	2.00	-	-
July-10	3200	2.20	-	-
July-15	-	-	1300	2600
Aug. -07	-	-	1000	2000
Aug. -20	3600	2.40	-	-
Aug. -25	-	-	1800	4120
Sept. -10	2600	2.50	-	-
Sept. -20	-	-	2200	4980
Sept. -29	-	-	600	1420

Physical verification on 30.9.2016 revealed an actual stock of 3900 units. You are required to prepare store ledger accounts by Weighted Average Method.

08

M/s NK Ltd. are the manufactures of LCD of mobile phones. The following are the details of their operation during 2015

Average monthly market demand	2000 units
Ordering cost	Rs.150 per order
Inventory carrying cost	20% per annum
Cost of LCD	Rs. 650 per LCD
Normal usage	125 LCD per week

You are required to calculate
Economic Order quantity and

If the supplier is willing to supply quarterly 1500 units at a discount of 5%, is it worth accepting

08

A skilled worker in LP Ltd. is paid a guaranteed wage rate of Rs. 40 per hour. The standard time per unit for a particular product is 6 hours. Shashi a machine man has been paid wages under the Rowan incentive plan and he had earned an effective hourly rate of Rs.60 on the manufacture of that particular product. What could have been his total earning and effective hourly rate, had been put on Halsey Incentive scheme (50%)

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Q.3 (B)

Standard output	40 units
Time Rate	Rs.2 Per hour
Piece Rate	Rs.2.5 per unit
High Piece rate	Rs. 3 per unit
Standard hours in a week	50 hours

07

The production details of different workers are given below

A	32 Units.
B	38 Units
C	40 Units
D	43 Units
E	45 Units

Compute the earning of workers under Gantt's Task Bonus Plan.

OR

Q.3 (A)

3 hours allowed to a worker to produce 6 units and wages has been paid @Rs.26 per hour. In a 48 hours week the worker produced 136 units.

08

You are required to calculate the total earnings and effective hourly rate of earnings of the worker under the following incentive wage systems.

1. Halsey (50%) system.
2. Rowan system
3. Emerson's efficiency system
4. Barth system

Q.3 (B)

From the following data provided to you. Find out the Labour turnover rate by applying

07

1. Flux Method
2. Replacement Method
3. Separation Method

No. of workers on the payroll

At the beginning of the month - 1600

At the end of the month - 2000

During the month

20 workers left, 65 workers were discharged and 230 workers were recruited. Of these 35 workers were recruited in the vacancies of those leaving, while the rest were engaged for an expansion scheme

Q.4

A company has three production departments and two service departments. Distribution summary of overheads is as follows

15

Production Department	
A	Rs.14000
B	Rs.15000
C	Rss.13000

Service Department	
X	Rs.9000
Y	Rs.3000

The expenses of service departments are charged on a percentage basis which is as follows

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Departments	A	B	C	X	Y
X	40%	30%	20%	-	10%
Y	30%	30%	20%	20%	-

Apportion of cost of service departments by using

- 1) Direct Method
- 2) Step Ladder Method
- 3) Repeated Distribution Method
- 4) Simultaneous Equation Method
- 5) Trial & Error Method

OR

(A)

From the following particulars, compute the hourly rate of machine installed in a shop.

08

Cost of machine	Rs.25000
Estimated scrap value (after expiry of life of 10 years)	Rs.5000
Shop supervisor salary	Rs.500 per month
General lighting for the shop	Rs.50 per month
Rent & rates of the shop per quarter	Rs.500
Insurance premium for the machine	Rs.20 per month
Estimated repairs & maintenance expenses	Rs.200 per year
Power consumption of the machine	3 units per hour
Rate of power	100 units @Rs.10
Estimated working hours of the machine per year	2000

The machine occupies $\frac{1}{4}$ of the total floor area of the shop. The supervisor of the shop devotes $\frac{1}{5}$ of the time for supervising the machine.

General lighting expenses are to be apportioned on the basis of floor area.

(B)

Yankees Ltd. Accepts varieties of jobs which require both manual & machine operations? The budgeted Profit & Loss Account for the period 2015 -16 is as follows

07

Particulars	Rs.
Direct Material	150000
Add -Direct Labour	100000
Prime cost	250000
Add - Production Overhead	300000
Cost of Production	550000
Add – Administrative, Selling & Distribution Overheads	200000
Total Cost	750000
Profit	150000
Sales	900000

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Other budgeted data

Labour hours for the period	2500
Machine hours of the period	1500
Number of jobs for the period	300

Calculate overhead absorption rates for absorption of production overhead cost by following methods.

- 1) Direct Labour cost Method
- 2) Direct Labour hours Method
- 3) Machine hours Method
- 4) Unit of Production Method
- 5) Direct Material Cost Method
- 6) Prime cost Method

Q.5 (A) Discuss the step down method and Reciprocal service method of secondary distribution of overheads 07

Q.5 (B) Distinguish between Bin card & Store Ledger. 08

OR

Q.5 Write short notes (Any Three) 15

- a) Relationship between cost department with other department
- b) Piece rate System
- c) Merrick incentive Plan
- d) Absorption of overhead
- e) Blanket Overhead Rate

FYBAF SEM-I

[2½ Hours]

[Total Marks : 75]

Please check whether you have got the right question paper.

- B:
1. Solve all questions after exercising internal option.
 2. Working notes are allotted separate marks.
 3. Figures to the right indicate full marks.
 4. Use of simple calculator is allowed.

A) State whether the following statements are True or False and rewrite the sentence (any Eight) : (08)

- 1) Under Hire Purchase instalment is treated as hire price.
- 2) Rate of Gross Profit indicates profitability of each department.
- 3) Weighted average method is suitable when the lots of inventory are not identifiable.
- 4) Capital receipt is recurring in nature.
- 5) Current assets are long-term assets.
- 6) Different firms follow different accounting policies.
- 7) Abnormal wastage of material should not be included in the cost of inventories.
- 8) Interest is recognized on receipt basis.
- 9) Drawing Account always credit balance.
- 10) Provision for unrealized profit is charged to Departmental Profit and Loss A/c.

B) Match the following and rewrite (any Seven) : (07)

Column 'A'	Column 'B'
1) Substance over form	a) Current Assets 10
2) Revenue from sales	b) Initial payment 8
3) Retail Method	c) Current Liability 9
4) Wages paid to workers for Installation of machinery	d) Value of Asset 7
5) Purchases of raw material	e) No. of workers 6
6) Cost of canteen	f) AS-1 1
7) Insurance of asset	g) Revenue expenditure 5
8) Down payment	h) Capital expenditure 4
9) Outstanding salary	i) AS-9 2
10) Cash at Bank	j) AS-2 3

2. A) From the following information provided to you by Kumar Traders, you are required to prepare Departmental Trading and Profit & Loss A/c and General Profit & Loss A/c from the following information provided to you for the year ended 31st March, 2018: (15)

Particulars	Dept. P (₹)	Dept. Q (₹)	Dept. R (₹)	Common
Sales	20,000	40,000	60,000	-
Purchases	15,000	10,000	5,000	-
Salaries	5,000	8,000	9,000	-
Opening Stock	18,000	17,000	15,000	-
Closing Stock	20,000	21,000	20,500	-
Audit Fees	-	-	-	4,000
Delivery Van Expenses	-	-	-	5,000
Commission Paid	-	-	-	3,500
Discount Received	-	-	-	3,800
Interest Paid	-	-	-	4,700
Travelling Expenses	-	-	-	4,700
Freight Inward	-	-	-	1,500
Octroi Duty	-	-	-	1,800
Printing & Stationery	-	-	-	2,400
Postage & Telegram	-	-	-	2,200
Telephone Charges	-	-	-	1,600
Power	-	-	-	5,400
Repairs to Machinery	-	-	-	9,000
Depreciation	-	-	-	6,000
Packing Expenses	-	-	-	3,000
Rent Paid	-	-	-	8,400

Adjustments :

- Area occupied by three departments P, Q and R is in the ratio of 3 : 3 : 2.
- Value of Machine used in Department P, Q and R is ₹40,000, ₹30,000 and ₹20,000 respectively.
- Horse Power of Machinery used in department P, Q and R is 300HP, 200HP and 100HP respectively.
- Printing and Stationery to be allocated in the ratio 4 : 3 : 2.

OR

Kothari Transports purchased two trucks from Mahindra Ltd. on hire purchase system on 1st January, 2015. The cash price of each truck was ₹1,25,000. The payment was made as follows : (15)

01-01-2015	₹ 30,000	each truck
31-12-2015	₹ 35,000	each truck
31-12-2016	₹ 40,000	each truck
31-12-2017	₹ 45,000	each truck

Depreciate @ 20% p.a. on original cost is charged.

You are required to calculate interest per year and show the necessary accounts in the books of Kothari Transports.

From the following Trial Balance of Mr. Arnav as on 31st March, 2018; You are required to prepare Manufacturing Account, Trading and Profit & Loss Account for the year ended 31st March, 2018 and a Balance Sheet as on that date : (15)

Trial Balance as on 31st March, 2018

Particulars	Debit (₹)	Credit (₹)
Purchase of Raw Material	3,15,000	
Sales		5,00,000
Opening Stock		
- Raw Material	32,000	
- Work-in-progress	6,000	
- Finished Goods	20,000	
Carriage Inwards	3,000	
Direct Labour	24,000	
Rent of Factory	20,000	
Electricity	27,000	
Factory Power & Fuel	21,000	
Office Salaries	24,000	
Selling & Distribution Expenses	13,000	
Sundry Debtors	49,000	
Discount Allowed	5,000	
Bad Debts	2,000	
Provision for Bad Debts		2,000
Creditors		45,000
Bills Payable		46,000
Discount Received		10,000
Capital		1,05,000
Drawing	15,000	
Machinery	95,000	
Delivery Van	32,000	
Cash at Bank	5,000	
Total	7,08,000	7,08,000

CoP
418250
GP 89250
NP 3730
BS 21750

Additional Information :

- 1) Closing Stock :

Raw material	₹16,000
Work-in-progress	₹10,000
Finished Goods	₹28,000
- 2) Outstanding factory rent is ₹1,000.
- 3) Electricity is to be apportioned in the ratio of 2 : 1 to factory & office.
- 4) Depreciate machinery @ 5% p.a. and delivery van @ 20% p.a.
- 5) Debtors include ₹15,000 due from Pratik; an amount of ₹8,000 is also due to him and is included in creditors.
- 6) Provide reserve for doubtful debts @ 10% on debtors.

OR

3. A) Mr. Darasingh prepared his Accounts on 31st March, every year. Due to some unavoidable reasons, stock taking could be done only on 15th April, 2018; When the stock was found to be ₹60,500. The following information is provided for the period between 31st March, 2018 and 15th April, 2018 : (08)

- 1) Sales ₹45,590.
- 2) Purchases ₹16,710.
- 3) Sales returns were ₹1,200.
- 4) On 15th March, goods having sales value of ₹6,800 were sent on sale or return basis to a customer; the period of approval being four weeks. He returned 40% of the goods on 10th April, approving the rest.
- 5) Mr. Darasingh had received goods costing ₹8,000 in March for sale on consignment basis. 20% of the goods had been sold by 31st March and another 40% by 15th April. These sales have not been included in sales of ₹45,590 given above.

You are required to calculate the value of stock on 31st March, 2018 by preparing a Stock Reconciliation Statement assuming that goods are sold at the Profit of 20% on sales.

- B) Nitya Ltd. produces chemical A. From the following data, calculate the value of closing stock : (07)

Direct Materials	:	₹5 per unit
Direct Labour	:	₹2 per unit
Chargeable Expenses	:	₹3 per unit
Normal Capacity	:	12,000 units p.a.
Actual Production	:	10,000 units p.a.
Fixed Production overheads	:	₹60,000 p.a.

The company has 2,000 units of closing stock at the end of the year.

- A) Calculate the cost of goods sold and closing stock under weighed average cost of inventory using : (15)

- 1) Periodic System
- 2) Perpetual System

2018 March 1	Stock in hand	500 units	@ ₹9 each
Purchases	March 03	500 units	@ ₹11 each
	March 10	1000 units	@ ₹12 each
	March 18	600 units	@ ₹10 each
	March 24	500 units	@ ₹12 each
	March 30	400 units	@ ₹13 each
Issues	March 02	400 units	
	March 09	500 units	
	March 16	900 units	
	March 23	500 units	
	March 31	600 units	

OR

- B) State with reasons whether the following expenditures or receipts are capital or revenue.

- 1) Paid ₹2,00,000 as a Custom Duty on machinery purchased from USA. *CL* (02)
- 2) Paid subscription charges ₹6,000 for Trade Journal. *RE* (02)
- 3) Premium of ₹3,00,000 payable on redemption of debentures. *DR* (02)
- 4) Loss on sale of plant and machinery of ₹20,000. *CL* (02)
- 5) Recovery of Bad Debts from Sarita of ₹5,000. *RR* (02)
- 6) Amount of ₹50,000 received on sale of old furniture. *CR* (02)
- 7) Sold of Equity Shares (held as investment) for ₹20,00,000 and suffered a loss of ₹20,000. *CR/CL* (03)

- A) Explain the following and give 2 examples of each : (08)

1. Floating Assets
2. Fictitious Assets
3. Contingent Liabilities
4. Factory Overheads

- B) Distinction between FIFO and Weighted Average Method. (07)

OR

Write a short notes (any Three) :

- 1) Different Accounting Policies as per AS-1.
- 2) Main requirements of AS-9.
- 3) Calculation of Interest in Hire Purchase.
- 4) General Profit & Loss Account in Departmental Accounting.
- 5) Capital Expenditure.

Other details are as follows –

Fixed Costs (Excluding Interest) – Rs 40,00,000

Variable Operating Costs Ratio – 60%

Total Assets turnover Ratio (Sales/ Total assets) – 1.5 times and income tax rate – 25%

$$\text{Sales} = \frac{2000000}{1.5} = 1333333.33$$

OR

Q2. Compute all the leverages for following two companies with the help of information given below (15)

Particulars	Varun Ltd	Siddarth Ltd
Selling price per unit	Rs 18	Rs 20
Contribution per unit	Rs 12	Rs 10
Fixed Costs per annum	Rs 25,000	Rs 30,000
Interest paid every quarter	Rs 6,000	Rs 8,000
Output Produced	15000 units	12500 units
Output Sold	10000 units	9000 units

Q3. Suraj Ltd has furnished you with the following details you are required to ascertain weighted average cost of capital under book value weights and market value weights (15)

Type of Capital	Book Value	Market Value	Cost of Capital
Equity Share Capital	8,00,000	10,00,000	10%
Preference Share Capital	4,00,000	4,00,000	12%
Retained Earnings	1,00,000	-	10%
Debt Capital	7,00,000	6,80,000	8%
Total	20,00,000	20,80,000	

OR

Q3. Calculate WACC for LK Ltd with the help of information supplied below – (15)

Source of Funds	Amount in Rs
13% Loan funds	26,00,000
Equity Share Capital (FV 10)	24,00,000
11% Preference Share Capital (FV100)	10,00,000
Total	60,00,000

1. Tax rate – 40%
2. Equity shares are traded in the market at Rs 35 and dividend paid this year is Rs 5, expected dividend is Rs 5.50 per share and expected growth rate is 10% p.a.

Q.P. Code: 24579

Q4A. Find the present value of net cash flow using discounting factor as 15% with the help of information given below - (10)

Year	Net Cash flows (in Rs)
1.	1,80,000
2.	1,70,000
3.	1,45,000
4.	1,24,000
5.	1,10,000
6.	1,02,000
7.	95,000
8.	92,000

Q4B. Charu invested Rs 2,40,000 at annual rate of interest of 10%. What is the amount after 3 years if compounding is done annually? (05)

OR

Q4A. Fill in the missing values (08)

Sr. no	Net Cash Inflow(Rs)	PV Factor	Present Value of Cash Inflow(Rs)
1.	??	0.909	1,81,800
2.	6,50,000	0.826	??
3.	??	0.885	2,21,250
4.	1,75,000	??	1,39,475

Q4B. Calculate the amount if Rs 10,00,000 is invested for 1 year at 6% compounding to be done (07)

- Annually
- Semi annually
- Quarterly

Q5A. Discuss the role and function of treasurer and controller in an organization. (08)

Q5B. Discuss the features of debentures as a source of finance to the company. (07)

OR

Q5. Write Short notes (any 3) (15)

- Profit Maximisation ✓
- Internal Funds as source of finance ✓
- Combined Leverage ✓
- Flotation Cost ✓
- Break Even Point ✓

PYBAF- 4/12

Q. P. Code: 12168

4/12/18

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)

- Jobs may be advertised through websites, but applications should never be sent through e-mail.
- Use of Jargon shows command over language.
- Listening enables understanding of a message.
- A communication gap can be created due to a psychological barrier to communication.
- A virus protection software scans incoming mails.
- The Inside Address is a compulsory part of a business letter.
- Grapevine is a formal channel of communication.
- Communication by touch is a type of non-verbal communication.
- Email is a slow means of communication.
- 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)

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 can be overcome. (15 marks)

4. (A) A leading multi-national company requires Management Trainees for its newly 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. (10 marks)

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

OR

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

- (D) After a commendable service as a Personal Secretary for the past 10 years, you have decided to quit your job due to unavoidable domestic circumstances. Write your Letter of Resignation. Use the Modified Block layout. (05 marks)

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

FYBAF Sem-I

Duration: 2 1/2 hours

Max marks: 75

- NOTE:
- All questions are compulsory.
 - Figures to the right indicate full marks.
 - Draw neat and clean diagram wherever necessary.

Q1 a. Match the Column: (Any 8)

- | | | |
|----------------------------|-------------------------------------|---|
| 1 Research and Development | a. Business Ethics | 8 |
| 2 Code of Conduct | b. 1956 | |
| 3 MSMED Act | c. Responsibility Towards Employees | |
| 4 Audit Committee | d. Technological Environment | |
| 5 Indian Companies Act | e. Internal Growth Strategy | |
| 6 FDI in Insurance | f. Corporate Governance | |
| 7 FDI in Gambling | g. 2006 | |
| 8 Fair Wages | h. 49% | |
| 9 District Forum | i. Not Allowed | |
| 10 Diversification | j. Complaints upto Rs. 20 lakhs | |

b. State whether the following statements are true or false (Any 7)

- Business enterprises do operate within a vacuum
- Business objectives are the future destination of an organization
- Business must go on irrespective of favorable or unfavorable environment
- Demographic environment is important because "people make up markets".
- Environmental analysis does foretell the future
- Ethical climate is unspoken understanding
- Ecology is also described as environment biology
- Marketing audit is within the scope of social audit
- Indian industries are becoming globally competitive due to support of FDI
- CSR makes business accountable for its actions

Q2 a. Discuss features of business objectives.

8

b. Explain briefly various components of business environment.

7

OR

Q2 a. Discuss features of Corporate culture.

8

b. Enumerate the benefits of Environmental scanning

7

- Q3 a Explain entrepreneurship as career option. 8
b. What is meant by consumerism? State and explain its features. 7
OR
- Q3 a Explain the scope of Corporate Social Responsibility. 8
b. Write a detailed note on business ethics. 7
- Q4 a Suggest measures for Ecological consciousness at Business Level. 8
b. Discuss arguments against Social Responsibility of Business. 7
OR
- Q4 a Distinguish between Social Audit v/s Commercial Audit. 8
b. Discuss implications of FDI inflows on Indian industries. 7
- Q5 a Explain internal growth strategies briefly. 8
b. Explain the merits of Multinational Company. 7
OR
- Q5 Write short notes on any 3: 15
a. Organic Objectives
b. COPRA Act, 1986.
c. Corporate Governance
d. WTO
e. Balance of Trade

(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 or false. (Any Eight)

- (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)

Group 'A'		Group 'B'	
1.	Slope	a.	$Q = f(p)$
2.	Graphs.	b.	$P \times Q$
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 pictorial presentation and the relationship between two variables

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

OR

- (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?
2. What is the total expenditure incurred by the consumers?
3. Calculate the total revenue of the firms.

(D) Discuss the survey method of demand forecasting.

3. (A) Explain the law of diminishing marginal returns with the help of an illustration and suitable diagram.
- (B) Discuss the types of internal economies of scale.

OR

(C) From the following cost function–

$$TC = 100 + 50Q + 4Q^2$$

Questions–

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

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

4. (A) Explain the long-run equilibrium of price and output of the industry under perfect competition.
- (B) Discuss the equilibrium of a firm under monopolistic competition in short-run.

OR

(C) Discuss the various types of price leadership.

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

5. (A) Discuss the merits and demerits of full cost pricing.
- (B) Explain the concept of transfer pricing without external market.

OR

Write short notes (Any Three)

- (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.

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 term 'Secular' was added to the Preamble of Indian Constitution by 44th Amendment Act.
- (v) Trachoma is a serious form of conjunctivitis.

- (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
