PART A (compulsory).

Q1. State whether the following are true or false: 8 marks

a. MNCs have same role in India as in other countries
b. Capital market includes stock market and bond market.
c. In the long-term all factors are not variable.
d. Working capital = current assets + current liabilities.
e. Oligopoly is a market dominated by few sellers and many buyers
f. Fishing is an example of tertiary sector of the economy.
g. Technical unemployment is staff reduction due to change in technology
h. Disguised unemployment is less work and more people.

Q2. Expand the abbreviations 8 marks

a. LRAC
b. RPI
c. AICPA
d. AIS
e. NIPM
f. NPA
g. STCI
h. NABARD
Q3. Fill in the blanks with appropriate words: 8 marks

a. Economic indicators fall into three categories, leading, lagging and --------------
b. For its continuous development, India formulates and implements ------------year plans.
c. GDP Accounting is one of the ways of measuring the ------------of the economy.
d. GAPP means Generally Accepted Accounting ------------
e. Computer software is an ----------asset.
f. Economics is the science of ----------
g. The four basic factors of production are land, labour, capital and --------------
h. ---------------economics concentrates on behavior of the economy on the whole.

Q4. Match the following 8 marks

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 NNP</td>
<td>a Non-current asset</td>
</tr>
<tr>
<td>2 SAIL</td>
<td>b Current asset</td>
</tr>
<tr>
<td>3 Monopoly</td>
<td>c Financial Institution</td>
</tr>
<tr>
<td>4 Equity share capital</td>
<td>d Listed companies</td>
</tr>
<tr>
<td>5 Trade marks</td>
<td>e National Income</td>
</tr>
<tr>
<td>6 Cash at Bank</td>
<td>f CPSU</td>
</tr>
<tr>
<td>7 UTI</td>
<td>g Sole supplier</td>
</tr>
<tr>
<td>8 SEBI</td>
<td>h Non-current liability</td>
</tr>
</tbody>
</table>

PART B 3x16 = 48 marks

Q5. Write short notes on any four - 4 x 4 = 16 marks

a. Quality Culture
b. Book Keeping
c. Perfect Competition
d. Resonance brands
e. Concept of demand
f. Challenges before Indian Economy

Q6. Explain the Objectives and functions of Accounting 16 marks

Q7 a. Discuss the Accounting Conventions. 2 x 8 = 16 marks
b. Discuss the significance of Accounting Principles
Q 8. a. Explain the factors of production
   
   2 X 8 = 16 marks
   
   b. Discuss social responsibility and ethics.

Q 9. a. Discuss the role of public sector in economic development.
   
   2 X 8 = 16 marks
   
   b. Discuss the role of SMEs in India.

PART C (compulsory)

Q10. Prepare common size balance sheet of Suresh Chemicals from the following information given for the years 2011 and 2012.  

20 Marks

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>2011 (Rs)</th>
<th>2012 (Rs)</th>
<th>Assets</th>
<th>2011 (Rs)</th>
<th>2012 (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity Share Capital</td>
<td>2,00,000</td>
<td>3,00,000</td>
<td>Fixed Assets</td>
<td>2,25,000</td>
<td>4,00,000</td>
</tr>
<tr>
<td>Reserves and surplus</td>
<td>1,00,000</td>
<td>2,00,000</td>
<td>Stock</td>
<td>1,29,000</td>
<td>2,00,000</td>
</tr>
<tr>
<td>Bank Overdraft</td>
<td>60,000</td>
<td>2,00,000</td>
<td>Other current assets</td>
<td>46,000</td>
<td>2,00,000</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>40,000</td>
<td>1,00,000</td>
<td></td>
<td>4,00,000</td>
<td>8,00,000s</td>
</tr>
<tr>
<td>Total</td>
<td>4,00,000</td>
<td>8,00,000</td>
<td></td>
<td>4,00,000</td>
<td>8,00,000s</td>
</tr>
</tbody>
</table>