BUSINESS ECONOMICS & FINANCIAL ACCOUNTING.

Date : 23.12.2019             Max. Marks   :100
Time     :  2.00 p.m to 5.00 pm              Duration        : 3 Hrs.

Instructions :
1. From Part A – answer all questions (compulsory). Total: 32 Marks
2. From Part B – Answer any 3 questions. Each question carries 16 marks Total: 48 Marks
3. Part C is a case study (compulsory). Read the case study carefully and answer the questions Total: 20 Marks

PART A (compulsory) ( 32 x1= 32 marks)

Q.1: Expand the following. [8 marks]
   a. MPP
   b. CGST
   c. GDP
   d. IFI
   e. GAAP
   f. ICAI
   g. A = C + L
   h. BRS

Q.2. Match the following [8 marks]

<table>
<thead>
<tr>
<th>Column A</th>
<th>Column B</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Objective of Firm</td>
<td>1. Indices of life expectancy, education and</td>
</tr>
<tr>
<td>b. Isoquant</td>
<td>income</td>
</tr>
<tr>
<td>d. Human Development Index</td>
<td>3. Triple column Cash Book</td>
</tr>
<tr>
<td>e. Balance Sheet</td>
<td>4. At the end of the Financial Year</td>
</tr>
<tr>
<td>f. Closing Stock</td>
<td>5. A graph of all possible combination</td>
</tr>
<tr>
<td>g. Contra Entry</td>
<td>6. Profit maximisation</td>
</tr>
<tr>
<td>h. Accounting</td>
<td>7. For a Period</td>
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<tr>
<td></td>
<td>8. As on date</td>
</tr>
</tbody>
</table>

Q.3: State True or False. [8 marks]
   a) Monopoly exists when a specific person/party is the only supplier of a particular commodity.
   b) Market classification is not done by the Nature of Transactions.
   c) Consumer’s willingness and affordability is the Demand and Supply.
   d) Foreign Direct Investment is aggressively being encouraged.
   e) Book Keeping is neither Science nor Art.
   f) Net Profit is ultimately capitalised.
   g) Total of Asset and Liabilities side must tally.
   h) Government is not interested in Financial Statement of a Private Company.
Q.4: Fill in the blanks. [8 marks]
   a. Adam Smith had written __________.
   b. Reserve Bank of India is a ______ Institution in India.
   c. Employment is contract between the Employer and __________.
   d. Economics is broadly divided in two parts i.e. Micro and ______ Economics.
   e. Debit what comes in and Credit what goes out is the rule under ______ Account.
   f. Depreciation Amount is deducted from the value of concerned __________.
   g. Conservatism is a _______ in Double Entry Accounting System.
   h. Adjustment entries shown along Trial Balance are recorded twice, once in Gross Profit & Loss A/c and second time in ________.

PART B
(Answer any three) (3 x 16 = 48 Marks)

Q.5: Write short notes on any four. [4x4 = 16 marks]
   a. Wage Differentials
   b. National Income
   c. Corporate Governance
   d. Sources & Applications of Funds
   e. Journal Entry

Q.6: Business entity, which exist in market are in many forms. Describe them briefly with advantages and disadvantage of each form/ type. [16 marks]

Q.7: a. Describe various Financial Institutions in India[8 marks]
   b. Define Budget and its types. [8 marks]

Q.8: Elaborate the Financial Statement analysis with important methods or techniques to do the analysis. [8 marks]

Q.9: a. Describe briefly the Asset side of Balance Sheet. [8 marks]
   b. Describe the concepts and conventions in Double Entry Accounting System. [8 marks]

PART C

Q.10: CASE STUDY (compulsory) (20 Marks)

Being an Accountant of a company, you are provided with Trial Balance and adjustment entries. Suggest the accounting treatment for preparation of Trading, Profit & Loss A/c and Balance Sheet for following adjustment entries:

   a) Closing stock with Rs. 55,000;
   b) Outstanding salary of Rs. 18,000, where in paid salary is Rs. 1,02,000;
   c) Total Premium paid Rs. 10,000 includes Prepaid Premium Rs. 2,000;
   d) Depreciation @ 10% on Furniture and Fixtures worth Rs. 80,000;
   e) Provision for Doubtful Debts @ 5% on Debtors valuing to Rs. 1,00,000;

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