PART A (compulsory)  

Q.1: State True or False.  
8 marks

a. Macro Economics concentrates on behaviour of the economy as a whole.
b. A firm obtains its finished goods by production which is the conversion of OUTPUT into INPUT.
c. The size of an economy can be measured based on its GDP.
d. The young generation is a market force to be reckoned with.
e. Accounting is done for transactions that are non measurable in monetary terms.
f. Balance sheet is prepared “As on Date” to reflect the financial strength of the company.
g. The GAAP means Generally Accepted Accounting Principles.
h. Computer software is not an Intangible Asset.

Q.2: Fill in the blanks.  
8 marks

a) Sole Proprietorship firm has the _________ liability.
b) _________ is the regulatory body in India.
c) Social responsibility is largely associated with _________.
d) Statement of changes in financial positions is expressed by _________ statement.
e) Existence of business is considered separate from its owner under ________ concept.
f) Debit the Receiver and Credit the Giver is rule of ________ Account.
g) Bills Receivable is a Current _________.
h) Decrease in Working Capital is increase in _________ of the funds.
Q3. Expand the abbreviations  

a. GDP  
b. STCI  
c. SIDBI  
d. NABARD  
e. NHB  
f. GIC  
g. GNP  
h. WTO

Q4. Match the following.  

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>8 marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Micro Economics</td>
<td>1. Measure of Life expectancy</td>
<td></td>
</tr>
<tr>
<td>b. Financial Institutions</td>
<td>2. Financial Transaction</td>
<td></td>
</tr>
<tr>
<td>c. Human Development Index</td>
<td>3. Real Account</td>
<td></td>
</tr>
<tr>
<td>d. Supply and Demand</td>
<td>4. Balance Sheet</td>
<td></td>
</tr>
<tr>
<td>e. Accounting</td>
<td>5. Individual Households</td>
<td></td>
</tr>
<tr>
<td>f. Financial Statement</td>
<td>6. Usage of funds</td>
<td></td>
</tr>
<tr>
<td>g. Debit what comes in</td>
<td>7. Financial Services</td>
<td></td>
</tr>
<tr>
<td>h. Purchase of an Asset</td>
<td>8. Economic Analysis</td>
<td></td>
</tr>
</tbody>
</table>

PART B  

(Answer any three)  

Q5: Write short notes on any four. (4x4 = 16 marks)  

a. Micro Vs Macro Economics  
b. Goods & Services Tax  
c. Mixed Economy  
d. Factors of Production  
e. Objectives of Financial Statements  
f. Sources of Funds

Q6: What are the salient features of Indian Economy?
Q.7: a. Discuss the criteria of Market classification
   b. Explain the role of Government in an economy.

Q.8: Describe the three branches of Accounting.

Q.9: a. Discuss the advantages and disadvantages of each form of business organisation.
   b. Explain the Sub-types of financial markets.

PART C

Q.10: CASE STUDY (compulsory) (20 Marks)
Prepare a statement of changes in working capital from the following balance sheet of X Ltd.


<table>
<thead>
<tr>
<th>Liabilities</th>
<th>2009</th>
<th>2010</th>
<th>Assets</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity share capital</td>
<td>3,00,000</td>
<td>3,00,000</td>
<td>Fixed Assets</td>
<td>3,30,000</td>
<td>3,40,000</td>
</tr>
<tr>
<td>Debentures</td>
<td>1,40,000</td>
<td>1,40,000</td>
<td>Long term Investments</td>
<td>1,00,000</td>
<td>95,000</td>
</tr>
<tr>
<td>Tax Payable</td>
<td>52,000</td>
<td>48,000</td>
<td>Bills Receivable</td>
<td>65,000</td>
<td>76,000</td>
</tr>
<tr>
<td>Interest Payable</td>
<td>28,000</td>
<td>33,000</td>
<td>Stock</td>
<td>49,000</td>
<td>49,000</td>
</tr>
<tr>
<td>Sundry Creditors</td>
<td>41,000</td>
<td>48,000</td>
<td>Debtors</td>
<td>32,000</td>
<td>23,000</td>
</tr>
<tr>
<td>Dividend Payable</td>
<td>35,000</td>
<td>32,000</td>
<td>Cash</td>
<td>20,000</td>
<td>18,000</td>
</tr>
<tr>
<td></td>
<td>5,96,000</td>
<td>6,01,000</td>
<td></td>
<td>5,96,000</td>
<td>6,01,000</td>
</tr>
</tbody>
</table>

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