

18/11/19

Class: FYBAF

Subject: Financial Accounting-I Sem-I

Marks: 75

Time: 2 ½ hrs

- N.B. : 1] All questions are compulsory with internal options.
 2] Each question carry 15 marks.
 3] Working notes form part of your answer.
 4] Use of only simple calculator is allowed.

Q.1] a) State whether the following statements are True or False [any 8]: [08]

1. Cost of purchase doesn't include duties and taxes.
2. Accounting standards are laid down by law.
3. AS-9 deals with government grants.
4. Livestock is a current Asset.
5. Bin card shows stock position in the bin.
6. Drawings are deducted from capital.
7. Wages paid to worker is revenue expenditure.
8. Rent of building is allocated on the basis of area.
9. Under Hire Purchase, instalment is treated as hire charges.

b] Match the following [any 7]:

[07]

Column A	Column B
1. Consistency	A] Revenue expenditure
2. Inventory	B] Capital Receipt
3. AS 9	C] Cost of production
4. Expenditure on training	D] Value of assets
5. Issue of shares	E] Wages of each department
6. Manufacturing account	F] Area occupied by each department
7. Repairs to plant	G] After payment of last instalment
8. Contribution to P.F.	H] Revenue recognition
9. Air conditioning expenditure	I] Work in progress
10. Right of ownership	J] Fundamental accounting assumption

Q. 2] Amar chemicals has the following ledger balance as on 31st March 2014.

[15]

Particulars	Dr. Rs.	Cr. Rs.	Particulars	Dr. Rs.	Cr. Rs.
Goodwill	50,000		Net sales		11,00,000
Factory shed	20,000		Miscellaneous Income		4,000
Machinery	1,30,000		Bad Debts Reserves		5,000
Furniture	8,000		Purchase Material	8,60,000	
Investment	10,000		Freight on Materials	50,000	
Capital		1,95,000	Factory Power	15,000	
Bank Loan		3,00,000	Salaries and wages		
Creditors		1,50,000	Factory	1,50,000	
Debtors	1,35,000		Office	65,000	
Stock on 1-4-2013			Repair and renewals	2,500	
Materials	1,30,000		Rent and Taxes	16,500	
Work in progress	7,500		Insurance	3,900	

Finished Goods	82,500		General Expenses	18,100	
				17,54,000	17,54,000

The following additional information is available.

1. Closing stock materials Rs. 2, 10,000; work in progress Rs. 12,500 and Finished goods Rs. 2,07,500.
2. Depreciation to be provided at 2.5% on factory shed, 10% on Machinery and 15% on Furniture.
3. Repairs and rent and taxes are to be apportioned between factory and office in the ratio of 3:2
4. Reserve for bad and doubtful debts to be provided at 4% on debtors.
5. Insurance premium covers a period of one month in advance

You are required to prepare manufacturing, trading and profit and loss account for the year ended 31st March 2014 and Balance sheet as on that date.

OR

Q.2] state whether the following expenditure is capital or revenue. Give reasons. [15]

1. Payment for purchase of good.
2. Payment for purchase of stationery.
3. Payment for purchase of a car
4. Payment for purchasing mining right.
5. Partial refund of capital to a partner.
6. Payment of a loan taken earlier.
7. Payment of salaries.
8. Wages for erection of machinery

Q.3] A firm has two department X and Y. From the following figure prepare the department trading and profit and loss account for the year ended 31st December 2013. [15]

Particulars	Dept. A	Dept. B	Dept. C	Total
Purchase	90,000	60,000	30,000	-
Sales	1,60,000	1,28,000	64,000	-
Wages	30,000	24,000	20,000	-
Closing stock	44,000	32,000	28,000	-
Salaries	13,000	7,000	9,000	-
Rent				7,000
Insurance				4,700
Motor van Expenses				4,400
Advertising				6,600
Travelling Expenses				3,300
Carriage inward				12,000
Discount received				3,600
Bad debts				1,100
Audit fees				1,800
Discount allowed				2,200

OR

Q.3]

[15]

From the following particulars, prepare stock record by FIFO and Weighted Average Method

Date	Transaction	Units	Rate
04-1-2014	Purchase	40	30
17-1-2014	Purchase	60	28
20-1-2014	Sale	50	35
22-1-2014	Purchase	80	29
25-1-2014	Sale	80	33
28-1-2014	Sale	20	34
30-1-2014	Purchase	100	26
31-1-2014	Sale	90	35

The stock on hand on 1st January, 2014 was 50 units @ Rs.25 each.

Q.4]

[15]

On 1-1-2010 Mahesh has purchased a machinery from Ashok and paid 8,000 at the time of delivery. The cash price was Rs. 48,000. The balance amount was paid in the following four instalments on the 31st December every year with interest @5% on cash price: Rs. 12,000 on 31-12-2010, Rs. 11,500 on 31-12-2011; Rs. 11,000 on 31-12-2012; and Rs. 10,500 on 31-12-2013. Machinery was to be depreciated at 10% p.a. on reducing balance method.

Prepare Machinery A/c and Vendor's A/c in the books of Mahesh, use Full Cash Price (Credit Purchase) Method.

OR

Q.4]

[15]

Vyas is the proprietor of a Departmental Store having two departments A&B. The following balances have been extracted from his books as on 31-3-2014.

Particulars	A [Rs.]	B [Rs.]
Opening Stock	2,500	2,000
Purchases	1,18,000	82,000
Sales	1,50,000	1,00,000
Salaries of Sales Staff	10,000	7,500

Common expenses are as follows:

Office Salaries – Rs. 7,500, Lighting - Rs. 1,200, Repairs to premises - Rs. 350, Audit Fees - Rs. 2,500, Purchase Expenses Rs. 600. The proportion of the total area occupied by A two-fifths and B three-fifths

Prepare Trading and Profit & Loss Account (Department and General) for current year apportioning the overhead expenses wherever necessary to show the departmental profit or loss. Show clearly the basis on which the expenses are apportioned.

Q.5] Answer the followings:

A] Explain in brief FIFO Method and Weighted Average Method.

[08]

B] Distinguish between Capital Expenditure and Revenue Expenditure.

[07]

OR

Q.5] Write short notes on the following. [Any 3]

[15]

1] Accounting Standard-1.

2] Accounting Standard-2.

3] Accounting Standard-9.

4] Distinguish between Hire Purchase System and Installment System

5] Explain interdepartmental transfers at cost and at selling price.

25.11.19

Time: 2 ½ hours

Marks: 75

- N.B.** 1) All Questions are compulsory
 2) Figures to right indicates full marks
 3) Use of simple calculator is allowed

Q.1.A. MULTIPLE CHOICE QUESTION (any 8)

8

1. The aggregate of all direct costs is termed as _____ cost.
 - (a) Works (b) Prime
 - (c) Total (d) Production
2. _____ is not excluded while preparing a cost sheet.
 - (a) Goodwill written off (b) Provision for taxation
 - (c) Interest on capital (d) Property tax on office building
3. Dock charges is a _____.
 - (a) Direct cost (b) Indirect cost
 - (c) Urgent cost (d) Production cost
4. Cost of production is equal to _____.
 - (a) Factory cost + Administrative Overheads
 - (b) Factory cost + Prime cost
 - (c) Administrative Overheads + Selling overheads
 - (d) Prime cost + selling overheads
5. Labour turnover is caused by _____.
 - (a) Dissatisfaction with job (b) Low wages
 - (c) Discharge (d) All of the above
6. Appropriate basis of apportionment of material handling charges is _____.
 - (a) Material consumed (b) Material in opening stock
 - (c) Material in WIP (d) Material in closing stock
7. Warehouse expenses is an example of _____.
 - (a) selling Overhead (b) Distribution Overhead
 - (c) Production Overhead (d) None of the above
8. The cost which remain constant irrespective of output upto capacity limit is _____.
 - (a) Fixed cost (b) Product cost
 - (c) Variable cost (d) Sunk cost
9. The function of purchase department is _____.
 - (a) Purchase of materials (b) sale of scrap
 - (c) Production of goods (d) None of the above
10. Variable cost increases in total due to _____.
 - (a) Increase in sales (b) Increase in profit
 - (c) Increase in volume of production (d) All of the above

Q.1.B. STATE WHETHER TRUE OR FALSE (any 7)

7

1. Cost Accounting is used only in manufacturing industry.
2. Wages are paid for idle time.
3. Power is a machine expense.
4. Fixed cost changes according to the level of activity.
5. Valuation of closing stock is the same under FIFO and LIFO method.

6. Closing system helps in measuring profits.
7. Prime cost includes factory overheads.
8. Dearness allowance is linked with cost of living index.
9. selling and distribution overheads are same as administrative overheads.
10. power is allocated on the basis of H.P. of machines.

Q.2.A. from the following particulars, prepare stock record by FIFO and weighted Average method. The opening stock on 1st Jan was 50 units @ Rs 25 15

DATE	Transaction	Units	rate
04-1-2014	Purchased	40	30
17-1-2014	Purchased	60	28
20-1-2014	Sale	50	35
22-1-2014	Purchased	80	29
25-1-2014	Sale	80	33
28-1-2014	Sale	20	34
30-1-2014	Purchased	100	26
31-1-2014	sale	90	35

OR

Q.2.B. 7

Details	Materials A	Materials B
Opening stock	5,00,000	20,00,000
Closing stock	3,00,000	16,00,000
Purchase	42,00,000	50,00,000

Calculate the material turnover ratio

Q.2C. 8

Particulars	RMA	RMB
Annual demand	2,000	1,280
Per order cost	1,200	1,400
Carrying cost	480	560

Calculate EOQ, carrying cost and ordering cost.

Q3.A. America limited has five departments P, Q, R, are production department and S & T service department, the Actual cost as follows: 15

Particulars	Amount (Rs)
Repairs	35,000
Rent	25,000
Depreciation	42,000
Supervisions	40,000
Insurance	16,000
Light	18,000
Employees Insurance	6,000

The following information also available:

Particulars	Production			Service	
	P	Q	R	S	T
Area (Sq Ft)	1,400	1,200	1,100	900	400
No of Workers	250	300	100	100	50
Direct Wages	1,00,000	80,000	50,000	50,000	20,000
Value of Plant	2,00,000	1,80,000	1,60,000	1,00,000	60,000
No of light Points	50	40	35	30	25
Value of Stock	1,50,000	1,00,000	50,000	20,000	-

Prepare Statement showing Primary distribution

OR

Q3. B. A Limited has three production department A, B & C and two service department S1 & S2. The following are the details of the primary distribution 15

Details	Amount (Rs)
Dept A	6,300
Dept B	7,400
Dept C	2,800
Dept S1	4,500
Dept S2	2,000

The service departments cost are shared as following:

Particulars	A	B	C	S1	S2
S1	40%	30%	20%	-	10%
S2	30%	30%	20%	20%	-

Find out the overheads basis of (a) Step Down method and (b) Repeated Distribution Method.

Q4. A Following information given, calculate earning under Halsey and Rowan Plan 8

Time Taken to complete the Job 72 hrs
 Time Allowed to complete Job 90 hrs
 Rate Per Hour 50/-
 Dearness Allowance Rs 40 per Week of 8 hours

B. Calculate under Rowan plan & Halsey plan where time allowed is 24 hours, time taken is 18 hours and time rate is Rs 20 per hr. 7

OR

C. From the following information, calculate the machine hour rate for the machine: 15

Particulars	Amount (Rs)
Purchase price of the machine	4,50,000
Installation charges	50,000
Rent per quarter	30,000
General lighting for the total area (per month)	2,000

Insurance premium for the machine (per month)	6,000
Foreman's salary (per annum)	60,000
Estimated repairs for the machine (per annum)	18,000

Power-2 units per hour @ Rs 500 per 1,000 units.

Estimated life of the machine is 10 years and the estimated value at the of the 10th year is Rs. 1 lakh.

The machine is expected to run 20,000 hours in its life time. The machine occupies 1/4th of the total area. The foreman devotes 1/6th of his time for the machine.

Q.5.(a). Write a distinguish between cost accounting and financial accounting. 8

Q.5.(b). Define cost and explain the various classification of cost. 7

OR

Q.5. Write a short note on (any three): 15

- a) Selling overhead
 - b) Advantages of cost accounting
 - c) Labour turnover
 - d) Primary distribution
 - e) Overheads
-

19/11/19

FYBBI/BAF (Semester I)/Paper/Subject Code:

Business Communication I.

Q. P. Code:

- N.B.** 1. All the questions are compulsory
2. Figures to right indicate full marks

Time: 2.Hrs. 30 Mins.

75 Marks

Q-1 A. Fill in the blanks. (Any 8)

8 Marks

- 1) The Latin word _____ means 'to make common'. (communicare, communicus, communication)
- 2) Semantic barriers are also called as _____ barriers. (language, physical, psychological).
- 3) Communication that flows from subordinate to superior is called _____ communication. (Vertical Upward, Vertical Downward, Horizontal)
- 4) _____ communication can be kept as a permanent record. (Oral, Non Verbal, Written)
- 5) Communication through posture and gesture is a _____ communication. (oral, verbal, non verbal)
- 6) Resume is a French word, which means _____. (summary, course of life, biographical data)
- 7) Proxemics is the study of _____ (space and distance, body language, visual display)
- 8) CSR stands for Corporate Social _____. (Rights, Responsibility, Rumors)
- 9) _____ means technical language. (Proverb, Jargon, Phrase)
- 10) Barriers caused due to time and distance are called _____ barrier (Physical, Cross Cultural, Language)

Q-1 B. State whether the following statements are True or False. (Any 7)

7 Marks

- 1) Mass communication, is a communication with one own self.
- 2) Silence can convey' messages.
- 3) Messages can be conveyed in both verbal as well as non-verbal communication.
- 4) An Oral communication is a form of verbal communication.
- 5) Silence convey message.
- 6) Telegraph is a modern mode of communication.
- 7) Consideration is one of the 7 C's of communication.
- 8) Listening is effortless.
- 9) LoR: Letter of Recommendation.
- 10) An application written with reference of an advertisement is a solicited letter.

Q. P. Code:

Q-2 A. Explain the Process of Communication, with a labeled diagram. **8 Marks**

Q-2 B. Discuss the Advantages of video Conferencing. **7 Marks**

OR

Q-2 C. Advantages and disadvantages of Grapevine Communication. **8 Marks**

Q-2 D. Explain Cubical and Telephone Etiquettes. **7 Marks**

Q-3 A. Explain the importance of a Good Listener. **8 Marks**

Q-3 B. What is Computer Ethics, how can one show ethical values in using self and others computer. **7 Marks**

OR

Q-3 C. What are Barriers to Communication? Explain Socio-Psychological Barriers to Communication and discuss the measures to overcome them? **15 Marks**

Q-4 A. Draft a Letter of Application with Curriculum Vitae for the post of Customer Relationship Manager with E-Capital., Dadar-West, Mumbai. Use Full Block Layout. **10 Marks**

Q-4 B. Ms. Kalpana Mehta, has been offered a post of IT-Head with Telecom Pvt. Ltd., Lower Parel-Mumbai. Draft a Letter of Job Acceptance on her behalf. Use Semi-Block Format. **5 Marks**

OR

Q-4 C. Write an Application Letter with reference to the advertisement published in "Mid Day, dated 4th October, 2019, wanted a Store Manager, with minimum 5 years of experience, candidate should be fluent in speaking English. Apply to Box No. M-315, Mid Day, Mumbai. **8 Marks**

Q-4 D. Mrs. Rupal Singh has been working with Sky High Travels, Pvt, Ltd., Mumbai, as a Travel Agent since, past four years and would now like to resign from her post. Draft a Letter of Resignation on her behalf. Use Modified Block Format. **7 Marks**

Q 5. Short Note (Any 3) **15 Marks**

- 1) You Attitude
- 2) Advice as an Objective of Communication
- 3) Surrogate Advertising
- 4) Personal Integrity at Workplace
- 5) Curriculum Vitae

Time: 2.5 Hr.

FY-BAF sem-I

20/11/19

Marks: 75

- NB.: 1) All Questions are compulsory.
 2) Each Question has internal option.
 3) Figures to right indicate full marks.
 4) Working notes are part of your answer.

Q1A. State whether the following statements are true or false. (Any8)

...8Marks

- Cost of Preference share capital is determined only by the rate of fixed dividend.
- Cost of Equity share capital depends upon the market price of the share.
- Cost of existing share capital and fresh issue of capital are same.
- Retained earnings have implicit cost only.
- WACC is always calculated with reference to book value of different sources of funds.
- Book Value & Market Value weights are always different.
- Retained earnings have no market value, so these are not included in WACC (based on market value)
- EBIT is also known as operating profits.
- If EBIT for two firms are same, then the EPS of these firms would also always be same.
- EPS depends upon the composition of capital structure.

Q1B. Match the Following (Any 7)

...7Marks

No	Column A	No	Column B
1	Degree of operating leverage	A	Based on Book value
2	Ke	B	% change in EPS / % change in sales
3	Book value weights	C	$P \times R \times N$
4	Degree of Financial Leverage	D	$R \times B$
5	Growth	E	% change in EPS / % change in EBIT
6	Degree of Combine Leverage	F	Based on Market value
7	Kd	G	$DOL \times DOF$
8	Market value weights	H	$I(1-t)$
9	Future Value	I	$DI/Ke-G$
10	Simple interest	J	Present value + Interest

Q2.

...15 Marks

Calculate the degree of operating leverage, degree of financial leverage and the degree of combined leverage for the following firms:

	N	S	D
Production (in units)	17,500	6,700	31,800
Fixed cost	4,00,000	3,50,000	2,50,000
Interest on loan	1,25,000	75,000	Nil
Selling price per unit	85.00	130.00	37.00
Variable cost per unit	38.00	42.50	12.00

OR

Q2.A. Difference between Financial Management and Financial accounting.

...8Marks

Q2 B. Explain various sources of finance available to an enterprise in india.

...7Marks

Q3A. X invested Rs.2,40,000 at annual rate of 10%.What is the amount after 3 years if compounding is done?

1. Annually
2. Semi-Annually

...10Marks

Q3B. Mr. Rahul has deposited Rs.1,00,000 in a saving account at 6% simple interest and wishes to keep the same, for a period of 5years.Calculate the accumulated interest and Future value.

...5Marks

OR

Q3.A. Difference between Procurement of funds and Utilisation of funds.

...8Marks

Q3 B. Categories of sources of finance according to period.

...7Marks

Q4. Calculate the cost of capital in the following cases.

...15 Marks

- a. X Ltd. issues 12% Debentures of face value Rs. 100 each and realizes Rs. 95 per Debenture. The Debentures are redeemable after 10 years at a premium of 10%.
- b. Y. Ltd. issues 15% preference shares of face value Rs. 100 each Rs. 95 per share. The shares are repayable after 10 years at Rs.110.

Note: Both companies are paying income tax at 50%.

OR

Q4. A company issue 10% irredeemable debentures of Rs. 100. The company is in 50% tax bracket.

Calculate cost of debt if debentures are redeemed

- a. At par
- b. At 5% discount
- c. At 5% premium
- d. At 20% Premium
- e. At 20% Discount

...15 Marks

Q5. Write Short Notes. (Any 3)(5Marks Each)

...15Marks

- a) Profit Maximisation
- b) Investment decision and Dividend decision
- c) Wealth maximisation
- d) Short term source of finance
- e) WACC

FY- BAF
Sem-I

[Time: 2 ½ Hours]

Marks : 75

21/11/19

- Instructions:** (a) All questions are compulsory and carry equal marks
(b) Figures to the right indicate marks
(c) Support answers with examples wherever necessary

1) A. Choose the correct option: (Any 8)

(08)

1. _____ is responsible for creating ecological balance.
(a) Government b) Business organization c) no one
2. _____ Audit is a report of economic performance.
(a) Social b) Commercial c) Human Resource
3. _____ is a permanent Institution.
(a) GATT, WTO b) WTO, GATT c) IMF, WTO
4. Business ethics helps to _____ ethical decision making.
a) clear b) identify c) improve
5. Business Environment is _____.
a) Static b) dynamic c) simple to understand
6. Which one is not the function of an entrepreneur?
a) Turning ideas into action b) feasibility study c) shutting down the existing business
7. Ethics deals with _____.
a) Social science b) History c) Economic
9. The basic of business is _____.
a) Profiteering b) Profit maximization c) Buying and Selling
10. Business objectives should be _____.
a) time bound b) rigid c) complicated

1. B) State whether True or False: (ANY 7)

(07)

1. Business objectives need to be multiple.
2. World Environment Day is on 6th of June every year.

3. Unfavourable changes in the business environment bring opportunities to the business.
4. Three-fold objectives of the business are survival, growth and innovation.
5. Strengths and weaknesses are often external to an organization.
6. Corporate Governance is socially useful.
7. An entrepreneur should learn after committing the mistakes repeatedly.
8. Only corporations have to worry about ethics scandals and social responsibility issue.
9. Profit and Profiteering is one and the same .
10. Entrepreneurs have role models.

2. a) Explain meaning and importance of business objectives. (08)
- b) Explain briefly political and economic environment (07)

OR

- c) What is business ethics? Explain the factors that influence business ethics. (08)
- d) Explain corporate culture. What are the advantages of managing ethics at work place? (07)

3. a) Define Entrepreneurship. Explain the role of Entrepreneurship in economic development. (08)
- b) Identify the problem faced by Indian consumers. (07)

OR

- c) Explain the various Emerging sectors in India (08)
- d) What is consumerism? Explain effects of consumerism (07)

4. a) Suggest measures for ecology consciousness at business level. (08)
- b) Distinguish between social audit & commercial audit. (07)

OR

- c) Define corporate governance. Explain features & objectives of corporate governance. (08)
- d) State & Explain the benefits of social audit. (07)

5. a) What is (MNCs) & Explain advantages & disadvantages of MNCs. (08)
- b) What is FDI? Explain needs of FDI. (07)

OR

5. c) Write Short Notes on: (ANY 3) (15)
 1. SWOT Analysis
 2. Ethical Dilemma
 3. Carbon Credit
 4. National Objectives of Business
 5. CSR

ALL THE BEST

- 5) English is the secondary official language of Indian Union
- 6) Maharashtra was the first state to be formed on linguistic basis.
- 7) There is 100% political participation of women in India
- 8) Fundamental rights are justiciable in nature
- 9) Discrimination based on religion is unconstitutional.
- 10) 'Sons of the Soil' demand is an example of communalism.

Q.2) A) Explain the causes and consequences of declining gender ratio in India [08]
 Q.2) B) Explain Linguistic Diversity. [07]

OR

Q.2) C) Comment on the problems of persons with disabilities in India. [08]
 Q.2) D) Explain rural characteristics in detail. [07]

Q.3) A) Explain caste system with its features. [08]
 Q.3) B) Explain the conflicts arising through communalism with its causes and measures. [07]

OR

Q.3) C) Explain conflicts arising through Regionalism and its types. [08]
 Q.3) D) Explain Conflicts arising through Linguism with its causes and measures. [07]

Q.4) A) Write about peace and Communal Harmony in detail. [08]
 Q.4) B) Discuss the salient features of the Indian Constitution. [07]

OR

Q.4) C) "The Preamble reflects the ideal and philosophy of Indian Constitution. [08]
 Q.4) D) Explain all the eleven fundamental duties in detail. [07]

Q.5.) A) Explain about Women trafficking with its causes. [08]
 Q.5.) B) Explain the meaning of Substance use with its causes and risks. [07]

OR

Q5. Write Short Notes on (Any three) [15]

- 1) Challenges to Womens Participation in Politics
- 2) Inequalities against people with physical disabilities.
- 3) India as a multi religious nation.
- 4) Urban characteristics of Indian Society.
- 5) Religious Diversity in India.

Economics

1. All questions are compulsory
2. Figures to the right indicate marks
3. Draw appropriate diagrams and graphs whenever necessary

Q1. (A) Fill in the blank:(Any 8)

(8)

- i. Managerial Economics is very often called as _____ (Business Economics, Indian Economics)
- ii. Production activity with few inputs fixed and few variable is called as _____ production function(short run, long run)
- iii. _____ is termed as monopoly power. (Normal Profit, Super Normal Profit)
- iv. The additional benefits that arise by using an additional unit of the managerial control variable is defined as the _____ (Opportunity cost, Marginal benefit)
- v. The horizontal demand curve parallel to x-axis implies that the elasticity of demand is: _____ (Zero, Infinite)
- vi. _____ implies that a commodity under consideration can be put to several uses (Composit Demand, Cross demand)
- vii. Return to scale determine the behavior of _____ (short run average cost, long run average cost)
- viii. External economies may occur due to increasing return to scale(True, False)
- ix. Long term forecasts required for capital investments (True, False)
- x. A kinked demand curve indicates price rigidity in _____ (Collusive oligopoly, non-collusive oligopoly)

Q2. (B) State whether the following statement is True or False

(Any 7)

- i. The main function of business executive is avoiding decision making
- ii. Sample survey method undertakes survey of all consumer
- iii. Economic problem arises due to unlimited wants and scare resources
- iv. External economies may occur due to increasing return to scale
- v. Long term forecasts required for capital investments
- vi. Perfect competition is a price taker
- vii. Cartel formation helps the oligopoly firm to avoid competition
- viii. TVC is vertical straight line
- ix. Dumping is an example of international price discrimination
- x. In economics the term market refers to a particular place where buyers and sellers meet.

Q3. (a) What is Business Economics and discuss its scope(8)

(b) Discuss various methods of demand forecasting(7)

OR

Discuss in detail various challenges faced by Indian economy. (15)

Q3.(a) Explain Economies of scale and Economies of scope with example(8)

(b) Explain Iso-quant and Iso-Cost in detail (7)

OR

State and explain Law of variable proportion (Give example) (15)

Q4. (a) Explain Breakeven Analysis with graph (8)

(b) Explain the short run equilibrium of the firm under Monopoly competition with the help of graphs (7)

OR

Explain the models of collusive Oligopoly (15)

Q5. Write short notes (any Three) (15)

1. Direct and derived Demand
2. Kinked Demand Curve
3. Price leadership
4. Supernormal Profit
5. Monopolistic competition
