| Hall | Ticket Number: | No.: 133 S |
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| | VASAVI COLLEGE OF ENGINEERING (Autonomous), HYDE M.C.A. I Year I-Semester (Supplementary) Examinations, June-2 | RABAD 2016 |
| | Time: 3 hours Note: Answer ALL questions in Part-A and any FIVE from Part | farks: 70 |
| | Part-A (10 × 2=20 Marks) | 15° 16° 1 |
| A | nswer the following: | in the same transition of the same transition |
| 1. | Concept of Profit | |
| 2. | Discounting Priniciple | Parter. |
| 3. | Cross Elasticity of Demand | |
| 4. | Law of Supply | |
| 5. | Concept of Revenue | |
| 6. | Economies of Scale | |
| 7. | Gross and Net Working Capital | 6 a × |
| 8. | Capital Budgeting | |
| 9. | Petty Cash Book | |
| 1(| 0. Trail Balance | |
| | | |
| | Part-B (Marks: 5 X 10=50) | |
| 1 | 1. a) Explain the concepts of marginalism and equi-marginalism. | . (7) |
| | b) Explain the meaning and importance of case study method. | (3) |
| 12 | 2. a) Explain the law of demand and its exceptions. | (7) |
| | b) Given the demand equations of three individuals, A, B and C for a product X Q(B)=15-2P and Q(C)=10-3P, find out the total demand for the product X when the total demand for the t | |
| | | (3) |
| 1. | 3. a) Explain the meaning and features of Iso-quants. | (5) |
| | b) Explain the concept of Break-even point. | (5) |
| 1. | 4. Your company is considering two projects. M and N, each of which requires an | initial outlay of |

14. Your company is considering two projects, M and N, each of which requires an initial outlay of Rs 50 million. The expected cash inflows from these projects are:

(Rs. in millions)

| | | (| | |
|-----------|----|----|----|----|
| Year | 1 | 2 | 3 | 4 |
| Machine M | 11 | 19 | 32 | 37 |
| Machine N | 38 | 22 | 18 | 10 |

a) What is the payback period for each of the projects? (5

b) What is the discounted payback period for each of the project if the cost of capital is 12%? (5)

(10)

15. The following is the Trial Balance of Gurinder Trading Co. as on March 31, 2013.

| Particulars | Debit (Rs.) | Particulars | Credit (Rs.) |
|--|-------------|---------------------------|--------------|
| Cash | 540 | Sales account | 98780 |
| Cash at Bank | 2630 | Returns outwards | 500 |
| Purchases | 40675 | Capital | 62000 |
| Return inwards | 680 | Account payable | 6300 |
| Wages | 8480 | Rent | 9000 |
| Fuel and power | 4730 | | |
| Carriage on sales | 3200 | *///j1/- | |
| Carriage on Purchases | 2040 | 2 - 4 - 12 - 12 - 12 - 12 | |
| Inventory (1 st , April 2012) | 5760 | 2 | |
| Buildings | 32000 | | |
| Freehold land | 10000 | | |
| Machinery | 20000 | No. 1907 December 2 | |
| Patents | 7500 | | |
| Salaries | 15000 | 5.3 | |
| General expenses | 3000 | | |
| Insurance | 600 | | (5) J. 1 |
| Drawings | 5245 | | |
| Accounts receivable | 14500 | NS.PY | |
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Taking into account the following adjustments you are required to prepare the Trading, Profit and Loss Account and Balance sheet as on March 31, 2013.

- a. Closing Stock on March 31, 2013 is Rs. 6800.
- b. Machinery is to be depreciated at the rate of 10% and Patents at the rate of 20%.
- c. Salaries for the month of March 2009 amounting to Rs. 1500 were unpaid.
- d. Bad debts to be written off are Rs. 725.
- 16. a) Explain the various sources of finance to a company.
 b) "The firm under perfect competition is a price taker and not a price maker" –explain.
 17. a) Explain the principles of double entry book-keeping.
 b) Explain how the price is determined under monopoly.
 (5)
 (5)
