

UNIT WISE QUESTION BANK

BEFA CHAPTERWISE IMPORTANT QUESTIONS

UNIT-1

❖ Small Questions:

- 1.a) Sole proprietorship
b) Characteristics of partnership
- 2.a) Nominal partner
b) Contents of partnership deed
- 3.a) Characteristics of partnership
b) Long-term source of finance
- 4.a) Economics
b) Macro economics
- 5.a) National income
b) Business cycle

➤ ESSAY QUESTIONS:

- 1.A) Define business. Discuss the structure of business.
B) Explain the theory of firm.
- 2.A) Discuss about different types of business entities.
B) Explain about different types of partners.
- 3.A) Explain about characteristics of joint stock company.
B) Differentiate between private company and public company.
- 4.A) What are the sources of finance.
B) What is business cycle. Explain about types and phases of business cycles.
- 5.A) What are the important concepts of national income.
B) Write down about nature and scope of managerial economics.

UNIT-2

❖ Small Questions:

- 1.a) Demand
b) Demand function
- 2.a) Elasticity of demand
b) Income elasticity of demand
- 3.a) Cross elasticity of demand
b) Law of demand
- 4.a) Geffen goods
b) Demand forecasting
- 5.a) Delphi method
b) Supply function

➤ Essay Questions:

- 1.A) Define demand. Explain the features of demand.
B) Define elasticity of demand. Explain different types of elasticity of demand.
- 2.A) Explain different types of price elasticity of demand.
B) Explain measurement of elasticity of demand.
- 3.A) Explain about significance of elasticity of demand.
B) Describe about factors affecting elasticity of demand.
- 4.A) Explain about characteristics of good demand forecasting.
B) Explain about the techniques of demand forecasting.
- 5.A) Define supply. Explain the determinants of supply.
B) Describe about the supply function.

UNIT-3

❖ Small Questions:

- 1.a) Production Function
b) Assumptions of law variable proportion

- 2.a) Increasing returns to scale
- b) Opportunity cost
- 3.a) Explicit cost
- b) Perfect competition
- 4.a) Oligopoly
- b) Monopoly
- 5.a) Sealed bid pricing
- b) CVP analysis

➤ **Essay Questions:**

- 1.A) Define production. Explain the factors of production.
- B) Explain about law of variable proportion.
- 2.A) Define iso quant. Explain the features of iso quant.
- B) Write down about returns to scale.
- 3.A) Define cost. Explain different types of cost.
- B) Write down about different types of markets.
- 4.A) Discuss price and output determination under perfect competition.
- B) Discuss about break even analysis.
- 5.A) From the following particulars calculate P/V ratio, B.E.P units and estimated sales to get a profit of Rs 1,20,000.

Sales 6,00,000
 Fixed cost 1,80,000
 Variable cost 3,75,000

B) The following information relating to a company is given to you

Sales 4,00,000
 Variable cost 2,50,000
 Fixed cost 1,80,000

UNIT-4

❖ **Small Questions:**

- 1.a. Meaning of journal
- b. Ledger
- 2a..Define current assets
- b.Net profit
- 3.a. Trading account
- b. Profit and loss account
- 4.a. Explain about accounting concepts
- Define fixed assets
- 5.a. What are the advantages of ledger
- b. Describe about accounting conventions

➤ **Essay Questions:**

- 1.A) Define financial accounting. Explain the objectives of accounts.
- B) What are the branches of accounting. Explain the scope of accounting.
- 2.A) Explain the concepts and conventions of accounting.
- B) Explain about accounting equation.
- 3.A) Write about double entry. Explain steps involved in double entry system.
- B) Differentiate between journal and ledger.
- 4.A) Journalise the following transactions.

2008 July

- 1.opened a bank account 50,000
- 5.purchased goods for cash 5,000
- 10.purchased machinery from A 15,000
- 12.paid wages 500
- 13.goods sold to B for cash 2,000

- 15. paid electricity bill 200
- 18. paid to A on account 5,000
- 20. sold old newspapers 50

B) Journalise the following transactions in the books of Sateesh
2019 September

- 1. sateesh commenced business with cash 75,000
- 2. cash deposited into bank 30,000
- 5. purchased furniture and paid by cheque 1500
- 7. goods purchased from Srividya 20,000
- 9. goods returned to Srividya 400
- 13. paid to Srividya in full settlement 19,500
- 17. goods sold to Prakash 500
- 20. goods distributed by way of a free samples 1,000
- 24. commission received 250
- 30. paid salaries 5,000

5.A) Prepare a trial balance from the following information

- Cash-5000
- Purchases-50,000
- Rajesh-10,000(Dr balance)
- Drawings-500
- Discount received -20
- Wages-470
- Capital-20,000
- Sales-70,000
- Ramu-13,000(Credit balance)
- Discount allowed-50
- Salaries-7,000
- Machinery-30,000

B) From the following trial balance of Vikram foundry works, prepare trading account and profit and loss account for the year ending March31, 2019. Also prepare a balance sheet as on the date.

Debit balance (Dr)	Total	Credit balance (Cr)	Total
Electricity	14,000	Interest	16,000
Land	1,40,000	Discount	6,000
Interest	16,000	Sales	8,00,000
Wages	50,000	Returns	10,000
Opening stock	20,000	Sundry creditors	60,000
Rent	24,000	Capital	3,02,000
Purchases	3,00,000	Bills payable	15,000
Office expenses	30,000		
Building	4,00,000		
salaries	90,000		
Power gas and water	30,000		
Returns	20,000		
Furniture	15,000		
Sundry debtors	60,000		
Total	12,09,000	Total	12,09,000

UNIT-5

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❖ Small Questions:

- 1. a. Ratio analysis
- b. advantages of ratio analysis
- 2. a. Fund
- b. Funds flow statement
- 3. a. Working capital
- b. Funds from operations

- 4.a. Importance of funds flow
- b. Limitations of fundsflow
- 5.a. Cash flow statement
- b. Financial ratio

➤ Essay Questions:

- 1.A) Explain about utility of ratio analysis.
- B) Explain about classification of ratio analysis.
- 2.A) You are given trading and profit & loss account of Mahesh company limited for the year ended 31st December 1992.

Trading and Profit&loss account

To Opening stock	30,000	By Net sales	1,10,000
To Purchases	60,000	By Closing stock	20,000
To Wages	10,000		
To Gross profit(c/d)	30,000		
	1,30,000		1,30,000
To Administrative expenses	10,000	By Gross profit(b/d)	30,000
To Selling and distribution expenses	5,000	By Sundry receipt	5,000
To Net profit	20,000		
	2,95,000		2,95,000

Calculate:

- 1.Gross Profit Ratio
- 2.Net PROFIT Ratio
- 3.Operating Ratio
- 4.Operating Profit Ratio
- B) Current Ratio=2.5:1
Working Capital=50,000
Calculate Current Assets and Current Liabilities.
- 3.A) What is a funds flow statement. Explain concepts of funds.
- B) Distinguish between funds flow statement and Income Statement.
- 4.A) Distinguish between Funds Flow Statement and Balance Sheet.
- B) Explain the procedure for preparing statement showing changes in working capital.
- 5.A) Explain the procedure for preparing a statement showing funds from operations.
- B) Explain the procedure for preparing a statement showing sources and application of funds.

Model Question Paper

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