2013

Time : 3 hours

Full Marks : 80

Candidates are required to give their answers in their own words as far as practicable.

The figures in the margin indicate full marks.

Answer from both the Groups as directed.

Group – A
(Objective-type Questions)

Answer all questions.

1. Choose the correct answer of the following:

\[2 \times 10 = 20\]

(a) 9\% debentures of Rs. 100 each. 9\% denotes:

(i) Brokerage rate
(ii) Dividend rate
(iii) Interest rate
(iv) None of these

UK – 32/3 (Turn over)
(b) Pay-back period refers to :

(i) Period in which payment is to be made
(ii) Period in which amount of investment is to be recovered
(iii) Period in which payment is to be received
(iv) None of the above

(c) Bank A/c comes under :

(i) Personal A/c
(ii) Nominal A/c
(iii) Real A/c
(iv) None of the above

(d) The term Current Asset does not include :

(i) Stock
(ii) Cash-at-Bank
(iii) Bank Overdraft
(iv) Debtors

(e) Contribution is equal to :

(i) Profit + Fixed cost
(ii) Sales – Variable cost
(iii) Both (i) and (ii)
(iv) None of the above

(f) If Current Asset is Rs. 50,000, Stock Rs. 6,000 and Current Liability is Rs. 38,000 the quick ratio will be:
(i) 1.316 : 1
(ii) 1.158 : 1
(iii) 6.333 : 1
(iv) 2.000 : 1

(g) A Balance Sheet is a statement of the Assets ? Liabilities and ________ of an organisation at a particular date which gives true and fair view of the state of affairs of the business.

(h) A Budget is prepared for:
(i) Future events
(ii) Past events
(iii) Present events
(iv) None of the above

UK – 32/3 (3) (Turn over)
(i) Combined leverage means:
   (i) Change in EPS / change in EBIT
   (ii) Change in EPS / change in sales
   (iii) Change in EBIT / change in sales
   (iv) None of the above

(j) Net Working Capital means:
   (i) Total Current Asset
   (ii) Current Asset – Current Liability
   (iii) Both (i) and (ii)
   (iv) None of the above

Group – B
(Long-answer Type Questions)

2. Wealth maximisation objective is superior to the profit maximisation objective. Explain.

3. What is Budgeting? Discuss the advantages and limitations of Budgetary Control.


UK – 32/3 (4) Contd.