

**BE/BC-202**

**2 0 2 1**

( 2nd Semester )

**COMMERCE**

Paper : BC-202

**( Business Economics )**

( PART : A—OBJECTIVE )

( Marks : 25 )

*The figures in the margin indicate full marks for the questions*

**1.** Choose and write the correct answer from the options provided : 1×10=10

(a) Increase in 'Public Expenditure' is an

(i) anti-inflationary measure

(ii) anti-deflationary measure

(iii) Both (i) and (ii)

(iv) None of the above

(b) Who is gainer during inflation?

(i) Creditors

(ii) Debtors

(iii) Fixed income group

(iv) All of the above

( 2 )

- (c) Which of the following is an example of 'derived demand'?
- (i) Car
  - (ii) Furniture
  - (iii) Bread
  - (iv) Labour
- (d) In case of Giffen goods, fall in price leads to
- (i) increase in demand
  - (ii) decrease in demand
  - (iii) no change in demand
  - (iv) None of the above
- (e) Cost of the production of a firm is influenced by
- (i) size of a firm
  - (ii) level of technology
  - (iii) level of output
  - (iv) All of the above
- (f) Average total cost is defined as
- (i)  $TC/Q$
  - (ii)  $TVC/Q$
  - (iii)  $TFC/Q$
  - (iv)  $ATC/AQ$

- (g) The shape of 'AR' curve in perfect competition is
- (i) 'U' shaped
  - (ii) vertical straight line
  - (iii) horizontal line
  - (iv) a 45° straight line
- (h) Price rigidity exists in
- (i) monopoly
  - (ii) monopolistic competition
  - (iii) perfect competition
  - (iv) oligopoly
- (i) The concept of 'quasi-rent' is a concept of
- (i) long run
  - (ii) short run and temporary in nature
  - (iii) short run and permanent in nature
  - (iv) All of the above
- (j) Which 'factor's income' is termed as 'residual income'?
- (i) Wage
  - (ii) Rent
  - (iii) Profit
  - (iv) Interest

( 4 )

2. State whether the following statements are True or False : 1×5=5

- (a) A mild inflation is a sign of healthy growth of economy.
- (b) The cross-elasticity of demand for complementary goods is negative.
- (c) The shape of Average Fixed Cost (AFC) curve is 'U' shaped.
- (d) 'Kinked demand curve model' was presented by Adam Smith.
- (e) Classical theory of employment is based on the concept of 'Laissez-faire' economy.

3. Write short notes on any *five* of the following : 2×5=10

- (a) Objectives of the firm
- (b) Structural unemployment
- (c) Shut-down point
- (d) Oligopoly
- (e) Economic rent
- (f) Money wage and real wage
- (g) Deflation
- (h) Say's law of markets

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2 0 2 1

( 2nd Semester )

COMMERCE

Paper : BC-203

( Commercial Law )

Full Marks : 70

Pass Marks : 45%

Time : 3 hours

( PART : B—DESCRIPTIVE )

( Marks : 45 )

*The figures in the margin indicate full marks  
for the questions*

1. (a) Define contract. Explain the essential elements of a valid contract. 2+7=9

Or

- (b) Explain the remedies available for breach of a contract. 9

2. (a) What are the essentials of a contract of sale? Explain 'Goods' as the subject matter of a contract of sale. 6+3=9

Or

- (b) Who is an unpaid seller? Explain the rights of an unpaid seller. 2+7=9

3. (a) What is partnership? Explain the different types of partnership. 2+7=9

Or

- (b) Explain the rights and duties of a partner in a partnership firm. 4½+4½=9

4. (a) What is a negotiable instrument? Elaborate on the characteristics of negotiable instruments. 2+7=9

Or

- (b) What is a Bill of Exchange? Explain the characteristics of a Bill of Exchange. 2+7=9

5. (a) Define consumer. What are the rights available to a consumer under the Consumer Protection Act? 2+7=9

Or

- (b) What restrictions have been imposed on dealing in Foreign Exchange under FEMA? 9

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**CL/BC-203**

**2 0 2 1**

( 2nd Semester )

**COMMERCE**

Paper : BC-203

**( Commercial Law )**

( PART : A—OBJECTIVE )

( Marks : 25 )

*The figures in the margin indicate full marks for the questions*

**1.** Choose and write the correct answer from the options provided : 1×10=10

(a) Void agreement is defined in

(i) Sec 2(b)

(ii) Sec 2(g)

(iii) Sec 3(h)

(iv) Sec 4(a)

(b) When the parties agreed upon the same thing in same senses, it is called

(i) ab-initio

(ii) quasi-contract

(iii) consensus ad-idem

(iv) quantum meruit

- (c) A knockout agreement is a/an \_\_\_\_\_ agreement.
- (i) legal
  - (ii) illegal
  - (iii) partially legal
  - (iv) partially illegal
- (d) Warranty is defined in \_\_\_\_\_ of Sale of Goods Act, 1930.
- (i) Sec 12(1)
  - (ii) Sec 12(2)
  - (iii) Sec 12(3)
  - (iv) Sec 12(4)
- (e) The maximum limit in case of partnership firm carrying on any other business is
- (i) 10
  - (ii) 20
  - (iii) 30
  - (iv) 40
- (f) This partner need not give public notice of his retirement.
- (i) Actual partner
  - (ii) Dormant partner
  - (iii) Nominal partner
  - (iv) Partner in profits only

- (g) There are \_\_\_\_\_ parties in bill of exchange.
- (i) two
  - (ii) three
  - (iii) four
  - (iv) five
- (h) There are \_\_\_\_\_ modes of crossing of cheques.
- (i) one
  - (ii) two
  - (iii) three
  - (iv) four
- (i) The redressal under the Consumer Protection Act has
- (i) two-tier system
  - (ii) three-tier system
  - (iii) four-tier system
  - (iv) None of the above
- (j) The regulations of FEMA are enforced by
- (i) the Central Government
  - (ii) the State Government
  - (iii) the Reserve Bank of India
  - (iv) the Department of Finance

( 4 )

2. State whether the following statements are True or False : 1×5=5

- (a) Rescision is not the revocation of a contract.
- (b) A sale is an executed contract but an agreement to sell is an executory contract.
- (c) Section 5 of the Partnership Act, 1932 defines Test of Partnership.
- (d) Every negotiable instrument is presumed by law to have been drawn for consideration.
- (e) Any person may sell or draw foreign exchange to and from an authorized, if such sale or drawal is a current account.

3. Write short notes on any *five* of the following : 2×5=10

- (a) Free Consent
- (b) Pledge
- (c) Contract of Agency
- (d) Hire Purchase Agreement
- (e) Partnership Deed
- (f) Quantum Meruit
- (g) Promissory Note

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2 0 2 1

( 2nd Semester )

COMMERCE

Paper : BC-204

( Financial Accounting—II )

Full Marks : 70

Pass Marks : 45%

Time : 3 hours

( PART : B—DESCRIPTIVE )

( Marks : 45 )

*The figures in the margin indicate full marks  
for the questions*

1. (a) Discuss the nature and objectives of accounting theory. 9
- Or
- (b) Discuss the history and developments of accounting theory. 9
2. (a) Explain the list of liabilities and assets for preparing the Statement of Affairs. 9

Or

- (b) Mr. Ray filed a petition of bankruptcy on 31st March. His books show the following Balance Sheet :

Cash in Hand—₹ 1,000

Fixtures and Fittings (estimated to produce ₹ 8,000)—₹ 25,000

Stock in Trade (estimated to produce ₹ 1,20,000)—₹ 1,80,000

Sundry Creditors :

Trade Creditors—₹ 2,00,000

Bills Payable—₹ 2,20,000

Sundry Debtors :

Goods—₹ 1,00,000

Doubtful (expected to realise 50%)—₹ 2,00,000

Bad—₹ 2,00,000

Bank Overdraft—₹ 1,20,000

Capital—₹ 1,66,000

Liability on bills discounted is ₹ 50,000, expected to rank ₹ 10,000. His house valued at ₹ 75,000, having a mortgage on it of ₹ 60,000 at 4% interest paid up to the preceding 31st September. Preferential Creditors amounting to ₹ 3,500 included in Sundry Creditors.

Prepare a Statement of Affairs. 9

( 3 )

3. (a) What is meant by Departmental Accounts? Distinguish between Departmental and Branch Accounting. 3+6=9

Or

- (b) From the following particulars, prepare Branch Account showing the profit or loss of the Branch : 9

	₹
Expenses :	
Salaries	20,000
Other Expenses	8,000
Opening Stock at the Branch	60,000
Goods sent to Branch	1,80,000
Sales (cash)	2,40,000

Closing Stock could not be ascertained, but it is known the Branch usually sells at cost plus 20%.

The Branch Manager is entitled to a commission of 5% on the profits of the Branch before charging such commission.

( 4 )

4. (a) Discuss the principles of insurance. 9

Or

- (b) From the following information, you are required to prepare the Profit & Loss A/c of Bandhan Bank for the year ended 31st March, 2021 : 9

	₹
Interest on loan	5,18,000
Interest on cash credit	4,46,000
Discount on bills discounted	3,90,000
Interest on overdraft	1,08,000
Interest on Savings Account	2,20,000
Interest on fixed deposits	5,54,000
Commission and brokerage	16,400
Rent and taxes	36,000
Audit fees	2,400
Postage and telephones	2,800
Sundry charges	2,000
Advertisement	1,400
Director's fees	6,000
Printing and stationery	400
Payment to employees	1,08,000
Locker's rent	700
Transfer fees	1,400
Depreciation on bank property	10,000

Additional information :

- (i) Rebate on bills discounted ₹ 98,000  
(ii) Provide for bad debts ₹ 58,000  
(iii) Transfer ₹ 1,00,000 to reserves

5. (a) Write a short note on self-balancing ledger system. What are the advantages and disadvantages of self-balancing ledger system? 2+4+3=9

*Or*

<i>(b) Items</i>	<i>Amounts</i>
	₹
Opening Balance of Sundry Debtors	
(Dr.)	40,000
(Cr.)	2,000
Cash and Cheques Receipts	1,60,000
Credit Sales as per Sales Day Book	2,00,000
Discount Allowed	6,000
Returns Inward	4,000
Bad Debts	3,000
Bills Receivable Received	20,000
Bills Receivable Discounted	2,000
Provision for Bad Debts	2,000
Closing Credit Balance of Sundry Debtors	6,000
Transfer from Debtor's Ledger to Creditor's Ledger	1,000
Transfer from Creditor's Ledger to Debtor's Ledger	1,200

From the above information, prepare—

- (i) Debtor's Ledger Adjustment Account in the general ledger;
- (ii) General Ledger Adjustment Account in the Debtor's ledger. 9

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**FA-2/BC-204**

**2 0 2 1**

( 2nd Semester )

**COMMERCE**

Paper : BC-204

**( Financial Accounting—II )**

( PART : A—OBJECTIVE )

( Marks : 25 )

*The figures in the margin indicate full marks for the questions*

SECTION—I

( Marks : 15 )

1. State whether the following statements are True or False : 1×5=5
- (a) Roots of accounting theory stem from decision theory, measurement theory and information theory.
  - (b) Fully secured creditors are shown under List B.
  - (c) Under the stock and debtors system, Branch Stock Account is a nominal account.
  - (d) Annuity is an income.
  - (e) Self-balancing and sectional balancing are synonymous terms.

( 2 )

2. Choose and write the correct answer from the options provided : 1×10=10

(a) Book debts are shown under

(i) List A

(ii) List B

(iii) List D

(iv) List F

(b) Amount due to Government or local authority is a/an

(i) secured claim

(ii) unsecured claim

(iii) preferential claim

(iv) None of the above

(c) Branch Stock Account is always prepared at

(i) cost price

(ii) selling price

(iii) both cost price and selling price

(iv) None of the above

- (d) Selling expenses should be divided among the different departments on the basis of
- (i) unrealised profit
  - (ii) profit
  - (iii) sales
  - (iv) space occupied
- (e) Which approach lays emphasis on the concepts of justice and fairness?
- (i) Ethical approach
  - (ii) Pragmatic approach
  - (iii) Inductive approach
  - (iv) Deductive approach
- (f) The Balance Sheet of a banking company contains
- (i) 10 Schedules
  - (ii) 12 Schedules
  - (iii) 14 Schedules
  - (iv) 16 Schedules

- (g) Rebate on bills discounted is
  - (i) an item of income
  - (ii) a liability
  - (iii) income received in advance
  - (iv) income outstanding
- (h) Policy maturing only on death of the insured is termed as
  - (i) endowment policy
  - (ii) whole life policy
  - (iii) with profit policy
  - (iv) None of the above
- (i) Legal expenses in respect of claims is shown in
  - (i) Revenue A/c
  - (ii) Profit & Loss A/c
  - (iii) Profit & Loss Appropriation A/c
  - (iv) None of the above
- (j) General Ledger Adjustment Account is opened in
  - (i) sales ledger
  - (ii) purchases ledger
  - (iii) both sales ledger and purchases ledger
  - (iv) general ledger

( 5 )

SECTION—II

( Marks : 10 )

3. Write short notes on the following in about 4 or 5 sentences each : 2×5=10
- (a) Users of accounting information
  - (b) Deficiency Account
  - (c) Branch Adjustment Account
  - (d) Slip system of posting
  - (e) Statutory reserve of banking companies

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2021

( 2nd Semester )

COMMERCE

( Honours )

Paper : BCAF-02

( **Advanced Financial Accounting** )

Full Marks : 70

Pass Marks : 45%

Time : 3 hours

The figures in the margin indicate full marks  
for the questions

1. (a) What do you understand by Consolidated Balance Sheet? Explain in brief the principles of consolidation of Balance Sheet. 4+10=14
- (b) From the two Balance Sheets of H. Ltd. and S. Ltd., prepare a Consolidated Balance Sheet : 14

Balance Sheets of H. Ltd. and S. Ltd.

Particulars	Note No.	H. Ltd. ₹	S. Ltd. ₹
I. Equity and Liabilities :			
1. Shareholders' Funds :			
(a) Share Capital—Equity Shares of ₹ 10 each		1,20,000	30,000
(b) Reserve and Surplus :			
General Reserve		25,000	6,000
Profit and Loss A/c		12,000	9,000
2. Current Liabilities :			
Trade Payable—Creditors		15,000	5,000
Total		<u>1,72,000</u>	<u>50,000</u>

12-21/240

( Turn Over )

Particulars	Note No.	H. Ltd. ₹	S. Ltd. ₹
II. Assets :			
1. Non-Current Assets :			
(a) Fixed Assets :			
Tangible Assets :			
Building at Cost		72,000	25,000
Plant and Machinery (Net)		30,000	10,000
(b) Non-Current Investment :			
2000 Equity Shares of S. Ltd. of ₹ 10 each		20,000	—
2. Current Assets :			
(a) Inventories—Stock		18,000	3,000
(b) Trade Receivable—Debtors		22,000	7,000
(c) Cash and Cash Equivalents—Bank		10,000	5,000
Total		<u>1,72,000</u>	<u>50,000</u>

When H. Ltd. acquired 2000 shares in S. Ltd., the latter company had reserves amounting to ₹ 5,000 none of which has been distributed since then.

2. (a) Define the term 'purchase consideration'. Discuss the different methods for the calculation of purchase consideration. 2+12=14

Or

- (b) The Balance Sheet of Moon Ltd. as on 31st March, 2018 was as follows :

Balance Sheet of Moon Ltd. as at 31st March, 2018

Particulars	Note No.	Amounts ₹
I. Equity and Liabilities :		
1. Shareholders' Funds :		
(a) Share Capital 5000 Equity Shares of ₹ 100 each		5,00,000

12-21/240

( Continued )

( 3 )

Particulars	Note No.	Amounts ₹
(b) Reserve and Surplus :		
Reserve		10,000
Profit and Loss A/c		(1,65,000)
2. Non-Current Liabilities :		
Long-term Borrowings—9% Debenture		1,00,000
3. Current Liabilities :		
Trade Payable—Creditors		90,000
	Total	<u>5,35,000</u>
II. Assets :		
1. Non-Current Assets :		
Fixed Assets :		
Tangible Assets :		
Building		2,00,000
Plant		1,60,000
2. Current Assets :		
(a) Inventories		30,000
(b) Trade Receivables—Debtors		1,20,000
(c) Cash and Cash		
Equivalents—Bank Balance		25,000
	Total	<u>5,35,000</u>

On 1st April, 2018 Sun Ltd. was formed to take over the business Moon Ltd. on the following terms :

- (i) Debentures will be discharged by the issue of sufficient number of 12% Debenture of Sun Ltd. as would bring the same amount of interest
- (ii) Shareholders will be issued 2400 Equity Shares of ₹ 100 each of Sun Ltd.

( 4 )

(iii) Liquidation expenses of ₹ 2,000 will be paid by Sun Ltd.

Pass the necessary Journal entries in the books of Sun Ltd. and prepare the Balance Sheet of Sun Ltd. 5+9=14

3. (a) With the help of the information given below, prepare a Trading Account, Profit and Loss Account and Balance Sheet of X : 14

- (i) Gross Profit Ratio—25%
- (ii) Net Profit/Sales—20%
- (iii) Sales/Inventory Ratio—10
- (iv) Fixed Assets/Total Current Assets—5/7
- (v) Current Ratio—1
- (vi) Fixed Assets/Capital—5/4
- (vii) Fixed Assets—₹ 10,00,000
- (viii) Closing Stock—₹ 1,00,000

Or

(b) How does the ratio analysis technique help in Financial Statement Analysis? State the major user groups of Financial Statement Analysis. 8+6=14

( 5 )

4. (a) Distinguish between Fund Flow Statement and Cash Flow Statement. "Cash Flow Statement is very useful to the management for short-term planning." Discuss.  $7+7=14$

*Or*

- (b) Explain the operating, investing and financing activities of Cash Flow Statement. Draw a proforma of Cash Flow Statement with imaginary figure as per AS-3 (Revised).  $(3 \times 3) + 5 = 14$

5. (a) What is Inflation Accounting? Explain with reference to CCA method.  $4+10=14$

*Or*

- (b) Explain different modes of liquidation of companies. 14

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2 0 2 1

( 2nd Semester )

COMMERCE

Paper : BC-202

( **Business Economics** )

Full Marks : 70

Pass Marks : 45%

Time : 3 hours

( PART : B—DESCRIPTIVE )

( Marks : 45 )

*The figures in the margin indicate full marks  
for the questions*

1. (a) What is demand pull inflation? What are the causes of demand pull inflation? Suggest some measures to control demand-pull inflation. 2+3+4=9
- Or
- (b) Explain the theory of sales maximization of a firm. 9

2. (a) Explain the different methods of measuring elasticity of demand. 9

Or

- (b) What is price elasticity of demand? Explain with diagram the different degrees of price elasticity of demand. 2+7=9

3. (a) Explain the different economies and diseconomies of scale. 9

Or

- (b) What is 'iso-quant'? State and explain the properties of iso-quant. 3+6=9

4. (a) What is perfect competition? Explain the characteristics of perfect competitive market. 2+7=9

Or

- (b) Explain how price is determined in monopoly market. 9

5. (a) Explain the Ricardian theory of rent. 9

Or

- (b) Explain Keynes' theory of effective demand. 9

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