

2021

BUSINESS REGULATORY FRAMEWORK

Time Allowed — 3 Hours

Full Marks — 100

If the questions attempted are in excess of the prescribed number, only the questions attempted first up to the prescribed number shall be valued and the remaining ones ignored.

*Answers may be given either in **English** or in **Bengali** but all answers must be in one and the same language.*

Answer any five questions.

1. (a) What are the restrictive features of Private Company? 5
(b) Discuss the steps involved in the formation of a Public Company. 10
(c) What is meant by Perpetual Succession? 5
2. Discuss the different modes of appointment of directors of a Public Limited Company. 20
3. (a) Distinguish between 'Sale' and 'Hire-Purchase Agreement'. 5
(b) "Risk prima facie passes with ownership"—Comment. 5
(c) "No seller of goods can give the buyer of goods a better title of those goods than he himself has". Explain the statement with exceptions. 10
4. (a) State whether registration of partnership is compulsory. What are the consequences of non-registration of partnership firm? 5
(b) Distinguish between 'Partnership' and 'Co-ownership'. 5
(c) Discuss the rights of a Partner of Partnership business. 10
5. (a) Define 'Negotiable Instruments'. What are the features of Negotiable Instruments? 10
(b) What do you mean by crossing of cheque? What are its consequences? 5
(c) How a negotiable instrument gets dishonoured? 5
6. (a) "All contracts are agreements but all agreements are not contracts"—Explain the statement with suitable examples. 10
(b) When is consent said to be not free? 5
(c) "A minor's agreement is said to be Void ab initio"—Explain the statement. 5
7. (a) What are the objectives of Consumer Protection Act 2019? 10
(b) Discuss the composition and jurisdiction of National Commission. 10

2021

COST MANAGEMENT AND ACCOUNTING

Time Allowed — 3 Hours

Full Marks — 100

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Answers may be written either in **English** or in **Bengali** but all answers must be in one and the same language.

The figures in the margin indicate marks for each question.

Answer Question No. 8 and **any five** from the rest.

1. A construction company has undertaken to construct a bridge. The following particulars are given relating to the bridge for the year ended March 21, 2020:

	<u>Rs.</u>
Materials purchased	60,000
Wages paid	45,000
Wages outstanding	5,000
Depreciation for plant used for the bridge	10,000
Direct expenses	3,500
Direct expenses accrued	500
Materials on hand on March 31, 2020	1,000
Materials lost by fire	500
Salvage value thereof	150
Value of work certified	1,50,000
Cost of uncertified work	4,500

The value of the contract is Rs. 2,15,000 and the contractee retains 10% of the work of work certified.

You are required to prepare the Contract Account, the Contractee's Account and also to show the value of work-in-progress as on March 31, 2020. 10+4+2=16

2. (a) Explain clearly the term *abnormal loss* and *abnormal gain* in relation to Process Accounts.
 (b) From the following particulars you are required to prepare Process I Account, Process II Account, Normal Loss Account, Abnormal Loss Account and Abnormal Gain Account:

	<u>Process I</u>	<u>Process II</u>
Input (Units)	5,000	4,600
Normal Loss	10%	?
Materials (Rs.)	8,000	1,500
Wages (Rs.)	3,000	4,000
Overheads (Rs.)	2,750	3,010
Realizable value per unit (Rs.)	0.50	2.00

20595

Please Turn Over

0497

The output of Process I is transferred to Process II. The output of Process II was 4,300 units. They were sold at Rs. 6 per unit showing a profit of 20% on cost. Assume that there was no closing work-in-progress and finished goods.

$$4+6+2+2+2=16$$

3. (a) What do you mean by Economic Order Quantity (EOQ)?
 (b) Explain with a rough sketch how EOQ is determined?
 (c) From the following particulars calculate:
- EOQ,
 - Optimum number of orders per year,
 - Minimum yearly average cost of material,
 - Optimum period of supply per optimum year.

Annual consumption 2,400 units

Average carrying cost Rs. 0.60 per unit per year

Ordering cost per order Rs. 80

$$2+3+5+2+2+2=16$$

4. (a) What do you mean by under-absorption and over-absorption of overhead?
 (b) How are under-absorption and over-absorption of overhead are treated in cost accounts?
 (c) You are given the following information:

	Rs.
Overhead incurred	2,25,000
Overhead recovered	2,00,000
Closing work-in-progress	8,00,000
Closing finished goods	12,00,000
Cost of sales (work completed and sold)	30,00,000

Calculate:

- The amount of under/over absorbed overhead.
- Calculate rate per rupee of under/over absorbed overhead.
- On the basis of this rate find the amount to be debited or credited to work-in-progress account, finished goods account and cost of sales account.
- Calculate also the amount of profit due to the adjustments done under (iii) above.

$$2+5+2+2+2+2+1=16$$

5. (a) What do you mean by standard costing?
 (b) Distinguish between standard costing and budgetary control.
 (c) It is estimated that for producing of one unit of Product P, 10 kg of materials is required. The standard price per kg of material is Rs. 0.50 per kg. During the month of December, 2020, 30,000 kg of materials were consumed for producing 2,900 units of Product P. The actual price of paid for materials is Rs. 14,400.

Calculate:

- Material Cost Variance
- Material Price Variance
- Material Usage Variance
- And also reconcile the total material cost variance with rate variance and usage variance.

$$3+3+3+3+3+1=16$$

2021

COST MANAGEMENT AND ACCOUNTING

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Full Marks — 100

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 (b) From the following particulars you are required to prepare Process I Account, Process II Account, Normal Loss Account, Abnormal Loss Account and Abnormal Gain Account:

	Process I	Process II
Input (Units)	5,000	4,600
Normal Loss	10%	?
Materials (Rs.)	8,000	1,500
Wages (Rs.)	3,000	4,000
Overheads (Rs.)	2,750	3,010
Realizable value per unit (Rs.)	0.50	2.00

20595

Please Turn Over

0498

The output of Process I is transferred to Process II. The output of Process II was 4,300 units. They were sold at Rs. 6 per unit showing a profit of 20% on cost. Assume that there was no closing work-in-progress and finished goods. $4+6+2+2+2=16$

3. (a) What do you mean by Economic Order Quantity (EOQ)?
 (b) Explain with a rough sketch how EOQ is determined?
 (c) From the following particulars calculate:

- (i) EOQ,
 (ii) Optimum number of orders per year,
 (iii) Minimum yearly average cost of material,
 (iv) Optimum period of supply per optimum year.

Annual consumption 2,400 units

Average carrying cost Rs. 0.60 per unit per year

Ordering cost per order Rs. 80 $2+3+5+2+2+2=16$

4. (a) What do you mean by under-absorption and over-absorption of overhead?
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	Rs.
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Cost of sales (work completed and sold)	30,00,000

Calculate:

- (i) The amount of under/over absorbed overhead.
 (ii) Calculate rate per rupee of under/over absorbed overhead.
 (iii) On the basis of this rate find the amount to be debited or credited to work-in-progress account, finished goods account and cost of sales account.
 (iv) Calculate also the amount of profit due to the adjustments done under (iii) above. $2+5+2+2+2+2+1=16$

5. (a) What do you mean by standard costing?
 (b) Distinguish between standard costing and budgetary control.
 (c) It is estimated that for producing of one unit of Product P, 10 kg of materials is required. The standard price per kg of material is Rs. 0.50 per kg. During the month of December, 2020, 30,000 kg of materials were consumed for producing 2,900 units of Product P. The actual price of paid for materials is Rs. 14,400.

Calculate:

- (i) Material Cost Variance
 (ii) Material Price Variance
 (iii) Material Usage Variance
 (iv) And also reconcile the total material cost variance with rate variance and usage variance. $3+3+3+3+3+1=16$

6. (a) What do you mean by piece rate system of wage payment? Explain the advantages and disadvantages of piece rate system of wage payment.
- (b) Explain the essential features of an effective wage plan. 10+6=16
7. (a) What is the effect of the following events on the p/v ratio and break-even point?
- (i) Increase in sales volume (Number of units)
 - (ii) Decrease in variable cost per unit
 - (iii) Increase in selling price per unit
 - (iv) Decrease in total fixed costs
- (b) By making and selling 7,000 units of its product, a company would incur a loss of Rs. 10,000 and would make a profit of Rs. 10,000 if it produces and sales 9,000 units.
- You are required to find out
- (i) the amount of fixed expenses;
 - (ii) the number of units to break-even;
 - (iii) the profit or loss for 12,000 units; and
 - (iv) the number of units to earn a profit of Rs. 60,000. (2×4)+(2×4)=16
8. From the following information relating to product P of a company you are required to prepare a statement showing total as well as per unit cost of the product and also the total sales as well as per unit sale price of the product for the year ended March 31, 2010:

Stock (April 1, 2009):

Raw Materials	Rs. 54,000
Finished Goods (2,000 units)	Rs. 54,000

Stock (March 31, 2010):

Raw Materials	Rs. 48,000
Finished Goods (3,000 units)	?
Raw Materials purchased	Rs. 2,94,000
Wages	Rs. 2,40,000
Manufacturing Overhead	Rs. 12 per machine hour
Administration Overhead	Rs. 60,000
Selling & Distribution Overhead	Rs. 6 per unit
Sales (under FIFO basis) 19,000 units	?
Profit on sale	20%
Machine hours worked	10,000

What will be the value of Sales and Sale price per unit, if the LIFO method is followed?

15+5=20

6. (a) What do you mean by piece rate system of wage payment? Explain the advantages and disadvantages of piece rate system of wage payment.
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Selling & Distribution Overhead	Rs. 6 per unit
Sales (under FIFO basis) 19,000 units	?
Profit on sale	20%
Machine hours worked	10,000

What will be the value of Sales and Sale price per unit, if the LIFO method is followed?

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2021

ADVANCED ACCOUNTANCY

Time Allowed — 3 Hours

Full Marks — 100

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The figures in the margin indicate marks for each question.

Group-A

Answer Question No. 1 and any two from the rest.

1. The following balances have been extracted from the books of X Ltd. as on 31.03.2020.

	Dr.(Rs.)	Cr.(Rs.)
Land & Building	51,12,000	
Furniture and Fittings	2,66,000	
Capital Work-in-Progress	98,000	
Calls-in-arrear @ 25 each	50,000	
Cash in hand	10,000	
5% Tax Free Govt. Loan (F.V. Rs. 2,00,000)	1,97,600	
Bills Receivable	2,72,000	
Goodwill	3,20,000	
Trade Receivables	4,16,000	
Trade Payables		6,12,000
General Reserve		3,00,000
Profit and Loss A/c (on 01.04.2019)		1,76,000
Bank Overdraft		2,23,600
Purchase and return	48,00,000	1,00,000
Sales and return	1,40,000	61,56,000
Advertisement	1,78,800	
Legal charges	20,000	
Carriage on goods purchased	74,000	
Wages, Salaries including P.F.	4,64,000	
Trade Expenses	71,200	
Stock on 01.04.2019	9,52,000	
Income Tax (Advance)	56,000	
Interim Dividend Paid	70,000	
Share Capital (Equity Shares of Rs. 10 each)		40,00,000
6% Debentures of Rs. 100 each		20,00,000
	1,35,67,600	1,35,67,600

20575

Please Turn Over

0132

Other Information —

- (a) Closing Stock was Rs. 10,82,000 at Cost.
- (b) Provision for Doubtful Debts to be created at 5%.
- (c) Depreciation for all assets was calculated for the amount of Rs. 2,86,400 for the year 2019-20.
- (d) Trade Expenses include Rs. 10,000 for Audit fees paid for attending taxation matters of the Company.
- (e) Provide Income Tax of Rs. 70,000 for the year 2019-20.
- (f) Directors declared an interim dividend @ 2.5% and also recommended the final dividend of Rs. 1,46,260 (assume dividend tax @ 16%).

Prepare :

- (i) Statement of Profit and Loss for the year ended 31.03.2020.
- (ii) Balance Sheet as on that date.

12+8=20

2. The Balance Sheet of F Ltd. as on 31.03.2020 was:

	Note No.	Amount (Rs.)
I. Equity and Liabilities		
(a) Shareholders' Fund		
(i) Share Capital	1	4,50,000
(ii) Reserves and Surplus	2	(2,16,250)
(b) Non-Current Liabilities		
10% Debentures of Rs. 100 each		1,00,000
(c) Current Liabilities		
(i) Trade Payables		77,500
(ii) Other Current Liabilities —		
Accrued interest on debentures		15,000
Total		<u>4,26,250</u>
II. Assets		
(a) Non-Current Assets		
(i) Fixed Assets		
(A) Tangible assets	3	2,65,000
(B) Intangible assets — Patent & Trade Marks		40,000
(b) Current Assets		
(i) Inventories		50,000
(ii) Trade Receivables		35,000
(iii) Cash and Cash Equivalents	4	36,250
Total		<u>4,26,250</u>

- ★ Preference dividend is in arrear for 3 years.

Notes to Accounts

	Rs.
I. Share Capital	
(a) 20000 Equity Shares of Rs. 10 each	2,00,000
(b) 25000 10% Preference Shares of Rs. 10 each	2,50,000
	4,50,000
II. Reserves & Surplus	
(a) Capital Reserve	12,500
(b) Balance in statement of Profit & Loss (Debit)	2,28,750
	2,16,250
III. Fixed Assets—Tangible	
(a) Building	1,10,000
(b) Plant & Machinery	1,30,000
(c) Furniture & Fixtures	25,000
	2,65,000
IV. Cash and Cash Equivalents	
(a) Bank	25,000
(b) Cash	11,250
	36,250

The Company prepared the following scheme of reconstruction and approved by all concerned.

- (a) The Equity Shares will be reduced to Rs. 5 per share, Rs. 3 paid up. The call was made and money was realised in full.
- (b) The 10% Preference Shares will be converted into 12% Preference Shares of Rs. 5 each.
- (c) Arrear Preference dividend was to be cancelled in full (which was in arrear for 3 years).
- (d) 10% Debentures will be converted into 13% Debentures of Rs. 75 each, the Debentureholders agreed to forego 50% of the accrued interest on the stipulation of payment of the balance amount of interest in Cash.
- (e) Sundry Creditors agreed to waive 40% of their claims in consideration of immediate payment of their dues.
- (f) The assets were revalued as —

Building	Rs. 1,40,000
Plant and Machinery	Rs. 1,20,000
Furniture	Rs. 38,000
Inventories	Rs. 50,000
Trade Receivables	Rs. 30,000
- (g) Patents, Trade Marks are to be written off as far as possible.

Show the necessary Journal entries (without Narrations) and prepare the Balance Sheet.

10+6=16

3. From the following information, prepare a statement of Profit and Loss for the year ended 31st December, 2020 and also a Balance Sheet as on that date : 16

Rate of Gross Profit	25%
Net Profit to Equity Capital	10%
Stock Turnover Ratio	5 times
Average Debt Collection Period	3 months
Creditors Velocity	3 months
Current Ratio	2
Proprietary Ratio (Non-Current assets to Capital employed)	80%
Capital Gearing Ratio (Preference Share Capital and Debentures to Equity)	3 : 7
General Reserves and Profit and Loss to issued Equity Capital	25%
Preference Share Capital to Debentures	2
Gross Profit	Rs. 6,00,000

Cost of Sales consists of 40% for materials and balance for wages and overheads.

Workings should be shown clearly. Here Schedule III is not mandatory for the preparation of Profit & Loss A/c and Balance Sheet.

4. What is Accounting Standard? State the procedure for issue of Accounting Standard in India.

4+12=16

Group-B

Answer any three questions.

5. The Balance Sheet of AB Ltd. as on 31st March, 2020 was as follows :

	Note	Rs.
I. Equity and Liabilities		
(a) Shareholders' Fund		
(i) Share Capital	1	1,98,000
(ii) Reserves and Surpluses	2	51,000
(b) Non-Current Liabilities		Nil
(c) Current Liabilities		
Trade Payables		21,000
Total		<u>2,70,000</u>

II. Assets		Rs.
(a) Non-Current Assets		
(i) Fixed Assets		
(A) Tangible assets		1,30,000
(b) Current Assets		
(i) Inventories		50,000
(ii) Trade Receivables		50,000
(iii) Cash and Cash Equivalents		40,000
Total		<u>2,70,000</u>

Notes to Accounts

I. Share Capital		Rs.
10000 Equity Shares of Rs. 10 each		1,00,000
1000 Redeemable Preference Shares of Rs. 100 each		Rs. 1,00,000
Less : Calls-in-arear (100 × Rs. 20)		<u>2,000</u> 98,000
		<u>1,98,000</u>
II. Reserves and Surplus		
Reserve Fund		29,000
Profit and Loss Balance		10,000
Securities Premium		12,000
		<u>51,000</u>

Other Information —

- (a) Fixed Assets having book value of Rs. 20,000 were sold for Rs. 18,000.
 (b) It was decided to redeem the Preference Shares at a premium of 10%.
 (c) Sufficient number of Equity Shares are to be issued at a discount of 10%, subject to leaving a balance of Rs. 10,000 in Reserve Fund.
 (d) All payments were made except to holders of 50 Preference Shares who could not be traced.
 Give necessary Journal entries and the New Balance Sheet as on 31.03.2020. 10+6=16

6. P, Q, R and S were partners sharing profits and losses as 3 : 3 : 2 : 2. Their Balance Sheet as on 31st March, 2020 was as follows :

Liabilities		Rs.	Assets		Rs.
Capital A/cs :			Furniture		4,000
P	20,000		Trade Marks		7,000
Q	<u>15,000</u>	35,000	Stock		10,000
Sundry Creditors		15,500	Sundry Debtors		15,500
P's Loan		10,000	Cash at Bank		2,000
			Capital A/cs :		
			R		16,000
			S		<u>6,000</u> 22,000
		<u>60,500</u>			<u>60,500</u>

On 31st March, 2020 the firm was dissolved.

Other Information —

- (a) Q being appointed to realise the assets and pay off the liabilities. He was entitled to receive 5% as remuneration of the amounts finally paid to other partners towards their capital. The expenses of dissolution were to be discharged by him.
- (b) The assets realised are —
- | | | |
|----------------|-----|--------|
| Sundry Debtors | Rs. | 11,000 |
| Stock | Rs. | 8,000 |
| Furniture | Rs. | 1,000 |
| Trade Marks | Rs. | 4,000 |
- (c) Sundry Creditors were paid off in full in addition to a contingent liability Rs. 2,500 in respect of bills discounted materialised.
- (d) Expenses of Realisation Rs. 500 were paid by the firm.
- (e) R was declared insolvent only Rs. 3,700 could be realised from his private estate.
- Close the books of the firm applying the decision of Garner vs. Murray. 16

7. Mr. B furnishes the details of his holding in 6% Bonds as —

2020 January 1,	Opening Balance Face Value Rs. 60,000, Cost Rs. 50,000
March 1,	Purchased 100 units ex-interest at Rs. 98.
July 1,	Sold 200 units ex-interest at Rs. 100.
October 1,	Purchased 50 units at Rs. 98 cum-interest.
November 1,	Sold 200 units at Rs. 99 ex-interest.

Mr. B closes his books every year on 31st December.

Interest is paid half yearly on 31st March and 30th September.

Face Value of each Bond is Rs. 100.

Show Investment Account in the books of Mr. B applying **FIFO** method for calculating profit or loss on sale and valuing stocks of unsold investment. 16

8. The Balance Sheet of S Ltd. as at 31st March, 2019 and 31st March, 2020 are given below :

	Note No.	31.03.2019	31.03.2020
		Rs.	Rs.
I. Equity and Liabilities			
(a) Shareholders' Fund			
(i) Share Capital —			
Equity Shares of Rs. 10 each		4,00,000	6,00,000
(ii) Reserves and Surplus	1	3,40,000	2,88,000

(b) <i>Non-Current Liabilities</i>			
(i) Long-term Borrowings	2	2,10,000	2,80,000
(c) <i>Current Liabilities</i>			
(i) Trade Payables		83,000	98,000
(ii) Short-term Provisions	3	1,00,000	1,05,000
	Total	<u>11,33,000</u>	<u>13,71,000</u>
II. Assets			
(a) <i>Non-Current Assets</i>			
(i) Fixed Assets			
(A) Tangible Assets	4	8,50,000	10,30,000
(ii) Non-Current Investments		40,000	50,000
(iii) Other Non-Current Assets	5	8,000	12,000
(b) <i>Current Assets</i>			
(i) Inventories		80,000	95,000
(ii) Trade Receivables		1,20,000	1,40,000
(iii) Cash and Cash Equivalents			
— Cash at Bank		35,000	44,000
	Total	<u>11,33,000</u>	<u>13,71,000</u>

Notes :

	31.03.2019	31.03.2020
	Rs.	Rs.
I. Reserves and Surplus		
General Reserve	1,80,000	1,20,000
Statement of Profit and Loss	1,10,000	1,08,000
Securities Premium	50,000	60,000
	<u>3,40,000</u>	<u>2,88,000</u>
II. Long-term Borrowings		
6% Debentures	1,00,000	1,50,000
Bank Loan	1,10,000	1,30,000
	<u>2,10,000</u>	<u>2,80,000</u>
III. Short-term Provisions		
Provision for Taxation	60,000	55,000
Proposed Dividend	40,000	50,000
	<u>1,00,000</u>	<u>1,05,000</u>

IV. Fixed Assets — Tangible

Land and Buildings	4,00,000	5,00,000
Plant and Machinery	4,50,000	5,30,000
	<u>8,50,000</u>	<u>10,30,000</u>

V. Other Non-Current Assets

Unamortised Debenture Interest	8,000	12,000
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Additional Information —

- Depreciation on Land and Building for the year 2019-20 was Rs. 20,000.
- Accumulated depreciation on Plant and Machinery was Rs. 1,50,000 on 31.03.2019 and Rs. 1,70,000 on 31.03.2020.
- Machinery Costing Rs. 50,000 (written down value Rs. 10,000) was sold for Rs. 12,000.
- 6% Debentures were issued at 10% discount.
- Interim dividend paid during the year Rs. 20,000.
- Bonus shares were issued @ one share for every four shares held on 31.03.2019 out of General Reserve.

You are required to prepare —

- A Statement showing the changes in Working Capital; and
- A Fund Flow Statement for the year ended 31.03.2020.

4+12=16

2021

BUSINESS MANAGEMENT

Time Allowed — 3 Hours

Full Marks — 100

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Answer Question No. 1 which is compulsory and any four from the rest.

1. Write short notes on the following: 5×4=20
 - (a) Maclelland's Need Theory of motivation
 - (b) Management audit
 - (c) Motivation and morale
 - (d) Human Relation Approach in management thought
2. (a) State the features of line and staff organisation structure.
 (b) State the major reasons of conflict between line officers and staff officers. 10+10=20
3. (a) Describe the steps involved in planning process.
 (b) State the major barriers to effective planning. 10+10=20
4. (a) Distinguish between leadership and management.
 (b) State the features of free-rein leadership style and autocratic leadership style. 10+10=20
5. (a) State the steps in controlling process in an organisation.
 (b) What are the requirements of an effective control system? 10+10=20
6. (a) State the meaning of job analysis, job description and job specification with examples.
 (b) State the merits and demerits of external sources of recruitment. 10+10=20
7. (a) Discuss main functions of three levels of management.
 (b) Management can be referred as both science and an art—Discuss. 10+10=20

2021

DIRECT AND INDIRECT TAXATION

Time Allowed — 3 Hours

Full Marks — 100

If the questions attempted are in excess of the prescribed number, only the question attempted first up to the prescribed number shall be valued and the remaining ones ignored.

The figures in the margin indicate marks for each question.

Answer any five questions.

1. (a) Mr. X of Indian origin left India for the first time on 01.05.2016 and came back to India permanently on 06.07.2019. From 01.05.2016 to 31.03.2019 every year he visited India and stayed here for 88 days in each of the financial year 2016-17 and 2017-18 but stayed for 178 days during 2018-19 financial year. During the period from 01.04.2019 to 05.06.2019 he did not visit India. Determine the residential status of Mr. X for the assessment year 2020-21.
- (b) Mr. S retired on 08.02.2020 from a private company, after completion of 30 years and 9 months of service. According to service rules, he was entitled to 25 days leave for each completed years of service. Leave actually availed by him during his service life is 8 months. His basic pay was Rs. 16,000 from 01.04.2019 and D.A. 50% of basic pay. He received Rs. 3,55,000 from leave encashment. Find out the amount of exemption under section 10(10AA) (ii).
- (c) Mr. R, resident in India aged 50 years, has paid medical insurance premium/incurred medical expenditure during the previous year 2019-20 as follows:
- | | |
|--|------------|
| On his own health | Rs. 22,500 |
| On his wife's health | Rs. 18,700 |
| On his son's health (not dependent on him) | Rs. 10,300 |
| On his mother's health (aged 65 years) | Rs. 23,800 |
| On his father's health (not dependent on him, aged 72 years) | Rs. 72,800 |
- Calculate the amount of deduction under section 80D.
- (d) Mr. T (age 65 years) is a retired person. He purchased a piece of land in December, 2014 and sold the same in April, 2018. Taxable long term capital gain on such sale amounted to Rs. 2,00,000. Apart from gain on sale of land, he is not having any other income. What will be his tax liability for the assessment year 2019-20 if (i) He is resident in India; (ii) He is non-resident?

5×4=20

2. (a) Mr. A furnishes the following details of his salary income for the financial year 2019-20. Basic salary drawn in March 2020 Rs. 60,000 (last increment was in January 2020 Rs. 5,000). Dearness allowance @80% of basic salary (40% forming part of retirement benefits). House rent allowance 10% of basic salary. He resides in his own house. Employer has provided him with a laptop for official and private use (cost Rs. 45,000). His personal electric bill amounts to Rs. 20,000 p.a. Out of which he paid Rs. 5,000 and the balance is paid by the employer. Children education allowance — Rs. 6,000 p.a. He has three children. He is also provided with a car (1.8 litre engine capacity) without driver by his employer. All expenses relating to personal use are met by him. The car is used for official as well as for private purposes. Medical expenses reimbursed by employer Rs. 25,000 during the previous year. He and his employer each contributed @14% of salary to a recognized provident fund (RPF). Interest credited to RPF @11% is Rs. 12,100 during the year. He took a new life insurance policy of LIC during the year and premium was paid by his employer Rs. 40,000. Professional tax was paid by his employer Rs. 2,400. He has also been given a loan of Rs. 2,00,000 @4.8% p.a on 01.07.2019 for purchasing a flat. Interest rate of State Bank of India for similar loan on 01.04.2019 is 8.7% p.a. Compute his income from salary for the assessment year 2020-21.

(b) Mr. Z is employed in S Ltd. at a basic salary of Rs. 30,000 p.m. He draws dearness allowance Rs. 12,000 p.m. (not forming part of salary); Car allowance Rs. 4,000 p.m; Medical allowance Rs. 2,000 p.m. His employer transferred him to Mumbai from 01.04.2019. Due to housing problem at the new service centre, his employer offered him to choose one of the two following alternatives:

(i) A rent-free unfurnished house in Mumbai (by taking it at a rent of Rs. 18,000 p.m. by the company).

(ii) A house rent allowance of Rs. 18,000 p.m. from the company (to take the same residential house by himself at the same rent).

Ascertain which alternative is more beneficial to Mr. Z from the taxation point of view.

15+5=20

3. (a) Mr. B is the owner of three house properties in Kolkata. The particulars regarding the three house properties for the previous year 2019-20 are given below.

Particulars	House No.1	House No. 2	House No. 3
Date of completion of construction	31.1.1998	31.10.2003	15.4.2016
Purpose of use	Let out for business	Let out for residence	Self occupied

	Rs.	Rs.	Rs.
Gross municipal value	1,45,000	1,50,000	2,40,000
Fair rent	1,44,000	1,92,000	3,00,000
Rent received	1,30,625	1,70,000	—
Interest on loan by mortgaging House No. 1 (funds used for construction of House No. 2)	32,000		
Interest on loan for the year (for construction of House No. 3)			2,15,500
Vacant for	One month	Two months	

Additional information:

- (i) Municipal tax is assessed at 10%
- (ii) He recovered unrealized rent of Rs. 20,000 of the year 2017-18 during the current previous year. His expenses for recovery amounts to Rs. 500.
- (iii) Loan has been taken for construction of House No. 3 on June 17, 2014. Accumulated interest prior to completion of construction is Rs. 4,16,000.

Compute income from house property of Mr. B for the assessment year 2020-21.

- (b) Gross total income of Mr. X for the assessment year 2020-21 is Rs. 1,65,300 consisting of business income of Rs. 1,28,000. Long term capital gain of Rs. 10,300 and bank interest from fixed deposits of Rs. 17,000. He stays in a rented house in Kolkata paying monthly rent of Rs. 1,200. He incurs medical expenditure of Rs. 22,000 for his dependent brother who is suffering from malignant cancer. Calculate the amount deductible under section 80GG.

15+5=20

4. (a) The following balances are available from the Profit & Loss Account of Mr. R for the year ended 31.3.20.

Debit side (Rs.):

Opening stock 1,56,200; Purchases 68,14,000; Office expenses 88,000; Bad debt 38,000; Audit Fees 20,000; Salaries 1,83,000; Rent 1,08,000; Legal charges 12,700; Interest on capital 1,50,000; Income tax 62,700; Contribution to staff welfare fund 32,500; Entertainment expenses 37,500; Depreciation 95,200; Goods and service tax 1,18,600; Net profit 15,99,100.

Credit side (Rs.):

Sales 92,25,000; Closing stock 1,43,000; Bad debt recovered (disallowed in earlier years' assessment) 57,000; Interest on Government securities 37,000; Profit on sale of machinery 17,700; Refund of income tax 35,800.

Compute Income from business of Mr. R for the assessment year 2020-21 after considering the following:

- (i) Closing stock is valued at 10% above cost.
- (ii) Office expenses include Rs. 5,200 being the cost of sweets given to the children of the employees on Diwali day.
- (iii) Rent represents rent of godown owned by Mr. B.
- (iv) Salaries include Rs. 32,500 representing employer's contribution to recognized provident fund.
- (v) Audit fees include Rs. 12,000 paid to a chartered Accountant for conducting income tax appeal.
- (vi) Legal charges include Rs. 3,500 being penalty paid for infraction of customs law.
- (vii) Depreciation as per I.T. Rules amounts to Rs. 91,700.

(viii) Bad debt is in relation to a debtor with whom the debt is outstanding for a period of four years. No correspondence has been made with him since the date of such outstanding.

(ix) Sales include Rs. 52,500 being the amount charged for the goods withdrawn by Mr. R for personal use. The cost and market price of such goods on the date of withdrawal were Rs. 48,000 and Rs. 63,000 respectively.

(x) Mr. R is entitled to input tax credit in respect of GST paid on inward supplies.

(b) X, Y and Z are partners in a firm sharing profit and losses in the ratio of 3 : 2 : 1. From the following information compute the amount of remuneration paid to partners allowable in the assessment of the firm.

Book profit of the firm Rs. 4,20,000. Remuneration to partners : X Rs. 2,50,000;
Y Rs. 1,80,000; Z Rs. 1,50,000. 15+5=20

5. (a) Mr. D purchased 1,000 equity shares of X Ltd. @ Rs. 150 on August 4, 2013. X Ltd. offers 1,500 right shares of Rs. 150 each at a premium of 10% on April 20, 2019. Mr. D subscribes for 800 shares and the balance shares are renounced in favour of Mr. P by transferring the right entitlement for a consideration of Rs. 20,000. Mr. D sold all the shares on October 16, 2019 at Rs. 340 each in Bombay stock exchange and Mr. P also sold his shares on July 10, 2019 at the same rate. Calculate the amount of capital gains in the hands of Mr. D and Mr. P for the assessment year 2020-21. Would your answer be different if shares are not sold in the recognized stock exchange in India?
- (b) Mr. S submits the following particulars of his incomes and losses for the assessment year 2020-21.

	Rs.
Income from House property (let out)	1,28,200
Loss from house property (self-occupied)	1,85,600
Profit from grocery business	16,00,700
Loss from radio business (discontinued on 12.6.2019)	84,300

	Rs.
Long term capital gains	3,50,130
Short term capital loss	1,06,700
Speculation profit	1,18,700
Share of profit from a firm	1,92,800
Brought forward Loss from radio business (first computed in 2018-19)	2,10,500
Loss from grocery business (Do)	26,720
Speculation loss (Do)	67,900
Share of loss from the firm (Do)	74,250
Long term capital loss (first computed in 2017-18)	71,230
Short term capital loss (first computed in 2008-09)	17,200

Compute his total income for the relevant assessment year.

10+10=20

6. (a) Which sales are not liable to Central Sales tax (CST)? How is turnover calculated under the CST Act?
- (b) Define input tax and input tax credit as per West bengal VAT Act with examples.
- (c) Who is liable to pay central excise duty? State the consequences for non payment of duty within the due date.
7. (a) From the following particulars, compute tax liability of Mr. K, a resident individual for the assessment year 2019-20.

7+6+7=20

Particulars	Rs.
Income from salary	2,25,000
Income from House property	1,65,000
Income from other sources	25,000
Life insurance premium paid for his own life	35,000
Expenditure incurred on medical treatment of disable spouse (age 45 years)	35,000

- (b) What do you understand by the concept 'Summary assessment on the basis of return' and 'Best judgement assessment'?
- (c) From the following information, compute taxable income of Mr. A (age 50 years) for the assessment year 2019-20.

Particulars	Rs.
Gross Toatal income	4,50,000
Life insurance premium paid for his own life	16,000
Payment of medical insurance premium for his entire family by cheque	14,000
Donation made in: National Defence Fund	10,000
Jawaharlal Nehru Memorial Fund	8,000
Indian Olympic Association	10,000
Notified church for renovation	40,000

$$6+(4+4)+6=20$$

2021

INFORMATION TECHNOLOGY AND ITS APPLICATION IN BUSINESS

Time Allowed — 3 Hours

Full Marks — 100

If the questions attempted are in excess of the prescribed number, only the questions attempted first up to the prescribed number shall be valued and the remaining ones ignored.

*Answers may be written either in **English** or in **Bengali** but all answers must be in one and the same language.*

Group-A

Answer any ten questions.

2×10=20

1. (a) Distinguish between data and information.
- (b) What do you mean by KMS?
- (c) What do you mean by PROM?
- (d) Discuss the concept of GUI.
- (e) Make a comparison of LAN and WAN.
- (f) What do you understand by a Router?
- (g) Discuss the significance of HTML.
- (h) What is HTTP?
- (i) What is virus?
- (j) What is firewall?
- (k) What do you mean by spam emails?
- (l) What is digital cash?
- (m) What is hacking?

Group-B

Answer any eight questions.

5×8=40

2. Discuss the difference between RAM and ROM.
3. Discuss the concept of Extranet.
4. Discuss the concept of Data Encryption and Decryption.

5. Explain the different reports available in MIS.
6. Discuss the disadvantages of data communication.
7. Discuss the limitations of wireless networks.
8. Write short notes on: 2½×2=5
 - (i) WWW
 - (ii) XML
9. Discuss the different types of firewall.
10. Explain CBS.
11. What are the limitations of ERP?
12. Discuss the functions of Operating System.

Group-C

Answer any four questions.

10×4=40

13. Discuss in details the impact of Information Technology on Modern Businesses. 10
14. Discuss, with the help of diagram, the different network topologies. 10
15. What do you mean by E-Commerce? Briefly explain C to C model. 3+7=10
16. What is DBMS? Describe the different keys in DBMS. 10
17. What do you mean by Information System? Discuss the deployment of various Information System at different managerial levels. 2+8=10

2021

MACROECONOMICS AND PUBLIC FINANCE

Time Allowed — 3 Hours

Full Marks — 100

If the questions attempted are in excess of the prescribed number, only the questions attempted first up to the prescribed number shall be valued and the remaining ones ignored.

Answers may be written either in **English** or in **Bengali** but all answers must be in one and the same language.

Answer **any five** questions

1. (a) Show that three ways of measuring Gross Domestic Product (GDP) produces identical result.
(b) Explain which component of GDP will be affected by the following transactions:
 - (i) A family buys a new TV set.
 - (ii) Mr. Das buys a new house.
 - (iii) My neighbor bought a pen manufactured in France.
 - (iv) Government buys food grains for distribution.
 - (v) A car company sets up a new manufacturing unit. 10+(2×5)=20
2. (a) Show that the condition of $0 < MPC < 1$ is crucial for ensuring existence and stability of equilibrium in the simple Keynesian model.
(b) Express the government expenditure multiplier in such a system in terms of a series. 15+5=20
3. (a) Show that product market equilibrium produces IS curve and money market equilibrium produces LM curve.
(b) Discuss under what circumstances expansionary monetary policy will fail to increase income in the IS-LM model. What policy will be appropriate in this case? 8+8+4=20
4. Write short notes on: 5×4=20
 - (a) Quantity Theory of Money
 - (b) High powered money
 - (c) Demand-pull inflation
 - (d) Policies to control inflation
5. (a) Discuss the different principles followed in the ability to pay approach of taxation.
(b) Mention the most important factors which determine the incidence and shifting of taxes. 10+10=20
6. Discuss the arrangements of federal finance in India, especially focusing on the centre-state financial issues. 20

7. Write short notes on:

- (a) Benefit principle of taxation
- (b) Principle of maximum social advantage
- (c) Uses of Central government funds
- (d) Role of deficit financing in India

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INDIAN FINANCIAL SYSTEM

Time Allowed — 3 Hours

Full Marks — 100

If the questions attempted are in excess of the prescribed number, only the questions attempted first up to the prescribed number shall be valued and the remaining ones ignored.

*Answers may be written either in **English** or in **Bengali** but all answers must be in one and the same language.*

Answer Question number 1 and any four from the rest.

1. Answer any five from the following: 8×5=40
 - (a) Briefly discuss the role of financial system in the economic development of a country.
 - (b) Give an overview of the structure of Indian financial system.
 - (c) Write a note on indirect finance.
 - (d) Explain the relationship between new-issue market and secondary market.
 - (e) Discuss the SEBI regulations regarding the registration of Merchant-Banking.
 - (f) Write down the main objectives of Life Insurance Corporation of India.
 - (g) What is call money? Write down the main participants in the Indian call money market.
 - (h) Discuss briefly the role of stock exchanges in investor's protection.
 - (i) State the objectives of Credit rating.
2. What is money market? Discuss the features and major weaknesses of the Indian money market. 2+6+7=15
3.
 - (a) Give a brief outline of the structure of commercial banks in India.
 - (b) What are the major functions of the commercial banks?
 - (c) Distinguish between CRR and SLR. 4+6+5=15
4. Discuss the objectives, powers and functions of Insurance Regulatory Development Authority (IRDA) of India. 7+8=15
5. Distinguish between brokers and sub-brokers. Explain the role of brokers in the stock market. 7+8=15
6. What do you mean by investor's protection? Mention its two objectives. Discuss the role of media in investors' protection. 3+2+10=15
7. Distinguish between administered and market rate of interest. Explain the causes of variation in interest rate. 6+9=15

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ECONOMIC PRINCIPLES AND INDIAN ECONOMIC PROBLEMS

Time Allowed — 3 Hours

Full Marks — 100

Answer any five questions.

20×5=100

1. (a) Explain the properties of Production Possibility Frontier. 4
- (b) What do you mean by demand function? Explain any three determinants of demand. 2+6=8
- (c) Discuss the decomposition analysis of Price Effect into substitution effect and income effect in case of Normal good. 8
2. (a) State the Law of Variable Proportion. In this context, explain the relationship between total product of labour, average product of labour and marginal product of labour respectively. Show graphically. 2+8=10
- (b) What do you mean by homogeneous production function? State its relation with expansion path in the context of long run production function. 3+2=5
- (c) Why is short run average cost curve U-shaped? 5
3. (a) What are the competitive and monopoly aspects of a monopolistically competitive market? 6
- (b) Distinguish between collusive and non-collusive form of oligopoly. 6
- (c) Explain intuitively and graphically the determination of long run equilibrium price and output under perfectly competitive market. 8
4. (a) What is the nature of individual supply curve of labour? Explain graphically. 2+6=8
- (b) Explain the Ricardian theory of Rent. 6
- (c) What are the determinants of real wage? 6
5. (a) Analyze the trends in occupational structure in the context of Indian economy. 8
- (b) Explain any two causes of poverty in India. 6
- (c) Suggest and explain any two policies to control inflation in Indian economy. 6
6. (a) Explain the impact of New Agricultural Policy on Indian Agriculture with special emphasis on food security problem. 8
- (b) What are the merits of globalization policy in the context of Indian economy? 8
- (c) Distinguish between privatization and disinvestment strategies in the context of public sector enterprises in India. 4

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Please Turn Over

- 7. (a) Discuss the rationale behind the adoption of export promotion strategies during post reform era vis-à-vis import substitution strategy during the pre-reform period. 8
- (b) What are the broad objectives of economic planning as envisaged in Indian economy? 6
- (c) Write a short note on NITI Ayog. 6