Bc/ALTE (BCM)–404

2 0 1 7

(4th Semester)

ALTERNATIVE ENGLISH

(Commerce)

Paper No. : ALTE (BCM)–404

(Short Stories, Prose, Communication Skills and Grammar)

Full Marks : 70

Pass Marks : 45%

Time : 3 hours

(PART : B—DESCRIPTIVE)

(Marks : 44)

The figures in the margin indicate full marks for the questions

SECTION—I

(Short Stories and Prose)

1. Answer the following questions :

10×3=30

(a) (i) Explain the significance of the title, *The Lion's Skin* with reference to the character of Captain Forestier.

L7/**401a**

(Turn Over)

Or

(ii) What do the lamp and the doll's house symbolize in the story, *The Doll's House* by Katherine Mansfield?

(b) (i) Describe Mr. Behrman as a person. How did he save Johnsy's life?

Or

(ii) How did Henry Adams come to London? Bring out the difference in the way he is treated by people before and after he receives the million pound note.

(c) (i) What differences are observed by Nirad C. Chaudhuri between Indians and Englishmen with regard to money? What does he appreciate about the English people?

Or

(ii) Explain the main point of Huxley's argument in his essay, *The Method of Scientific Investigation*.

SECTION—II

(**Communication Skills**)

2. Answer the following questions : 7×2=14

(a) Draft an advertisement for a billboard to be displayed on walls and strategic locations giving information to the public about an Education Fair being organized for students. Mention the date, time, venue and special features of the event.

(b) Your family is putting up a plot of land and property for sale. Write an advertisement giving appropriate details to be published in the local newspapers.

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Bc/ALTE (BCM)–404

2 0 1 7

(4th Semester)

ALTERNATIVE ENGLISH

(Commerce)

Paper No. : ALTE (BCM)–404

(Short Stories, Prose, Communication Skills and Grammar)

(PART : A—OBJECTIVE)

(*Marks* : 26)

The figures in the margin indicate full marks for the questions

SECTION—I

(Short Stories and Prose)

1. Answer the following questions : 2×6=12

(a) Give a description of Eleanor Forestier.

(b) Why does Else smile at the end of the story?

(c) Who was Lloyd Hastings? What did he want from Henry Adams?

(d) How and where did Sue and Johnsy meet?

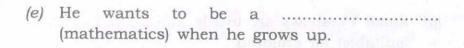*(e)* Why do middle class people in England feel shy to go into Bond Street shops?

(f) What kind of logic does Huxley define by taking the example of green apples?

2. Fill in the blanks adding appropriate prefixes to the words in the brackets :   1×7=7

(a) Three of his answers were .... (correct).

(b) Don't forget to .... (heat) the oven before baking the cake.

(c) I just can't believe it! This story is

.... (believable!)

(d) We should .... (view) the meeting minutes.

(e) The two of them cannot get along. They always

.... (agree).

(f) That wasn't what he meant. You

.... (understood) him.

(g) Some TV shows are totally ....
(suitable) for children.

3. Fill in the blanks adding appropriate suffixes to
the words in the brackets :   1×7=7

(a) She is .... (doubt) about her
performance next week.

(d) Everybody enjoys the companionship of

.... (humour) people.

(e) He wants to be a ....
(mathematics) when he grows up.

(f) .... (free) of speech is a
fundamental right.

(g) I couldn't find any .... (weak) in
his theory.

★ ★ ★

Bc/ALTE (BCM)–404

2 0 1 7

(4th Semester)

ALTERNATIVE ENGLISH

(Commerce)

Paper No. : ALTE (BCM)–404

**(Short Stories, Prose, Communication
Skills and Grammar)**

Full Marks : 70   *Pass Marks* : 45%

Time : 3 hours

(PART : B—DESCRIPTIVE)

(*Marks* : 44)

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

SECTION—I

(Short Stories and Prose)

1. Answer the following questions :   10×3=30

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   The Lion's Skin with reference to the
   character of Captain Forestier.

(*Turn Over*)

Or

(ii) What do the lamp and the doll's house symbolize in the story, *The Doll's House* by Katherine Mansfield?

(b) (i) Describe Mr. Behrman as a person. How did he save Johnsy's life?

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(ii) How did Henry Adams come to London? Bring out the difference in the way he is treated by people before and after he receives the million pound note.

(c) (i) What differences are observed by Nirad C. Chaudhuri between Indians and Englishmen with regard to money? What does he appreciate about the English people?

Or

(ii) Explain the main point of Huxley's argument in his essay, *The Method of Scientific Investigation*.

SECTION—II

(Communication Skills)

2. Answer the following questions : 7×2=14

(a) Draft an advertisement for a billboard to be displayed on walls and strategic locations giving information to the public about an Education Fair being organized for students. Mention the date, time, venue and special features of the event.

(b) Your family is putting up a plot of land and property for sale. Write an advertisement giving appropriate details to be published in the local newspapers.

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(2)　　　**Bc/ALTE (BCM)–404**

2 0 1 7

(4th Semester)

ALTERNATIVE ENGLISH

(Commerce)

Paper No. : ALTE (BCM)–404

(Short Stories, Prose, Communication Skills and Grammar)

(PART : A—OBJECTIVE)

(*Marks* : 26)

The figures in the margin indicate full marks for the questions

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(Short Stories and Prose)

1. Answer the following questions :　　　　2×6=12

    (a) Give a description of Eleanor Forestier.

(b) Why does Else smile at the end of the story?

(3)

(c) Who was Lloyd Hastings? What did he want from Henry Adams?

(d) How and where did Sue and Johnsy meet?

(e) Why do middle class people in England feel shy to go into Bond Street shops?

(f) What kind of logic does Huxley define by taking the example of green apples?

2. Fill in the blanks adding appropriate prefixes to the words in the brackets :　　　　　　　　　$1×7=7$

(a) Three of his answers were .... (correct).

(b) Don't forget to .... (heat) the oven before baking the cake.

(c) I just can't believe it! This story is

.... (believable!)

(d) We should .... (view) the meeting minutes.

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.... (agree).

(f) That wasn't what he meant. You

.... (understood) him.

(g) Some TV shows are totally ....
(suitable) for children.

3. Fill in the blanks adding appropriate suffixes to
the words in the brackets :   1×7=7

(a) She is .... (doubt) about her
performance next week.

(d) Everybody enjoys the companionship of

.... (humour) people.

(e) He wants to be a .... (mathematics) when he grows up.

(f) .... (free) of speech is a fundamental right.

(g) I couldn't find any .... (weak) in his theory.

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Bc/FE–402

2 0 1 7

(4th Semester)

COMMERCE

Paper No. : BC–402

(Fundamentals of Entrepreneurship)

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

Answer **all** questions

1. (a) Explain the concept of entrepreneur as leadership, risk taking, decision making and business planning.   9

Or

   (b) Discuss the different theories of entrepreneurship.   9

2. (a) What is opportunity analysis? Explain the various factors/sources of opportunity analysis.   2+7=9

L7**/403a**

(Turn Over)

Or

(b) Enumerate the legal requirements for establishment of a new unit.   9

3. (a) Discuss the psychological theories of entrepreneurship.   9

Or

(b) Discuss the relationship between entrepreneur and innovation.   9

4. (a) What do you understand by EDPs? Explain the role and objective of EDPs.
2+7=9

Or

(b) Discuss the suggestions for making EDPs more effective.   9

5. (a) Discuss the role of entrepreneur in bringing about social stability and balanced regional development of industries.   9

Or

(b) What is forex earning? Explain the role of entrepreneur in augmenting and meeting local demand.   2+7=9

★ ★ ★

Bc/FE–402

2 0 1 7

(4th Semester)

COMMERCE

Paper No. : BC–402

(Fundamentals of Entrepreneurship)

(PART : A—OBJECTIVE)

(*Marks* : 25)

The figures in the margin indicate full marks for the questions

1. State whether the following statements are *True* (T) or *False* (F) by a Tick (✓) mark : 1×5=5

    (a) Export promotion increases unfavourable balance of trade, increase imports and decrease exports.

    (T / F)

    (b) Entrepreneurial Motivation Centre has been set up in the North-Eastern region of India.

    (T / F)

(T / F)

(e) Prof. A. H. Cole regarded an entrepreneur as an innovator.

(T / F)

2. Fill in the blanks : 1×5=5

(a) .... has given the need for achievement theory of entrepreneurship.

(b) According to Peter Drucker, an entrepreneur is one who always searches for change, responds to

it and exploits it as an ....

(c) Policies, practices and measurement make possible entrepreneurship and

....

Bc/FE–402/**403**

(d) .... considered entrepreneurship as a function of social, political and economic structure.

(e) The Council which examines various aspects of export promotion such as price, quality packaging, marketing, transport, etc., is known

as ....

3. Choose the correct answer and place its code in the brackets provided :   1×5=5

(a) All India Small-Scale Industries Board was established in

　　(i)　1953

　　(ii)　1954

　　(iii)　1955

　　(iv)　1956   (　　)

(b) The theory of withdrawal of status was developed by

　　(i)　E. Hagen

　　(ii)　Schumpeter

      (ii)   1938

      (iii) 1948

      (iv) 1972   (   )

(d) Risk Capital Foundation (RCF) was started by IFCI in the year

      (i)   1972

      (ii)   1974

      (iii) 1965

      (iv) 1975   (   )

(e) Who was the first person to argue that the entrepreneurial growth was dependent upon the 'ethical value system' of the society concern?

      (i)   Prof. Knight

      (ii) Max Weber

      (iii) J. B. Say

      (iv) Peter F. Drucker   (   )

4. Write on the following in about 4 or 5 sentences each : 2×5=10

(a) Promotion of a venture

(c) Sources of forex earnings

Bc/FE-402/**403**

(e)   Sources of finance

Bc/AMD–403

2 0 1 7

(4th Semester)

COMMERCE

Paper No. : BC–403

(Accounting for Managerial Decision)

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)* Explain the meaning and functions of Financial Accounting.   2+7=9

Or

   (b) Explain how financial accounting be useful for the management. State its limitations.   5+4=9

L7/**404a**   (*Turn Over*)

2. *(a)* What do you understand by Management Accounting? Discuss some of the important tools and techniques used in Management Accounting. 2+7=9

Or

(b) Discuss the nature and scope of Management Accounting. 4+5=9

3. *(a)* What is Break-even Analysis? State the assumptions and limitations of break-even analysis. 1+4+4=9

Or

(b) X Ltd. sells 8000 units of its products at a loss of ₹ 16,000. Variable cost per unit is ₹ 12 and total fixed cost is ₹ 48,000. Calculate—

   (i) profit-volume ratio;

   (ii) the number of units to be sold to earn a profit of ₹ 10,000;

   (iii) the amount of profit from a sale of 20000 units. 3+3+3=9

4. *(a)* What is meant by Analysis of Financial Statement? Explain the different methods used for the analysis and interpretation of financial statements. 2+7=9

Or

(b) From the following information, make out a statement of Proprietor's Fund with as many details as possible :

Current Ratio—2·5

Liquid Ratio—1·5

Proprietary Ratio—0·75

(Fixed Assets/Proprietor's Fund)

Working Capital—₹ 60,000

Reserves and Surplus—₹ 40,000

Bank Overdraft—₹ 10,000

There is no long-term loan or fictitious assets. 9

5. (a) What is management reporting? Explain the various methods of reporting. 2+7=9

Or

(b) Discuss the various kinds of reports prepared for different levels of management. 9

★★★

Bc/AMD–403

2 0 1 7

(4th Semester)

COMMERCE

Paper No. : BC–403

(Accounting for Managerial Decision)

(PART : A—OBJECTIVE)

(*Marks* : 25)

The figures in the margin indicate full marks for the questions

1. Choose the correct answer and place its code in the brackets provided :　　　　　　　　　1×5=5

   (a)　Financial Accounting records only

      (i)　qualitative information

      (ii)　quantitative information

      (iii)　both　qualitative　and　quantitative

     (i)   1930

     (ii)   1950

     (iii)   1952

     (iv)   None of the above   (   )

(c) The Break-even Point is the point at which

     (i)   there is no profit or loss

     (ii)   contribution margin is equal to total fixed cost

     (iii)   total revenue is equal to total cost

     (iv)   All of the above   (   )

(d) Horizontal analysis is also known as

     (i)   static analysis

     (ii)   dynamic analysis

     (iii)   cross-sectional analysis

     (iv)   None of the above   (   )

(e) Special reports may deal with

    (i) technological changes in the industry

    (ii) purchase of raw materials

    (iii) reports on production

    (iv) None of the above   (   )

2. Fill in the blanks :   1×5=5

(a) The purpose of using accounting information

    is to increase .... of the concern.

(b) The total of direct material, labour and other direct

    cost is termed as .... cost.

(c) Profit-volume graph is a ....
representation of the profit-volume relationship.

(d) Cashflow Statement is useful for ....

    .... financial planning.

(a) Management Accounting is an alternative to administration.

(T / F)

(b) Contribution helps the management in fixation of selling prices.

(T / F)

(c) Analysis of financial statements does not ignore price level changes.

(T / F)

(d) Debt-equity ratio measures short-term financial position of the business.

(T / F)

(e) Visual reporting through graph, charts and diagrams should be preferred to descriptive reports.

(T / F)

4. Write on the following in 4 to 5 sentences each :

$2 \times 5 = 10$

(a) Characteristics of Financial Accounting

(c) Make or buy decisions

(e) Routine reports

Bc/ITLP–604

2 0 1 7

(6th Semester)

COMMERCE

Paper No. : BC–604

(Income-tax Law and Practice)

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)* How is the residential status of an individual determined for Income-tax purpose?   9

Or

(b) State the incomes which are exempted under the IT Act.

2. *(a)* What is Provident Fund? Explain different types of Provident Fund. 2+7

Or

(b) Mr. Gupta is an employee of a Private Ltd. Co. in Delhi. He was appointed in the grade 19,500–750–28,500 on 1·1·2010. He gets 30% DA and 10% city compensatory allowance of basic salary. The following facilities have been provided by the company :

   (i) A furnished rent free accommodation. The rent payable for the house is ₹ 8,000 p.m. and furniture costing ₹ 2,00,000 has been provided by the company.

   (ii) Education allowance of ₹ 100 p.m. for each of his three children is received.

As per the contract, the salary becomes due on the last day of every month. Compute his income from salary for the assessment year 2015–2016. 9

3. *(a)* State the important provisions relating to advance payment of tax under the Income-tax Act. 9

Or

(b) What do you mean by Tax Deducted at Source? Discuss.

(Continued)

4. *(a)* Describe how the Income Tax Appellate Tribunal is constituted and discuss its function. 9

Or

(b) Discuss briefly the procedure of an appeal to the Commissioner (Appeals).

5. *(a)* Describe the organizational structure of Income Tax Authorities under the Income-tax Act. 9

Or

(b) Discuss the powers and functions of Commissioner of Income Tax.

★ ★ ★

Bc/ITLP–604

2 0 1 7

(6th Semester)

COMMERCE

Paper No. : BC–604

(Income-tax Law and Practice)

(PART : A—OBJECTIVE)

(*Marks* : 25)

The figures in the margin indicate full marks for the questions

SECTION—I

(*Marks* : 15)

1. Indicate whether the following statements are True *(T)* or False *(F)* by putting a Tick (✓) mark :

1×5=5

(a) Tax evasion is the illegal act or practice of failing to pay taxes which are owed.

(c) TDS ensures regular inflow of cash resources to
the government.

(T / F)

(d) The Appellate Tribunal functions under the
Ministry of Law.

(T / F)

(e) Income tax authorities have been constituted
under Section 120 of the Income-tax Act, 1961.

(T / F)

2. Choose the correct answer and place its code in the
brackets provided :   1×5=5

(a) Income accrued outside India and received
outside India is taxable in case of

   (i)   resident and ordinary resident (ROR) only

   (ii) resident but not ordinary resident (RNOR)
         only

   (iii) Non resident only

   (iv) ROR, RNOR and Non-resident   [   ]

(b) Which of the following is not an income taxable as income from other sources?

    (i)   Family pension

    (ii) Casual income

    (iii) Director's fees for sitting or attending Board Meetings

    (iv) Rent received for house property [   ]

(c) An assessee is required to pay tax in advance if his/her tax liability for the year is likely to be

    (i)   ₹ 5,000 or more

    (ii) ₹ 10,000 or more

    (iii) ₹ 20,000 or more

    (iv) ₹ 30,000 or more [   ]

(d) Revision of orders prejudicial to revenue can be made by the Commissioner of Income Tax (CIT) under

    (i)   Section 261

    (ii) Section 262

(i)   Income tax Officers (ITOs)

(ii) Central Board of Direct Taxes (CBDT)

(iii) Commissioner of Income Tax (CIT)

(iv) Joint Directors of Income Tax (JDIT)

[   ]

3. Fill in the blanks :   1×5=5

(a) Assessment year can be a period of

....

(b) Assets held by the assessee for a period of
12 months   or   more   are   treated   as
.... capital assets.

(c) Debt to a government incurred by a tax payer
as   accrued   or   assessed   taxes   is   called

....

(d) Advance ruling has been defined in

.... of the Income-
tax Act, 1961.

(e) DCIT stands for ....

4. Write short notes on the following : 2×5=10

(a) Assessment Year

(b) Perquisites

(c) Net Annual value

(e) Income from other sources

★★★

2 0 1 7

(4th Semester)

COMMERCE

(Honours)

Paper No. : BCM–04

(Insurance Management)

Full Marks : 70

Pass Marks : 45%

Time : 3 hours

The figures in the margin indicate full marks
for the questions

1. *(a)* Briefly explain different types of insurance products. 14

Or

(b) What are the life cycle needs? Briefly highlight on the tax benefits under insurance policies. 14

2. *(a)* What are different types of bonus given by insurance companies? What are the assumptions or factors underlying the calculation of premium? 8+6=14

L7/**407** (*Turn Over*)

(b) Define extra premium and paid-up value in insurance. 7+7=14

3. (a) What are different forms of payment of surrender values? 14

Or

(b) What are the insurance documents required at different stages of insurance policies? 14

4. (a) What is a whole life policy? Discuss different types of whole life policy.
2+12=14

Or

(b) What is endorsement? Give a detailed description of the endorsement procedure. 4+10=14

5. (a) What are options? Briefly explain different types of options. 4+10=14

Or

(b) What do you understand by guarantees in insurance? What are different types of guarantees? 4+10=14

★★★

Bc/Crpt A–404

2 0 1 7

(4th Semester)

COMMERCE

Paper No. : BC–404

(Corporate Accounting)

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*

Answer **all** questions

1. *(a)* What do you understand by redemption of preference shares? State the provisions of the Companies Act, regarding redemption of preference shares.   3+6=9

Or

(b) X Ltd. issued for public subscriptions 20000 equity shares of ₹ 10 each at a premium of ₹ 2 per share payable as under :

₹ 2 per share on application
₹ 5 per share
   (including premium on allotment)
₹ 2 per share on first call
₹ 3 per share on final call

L7/405a

Applications for 30000 shares were received. Allotment was made pro rata to the applicants for 24000 shares, the remaining applications being rejected. Money overpaid on application was utilized towards sum due on allotment.

Shri *Y* to whom 800 shares were allotted failed to pay the allotment money, first and second calls money and Shri *Z* to whom 1000 shares were allotted failed to pay the last two calls.

These shares were subsequently forfeited after the second call was made. All these forfeited shares were reissued to Shri *W* as fully paid-up at ₹ 8 per share.

Give the necessary Journal entries to record the above transactions.   9

2. *(a)* What is divisible profit? Write the difference between capital reserve and general reserve.   2+7=9

Or

(b) Following is the Trial Balance of P. K. Limited as on 31st March, 2014 :

Debit Balance	₹	Credit Balance	₹
Opening Stock	1,50,000	Equity Share Capital	5,00,000
Purchases	3,80,000	Purchase Return	10,000

(Continued)

Debit Balance	₹	Credit Balance	₹
Wages	60,000	Sales	11,50,000
Carriages	2,000	Discount	6,300
Furniture	25,000	Surplus Account	1,70,000
Salaries	12,000	Sundry Creditors	33,700
Rent	15,000	General Reserve	82,000
Trade Expenses	11,000	Bills Payable	13,000
Sundry Debtors	54,000	Provision for	
Plant & Machinery	12,00,000	Doubtful Debts	3,000
Cash at Bank	21,500		
Patents	9,000		
Bills Receivable	14,000		
Bad Debts	6,500		
Discount Allowed	8,000		
	19,68,000		19,68,000

Additional Information :

(i) Stock on 31st March, 2014 ₹ 2,00,000

(ii) Depreciate Plant and Machinery @ 10% and Furniture @ 15%

(iii) Further bad debts written off ₹ 4,000 and provide provision for bad debts @ 5% on Debtors

(iv) Provide income tax @ 40% of the company

(v) The board of directors recommended a dividend of 25% on paid-up capital

Prepare Trading Account, Profit & Loss Account and Balance Sheet of the company as on that date.   2+4+3=9

3. *(a)* The following are the particulars of *X* Co. Ltd. as on 31st March, 2015 :

Liabilities	₹	Assets	₹
Issued and Subscribed Capital :		Land and Buildings	1,00,000
2000, 6% Preference		Machinery	2,50,000
Shares of		Patents	40,000
₹ 100 each	2,00,000	Stock	50,000
1000 Equity Shares		Sundry Debtors	1,15,000
of ₹ 100 each		Cash at Bank	30,000
paid ₹ 75 each	75,000	Profit and Loss A/c	1,20,000
3000 Equity Shares			
of ₹ 100 each			
paid ₹ 60	1,80,000		
5% Debentures			
having a floating			
charge on all assets	1,00,000		
Interest Outstanding	5,000		
Creditors	1,45,000		
	7,05,000		7,05,000

The company went into liquidation on the above date. The preference share dividends were in arrear for two years. Creditors include ₹ 50,000 on the mortgage of land and buildings. The assets realized are as follows :

	₹
Land and Buildings	1,20,000
Machinery	2,00,000
Patents	30,000
Stock	60,000
Sundry Debtors	80,000

(Continued)

The expenses of liquidation amounted to ₹ 10,000. The liquidator is entitled to a commission of 2% on all assets realized except cash and 3% on amounts distributed among unsecured creditors. Preference creditors amount to ₹ 15,000.

Prepare the liquidator's Final Statement of Accounts.   9

Or

(b) Explain the various lists to be attached to the statement of affairs.   9

4. (a) What are the different methods of valuation of shares? Explain.   9

Or

(b) From the following information supplied by the ABC Co. Ltd., ascertain the value of goodwill under capitalization of average profit :

Liabilities	₹	Assets	₹
Paid-up Capital 2500 shares of ₹ 100 each	2,50,000	Goodwill	25,000
		Land and Building	1,10,000
		Plant and Machinery	1,00,000
Bank Overdraft	48,000	Stock	1,50,000
Sundry Creditors	80,500	Book Debt	96,000
Provision for Taxation	42,500		
Profit and Loss A/c	60,000		
	4,81,000		4,81,000

L7/405a   (Turn Over)

The company commenced operations in 1996 with a paid-up capital as aforesaid ₹ 2,50,000. Profits earned before providing for taxation have been as follows :

1997—₹ 60,000
1998—₹ 75,000
1999—₹ 85,000
2000—₹ 95,000
2001—₹ 85,000

You may assume that income tax at the rate of 50% has been payable on these profits. Dividend has been distributed from the profit of the first two years at the rate of 10% and from those of the next three years at the rate of 15% on the paid-up capital.   9

5. (a) What is amalgamation? Explain the concept of amalgamation as per Accounting Standard 14.   2+7=9

Or

(b) TV Ltd. absorbed the business of Radio Ltd. as a going concern on 31st March, 2016. The Balance Sheets of the two companies, on that date, being as under :

Liabilities	TV Ltd. ₹	Radio Ltd ₹	Assets	TV Ltd. ₹	Radio Ltd. ₹
Share Capital Authorized of ₹ 10 each	20,00,000	6,00,000	Goodwill	—	1,00,000
			Building	5,00,000	—
			Stock	1,40,000	2,60,000

L7/405a   (*Continued*)

Liabilities	TV Ltd. ₹	Radio Ltd ₹	Assets	TV Ltd. ₹	Radio Ltd. ₹
Issued and Paid-up ₹ 10 each fully paid-up	10,00,000	6,00,000	Debtors	2,80,000	2,00,000
			Investment	1,20,000	—
			Balance at Bank	1,00,000	—
Reserves	1,20,000	—	Profit and		
Creditors	20,000	1,00,000	Loss A/c	—	2,40,000
Bank Overdraft	—	1,00,000			
	11,40,000	8,00,000		11,40,000	8,00,000

The purchase consideration was agreed upon at ₹ 4,00,000 payable as to ₹ 2,00,000 in cash and the balance by issue of 16000 equity shares of ₹ 10 each fully paid in TV Ltd. at an agreed value of ₹ 12·50 per share. The sale was completed and Radio Ltd. then went into liquidation.

Pass Journal entries in the books of TV Ltd. and prepare the Balance Sheet of TV Ltd. after the purchase. 9

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(4th Semester)

COMMERCE

Paper No. : BC–404

(Corporate Accounting)

(PART : A—OBJECTIVE)

(*Marks* : 25)

The figures in the margin indicate full marks for the questions

Answer **all** questions

SECTION—I

(*Marks* : 15)

1. Indicate whether the following statements are *True (T)* or *False (F)* by putting a Tick (✓) mark :

1×5=5

(a) Public limited companies cannot issue deferred shares.

(T / F)

(d) Goodwill is a fictitious asset.

(T / F)

(e) AS 14 deals with accounting for amalgamation.

(T / F)

2. Choose the correct answer and place its code in the brackets provided :   1×5=5

(a) Reserve capital is a part of

(i) paid-up capital

(ii) capital reserve

(iii) uncalled capital

(iv) capital losses   [   ]

(b) Debentureholders having a floating charge on assets are

    (i)   secured creditors

    (ii) unsecured creditors

    (iii) preferential creditors

    (iv) None of the above   [   ]

(c) Exchange rate method is used for valuation of

    (i)   goodwill

    (ii) foreign exchange

    (iii) depreciation

    (iv) share   [   ]

(d) Revaluation reserve should be shown on Balance Sheet liabilities side under the heading

    (i)   current liabilities and provisions

    (ii) reserve and surplus

(ii) Transferor Company Account

(iii) Goodwill Account

(iv) Transferee Company Account [   ]

3. Fill in the blanks : 1×5=5

(a) The transfer of shares is generally restricted

by the .... of a private
limited company.

(b) Electric bill under dispute is an example

of .... liability.

(c) List 'H' gives the list of

....

(d) Goodwill is liable to constant fluctuations

so its value reduction is ....

(e) Internal reconstruction is generally resorted

to write off the ....

SECTION—II

(*Marks* : 10)

4. Write short notes on the following : 2×5=10

   (a) Types of debenture

(c) Preferential creditors

(e) Lump sum method