

**2023/TDC(CBCS)/ODD/SEM/  
COMDSE-502T (A/B)/337**

**TDC (CBCS) Odd Semester Exam., 2023**

**COMMERCE**

**( 5th Semester )**

Course No. : COMDSE-502T

Full Marks : 70

Pass Marks : 28

Time : 3 hours

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

Candidates have to answer either from the  
Option—A or Option—B

**OPTION—A**

Course No. : COMDSE-502T (A)

**( Fundamentals of Financial Management )**

**SECTION—A**

Answer *twenty* questions, as directed selecting any  
*four* from each Unit : 1×20=20

**Unit—I**

1. Mention one feature of financial management.

( 2 )

2. Name two important decisions involved in financial management.
3. Mention the functional areas of financial management.
4. What is time value of money?
5. What is bond?

Unit—II

6. Profitability Index (PI) is also known as \_\_\_\_.  
( Fill in the blank )
7. Capital budgeting decisions are usually irreversible in nature.  
( Write True or False )
8. Write one feature of capital budgeting.
9. What is meant by capital rationing?
10. Mention one similarity of NPV and IRR.

( 3 )

Unit—III

11. Cost of capital is taken as a decision criterion in capital budgeting decisions.  
( Write True or False )
12. What is cost of capital?
13. Equity shareholders get the interest.  
( Write True or False )
14. Trading on equity is also known as \_\_\_\_ ,  
when it is positive.  
( Fill in the blank )
15. What is meant by financial leverage?

Unit—IV

16. 'Bird in hand' arguments is developed by
  - (a) Gordon's model
  - (b) MM model
  - (c) Walter's model
  - (d) None of the above  
( Choose the correct answer )

( 4 )

17. Retained earnings are the \_\_\_\_\_ of the company after dividends.

( Fill in the blank )

18. Walter model supports the doctrine that dividends are \_\_\_\_\_.

( Fill in the blank )

19. Shareholders prefer to receive current and certain income.

( Write True or False )

20. Define bond dividend.

Unit—V

21. Define working capital management.

22. ABC analysis helps to ascertain the minimum level stock of raw material.

( Write True or False )

23. Management of working capital deals with the long-term liquidity position of the firm.

( Write True or False )

( 5 )

24. Working capital is defined as the excess of \_\_\_\_\_ over current liabilities.

( Fill in the blank )

25. EOQ is the quantity that minimizes total \_\_\_\_\_ cost.

( Fill in the blank )

SECTION—B

Answer *five* questions, selecting *one* from each

Unit : 2×5=10

Unit—I

26. Write two objectives of financial management.

27. Name the different methods of valuation of equity shares.

Unit—II

28. State two objectives of capital budgeting.

29. What do you understand by Internal Rate of Return (IRR)?

( 6 )

Unit—III

30. Define cost of debt.
31. Point out two assumptions of Net Income Approach.

Unit—IV

32. Write the different types of dividend policy.
33. What is dividend payout ratio?

Unit—V

34. What is cash budget?
35. Mention two advantages of maintaining adequate working capital.

SECTION—C

Answer *five* questions, selecting *one* from each  
Unit :  $8 \times 5 = 40$

Unit—I

36. Explain the scope of financial management.
37. Discuss the significance of financial management in business management.

( 7 )

Unit—II

38. ABC company Ltd. is considering investment in a project that costs ₹ 3,00,000 and expected life of the project is 5 years with zero salvage value. The company uses original cost method of depreciation and company's tax rate is 50%. The expected cash inflows before tax and depreciation of the project for last five years are (₹) :
- 90,000, 1,00,000, 1,20,000, 1,30,000 and 1,10,000
- You are required to calculate the net present value at 10%.

39. Explain the need and significance of capital budgeting.

Unit—III

40. Give a critical appraisal of the Net Income Approach of Capital structure.
41. Calculate the cost of capital in each of the following cases :
- (a) A company issues 10% irredeemable preference shares of ₹ 102 each (face value ₹ 100).

- (b) The current market price of a share is ₹ 90 and the expected dividend at the end of the current year is 4.5 with a growth rate of 8%.
- (c) A company issues ₹ 10,00,000 12% debentures of ₹ 100 each at 10% discount. The debentures are redeemable after the expiring of fixed period of 7 years. The company is in 35% tax bracket.  $2+3+3=8$

## Unit—IV

42. Explain critically Gordon's model of relevance of dividend.
43. Discuss in detail dividend policies in practice in India.

## Unit—V

44. Discuss all such factors that enter into the determination of working capital of a business undertaking.
45. GCD Ltd. desires to purchase a business and has consulted you one point on which you

are to advise them the average amount of working capital which will be required in the first year's working.

You have given the following estimates and instructed to add 10% to your computed figure to allow for contingencies :

	Amounts ₹
(i) Amount blocked up for stocks :	
Stock of finished product	3,000
Stocks of stores, materials, etc	5,000
(ii) Average credit given :	
Inland sales—4 weeks credit	2,60,000
Export sales—1.5 weeks credit	65,000
(iii) Lag in payment of wages and other outputs :	
Wages—2.5 months	24,000
Stocks of material—1.5 months	36,000
Rent, royalties, etc—6 months	8,000
Clerical staff—1.5 months	60,000
Manager—0.5 months	4,000
Miscellaneous expenses	
—2 months	36,000
(iv) Undrawn profit on the average throughout the year	9,000
State your calculations for the average amount of working capital required.	

( 10 )

OPTION—B

Course No. : COMDSE-502T (B)

( Indirect Tax Laws )

SECTION—A

Answer *twenty* questions, as directed selecting any  
four from each Unit :  $1 \times 20 = 20$

Unit—I

1. Define GST.
2. Mention one essential characteristic of tax.
3. What is the full form of UTGST?
4. State one merit of GST.
5. Define GST Council.

Unit—II

6. What do you mean by Levy of Tax?
7. Section \_\_\_\_ is charging section for levying and collecting IGST. (5/10)  
( Choose the correct option )

( 11 )

8. Does times of supply affect the computation of GST?
9. What is voucher?
10. If the supplier and place of supply are located in \_\_\_\_ State, the IGST is payable. (different/same)  
( Choose the correct option )

Unit—III

11. Define input tax credit.
12. What is output tax?
13. What are zero rated goods under GST?
14. Define payment of tax under GST.
15. What is the time limit for taking input tax credit?

Unit—IV

16. Define E-way bills.
17. What is E-commerce?

( 12 )

18. What is meant by E-filing under GST?

19. What is an appeal?

20. Mention one feature of penalties.

Unit—V

21. Mention one feature of the Custom Act.

22. State one important objective of custom duty.

23. What is the Custom Tariff Act?

24. Is custom duty taxable under GST?

25. How much is custom duty and GST in India?

SECTION—B

Answer *five* questions, selecting *one* from each

Unit :  $2 \times 5 = 10$

Unit—I

26. What are the different types of GST invoice?

27. State two defects in the structure of indirect taxes prior to GST.

( 13 )

Unit—II

28. Explain the two important features of levy of tax.

29. What is the location of recipient of service?

Unit—III

30. Explain the concepts of blocked credits under GST.

31. Explain tax credit in respect of capital goods under GST.

Unit—IV

32. What are the different types of assessment?

33. Explain the concept of State Compensation Mechanism.

Unit—V

34. What is the levy of custom duty?

35. What is the prohibition of importation and exportation of goods?

SECTION—C

Answer *five* questions, selecting *one* from each  
Unit : 8×5=40

Unit—I

36. Discuss the powers and functions of GST council. 4+4=8
37. Explain different types of GST registration.  
Describe the procedure for GST registration. 3+5=8

Unit—II

38. Discuss in detail the GST valuation rules.
39. Explain the rules for determination of place of supply of goods and services under GST.

Unit—III

40. Discuss in detail the various provisions regarding payment of taxes under GST.
41. Write short notes on : 4+4=8
- (a) TCS
- (b) TDS

Unit—IV

42. Write a detailed note on taxability of E-commerce.
43. Explain the objectives of audit under GST.  
Discuss also the various types of audit under GST. 4+4=8

Unit—V

44. Discuss the rules and regulations of the Customs Act, 1962.
45. Explain the impact of GST on imports and importers.

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