

**TDC (CBCS) Odd Semester Exam., 2020  
held in March, 2021**

**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  
Option—A or Option—B

**OPTION—A**

Course No. : COMDSE-502T (A)

**( FUNDAMENTAL OF FINANCIAL MANAGEMENT )**

**SECTION—A**

Answer any *twenty* of the following as directed :

1×20=20

State whether the following statements are True or  
False :

1. Traditionally the role of finance manager was restricted to acquisition and efficient allocation of funds.

2. Perpetuity and annuity are two different concepts.
3. There is direct relationship between risk and return.
4. In case of uncertainty, the firm can anticipate future loss.
5. The main objective of financial management is maximization of profit.
6. Annuity table can be used for all kinds of cash flows.
7. The value of an asset is equivalent to the present value of the benefits associated with it.
8. Equity shares have a maturity period.
9. Cash flows from a project can be estimated accurately.
10. Discounting cash flow technique takes into account the time value of money.

Fill in the blanks with appropriate words of the following :

11. The return after the pay-off period is not considered in case of \_\_\_\_.
12. Depreciation is included in costs in case of \_\_\_\_.
13. A risky situation is better than an \_\_\_\_ situation.
14. Probability means the likelihood of happening an \_\_\_\_.
15. Net Present Value and Internal Rate of Return consider the \_\_\_\_ of money.
16. Capital budgeting is same as \_\_\_\_ decision.
17. Cost of preference share is more than the cost of \_\_\_\_.
18. Cost of capital comprises both business and \_\_\_\_ risks.

19. MM hypothesis assumes that \_\_\_\_\_ markets are perfect.
20. Cost of capital serves as \_\_\_\_\_ rate for capital investment decision.

State with reason whether the following statements are True or False :

21. Operating leverage exists if there are funds bearing fixed financial payments.
22. Financial leverage is calculated by dividing EBT by EBIT.
23. Trading on equity is used to decrease earning per share.
24. Combine leverage should be as low as possible.
25. According to Walter's dividend model, the optimum dividend payout ratio can be either zero or 100%.
26. Payment of dividend involves legal as well as financial consideration.

27. The declaration of bonus in lieu of dividend is allowed.
28. Premium received in cash is a source of bonus issue.
29. According to MM hypothesis, dividend model considers the dividend decision to be relevant in determining the value of the firm.
30. Walter's model is based on the relationship between  $r$  and  $k$ .

Answer the following questions in brief :

31. What is stable dividend policy?
32. What is dividend decision?
33. What is working capital?
34. Write the formula for gross operating cycle.
35. Write the meaning of optimum working capital.
36. Write the formula for EOQ with the meaning of each term.

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- 37. What is inventory management?
- 38. Name the methods of cash forecasting.
- 39. What is meant by cash planning?
- 40. What is cash budget?

SECTION—B

Answer any *five* questions from the following :  
2×5=10

- 41. What is financial management?
- 42. State any two functions of a finance manager.
- 43. State any two needs for capital budgeting.
- 44. State any two advantages of internal rate of return method.
- 45. State any two differences between marginal cost of capital and weighted average cost of capital.
- 46. What are meant by 'explicit cost' and 'real cost' of capital?

( 7 )

- 47. State any two objectives of inventory management.
- 48. State any two benefits of bonus issue from the viewpoint of shareholders.
- 49. State any two factors that affect dividend policy of corporate enterprise.
- 50. What is net operating income?

SECTION—C

Answer any *five* questions from the following :  
8×5=40

- 51. Discuss the major financial decisions.
- 52. Explain the mechanics of calculating present value of cash flows giving suitable examples.
- 53. Using the information given below, compute the payback period under (a) traditional payback method and (b) discounting payback method and comment on the results :

Initial outlay—₹ 80,000  
Estimated life—5 years

( 8 )

Profit after tax :

	₹
End of 1st year	6,000
" " 2nd year	14,000
" " 3rd year	24,000
" " 4th year	16,000
" " 5th year	Nil

Depreciation has been calculated under straight-line method. Cost of capital may be taken at 20% p.a. and the PV of ₹ 1 at 20% p.a. is given below :

Year	:	1	2	3	4	5
PV factor	:	0.83	0.69	0.58	0.48	0.40

54. Discuss the need and importance of capital budgeting.
55. Your company's share is quoted in the market at ₹ 20 currently. The company pays a dividend of ₹ 1 per share and the investor's market expects a growth rate of 5% per year.
- (a) Compute the company's equity cost of capital.
- (b) If the anticipated growth rate is 6% p.a., calculate the indicated market price per share.

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- (c) If the company's cost of capital is 8% and the anticipated growth rate is 5%, calculate the indicated market price if the dividend of ₹ 1 per share is to be maintained.

56. Calculate the weighted average cost of capital (before and after tax) from the following information. Assume that the tax rate is 55% :

Type of capital	Proportion in the capital structure	Before tax cost of capital
Equity capital	25%	24.44%
Preference capital	10%	27.29%
Debt capital	50%	7.99%
Retained earnings	15%	18.33%

57. Explain Modigliani-Miller hypothesis as to dividend together with its assumptions and shortcomings.
58. Discuss the factors affecting the dividend policy of a company.
59. Discuss the objectives of working capital management.

( 10 )

60. Harish Gupta wishes to start a trading business and furnishes the following particulars :

- (i) Estimated annual sales ₹ 10,80,000
- (ii) Estimated fixed expenses ₹ 2,100 p.m. of which depreciation amounted to ₹ 500 and estimated variable expenses chargeable to Profit and Loss Account equal 5% of sales
- (iii) Expected profit on purchases @ 20%
- (iv) Expected stock turnover 5 times
- (v) The sales and purchases will occur evenly throughout the year
- (vi) All purchases will be made on one month's credit
- (vii) Customers will be allowed two months' credit
- (viii) 25% of sales will be made against cash
- (ix) Debtors may be calculated on the basis of sales
- (x) A cash balance equal to one month's expenses is desired to be maintained

You are required to calculate Harish's average capital requirement.

( 11 )

## OPTION—B

Course No. : COMDSE-502T (B)

## ( INDIRECT TAX LAW )

## SECTION—A

Answer any *twenty* of the following as directed :

1×20=20

1. What kind of tax is GST?
2. Which of the following taxes has been abolished by the GST?
  - (a) Service tax
  - (b) Income tax

( Choose the correct option )
3. In which year, GST was implemented in India?
4. What is the maximum rate of GST in India?
5. What is the full form of UTGST?
6. What does 'T' in IGST stand for?
7. Is there a provision for a person to get himself voluntarily registered though he may not be liable to pay GST?

( 12 )

8. Whether the registration granted to any person is permanent under the GST Law?
9. What is HSN code?
10. What is SAC code?
11. Give one example of composite supply.
12. What is time of supply?
13. Ramlal of Delhi imported the goods from the USA. Determine the place of supply and nature of GST payable by Ramlal.
14. Define mixed supply.
15. Are there separate valuation provisions for CGST, SGST and IGST and for goods and services?
16. Is reference to GST valuation rules required in all cases?
17. What is input GST?
18. What is GST payable?
19. Who is entitled to take input tax credit?

( 13 )

20. What is blocked credit?
21. Give the full form of CPIN.
22. Is the reverse charge mechanism only applicable to services?
23. Whether credit on capital goods can be taken immediately on receipt of the goods?
24. When can a registered person avail credit on inputs?
25. Are annual return and final return one and the same?
26. What is the time limit for passing assessment order u/s 62 and 63?
27. Whether any prior intimation is required before conducting the audit?
28. What is the period within which the audit is to be completed?
29. Who is an e-commerce operator?
30. Is it mandatory for e-commerce operator to obtain registration?

31. What is E-way bill?
32. What is zero-rated supply?
33. Define import under the Customs Act.
34. Give the full form of SEZ.
35. Define export under the Customs Act.
36. What is bill of lading?
37. Define baggage under the Customs Act.
38. In which year, the Customs Tariff Act was passed?
39. Define coastal goods under the Customs Act.
40. What do you mean by the term 'Cargo'?

## SECTION—B

Answer any *five* questions from the following :

2×5=10

41. Who is liable to pay GST under the proposed GST regime?
42. Write two defects in the structure of indirect taxes prior to GST.

10-21/407

( Continued )

43. When does the liability to pay GST arise in respect of supply of goods?
44. What is the time of supply in relation to the value of supply by way of interest?
45. Define capital goods.
46. Who is required to collect tax at source?
47. What is the meaning of the term 'seizure'?
48. Who can prefer an appeal before appellate authority?
49. Name any four documents required in import trade.
50. Define prohibited goods.

## SECTION—C

Answer any *five* questions from the following :

8×5=40

51. What was the need to bring GST in India?  
What are the taxes which have been subsumed in GST?
52. Who are liable for registration under Section 22 of the CGST Act, 2017?

10-21/407

( Turn Over )



53. What do you mean by exempt supply? Give any six examples of services which have been exempted from GST.
54. What is included or excluded for the purpose of determining value of supply?
55. What are the due dates for payment of tax for different registered persons?
56. Explain the conditions to be satisfied for claiming input tax credit.
57. Explain the different types of assessment under GST.
58. Mention any eight offences under GST.
59. State some of the important provisions for prohibition of export and import of goods under the Customs Act.
60. Briefly explain the different types of customs duty in India.

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**TDC (CBCS) Odd Semester Exam., 2020  
held in March, 2021 .**

**COMMERCE**

**( 5th Semester )**

**Course No. : COMSEC-501T**

**( Computer Application in Business )**

*Full Marks : 35*

*Pass Marks : 12*

*Time : 3 hours*

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

**SECTION—A**

**Answer as directed of the following (any ten) :**

**1×10=10**

- 1. What is word processing package?**
- 2. Why is template used?**
- 3. Shortcut key to open existing word file \_\_\_\_.**  
**( Fill up the blank )**

4. Shortcut key to open Find and Replace dialog box \_\_\_\_.

( Fill up the blank )

5. What is first line indent?
6. Which shortcut key is used to open Printer option?
7. What is watermark?
8. How to insert word art?
9. What is slide layout?
10. What is slide master?
11. Which keyboard shortcut is used to run PowerPoint presentation?
12. What is slide transition?
13. Spreadsheet is a \_\_\_\_ software.  
( Fill up the blank )
14. What is formula bar?
15. What is name box?

16. Write down the purpose of 'Data tab'.
17. How many sheets are there in a worksheet by default?
18. What is the purpose of Quick Access toolbar in MS-Excel?
19. Write down the purpose of Now() in MS-Excel.
20. Write down the syntax of if( ).

SECTION—B

Answer any *five* of the following questions :  $2 \times 5 = 10$

21. Write down the features of word processing package.
22. Write down the steps to format a word document.
23. Write down the steps to insert clip art.
24. Briefly mention different options in paragraph formatting.
25. What is custom animation? Mention some of the animation features.

( 4 )

26. How to insert graph in a slide?
27. Write down the difference between workbook and worksheet.
28. Write down the steps to print a worksheet.
29. Mention the uses of ABS( ) and SQRT( ).
30. Give the syntax of SUM( ) and SUMIF( ).

## SECTION—C

Answer any *five* of the following questions :  $3 \times 5 = 15$

31. Briefly explain the AutoCorrect feature of MS-Word.
32. Write short notes on the following :
  - (a) Grammar and spell checking
  - (b) Auto Text
33. Explain the steps to insert Header and Footer in Word Document.
34. Explain mail merge feature of MS-Word.
35. Write down the steps to create PowerPoint presentation using template wizard.

( 5 )

36. How to apply slide transition in PowerPoint Presentation?
37. Explain how worksheet data can be represented in a chart.
38. By taking suitable data—explain how sorting can be done in MS-Excel.
39. Explain briefly different logical functions used in MS-Excel.
40. Explain with examples of the following :
  - (a) ROUND( )
  - (b) COUNT( )
  - (c) AVERAGE( )

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**2020/TDC (CBCS)/ODD/SEM/  
COMGE-501T/354**

**TDC (CBCS) Odd Semester Exam., 2020  
held in March, 2021**

**COMMERCE**

**( 5th Semester )**

Course No. : COMGE-501T

**( Principles of Microeconomics )**

*Full Marks : 70*  
*Pass Marks : 28*

*Time : 3 hours*

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

**SECTION—A**

Answer any *ten* of the following questions :  $2 \times 10 = 20$

1. Distinguish between (a) extension and increase in demand, and (b) contraction and decrease in demand.
2. What is equilibrium price?
3. What do you mean by Giffen goods?

( 2 )

4. Mention any two factors that influence the elasticity of supply for a commodity.
5. Distinguish between cardinal utility and ordinal utility.
6. What is marginal rate of substitution?
7. Define budget line of a consumer.
8. State the necessary and sufficient conditions for consumer equilibrium.
9. What is meant by short run and long run in production theory?
10. Define an isoquant and an isoquant map.
11. What is opportunity cost?
12. Distinguish between fixed cost and variable cost.
13. Write two differences between monopoly and monopolistic competition.
14. Point out two important characteristics of oligopoly market.
15. Define price discrimination.

( 3 )

16. What do you mean by Prisoner's Dilemma?
17. Write two determinants of the demand for a variable input.
18. Why is demand for an input termed as 'derived demand'?
19. Distinguish between differential and scarcity rent.
20. What do you mean by economic rent?

## SECTION—B

Answer *any five* questions

21. How is demand defined in economics? Explain the various factors which determine demand for a commodity. 4+6=10
22. What is the coefficient of price elasticity of demand? Discuss the various types of price elasticity of demand. 2+8=10
23. Define indifference curves. What are their standard properties? Discuss. 2+8=10
24. What is price consumption curve? Derive demand curve from price consumption curve. 3+7=10

25. Explain the relationship between marginal cost (MC) and average variable cost (AVC) with the help of diagram. Can there be some fixed cost in the long run? If not, why? 8+2=10
26. Discuss the law of variable proportions with reference to the three stages of production. 10
27. (a) What conditions are necessary for a market to be perfectly competitive?
- (b) Explain with the help of a diagram, how a firm attains equilibrium under perfect competition market in the long period. 4+6=10
28. (a) Distinguish between production cost and selling cost.
- (b) How is price determined under monopolistic competition in the short period? 3+7=10
29. Discuss the marginal productivity theory of factor pricing. 10
30. Critically discuss the Ricardian theory of rent. 10

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