

CSM—22/22
COMMERCE & ACCOUNTANCY
PAPER—I

Candidate
must not
write on
this margin.

Time : 3 Hours

Full Marks : 250

The figures in the right-hand margin indicate marks.
*Candidates should attempt **any 10 (ten)** questions of*
GROUP—A *with word limit of 250 words and should*
*attempt **any 5 (five)** questions from **GROUP—B***
with word limit of 300 words.

GROUP—A

1. "Depreciation is not a process of valuation rather of allocation."
Describe how depreciation create funds. 15
2. (a) What is working capital? 5
(b) What are fictitious assets? 5
(c) What is the meaning of GAAP? 5
3. Briefly discuss the break-even analysis in the process of profit
planning. 15
4. (a) How is the budgetary control exercised? 5
(b) Discuss variances and their essentiality for the success of
budgetary control. 10
5. (a) Sketch a detail view of set off and carry forward of losses. 10
(b) Write a note on MAT. 5
6. "Vouching in depth" is also understood as audit in depth. Comment.
15
7. Explain various matters comprised the auditor reports under CARO-
2016. 15

- 8.** What is second generation of reform? Explain it in the context of India. 15
- 9.** For managing a business concern, how is the working capital determined? 15
- 10.** Why are the cash flow estimates for distant years usually less reliable than for more immediate years? 15
- 11.** (a) What are the advantages of Bonus Share over a cash dividend? 5
- (b) Is the residual dividend theory operational only in long-term? Elucidate. 10
- 12.** The Reserve Bank of India operates as a promoter of the financial system of India. Justify. 15

GROUP—B

- 13.** "Anticipate no profit, but provide for all possible losses." Justify the statement keeping a view on uncertainty and risk in business. 20
- 14.** During the process of manufacture, how do you interpret normal and abnormal waste of material and treat it in the books of Accounts. 20
- 15.** State the duties of an auditor regarding the valuation of Goodwill and Investment. 20
- 16.** Return on any financial asset comprises current yield and capital yield. Explain in detail. 20
- 17.** (a) What are the critical factors to be observed while making replacement investment decision? 15
- (b) Write notes on make or buy and lease or buy. 5
- 18.** (a) Explain with suitable examples, the formula given by Walter for determining dividend policy. 15
- (b) What are the limitations and merits of the formula? 5

★ ★ ★

**Candidate
must not
write on
this margin.**