



HIMACHAL PRADESH NATIONAL LAW UNIVERSITY SHIMLA

End-Term Examinations

Paper Code: LB-201

Subject: Law of Contract-I (General Principles and Specific Relief Act)

B.A./B.B.A. LL.B. 2nd Semester29th September, 2020

Time: 2hrs. 30minutes (Writing Examination- 10:30 am-12:30 pm; Scanning & Uploading Answer-sheets–
12:30 pm – 01:00 pm)

Maximum Marks: 50

Instructions:

The Question Paper has two Sections. Attempt any two questions from Section-A. Each question in Section-A carries five marks. Attempt any two questions from Section-B. Each question in Section-B carries twenty marks.

SECTION-A (Short-Answer Type)**(2x5=10 Marks)****Q.1 Short Answer Type Questions:****(A)** Is there any contract in the following cases:

- a. X engages Y for a certain work and promises to pay such remuneration as shall be fixed by Z. Y does the work.
- b. X takes a seat in public vehicle.
- c. X invites Y for a card party. Y accepts the invitation.
- d. X and Y promise to marry each other.
- e. X and Y agree to go to Omaxe Mall for shopping.

(B) There was an agreement between two wrestlers R and B to play a wrestling match. The agreement provided that the party failing to appear on the date of the match was to forfeit Rupees Five Hundred to the opposite party, and the winner was to receive Rupees One Thousand out of the gate money. R failed to appear at the match and B sued him for Rupees 500. Discuss, if the agreement was wager.

(C) A suit was filed between X and Y for cancellation of a voidable instrument under Specific Relief Act. Y made an application for referring the dispute to an arbitrator as the instrument contained an arbitration clause. However, X objected to the application arguing that relief of cancellation was a right in rem. Discuss if the matter can be referred to arbitration.

SECTION-B (Long-Answer/Descriptive/Analytical Type) (2x20=40 Marks)

- Q.2** Sections 24 to 30 of the Indian Contract Act may be titled as void agreements. However, there are many other provisions under the Act that deal with void relationships. Explain these other provisions under Indian Contract Act, apart from sections 24 to 30, that deal with void agreements.
- Q.3** “The onset of recent pandemic world over has proven an economic crisis of an unprecedented scale. There are restrictions on movement of persons and goods that have raised serious doubts on the ability of parties to perform their obligations under contracts. Uncertainty as to the performance of contracts has led to parties envisaging breaches of contract and assessing their rights and remedies in relation to the same.” Critically evaluate the provisions of Indian Contract Act in light of this statement.
- Q.4** (a) X dispossessed Y from his immovable property in December 2019. In March 2020, a pandemic broke out and Y was not able to file any action against X till July 2020. Discuss the admissibility of his suit for dispossession in light of recent judgement/guidelines issued by the Supreme Court.
- (b) A was made to sign an agreement under threat and coercion by B. B seeks to specifically enforce such agreement. Whether the agreement is enforceable. Explain the relevant provisions of Specific Relief Act to discuss the situations when an agreement is not enforceable.



HIMACHAL PRADESH NATIONAL LAW UNIVERSITY SHIMLA

End-Term Examination

Paper Code: LB-202

Subject: Legislative Drafting

B.A./B.B.A. 2nd Semester1st October, 2020

Time: 2hrs. 30minutes (Writing Examination- 10:30 am-12:30 pm; Scanning & Uploading Answer-sheets–
12:30 pm – 01:00 pm)

Maximum Marks: 50

Instructions:

The Question Paper has two Sections. Attempt any two questions from Section-A. Each question in Section-A carries five marks. Attempt any two questions from Section-B. Each question in Section-B carries twenty marks.

NOTE:- Read the following Law/Act carefully and answer the questions given below under Sections A and B.

THE CENTRAL ROAD AND INFRASTRUCTURE FUND ACT, 2000
ACT NO. 54 OF 2000

An Act to give statutory status to the Central Road and Infrastructure Fund for development and maintenance of National Highways, railway projects, improvement of safety in railways, State and rural roads and other infrastructure, and for these purposes to levy and collect by way of cess, a duty of excise and a duty of customs on motor spirit commonly known as petrol and high-speed diesel oil and for other matters connected therewith.

BE it enacted by Parliament in the Fifty-first Year of the Republic of India as follows: —

CHAPTER I PRELIMINARY

1. Short title, extent and commencement. — (1) This Act may be called the Central Road and Infrastructure Fund Act, 2000.

(2) ***.

(3) Save as otherwise provided in this Act, it shall be deemed to have come into force on the 1st day of November, 2000.

2. Definitions. — In this Act, unless the context otherwise requires, —

(a) ****;

(b) “cess” means a duty in the nature of duty of excise and customs, imposed and collected on motor spirit commonly known as petrol and high-speed diesel oil for the purposes of this Act;

(c) “Fund” means the Central Road and Infrastructure Fund established under sub-section (1) of section 6;

(d) ***;

(f) ***.

CHAPTER II CENTRAL ROAD AND INFRASTRUCTURE FUND

3. Levy and collection of cess.—(1) With effect from such date as the Central Government may, by notification in the Official Gazette, specify, there shall be levied and collected, as a cess, a duty of excise and customs for the purposes of this Act, on every item specified in

column (2) of the Schedule I, which is produced in or imported into India and— (a) removed from a refinery or a factory or an outlet; or (b) transferred by the person, by whom such item is produced or imported, to another person, at such rates as the Central Government may, by notification in the Official Gazette, specify:

Provided that the additional duty of customs and the additional duty of excise on motor spirit commonly known as petrol and on high speed diesel oil levied under sub-section (1) of section 109 and sub-section (1) of section 110, as the case may be, of the Finance Act, 2018 shall be deemed to be the cess for the purposes of this Act from the date of its levy and the proceeds thereof shall be credited to the Fund.

(2) Every cess leviable under sub-section (1) on any item shall be payable by the person by whom such item is produced, and in the case of imports, the cess shall be imposed and collected on items so imported and specified in the Schedule.

(3) The cess leviable under sub-section (1) on the items specified in the Schedule shall be in addition to any cess or duty leviable on those items under any other law for the time being in force.

(4) The provisions of the Central Excise Act, 1944 (1 of 1944) and the rules made thereunder and the provisions of the Customs Act, 1962 (52 of 1962) and the rules made thereunder, as the case may be, including those relating to refunds and exemptions from duties shall, as far as may be, apply in relation to the levy and collection of cess leviable under this section and for this purpose, the provisions of the Central Excise Act, 1944 and of the Customs Act, 1962, as the case may be, shall have effect as if the aforesaid Acts provided for the levy of cess on all items specified in the Schedule.

4. Crediting of cess to Consolidated Fund of India. —The proceeds of the cess levied under section 3 shall first be credited to the Consolidated Fund of India, and the Central Government may, if Parliament by appropriation made by law in this behalf so provides, credit such proceeds to the Fund from time to time, after deducting the expenses of collection, for being utilised exclusively for the purposes of this Act.

5. Grants and loans by the Central Government. —The Central Government may, after due appropriation made by Parliament by law in this behalf, credit by way of grants or loans such sums of money as the Central Government may consider necessary in the Fund.

6. Establishment of Central Road and Infrastructure Fund. — (1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, there shall be established for the purposes of this Act, a Fund to be called as the Central Road and Infrastructure Fund.

(2) The Fund shall be under the control of the Central Government and there shall be credited thereto— (a) any sums of money paid under section 4 or section 5; (b) unspent part of the cess, being already levied for the purposes of the development and maintenance of national highways; (c) the sums, if any, realised by the Central Government in carrying out its functions or in the administration of this Act; (d) any fund provided by the Central Government for the development and maintenance of State roads.

(3) The balance to the credit of the Fund shall not lapse at the end of the financial year.

7. Utilisation of the Fund. —

(1) The Fund shall be utilised for the— (i) development and maintenance of national highways; (ii) development of the rural roads; (iii) development and maintenance of other State roads including roads of inter-State and economic importance; (iv) construction of roads either under or over the railways by means of bridges and erection of safety works at unmanned rail-road

crossings, new lines, conversion of existing standard lines into gauge lines and electrification of rail lines; and (v) undertaking other infrastructure projects.

Explanation. —For the purposes of this Act, the expression “infrastructure projects” means the category of projects and infrastructure Sub-Sectors specified in Schedule II.

(2) The Central Government may, depending upon the requirement for development of infrastructure projects, and if it considers necessary or expedient to do so, by notification in the Official Gazette, amend Schedule II relating to any Category of projects or Infrastructure Sub-Sectors.

(3) Every notification issued under this Act by the Central Government shall be laid, as soon as may be after it is issued, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the notification or both Houses agree that the notification should not be made, the notification shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that notification.]

7A. Apportionment of share of fund by Committee. — The share of the Fund to be apportioned to each of infrastructure projects shall be finalised by a Committee, constituted by the Central Government by notification published in the Official Gazette, headed by the Finance Minister, depending on the priorities of the project.]

8. Accounts and audit. — ***.

CHAPTER III MANAGEMENT OF CENTRAL ROAD AND INFRASTRUCTURE FUND

9. Powers of Central Government to administer the Fund. — (1) The Central Government shall have the power to administer the Fund and shall—(a) take such decisions regarding investment on projects of roads and other infrastructure as it considers necessary; (b) take such measures as may be necessary to raise funds for the development and maintenance of roads and other infrastructure.

10. Functions of the Central Government.—(1) The Central Government shall be responsible for the— (i) administration and management of the share of Fund allocated to the development and maintenance of the roads and other infrastructure]; (ii) co-ordination and complete and timely utilisation of all sums allocated out of the Fund; (iv) formulation of criteria for allocation of funds for development and maintenance of State road projects including the projects of inter-State and economic importance; (vi) formulation of the criteria for allocation of the funds for development and maintenance of national highways and other infrastructure projects;

(2) ***

11. Administration of States’ share of the Fund. — (1) The share of the Fund to be spent on development and maintenance of State roads, based on the criteria formulated under clause (iv) of sub-section (1) of section 10, shall be allocated in such manner as may be finalised by the Committee referred to in section 7A.

(2) The portion of the Fund allocated for expenditure in the various States and Union territories shall be retained by the Central Government until it is actually required for expenditure.

(3) If in the opinion of the Central Government, the Government of any State or the administration of any Union territory has at any time— (a) failed to take such steps as the Central Government may recommend for the regulation and control of motor vehicles within

the State or the Union territory; or (b) delayed without reasonable cause the application of any portion of the Fund allocated or reallocated, as the case may be, for expenditure within the State or Union territory, the Central Government may resume the whole or part of any sums which it may have at that time held for expenditure in that State or the Union territory.

(4) All sums resumed by the Central Government from the account of any State Government or Union territory administration as aforesaid shall be re-allocated between the credit accounts of the defaulting and other State Governments and Union territory administrations in the ratio of the main allocation for the financial year preceding the year in which the re-allocation is made.

(5) The balance to the credit of the Fund in respect of any allocation shall not lapse at the end of the financial year.

12. Power to make rules. — (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing powers, such rules may provide for all or any of the following matters, namely:— (a) specify the type of projects in respect of which the funds may be disbursed under section 7; (b) the manner in which the accounts shall be maintained and the annual statement of accounts may be prepared including the profit and loss account and the balance-sheet under sub-section (1) of section 8; (d) any other matter for which rule is to be made, or may be, prescribed.

13. Rules made under this Act to be laid before Parliament.—Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

14. Provisions relating to existing Central Road and Infrastructure Fund.—With effect from the appointed day the Central Road Fund governed by the Parliamentary Resolution dated the 13th May, 1988 (hereafter referred to in this section as the existing Fund) shall be deemed to be the Fund established under this Act and,— (a) all schemes relating to development and maintenance of national highways, State roads and other infrastructure sanctioned under the existing Fund in so far as such schemes are relatable to the schemes under this Act, shall be deemed to be the schemes sanctioned under this Act; (b) all funds accrued under the existing Fund including assets and liabilities shall be transferred to the Fund established under this Act.

15. Repeal and saving. — (1) The Central Road Fund Ordinance, 2000 (Ord. 5 of 2000) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

THE SCHEDULE I (See section 3)

Sl. No	Name of item
1.	Motor spirit commonly known as petrol
2.	High speed diesel oil

SECTION-A (Short-Answer Type)**(2x5=10 Marks)****Q.1 Short Answer Type Questions:**

- (A) What is *ex-post* monitoring mechanism over secondary legislation? Explore the *ex-post* monitoring mechanism prescribed in the 'Act'.
- (B) The 'Act' tries to have conformity with other legislations. Illustrate with the help of provisions prescribed thereunder.
- (C) In reference to this 'Act', discuss the legislative structure.

SECTION-B (Long-Answer/Descriptive/Analytical Type) (2x20=40 Marks)

- Q.2** What would be the most suitable legislative theory (Utilitarian theory, Marxist theory, Interest Group theory, or Public Choice theory) which can explain the theoretical foundation of this legislation? Support your answer with adequate reasoning and illustrations.
- Q.3** Explore the proviso/non-obstante clause used in the 'Act' and outline their scope.
- Q.4** In reference to interpretation of statute, what is the difference between 'Textualism' and 'purposivism'?



HIMACHAL PRADESH NATIONAL LAW UNIVERSITY SHIMLA

End-Term Examination

Paper Code: LB-203

Subject: English-II

B.A./B.B.A.LL.B. 2nd Semester3rd October, 2020

Time: 3hrs. (Writing Examination- 10:30 am -12:30 pm; Scanning & Uploading Answer-sheets--
12:30 pm – 01:30 pm)

Maximum Marks: 50

Instructions:

The Question Paper has two Sections. Attempt any two questions from Section-A. Each question in Section-A carries five marks. Attempt any two questions from Section-B. Each question in Section-B carries twenty marks.

SECTION-A (Short-Answer Type)**(2x5=10 Marks)****Q.1 Short Answer Type Questions:**

(A) “Motherhood is a sacred thing,” something “pure” that “our culture enjoins us to the perpetual worship” of the mother figure. Mothers are meant to weave “a magic circle with her whole existence in order to protect and preserve her little one.” Do you think that an unwed mother cannot safeguard the social concept of motherhood as objected by the team of characters performed in the play within the play of Silence! The court is in session.

(B) i) Fill the dots with suitable/ apt Prepositions.**(Marks:2.5)**

1. Fate smiles those who untiringly grapple with stark realities of life.
2. Success in this examination depends hard work alone.
3. Piyush behaves strangely at times and, therefore, nobody gets with him.
4. The ruling party will have to put its own house order.
5. Jawaharlal spent his childhood Anand Bhawan.

ii) Sentences have been given in Direct Speech. Write the best answer that expresses the same sentence in Indirect Speech.

(Marks:2.5)

1. His father says “Honesty is the best policy”.
2. He said to him, 'Is not your name Khalid?'
3. All said to the beggar, 'I know you very well'.
4. He said, "Yes, I'll come and see you."
5. John asked, “How long will it take to travel from Germany to South Africa?”

(C) Read the Comprehension to answer the questions that follow:

What is the future which awaits our children? The underlying assumption of the questions that Indian children have a common future is itself dubious. It can legitimately be asked whether a student who is well fed, attending a boarding school in the salubrious climate of the hills, and learning to use computers has any future is common with malnourished child who goes to a school with no black boards. The latter may have no worthwhile future at all. And it might be worthwhile to analyse the significance of this marginalization of more than 75% of the children of this country. The failure to provide an infrastructure for primary education in the villages of India more than 40 years after independence is in sharp contrast with the sophisticated institutions, for technical institutes of the higher education are funded by the govt., which essentially means that the money to support them comes from taxes. And since indirect taxation forms a substantial part of the taxes collected by the govt., the financial burden is borne by all the people. L.K. Jha put it graphically when he observed that 25 paise of every rupee spent on education of an IIT student comes from the pockets of men and women, whose children may never enter a proper classroom.

1. Why can there not be equality among Indian Children?
2. How does the writer bring out the disparity in educational system for children?
3. What is going to be the effect of such difference in future?
4. What is the opinion of L.K. Jha on education?
5. What does the author want to convey?

SECTION-B (Long-Answer/Descriptive/Analytical Type) (2x20=40 Marks)

Q.2 The motif of Crime and Punishment has been used in the play *Justice* and the two short stories titled 'The Witch' and 'Kokila' Is it just a literal embellishment which seems improbable or has any close association with reality? Does it affect the pacing and idea of feminism?

Q.3 Write a long paragraph using the following words:

Pantomime, Platitudes, Pugnacity, Red tapism, Soporific, Verbatim, Cynic, Amnesia, Bellicose, Caducity, Aborigines, Acclimatize, Celibacy, Cannibal, Blasphemy, Belligerents, Ascetic, Avaricious, Aphasia, Credulous.

Q.4 Recollect the rules of Précis writing to compress the passage given. Please note the key points must not be missed in the adherence to the rule of brevity.

The cinema is an outstanding wonder of this modern age. Apart from the great pleasure it gives us a means of entertainment, it is many ways an education in itself, and no regular patron of the cinema can ever be called illiterate. The cinema is also a very valuable asset to educationalists in imparting knowledge. The film companies, from time to time, produce historical pictures and their pictures are of great importance to the teacher of history. A couple of hours spent in the company of historical personages dressed in the proper dress of that period can teach us far more than we can learn from a whole week's browsing in a history text book. Even some of Shakespeare's dramas and comedies have been filmed and we thereby gain a much better idea of the play than would be possible from a casual reading of it. But of the far greater importance is the use of the film in the teaching of science and industry. There are educational film companies which devote their time to the filming of the habits and customs of animals, insects, fishes, germs and numerous other branches of scientific life. We can see the hatching of the eggs of fish and their gradual development into large, we can watch the unceasing activity of many kinds of germs and their effect on water, milk or blood. We can watch the opening and closing of flowers and leaves and the growth of grass and weeds. All these actions and movements are greatly magnified on the screen. Such pictures are intensely interesting and are a great help to the cause of education.

*End-Term Examinations*

Paper Code: LB-204

Subject: Economics-II (Macro Economics)

B.A./B.B.A.LL.B. 2nd Semester5th October, 2020

Time: 3hrs. (Writing Examination- 10:30 am -12:30 pm; Scanning & Uploading Answer-sheets–
12:30 pm – 01:30 pm)

Maximum Marks: 50Instructions:

The Question Paper has two Sections. Attempt any two questions from Section-A. Each question in Section-A carries five marks. Attempt any two questions from Section-B. Each question in Section-B carries twenty marks.

SECTION-A (Short-Answer Type)**(2x5=10 Marks)****Q.1 Short Answer Type Questions:**

(A) Economy of Azmnistan clocks Gross Domestic Product =\$2000 million, Taxes=\$100 million, Consumption= \$950 million; Government Spending = \$200 million.

Calculate investment expenditure and private savings, and what is the budget surplus/deficit? Explain the relationship between these three (investment expenditure and private savings, budget surplus/deficit)?

(B) The economy of Esteria is facing a recessionary gap. The advisory council of the president consists of economist members representing the Classical, Keynesian, Monetarist, Real business cycle views, Explain what policies each member would recommend to the President and why?

(C) Taxes act as automatic stabilizers and lower the size of the multiplier. But a lower multiplier will require higher degree of changes government expenditures or taxes needed to close an inflationary or recessionary gap. How can this situation be explained for effective policy making?

SECTION-B (Long-Answer/Descriptive/Analytical Type) (2x20=40 Marks)

- Q.2** (a) Value added method is considered a better method to estimate the National Income. Discuss this concept in light of importance of procedure of Value added method.
- (b) In a 'two goods economy' comprising of motorbikes and cars. In 2013, 1,000 motorbikes were sold at Rs. 40000 each and 8000 cars at Rs. 100000 each. From 2013 to 2014, the price of motorbikes rose by 25% and their sales fell by 10%; the price of cars fell by 15% and their sales rose by 5%.
1. Calculate nominal GDP in 2013 and 2014. Calculate real GDP in 2014 using 2013 prices.
 2. Can reliance on Nominal GDP figures prove to be deceptive?
- Q.3** (a) The government of Arinistan is witnessing huge shortfall in revenues, a candidate for president argues that the Arinistan should just print money to cover the government's budget deficit. But the opposition leader warns about the crowding out of private investments due to such a move. What are the benefits and drawbacks of such a plan?
- (b) The Central Bank of Chikmagluru imposes a required reserve ratio of 10%. Money aggregates are:
- Bank deposits at the central bank = \$200 million; Currency held by public = \$150 million; Currency in bank vaults = \$100 million; Demand deposits with banks = \$500 million; Traveler's checks = \$10 million (Module 3)
- On the basis of above figures, estimate (approx):
1. M1
 2. Monetary base?
 3. Statutory and Actual Reserves of commercial banks.
 4. Is it possible for commercial banks to increase demand deposits? If yes, by how much?
- Q.4** (a) Economy of Raziktan is initially in equilibrium and its Central bank decides to decrease the money supply.
1. Explain what will happen to the interest rate in the short run.
 2. What will happen to the interest rate in the long run?
 3. How will this impact various sectors of the economy?
- (b) Explain why, in the aftermath of a severe recession, a very low interest rate may still be unable to move the economy back to full employment.



HIMACHAL PRADESH NATIONAL LAW UNIVERSITY SHIMLA

End-Term Examinations

Paper Code: BBL-201

Subject: Strategic Management

B.B.A. LL.B. 2nd Semester7th October, 2020

Time: 3hrs. (Writing Examination- 10:30 am -12:30 pm; Scanning & Uploading Answer-sheets–
12:30 pm – 01:30 pm)

Maximum Marks: 50

Instructions:

The Question Paper has two Sections. Attempt any two questions from Section-A. Each question in Section-A carries five marks. Attempt any two questions from Section-B. Each question in Section-B carries twenty marks.

SECTION-A (Short-Answer Type)**(2x5=10 Marks)****Q.1 Short Answer Type Questions:**

- (A) Give an example of any organization that changed their strategic decisions due to impact of Covid-19.
- (B) Give recent examples of backward, forward and horizontal integration moves by various organizations.
- (C) BCG Matrix helps in evaluating strategic choices and hence helps in taking strategic decisions. Comment.

SECTION-B (Long-Answer/Descriptive/Analytical Type) (2x20=40 Marks)

- Q.2** Consider any organization of your choice. Define its business along five dimensions of strategy diamond. Also frame a mission statement for the chosen organization keeping in mind all nine essential components.
- Q.3** Consider any global organization of your choice and explain how they have been expanding globally over the years. What strategic choices have they made and what are their future strategic plans for global expansion?
- Q.4** "The greatest strategy is doomed if it's implemented badly." —Bernard Reimann. Comment on this with illustrations.

Examination R.NO.

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HIMACHAL PRADESH NATIONAL LAW UNIVERSITY SHIMLA

End-Term Examinations

Paper Code: BBL-202

Subject: Financial Accounting

B.B.A. LL.B. 2nd Semester9th October, 2020

Time: 3hrs. (Writing Examination- 10:30 am -12:30 pm; Scanning & Uploading Answer-sheets–
12:30 pm – 01:30 pm)

Maximum Marks: 50

Instructions:

The Question Paper has two Sections. Attempt any two questions from Section-A. Each question in Section-A carries five marks. Attempt any two questions from Section-B. Each question in Section-B carries twenty marks.

SECTION-A (Short-Answer Type)**(2x5=10 Marks)****Q.1 Short Answer Type Questions:**

(A) What accounting principle is violated and what are the implications for the periodic operating results and on financial position in each of the following cases:

- i. A firm shows all purposes including fixed assets below ₹ 2500 even when they have a useful life extending over many years in the Trading Account.
- ii. A motor car was fully depreciated in the first five years of its life, but it is still giving useful service to firm.

(B) What is a Contra entry? How is it distinguished from other entries in the Cash book.

(C) What adjusting entries would you pass in regards to (i.) outstanding expenses (ii.) prepaid expenses (iii.) accrued income (iv.) income received in advance and (v.) depreciation?

SECTION-B (Long-Answer/Descriptive/Analytical Type) (2x20=40 Marks)

Q.2 “The ascertainment of correct profit depends upon proper matching of costs and revenues.” Critically examine the statement in the light of “Matching Concept” of accounting.

Q.3 The following Trial Balance has been prepared wrongly. You are asked to prepare the Trial Balance correctly.

Name of the account	Debit Balance ₹	Credit Balance ₹
Cash in hand		2,000
Purchase Return	4,000	
Wages	8,000	
Establishment expenses	12,000	
Sales Return		8,000
Capital	22,000	
Carriage Outward		2000
Discount Received	1200	
Commission Earned	800	
Machinery		20,000
Stock		10,000
Debtors	8,000	
Creditors		12,000
Sales		44,000
Purchases	28,000	
Bank Overdraft	14,000	
Manufacturing Expenses		14,000
Loan from Ankush	14,000	
Carriage Inward	1,000	
Interest on Investment		1,000
	1,13,000	1,13,000

Q.4 How will you deal with the followings in Income and Expenditure Account and Balance Sheet of a club as on 31st Dec, 2002?

Subscription received during the year 2002	₹ 25,000
Subscription outstanding 31-12-2001	₹ 5,000
Subscription outstanding 31-12-2002	₹ 10,000
Subscription received in Advance in 2001	₹ 7,500
Subscription received in Advance in 2002	₹ 5,000