

# Rameshwar College, B.R.A.B.U. Muzaffarpur

## Faculty of Commerce

### Syllabus: B.Com Part 2

#### (GROUP-A-Accounts)

#### Paper-III: BUSINESS LAW

1. Indian Contract Act- 1872:
  - (a) Agreement & Contract. Valid, Void, Contingent & Quasi Contract and e-contract. Offer or proposal-Definitions & Essential elements, Acceptance-Definitions & Essential elements, Promise, Communication of Offer and Acceptance and Revocation. Capacity to Contract, Consent and Free Consent, Consideration and Void Agreements.
  - (b) Law of Indemnity and Guarantee.
  - (c) Law of Bailment and Pledge.
  - (d) Law of Agency.
2. Sale of Goods Act-1930:
  - (a) Introduction, Definition, Formalities of the contract of sales,
  - (b) Distinction between 'sale' and 'agreement of sale'
  - (c) Distinction between 'sale' and 'hire purchase agreement'.
  - (d) Conditions and Warranties.
  - (e) Transfer of Property as between the seller and the buyer. Rights of an unpaid seller.
3. Negotiable Instruments Act-1881.
  - (a) Meaning and Characteristics of Negotiable Instrument.
  - (b) Promissory and bill of Exchange: Essential elements, Acceptor and Acceptance, Acceptance for Honour
  - (c) Drawer, Drawee in case of needs, Payee.
  - (d) Types of Cheque and Penalties in case of dishonour, Difference between cheque and Bill of exchange.
4. Carriage of Goods Act.
5. Insolvency and Arbitration Act
6. Indian Partnership Act.

#### Books Recommended:

1. Dr. G.K. Varshney- Business Law
2. M.C. Kuchhal & Vivek Kuchhal- Business Laws
3. N.D. Kapoor- Business Laws.

## **MODEL QUESTION PAPER**

B.Com Part-2

BUSINESS LAW (Hons) Paper-III

*Answer any five questions*

1. What is contract? Explain the essential elements of a valid contract.
2. Explain the offer and acceptance and discuss their legal rules.
3. What is competency to contract? Who are the persons considered competent to enter a contract by the Indian Contract Act.
4. Define consent. When is consent said to be free?
5. Describe the law relating to minor's contracts in India.
6. Define Consideration and discuss its characteristics.
7. Discuss the various agreements which are expressly declared by the Indian contract Act.
8. Discuss the rule regarding performance of contracts.
9. Define Agency? Explain how it is created and how it is terminated.
10. What is contract of sale? Discuss the characteristics of sale.

### **Paper-IV: SPECIALISED ACCOUNTING**

1. Profit or Loss Prior and after Incorporation, Bonus shares
2. Amalgamation, Absorption and Reconstruction of a Company
3. Liquidation of a Company (voluntary)
4. Holding Company: Preparation of Consolidated Balance Sheet with one Subsidiary.
5. Account of Banking Company.
  
6. Accounting of non-trading institutions: Receipts & Payment Account and Income & Expenditure Account.
  
7. Insolvency.

### **Books Recommended:**

1. Dr.S.M. Shukla & Dr. K.L. Gupta: Specialised Accounting
2. Dr. S.K. Singh: Financial Accounting & Specialised Accounting
3. Steven M. Bragg: Accounting Best Practices.

## MODEL QUESTION PAPER

B.Com Part-2

SPECIALISED ACCOUNTING (Hons) Paper-IV

*Answer any five questions*

1. What are bonus shares? What are the guidelines issued by the Securities Exchange Board of India regarding issue of bonus shares?
2. What do you mean by "Profit prior to incorporation"?
3. What do you mean by Amalgamation?
4. What is a Holding Company? What are the legal requirements for presenting information to the members of the Holding Company?
5. What do you understand by Non-trading organisation?
6. On 31<sup>st</sup> March 2015 the balance sheet of H. Ltd and S. Ltd stood as follows:

Liabilities	H.ltd	S.ltd	Assets	H.ltd	S.ltd
<b>Share capital:</b> (of Rs. 10 each fully paid)	500000	200000	Sundry Assets	517600	304000
<b>Reserves</b>	100000	50000	60% shares in S.ltd acquired on 21 <sup>st</sup> March 2015 (Cost)	162400	-----
<b>Creditors</b>	80000	60000	Preliminary expenses	-----	6000
<b>Total</b>	<b>680000</b>	<b>310000</b>	<b>Total</b>	<b>680000</b>	<b>310000</b>

Prepare a Consolidated Balance Sheet as at 31<sup>st</sup> March 2015.

7. Zenith Ltd had accumulated profits in the following accounts:

<b>General Reserve</b>	<b>1,00,000</b>
<b>Profit &amp; Loss A/c</b>	<b>3,00,000</b>
<b>Share Premium A/c</b>	<b>80,000</b>
<b>Revaluation Reserve</b>	<b>20,000</b>

The company had issued share capital of 4,000 Equity Shares of Rs.100 each. The Company decided that two Equity Shares of Rs. 100 each should be issued at 20% premium as Bonus Shares for every 5 Equity Shares held by the shareholders.

Pass necessary Journal Entries to give effect to the transactions stated above.

8. A summary of receipts & payment of Sports club for one year is given below:

Receipts & Payment A/c for the year ended 31<sup>st</sup> Dec.....

Receipts	Rs.	Payments	Rs.
To Opening Bal.	3000	By Salaries & Rent	1500
" Subscription	20000	" Electric Charges	300
" Donation	5000	" Sports Expenses	1000

" Entrance Fees	1000	" Sports Goods	9000
" Interest	100	Purchase	
" Charity Show receipts	2400	" Books Purchase	5000
		" Mis. Expenses	700
		" Investment	2000
		" Closing Bal.	8000
		"Charity shows exp.	4000
	31500		31500

Prepare Income & Expenditure A/c for the year 31<sup>st</sup> Dec.....

9. A ltd and B ltd have agreed to amalgamate. A new Company C ltd has been formed to take over the combined concern as on 31<sup>st</sup> Dec. 2018. After negotiation, the assets of the two companies have been agreed as shown in the following Balance Sheet.

Liabilities	A. ltd	B. ltd	Assets	A. ltd	B.ltd
• Share Capital in Shares	500000	1000000	• Land & Building	300000	500000
• Reserve Fund	50000	-----	• Machinery	250000	200000
• Profit & Loss A/c	50000	50000	• Goodwill	50000	----
• Creditors	<u>50000</u>	<u>50000</u>	• Patents	----	110000
			• Stock	20000	150000
			• Sundry Debtors	20000	120000
			• Bank	<u>10000</u>	<u>500000</u>
	<b>650000</b>	<b>1130000</b>		<b>650000</b>	<b>1130000</b>
					<b>0</b>

The assets and liabilities would be taken over by C.ltd. It issues 50000 shares of Rs. 10 each to the public for raising of working capital. Assuming That the purchase price is to be settled by fully paid shares of Rs. 10 each compute the purchase consideration payable. Give the Journal Entries and Balance Sheet of C.ltd

10. A Company issued 20000 Shares of Rs. 10 each payable as Rs. 3 per share on application, Rs 3 per share on allotment and Rs 4 per share on call.  
Applications were received on 25000 shares. The company rejected the excess application on 5000 shares. When the call was made all sum due were received except on 2000 shares.  
Show Journal Entries.

**(GROUP-B-CORPORATE ADMINISTRATION)**

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B.Com Part-2

BUSINESS LAW (Hons) Paper-III

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6. Define Consideration and discuss its characteristics.
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9. Define Agency. How it is created and how it is terminated?
10. What is contract of sale? Discuss the characteristics of sale.

### **Paper-IV: COMPANY LAW & ADMINISTRATION**

- A. **Company Law:** Detailed study of the Companies Act, 1956. Definition and meaning, Incorporation of company and connected matters; prospectus, shares and debentures; Registration of changes; Management, Audit and Accounting; Directors, Managing Directors, etc.  
Meetings, Resolutions and procedures; Secretaries and treasurer, Arbitration and compromise, Arrangements and Reconstruction, Prevention of Oppression and Mismanagement; Winding up of Companies-Voluntary and Compulsory-Companies Incorporated outside India- Government Companies.
- B. **Administration:** Company Profit and Finance, Pattern of liability and assets, sources and uses of funds-loans and investments; Capital issues-Dividend, Companies incorporated outside but working in India. The Department of Company Law Administration; the Advisory Commission.

### **Books Recommended:**

1. C.S. Anoop Jain: Company Law
2. Dr. Satish Kumar Saha and Anju Agarwal: Indian Company Law
3. Karn Gupta: Introduction to Company Law.

## **MODEL QUESTION PAPER**

B.Com Part-2

COMPANY LAW & ADMINISTRATION (Hons) Paper-IV

*Answer any five questions*

1. How is a Company formed? Explain.
2. What are Articles of Association? What restrictions have been imposed on their alteration.
3. Describe the powers of the Board of Directors.
4. Define a Private Company and explain its advantages and disadvantages.
5. Explain the Contents of Memorandum of Association.
6. Describe the term winding up. What are the different modes of winding up?
7. What is Annual General Meeting? Explain the objectives of AGM, legal formalities of an AGM.
8. Explain the duties and responsibilities of a company secretary.
9. What are the advantages and disadvantages of a Joint Stock Company?
10. Explain the duties and responsibilities of a Managing Director.

### **(GROUP-C- BUSINESS ENVIRONMENT)**

#### **Paper- III: BUSINESS LAW**

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  - (c) Drawer, Drawee in case of needs, Payee.
  - (d) Types of Cheque and Penalties in case of dishonour, Difference between cheque and Bill of exchange.
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  - 5. Insolvency and Arbitration Act
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**Books Recommended:**

- 1. Dr. G.K. Varshney- Business Law
- 2. M.C. Kuchhal & Vivek Kuchhal- Business Laws
- 3. N.D. Kapoor- Business Laws.

**MODEL QUESTION PAPER**

B.Com Part-2

BUSINESS LAW (Hons) Paper-III

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- 10. What is contract of sale? Discuss the characteristics of sale.



**Paper-IV: ECONOMIC & LABOUR LEGISLATION:**

1. The Industries(Development and Regulation) Act, 1951
2. Capital Issues(Control) Act 1947
3. Foreign Exchange Regulation Act, 1973,
4. MRTP Act, 1969
5. Essential Commodities Act, 1955
6. Factories Act, 1948
7. Workmen's compensation Act, 1923
8. Industrial Disputes Act, 1947
9. Employees State Insurance Act, 1948.
10. Payment of Bonus Act, 1965
11. Trade Union Act, 1926
12. Minimum Wages Act, 1953

In the study of the above laws emphasis must be placed on the philosophy behind passing the laws and their objectives.

**Books Recommended:**

1. Dr. Satish Kr. Saha: Industrial Relations & Labour Laws
2. P.R.N. Sinha, Indu Bala Sinha & Seema Pridarshini Shekhar
3. Dr. O.P. Gupta: Labour Legislation in India.

**MODEL QUESTION PAPER**

B.Com Part-2

ECONOMIC & LABOUR LEGISLATION (Hons) Paper-IV

*Answer any five questions*

1. What are the provisions under Industrial Development Act?
2. Explain the main features of MRTP Act.
3. Write any ten authorised deductions as per Payment of wages Act.
4. Explain the concept and functions of Trade unions.
5. Discuss the different approaches of industrial relations.
6. Explain the main features of Minimum Wages Act.
7. Explain the 'Manufacturing process' under the Factory Act, 1948.
8. Explain 'injury' under the Employee State Insurance Act. 1948.
9. What is Partial Disablement under the Workmen's Compensation Act 1923
10. Distinguish between Arbitration and Conciliation for the resolution of industrial disputes under the Industrial Disputes Act 1947.

## SUBSIDIARY

- I. Money and Banking: (MONEY)
  1. Money: Definition, Function, Importance & Classification; Money – Meaning and determination
  2. Index Number: Meaning, Importance & preparation of simple weighted index numbers.
  3. Quantity theory of Money: Fisher's Equation; Cambridge & Keynes's Views
  4. Inflation & Deflation: Meaning, Causes, Effects on different classes and methods to check them.
  5. Monetary Policy: Objectives and Need
  6. Exchange Control: Meaning, Objectives and Methods.
  7. Foreign Exchange: Meaning and determination of exchange rate-Outline of Purchasing Power Parity theory & Balance of Payment Theory- Causes of changes in exchanges rates.
  8. Gold Standard: Meaning, kinds & break down of gold standard; Re-Introduction
  9. I.M.F. - Objectives & present position.

### (BANKING)

1. Unit Banking & Branch Banking
2. Commercial Banks: Functions, Credit Creation & Investment Policy of Commercial Banks.
3. Central Bank: Functions, Methods of Credit Control.
4. R.B.I.: Functions, Success & Failures.
5. Agricultural Credit & NABARD: Co-operative Banks & Rural Banks.

### **Books Recommended:**

1. T.N. Hajela: Money & Banking
2. E. Narayanan Nadar: Money & Banking
3. R. Parameswaran: Indian Banking.

## **MODEL QUESTION PAPER**

B.Com Part-2

MONEY & BANKING

*Answer any five questions*

1. Define money. Discuss its importance.
2. What are the different kinds of paper money? State their merits and demerits.
3. What is inflation? Discuss its causes and effects.
4. What is meant by Deflation? Discuss its causes and effects.
5. What is index number? How are they constructed?
6. What is unit banking? Discuss its merits & demerits
7. Discuss the functions of commercial banks.
8. Discuss the investment policy of commercial banks.
9. State the various method of credit control of central bank.
10. Explain the functions of central banks.

### **II. PLANNING & ECONOMIC DEVELOPMENT:**

1. Nature of Economic System: Capitalism, Socialism and Mixed Economy- characteristics, features, merits & demerits of each system.
2. Economic Planning: Meaning, nature, object, scope & Importance; Features of underdeveloped economy.
3. Economic Development of India: Role of State in growth and industrial development in a Country.
4. Indian Agriculture: Growth and development of Agriculture in India- Land Reforms- Subdivisions and Fragmentation of landholdings-Fixation of Ceiling-Consolidation of Holdings and Co-operative farming-Five Year Plans and Agriculture-Food Problem and food production in India.
5. Problems of Industrialisation in India: Industrial policy of the Government of India since 1948-Growth of Public Sector. Large Scale Industries-Problems and present position of Iron & Steel, Cotton, Textiles, Jute & Sugar industries, Protection to Industries, Importance of Small scale and Cottage Industries.
6. Trade: Trends and special features of foreign trade-Tariff protection, composition & directive since 1950, Means of Transport, Railways, Road & Air transport and their progresses after independence.

Books Recommended:

1. Dr. Amit Kr. Upadhyay: Principles of Economics
2. M.L.Jhingan: Principles of Economics.
3. D.N. Dwivedi: Principles of Economics.

## **MODEL QUESTION PAPER**

B.Com Part-2

PLANNING & ECONOMIC DEVELOPMENT

*Answer any five questions*

1. Define capitalism and discuss its characteristics.
2. What is socialism? Explain its merits and demerits.
3. Explain the mixed economy. Discuss its merits and demerits.
4. Discuss the role of state in growth of economic development.
5. State the role of state in industrial development.
6. Describe the importance of agriculture in Indian Economy.
7. Discuss the characteristics of Indian Agriculture.
8. Examine the causes of low productivity of agriculture in India.
9. State the need of land reforms in India.
10. Discuss the merits and demerits of sub-division and fragmentation of land holding.

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