

ARUNACHAL PRADESH PUBLIC SERVICE COMMISSION

COMMERCE: PAPER – II

TIME – 3 (Three) Hours

FULL MARKS – 100

(Group – A is compulsory. Attempt any FOUR questions from Group – B. This question paper does not need any graph paper, calculator, log table etc.)

Group – A

(This group is COMPULSORY and carries 20 marks)

1. Attempt any **TEN**:

(10 x 2 marks = 20)

- a. What do you mean by Leverage?
- b. What are the stages of Project appraisal?
- c. Describe the strategic implications of Product Life Cycle.
- d. What do you mean by code of discipline?
- e. State the Doctrine of Accounting Practices?
- f. Distinguish between CENVAT and MODVAT.
- g. What do you mean by convenient sampling?
- h. What is venture capital?
- i. What is Arbitration?
- j. What is the difference between sales territory and sales quota?
- k. Who are the stakeholders of the Social Accounting?
- l. How you deal with cost of primary and secondary packaging materials at the time of preparing a cost sheet?

GROUP - B

(Answer any Four questions. Each question carries 20 marks
and this group carries 80 marks in total)

2. A company producing a single product sells it at Rs.50 per unit. Unit Variable cost is Rs.35 and fixed cost amounts to Rs. 12 Lakhs per annum. With the data you are required to calculate the following, treating each independent of each other:

- P/V Ratio and Break Even Sales
- New Break even sales if variable cost increases by Rs.3 per unit, without increasing selling price.
- Increase in sales required if profit is to be increased by Rs. 2.40 lakhs.

(8+6+6=20)

3. Which is a better measure for capital budgeting, IRR or NPV? Describe with an example.

4. Write short notes on any TWO:

(2 x 10 marks = 20)

- Du-Pont Control Chart
- Activity based Costing
- Cost Classification

5. Write short notes on any TWO:

(2 x 10 marks = 20)

- Accrual Basis accounting
- Methods of Conversion to Inflation accounting
- Conventions of Accounting

6. Describe the procedure to be followed to select a salesman for an organisation manufacturing heavy equipments.

7. Define Manpower Planning. State the procedure to estimate the manpower requirement for a particular financial year.

8. Describe the role of Government in developing SSI sectors, with special reference to Arunachal Pradesh.

9. Write short notes on any TWO:

(2 x 10 marks = 20)

- Relief under Section 89 of Income Tax Act, 1961
- Carry forward and set off of Losses
- Penalties for non-submission of tax return

10. "Reporting is a mandatory practice for all business organisation" - Elucidate the statement.

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