

H.P. BOARD OF DEPARTMENTAL EXAMINATION DEPARTMENTAL
EXAMINATION FOR EXCISE & TAXATION INSPECTORS (AESTO)
OF EXCISE AND TAXATION DEPARTMENT

SESSION- NOV - 2019

PAPER-5 : BOOK KEEPING AND GENERAL COMMERCIAL KNOWLEDGE

Time Allowed -3 hours

Maximum Marks -100

- i) Attempt any five questions
- ii) All questions carry equal marks
- iii) No books are allowed.
- iv) Use of calculator is allowed
- v) Indicate same question number and its part as assigned in the question paper while answering the same

Question no-1 Rectify the following errors :-

- 1 A sale of goods to Raja Ram for Rs. 2500/- was passed through the Purchases Book.
- 2 Salary of Rs 800/- paid to Hari Babu was wrongly debited to his personal account
- 3 Furniture purchased on credit from Mohan Singh for Rs.1000/- was entered in the Purchases Book.
4. Rs.5000/- spent on the extension of building was debited to Buildings Repairs Account
5. Goods Returned by Mani Ram Rs.1200/- were entered in the Returns Outwards Books.

20 Marks)

Question-2 Enter the following transactions in journal of ABC :-

SN	Date	Particular	Amount (Rs.)
1	1.3.2019	Manohar Lal started business with Cash	Rs. 60,000
2	3.3.2019	Purchased furniture for cash.	10000
3	4.3.2019	Purchased goods for cash	25000
4	5.3.2019	Bought goods from kamlesh	15000
5	6.3.2019	Sold goods for cash	36000
6	7.3.19	Sold good for hari	30000
7	8.3.2019	Paid cash to kamlesh	15000
8	10.3.2019	Received cash from Hari	18000
9	13.3.2019	Paid rent for office	1000
10	15.3.2019	Received commission	750

(Mark-s-20)

- 2 -

Question-3 : Prepare Trading and Profit and Loss a/c for the year ending 31.3.2018 and prepare balance sheet as that date from the following trial balance

(figure in Rs.)

Particular	Dr.	Cr.
Capital		100000
Cash	15000	
Bank overdraft		20000
Purchases	120000	
Sales		150000
Purchases Returns		20000
Sales Return	10000	
Establishment expenses	22000	
Taxes and insurance	5000	
Bad debts	5000	
Bad debt provision		7000
Debtors	50000	
Creditora		20000
Commission		5000
Deposit	40000	
Opening stock	30000	
Drawings	14000	
Furniture	6000	
Bills receivable	30000	
Bills payable		25000
	347000	347000

Adjustments:

- 1 Salaries Rs.1000/- and taxes Rs 2000/- are outstanding and insurance Rs.500/- is prepaid
- 2 Commission Rs.1000/- is received in advanced for next year.
- 3 Interest Rs.2100/- is to be received on deposit and Interest on bank overdraft Rs. 3000/- is to be paid .
- 4 Bad debts provision is to be maintained at Rs.10000/- on debtors.
- 5 Depreciate furniture by 10 %
- 6 Closing stock valued at Rs.45000/-

(Marks-20)

Question-4 : Prepare the bank reconciliation from the following information as on 31.3.2019

- | | | | |
|---|--|---|-------|
| 1 | Balance as per cash book as on 31.3.2019 | = | 12000 |
| 2 | balance as per bank statement as on the date | = | 14000 |

- 3-
- 3 Out of total cheques amounting to Rs. 10000/- issued , cheques aggregating .Rs.3000/- were presented in March 2019 and cheques amounting to Rs.4000/- were presented in April 2019 and remaining have not been presented as yet.
 - 4 Out of total cheques amounting to Rs 5000/- deposited , cheques aggregating Rs.1500/- were credited in March 2019 and balance were credited in April 2019.
 - 5 Bank has debited Rs.100/- as bank charges and has credited Rs.200/- as interest.
 6. Bank has reversed bank charges of Rs.200/- wrongly debited earlier.
 - 7 Bank paid insurance premium of Rs. 2000/- but it has recorded as Rs.200/- in the cash book.

(Marks-20)

Question no-5 : A) Explain

1. Operating Profit and Net Profit
2. Trade Discount and Cash Discount
3. Fixed Assets and Current Assets
4. Prepaid Expenses and Outstanding Expenses

(5 x 4 = 20)

Question 6 Differentiate between any two :-

1. Cash basis of accounting and Accrual basis of accounting
2. Straight-line method of depreciation and Written-down method of depreciation
3. Reserve and provision

(3 x 10 = 20)

Question-7 Define the following as per Himachal Pradesh Protection of Interests of Depositors (in Financial Establishment) Act, 1999 with amendment 2016.

- 1) Deposit
- 2) Financial Establishment.

(10 x 2 = 20)

Question-8

- 1) Define term "Goods" as per Competition Act, 2002

(Marks -10)

- 2) Explain the following as per Competition " Act , 2002 .

- a) Whether "Patent" falls under definition of "Goods"
- b) Sale of Residential units does not falls under the definition of "goods"

(5 x 2 = 10)