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M.Com. – I (Semester – I) Examination, 2014
ADVANCED BANKING AND FINANCIAL SYSTEM
Law and Practice of Banking in India (Paper – I) (Gr-d)

Day and Date : Wednesday, 19-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Max. Marks : 50

N. B. : 1) **All questions are compulsory.**
2) **Figures to the right indicate full marks.**

1. Choose the correct alternatives given below : **10**

- 1) A Bill of BRA 1949 was introduced in the Parliament in March _____
 - a) 1947
 - b) 1948
 - c) 1949
 - d) 1951
- 2) The authorised capital of Exim Bank is Rs. _____ crores.
 - a) 10
 - b) 100
 - c) 1,000
 - d) 10,000
- 3) Service area approach to _____ leading was introduced by RBI with effect from April 1st 1989.
 - a) Short term
 - b) Medium term
 - c) Long term
 - d) None of these
- 4) A working group to review the working of land bank scheme was set-up in November _____
 - a) 1975
 - b) 1980
 - c) 1985
 - d) 1991
- 5) By an ordinance dated April 1980 ; the Central Govt. acquired another _____ scheduled commercial banks.
 - a) Two
 - b) Four
 - c) Six
 - d) Nine
- 6) The Exim Bank was set-up in _____
 - a) 1980
 - b) 1985
 - c) 1990
 - d) 2001



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M.Com. – I (Semester – I) Examination, 2014
ADVANCED ACCOUNTANCY (Paper – I) (Group – a)

Day and Date : Wednesday, 19-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Total. Marks : 50

1. Choose the correct alternative : 10

- 1) Policy maturing only on death of insured is termed as
 - A) Endowment policy
 - B) Whole life policy
 - C) With profit policy
 - D) None of the above
- 2) Reduction of share capital requires the permission of _____
 - A) Central Government
 - B) Court
 - C) SEBI
 - D) State Government
- 3) Electricity supply under taking are governed by
 - A) Indian Electricity Act, 1910
 - B) Electricity and Supply Act, 1948
 - C) Both A) and B)
 - D) Companies Act, 1956
- 4) According 'Code of Conduct' reserve for unexpired risk at the end is maintained at _____ of the premium in case of Fire Insurance.
 - A) 50%
 - B) 25%
 - C) 75%
 - D) 100%
- 5) The minimum rent or royalty whichever is more, is to be paid to the _____
 - A) Lessee
 - B) Land Lord
 - C) Sub-Lessee A/c
 - D) None of these
- 6) Under double accounting system the balance sheet is presented in _____ parts.
 - A) Two
 - B) Three
 - C) One
 - D) Not prepared
- 7) The types of reconstruction are _____
 - A) 2
 - B) 3
 - C) Only one
 - D) None of the above



8) At the end of the year Royalty A/c is closed by transferring its balance to _____

- A) Short-Working A/c B) Land Lord A/c
C) Profit and Loss A/c D) Lessees A/c

9) The Balance of capital reduction account after writing off accumulated losses is transferred to _____

- A) General Reserve Act B) Share Capital A/c
C) Capital Reserve A/c D) P and L A/c

10) Legal fees with respect to claims is shown in _____

- A) Revenue A/c B) P and L appropriation A/c
C) P and L A/c D) None of these

2. Write a short note (**any two**) :

10

- A) Difference between International Financial Reporting Standard and Indian Accounting Standard.
B) Recoupment of short working.
C) Ascertainment of profit in the case of life insurance.

3. a) The Balance Sheet of Vishal Ltd. as on 31st March 2012 was as under :

5

**Balance Sheet
As on 31-3-2012**

Liabilities	Rs.	Assets	Rs.
Authorised Capital		Patent	85,000
a) 1000 pref. of 100 each		Premises	13,080
b) 1000 ordinary share of 100 each	<u>2,00,000</u>	Machinery	4,220
		Stock	5,500
Subscribed capital		Debtors	7,650
a) 750 Pref. shares of 100 each	75,000	Discount on shares	1,800
b) 500 ordinary share of 100 each	50,000	Preliminary exp.	1,200
S. Creditors	3,000	P and L A/c	11,500
Bank over draft	2,000	Cash	50
	1,30,000		1,30,000



The Co. suffered high losses and were not getting on well. There for it was decided to reconstruct to Co. The following scheme was adopted.

- 1) That Pref. Share to be reduced to on equal number of shares of Rs. 50/- each.
- 2) That the ordinary share to be reduced to an equal number of shares of Rs. 25/-.
- 3) The amt. thus available used for the reduction of assets as follows :

Preliminary exp., P and L A/c Dr. Balance, Discount of issue of shares, Rs. 3080 Off the premises, Rs. 1,500 off Stock 20% of machinery and 20% Drs (R.D.D) and Balance available to patent.

Prepare journal entries.

- b) The Ram Co. Ltd. leased a property of Ali Co. Ltd at a Royalty of Rs. 75 paise per tones with a minimum rent 40,000 p.a. each year. Excess of minimum rent over royalty was re-coup in next two years in the event of strike minimum rent not been reached. Minimum rent would be reduced proportionately to actual work.

5

Year	Tones
2000	17,600
2001	60,000
2002	96,000
2003 (3 month strike)	40,000
2004	80,000

Prepare Royalty A/c and Short Working A/c.

4. Answer **any one** :

10

- a) The following Trial Balance was extracted from the book of Great India Assurance Co. Ltd. as on 31st March 2012.

Particulars	Dr. Rs.	Cr. Rs.
Paid-up capital		
10,000 shares of Rs. 10 each	—	1,00,000
Life Fund balance on 1-4-2011	—	29, 72,300
Dividend Paid	15,000	—
Bonus in reduction of premium	31,500	—



Premium less re-insurance premium	–	1,61,500
(Commission there on Rs. 5,000)		
Claims paid	1,97,000	–
Outstanding claims (1-4-2011)	–	7,000
Commission	9,300	–
Management exp.	32,300	–
Mortgage in India	4,92,200	–
Interest, dividend and rent	–	1,12,700
Agents balance	9,300	–
Freehold premises	40,000	–
Investment	23,05,000	–
Loans on policies	1,73,600	–
Cash on Deposits	27,000	–
Cash on Current Account	7,300	–
Surrenders	7,000	–
Medical stores	7,000	–
Consideration for annuities granted	–	10,000
Annuity	10,000	–
	33,63,500	33,63,500

Prepare the revenue a/c for the year ended 31st March 2012 and a Balance Sheet of the Co. as at that date after taking the following into consideration.

	Rs.
1) Claim outstanding	10,000
2) Further bonus in reduction of premium	5,000
3) Premium outstanding	5,000
4) Claims covered under reinsurance	80,000
5) Management exp. due	30,000

OR



b) From the following information prepare revenue A/c of fire insurance Co.Ltd.
for the year ended 31st Dec. 2010 :

10

Particulars	Rs.
Fire Fund on 1-1-2010	6,00,000
Premium received	4,50,000
Premium due but not received	30,000
Premium paid for re-insurance	10,000
Interest, Dividend and Rent (Gross)	70,000
Income tax deducted there from	8,000
Profit on sale of investment	7,000
Sandry Income	2,000
Claim paid during the year	3,80,000
Claim outstanding on 1-1-2010	20,000
Claim outstanding on 31-12-2010	24,000
Claim received under re-insurance	18,000
Commission to Agent	42,000
Expenses of Management	84,000
Rent prepaid for office building	1,000
Loss on sale of office machine	2,000
Commission of re-insurance accepted	3,000

Keep the reserve for unexpired risk equal to 50% of premium and additional reserve of Rs. 80,000.

5. Answer **any one** :

10

- a) The following is the Trial Balance of Electric Light and Power Co. Ltd. as at 31st March 2012. Prepare final A/c.

Trial Balance

Particulars	Dr. Rs.	Cr. Rs.
Preliminary exp.	10,000	–
Cost of licence	15,000	–
Building	3,50,000	–
Plant	4,50,000	–
Mains	1,75,000	–
Tools	20,000	–
Transformers	1,00,000	–
Meters	50,000	–
Furniture and Fixtures	60,000	–
Share Capital	–	4,00,000
8% Debenture	–	3,00,000
S. Creditors	–	35,000
Reserve Fund	–	1,00,000
Reserve Fund Investment	1,00,000	–
Sale of Ashes	–	5,000
Rent and taxes	10,000	–
Fuel oil, wastage etc. at generation station	1,25,000	–
Wages at plant	1,20,000	–
Distribution wages	40,000	–
Meter Rent	–	30,000
Balance of net revenue A/c	–	40,000



Transfer Fees	–	1,000
Deprecation fund	–	1,50,000
Bad debts	1,000	–
Law charges	4,000	–
Cash in hand	10,000	–
Cash at Bank	60,000	–
S. Debtors	27,000	–
Fixed Deposits with bank	50,000	–
Management exp.	24,000	–
Directors remuneration	6,000	–
Auditors remuneration	2,000	–
Store in hand	20,000	–
Repairs-General Plant	4,000	–
Distribution	2,000	–
Prepaid exp.	2,000	–
Street light exp.	60,000	–
Sale of energy for lighting	–	4,50,000
Sale of energy for power	–	3,10,000
Sale of energy for under special contract	–	1,50,000
Miscellaneous receipts	–	1,000
Salaries of Engineers and staff generation	40,000	–
Distribution	15,000	–
Office	20,000	–
	19,72,000	19,72,000



Additional information :

- 1) Addition to fixed asset and capital during the year : Building – 50,000, Plant – 1,20,000, Mains – 25,000, Share Capital – 1,00,000.
- 2) Deprecation to be provide for the year : Building – 30,000, Plant – 35,000, Mains – 25,000, Meters – 5,000, Transformers – 10,000, Tools and Instrument – 2,000, Furniture and Fixture – 5,000.
- 3) Interest on debenture to be provided for one year provide for income tax Rs. 30,000. Transfer to reserve fund Rs. 15,000.

OR

- b) The Maharashtra Coal Co. Ltd. leased a piece of land from Z for ten year from 1st Jan 2000 on the following terms :

10

The Maharashtra Coal Co. Ltd. shall pay a minimum rent of Rs. 1,400/- per year for the first year with an annual increase of Rs. 140 in every subsequent year in the minimum rent merging into a royalty of 25 paise per ton of coal taken out with power to recoup short-working in first three years only.

The annual out put for first five years was as under.

Year	Tons
2000	1,400 tons
2001	4,200 tons
2002	8,400 tons
2003	11,200 tons
2004	3,920 tons

Record the above transaction in the books of the Maharashtra Coal Co. Ltd. by means of Journal entries.



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M.Com. – I (Semester – I) Examination, 2014
ADVANCED COSTING (Gr.b.) (Paper – I)

Day and Date : Wednesday, 19-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Max. Marks : 50

- N.B. :** 1) *All questions are compulsory.*
2) *Figures to the right indicate full marks.*
3) *Use of calculator is allowed.*

1. Choose correct alternatives from the given below : 10
- 1) Depreciation on fixed assets of factory is treated as part of _____ overheads.
A) Production B) Selling C) Distribution D) Administration
 - 2) The cost of searching for new or improved products, new applications of materials or new or improved method is called _____ costs.
A) Overhead B) Research C) Direct D) Total
 - 3) The amount of overheads absorbed in production is more than the amount of actual overheads incurred is called _____
A) Under absorption B) Semi variable overheads
C) Over absorption D) Variable overheads
 - 4) _____ of overheads is the process of charging the proportion of common items of cost to two or more cost centres on some equitable basis.
A) Allocation B) Classification
C) Absorption D) Apportionment
 - 5) _____ materials can be easily identified with a specific job, contract or work order.
A) Indirect B) Indirect cost C) Raw D) Direct

P.T.O.



- 6) The main object of fixing _____ level is to determine when an urgent action is required for fresh supplies of materials.
A) Maximum B) Minimum C) Re-order D) Danger
- 7) The practice of using same costing principles and /or practices by a number of firms in the same industry is called _____
A) Advanced costing B) Process costing
C) Uniform costing D) Batch costing
- 8) _____ method is based on the assumption that the goods which are received last are issued first.
A) LIFO B) Specific price C) FIFO D) Average price
- 9) Re-order quantity is the quantity for which order is placed when the stock reaches _____ level.
A) Danger B) Minimum C) Re-order D) Average
- 10) _____ overheads are those costs which do not vary with the change in the volume of production up to a given range.
A) Variable B) Fixed C) Direct D) Indirect

2. Write short notes on : **10**

- 1) Treatment of depreciation
- 2) Economic ordering quantity

3. A) From the following information calculate reorder level and minimum level: **5**

- 1) Monthly demand of product – 1000 units
- 2) Cost of placing an order – Rs. 100
- 3) Actual carrying cost per unit – $6\frac{1}{2}\%$
- 4) Purchase price of input unit Rs. 200
- 5) Minimum usage 25 units per week
- 6) Maximum usage 75 units per week
- 7) Re-order period 4 to 6 weeks
- 8) For emergency purchase 3 weeks



B) Bharat Ltd. furnishes the following stores transaction for July 2014. Prepare Bin Card. 5

July 1 – Opening Balance – 200 units value Rs. 2,000

July 4 – Receipts from B. Company – 300 units @ Rs. 12 per unit

July 7 – Issues MRN No. 110 – 400 units

July 10 – Receipt from M Company – 400 units @ Rs. 14 per unit

July 19 – Issues MRN No. 220 – 300 units

July 30 – Shortage in stock taking – 20 units

4. Prepare store ledger account from the following details using LIFO method of pricing issue of materials : 10

April 1 – Opening Balance 10850 Kg @ Rs. 130 per kg

April 2 – Purchased 20,000 Kg @ Rs. 134 per Kg

April 3 – Issued 6,750 Kg to production

April 5 – Issued 8,500 Kg to production

April 6 – Received back 550 Kg from production being surplus

April 9 – Stock verification revealed loss of 250 Kg

April 15 – Issued 6300 Kg to production

April 17 – Issued 1000 Kg to production

OR

Show how the items given ahead relating to purchases and issues of a raw material item will appear in the stores ledger card using weighted average method for issue pricing.

Jan. 1 Opening Balance 300 units Rs. 20 per unit

Jan . 5 Purchases 200 units Rs. 22 per unit

Jan. 11 Issues 150 units

Jan. 22 Purchases 200 units Rs. 23 per unit

Jan. 24 Issue 150 units

Jan. 28 Issue 200 units



5. Compute the machine hour rate from the following data :

10

- 1) Total machine cost to be depreciated Rs. 2,30,000
- 2) Life – 10 years
- 3) Depreciation on straight line
- 4) Departmental overheads (annual)
Rent Rs. 50,000
Heat of light Rs. 20,000
Supervision Rs. 1,30,000
- 5) Departmental area 70,000 square feet
Machine area 2,500 square feet
- 6) Annual cost of reserve equipment for the machines Rs. 1,500
- 7) Hours run on production – 1,800
- 8) Hours for setting and adjusting – 200
- 9) Power cost Re. 0.50 per hour of running time
- 10) Labour :
 - a) When setting and adjusting – Full time attention
 - b) When machine is productive, one man can look after three machine.
- 11) Labour rate Rs. 6 per hour
- 12) There are 26 machines in the department.

OR

From the following information calculate Reorder level, Minimum level, Maximum level, Average stock level, Danger level.

10

Rate of consumption :

Minimum 500 Kg per week

Maximum 1500 Kg per week

Normal 800 Kg per week

Reorder period – Minimum 3 weeks Maximum 7 weeks Normal 4 weeks

For emergency purchase 2 weeks

Reorder quantity – 4000 kg.



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M.Com. – I (Semester – I) Examination, 2014
TAXATION (Gr. C) (Paper – I)

Day and Date : Wednesday, 19-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Max. Marks : 50

Instructions : 1) **All questions are compulsory.**
2) **Figures to the right indicate marks.**

1. Select the correct choice :

10

- 1) Secondary and Higher Education Cess (SHEC) is leviable on
 - A) Income-tax
 - B) Income-tax and surcharge if applicable
 - C) Income-tax, surcharge if applicable and education cess
- 2) Income deemed to accrue or arise in India is taxable in case of
 - A) Resident only
 - B) Both ordinarily resident and not ordinarily resident
 - C) Non-resident
 - D) All the assesses
- 3) Mahendra a person of Indian origin visited India on 2-10-2012 and plans to stay here for 185 days. Earlier to that he was never in India. For assessment year 2013-14, Mahendra shall be
 - A) Resident and ordinarily resident in India
 - B) "resident but not ordinarily resident in India"
 - C) Non-resident
- 4) Scholarship received by a student was Rs. 12,000 p.m. He spends Rs. 8,000 for meeting the cost of education. The balance Rs. 4,000 is
 - A) Taxable
 - B) A casual income
 - C) Exempt
- 5) Any sum received under a Life Insurance Policy including bonus shall be exempt
 - A) In all kinds of policies
 - B) In all kinds of policies except when received under a Keyman Insurance policy
 - C) In all kinds of policies except when received under Keyman Policy or under a policy covered under Section 80 DDA (3)
 - D) In all kinds of policies except when received under Keyman Insurance Policy or such policy as is covered under Section 80 DD (3) or policy issued on or after 1-4-2012, if the premium paid for any year exceeds 10% of actual capital sum assured, except on death.



- 6) Rahul worked with a previous employer for 3 years but was not entitled to any gratuity. He worked with the present employer for 8 years and 7 months. The completed years of service for calculating exemption of gratuity shall be taken as
 A) 11 years B) 8 years C) 9 years D) 12 years
- 7) If rent is paid for a house situated in Delhi, the house rent allowance shall be exempt to the maximum extent of
 A) 40% of salary B) 50% of salary C) 60% of salary
- 8) Shivaji is entitled to a transport allowance of Rs. 1,000 p.m. for commuting from his residence to office and back. He spends Rs. 600 p.m. The exemption shall be _____
 A) Rs. 1,000 p.m. B) Rs. 800 p.m.
 C) Rs. 600 p.m. D) Rs. 400 p.m.
- 9) If annual value of the let out house property is negative then deductions which shall be allowed u/s 24 shall be
 A) All deductions
 B) No deduction
 C) Deduction on account of interest on money borrowed
- 10) Unrealized rent is a deduction from
 A) Gross annual value
 B) Net annual value
 C) Income from the head house property

2. Write short notes on :

10

- A) Annual value of house property
 B) Distinguish the treatment under income tax for various Provident Funds.

3. A) Akbar, a citizen of India, left India on 21-10-2010 for employment abroad. Earlier to this date, he was always in India. During 2011-12 and 2012-13 he came to India for 168 days and 185 days respectively. Determine his residential status for assessment year 2013-14.

10

OR

B) For the previous year ended 31-3-2013 Ashvin had the following incomes :

- | | |
|---|----------|
| a) Honorarium received from Government of India
(Rs. 15,000 was incurred as travelling expenses
in this connection) | 1,00,000 |
| b) Profits earned from a business in Kerala controlled
from Canada | 5,00,000 |



- c) Royalty received from Government of India 60,000
- d) Profit earned from a business in Bangladesh, controlled from Dhaka and (credited to his personal accounts in the bank there) 40,000
- e) Dividend from an Italian company credited to his account in Switzerland 20,000
- f) Agricultural income from Sri Lanka not remitted to India 6,00,000

Compute the taxable income of Mr. Ashvin for the assessment year 2013-14 if he is a

- i) Resident and ordinarily resident
- ii) Not ordinarily resident
- iii) Non-resident.

4. A) Shri Vinod, who was in part-time employment with A Ltd and B Ltd. furnishes the following information :

10

	A Ltd.	B Ltd.
Basic salary per month (last drawn)	Rs. 10,000	Rs. 6,000
Dearness allowance	30% (Forming part of salary for retirement benefits)	30% (40% forming part of salary for retirement benefits)
Date of retirement	1-12-2012	15-11-2012
Period of service	22 years 11 months	20 years 4 months
Amount of gratuity received	1,43,000	1,20,000
Date of last increment in basic salary	1-4-2012	1-8-2012
Amount of last increment	Rs. 1,000	Rs. 500

Compute the gross salary of Shri Vinod for Assessment year 2013-14.

OR

- B) Ishant is employed with a company in Delhi. He is in the grade, 18,000-500-22,000-1,000-30,000 since 1-1-2004. He is paid 20% of salary as dearness allowance and Rs. 5,000 p.m. as house rent allowance.

He has hired an accommodation on a monthly rent of Rs. 6,500. He contributes 17% of his salary and dearness allowance to the recognized provident fund towards which the employer contributes an equal amount.

He has been given a car of 1.6 Ltr. Engine capacity which is used by him his personal purposes also. The driver's salary and all the expenses relating to the official use of the car are incurred by the employer. His personal Gas and telephone bills Rs. 1,200 and Rs. 2,000 respectively have been paid by the employer.

Compute his income from salary for the assessment year 2013-14.



5. A) Mr. Sehgal owns a house in Bangalore construction of which was completed on 1-7-1998. Half portion is let out for residential purposes on a monthly rent of Rs. 8,000. However, this portion remained vacant for three months (from 1-1-2013 to 31-3-2013) during the previous year 2012-13. 1/4th portion is used by Mr. Sehgal for the purpose of his profession while the remaining 1/4th portion is used for his own residence for the full year.

10

The other expenses regarding the house were :

	Rs.
i) Municipal taxes	10,000
ii) Repairs	5,000
iii) Interest on loan for renovation of house	40,000
iv) Ground rent	2,000
v) Annual charge	10,000
vi) Fire insurance premium	4,000

Compute the taxable "Income from house property" for the assessment year 2013-14.

OR

- B) Construction of a house was completed on 01-04-2012 and following particulars are available about the house.

Municipal rental value	84,000 p.a.
Fair rental value	90,000 p.a.
Actual rent	7,200 p.m.
Municipal taxes paid	15,000

The house was let out for the period from 01-04-2012 to 30-06-2012 and self occupied from 01-07-2012 onwards. Expenses incurred on the house were

Fire Insurance Premium	1,600
Land revenue paid	3,000
Interest on the loan for the period	
a) 01/04/2009 to 31/03/2012	51,000
b) 01/04/2012 to 31/03/2013	17,000

Compute income from the house property for assessment year 2013-14.



- V) If two constraints do not intersect in the positive quadrant of the graph, then
- One of the constraint is redundant
 - The solution is infeasible
 - The solution is unbounded
 - None of these

- VI) At any iteration of the usual simplex method, if there is at least one basic variable in the basis at zero level and all $(z_j - c_j) \geq 0$, then the current solution is
- Infeasible
 - Unbounded
 - Non-degenerate
 - Degenerate

- VII) Simplex algorithm has been developed by
- George Dantzig
 - Walter A Schwartz
 - Karl Pearson
 - None of these

- VIII) To convert \leq type of inequality in equation form, we introduce
- Slack variable
 - Surplus variable
 - Artificial variable
 - None of these

- IX) General assignment problem is of which type ?
- Minimisation
 - Maximisation
 - Constant
 - None of these

- X) In a balanced assignment problem, the cost matrix has
- No. of rows $>$ No. of columns
 - No. of rows $<$ No. of columns
 - No. of rows = No. of columns
 - None of these

2. A) State various applications of O. R.

5

B) Solve the following L.P.P. by graphical method.

$$\text{Max. } Z = 2x_1 + 3x_2$$

Subject to the constraints;

$$x_1 + x_2 \leq 30,$$

$$x_1 - x_2 \geq 0, x_2 \geq 3,$$

$$0 \leq x_1 \leq 20 \text{ and } 0 \leq x_2 \leq 12.$$

5



3. A) Define L.P.P. in canonical form. State its various characteristics. 5
B) Find the inverse of following matrix :

$$A = \begin{bmatrix} 2 & 4 & 1 \\ 3 & 2 & 5 \\ 1 & -2 & 5 \end{bmatrix}$$

5

4. Attempt **any one** of the following : 10
A) Use simplex method to solve the following L.P.P.

$$\text{Max } Z = 2x_1 - x_2 + x_3$$

Subject to the constraints;

$$3x_1 + x_2 + x_3 \leq 60$$

$$x_1 - x_2 + 2x_3 \leq 10$$

$$x_1 + x_2 - x_3 \leq 20, \text{ and } x_1, x_2, x_3 \geq 0$$

B) Explain assignment algorithm.

5. Attempt **any one** of the following : 10
A) Explain simplex algorithm.

B) Solve the following assignment problem :

A	B	C	D	
I	1	4	6	3
II	9	7	10	9
III	4	5	11	7
IV	8	7	8	5



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M.Com. – I (Semester – I) Examination, 2014
Paper – II (Gr.d.) : ADVANCED BANKING AND FINANCIAL SYSTEM
Bank Management

Day and Date : Friday, 21-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Max. Marks : 50

N.B. : 1) *All questions are compulsory.*
2) *Figures to the right indicate full marks.*

1. Choose correct alternatives given below : **10**
- 1) _____ department deals with inland trade bills, both inward and outward.
 - 1) Cash
 - 2) Deposit
 - 3) Bills
 - 4) Establishment
 - 2) Group banking and chain banking systems are commonly found in _____.
 - 1) UK
 - 2) USA
 - 3) USSR
 - 4) India
 - 3) _____ increases the customers convenience.
 - 1) E-commerce
 - 2) Traditional Banking
 - 3) E-Banking
 - 4) Co-operative Banking
 - 4) Doctrine of real bills is the traditional theory of bank _____.
 - 1) Liquidity
 - 2) Profitability
 - 3) Safety
 - 4) Popularity
 - 5) _____ is a method of granting advances is also a short term facility intended to provide current working capital.
 - 1) Over draft
 - 2) Cash credit
 - 3) Loans
 - 4) Bills discounting
 - 6) England is a typical country which follows the system of _____ banking.
 - 1) Unit
 - 2) Chain
 - 3) Group
 - 4) Branch
 - 7) A working group on customer service in banks is headed by Sri _____.
 - 1) R. K. Talwar
 - 2) Ranganathan
 - 3) Narasimham
 - 4) D. Tiwari



SLR-D – 7

Seat No.	
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M.Com. – I (Semester – I) Examination, 2014
ADVANCED ACCOUNTANCY (Paper – II) (Group – a) (Auditing)

Day and Date : Friday, 21-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Max. Marks : 50

N.B. : i) *All questions are **compulsory**.*
ii) *Figures to the **right** indicate **full** marks.*

1. Choose correct alternative from alternatives given below **each** questions : **10**
- 1) Audit is conducted on behalf of the proprietors while investigation may be carried out on behalf of
 - a) Share holders
 - b) Directors
 - c) Outsiders
 - d) Organizers
 - 2) Wrong provision for bad and doubtful debts is example of
 - a) Errors of principle
 - b) Errors of commission
 - c) Errors of omission
 - d) Clerical errors
 - 3) To vouch travellers commission an auditor should examine
 - a) Balance Sheet
 - b) Profit and Loss Account
 - c) Trial Balance
 - d) All of the above
 - 4) Which of the following audit provides a continuous review ?
 - a) Internal audit
 - b) External audit
 - c) Government audit
 - d) None of the above
 - 5) Which of the following is called essence of the auditing ?
 - a) Accounting
 - b) Vouching
 - c) Internal check
 - d) All of the above
 - 6) Which of the following is detailed plan of audit work ?
 - a) Audit programme
 - b) Audit file
 - c) Working papers
 - d) Audit note book

P.T.O.



- 7) The audit of a branch accounts is compulsory under Section
a) 328 b) 228 c) 229 d) 329
- 8) Which of the following is used as technique of internal control evaluation ?
a) Internal check b) Vouching
c) Questionnaire d) Test checking
- 9) Audit clerk cannot remember everything at all times. During the course of audit, hence he maintains a book with him, known as
a) Audit note book b) Audit file
c) Audit programme d) Audit working papers
- 10) The Chartered Accountants Act was passed in 1949 and it came in to force on
a) July 1, 1948 b) July 1, 1950
c) July 1, 1947 d) July 1, 1949

2. Write short notes : 10
a) Audit in India
b) Audit of branches.
3. Answer in brief : 10
a) Write difference between auditing and investigation.
b) Write need and importance of vouching.
4. Answer **any one** of the following : 10
a) What is internal and external audit ? State difference between internal and external audit.
b) Define internal control and write characteristics of good internal control.
5. Answer **any one** of the following : 10
a) What is verification and valuation of assets and liabilities ? How you vouch the following ?
i) Good will ii) Land and building
b) Write points to be considered by the auditor before commencement of audit.
-



- 6) Labour Turnover is calculated by _____
- a) $\frac{\text{No. of workers left}}{\text{Average No. of workers}} \times 100$
 - b) $\frac{\text{Number of additions}}{\text{Average No. of workers}} \times 100$
 - c) $\frac{\text{Number of workers replaced}}{\text{Average No. of workers}} \times 100$
 - d) None of the above
- 7) The workers who are sent to the premises of the customer are known as _____
- a) Out workers
 - b) Badali workers
 - c) Regular workers
 - d) None of the above
- 8) Time-keeping is also called as _____
- a) Time-Booking
 - b) Attendance Records
 - c) Output Records
 - d) All of the above
- 9) Under integrated accounting there will be _____ figures of profit.
- a) Various
 - b) Different
 - c) Only one
 - d) All of the above
- 10) Need for reconciliation of cost and financial accounts arises due to _____
- a) Certain items are included in one set of accounts only
 - b) Under/over absorption of overheads
 - c) Adoption of different bases of stock valuation
 - d) All of the above

2. Write short notes on :

- a) Cost unit and cost centre
- b) Overtime and idle time.



3. Answer in brief : 10
- a) Time-keeping and Time-booking.
 - b) Integrated system of accounting.
4. From the following information, prepare a cost sheet showing the Prime cost, Factory cost, Cost of goods produced, Cost of goods sold, Cost of sales and the profit per unit and in total. 10
- 1) Cost of materials @ Rs. 13/- per unit.
 - 2) Labour cost @ Rs. 7.50 per unit.
 - 3) Factory overheads are absorbed @ 60% of labour cost.
 - 4) Administrative overheads are absorbed @ 20% of factory cost.
 - 5) Selling overheads are charged @ 2.50 per unit sold.
 - 6) Opening stock of finished goods – 500 units @ Rs. 19.75.
 - 7) Closing stock of finished goods – 250 units.
 - 8) Sales – 10,250 units at profit of 20% on sales.

OR

The following particulars apply to a factory where worker A, B, C and D works.

Normal rate per hour – Rs. 5

Standard time per unit – 12 minutes.

In a 40 hours week, the output was as follows.

Worker	A	B	C	D
	66 units	166 units	200 units	220 units

Calculate :

- 1) Cost per unit.
- 2) Earnings per worker.

Under :

- i) Straight Time Rate System.
- ii) Straight Piece Rate System.



5. A companies profit as per the costing system was Rs. 46,126 whereas the audited financial accounts showed a profit of Rs. 33,248. From the additional information. You are required to prepare a 'Reconciliation' Statement, showing clearly the reasons for the difference between the two figures :

10

Profit and Loss Accounts for the year ended 31st March 2014

Particulars	Rs.	Particulars	Rs.
Opening Stock	4,94,358	Sales	6,93,000
Purchases	1,64,308		
Less : Closing stock	<u>1,50,242</u>		
	5,08,424		
Direct wages	46,266		
Factory overheads	41,652		
Gross profit c/d	96,658		
	6,93,000		6,93,000
Administrative exps.	19,690	Gross profit b/d	96,658
Selling exps.	44,352	Sundry income	632
Net profit	33,248		
	97,290		97,290

The cost records show :

- i) Closing stock balance of Rs. 1,56,394.
- ii) Direct wages absorbed during the year Rs. 49,734.
- iii) Factory overheads absorbed Rs. 39,428.
- iv) Administration exps. charged @ 3% on sales.
- v) Selling exps. charged @ 5% of value of sales.
- vi) No mention of sundry income.

OR

The following particulars apply to a factory where W, X, Y and Z worker works.

Normal rate per hour Rs. 5.

Standard output per hour – 5

In order to produce 200 units.

Time taken was as follows (in hours)

<u>W</u>	<u>X</u>	<u>Y</u>	<u>Z</u>
10	20	30	40

Calculate the earnings per worker under :

- i) Halsey Premium System.
- ii) Rowan Premium System.



Seat No.	
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**M.Com. (Part – I) (Semester – I) Examination, 2014
TAXATION (Paper – II) (Gr – C)**

Day and Date : Friday, 21-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Total Marks : 50

Instruction : Figures to the *right* indicate **full** marks.

1. Select the right answer from given alternatives : **10**
- 1) Assessee having business income have to file the Return of income in the form
a) ITR – 1 b) ITR – 7 c) ITR – 4 d) ITR – 2
 - 2) In case of HUF the Return of Income is to be signed by
a) Karta or other adult member of HUF
b) Managing Director
c) Manager
d) Officer
 - 3) In case of Partnership firm Remuneration is allowable to
a) Working Partners b) All Partners
c) Non Working Partners d) Minor Partner
 - 4) Interest on Partners Capital is allowable at maximum at the rate of
a) 18% b) 10% c) 12% d) 15%
 - 5) Central Board of Direct Taxes works under the
a) Finance Ministry of Central Government
b) Finance Ministry of State Government
c) Foreign Ministry of Central Government
d) RBI Governer



- 6) An application for PAN is to be made in the form number
a) 49A b) 49B c) 15H d) 15G
- 7) The filling of Return of Loss before the due date is
a) Optional
b) Non mandatory
c) Mandatory if the assessee has to carry forward the loss which are allowed to be carried and set off
d) Not applicable
- 8) A non company assessee has to make payment of advance tax installments in
a) 3 b) 4 c) 5 d) 1
- 9) An application for TAN is to be made in the form number
a) 49A b) 15G c) 15H d) 49B
- 10) Tax Deduction Certificate for Professional Payment made to Chartered Accountant is to be given in
a) Form No. 16 b) Form No. 16A
c) Form No. 10 d) Form No. 16B

2. A) Write short notes on **any two** : **5**
- 1) System of E-filing of Returns
 - 2) Central Board of Direct Taxes
 - 3) Remuneration of partners.
- B) Write short notes on **any two** : **5**
- 1) Prescribed Forms of Return of Income For Different Types of Assessee
 - 2) Interest u/s 234A
 - 3) Advance Tax Instalments for Non Corporate Assesseees
 - 4) Documents as Proof of Identity for 'PAN' for Individuals.



3. A) Mr. Krishna of Bangalore aged 58 years is required to file his return of income for the assessment year 2012-13 in July 2012 but he filed his return on 29th October, 2012. The other details are as follows : Tax paid on the date of filing the return of income as self assessment tax 3,600, Tax deducted at source 9,000, Taxable income as per return 5,00,000. Calculate the interest u/s 234A of the Income Tax Act, 1961.

5

B) From the following data determine the advance Tax liability of different categories of assessees for the assessment year 2013-14 :

Amount (Rs.)

Total Income 20,00,000

Payments towards

a) PPF 1,00,000

b) Life Insurance Premium 30,000

c) Tax saving mutual funds 50,000

d) Medical Insurance Premium 10,000

Compute tax liability assuming

a) Assessee is a man below 60 years of age

b) Assessee is a HUF

c) Assessee is a firm.

5

4. A) A Hindu undivided family consists of Amar and his two younger brothers Avinash and Arvind. From the following particulars compute the total income of the family for the Assessment year 2013-14 :

a) Interest on government securities held out of family funds Rs. 6,000

b) The family owns a house property consisting of two identical units, the annual value of them being Rs. 20,000. One unit is occupied by the family for its own residence and the other one is let out at a rent of Rs. 800 per month. Let out portion remained vacant for one month during the year.



- c) Profit from family business managed by the Karta is Rs. 1,00,000 before deducting Rs. 15,000 paid to him as salary but after charging speculation loss of Rs. 5,000.
- d) Avinash received salary of Rs. 24,000 by working in a private company.
- e) The family spent Rs. 15,000 on medical treatment of a specified disease of a member of the family and paid Rs. 5,000 as donation to National Blood Transfusion Council and Rs. 6,000 as premium on Life Insurance Policy of members of family.

10

OR

- B) Harshad is the Karta of H.U.F. From the following particulars compute the total income of the family for A.Y. 2013-14 and the tax liability :
- a) Salary received by Rajesh a copercener Rs. 50,000 P.M. from Central Govt. Department.
 - b) Salary received from the family business by Harshad and Jagjit, another members of family Rs. 10,000 p.m. and Rs. 15,000 p.m. respectively. The assessing officer considers that Jagjit salary is excessive and the justified amount is only Rs. 10,000 p.m.
 - c) Interest and dividend income :
 - i) Interest on government securities, held in the name of Karta purchased from family funds amounted to Rs. 20,000.
 - ii) Dividend on Units of U.T.I. inherited by the family Rs. 4,500.



d) Family business income :

The Profit and Loss Account showed a net profit of Rs. 2,90,000 after charging salary of Harshad and Jagjit and also after debiting and crediting, as the case may be the following :

- 1) Taxable income from house property Rs. 60,000.
- 2) Loss from speculation business Rs. 10,000.
- 3) Winning from Lottery of Hariyana State Government Rs. 20,000 gross.
- 4) Insurance premium paid on the lives of members of family Rs. 40,000.
- 5) Contribution to public provident fund in the name of Karta Harshad Rs. 30,000.
- 6) Expenditure on religious and Marriage function of family Rs. 20,000 **10**

5. A) X, Y and Z are working partners in a firm sharing profits and losses in the ratio of 1 : 2 : 3. The profit and loss account of the firm showed a net profit of Rs. 6,30,000 for the year ending 31-3-2013 after charging the following :

Salary of Rs. 30,000 and Rs. 20,000 to X and Y respectively. Interest on capital calculated at the rate of 15% p.a. amounting Rs. 1,250, Rs. 7,500 and Rs. 6,250 to X, Y and Z respectively. Bonus to Z of Rs. 15,000 Commission of Rs. 5,000, Rs. 12,500 and Rs. 17,500 to X, Y and Z respectively. Compute the assessable income of the firm and tax liability of the firm and also find out partners income taxable under the Heads Profits and Gains. **10**

OR



B) Shri Ashok and Bhavesh are equal working partners in a firm, whose Profit and Loss Account for the year ended 31st March, 2013 is given below. The payment of salary commission and interest @ 14% has been made as per deed.

Particulars	Rs.	Particulars	Rs.
To salary, wages and bonus	4,000	By Gross Profit	2,44,500
To General expenses	13,000	By Interest (Bank F.D.)	9,000
To Value Added Tax	300	By Bad Debts recovered	
To Rent, Rates and Taxes	2,500	(Disallowed in earlier	
To Income Tax Reserve	1,500	year's assessment)	1,100
To Depreciation on plant and machinery	1,200		
To Bad debts written off	300		
To Bad Debts Reserve	800		
To Advertising	2,000		
To Subscription	1,000		
To Donation to a Hospital (Notified u/s 80G)	5,000		
To Loss on sale of motor car	9,000		
To Interest on capital :			
Ashok	8,400		
Bhavesh	5,600		
	14,000		14,000



To Partner's Salaries :

Ashok	50,000	
Bhavesh	<u>30,000</u>	80,000
To Commission to Bhavesh		10,000

To Net Profit :

Ashok	55,000	
Bhavesh	<u>55,000</u>	1,10,000
Total	2,54,600	Total 2,54,600

Notes :

- a) General expenses include Rs. 200 being legal charges for drawing up a new partnership deed.
- b) Advertising represents Rs. 2,000, being cost of insertion in trade journals.
- c) The motor car is entirely used for private purpose of the partners.
- d) Rent, Rates and Taxes include Rs. 1,200 being rent paid to Ashok for premises used for business.
- e) Allowable Depreciation on Plant and Machinery is Rs. 1,500.

Compute the assessable income of the firm and find out partners income taxable under the Head Profits and Gains.



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M.Com. (Part – I) (Semester – I) Examination, 2014
ADVANCED STATISTICS
Design of Experiments ((Gr. K) Paper – II)

Day and Date : Friday, 21-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Max. Marks : 50

N. B. : 1) **All questions are compulsory.**
2) **Figures to the right indicate full marks.**

1. Choose the correct alternative : 10
- 1) An experimental design is
 - a) a map
 - b) a plan of experiment
 - c) an architect
 - d) all the above
 - 2) The assumption of independence of errors in experimentation holds good because of
 - a) randomization
 - b) replication
 - c) both a) and b)
 - d) none of these
 - 3) Statistical models for experimental designs are classified into
 - a) two types
 - b) three types
 - c) both a) and b)
 - d) none of these
 - 4) Randomization is a process which enables the experimenter to
 - a) apply mathematical theories
 - b) make probability statements
 - c) treat errors independent
 - d) all the above
 - 5) Local control in the field is maintained through
 - a) uniformity trials
 - b) randomization
 - c) natural factors
 - d) none of these
 - 6) Experimental errors is due to
 - a) experimenter's mistakes
 - b) extraneous factors
 - c) variation in treatment effects
 - d) none of these
 - 7) Missing observation in completely randomized design is to be
 - a) estimated
 - b) deleted
 - c) guessed
 - d) none of these

SLR-D – 10



- 8) Randomized block design is a
a) three restrictional design b) two restrictional design
c) one restrictional design d) none of these
- 9) Principles of design of experiments are
a) randomization b) replication
c) local control d) all the above
- 10) Latin squares are widely used in the field of
a) industry b) agriculture
c) medicine d) none of these
2. a) Explain the terms :
i) Experimental units
ii) Treatments. 5
- b) Explain the principle of replication in design of experiments. 5
3. a) Explain the advantages of randomised block design. 5
- b) State the mathematical model used in analysis of variance in one-way classification. Explain the hypothesis to be used. 5
4. Attempt **any one** of the following : 10
- a) What is Randomised Block Design (RBD) ? Give complete analysis of RBD.
- b) For analysis of variance with two-way classification. Show that
 $Total\ SS = SST + SSE$. Also give complete ANOVA table.
5. Attempt **any one** of the following : 10
- a) What is Latin Square Design (LSD) ? Give the complete statistical analysis of LSD.
- b) Describe Completely Randomised Design (CRD). Give mathematical model and hypothesis that can be tested in CRD.
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Seat No.	
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**M.Com. – I (Semester – I) Examination, 2014
(Comp. – I)**

MANAGEMENT CONCEPTS AND ORGANISATIONAL BEHAVIOUR

Day and Date : Monday, 24-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Max. Marks : 50

N. B. : 1) **All questions are compulsory.**
2) **Figures to the right indicate full marks.**

1. Select the appropriate alternative from the given alternatives : **10**
- 1) The Social System School owes its paternity to
 - a) Chesterd Barnard
 - b) Gilbreth
 - c) Elton Mayo
 - d) Lawrence
 - 2) The study and application of knowledge about how people as individual and as group behave or act in organisation is
 - a) Individual behaviour
 - b) Organisational behaviour
 - c) Group behaviour
 - d) Social behaviour
 - 3) When two or more individuals join together as group due to the official job structure, is known as
 - a) Informal group
 - b) Formal group
 - c) Task group
 - d) None
 - 4) To become a successful Public Relation Officer, which of the following type of personality is most suitable ?
 - a) Introvert
 - b) Unsocial
 - c) Extrovert
 - d) All of the above
 - 5) A process by which individuals organise and interpret their sensory impressions in order to give meaning to their environment is known as
 - a) Attitude
 - b) Values
 - c) Personality
 - d) Perception
 - 6) Appreciation of work done is one of the means of
 - a) Economic incentive
 - b) Non-economic incentive
 - c) Non-personal incentive
 - d) None



- 7) Ivan Pavlov has developed learning theory of
- a) Operant conditioning
 - b) Classical conditioning
 - c) Overall conditioning
 - d) Inherent conditioning
- 8) Need Hierarchy theory of motivation is given by
- a) McGregor
 - b) Abraham Maslow
 - c) Frederik Herzberg
 - d) Victor Vroom
- 9) The group having natural formation in the work environment that appear in response to the need for social contact is known as
- a) Formal group
 - b) Task group
 - c) Command group
 - d) Informal group
- 10) People like work and they are ready to share responsibilities in the organisation is one of the important assumption of
- a) Theory 'X'
 - b) Theory 'Y'
 - c) Theory 'Z'
 - d) None

2. Write short notes on : 10
- a) Contributing disciplines to organisational behaviour.
 - b) Types of values.
3. Answer in brief : 10
- a) Why people form groups ?
 - b) State the effects of job satisfaction.
4. Answer **any one** of the following questions : 10
- i) What is 'Organisational Behaviour' ? Explain the significance of organisational behaviour.
 - ii) What do you mean by 'Personality' ? Give the various determinants of personality.
5. Answer **any one** of the following questions : 10
- i) Define the term 'Motivation'. State the various economic and non-economic incentives of motivation.
 - ii) What is 'Learning' ? Explain the different theories of learning.
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M.Com. – I (Sem. – I) Examination, 2014
MANAGERIAL ECONOMICS (Comp. – II)

Day and Date : Wednesday, 26-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Max. Marks : 50

N. B. : 1) **All questions are compulsory.**
2) **Right side marks indicate full marks.**

1. Choose the correct alternative from the given alternatives : 10
- 1) If the change in demand is less than change in price then, the elasticity of demand is _____
A) elastic
B) inelastic
C) perfectly elastic
D) none of these
 - 2) In the process of production producer try to reduce _____ to earn more surplus in the competitive market.
A) AR B) MR C) TC D) AC
 - 3) Normal rate of return is the minimum profit necessary to attract and retain _____
A) Income B) Investment
C) Innovation D) None of these
 - 4) Close substitute product is an important feature of _____ market.
A) Perfect competition B) Monopoly
C) Oligopoly D) None of these
 - 5) Average costs decrease along with increasing production in the initial stage due to _____
A) F.C. B) M.C. C) M.R. D) None of these
 - 6) Use of inventions in the process of production is called _____
A) Automisation B) Creation
C) Innovation D) None of these



- 7) _____ is important for modern business firm.
- A) Maximum Profit Policy B) Minimum Profit Policy
C) Rational Profit Policy D) None of these
- 8) Producer is price maker in the _____ market.
- A) monopoly B) oligopoly
C) perfect competition D) none of these
- 9) The total costs remain _____ below the Break Even Point.
- A) low B) equal C) high D) none of these
- 10) Product discrimination is an important feature of _____ market.
- A) Perfect competition B) Monopoly
C) Oligopoly D) None of these

2. Write short answer : 10
- A) Explain in brief income elasticity of demand.
B) State in brief features of monopolistic competition market.
3. Write short notes : 10
- A) Importance of elasticity of demand.
B) Importance of Break Even Point.
4. Answer the following (**any one**) : 10
- A) State the difference between cost control and cost reduction.
B) Explain the firm's equilibrium in long period in monopolistic competition market.
5. Answer the following (**any one**) : 10
- A) State the types of price elasticity of demand.
B) Explain the basic objectives of business firm.
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Seat No.	
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**M.Com. (Part – I) (Old Syllabus) (Semester – II) Examination, 2014
ADVANCED ACCOUNTANCY (Paper – I) (Group – A)**

Day and Date : Thursday, 20-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Total Marks : 50

Instructions : 1) **All questions are compulsory.**
2) **Figures to the right indicate full marks.**

1. Choose the correct alternatives from the given below : **10**
- 1) The governments accounts are kept in the _____ parts.
a) 2 b) 4 c) 5 d) 3
 - 2) The union treasuries are controlled by a _____
a) Central Government b) State Government
c) Governor d) Union Finance Minister
 - 3) _____ is a statement which shows or explains the changes in cash position of a concern from one period to the other period.
a) Cash account b) Master budget
c) Cash flow statement d) Funds flow statement
 - 4) The Current Cost Accounting (CCA) method, takes into consideration the changes in the value of _____
a) Money b) Cost of production
c) Closing stock d) Opening stock
 - 5) _____ is a method designed to show the effect of changing costs and prices on affairs of the business unit during the relevant accounting period.
a) Financial Accounting b) Management Accounting
c) Costing d) Inflation Accounting
 - 6) A typical Balance Sheet does not disclose _____
a) Human assets b) Liquid assets
c) Current assets d) Closing stock
 - 7) _____ is an additional freight collected at a certain percentage on freight.
a) Primage b) Passage money
c) Stevedoring d) None of the above
 - 8) The _____ of the district is an general charge of the treasury.
a) Chief officer b) Chief accountant
c) Divisional officer d) Collector



- 9) _____ records both cash and credit transactions in accounts of professionals.
- a) Receipt and Expenditure A/c b) Cash account
c) Trading A/c d) None of the above
- 10) Expenses incurred on _____ are fixed costs which do not render immediate return.
- a) Direct labour b) Human resources
c) Direct material d) All of the above

2. Answer the following :

- A) Write a note on, 'Structure of Government Accounts'. 5
- B) A company bought investments at a cost of Rs. 6,00,000 on July 1, 2012 when the price index stood at 300. On 31st March, 2013 the index had moved to 320 and the market value of the investments was Rs. 6,10,000. On CPP basis, What is the loss or profit on the investment ? 5

3. Answer the following :

- A) Write a note on 'Human Resource Accounting'. 5
- B) The ship, 'Shivneri' commenced its Voyage from Mumbai to Calcutta and back on 1st January, 2013. The Voyage was completed on 28th February, 2013. The following particulars are given : 5

	Rs.
Coal	50,000
Stores	16,000
Wages	30,000
Port charges	3,000
Sundry expenses	2,000
Depreciation (annual)	24,000
Freight earned (outward)	1,00,000
Freight earned (return)	50,000
Address commission, 5% on freight.	
Prepare the Voyage Account.	

4. Answer **any one** :

10

- i) Mr. Sandip is the chartered accountant. He closes his accounts on 31st March. His Balance Sheet as on 31-3-2012 is as under :

Balance Sheet			
Liabilities	Rs.	Assets	Rs.
Capital	83,000	Motor car	50,000
Audit fee collected		Adding machine	4,000
in advance	2,000	Computer	10,000
Clients account	4,000	Furniture	12,000



Liabilities for expenses	1,000	Outstanding fees	10,000
Provision for outstanding fees	10,000	Library books	5,000
		Cash at bank	2,000
		Cash in hand	7,000
	1,00,000		1,00,000

The following is the summary of his cash transactions for the year ended 31st March, 2013 :

Receipts	Rs.	Payments	Rs.
Opening bank and cash balance	9,000	Motor car expenses	12,000
Audit fees	1,60,000	Establishment expenses	35,000
Fees for other services	1,00,000	Printing and stationery	1,000
Sundry income	1,000	Postage and telegram	1,000
		Subscription for journals	1,000
		Library books	5,000
		Calculating machine	10,000
		Travelling and conveyance	3,000
		Membership fees	500
		Drawing	80,000
		Disbursements on	
		Clients account	3,000
		Cash in hand	5,000
		Cash at bank	1,13,500
	2,70,000		2,70,000

Following particulars are available.

1) Depreciation to be provided on :

- a) Motor car at 20%.
- b) Office machinery at 10%.
- c) Books at 20% and
- d) Furniture at 15%.

2) Fees receivable Rs. 12,000.

3) Outstanding liabilities for expenses Rs. 2,000.

You are required to prepare Receipt and Expenditure Account and Balance Sheet for the period.

- ii) A firm had Rs. 2,00,000 as cash at Bank on April 1, 2001. The consumer price index on that date was 200. During the year ended 31st March, 2001 the Receipts and Payments were stated below :

Receipts	Rs.	Index	Payments	Rs.	Index
June 1 Sales	1,05,000	210	Sept. 15 Costs	2,15,000	215
January 15 Sales	3,45,000	230	Dec. 1 Plant	2,00,000	225
			Mar. 20 Costs	1,50,000	240

Ascertain the profit or loss on account of price changes the year end index was 240.

5. Answer **any one** :

10

- i) M. V. Jalusha commenced a voyage on 31st January, 2001 from Cochin to London and back. On 31st March, 2001 the return voyage was still in progress. It carried a consignment of tea on its outward journey and of machinery on its return journey. The ship was insured at an annual premium of Rs. 12,000 per annum. From the following particulars, draw up the Voyage Account.

	Rs.
Port charges	2,800
Coal	15,000
Wages	24,000
Stores purchased	8,400
Sundry expenses	5,800
Depreciation (annual)	48,000
Freight earned (outward)	50,000
Freight earned (return)	35,000
Address commission : 5% on outward and 4% on return freight	
Passage money received (outward journey)	5,000
Primage is 5% on freight	

The Manager is entitled to a commission of 5% on the profit earned.

Stores and coal on hand were valued at Rs. 1,500 on March 2001. The expenses on the two portions of the Voyage may be taken as equal.

- ii) ABC Finance Ltd. held on 1st April, 1990, Rs. 1,00,000 of 12% units of Unit Trust of India (1994) at Rs. 95,000. There months interest had accrued as interest was receivable half yearly on 30th June and 31st December.

All cheques for half yearly interest had been sent by Unit Trust of India in advance and hence bank could credit the finance company's account on the dates of interest themselves.

On 31st August, 1990, the company purchased a further Rs. 40,000 of the units at Rs. 96 (net) cum-interest. On 31st October 1990 Rs. 30,000 of the units were sold at Rs. 94 (net) ex-interest. On 28th February, 1991 Rs. 20,000 of the units were sold at Rs. 96 (net) cum-interest.

On 31st March, 1991 the market price of the unit was Rs. 96. The face value of each unit was Rs. 100. Prepare the 12% units account for the year ended 31st March, 1991.



10) When profit or loss shown by financial accounts and cost account may not agree these two sets of books, the statement is prepared for reconciliation of the profit or loss is _____

- A) Reconciliation Statement
- B) Financial Statement
- C) Statement of Affairs
- D) Statement of Profit or Loss

2. A) From the following data prepare cost sheet showing the cost of electricity generated per KWh by National Thermal Power Station. **5**

Total units generated	20,00,000 KWh
Operating labour	Rs. 1,00,000
Repairs and maintenance	Rs. 1,00,000
Lubricants, spares and stores	Rs. 80,000
Plant supervision	Rs. 60,000
Administration overheads	Rs. 40,000

Coal consumed per KWh for the year is 2.5 kg @ Re. 0.02 per kg. Depreciation charges @ 5% on capital cost of Rs. 4,00,000.

B) Explain the treatment of Profit on incomplete contracts. **5**



3. A) From the following information of Shri Ganesh Engineering Works in respect of Job No. 1001. Calculate the cost of Job No. 1001 and the price to be charged so as to give a profit of 20% on selling price 5

Materials Rs. 5,800

Wages :

 Department A – 100 hrs. @ Rs. 5 per hour

 Department B – 200 hrs. @ Rs. 3 per hour

Overheads for two departments are estimated as follows :

a) Variable overheads :

 Department A – Rs. 10,000 for 5,000 Direct Labour hours

 Department B – Rs. 30,000 for 10,000 Direct Labour hours

b) Fixed overheads estimated at Rs. 50,000 for 50,000 normal working hour.

- B) What do you mean by allocation and apportionment ? 5

4. Following is the Trading and Profit and Loss Account of Vikas Electronics for the year ended 31-12-2010 :

Particulars	Rs.	Particulars	Rs.
To Materials	12,000	By Sales (350 units)	70,000
To Direct wages	4,000	By Finished stock (50 units)	3,500
To Works expenses	12,000	By Interest received	1,500
To Administrative expenses	12,000		
To Goodwill written off	4,000		
To Discount on debentures written off	3,000		
To Net profit	28,000		
	75,000		75,000



The companies cost record shows that :

- 1) Works overhead have been recovered at 100% on Prime Cost.
- 2) Administrative overheads have been recovered at 25% of Factory Cost.

Prepare :

- a) Statement of cost indicating Net Profit.
- b) A statement of reconciling the profit disclosed by cost accounts and that shown in Financial Accounts.

10

OR

A firm of contractors under took two contracts on 1-4-2010 and 1-10-2010. On 31st March 2011 when their accounts were made up, the position was as follows :

	Contract I	Contract II
Contract price	8,00,000	2,50,000
Materials	1,44,000	58,000
Wages paid	2,20,000	1,12,400
Direct expenses paid	10,400	3,600
Plant	40,000	16,000
Materials at site at end	8,000	4,000
Wages outstanding	6,800	3,600
Works certified	50%	64%
Cash received	75%	75%
Work uncertified	12,000	8,000
Direct expenses prepaid	1,200	400

The Plant were installed on respective dates of the contracts and depreciation is to be provided at 10% p.a. Prepare Contract Accounts.

10



5. Tulsian Ltd. has two production departments and two service departments and provide you the following data :

Particulars	Production Department		Service Department	
	P	Q	R	S
Direct Materials	40,000	30,000	20,000	10,000
Direct Wages	15,000	20,000	5,000	10,000
Floor Area (Sq. feet)	5,000	4,000	3,000	2,000
Value of Plant and Mach.	50,000	60,000	20,000	10,000
Value of Stock	35,000	25,000	5,000	5,000
No. of Workers	100	50	25	25
No. of Light Points	200	50	25	25
Horse Power of Machine	50	25	15	10

The indirect expenses for the period were

	Rs.
Factory Rent Rate Taxes and Repairs	14,000
Depreciation Insurance and repairs of machinery	28,000
Insurance of stock	700
Supervision and staff welfare expenses	2,000
Store overheads	1,000
Lighting and heating	3,000
Power	1,000

Prepare the statement showing the apportionment of overheads.

10

OR



From the following information prepare Process Account, Abnormal Gain Account,

Normal Loss Account :

10

Input of raw materials	–	840 units @ Rs. 40 per unit
Direct materials	–	Rs. 5,924
Direct wages	–	Rs. 8,000
Production overheads	–	@ 100% of Direct Wages
Actual output transferred to Process II	–	750 units
Normal Loss	–	15%
Value of scrap per unit	–	Rs. 10 per unit.



SLR-D – 16

Seat No.	
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M.Com. (Part – I) (Semester – II) Examination, 2014
TAXATION (Paper – I) (Gr.c) (Old)

Day and Date : Thursday, 20-11-2014
Time : 11.00 a.m. 1.00 p.m.

Max. Marks : 50

- Instructions :** 1) **All questions carry equal marks.**
2) **All questions are compulsory.**
3) **Figures in the bracket indicate marks.**

1. Select the correct answer from alternatives : **(10)**
- i) R acquired an asset for Rs. 5,22,000/- which includes Rs. 72,000 as excise duty for which the assessee has claimed CENVAT credit. The actual cost of acquisition to be included in the block of asset shall be
a) Rs. 5,22,000/- b) Rs. 4,50,000/- c) None of these two
- ii) In case the assessee follows mercantile system of accounting, bonus or commission to the employee are allowed as deduction on
a) Due basis
b) Payment basis
c) Due basis but subject to Section 43 B
- iii) A person carrying on specified profession is
a) Required to maintain books of account
b) Required to maintain prescribed books of account
c) Not required to maintain books of account
- iv) Deduction under Section 80E in respect of interest on loan taken for higher education shall be allowed to
a) An individual assessee only
b) A individual who is resident in India
c) An individual or HUF
d) An individual or HUF who is resident in India

P.T.O.



- v) Deduction under Section 80TTA in respect of interest on deposit in a saving account is allowed to
 - a) An individual
 - b) Any assessee
 - c) HUF
 - d) Individual or HUF only
- vi) Gift exceeding Rs. 50,000 received by HUF from relative of the member of HUF shall be
 - a) Fully taxable
 - b) Fully exempt
 - c) Taxable to the extent it exceeds Rs. 50,000
- vii) If no system of accounting is followed, interest on securities is taxable on
 - a) Due basis
 - b) Receipts basis
 - c) Due or receipt basis at the option of the assessee
- viii) Loss an account of owing and maintaining the race horses can be carried forward
 - a) For 8 years
 - b) For 4 years
 - c) Indefinitely
- ix) Conversion of capital asset into stock in trade will result into capital gain of the previous year
 - a) In which such conversion took place
 - b) In which such converted asset is sold or otherwise transferred
 - c) None of these two
- x) In case of compulsory acquisition, if enhanced compensation is received then for the purpose of computation of capital gain the cost of acquisition and cost of improvement in that case shall be taken as
 - a) Nil
 - b) Cost of acquisition or cost of improvement which was in excess of initial compensation earlier received
 - c) None of these



2. Write short notes on **any two** from the following : **(10)**

- a) Method of Accounting u/s 145 A
- b) Exemptions available under capital gains
- c) Deduction u/s 80D, 80DD and 80DDB under the Income Tax Act, 1961
- d) Carry forward of depreciation and business loss.

3. A) Mr. J. Murthi holds agricultural land within the city of Madras, which he purchased in 1970 for Rs. 10,00,000. On 1-4-1981 he negotiated its sale for Rs. 20,00,000 which did not materialize. On 1-10-2012 he sold it for Rs. 1,92,00,000.

Then in March, 2013 he purchased coffee land in a remote village for Rs. 24,00,000. He also invested Rs. 1,00,000 in capital gains account with a Bank. In July, 2013 he sold the coffee land for Rs. 60,00,000. Compute his capital gains during the previous year's 2012-13 and also 2013-14. **(5)**

B) On 1-8-1976, Mrs. Neha Sharma purchased 800 shares of Atalas Ltd. @ Rs. 100 per share. On 31-12-1980. Atalas Ltd., issued bonus shares, Mrs. Neha Sharma was allotted 1,200 bonus shares. The fair market value of the shares on 1-4-1981 was Rs. 150 per share.

On 3-10-2012 Mrs. Neha Sharma sold all the 2000 share @ Rs. 1,800 per share and paid brokerage etc. @ 2% on sale consideration. Out of the sale consideration, she invested Rs. 8,00,000 in the construction of a residential house which was completed before 30-6-2013.

Compute the taxable income from capital gains of Mrs. Neha Sharma for the assessment year 2013-14 assuming that she does not own any other residential house and the above shares are not sold through recognized stock exchange. **(5)**

4. A) The following are particulars of income of Rupali for the previous year 2012-13. **(10)**

	Rs.
i) Income from house property	1,11,200
ii) Business income	80,000
iii) Dividends from co-operative society	500



iv) Long-term capital gain from	
a) Land	62,000
b) Listed shares sold through a recognized stock exchange	15,000
v) Life Insurance premium on his life on policy of Rs. 2,00,000	28,000
vi) Donation to charitable institution approved u/s 80G	20,000
vii) Deposit in a scheme notified u/s 80C	10,000
viii) Deposit in National Saving Scheme, 1992	12,500
ix) Interest accrued in National Saving Certificate VIII issue for Rs. 20,000 purchased in May-2010	1,840
x) Interest on saving bank deposit	30,000
Compute her total income and tax payable for assessment year 2013-14.	

OR

- B) Vinod Khanna a resident individual, submits the following particulars of his income for the year ended 31-3-2013 : **(10)**
- i) Royalty from a coal mine Rs. 60,000
 - ii) Agricultural income in Pakistan Rs. 45,000
 - iii) Salary as a member of Parliament Rs. 1,08,000
 - iv) Daily allowance as M.P. Rs. 15,000
 - v) His residential house has been on a rent of Rs. 30,000 p.a. half of which he has sublet at Rs. 3,600 p.m.
 - vi) Dividend received from a cooperative society Rs. 15,000
 - vii) He has incurred the following expenses
 - a) Paid collection charges Rs. 300 for collecting dividends
 - b) Rs. 9,000 spent for earning and collecting royalty
 - viii) During the year he had earned Rs. 2,80,000 (net) in horse race.
- Compute Vinod Khanna's income from other sources for the assessment year 2013-14.



5. A) Mahesh and Sons is a proprietary concern carrying business as wheat merchant. They have agencies of Soap and Oil companies also for which they get commission on sales at a fixed percentage. (10)

They presented the following particulars before the Income-tax Officer for the year ended 31-3-2013. Commission is receivable from a soap company Rs. 40,000 and commission receivable from oil company is Rs. 1,50,000. Compensation received for termination of agency by oil company Rs. 2,00,000.

During the year 500 bags of wheat were purchased for Rs. 50,00,000 of which 400 bags were sold for Rs. 66,00,000. Shop expenses were Rs. 26,50,000.

On an examination by Assessing Officer it was revealed that the following items were included in shop expenses :

- i) Expenses of Rs. 45,000 on the marriage of R's son
- ii) Rs. 27,000 being cost of calendars and dairies for business promotion
- iii) Rs. 13,000 being repairs of residential house
- iv) Entertainment expenses Rs. 24,500
- v) Penalty Rs. 23,000 imposed for bringing goods without paying custom and
- vi) An advance of Rs. 25,000 in connection with purchase of a computer.

Compute his taxable income from business and profession for the assessment year 2013-14.

OR

- B) Akshay furnishes the following Trading, Profit and Loss Account for the year ending 31-3-2013. (10)

	Rs.		Rs.
To Stock	2,40,000	By Sales	79,76,900
To Purchases	72,60,000	By Stock	4,60,000
To Freight and duty	50,000		
To Manufacturing wages	1,20,000		
To Rent, rates and taxes	45,000		
To Depreciation	48,000		
To Gross profit	6,73,900		
	84,36,900		84,36,900



To Office salaries	66,000	By Gross profit b/d	6,73,900
To Interest on capital	12,000	By Rent staff quarters	19,000
To Bad debts	9,000	By Refund of income tax	
To income tax	11,000	penalty	1,100
To Expenses of income		By Sale price of an old	
tax proceedings	16,000	machinery	25,000
To Diwali expenses	3,000	By Recovery of bad debts,	
To Legal expenses	6,000	not allowed to be deducted	
To Medical expenses of the		earlier year	6,000
Proprietor in the		By Sundry receipts	35,000
Govt, Hospital	11,000		
To Staff welfare expenses	4,000		
To Repairs of staff quarters	11,000		
To Telephone expenses	15,000		
To Bonus payable to employees	30,000		
Provision for taxes :			
To VAT and excise duty	40,000		
To Municipal tax for staff quarters	14,000		
To General reserve	11,000		
To Entertainment expenses	11,000		
To Net profit	4,90,000		
	7,60,000		7,60,000



You are required to compute the taxable profits from business after taking the following into consideration :

- i) Purchase include a purchase of Rs. 28,000, whose payment was made by a crossed cheque
 - ii) Office salaries include Rs. 18,000 paid to the proprietor of the business
 - iii) Diwali expenses include gifts of Rs. 1,500 made to relatives
 - iv) The written down value of the block consisting of machinery as on 1-4-2012 is Rs. 80,000
 - v) The written down value of the block consisting of factory building as on 1-4-2012 Rs. 1,20,000. An addition was made to building on 1-8-2012 at a cost of Rs. 40,000. The newly added building was destroyed by fire and the insurance company paid Rs. 41,000 as insurance compensation.
 - vi) VAT and excise duty, amounting to Rs. 30,000 was paid on 25-6-2013
 - vii) Municipal tax was due on 31-3-2013.
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**M.Com. – I (Semester – II) Examination, 2014
ADVANCED COSTING (Paper – II) (Old) (Gr.b)**

Day and Date : Saturday, 22-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Max. Marks : 50

N. B.: 1) **All questions are compulsory.**
2) **Figures to the right indicate full marks.**

1. Choose correct alternative :

- 1) In textile industry, generally _____ costing is used.
a) Contract b) Job c) Process d) Operating
- 2) If profit is 20% on takings, total cost per passenger km, is Rs. 20, then freight per passenger km is Rs. _____
a) 24 b) 25 c) 26 d) 30
- 3) Cost since certification means _____
a) Work certified b) Work uncertified
c) Work not done d) Work done and certified
- 4) Abnormal process losses should be transferred to _____ account.
a) Normal loss b) Abnormal gain
c) Profit and loss d) Anticipated loss
- 5) Bad debt. is a example of _____ overheads.
a) Factory b) Office c) Selling d) Administration
- 6) Number of workers employed is used as a basis for the apportionment of _____ expenses.
a) Office b) Canteen c) Selling d) Personnel dept.
- 7) When a contract is 40% complete, the amount of profit to be taken or transfer to P and L A/c is _____
a) $\frac{1}{3}$ b) $\frac{2}{3}$ c) $\frac{3}{4}$ d) $\frac{1}{4}$



- 8) Contract price is not fixed in case of _____
- a) Cost plus contract
 - b) Escalation clause
 - c) Retention money
 - d) All contracts
- 9) Input of the process is 4,000 units, normal loss is 20%, output transfer to next process 3,240 units there is an _____
- a) Abnormal loss of 40 units
 - b) Abnormal gain of 40 units
 - c) No abnormal gain and abnormal loss
 - d) Both abnormal gain and abnormal loss
- 10) _____ is a method of cost ascertainment, which can be applied in all companies.
- a) Uniform costing
 - b) Job costing
 - c) Process costing
 - d) Contract costing
- 10**

2. Write short notes :

- a) Cost plus contract
 - b) Integral accounting.
- 10**

3. A) A transport service is running 4 buses between two towns which are 100 kms. apart. Seating capacity of each bus is 50 passengers. Actual passengers carried were 75% of the seating capacity. All the four buses ran on all the days of the month April 2012. Each bus made one round trip per day. Calculate total passenger km's. for the month.

OR

- B) Input of process A-600 units @ Rs. 20 per unit, wages and other expenses were Rs. 8,000 normal loss 10% of input which realise @ Re. 1 per unit. Output transferred to process B 500 units. Prepare Process 'A' account.
- 10**



4. A product passes through two distinct processes A and B and thereafter it is transferred to finished stock from the following information. You are required to prepare Process Account.

Particulars	Process A	Process B
Materials consumed Rs.	12,000	6,000
Direct labour Rs.	14,000	8,000
Manufacturing exp's Rs.	4,000	4,000
Input process A (Units)	10,000	
Input process A (Rs.)	10,000	
Output (Units)	9,400	8,300
Normal loss (% of input)	5%	10%
Scrap value of normal loss Rs. (per 100 units)	8	10

OR

4. The following was the expenditure, on a contract of Rs. 3,00,000 commenced on 1st Jan. 2012.

Materials Rs.	60,000
Wages Rs.	82,000
Plant Rs.	10,000
General expenses Rs.	4,300

Cash received on account to 31 Dec. 2012 amounted to Rs. 1,20,000 being 80% of work certified. Cost of work done since certification Rs. 2,400. The value of materials on hand on 31st Dec. 2012 was Rs. 2,600.

Prepare an account showing profit which might reasonably be taken to Profit and Loss Account after allowing 15% depreciation on plant.



5. A machine was purchased on 1st Jan. 2012 for Rs. 5,00,000. The total cost of all machinery inclusive of the new machine was Rs. 75 lakhs. The following further particulars are available.

Estimated life of machine	10 years
Scrap value at the end of 10 th year	Rs. 5,000
Repairs and maintenance for a machine	Rs. 2,000 p.a.
Expected working of a machine	4,000 hours p.a.
Insurance premium of all machines	Rs. 4,500 p.a.
Power for a machine @ 0.75 per unit	25 units per hour
Area occupied by the machine	100 sq. feet
Area occupied by the other machines	1,500 sq. feet
Rent of the department	Rs. 800 p.m.
Lighting (20 points in the department, 3 points for the machine)	Rs. 120 p.m.

Compute the machine hour rate for new machine.

OR

5. Calculate the amount of profit as per financial account on the basis of following information.
- 1) The profit as per cost account was Rs. 1,50,300.
 - 2) Works overheads were under recovered by Rs. 4,000.
 - 3) Office overheads were over recovered by Rs. 1,500.
 - 4) Depreciation were over recovered in cost accounts by Rs. 990
 - 5) Interest received on investment during the year Rs. 490.
 - 6) Transfer fees received Rs. 120.
 - 7) Provision for income tax made in financial accounts Rs. 48,500.



Seat No.	
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M.Com. – I (Semester – II) (Old) Examination, 2014
MANAGEMENT CONCEPTS AND ORGANISATIONAL BEHAVIOUR
(Comp. – I)

Day and Date : Tuesday, 25-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Max. Marks : 50

N. B. : 1) **All questions are compulsory.**
2) **All questions carry equal marks.**

1. Choose the correct alternative from given alternatives below each question : **10**
- 1) Downward communication flows
 - a) Higher to lower levels
 - b) Lower to higher levels
 - c) Higher level to higher level
 - d) None of these
 - 2) A paternalistic leader is like a
 - a) Mother to his subordinates
 - b) Father to his subordinates
 - c) Sister to his subordinates
 - d) All of these
 - 3) Conflicts that support the goals of the group and improve performance of the group are
 - a) Functional group
 - b) Inter group
 - c) Personal group
 - d) None of these
 - 4) Insecurity is one of the reasons of change is
 - a) Supporting
 - b) Resisting
 - c) Planned
 - d) None of these
 - 5) The process of translating intended message into symbols such as words and gestures is
 - a) Encoding
 - b) Feed-back
 - c) Decoding
 - d) All of these
 - 6) Grid training is a technique of
 - a) Planning
 - b) Decision making
 - c) Organisational development
 - d) All of these
 - 7) One of the ways to cope up with stress is
 - a) Meditation
 - b) Criticising
 - c) Argument
 - d) Compromising



- 8) Organisational development seeks to change in
a) Structure b) Attitude c) Values d) All of these
- 9) When the leader gives complete freedom to the subordinates, than he is adopting leadership is
a) Democratic b) Autocratic c) Free-rain d) None of these
- 10) Physiological discomfort lead to
a) Motivation b) Stress c) Personality d) Perception

2. Write short notes : 10
A) Approaches to conflict
B) Causes of stress.
3. Answer in brief : 10
A) Write in brief various levels of conflict.
B) State in brief situational leadership theory.
4. Answer **any one** of the following question : 10
1) What is organisational development ? Why there is resistance to change ?
2) Explain communication process. What are the barriers to effective communication ?
5. Answer **any one** of the following : 10
1) Write meaning and nature of stress and state how to cope with stress.
2) Define conflict. How to resolve conflicts ?
-



- 7) If the present value of a project is _____ then the project should be accepted.
- a) Positive b) Negative c) Constant d) Zero
- 8) Globalization happens through the channels _____
- a) Trade in goods and services b) Movement of capital
c) Flow of finance d) All of the above
- 9) New Industrial Policy declared by the Govt. in _____ have been opened up for foreign investment.
- a) 1975 b) 1980 c) 1991 d) 1995
- 10) Inflation is a state in which the value of money is _____
- a) falling b) rising
c) remains constant d) fluctuates

2. Give short answers :

- a) Features of Business Cycle. 5
- b) Demand pull and cost-push inflation. 5

3. Give short note on :

- a) Significance of project planning. 5
- b) Good effects of globalisation on Indian Economy. 5

4. Write answer on **any one** :

- a) What are the effects of inflation ? 10
- b) Explain Hawley's theory of profit. 10

5. Write answer on **any one** :

- a) Explain Hawtrey's theory of Business Cycle. 10
- b) Explain the need of foreign capital to India. What are its harmful effects on Indian Economy ? 10



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M.Com. – I (Semester – II) (New) Examination, 2014
ADVANCED BANKING AND FINANCIAL SYSTEM
Law and Practice of Banking in India (Paper – I) (Gr – d)

Day and Date : Thursday, 20-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Max. Marks : 50

N. B. : 1) **All questions are compulsory.**
2) **Figures to the right indicate full marks.**

1. Choose the correct alternatives given below : 10
- 1) Wrong entries in the pass book are of _____ types.
a) two b) three c) four d) five
 - 2) The Imperial Bank of India was brought in to existence on 27th January _____
a) 1920 b) 1921 c) 1922 d) 1923
 - 3) Original the State Bank of India was established with as authorised share capital of Rs. _____ crore.
a) 10 b) 20 c) 30 d) 40
 - 4) The RBI commenced its operations from 1st April _____
a) 1921 b) 1926 c) 1935 d) 1947
 - 5) It was decided to introduce an Interim Liquidity Adjustment Facility (ILAF) in _____ 1999.
a) January b) February c) March d) April
 - 6) The IDBI took over the business of the Re-finance Corporation on September 1st _____
a) 1960 b) 1962 c) 1964 d) 1966
 - 7) Export Bill Credit Scheme was introduced in _____ 1963.
a) January b) February c) March d) April
 - 8) Pre-shipment Credit Scheme was introduced from 1st February _____
a) 1969 b) 1970 c) 1971 d) 1972



9) FERA has been replaced by FEMA with effect from 1st June _____

- a) 1947 b) 1951 c) 1991 d) 2000

10) SBI capital market undertake _____ banking services.

- a) Co-operative b) Private c) Merchant d) Public

2. Answer the following.

A) Finance for exports by IDBI. 5

B) Customer definition. 5

3. Answer the following.

A) Objectives and management of SBI. 5

B) Developmental role of RBI. 5

4. Answer **any one**. 10

A) Examine the role of SBI in Agricultural Banking and Export Credit.

B) Discuss briefly control of credit by RBI.

5. Answer **any one** : 10

A) Explain the special relationship between the Banker and Customer.

B) Explain the role played by ECGC in making available export finance.



Seat No.	
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**M.Com. (Part – I) (Semester – II) (New) Examination, 2014
ADVANCED ACCOUNTANCY (Paper – I) (Group – A)**

Day and Date : Thursday, 20-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Total Marks : 50

Instructions : i) **All questions are compulsory.**
ii) **Figures to the right indicate full marks.**

1. Choose the correct alternative from alternatives given below **each** question : **10**
- 1) A contractor may enter into a contract with another contractor and entrust a part of the contract work to that contractor, the second contract is called a
 - a) Revised contract
 - b) New contract
 - c) Sub-contract
 - d) Partnership
 - 2) _____ is a method designed to show the effect of changing costs and prices on affairs of the business unit during the relevant accounting period.
 - a) Financial accounting
 - b) Costing
 - c) Management accounting
 - d) Inflation accounting
 - 3) 'To finding out interest or dividend earned' is the purpose of _____
 - a) Investment accounts
 - b) Voyage accounts
 - c) Inflation accounting
 - d) Departmental accounts
 - 4) _____ Accounting provides useful information, to the management about direct recruitment and promotion, transfer and retention, retrenchment and retention etc.
 - a) Recruitment
 - b) Direct labour
 - c) Labour cost
 - d) Human resource
 - 5) There are two parties to a contract, the contractor and the _____
 - a) Owner
 - b) Purchaser
 - c) Contractee
 - d) Party
 - 6) _____ is given to brokers for securing freight from different parties.
 - a) Brokers charges
 - b) Brokers commission
 - c) Voyage commission
 - d) Address commission



3. Answer the following :

A) Write a note on, 'Cost and replacement cost method'. 5

B) The Ajay Printing Press purchased printing machinery for Rs. 40,000 on 1st January, 2010 when the retail price index was 150. You are required to re-state the value of printing machinery on 31st December, 2013 according to current purchasing power, presuming the price index to be at 300 on that date. 5

4. Answer **any one** : 10

i) The following was the expenditure on a contract for Rs. 4,00,000 commenced in February, 2013.

Material	Rs. 1,20,000
Wages	Rs. 1,64,400
Plant	Rs. 20,000
Business charges	Rs. 8,600

Cash received on account to 31st December, 2013 was Rs. 3,00,000. Prepare an account and show the proportionate profit which might reasonably be taken to profit and loss account after allowing 10% depreciation on plant and the amount of work certified on that date being Rs. 3,50,000.

ii) The ship, "SSP Jalganga" commenced its voyage from Mumbai to Calcutta and back on 1st November, 2013. On 31st December, 2013 on which date the accounts are closed, the ship was half way back to Mumbai from Calcutta. The following details are given :

	Rs.
Coal and stores purchased	22,000
Salaries and wages	9,000
Sundry expenses	3,000
Depreciation (annual)	36,000
Insurance (annual)	18,000
Freight – Outward	40,000
Freight - Inward	20,000
Stock of coal and stores on 31-12-2013	4,000
Passage money (return)	2,000
Address commission 5%	

Prepare a Voyage account showing profit or loss for the period of 2 months ending on 31st December, 2013.

5. Answer **any one** :

10

- i) The Pratibha Investments Ltd. given the following details regarding it's transactions in 6% debentures of the X Ltd :
- 1) Purchases of Rs. 10,000, cum-interest, at Rs. 95 on 1-1-2013.
 - 2) Sales of Rs. 8,000, cum-interest at Rs. 102 on 1-6-2013.
 - 3) Interest is payable on 31st March and 30th September.
 - 4) The market price of the debentures on 31st December, 2013 was Rs. 103.
- Show the investment account, closing its on 31-12-2013.
- ii) Shiv Ganesh carries on his business in two departments, A and B. On 31st December 2013, the following particulars are available :

	Dept. A Rs.	Dept. B Rs.
Opening stock	5,000	2,000
Purchases	20,000	15,000
Sales	40,000	30,000
Wages	8,000	4,000
Closing stock	10,000	5,000

The expenses which are to be charged to each department on the basis of turnover, are as follows :

	Rs.
Salaries	2,100
Rent	1,400
Insurance	280
Sundry expenses	630

Prepare departmental trading and profit and loss account for the year ended 31st December, 2013.



3. B) A truck owner provides you the following information.

Capacity of truck	10 tonnes
Distance covered each way	50 kms
No. of round trips per day	2
No. of days operated	25 days a month
Operating cost of truck	Rs. 55,000 per month

On outward trip freight is available to the extent 90% capacity on return 20% of capacity.

Calculate :

- 1) Tonnes kms per month
- 2) Operating cost per tonne km.

5

4. At the end of the first year on 31st March 2009 in the books of ABC Construction Ltd. the Bridge Contract Account stands debited with the cost of material issued, labour, overheads expended and plant issued and its stands credited with material at the site Rs. 25,000. Material returned Rs. 15,000 and plant at site Rs. 4,76,000 after charging depreciation at 15%. The material issued, labour, overheads and plant issued debited to the contract account are in the ratio of 5 : 4 : 2 : 4.

75% of the contract had been certified by the contractee's architect as a completed at the end of the year and 90% of the certified work value had been received in cash Rs. 16,20,000.

The account department informs that $\frac{2}{3}$ of the profit on cash basis credited to profit and loss account on the contract is Rs. 2,13,600.

Prepare Bridge contract account for the year ending 31st March 2009.

10

OR

Using the following information calculate Labour Cost Variance, Labour Rate Variance, Labour Efficiency Variance and Idle Time Variance.

Direct Wages	Rs. 3,000
Standard Hours produced	Hrs. 1,600
Standard Rate per hour	Rs. 1.50

Actual hours paid 1,500 hours, out of which hours not worked (Abnormal Idle time) are 50 hrs.

10



5. SRT Limited processes product Z through two distinct processes. From the following information prepare Process I and Process II Account.

	Process I	Process II
Raw material used	7500 units	–
Raw material cost per unit	Rs. 60	–
Transfer to next process	7050 units	6525 units
Normal loss (on input)	5%	10%
Direct Wages	Rs. 1,35,750	1,29,250
Direct Expenses	60% of wages	65% of wages
Manufacturing overheads	20% of wages	15% of wages
Realisable value of scape per unit	Rs. 12.50	Rs. 37.50

Assume that there was no opening or closing stock of WIP.

10

OR

You have been given a permit to run a bus on a route 20 km long. The bus cost you Rs. 90,000. It has to be insured @ 3% p.a. and the annual tax will be Rs. 900. Garage Rent is Rs. 100 p.m. Annual repairs will be Rs. 960 and the bus is likely to last for 5 years at end of which the scrap value is likely to be Rs. 6,000.

The drivers salary will be Rs. 110 pm. and conductor's Rs. 100 together with 10% of the takings as commission (to be shared equally by both). Stationary will cost Rs. 50 pm. The manager cum accountant's salary will be Rs. 350 pm.

Diesel and oil be Rs. 25 per hundred kilometers. The bus will make 3 round trips for carrying on the average 40 passengers on each trip. Assuming 15% profit on takings. Calculate the bus fare to be charged from 100 passengers. The bus will work on the average 25 days in a month.

10



Seat No.	
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**M.Com. – I (Semester – II) Examination, 2014
TAXATION (Paper – I) (New) (Gr. C)**

Day and Date : Thursday, 20-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Max. Marks : 50

Instructions : 1) **All questions are compulsory.**
2) **Figures to the right indicate marks.**

1. Select the correct choice :

10

- 1) Interest on capital or loan received by a partner from a firm is
 - A) exempt u/s 10(2A)
 - B) taxable under the head business and profession to the extent it is not disallowed under Section 40(b)
 - C) taxable under the head business and profession
 - D) taxable under the head business and profession on account of interest on capital and income from other sources on account of loan to the firm
- 2) Where the machinery, plant and furniture are used by assessee for the purpose of carrying on business and profession, he shall be entitled to deduction under section 31 on account of
 - A) current repairs other than expenditure in the nature of capital expenditure
 - B) revenue and capital expenditure on repairs
 - C) any repairs
- 3) If an eligible assessee is engaged in any business other than plying, hiring or leasing of goods transport and he had opted for presumptive income scheme under section 44AD, the assessee shall
 - A) be entitled to deduction under section 30 to 37
 - B) not be entitled to any deduction under section 30 to 37
 - C) not be entitled to deduction under section 30 to 37 except on account of interest on capital and loan from a partner and remuneration to working partner as per section 40(b)

P.T.O.



- 4) If the new agricultural land purchased (for which exemption was claimed under section 54B) is transferred within 3 years, then
 - A) capital gain exempt u/s 54B earlier shall be taxable
 - B) the entire capital gain on new transfer shall be taxable
 - C) for the purpose of computation of capital gain, the cost of acquisition shall be reduced by the amount of capital gain exempt u/s 54B earlier
- 5) For claiming exemption u/s 54EC, the amount shall be invested in notified securities for
 - A) a period of 3 years from the date of transfer
 - B) a period of 3 years from the date of acquisition of such securities
 - C) a period of 7 years from the date of transfer
 - D) a period of 7 years from the date of acquisition of such securities
- 6) Gift exceeding Rs. 50,000 received by HUF from relative of the member of HUF shall be
 - A) Fully taxable
 - B) Fully exempt
 - C) Taxable to the extent it exceeds Rs. 50,000
- 7) If no system of accounting is followed, interest on securities is taxable on
 - A) Due basis
 - B) Receipt basis
 - C) Due or receipt basis at the option of the assessee
- 8) Dividends declared by Unit Trust of India is
 - A) Fully exempt in the hands of the shareholders
 - B) Fully taxable in the hands of the shareholders
 - C) Taxable but deduction is allowed under Section 80
- 9) Loss under the head house property
 - A) Can be carried forward for 4 years
 - B) Can be carried forward for 8 years
 - C) Cannot be carried forward



10) In case the donation is made in cash, the deduction under section 80G shall be allowed to the maximum extent of

- A) Rs. 15,000
- B) Rs. 1,00,000
- C) Rs. 10,000
- D) Rs. 50,000

2. Write short notes on : 10

- a) Set off and carry forward of losses.
- b) Concept of block of assets under Income Tax Act, 1961.

3. A) From the particulars given below by an industrial undertaking calculate the amount of depreciation admissible during the year ending 31-3-2013. 10

Fixed Assets	Written down Value on 1-4-2012	Additions during the year	Rate of depreciation
Building (non-residential)	1,56,00,000	Nil	10%
Building (Residential)	37,50,000	Nil	5%
Plant and machinery	3,15,00,000	56,00,000	15%
Motor cars	7,40,000	Nil	15%
Furniture	1,76,000	Nil	10%

Part of the residential building whose written down value on 1-4-2012 was Rs. 22,00,000 was completely destroyed by fire on 15-6-2012 and Rs. 18,00,000 was received from insurance company in respect thereof. The new plant and machinery were installed on 18-10-2012.

OR

B) An individual purchased a house on 1-7-1986 (CII:140) for Rs. 4,40,000. He sold the house on 10-11-2012 for Rs. 32 lakhs. On 14-12-2012 he purchased another house at Gurgaon for Rs. 5.60 lakhs. He did not own any other house property.

Compute the income chargeable under the head capital gains.



4. A) The following is the profit and loss account of Parikshit for the year ended 31-3-2013. Compute his taxable income from business for that year. **10**

	Rs.		Rs.
Opening stock	15,00,000	Sales	1,07,00,000
Purchases	75,20,000	Closing stock	20,00,000
Wages	20,00,000	Gift from father	1,00,000
Rent	60,000	Sale of car	1,70,000
Repairs of car	30,000	Income-tax refund	30,000
Wealth-tax paid	20,000		
Medical expenses	30,000		
General expenses	1,10,000		
Depreciation of car	30,000		
Adv. Income Tax paid	1,00,000		
Profit for the year	16,00,000		
	1,30,00,000		1,30,00,000

Following further information is given :

- i) Parikshit carries on his business from rented premises half of which is used as his residence.
- ii) Parikshit bought a car during the year for Rs. 2,00,000. He charged 15% depreciation on the value of car. The car was sold during the year for Rs. 1,70,000. The use of the car was $\frac{3}{4}$ th for the business and $\frac{1}{4}$ th for personal purposes.
- iii) Medical expenses were incurred during sickness of Parikshit for his treatment.
- iv) Wages include Rs. 60,000 on account of Parikshit's driver.

OR



B) Vinay Kumar, who is carrying on a business whose accounts have been subject to tax audit regularly, submits his profit and loss account for the year ending 31-3-2013.

	Rs.		Rs.
Office expenses	25,600	Gross profit	4,03,600
Audit fees	32,000	Sundry receipt	11,000
Legal expenses	18,000	Customs duties recovered	
Depreciation on machinery	24,000	from the government (earlier	
Salary of staff	84,000	not allowed as deduction)	22,000
Bonus to staff	45,000	Bad debt recovered	
Contribution to an approved		(earlier allowed as deduction)	6,000
gratuity fund	24,000	Gift from son	30,000
Outstanding liability in respect			
of excise duty	24,000		
General expenses	36,000		
Net profit	1,60,000		
Total	4,72,600	Total	4,72,600

Other relevant particulars :

- 1) Bonus payable to employees according to the Payment of Bonus Act, 1965 comes to Rs. 40,000.
- 2) Depreciation on machinery shown in the profit and loss account is calculated according to the income-tax provisions.
- 3) General expenses include payment of Rs. 12,000 to an approved and notified education institute for the purpose of carrying on research in social sciences. The research is, however not related to the business of the assessee.
- 4) During the previous year 2012-13, Vinaykumar also makes a capital expenditure of Rs. 25,000 for the purpose of carrying on a scientific research related to his business. This expenditure is however, not recorded in the profit and loss account.



5) Outstanding liability in respect of excise duty is paid as follows :

- Rs. 5,000 on 11-4-2013
- Rs. 3,000 on 5-5-2013
- Rs. 6,000 on 30-6-2013
- and the balance on 10-11-2013.

6) Audit fee of Rs. 32,000 was credited as payable on 31-3-2013. No tax has been deducted at source.

Compute his income from business for the assessment year 2013-14.

5. A) Vikas a resident individual, submits the following particulars of his income for the year ended 31-3-2013. 10

- i) Royalty from a coal mine Rs. 20,000
- ii) Agricultural income in Pakistan Rs. 15,000
- iii) Salary as a member of parliament Rs. 36,000
- iv) Daily allowance as M.P. Rs. 5,000
- v) His residential house has been taken on a rent of Rs. 10,000 p.a. half of which he has sublet at Rs. 1,200 p.m.
- vi) Dividend received from a co-operative society Rs. 5,000
- vii) He has incurred the following expenses :
 - a) Paid collection charges Rs. 100 for collection of dividends.
 - b) Rs. 3,000 spent for earning and collecting royalty income.

Compute income of Vikas from other sources for the assessment year 2013-14.

OR



B) Following are the particulars of income of Vijay. Compute his income under the head income from other sources for the assessment year 2013-14 :

- 1) Dividend received from an Indian Company Rs. 11,000.
- 2) Winnings from lottery amount received Rs. 70,000.
- 3) Winning from card games (gross) Rs. 25,000.
- 4) Interest received on government securities held as investments Rs. 14,000.
- 5) Family pension received Rs. 24,600.

Vijay incurred the following expenses :

- 1) Interest paid on amount borrowed for purchasing shares Rs. 7,000.
 - 2) Collection charges in respect of interest on Government securities @ $2\frac{1}{2}\%$ on amount collected.
 - 3) Purchased lottery tickets of Rs. 500.
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Seat No.	
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**M.Com. – I (Semester – II) (New) Examination, 2014
ADVANCED BANKING AND FINANCIAL SYSTEM
Bank Management (Paper – II) (Gr.d)**

Day and Date : Saturday, 22-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Max. Marks : 50

N.B. : 1) **All questions are compulsory.**
2) **Figures to the right indicate full marks.**

1. Choose the correct alternatives given below : 10
- 1) A developed money market is essential for the _____ progress of a country.
a) Economic b) Social c) Political d) Moral
 - 2) _____ money market, funds are borrowed and lent for a maximum period of 14 days.
a) Short term b) Medium term
c) Long term d) None of these
 - 3) IDBI established in _____
a) 1964 b) 1970 c) 1975 d) 1981
 - 4) Certificate of deposits is another form of _____ term deposit.
a) Short b) Medium
c) Long d) None of these
 - 5) SIDBI has started its operations from April – 2 _____
a) 1980 b) 1985 c) 1990 d) 1995
 - 6) In order to strengthen the capital base of banks the _____ introduced in April 1992 CRAR.
a) SBI b) RBI c) Govt. d) Co-operative
 - 7) The bank operations are invested to serve _____ and not vice/versa.
a) Customers b) Govt.
c) Manager d) None of these



- 8) An Asset-Liability Management (ALM) system was put in place with effect from 1' April _____
a) 1990 b) 1995 c) 1999 d) 2001
- 9) The RBI introduced Banking ombudsman scheme since June _____
a) 1985 b) 1990 c) 1995 d) 2000
- 10) The UTI came into existence with _____ tire capital structure.
a) two b) three c) four d) five

2. Answer the following :

- A) Features of Indian money market. 5
B) Customer Relationship Management. 5

3. Answer the following :

- A) Role of IFCI in economic development. 5
B) Explain BSE. 5

4. Answer **any one** of the following : 10

- A) Explain the role of ICICI in industrial development.
B) State the major recommendation of Second Narasimhan Committee (1998).

5. Answer **any one** of the following : 10

- A) Explain the basic items to be considered to enhance the customer services.
B) Structure and functions of SFCL.
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**M.Com. – I (Semester – II) (New) Examination, 2014
ADVANCED ACCOUNTANCY (Gr. A) (Paper – II) (Auditing)**

Day and Date : Saturday, 22-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Max. Marks : 50

N. B. : I) **All questions are compulsory.**
II) **Figures to the right indicate full marks.**

1. Choose correct alternative from alternatives given below **each** question. **10**
- 1) The Judgment that 'an auditor is not a valuer' was given in
 - a) Mckson and Robins Case
 - b) Kingston Cotton-Mills Case
 - c) London and General Bank Case
 - d) Union Bank of Allahabad Case
 - 2) The company auditor has the right to signature on audit report under Section
 - a) 227
 - b) 228
 - c) 229
 - d) 230
 - 3) The report bearing reservation is known as
 - a) clean report
 - b) qualified report
 - c) unqualified report
 - d) auditors report
 - 4) The first auditor of a company is appointed by
 - a) Annual General Meeting
 - b) Central Government
 - c) Special Resolution
 - d) Board of Directors
 - 5) The verification of the correctness of cost accounts and of the adherence to the cost accounting plan is known as
 - a) cost audit
 - b) tax audit
 - c) special audit
 - d) management audit
 - 6) Management audit is
 - a) statutory
 - b) optional
 - c) necessary
 - d) voluntary
 - 7) Tax audit is compulsory under Section
 - a) 44 AA
 - b) 44 AB
 - c) 44 AC
 - d) 44 AD



- 8) Who can be appointed as special Auditor ?
 - a) A practising Chartered Accountant
 - b) A non-practising Chartered Accountant
 - c) The existing Auditor of a Company
 - d) All of these
- 9) A statutory auditor must possess the essential qualification under Section
 - a) 226 b) 236 c) 227 d) None
- 10) The internal auditor can be removed by
 - a) Management b) Shareholders
 - c) Government d) All of these

- 2. Write short notes on the following : 10
 - A) Cost Audit.
 - B) Audit of Insurance Company.
- 3. Answer the following in short : 10
 - 1) Write in brief duties and liabilities of an auditor.
 - 2) What are the objectives of management audit ?
- 4. Answer **any one** of the following : 10
 - 1) Explain special problems of audit of the Banking Company.
 - 2) What are the rights of an Auditor under Company Act, 1956.
- 5. Answer **any one** of the following : 10
 - 1) Write provisions of Company Act, 1956 regarding appointment and remuneration of an Auditor.
 - 2) What is qualified and unqualified audit report ? Draft a unqualified report.



7) _____ cost is the benefit lost by rejecting the best competing alternative to the one chosen.

- a) Incremental b) Relevant c) Opportunity d) Fixed

8) _____ cost may also defined as the cost which are affected and changed by a decision.

- a) Incremental b) Relevant c) Opportunity d) Fixed

9) _____ reports are those which are prepared for different levels of management for internal use.

- a) External b) Internal c) Routine d) Control

10) Fixed cost + profit = _____

- a) sales b) variable cost c) contribution d) MOS **10**

2. Write short notes on (**any 2**) :

- 1) Different levels of management and reporting.
- 2) Break even analysis.
- 3) Types of Budgets. **10**

3. A) Particulars	Year 2012	Year 2013
Sales Rs.	5,00,000	10,00,000
Profit Rs.	50,000	2,00,000

You are require to calculate P. V. Ratio, fixed cost, Break even sales.

B) Company A and Company B, both are under same management, make and sell the same type of product. Their budgeted profit and loss account for the year 2013 are as under.

Particulars	Company A	Company B
Sales Rs.	3,00,000	3,00,000
Less : Variable cost	2,40,000	2,00,000
Contribution	60,000	1,00,000
Less : Fixed cost	30,000	70,000
Profit	30,000	30,000

You are require to

- 1) Calculate the break even point of each company.
- 2) Calculate sales volume at which each business will make a profit of Rs. 10,000. **(5+5)**



4. Two manufacturing companies which have the following operating details decide to merge.

Particulars	Plant I	Plant II
Capacity utilization	90%	60%
Sales Rs.	5,40,000	3,00,000
Variable cost Rs.	3,96,000	2,25,000
Fixed cost Rs.	80,000	50,000

Assuming that the proposal is implemented, calculate

- 1) Break even sales of the merged plant and the capacity utilisation at that stage.
- 2) Sales turnover of merged plant (company) to earn profit of Rs. 75,000. **10**

OR

4. X Ltd., has an annual production of 90000 units for a motor component. The components cost structure is as below :

	Rs. per unit
Materials	540
Labour (25% fixed)	360
Variable expenses	180
Fixed expenses	270
Total	<u>1,350</u>

The purchase manager has an offer from a supplier who is willing to supply the component at Rs. 1,080, should the component be purchased and production stopped.

5. For production of 10,000 electrical irons, the following are the budgeted expenses.

Particulars	Per unit Rs.
Direct material	30
Direct labour	20
Factory overheads (60% variable)	25
Administrative overheads (all fixed)	10
Selling overheads (20% fixed)	05
Total cost of sale per unit	<u>90</u>

Prepare a budget for production of 6000, 7000 and 8000 units showing distinctly marginal cost and total cost. **10**

OR



5. From the following budget data, forecast the cash position at the end of April, May, June 2014.

Month	Sales	Purchases	Wages	Expenses
	Rs.	Rs.	Rs.	Rs.
Feb.	1,00,000	75,000	10,000	6,000
March	1,20,000	80,000	15,000	7,000
April	1,40,000	90,000	25,000	8,000
May	1,60,000	1,00,000	30,000	9,000
June	1,80,000	1,25,000	40,000	10,000

Additional information :

- 1) Period of credit allowed to customer $1\frac{1}{2}$ month and period of credit allowed by supplier 1 month.
 - 2) Lag in payment of wages $\frac{1}{4}$ month and lag in payment of expenses $\frac{1}{2}$ month.
 - 3) Cash in hand on 1st April, 2014 Rs. 25,000.
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Seat No.	
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**M.Com. (Part – I) (Semester – II) Examination, 2014
TAXATION (Paper – II) (Gr. C) (New)**

Day and Date : Saturday, 22-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Max. Marks : 50

Instructions : *All questions carry equal marks.
All questions are compulsory.
Figures in the bracket indicate marks.*

1. Select the correct answer from alternatives : **(10)**
- 1) As per section 115JB relating to Minimum Alternate Tax, the tax payable by the assesses shall be deemed to be
 - A) 18.5% of the net profits as per Profit and Loss A/c
 - B) 18.5% of the book profits
 - C) 18.5% of the book profits plus surcharge and education cess + SHEC as applicable
 - D) 18.5% of the book profits plus surcharge, if its book profits exceed Rs. 1 crore + education cess + SHEC as applicable
 - 2) A surcharge of 5% on income tax is payable by
 - A) Any company
 - B) An Indian company
 - C) A domestic company provided its total income exceeds Rs. 1 crore
 - D) A domestic company
 - 3) A firm shall be entitled to deduction on account of interest on capital or loan paid to the partner
 - A) To the extent of 12% or what is mentioned in the partnership deed whichever is lower
 - B) To the extent of 12% p.a.
 - C) To the extent what is mentioned in the partnership deed
 - D) To the extent of 15% p.a. or what is mentioned in partnership deed whichever is more



- 4) If for a particular year relevant to an assessment year, the firm has incurred loss, such loss
 - A) Is shared by partners and set off with their respective other income
 - B) Shall be carried forward by firm only
 - C) Shall be either carried forward by firm or its partners
- 5) A society registered under the Societies Registraion Act, 1860 is taxable
 - A) As AOP/BOI as per section 167B
 - B) As BOI but the tax rate shall be same as is applicable in case of an individual/HUF
 - C) At special rate of tax
- 6) In case of AOP/BOI where the share of the members are determinate but none of the members has taxable income exceeding maximum exemption limit, nor any member is taxable at a a rate higher than the maximum marginal rate, the tax shall be charged
 - A) At the rate applicable to an individual/HUF
 - B) At the maximum marginal rate i.e. 30% + education cess @ 2% + SHEC @ 1%
 - C) At the rate of 35% + education cess @ 2% + SHEC @ 1%
- 7) If the assessee is not satisfied with any order passed by the Assessing Officer, he can
 - A) File appeal to Commissioner (Appeal)
 - B) Apply for revision to the CIT u/s 264
 - C) Either file appeal or apply for revision u/s 264
 - D) File appeal or apply for revision
- 8) The Commissioner (Appeals) should decide the appeal
 - A) Within one year from the date of filing of the appeal
 - B) One year from the end of the financial year in which appeal is filed before him
 - C) As far as possible within one year from the end of the financial year in which appeal is filed before him



9) The Board may issue

- A) Any order, instruction and direction to other Income Tax Authorities as it may deem, fit for the proper Administration of the Income Tax Act
- B) Any order, instruction and direction as per (A) above but cannot require any income tax authority to make an assessment or to dispose off a particular case in a particular manner
- C) Any order, instruction and direction as per clause (A) above but cannot interfere with the discretion of the Commissioner (Appeals) in the exercise of his appellate functions
- D) Any order, instruction and direction as per clause (A) above but subject to clause (B) and (C) above

10) Power regarding discovery, production of evidence, etc. under section 131 can be exercised by any Income Tax Authority

- A) If any proceeding are pending under the Income Tax Act
- B) Whether or not any proceeding are pending under the Income Tax Act

2. Write short notes on **any two** from the following : **(10)**

- a) Best Judgment Assessment u/s 144 of the Income Tax Act, 1961
- b) Deduction available to Cooperative Societies
- c) Minimum Alternate Tax on companies
- d) Remuneration as allowed to partner.

3. A) For the assessment year 2013-14, the RGS Co-operative Society derives total income from the following sources. **5**

Income from processing with the Aid of power Rs. 10,000

Income from collective disposal of labour of its members Rs. 15,000

Interest from another Co-operative Society Rs. 30,000

Income from house property Rs. 80,000

Income from other business Rs. 11,000

Determine its taxable income.



- B) Calcutta Suburban Co-operative Society is engaged in processing agricultural produce of its members without the aid of power, and in its marketing, furnishes the following particulars : (5)

Income from processing of agricultural produce Rs. 17,000

Income from marketing agricultural produce Rs. 3,000

Dividends from another Co-operative Society Rs. 55,000

Income from letting of godown Rs. 10,000

Income from agency business Rs. 85,000

Determine its total income for the assessment year 2013-14.

4. A) Following is the Profit and Loss Account of R, G and S a partnership firm which is assessed as a firm for the year ended 31-3-2013. (10)

	Rs.		Rs.
Salary to staff	52,500	Gross Profit b/d	6,92,000
Business expenses	13,800	Int. from Govt. Securities	15,000
Interest on Bank Loan	12,000	Interest from Bank	13,000
Salary to Partners			
R	1,44,000		
G	1,08,000		
S	<u>90,000</u>	3,42,000	
Commission to S			
Interest on Capital			
R	9,000		
G	6,000		
S	<u>6,000</u>	21,000	



Provision for bad debts	3,200		
Depreciation	26,000		
Donation to National	7,000		
Defence fund			
Share of Profit			
R	1,21,000		
G	81,000		
S	<u>40,500</u>	2,42,500	
Total	7,20,000	Total	7,20,000

- a) Depreciation allowable as per Income-tax rules is Rs. 31,000
- b) On 15-12-2012 the firm paid Sales Tax Liability of Rs. 20,000 relating to the previous year 2011-12.
- c) Both the opening and closing stock of Rs. 81,000 and Rs. 90,000 respectively are undervalued by 10%.
- d) The partnership deed provides :
 - i) Partners will share Profit and Loss in the ratio of 3 : 2 : 1.
 - ii) Partnership salary payable to R, G and S @ Rs. 12,000, Rs. 9,000 and Rs. 7,500 p.m. respectively.
 - iii) Interest on capital payable to R, G and S @ 12%.
 - iv) Commission will be payable to S @ ¼% of purchase which amounted to Rs. 48,00,000.

Compute taxable income of the firm for the assessment year 2013-14.

OR



4. B) The Profit and Loss Account of the AOP viz. M/s. R and S, sharing profit and losses in the ratio 2 : 1 for the previous year ending 31-03-2013 is as follows :

(10)

	Rs.		Rs.
Cost of goods sold	42,45,000	Sales	50,76,000
Remuneration of member R	1,80,000	Dividend	25,000
Remuneration of member S	1,20,000	Long-term capital gain	4,40,000
Remuneration to employees	2,70,000		
Interest to R	48,000		
Interest to S	36,000		
Other expenses	1,60,000		
Sales tax outstanding	30,000		
Net Profit	4,52,000		
	55,41,000		55,41,000

Additional information is given below :

- 1) Other expenses included the following :
 - i) Entertainment expenses Rs. 40,000.
 - ii) Watches costing of Rs. 25,000 each given to 12 dealers who exceeded the sales.
 - iii) Employer's contribution to provident fund included in other expenses amount to Rs. 6,000 was paid by cheque on 15-11-2013.
 - iv) Rs. 30,000 paid in cash to an advertisement agency.
- 2) Outstanding sales tax was paid on 03-09-2013.
- 3) Other incomes of R and S Rs. 2,04,000 and Rs. 1,96,000.

You are required to compute for the assesment year 2013-14.

- i) Total income of the AOP.
- ii) Tax liability of the AOP.
- iii) Tax liability of the members.



5. A) The Profit and Loss Account of Ranbaxy Ltd., for the year ended 31-03-2013, showed a Net Profit of Rs. 2,50,000. **(10)**
- a) The Profit and Loss Account included in the debit side the following :
- i) Rs. 20,000 interest paid on money borrowed for extending the company's factory premises, the expansion was however still in progress.
 - ii) The depreciation provided in the books Rs. 50,000; however the amount computed under the Income-tax Act Rs. 1,50,000.
 - iii) Rs. 25,000 was paid to the company's lawyer for arguing appeals of the company before the Tribunal against levy of penalty for some earlier appeals which have been dismissed by the Tribunal.
 - iv) Rs. 3,000 paid for late payment of Professional Tax as penal interest.
 - v) Rs. 500 being fine imposed by the Municipality for violating their regulations.
 - vi) Reserve for Bad debts Rs. 15,000.
- b) The credit side of the Profit and Loss Account included :
- Dividend from :
- i) Company's Foreign Subsidiary in Japan Rs. 10,000;
 - ii) Unit Trust of India Rs. 25,000.
- c) It is also observed that both the opening stock of Rs. 90,000 and closing stock of Rs. 1,80,000 are undervalued by 10% on cost.

Compute the total income of the company for the assessment year 2013-14.

OR

5. B) Raghuvanshi Textiles Ltd., is a company operating a textile mill. During the financial year 2012-13 it suffered a net loss of Rs. 10,50,000, after providing for depreciation of Rs. 3,60,000 which is the same as is admissible under the Income-Tax Act. Perusal of the accounts revealed the following items debited as expenditure under different heads to the Profit and Loss Account as well as certain additional information. **(10)**

Compute the company's income for the assessment year 2013-14 giving reasons for allowance or disallowance and taxability or otherwise of each item :

- 1) The company has taken overdraft from a bank for payment of income-tax. Interest charged by the bank is Rs. 20,000.



- 2) The Cotton Textiles Export Promotion Council has charged a penalty on the company of Rs. 50,000 on account of shortfall in export performance undertaken to be achieved by the company at the time of import of Egyptian Cotton. The penalty was stipulated in the permit itself and was duly paid by the company which contend that the penalty is less than the loss which the company would have incurred if the full export as undertaken had been made.
 - 3) The company has collected charity at 0.1 per cent of its domestic sales. It has spent Rs. 30,000 on charity out of the total amount collected of Rs. 50,000. The balance is shown as a liability.
 - 4) The company has paid during the year a lump sum amount of Rs. 30,00,000 to acquire technical know-how from a laboratory owned by the Government. This has been treated as deferred revenue expenditure and a sum of Rs. 5,00,000 has been debited by the company to its Profit and Loss Account the balance being carried forward.
 - 5) A development loan of Rs. 10,00,000 granted by the State Government to the company has been waived to the extent of 20%. This amount has been credited by the company to the Profit and Loss Account.
 - 6) The company had debited a sum of Rs. 32,000 as bad debt by writing off the amount due from Chandubhai, a cotton merchant, to whom it was given as an advance for purchase of cotton, Chandubhai did not deliver the cotton nor could any recovery be made from him and he is absconding at present.
 - 7) Salaries and wages include bonus to workers of Rs. 90,000, the bonus payable under Payment of Bonus Act, 1965 was Rs. 60,000. The extra amount was paid in pursuance of negotiated settlement duly supported by Labour Tribunal Award.
 - 8) Payment of interest of Rs. 40,000 on monies borrowed from the bank for payment of dividends to the shareholders has been charged to the Profit and Loss Account.
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Seat No.	
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M.Com. (Part – I) (Semester – II) (New) Examination, 2014
MANAGEMENT CONCEPTS AND ORGANISATIONAL BEHAVIOUR
(Compl. P – I)

Day and Date : Tuesday, 25-11-2014

Max. Marks : 50

Time : 11.00 a.m. to 1.00 p.m.

Instructions : 1) *All questions are compulsory.*
2) *Figures to the right indicate full marks.*

1. Select the correct alternative from the given alternatives : **10**
- 1) According to _____ theory (approach) of leadership, leadership can be described in terms of 'what leaders do rather than what they are'.
 - a) Situational
 - b) Behavioural
 - c) Trait
 - d) Managerial Grid
 - 2) The destructive form of conflict that hinder group performance are called _____ conflicts.
 - a) dysfunctional
 - b) functional
 - c) perceived
 - d) latent
 - 3) _____ refers to converting a communication message into symbolic form.
 - a) Feedback
 - b) Decoding
 - c) Channelising
 - d) Encoding
 - 4) _____ stress refers to healthy, positive, constructive outcome of stressful events and the stress response.
 - a) Destructive (distress)
 - b) Competitive
 - c) Constructive (eustress)
 - d) None
 - 5) A pervasive underlying set of beliefs, assumptions, values, shared feelings and perceptions, which influence the actions and decisions taken by organisation is known as
 - a) Organisational culture
 - b) Organisational development
 - c) Social culture
 - d) Organisational change



Seat No.	
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**M.Com. I (Semester – II) Examination, 2014
MANAGERIAL ECONOMICS
(New) (Comp– II)**

Day and Date : Thursday, 27-11-2014

Max. Marks : 50

Time : 11.00 a.m. to 1.00 p.m.

- Instructions :** 1) **All questions are compulsory.**
2) **Right side marks indicates full marks.**

1. Choose the correct alternative from given alternatives : **10**
- 1) In the competitive market _____ is basic determinist of profit.
A) Price
B) Average cost
C) Total cost
D) None of these
 - 2) In short period AFC falls due to the distribution of _____ among more and more units of output.
A) TFC
B) TC
C) MC
D) None of these
 - 3) AC is the combination of AFC and _____
A) AMC
B) ATC
C) AVC
D) None of these
 - 4) The long waves trade cycles discovered by _____ economist.
A) Kitchin
B) Kondratieff
C) Juglar
D) None of these
 - 5) A business cycle is normally divided into _____ phases.
A) Five
B) Two
C) Six
D) Four
 - 6) Innovation theory of trade cycle is associated with _____ economist.
A) Hawtrey
B) Keynes
C) Schumpeter
D) None of these



Seat No.	
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**M.Com. II (Semester – III) Examination, 2014
ADVANCED ACCOUNTANCY (Paper – III) (Gr. – a)**

Day and Date : Wednesday, 19-11-2014

Max. Marks : 50

Time : 11.00 a.m. to 1.00 p.m.

Instructions : 1) *All the questions are compulsory.*
2) *Marks on the right indicates full marks.*

1. Choose the correct alternative from the following options : **10**

- 1) In amalgamation in the books of the transferer company the following special account is opened
 - a) Reconstruction a/c
 - b) Realization a/c
 - c) Revaluation a/c
 - d) Reorganization a/c
- 2) In farm accounting the _____ asset is nondepreciable asset.
 - a) Land
 - b) Seeds
 - c) Plant
 - d) Live stock
- 3) The concept of rental charges is related with
 - a) Farm accounting
 - b) Reconstruction
 - c) Package account
 - d) Holding account
- 4) In packages account _____ is prepared to findout profit or loss on transaction relating to containers.
 - a) Containers stock a/c
 - b) Containers trading a/c
 - c) Memorandum debtors a/c
 - d) Containers purchase a/c
- 5) In farm accounting standing crops are treated as
 - a) Crop product
 - b) Work in progress
 - c) Final product
 - d) None of these
- 6) In _____ reconstruction, one joint stock company is wound up and its business is taken over by another joint stock company.
 - a) External
 - b) Internal
 - c) Global
 - d) Export



- 7) Amount payable by purchasing company to vendor company is called
- a) Purchase consideration b) Dividend
c) Interest d) Net asset
- 8) Taxation provision made by the subsidiary company will appear in the consolidated Balance Sheet as an item of
- a) Capital profit b) Current liability
c) Revenue profit d) Current asset
- 9) _____ accounting is intended to keep a record of the farming activity.
- a) Cost b) Farm
c) Management d) Corporate
- 10) When containers are destroyed or lost which a/c is created ?
- a) Containers stock a/c b) Containers trading a/c
c) Containers provision d) None of these

2. A) From the following information calculate purchase consideration under net asset basis.

5

The following are the Balance Sheet as on 31 Dec. 2013 of X Co. Ltd. and Y Co. Ltd.

Liabilities	X Co. Ltd.	Y Co. Ltd.	Assets	X Co. Ltd.	Y Co. Ltd.
	Rs.	Rs.		Rs.	Rs.
Equity Share Capital (Rs. 100 per share)	1,00,000	60,000	Land and Building PI and M Stock	30,000 1,10,000 16,000	— 50,000 8,000
6% debenture of Rs. 10 each	20,000	—	Debtors Cash	14,000 3,000	9,000 1,000
Reserve fund	34,000	—			



Dividend

equilization fund	4,000	–		
Employees P.F.	3,000	–		
Trade creditors	10,000	8,000		
Profit and loss a/c	2,000	–		
	1,73,000	68,000	1,73,000	68,000

The two companies agree to amalgamate and form a new Co. called Z Ltd., which takes over the assets and liabilities of both the companies. The authorized capital of Z Ltd. is Rs. 10,00,000 consisting of 1,00,000 equity shares of Rs. 10 each.

The assets of X Co. Ltd. are taken over at a reduced valuation of 10% with the exception of land and building which are accepted at book value.

Both the companies are to receive 5% of the net valuation of their respective business as goodwill. The entire purchase price is to be paid by Z Co. Ltd. in its fully paid shares. In return of debentures in X Co. Ltd. Debentures of the same amount and denomination are to be issued by Z Co. Ltd.

B) Write a note on concept of farm accounting. 5

3. A) From the following particulars prepare the cattle account : 5

	Opening stock		Closing stock	
	No.	Value	No.	Value
		Rs.		Rs.
Cattle	80	32,000	130	55,000
Cattle food	–	5,000	–	8,000
			No.	Value
				Rs.
Purchase of cattle food			–	10,000
Purchase of cattle during the year			150	60,000
Sales of cattle during the year			75	50,000



Sales (total) of slaughtered cattle	30	20,000
Sale of car cases	5	500

Out of the calves born during the year 3 died and carcasses of the calves didnot realise anything. Crop worth Rs. 3000 grown in the farm was used for feeding Rs. 3,000 is estimated to be wages rearing etc. slaughter house expenses amounted to Rs. 2,000 charge depreciation Rs. 1,500 and insurance Rs. 400.

B) Write a note on absorption of company. 5

4. Answer **any one** of the following :

i) The following are the Balance Sheets of H Ltd. the holding company and S Ltd. its subsidiary company as on 31/03/2013. 10

Liabilities	H Ltd.	S. Ltd.	Assets	H Ltd.	S. Ltd.
	Rs.	Rs.		Rs.	Rs.
Equity share Cap.	15,00,000	5,00,000	Goodwill	1,00,000	2,00,000
General reserve	2,90,000	1,20,000	Freehold property	9,00,000	3,00,000
P/L A/c	2,40,000	1,05,000	Pl and Maci.	4,00,000	1,50,000
S. Creditors	2,50,000	70,000	Shares in S Ltd. (40,000 shares of Rs. 10 each)	4,70,000	—
Bills payable	20,000	5,000	Stock in Tr.	1,50,000	50,000
			S. Debtors	1,80,000	80,000
			Bank	70,000	10,000
			Bills Reci.	30,000	10,000
	23,00,000	8,00,000		23,00,000	8,00,000

The following further information is supplied :

- 1) On the date of acquisition of shares of S Ltd. by H Ltd. the undistributed reserve and profit of S Ltd. were Rs. 50,000 and Rs. 40,000 respectively.
- 2) Debtors of H Ltd. includes Rs. 18,000 due from S Ltd.



- 3) Bills receivable of S Ltd. includes Rs. 5,000 due from H Ltd.
- 4) The stock of S Ltd. includes goods purchased from H Ltd. at Rs. 16,000 which includes profit charged by H Ltd. at $33\frac{1}{3}\%$ on cost.
- 5) H Ltd. and S Ltd. have both proposed a dividend of 12% for 2011-12, but no effect has been given for the same in the accounts.
- 6) In the case of H Ltd. there was a contingent liability of Rs. 20,000 in respect of bills discounted.

You are required to prepare a consolidated Balance Sheet of H Ltd. and S.Ltd.

- ii) The following Trial Balance is prepared by a farm as on 31-12-2012 : 10

Particulars	Rs.	Particulars	Rs.
Land and building	4,00,000	Capital	5,00,000
Farm machinery	2,20,000	Profit and loss	60,000
S. Debtors	80,000	Loan	1,00,000
Cash in hand	28,000	Provision for depreciation	80,000
Stock on 1-1-2012		Sale of live st.	1,50,000
Growing crops and fertilizers	40,000	Sale of corn and straw	70,000
Live stock	60,000	S. Creditors	10,000
Feeding materials	2,000	Managers personal a/c	1,000
Salaries and wages managers salary	12,000	Bank overdraft	9,000
Farm labour	10,000		
Office expenses	2,000		
Directors fees	6,000		
Farm house exps. (Rate, light etc.)	2,400		
Staff meal	1,000		
Crop expenses	20,000		



Live stock purchase	25,000	
Live stock maint (food staff and MC)	55,000	
Repairs and machinery	4,000	
Sundry expenses (Live stock)	1,600	
Repairs and maint (crop)	1,000	
Sheds (live stock)	1,000	
Tools and implements (on 30.06.2011)	3,000	
Interest on loan (crop)	6,000	
	9,80,000	9,80,000

Additional Information :

- 1) The manager of the farm resides in the farm house as free residence but chargeable only 1/3rd of the farm house expenses and is also entitled to a commission of 5% on profit made by live stock profit and loss account.
- 2) Depreciation to be provided for machinery amounted to Rs. 1,000 chargeable to crop account only.
- 3) Farm own growing corn amounting to Rs. 4,000 was used by live stock feeding during the year.
- 4) Office expenses and directors fees are purely administrative.
- 5) The live stock account is chargeable with 10% of the salaries and staff meals.
- 6) Stock on 31.12.2012

	Rs.
Growing crops, corn and fertilizers	20,000
Live stock	80,000
Feeding materials	4,000
Tools and implements	1,000

- 7) Depreciation on tools and implements is to be apportioned between crop and live stock account in 3 : 1.

You are asked to prepare crop and live stock a/c profit and loss a/c for the year ended 31-12-2012.



5. Answer **any one** of the following :

i) The Balance Sheet of D Ltd. is as follows : 10

Liabilities	Rs.	Assets	Rs.
2500 6% pref. shares of		Patents	24,000
of Rs. 20 each fully paid	50,000	Building	60,000
3000 eq. shares of Rs. 20		Cash	500
each fully paid	60,000	Debtors	12,000
5% debentures	10,000	Stock	18,000
Add-Intt.	<u>2000</u>	P/L a/c	15,500
Creditors	8,000		
	1,30,000		1,30,000

The following scheme was passed and sanctioned :

- 1) X Ltd. to be formed to take over the business.
- 2) One share of Rs. 10 fully paid in the new company to be issued for every three equity shares in the old company.
- 3) Three shares of Rs. 10 fully paid in the new company to be issued for every five pref. shares in the old company.
- 4) Debenture holders to be discharged fully by X Ltd.
- 5) The creditors to receive 80% of the sums due to them in fully paid shares of Rs. 10 in the new company in full settlement.
- 6) Patent and Profit and Loss A/c to be written off.
- 7) Arrears of preference dividend to be cleared by issuing one Rs. 10 fully paid equity shares in X Ltd. for every twenty held and
- 8) Any balance available by the scheme to be used in writing down building.

Give opening Journal entries and prepare initial Balance Sheet of X Ltd.

ii) X Ltd. purchases containers for Rs.1 which is charged out at Rs. 1.25. Allowing Rs. 0.75 on return all stocks are valued at Rs. 0.50 at stock taking . On 1st Jan. the stock at warehouse was 8000 and 16000 were in the hands of customers. During the year 12,000 were purchased, 26000 sent to customers and 19,000 returned. 200 containers were destroyed and 100 were sold as scrap for Rs. 20. At the end of the period 14000 were in the hands of customers (Return period unexpired). Show ledger accounts for the year ended 31 Dec 2013.



2. Write short notes on :

10

- 1) Scope of financial management.
- 2) Types of Ratios.

3. A) The following is the Balance Sheet of Lucky Ltd., as on 31-3-2013 :

Liabilities	Amt.	Assets	Amt.
Share capital	2,00,000	Land and Building	1,40,000
Profit and loss A/c	30,000	Plant and Mach.	3,50,000
General Reserve	40,000	Stock	2,00,000
12% Debentures	4,20,000	Debtors	1,00,000
Creditors	1,00,000	Bills Receivables	10,000
Bills payable	50,000	Cash at Bank	40,000
	8,40,000		8,40,000

Calculate :

- 1) Quick Ratio
- 2) Current Ratio
- 3) Inventory to working capital ratio
- 4) Debt to equity ratio.

5

B) Due to industrial depression, a plant is running at present, at 50% of its capacity. The following details are available.

Particulars	Cost of production per unit	
Direct materials	Rs.	2
Direct labour	Re.	1
Variable overheads	Rs.	3
Fixed overheads	Rs.	2
Total	Rs.	8

Production per month 20000 units :

Total cost of production	Rs.	1,60,000
Sales prices	Rs.	1,40,000
Loss	Rs.	20,000

An exporter offers to buy 5000 units per month at a rate of Rs. 6.50 per unit and the company hesitates to accept the offer for fear of increasing its already operation losses.

Advise whether the company should accept or decline this offer.

5

4. The following are the financial statement of Abhijeet Company Pune.

Balance Sheet as on 31 December 2012

Liabilities	Rs.	Assets	Rs.
Equity share capital		Plant and Equipment	2,00,000
Rs. 10 each	50,000	Less Depreciation	<u>1,60,000</u>
6% Pref. Share capital	20,000		40,000



P and L Account	44,000	Inventory	1,00,000
5¼% Mortgage loan	80,000	Debtors (Previous	
Bills payable	30,000	year Rs. 40,000)	60,000
Taxes payable	20,000	Investment (short term)	24,000
		Cash	20,000
	2,44,000		2,44,000

Profit and Loss Account for the year ended 31-12-12

To Opn. Stock	80,000	By Sales	2,40,000
To Purchases	1,20,000	By Closing Stock	1,00,000
To Gross Profit	1,40,000		
	3,40,000		3,40,000
To Operating expenses :		By Gross Profit	1,40,000
Selling expenses	30,000		
General and Admn. expenses	40,000		
To Operating income	70,000		
	1,40,000		1,40,000
To Interest exp.	4,200	By Operating income	70,000
To Income before tax	65,800		
	70,000		70,000
To Income Tax	29,800	By Income before tax	65,800
To Net Income after tax	36,000		
	65,800		65,800

Calculate :

- 1) Current ratio
- 2) Acid test ratio
- 3) Debtors turnover
- 4) Inventory turnover
- 5) Earning per share (Equity share). 10

OR

4. Calculate the Balance Sheet items given in the under mentioned proforma with help of following ratios. 10

Total Assets/Net worth	=	3.5
Sales/fixed assets	=	6
Sales/current assets	=	8
Sales/Inventory	=	15
Sales/Debtors	=	18
Current ratio	=	2.5
Annual sales	=	25,00,000



Balance Sheet

Liabilities	Amt.	Assets	Amt.
Net worth	–	Fixed Assets	–
Long term debt	–	Inventory	–
Current Liabilities	–	Debtors	–
		Liquid Assets	–
Total Liabilities	–	Total Assets	–

5. From the following information prepare a statement showing the working capital requirement. 10

Budgeted sales (Rs. 10 per unit) Rs. 2,60,000 p.a. Analysis of one type of sales –

Raw materials	0.30
Direct labour	0.40
Overheads	0.20
Total cost Rs.	0.90
Profit	0.10
Sales	1.00

It is estimated that :

- 1) Raw materials are carried in stock for three weeks and finished goods for two weeks.
- 2) Factory processing will take three weeks.
- 3) Suppliers will give full five weeks credit.
- 4) Customers will require eight weeks credit.

It may be assumed that production and overheads accrue evenly throughout the year.

OR

5. A Radio manufacturing company finds that while its costs Rs. 625 to make each component, the same is available in the market at Rs. 485 each with an assurance of continued supply. 10

The breakdown of cost is

Materials	Rs. 275 each
Labour	Rs. 175 each
Other variables	Rs. 50 each
Depreciation and other fixed cost	Rs. 125 each
Total	625

Should you make or buy ?



SLR-D – 40

Seat No.	
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**M.Com. – II (Semester – III) Examination, 2014
TAXATION (Paper – III) (Gr.C)**

Day and Date : Wednesday, 19-11-2014

Total Marks : 50

Time : 11.00 a.m. to 1.00 p.m.

Instructions : 1) **All questions are compulsory.**
2) **Figures to the right indicate marks.**

1. Select the correct choice :

10

- 1.1) Service Tax is applicable to
- Whole of India
 - Whole of India except, Jammu and Kashmir
 - Whole of India except, Jammu and Kashmir and the Union territories of Dadra, Nagar Haveli, Daman and Diu
 - None of the above
- 1.2) Service Tax is a charge on
- Taxable service provided
 - Taxable service to be provided
 - Taxable service provided or to be provided
 - Any service provided or to be provided
- 1.3) Due date of e-Payment of service tax, other than the month of March, in case of a company is
- 6th day of the month immediately following each quarter
 - 5th day of the month immediately following the calendar month
 - 6th day of the month immediately following the calendar month
 - none of the above
- 1.4) Non-payment or delayed payment of service tax shall be liable for
- interest
 - penalty
 - interest as well as penalty
 - None of the above

P.T.O.



- 1.5) The rates of tax on the interstate sales are decided by
- Central Sales Tax laws
 - Local Sales Tax laws
 - Gram-panchayat
 - None of the above
- 1.6) Where a buying dealer provides form “C” then the selling dealer will charge Central Sales Tax at
- | | |
|-------------|-------|
| a) Nil rate | b) 3% |
| c) 4% | d) 2% |
- 1.7) Central Sales Tax can be levied and collected by the dealer
- when he is registered under MVAT
 - when he is registered under CST
 - even if he is not registered under CST or MVAT
 - none of the above
- 1.8) The rate of tax on packing material used in packing will be dependent on
- packing material used for packing
 - goods which are packed in such packing material
 - rate at the option of the selling dealer
 - none of the above
- 1.9) Schedule “E” goods under MVAT Act means
- The goods on which tax is payable at 5% rate
 - The goods which are not specified in any of the other schedules
 - The goods which are not specified in any of the other schedules and liable to tax at 12.5%
 - None of the above
- 1.10) Under MVAT Act, assessment can be made
- maximum within 8 years from the end of the financial year
 - maximum within 5 years from the end of the financial year
 - maximum within 4 years from the end of the financial year
 - none of the above



2. Write short notes on : 10
- a) Input VAT Credit under MVAT Act, 2002 and Rules.
 - b) Point of Taxation under Service Tax.
3. A) Briefly explain the provisions for Registration under Central Sales Tax Act. 10
B) What is meant by Tax Invoice ? State the contents that a Tax Invoice shall have under Maharashtra Value Added Tax Act, 2002.
4. A) Adhirath Ltd. provides the following information for the quarter ending June 30, 2012. 10

Rs.

Processing charges (Central Excise Duty is leviable but wrongly not charged by Adhirath Ltd.)	22,00,000
Processing charges for manufacturing wine (Excise Duty is leviable by the UP Government but UP Government has not imposed any Excise Duty)	10,00,000
Processing charges (not subject to Excise Duty)	37,00,000
Technical consultancy provided by Adhirath Ltd.	10,00,000

Find out the Service Tax liability of Adhirath Ltd. for the quarter ending June 30, 2012.

OR

- B) Discuss whether the following persons are liable for registration under services tax. If yes, when registration is required ? State along with reasons.
- 1) A provider of taxable services whose aggregate value of taxable services is Rs. 8,00,000 upto February 28, 2013.
 - 2) An input service distributor who starts his business on February 12, 2013.
 - 3) A provider of taxable services under a brand which is not let registered provided services of Rs. 8,00,000 upto January 31, 2013.
5. A) Determine the liability of VAT of Anirudh Mills Ltd. for the month of December 2012 using invoice method of computation. 10

Rs.

Purchase price of goods acquired from local market (including VAT)	58,80,000
VAT rate on input	5%



Transportation, insurance, warehousing and handling cost incurred by Anirudha Ltd. 18,000

Value Addition by way of Process 6,00,000

Goods are sold at a profit margin of 18 per cent. There was no opening and/or closing stock.

VAT rate on sales. 12.5%

OR

B) Compute the sales tax payable under MVAT Act, 2002 in the following case :

Particulars	Tax Rate	Amount Rs.
Sale of Goods A	Nil rate	22,00,000
Sale of Goods B	@ 1% rate	21,00,000
Sale of Goods C	@ 5% rate	15,00,000
Sale of Goods D	@ 20% rate	15,00,000
Sale of Goods E	@ 12.5% rate	25,00,000
Labour Charges Received		15,00,000
Set off available for the month		12,00,000



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**M.Com. II (Semester – III) Examination, 2014
(For Regular Students)
ADVANCED ACCOUNTANCY
Research Methodology (Paper – IV) (Gr. a)**

Day and Date : Friday, 21-11-2014

Max. Marks : 50

Time : 11.00 a.m. to 1.00 p.m.

Instructions : 1) *All questions are compulsory.*
2) *Figures to the right indicate full marks.*

1. Choose correct alternatives : 10

- 1) Report writing is the _____ stage of research.
a) First b) Second c) Primary d) Last
- 2) A _____ is formal communication written for a specific purpose.
a) Data b) Observation
c) Report d) Research design
- 3) _____ is a systematic and objective inquiry in some field of knowledge.
a) Hypothesis b) Research
c) Samples d) Survey
- 4) _____ research deals with the human behaviour which is influenced by number of factors such as social, economical, political, cultural etc.
a) Social b) Physical
c) Basic d) Pure
- 5) Research _____ is the planned sequence of entire process involved in conducting research study.
a) Report b) Design
c) Information d) Investigation
- 6) Research design _____ a lot of time of the researcher.
a) Save b) West
c) Takes d) All of these



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M.Com. – II (Semester – III) Examination, 2014
ADVANCED ACCOUNTANCY
(Paper – IV) (Group – A) : Research Methodology
(For External Students)

Day and Date : Friday, 21-11-2014

Max. Marks : 50

Time : 11.00 a.m. to 1.00 p.m.

Instructions : 1) **All questions are compulsory.**

2) **Figures to the right indicate full marks.**

1. Choose the correct alternative from given alternatives below each question : **10**
- 1) The ultimate objective of any kind of research is
 - a) To test the hypothesis
 - b) To improve the techniques of research
 - c) To achieve human progress
 - d) None of these
 - 2) A study of cost & price of sugar cane in Solapur district will be termed as
 - a) Empirical research
 - b) Library research
 - c) Applied research
 - d) Fundamental research
 - 3) Appendices and bibliography are contained in
 - a) Preliminary part of report
 - b) Main text of report
 - c) Addenda
 - d) None of the above
 - 4) For formulating a research problem researcher may
 - a) Review the relevant literature
 - b) Consult with research guide
 - c) Discuss with expert
 - d) All the above
 - 5) Personal diaries and documents is the most important source of information for
 - a) Social survey
 - b) Empirical research
 - c) Exploratory research
 - d) Case study
 - 6) Diagnostic design of research aims at
 - a) Insight into unknown phenomenon
 - b) Portaying a present picture phenomenon
 - c) Solution to problem faced
 - d) None of the above

P.T.O.



- 7) The method of data collection used most by news agencies is
- a) Mailed questionnaire
 - b) Schedule through enumerators
 - c) Observation
 - d) Information through correspondence
- 8) Classification of data according to time sequence is called
- a) Qualitative classification
 - b) Quantitative classification
 - c) Geographical classification
 - d) Chronological classification
- 9) A study of functional relationship existing between two or more variables is called
- a) Casual analysis
 - b) Correlation analysis
 - c) Canonical analysis
 - d) None of the above
- 10) Entire details of units in the population are necessary for
- a) Cluster sampling
 - b) Quota sampling
 - c) Stratified random sampling
 - d) None of these

2. Write short notes on : **10**
- 1) Case study method
 - 2) Primary data

3. Answer in brief : **10**
- 1) Explain the methods of secondary data collection.
 - 2) Explain in brief analysis and interpretation of data.

4. Explain the steps in scientific research process. **10**

OR

What is research design ? Write characteristics of good research design.

5. Explain the different components of the research design. **10**

OR

Explain in detail the survey method.



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**M.Com. – II (Sem. – III) Examination, 2014
ADVANCED COSTING (Gr. b.) (Paper – IV)
Research Methodology
(For Regular Candidates)**

Day and Date : Friday, 21-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Total Marks : 50

Instructions: 1) *All questions are compulsory.*
2) *Figures to the right indicate full marks.*

1. Choose the correct alternative from alternatives given below each question : **10**
- 1) The main objective of fundamental or pure research is
 - a) To solve the problems of business and society
 - b) To make practical use of existing knowledge
 - c) To advance the frontiers of knowledge
 - d) All the above
 - 2) The research where in trend analysis of a phenomenon under investigation is done may be called
 - a) Comparative research
 - b) Longitudinal research
 - c) Conceptual research
 - d) Qualitative research
 - 3) Personal diaries and documents is the most important source of information for
 - a) Social survey
 - b) Empirical research
 - c) Case study
 - d) None of the above
 - 4) A study of sick cotton mills at Mumbai and Gujarat is
 - a) Exploratory research
 - b) Descriptive research
 - c) Diagnostic research
 - d) Experimental research
 - 5) The method of data collection used most by news agencies is
 - a) Mailed questionnaire
 - b) Schedule through enumerators
 - c) Observation
 - d) Information through correspondents



- 6) Observation made as per set plan is
- a) Uncontrolled observation b) Structured observation
c) Participant observation d) None
- 7) A research that ends with the formulation of hypothesis is called
- a) Exploratory research b) Descriptive research
c) Applied research d) Historical research
- 8) Sample design constitutes
- a) Determining the sample size
b) Determining the method of sampling
c) Determining the universe of study
d) All the above
- 9) Report writing is the stage of research
- a) First b) Second c) Last d) Primary
- 10) The product of slow, painstaking, accurate inductive work is called
- a) Data collection b) Hypothesis
c) Research report d) None of the above
2. Write short note on : **10**
- 1) Case study method
2) Secondary data.
3. Answer in brief : **10**
- 1) Give any five objectives of research in commerce and management.
2) Write characteristics of a good report.
4. What is research design ? Write various components of research design. **10**
- OR
- Give meaning of research and state various types of research. **10**
5. What is data collection ? Write methods of data collection. **10**
- OR
- Write in brief various steps in scientific research process. **10**
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M.Com. – II (Semester – III) Examination, 2014
ADVANCED COSTING (Gr. b)
Research Methodology (Paper – IV)
(External Students)

Day and Date : Friday, 21-11-2014

Max. Marks : 50

Time : 11.00 a.m. to 1.00 p.m.

Instructions: 1) *All questions are compulsory.*
2) *Figures to the right indicates full marks.*

1. Select most appropriate alternative from given alternatives. 10
- 1) A study of industrial relations in Tata group of industries is
 - a) Fundamental research
 - b) Descriptive research
 - c) Action research
 - d) Exploratory research
 - 2) The most popular method of research to study current problems in social sciences is
 - a) Historical method
 - b) Survey method
 - c) Case study method
 - d) All of these
 - 3) Interpretation of data should be made on due consideration of
 - a) Empirical evidence
 - b) Hypothesis
 - c) Theoretical frame work
 - d) All of these
 - 4) Diagnostic design of research aims at
 - a) Insight to unknown phenomenon
 - b) Solution to problems faced
 - c) Portaying of present picture of phenomenon
 - d) None of these
 - 5) Research in commerce and management is
 - a) Pure research
 - b) Historical research
 - c) Empirical research
 - d) Applied research
 - 6) Observation made as per set plan is
 - a) Uncontrolled observation
 - b) Structured observation
 - c) Participant observation
 - d) None of these

P.T.O.



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**M.Com. (Part – II) (Semester – III) Examination, 2014
MANAGEMENT ACCOUNTING (Compl. Paper – III)**

Day and Date : Monday, 24-11-2014

Total Marks : 50

Time : 11.00 a.m. to 1.00 p.m.

Instruction : Figures to the right indicate full marks.

1. Choose correct answer from the given alternatives : **10**
- 1) To prepare budgets to control the activities of the business is the objective of
 - a) Financial Accounting
 - b) Management Accounting
 - c) Corporate Accounting
 - d) None of these
 - 2) Sale of fixed assets increases
 - a) Liability
 - b) Working Capital
 - c) Capital Profit
 - d) Soundness
 - 3) _____ is the process of identifying the financial strength and weaknesses of the firm by properly establishing relationship between the items of the Balance Sheet and the Profit and Loss Account.
 - a) Trend percentage
 - b) Funds flow statement
 - c) Cash flow statement
 - d) Ratio analysis
 - 4) Operating Profits = _____ less operating expenses.
 - a) Operating Income
 - b) Total Expenses
 - c) Net Profit
 - d) Gross Profit



- 5) The _____ statement describes the sources from which additional funds were derived and the uses to which these funds were put.
- a) Cash flow
 - b) Fund flow
 - c) Cash Book
 - d) Receipt and Payment A/c
- 6) The Management Accounting is designed principally for the _____ use by the management.
- a) Internal
 - b) External
 - c) Profit planning
 - d) None of the above
- 7) The _____ ratio indicate the relative use of debt and equity in financing the assets of the firm.
- a) Activity
 - b) Leverage
 - c) Profitability
 - d) Balance Sheet
- 8) When the earnings of a business are not sufficient to pay a fair rate of return on its capital employed, the business is
- a) Over Capitalised
 - b) Under Capitalised
 - c) Insolvent
 - d) None of the above
- 9) According to flexibility, the types of budgets are
- a) One
 - b) Three
 - c) Two
 - d) Four
- 10) Repayment of Debentures is the example of
- a) Increase in Working Capital
 - b) Decrease in Working Capital
 - c) Increase in Liability
 - d) None of the above



2. Answer the following :

- A) Write a note on ‘Tools and Techniques of Management Accounting’. 5
- B) The following expenses are incurred in a factory for the month of January and February in a particular year. 5

Particulars	January	February
	Rs.	Rs.
Wages	16,000	20,000
Salaries	10,000	12,000
Factory expenses	14,000	16,000

Calculate the budgeted cash outflow for the month of February taking into account that :

- a) Wages are paid every week.
- b) Salaries are paid every month.
- c) Time lag in factory expenses is ½ month.

3. Answer the following :

- A) Write a note on ‘Functions of Management Accounting’. 5
- B) Estimate the Working Capital required from the data given below : 5

Projected Annual Sales – 75000 units at Rs. 100.

Cost price per unit-Raw material Rs. 40, Labour Rs. 10 and Overhead Rs. 30

Debtors pay after 10 weeks

Creditors are paid after 4 weeks

Raw materials in stock 6 weeks

Finished stock 8 weeks

Production and Progressive time 4 weeks

Wages are paid once in 4 weeks

Assume :

- 1) Contingency – 10% of the estimated Working Capital.
- 2) Average cash and bank balance Rs. 1,87,500.

4. Answer **any one** :

10

i) Following accounting information is obtained relating to a Limited Company :

	Rs.
Sales	30,00,000
Cost of goods sold	<u>15,00,000</u>
	15,00,000
Administrative expenses, depreciation and debenture interest	<u>5,00,000</u>
	10,00,000
Taxes	<u>5,00,000</u>
Net Profit	5,00,000

Balance Sheet

Liabilities	Rs.	Assets	Rs.
10% Preference		Fixed Assets	55,00,000
Share Capital	20,00,000	Stock	2,00,000
Equity Share Capital	20,00,000	Debtors	4,00,000
Reserves	10,00,000	Cash	2,00,000
10% Debentures	11,00,000	Fictitious Assets	1,00,000
Current Liabilities	3,00,000		
	64,00,000		64,00,000

Opening stock was Rs. 3,00,000. Assume 360 days in a year. Compute the following ratios :

- 1) Net Profit Ratio
- 2) Stock Turnover Ratio
- 3) Current Ratio
- 4) Liquidity Ratio
- 5) Proprietary Ratio

OR



- ii) From the following condensed Balance Sheets in respect of Abhay Ltd. prepare the Fund-Flow Statement.

Balance Sheet as on Dec. 31, 2012

Liabilities	Rs.	Assets	Rs.
Share Capital-Equity	6,00,000	Land and Building at cost	4,00,000
Profit and Loss A/c	3,00,000	Plant and Machinery at cost	3,00,000
Sundry Creditors	2,00,000	Sundry Debtors	1,00,000
Outstanding Expenses	30,000	Less RDD	<u>10,000</u>
Provisions for Depreciation		Inventories	90,000
On Land and		Marketable Investment	2,30,000
Building	30,000	Cash at Bank	50,000
On Plant and		Goodwill	80,000
Machinery	<u>40,000</u>		
	12,00,000		12,00,000

Balance Sheet as on Dec. 31, 2013

Liabilities	Rs.	Assets	Rs.
Share Capital-Equity	7,00,000	Land and Building at cost	4,90,000
Profit and Loss A/c	5,20,000	Plant and Machinery at cost	4,80,000
Sundry Creditors	1,60,000	Sundry Debtors	1,50,000
Outstanding Expenses	35,000	Less RDD	<u>15,000</u>
Provisions for Depreciation		Inventories	1,35,000
On Land and		Marketable Investment	2,60,000
Building	40,000	Cash at Bank	40,000
On Plant and		Goodwill	50,000
Machinery	<u>50,000</u>		
	15,05,000		15,05,000



Additional Information :

- a) A portion of Machinery worth Rs. 50,000 (for which there was an accumulated depreciation of Rs. 1,000) was sold at Rs. 52,000.
- b) An amount of Rs. 60,000 was paid towards an interim dividend.
- c) The Profit and Loss Account has been prepared for the year 2013 after considering the following items :
 - i) Profit on sale of Plant and Machinery.
 - ii) Writing off Goodwill.
 - iii) Reserve for Doubtful debts.
 - iv) Interim Dividend.

5. Answer **any one** :

10

- i) from the following information, prepare the cash flow statement, clearly stating your assumptions if any :

Particulars	31 st March 2013	31 st March 2012
	Rs.	Rs.
Fixed Assets	1,12,000	75,000
Stock and Stores	33,000	19,000
Debtors	33,500	38,000
Bank Balance	6,875 (Cr.)	18,000
Trade Creditors	35,000	27,000
Share Capital (Equity Shares of Rs. 10 each)	30,000	25,000
Bills Receivable	9,500	18,750

The profit for the year ended 31st March, 2013 before charging depreciation and taxation, amounted to Rs. 24,000. 500 shares were issued on 1st April, 2012 at a premium of Rs. 5 per share. Rs. 13,750 were paid in June 2012 by way of income tax. The Dividend is paid as under :

For 2011-12 (Final) at 10% less income tax @ 25%.

For 2012-13 (Interim) at 5% free of tax.

OR



ii) From the following information, prepare a Cash Budget for the month of January to April :

	Expected Sales	Expected Purchases
	Rs.	Rs.
January	60,000	48,000
February	40,000	80,000
March	45,000	81,000
April	40,000	90,000

Wages to be paid to workers Rs. 5,000 each month. Balance at Bank on 1st January Rs. 8,000.

It has been decided by the management that :

- a) In the case of deficit of fund within the limit of Rs. 10,000 arrangement can be made with bank.
 - b) In the case of deficit of funds exceeding Rs. 10,000 but not exceeding Rs. 42,000 issue of debentures is to be preferred.
 - c) In the case of deficit of fund exceeding Rs. 42,000 issue of shares is preferred (it is within the limit of authorized capital).
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**M.Com. – II (Semester – III) Examination, 2014
BUSINESS FINANCE (Compulsory Paper – IV)**

Day and Date : Wednesday, 26-11-2014

Max. Marks : 50

Time : 11.00 a.m. to 1.00 p.m.

- Instructions :** 1) **All questions carry equal marks.**
2) **All questions are compulsory.**
3) **The figures in the right indicate full marks of the question.**

1. Select any alternative from given below : **10**
- 1) Business Finance is the activity concerned with _____ funds in the business.
 - a) planning
 - b) raising
 - c) controlling and administering of funds used in business
 - d) all of the above
 - 2) Business Finance is study of practices, procedures and problems concerning financial management of
 - a) profit making organisations
 - b) non-profit making organisations
 - c) public services
 - d) none of the above
 - 3) The holders of equity shares are residual owners who have _____ claim on income and assets in the company.
 - a) restricted
 - b) unrestricted
 - c) no
 - d) all of the above
 - 4) Preference shares who have right to get fixed rate of dividend but no right in additional return or surplus profit are called
 - a) redeemable
 - b) participative
 - c) non-participative
 - d) irredeemable
 - 5) Term loans are given for a period of more than _____ but less than ten years.
 - a) one year
 - b) three years
 - c) five years
 - d) none of the above



- 6) The IFCI set before it the objective of making _____ funds readily available to industrial concerns.
- a) short and medium term b) medium and long term
c) both a) and b) above d) long term
- 7) Financial plan is the act of deciding in advance the quantum of
- a) Capital required b) Form of capital
c) Capital requirement and its forms d) None of the above
- 8) While preparing the financial plan, the following considerations should be kept in view
- a) rigidity b) complexity
c) expensive d) none of the above
- 9) The forms of Foreign Direct Investments
- a) Wholly owned subsidiary b) Joint venture
c) Acquisition d) All of the above
- 10) India has liberalised its policies on foreign investment and collaborations since new economic policy announced in
- a) 1991 b) 1981
c) 2001 d) 2011
2. Write short notes on :
- a) Scope of business finance. 5
b) Public deposits. 5
3. Write answers in short :
- a) State factors to be considered in preparing financial plan. 5
b) Explain importance of foreign capital. 5
4. Answer **any one** : 10
- a) Discuss in detail on bank finance.
b) Explain the concept of business finance and give importance of business finance.
5. Answer **any one** : 10
- a) Explain government policy on foreign collaborations.
b) Describe in detail capital needs of business.
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Seat No.	
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M.Com. – II (Semester – III) Examination, 2014
ADVANCED BANKING AND FINANCIAL SYSTEM (Gr.d)
Modern Banking (Paper – III) (New)

Day and Date : Wednesday, 19-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Max. Marks : 50

N. B. : 1) **All questions are compulsory.**
2) **Figures to the right indicate full marks.**

1. Choose the correct alternatives given below : **10**

- 1) A major function of merchant banking is the _____ management.
1) Issue 2) Credit 3) Debit 4) None of these
- 2) There are _____ main types of lease financing.
1) Two 2) Three 3) Four 4) Five
- 3) Factoring is useful to _____ unit.
1) SSI 2) MSI 3) LSI 4) None of these
- 4) The Government has set up the SEBI in April _____
1) 1988 2) 1989 3) 1990 4) 1991
- 5) Land leasing has been quite prevalent in _____ from old time.
1) USA 2) Japan 3) UK 4) India
- 6) _____ is one of the easiest source of financing the fixed assets.
1) Forfaiting 2) Factoring 3) Leasing 4) None of these
- 7) In India the Government has set up VCF with a contribution of Rs. _____ crore.
1) 05 2) 10 3) 20 4) 25
- 8) _____ has built up a full fedged merchant banking division.
1) SBI 2) RBI 3) ICICI 4) UTI



9) The banks entry into leasing was facilitated by the Amendment to the BRA _____

- 1) 1980 2) 1983 3) 1985 4) 1991

10) The Hire Purchase Act, 1972 governed the lease deals but it was withdrawn in _____

- 1) 1973 2) 1983 3) 1993 4) 2003

2. Explain advantages and disadvantages of Hire Purchase. **10**

3. Write short notes on **any three** : **15**

- 1) Lease evaluation
- 2) Importance of merchant banking
- 3) Types of factoring
- 4) Role of SEBI
- 5) ICICI.

4. Explain the concept of leasing and its classification. **15**

OR

Describe the concept of finance lease and explain its types.



Seat No.	
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M.Com. (Part – II) (Semester – III) (New) Examination, 2014
ADVANCED ACCOUNTANCY (Paper – III) (Gr – a)

Day and Date : Wednesday, 19-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Max. Marks : 50

N. B. : 1) **All questions are compulsory.**
2) **Figures to the right indicate full marks.**

1. Choose the correct alternative from given below : **10**
- 1) In _____ reconstruction one joint stock company is woundup and its business is taken over by another joint stock company.
 - a) External
 - b) Internal
 - c) Global
 - d) Export
 - 2) Inter company owings on account of dividend will be shown in the Consolidated Balance Sheet on _____.
 - a) Asset side
 - b) Liability side
 - c) No where
 - 3) Amount payable by a purchasing company to vendor company is called _____.
 - a) Purchase consideration
 - b) Interest
 - c) Dividend
 - d) Net asset
 - 4) Grain consumed by live stock is charged to
 - a) Live stock
 - b) Crop A/c
 - c) Both these A/c
 - d) None of these
 - 5) A _____ is an enterprise that is controlled by another enterprise.
 - a) Private Ltd.
 - b) Subsidiary company
 - c) Parent company
 - d) None of these
 - 6) Minority of the subsidiary is entitled to _____.
 - a) Capital profit
 - b) Revenue and capital profit
 - c) Revenue profit
 - d) None of these



7) Two Companies A Ltd. and B Ltd. go into liquidation to form a new company Ltd.

It is a case of _____

- a) Absorption
- b) Amalgamation
- c) External reconstruction
- d) Internal reconstruction

8) _____ accounting is intended to keep a record of farming activity.

- a) Cost
- b) Management
- c) Corporate
- d) Farm

9) Taxation provision made by the subsidiary company will appear in the Consolidated Balance Sheet as an item of _____

- a) Capital profit
- b) Current liability
- c) Revenue profit
- d) Current assets

10) In farm accounting standing crops are treated as

- a) Crop product
- b) Work in progress
- c) Final product
- d) None of these

2. A) A Ltd. sells goods in special packages costing Rs. 10 each. Packages are charged out at Rs. 15 each to customers and credited at Rs. 10 each, if returned in good condition within 3 months.

On 1-1-2013 there were 5000 packages in the factory and 3000 in the hands of customers (all returnable).

During the year ended 31-12-2013, 15000 packages were purchased by A Ltd., 16000 packages were sent out to customers and 10000 were received back from them, within the stipulated period.

On 31-12-2013, there were 5000 pieces in the hands of customers (all returnable). Draw up packages stock account as on 31-12-2013.

5

B) What do you mean by absorption ?

5



3. A) From the following prepare a Cattle Account to ascertain the profit made during the year ended 31st March 2014.

Particulars	No.	Value (Rs.)
Opening stock of live stock	50	42,000
Purchases of live stock	125	1,20,000
Sale of cattle during the year	90	1,26,000
Sale of slaughtered cattle	10	8,000
Sale of hides	–	2,000
Sale of offal	–	500
Sale of carcasses	5	1,800
Cattle feed	–	20,000
Wages of rearing	–	4,000
Slaughter house expenses	–	1,000
Insurance	–	1,000
General expenses allocated	–	2,000
Closing stock of live stock	75	75,000

Crop worth Rs. 8,000 grown in the farm was used for feeding the cattle. Out of the calves born 4 died and their carcasses realized Rs. 400.

5

- B) What do you mean by holding company ?

5

4. Answer **any one** of the following :

- i) The Balance Sheet of H Ltd. and S Ltd. as on 31-03-2013. Were as follows :

Liabilities	H Ltd. Rs.	S Ltd. Rs.	Assets	H Ltd. Rs.	S Ltd. Rs.
Share capital :			Fixed assets	3,50,000	1,45,000
50,000 equity shares			Investment :		
of Rs. 10 each fully paid	5,00,000	–	15000 equity Shares		
20000 equity shares			of Rs. 10 each	1,50,000	–
of Rs. 10 each fully paid	–	2,00,000	Bills received	40,000	20,000



Bills payable	50,000	30,000	Debtors	1,00,000	80,000
Sundry creditors	1,00,000	40,000	Cash at bank	20,000	10,000
Current A/c H Ltd.	10,000	–	Current A/c S Ltd.	–	15,000
	6,60,000		2,70,000	6,60,000	2,70,000
* Contingent liabilities for Bills disc				4,000	6,000

Additional Information :

- 1) Sundry creditors of S Ltd. include Rs. 10,000 due to H Ltd.
- 2) Bills receivables of H Ltd. include Rs. 8,000 accepted by S Ltd.
- 3) Bills receivables of S Ltd. include Rs. 10,000 accepted by H Ltd.
- 4) The difference in current account of the companies is due to the fact that a cheque for Rs. 5,000 was sent by H Ltd. but not reached S Ltd. as yet.
- 5) Contingent liability of Rs. 4,000 for bills discounted as shown in the balance Sheet of H Ltd. relates to a bills accepted by S Ltd.

Prepare consolidated Balance Sheet as on 31st March 2013.

10

- ii) Following is the Trial Balance of Ved Farm House as on 31st March 2014.

Trial Balance as on 31-3-2014

Particulars	Dr. Rs.	Cr. Rs.
Capital	–	1,57,500
Land and building at cost	1,12,500	–
Opening stocks :		
Growing crops, wheat	7,500	
Live stock : Sheep	15,000	
Feed for live stock	1,500	
Farm machinery	13,500	
Salary and wages - Manager	4,500	–
Salary and wages – Farm workers	6,000	



Farm house expenses	2,250	
Staff meals	3,600	
Crop expenses	4,500	
Purchases – live stock	7,500	
Maintenance-live stock	9,000	
Repairs - farm machinery	600	
Repairs and maintenance (crop)	300	
Sheep yard	450	
Hand tools and equipments (1-4-2013)	1,500	
Office expenses	2,250	
Interest	4,500	
Sale of live stock		28,500
Sale of wheat		39,000
Legal fees	1,500	–
Sundry debtors	7,500	–
Sundry creditors	–	1,500
Managers Personal A/c	–	750
Bank balance	21,300	
	2,27,250	2,27,250

Additional Information :

1) The manager is entitled to a commission of 10% on the profit of live stock section after charging such commission. He is also chargeable with $\frac{1}{3}$ of farm house exps.

2) Live stock section is to be bear 10% managers salary and staff meals.

3) Depreciate farm machinery at 10%.

4) Closing stocks :

Growing crops, wheat	12,000
Live stock's	22,500
Feed	750
Hand tools and equipments	300



- 5) Rs. 3,000 worth food-stuff grown in the Farm House was used for the live stock.
- 6) Depreciation on Hand Tools and equipments should be charged to Crop A/c and live stock in the ratio of 3 : 1.

Prepare :

- i) Crop and live stock A/c
ii) P & L A/c and Balance Sheet.

10

5. Answer **any one** :

- i) The Balance Sheet of Star Ltd. and Moon Ltd. as on 31st March 2013.

	Star Ltd.		Moon Ltd.	
	Dr. Rs.	Cr. Rs.	Dr. Rs.	Cr. Rs.
Equity shares of Rs. 10 each		2,10,000		1,50,000
9% redeemable shares of Rs. 100		90,000		—
Share premium		10,500		
Capital redemtn res.		60,000		
Gen. reserve		49,500		75,000
8% debentures		60,000		90,000
Goodwill	15,000	—	—	—
Land	—	—	30,000	—
Building	—	—	75,000	—
Plant	3,00,000		1,35,000	
Fixtures	5,000		15,000	
Vehicles	10,000		15,000	
Debtors	80,000		50,000	
Stock	1,20,000		75,000	
Advances	50,000		35,000	
Cash at bank	20,000	—	20,000	
Creditors	—	1,20,000		1,35,000
	6,00,000	6,00,000	4,50,000	4,50,000



On 1st April 2013, Sun Ltd. was formed by amalgamating Star Ltd. and Moon Ltd. on the following terms :

- 1) Sun Ltd. to issue 60 – 10% debentures of Rs. 1,000 each to debenture holders of Start Ltd.
- 2) The Debenture holders of Moon Ltd. insisted that they should be allotted equity shares in Sun Ltd., accordingly they were allotted 7,500 equity shares of Rs. 10 each @ Rs. 12 per share.
- 3) Preference shareholders of Star Ltd. insisted for allotment of 900, 11% redeemable preference shares of Rs. 100 each.
- 4) The equity shareholders to Star Ltd. are to be allotted 10 equity shares at par for 7 equity shares held by them.
The shares of Sun Ltd. are of Rs. 10 each.
- 5) The assets of Star Ltd. are taken over at book value.
- 6) The Assets of Moon Ltd. are valued as under :

	Rs.
Goodwill	30,000
Land	1,50,000
Building	45,000
Plant	1,20,000
Other fixed assets	15,000
All current assets	1,50,000
All current liab	1,50,000

The balance of consideration is to be paid by allotment of equity shares at par to Moon Ltd.

You are required to show

- i) Purchase consideration payable to Start Ltd. and Moon Ltd. and
- ii) Balance Sheet of Sun Ltd.



ii) Following are the Balance Sheets of A Ltd. and B Ltd. as on 31-3-2013.

A Ltd. Balance Sheet as on 31-3-2013

	Rs.		Rs.
Share capital		Fixed Assets	30,00,000
40000 eq. shares		Investments	5,00,000
of Rs. 100 each	40,00,000	Current assets	65,00,000
General Res	30,00,000		
Current liab.	30,00,000		
	1,00,00,000		1,00,00,000

B Ltd. Balance Sheet as on 31-3-2013

	Rs.		Rs.
Share capital		Goodwill	50,000
20000 eq. shares		Fixed Assets	3,50,000
of Rs. 50 each	10,00,000	Current Assets	14,00,000
General Res.	5,00,000		
Current liab.	1,00,000		
Provision for Taxn.	1,00,000		
Proposed dividend	1,00,000		
	18,00,000		18,00,000

B Ltd. is to be absorbed by A Ltd. on the following terms :

- 1) B Ltd. declares a dividend of 10% before absorption for the payment of which it is to remain sufficient amount of cash.
- 2) The net worth of B Ltd. is valued at Rs. 14,50,000.
- 3) The purchase consideration is satisfied by the issue of fully paid up shares of Rs .100 each in A Ltd.

Following further information is also to be taken into consideration :

- a) A Ltd. holds 5000 shares of B Ltd. at a cost of Rs. 3,00,000.
- b) The stocks of B Ltd. includes items valued at Rs. 1,00,000 purchased from A Ltd. (Cost to A Ltd. Rs. 75,000)
- c) The creditors of B Ltd. including Rs. 50,000 due to A Ltd.

Show necessary Ledger Accounts in the books of B Ltd. to give effect to the above and Balance Sheet after completion of the absorption.



Seat No.	
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M.Com. – II (Semester – III) Examination, 2014
ADVANCED COSTING (Paper – III) (Gr. b) (New)

Day and Date : Wednesday, 19-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Max. Marks : 50

N.B. : All questions are compulsory.
Figures to the right indicate full marks.
Use of calculator is allowed.

1. Choose correct alternative : 10
- 1) Re-order level = Maximum Rate of consumption multiplied by _____
delivery period.
a) maximum b) minimum
c) average d) normal
 - 2) The quantity to be ordered at one time in view of saving in ordering and
carrying cost is known as _____ quantity.
a) re-order b) economic order
c) maximum d) minimum
 - 3) _____ analysis divided material according to their importance
namely value and quantity.
a) ABC b) VED c) NPV d) IRR
 - 4) _____ is a system of records maintained by controlling department
which reflects the physical movement of stocks and their current balance.
a) EOQ b) Stock turnover
c) ABC d) Perpetual inventory
 - 5) Sales – Gross profit = _____
a) Net profit b) Purchases
c) Cost of goods sold d) Expenses
 - 6) If average stock is Rs. 20,000 and closing stock was Rs. 5,000 more than
opening stock then amount of closing stock is Rs. _____
a) 17,500 b) 22,500 c) 12,500 d) 7,500



4. From the following ratio and other information you are require to prepare Balance Sheet with as many details as possible : 10

Current Ratio	2.5
Liquid Ratio	1.5
Working capital	Rs. 90,000
Bank overdraft	Rs. 10,000
Fixed Assets to Net worth	0.75
Reserves and surplus to capital	0.25

There were no long term loans and fictitious assets.

OR

- State the advantage and limitations of Ratio Analysis. 10

5. From the following information you are require to prepare cash budget for 3 months ended 31 Dec. 2014. 10

Cash balance on 1-10-2014 Rs. 30,000

Month	Sales	Purchases	Wages	Expenses
Aug 2014	2,00,000	1,50,000	30,000	10,000
Sept.	2,20,000	1,60,000	35,000	11,000
Oct.	2,40,000	1,70,000	40,000	12,000
Nov.	2,60,000	1,80,000	45,000	13,000
Dec.	2,80,000	1,90,000	50,000	14,000

It is estimated that : Cash sales will be $\frac{1}{4}$ of credit sales, period of credit allowed to debtors 2 months and from supplier 1 month. Time lag in payment of wages $\frac{1}{4}$ month and in expenses $\frac{1}{5}$ month .

OR

5. State the importance and role of Financial Management. 10
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Seat No.	
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**M.Com. Part – II (Semester – III) (New) Examination, 2014
TAXATION (Gr.C) (Paper – III)**

Day and Date : Wednesday, 19-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Total Marks : 50

Instructions : 1) **All questions are compulsory.**
2) **Figures in the right indicate marks assigned to the question.**

1. Select the correct answer from multiple options given : **10**
- 1) News papers are subject to
 - a) C.S.T. of 1%
 - b) C.S.T. of 3%
 - c) Exemption under C.S.T
 - d) Not liable to tax as not goods
 - 2) If the goods are transferred by a manufacture at Mumbai to its branch at Delhi and there after sold by the Delhi branch to its customers at Delhi, then such sale shall be.
 - a) Inter state sale
 - b) Sale within the state of Delhi
 - c) None of the above
 - 3) The dealer making an inter-state sale is required to get himself registered under the Central Sales Tax Act if his turnover.
 - a) Exceeds Rs. 1,00,000
 - b) Exceeds Rs. 2,50,000
 - c) Exceeds any amount
 - 4) A dealer can apply for voluntary registration under Central Sales Tax if he is
 - a) registered with the State Sales Tax Authorities
 - b) even if not registered with the State Sales Tax Authorities
 - 5) Time limit for applying for voluntary registrations under Central Sales Tax Act is
 - a) 30 days
 - b) 6 months
 - c) 1 year
 - d) at any time



- 6) Under MVAT Act a dealer includes
- Any society
 - Any club
 - Other association of persons
 - All the above
 - None of the above
- 7) Under MVAT Act, from the following which is not an ingredient of turnover
- Price of goods
 - Packing material
 - Loading and unloading charges
 - Value added tax
 - Transit Insurance
- 8) From the following on which commodity MVAT is not levied
- | | |
|-----------------------|--------------|
| a) Packing Materials | b) Pulses |
| c) Petroleum products | d) Chemicals |
- 9) Under MVAT Act, as an importer, to qualify for registration, a dealer has to satisfy the following condition.
- Value of taxable goods sold or purchased shall be not less than Rs. 5,000
 - Value of taxable goods sold or purchased shall be not less than Rs. 25,000
 - Value of taxable goods sold or purchased shall be not less than Rs. 50,000
 - None of the above.
- 10) Which one of the following is an incorrect schedule entry of goods under MVAT Act, 2002
- Schedule A
 - Schedule F
 - Schedule D
 - Schedule B
 - Schedule E

2. Write short notes on **any two** from the following :

- Sale price under Central Sales Tax Act
- Interstate sale under Central Sales Tax Act.
- Definition of goods under MVAT Act.
- Penalties levied under MVAT.



3. A) A dealer in solapur made inter-state sales of gold ornaments, cycle tyres and machinery parts against Form C to various dealers in U.P. The sales tax rate on sale within Maharashtra for such goods is 1%, 5% and 12.5% respectively. What shall be the Central Sales Tax rate in the case of above goods if sold against Form 'C' ? Also state what will be the rate of tax if goods are not sold against Form C ?

4

B) Total interstate sale for finance year 2014-15 of Able and Efficient Ltd. is Rs. 72,27,800 which consists of the following :

6

	Rs.
2% CST Sales (State VAT Rate 12%)	57,93,600
1% CST Sales of declared goods	14,34,200

Out of the goods sold for Rs. 1,44,840 on 15-6-2014 which were liable to C. S. T @ 2%, goods worth Rs. 57,936 were returned on 11-11-2014 and goods worth Rs. 14,484 were returned on 14-2-2015.

A buyer to whom goods worth Rs. 71,710 carrying 1% C.S.T. was dispatched on 12-4-2014 rejected the goods within a month of receipt the same were received back on 18-11-2014.

Compute the taxable turnover and tax liability of Able and Efficient Ltd. If relevant 'C' Form have been received.

OR

3. "Binny Ltd" of Mumbai has sold gold ornaments and cement to "Infra Traders" of Kanpur for the Quarter ending 31st December 2013. Gold ornaments are charged @ 1% and cement at 12.5%. InfraTraders is giving Form C in respect of all sales. The aggregate sale price, including C.S.T. of chemicals and cement is Rs. 7,00,300 which includes Rs. 3,46,800 of chemicals.

10

During the same quarter it has sold cement and gold ornaments to Kashiram Traders of Kanpur of Rs. 7,87,500 and Rs. 5,34,290 for which C Form is not available.

Calculate the turnover of Binny Ltd. along with liability to Central Sales Tax.



4. Given below is the information of purchases of Rajashri Traders of Mumbai for the Quarter ended December, 2013. From the same calculate the gross turnover of purchases, Net Purchases eligible for set off and eligible amount of input vat set off of Rajashree Traders of Mumbai.

10

Details of Purchases

5% on valid Tax Invoice	3,36,000
at 12.5% on Valid Tax Invoice	4,72,500
at 5% for which no Tax Invoice	3,32,000
at 12.5% for which no Tax Invoice	1,98,000
from unregistered dealers	1,27,210
Out of Maharashtra against C Form @ 2%	3,33,900
Capital Goods at 12.5% (on valid Tax Invoice)	2,25,000
Included in expenses debited to P and L @ 5%	1,26,420
Included in expenses debited to P and L @ 12.5%	1,57,725
from RD not eligible for set off (@ 12.5% rate)	3,20,000
Tax free purchases	4,50,000

None of the item is liable for reduction in set off.

5. Rajesh starts a business on 10-5-2013. He furnishes the following information regarding the turnover of purchases and sales transactions. He wants to find out whether he is liable for registration under the MVAT Act 2002. Advise him.

10

Month	Purchases			Sales	
	Within State	Outside the State		Tax free Goods	Taxable Goods
	Tax free Goods	Tax free Goods	Taxable Goods		
Rs.	Rs.	Rs.	Rs.	Rs.	
May-13	90,000	4,000	5,500	85,000	4,000
Jun-13	1,02,000	3,500	3,500	1,50,000	3,500
Jul-13	1,50,000	6,000	2,500	1,75,000	1,500
Aug-13	1,10,000	2,500	4,000	1,00,000	3,000
Sep-13	1,75,000	1,500	3,000	2,50,000	3,500



Seat No.	
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**M.Com. – II (Sem. – III) (New) Examination, 2014
ADVANCED BANKING AND FINANCIAL SYSTEM
(Gr. d) (Paper – IV)**

Day and Date : Friday, 21-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Max. Marks : 50

N. B. : 1) *All questions are compulsory.*
2) *Figures to the right indicate full marks.*

1. Choose the correct alternatives given below : 10
- 1) A case study assumes _____
 - 1) Fundamental unity of human nature
 - 2) Recurrence of circumstances
 - 3) Similarity of human responses
 - 4) All the above
 - 2) A major limitation of social research is _____
 - 1) Objectivity
 - 2) Limited resources
 - 3) Unpredictability
 - 4) All the above
 - 3) The interview conducted to understand the cause of malady is called _____
 - 1) Focussed interview
 - 2) Treatment interview
 - 3) Short contact interview
 - 4) Diagnostic interview
 - 4) Studying academic performance of BMC College Pune in 2000-01 in University Examination and then in Vivekanand College Kolhapur in 2003-04 is _____
 - 1) Multi-cell design
 - 2) Matched stage design
 - 3) Two cell design
 - 4) Panel design
 - 5) Personal diaries and documents is the most important source of information for _____
 - 1) Sample survey
 - 2) Empirical survey
 - 3) Exploratory research
 - 4) Case study



6) For studying the behaviour of small children the most suitable method of collecting information is _____

- 1) Mailed questionnaire
- 2) Observation
- 3) Schedule through enumerators
- 4) Information through correspondents

7) The ultimate objective of any kind of research is _____

- 1) To test hypothesis
- 2) To achieve human progress
- 3) To improve the technique of research
- 4) To satisfy the curiosity

8) A study of Sick DCC Banks in Maharashtra is _____ research.

- 1) Pure
- 2) Historical
- 3) Diagnostic
- 4) Empirical

9) The objective of fundamental or pure research is _____

- 1) To solve the problems of business and society
- 2) To make practical use of existing knowledge
- 3) To advance the frontier of knowledge
- 4) None of these

10) An _____ is face to face oral communication for the specific purpose.

- 1) questionnaire
- 2) interview
- 3) schedule
- 4) none of these

2. Explain the methods of data collection. 10

3. Write short notes on **any three** : 15

- 1) Research in business economy
- 2) Types of interview
- 3) Empirical research
- 4) Scientific research process
- 5) Case study method.

4. What are the objectives of research ? Explain characteristics of good research. 15

OR

Discuss the steps in scientific research process.



Seat No.	
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**M.Com. (Part – II) (Semester – III) Examination, 2014
ADVANCED ACCOUNTANCY (Paper – IV) (Group – A) (New)**

Day and Date : Friday, 21-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Total Marks : 50

- Instructions :** 1) Figures to the **right** indicate **full** marks.
2) **All** questions are **compulsory**.
3) **Use** of calculator is **allowed**.

1. Choose the correct alternatives from the given alternatives : **10**
- 1) The _____ budgeting is the process of making investment decision in capital expenditure.
- A) Cash
B) Master
C) Capital
D) Central
- 2) Approaches to Finance Function are divided in to _____ broad categories.
- A) Three
B) Four
C) Two
D) Five
- 3) The dividend policy should be determined in terms of its impact on the _____ wealth.
- A) Debenture holders
B) Shareholders
C) Only Investors
D) None of these
- 4) The term profit maximisation is deep-rooted in the _____ theory.
- A) Globalisation
B) Demand and supply
C) Economic
D) None of these
- 5) In financial management practices, who occupies key position ?
- A) General Manager
B) Financial Manager
C) Auditor
D) C and A. G.



4. Answer **any one** : **10**

- i) Describe the traditional view on the optimum capital structure.
- ii) Someshwar Industries Limited is considering the purchase of a new machine which, would carry out some operations, at present being performed by hands, the two alternative models under consideration are complex and shrilex.

The following information is available in respect of both models.

Particulars	Complex	Shrilex
Estimated life in years	10	12
Cost of Machine	Rs, 6,00,000	Rs. 10,00,000
Estimated saving in scrap p.a.	Rs. 40,000	Rs. 60,000
Additional cost of supervision p.a.	Rs. 48,000	Rs. 64,000
Additional cost of maintenance p.a.	Rs. 28,000	Rs. 44,000
Cost of indirect material p.a.	Rs. 24,000	Rs. 32,000
Estimated saving in wages :		
a) Wages per worker p.a.	Rs. 2,400	Rs. 2,400
b) No. of workers p. a. not required.	150	200

Using method of payback period, suggest which should be purchased. Ignore tax.

5. Answer **any one** : **10**

- i) State the objectives of financial management.
 - ii) A company has earning before interest and taxes of Rs. 1,00,000. It expects a return on its investment at a rate of 12.5%. You are required to find out the total value of the firm according to the Miller-Modigliani theory.
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Seat No.	
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**M.Com. (Part – II) (Semester – III) Examination, 2014
ADVANCED COSTING (Group – B) (Paper – IV) (New)**

Day and Date : Friday, 21-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Total Marks : 50

Instructions: 1) **All questions are compulsory.**
2) **Figures to the right indicate full marks.**

1. Choose the correct answer among the alternatives given for each question : **10**
- 1) Cost audit can be conducted only if ordered _____
 - a) by the management
 - b) by the government
 - c) under companies Act
 - d) any of the above
 - 2) Cost audit report is to be submitted by the cost auditor _____
 - a) to the managing director
 - b) to the chief financial auditor
 - c) to the share holders
 - d) to the central government with a copy to the company
 - 3) Cost accounting records rules are applicable to _____
 - a) Investment companies
 - b) Private limited companies
 - c) Both of the above
 - d) None of the above
 - 4) Which of the following is an accounting record ?
 - a) Bill of Material
 - b) Bin Card
 - c) Stores Ledger
 - d) All of these
 - 5) A cost center is _____
 - a) A unit of production in relation to which costs are ascertained.
 - b) A location which is responsible for controlling direct costs.
 - c) Any location or department which incurs cost.
 - d) None of these



- 6) A store ledger card is similar to the _____
- a) Stock ledger
 - b) Bin card
 - c) Material card
 - d) Purchase requisition card
- 7) A cost centre is _____
- a) A unit of product or service in relation to which costs are ascertained
 - b) An amount of expenditure attributable to an activity
 - c) A production or service location, function, activity or item of equipment for which costs are accumulated
 - d) A centre for which an individual budget is drawn up
- 8) A profit centre is a centre _____
- a) Where the manager has the responsibility of generating and maximising profits
 - b) Which is concerned with earning an adequate return on Investment
 - c) Both of the above
 - d) Which manages cost
- 9) Responsibility centre can be categorised into _____
- a) Cost centres only
 - b) Profit centres only
 - c) Investment centres only
 - d) Cost centres, profit centres and Investment centres
- 10) Application for appointment of cost auditor should be sent to department of company affairs within _____
- a) 30 days of commencement of financial year
 - b) 45 days of commencement of financial year
 - c) 90 days of commencement of financial year
 - d) 60 days of commencement of financial year



2. A) Write short note on cost centre. 5
B) Give specimen of store ledger. 5
3. A) Difference between cost audit and financial audit. 5
B) Explain controllable and noncontrollable costs. 5
4. Answer **any one** of the following :
- A) Define cost audit. Explain how it is useful to :
- i) To the management
 - ii) To the society
 - iii) To the shareholders
 - iv) To the government. 10
- B) Explain responsibility accounting. Give its objectives and significance. 10
5. Answer **any one** of the following :
- A) What is activity based costing ? Give its characteristics. 10
- B) Explain the cost audit provisions in Companies Act, 1956 regarding qualifications and disqualifications. 10
-



Seat No.	
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**M.Com. (Part – II) (Semester – III) Examination, 2014
TAXATION (Paper – IV) (Gr – C) (New)**

Day and Date : Friday, 21-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Max. Marks : 50

Instruction : Figures to right indicate full marks.

1. Select the right answer from given alternatives : **10**
- 1) Tax evasion is the way people evaid tax by
 - a) Illegal and unfair means
 - b) Paying correct income tax
 - c) Legal and fair means
 - d) Paying correct wealth tax
 - 2) Professional Tax is levied by the
 - a) Prime Minister
 - b) Central Government
 - c) President
 - d) State Government
 - 3) Items which can not be seized during the search period is
 - a) Books of accounts
 - b) Immovable property
 - c) Cash
 - d) Fixed deposits
 - 4) Search warrant is in the form of Income Tax Rules
 - a) Form 45
 - b) Form 54
 - c) Form 51
 - d) Form 15
 - 5) The number of Vice Chairman and members in the Settlement Commission is decided by the
 - a) Prime Minister
 - b) Finance Minister
 - c) Central Government
 - d) State Government
 - 6) Application for settlement can be made
 - a) After conclusion of the assessment proceedings
 - b) Only during the pendency of the assessment proceedings
 - c) During the continuation of Appeal
 - d) After completion of the Appeal



- 7) Each partner of the firm has to pay professional tax
- a) Rs. 5,200 p.a.
 - b) Rs. 2,500 p.a.
 - c) Rs. 2,500 p.m.
 - d) Rs. 7,500 p.m.
- 8) Building Contractors has to pay professional tax payable is
- a) Rs. 10,000 p.a.
 - b) Rs. 2,500 p.a.
 - c) Rs. 2,500 p.m.
 - d) Rs. 7,500 p.m.
- 9) Search operations are conducted to find out
- a) Disclosed Income and Wealth
 - b) Disclosed gift and estate
 - c) Undisclosed Income and Wealth
 - d) Disclosed tax
- 10) Seizure implies taking possession of assets
- a) Disclosed to the Income Tax Department
 - b) Not disclosed to the Income Tax Department
 - c) Disclosed to the Excise Tax Department
 - d) Not disclosed to the Excise Tax Department

2. A) Write short notes on **any two** :

5

- 1) Panchnama under search
- 2) Tax avoidance
- 3) Quantum of penalty under Income Tax Act
- 4) Events barring application to the settlement commission.

B) Write short notes on **any two** :

5

- 1) Benches of settlement commission
- 2) Tax management
- 3) Professional tax exemption to individuals
- 4) Settlement Commission and Appeal.



3. Write short notes :

A) Measures taken by Indian Government to Curb tax evasion. **5**

B) Schedule of Rates of Tax on Profession, Traders, Callings and Employment with effect from 01.07.2014. **5**

4. A) What are rights and duties of persons searched items which can be seized and items which cannot be seized and why searches are conducted. **10**

OR

B) What is Search and Seizure from Income Tax perspective and what are CBDT guidelines on conduct of searches and search procedure at a glance. **10**

5. A) What is settlement commission ? Who can approach the settlement commission and what are advantages of approaching the settlement commission ? **10**

OR

B) Quantum of Penalty, penalties under section 271(C), 271B, 271C, 271D, 271E, 271F, 272B under Income Tax Act, 1961. **10**



4. State the types of Working Capital and determinants of working capital requirements.

OR

4. Output units	25,000
	Per Unit Rs.
Materials	15
Wages	10
Overheads	05
Total Cost	30
Profit	06
Selling Price	36

20% sales are on cash basis.

Period of credit allowed to customers is 2 months and from suppliers is 1 month.

Time lag in payments of wages is half months and overheads 1 month.

Stock of raw materials will be in store on an average 1.5 months and of finished goods will be in warehouse on an average 1 month.

You are require to estimate the amount of Working Capital needed for above activity.

10

5. Expected sales of X Ltd. for the year 2014 are as under :

Quarter I	25000 units
Quarter II	32000 units
Quarter III	40000 units
Quarter IV	36000 units

Expected sales of 1st quarter of 2015 are 30000 units.

It is practice of the co. to maintain closing stock which is half of immediate next quarters expected sales.

Prepare Quarter wise Production Budget for the year 2014.

OR

5. State the advantages and limitation of Ratio Analysis.

10



SLR-D – 70

Seat No.	
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M.Com. – II (Semester – III) (New) Examination, 2014
BUSINESS FINANCE (Compulsory Paper – IV)

Day and Date : Wednesday, 26-11-2014
Time : 11.00 a.m. to 1.00 p.m.

Max. Marks : 50

N.B. : 1) **All questions are compulsory.**
2) **Figures to the right indicate full marks.**

1. Choose the appropriate alternative from the given alternatives : **10**
- 1) The control over the capital issue is exercised by _____
a) The State b) Corporations c) SEBI d) All
 - 2) Basic objective of business finance is _____
a) Efficient management b) Arrangement of funds
c) Procurement and use of funds d) None
 - 3) The time required to reach the break-even point is called _____
a) Gestation period b) Waiting period
c) Long-period d) Initial period
 - 4) The first step in financial planning is _____
a) Policy formulation b) Forecasting
c) Setting objectives d) Reviewing the plan
 - 5) The shares of the over capitalised company are sold at _____
a) Premium b) Par c) Discount d) Profit
 - 6) Liberal dividend policy may lead to _____
a) Over capitalisation b) Under capitalisation
c) Fair capitalisation d) Watered stock

P.T.O.



- 7) The debentures which can be transferred by mere delivery are called _____
- a) Registered debentures b) Bearer debentures
c) Simple debentures d) Secured debentures
- 8) Open ended Mutual Funds Scheme is open for subscription _____
- a) All the year b) Specific period
c) Initial period d) Any time
- 9) Global depository receipts is one of the route of _____
- a) Direct investment b) Private investment
c) Portfolio investment d) Official investment
- 10) New Economic Policy is announced in _____
- a) 1958 b) 1991 c) 1995 d) 1997

2. Write short notes on :

- a) Objectives of Business Finance. 5
- b) Characteristics of Financial Plan. 5

3. Write short notes on :

- a) Self Financing. 5
- b) Equity Shares. 5

4. Answer **any one** of the following : 10

- a) Explain the importance of foreign capital in Indian economy.
- b) Explain the forms of foreign collaborations.

5. Answer **any one** of the following : 10

- a) Discuss the theories of capitalisation.
- b) Explain the advantages and disadvantages of public deposits.



Seat No.	
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**M.Com. (Part – II) (Semester – IV) Examination, 2014
ADVANCED ACCOUNTANCY (Paper – III) (Gr. – A)**

Day and Date : Thursday, 20-11-2014

Max. Marks : 50

Time : 3.00 p.m. to 5.00 p.m.

Instructions : 1) **All questions are compulsory.**
2) **Figures to the right indicates full marks.**

1. Choose the correct alternative from the given alternatives : **10**
- 1) Prime cost includes
 - a) Direct mat. + Direct labour + Direct exps.
 - b) Direct mat. + Direct labour
 - c) Indirect mat. + Indirect labour
 - d) None of the above
 - 2) Direct material is a
 - a) Manufacturing cost
 - b) Administrative cost
 - c) Selling and distribution cost
 - d) None of the above
 - 3) Storekeeper should initiate a purchase requisition when stock reaches
 - a) Minimum level
 - b) Maximum level
 - c) Reorder level
 - d) Average level
 - 4) Which of the following is considered to be a normal loss of material ?
 - a) Loss due to accident
 - b) Pilferage
 - c) Loss due to breakage of bulk material
 - d) Loss due to careless material handling
 - 5) Which of the following methods of wage payment is most suitable where quality and accuracy of work is of primary importance ?
 - a) Piece rate system
 - b) Time rate system
 - c) Differential piece work system
 - d) Halsey premium system



- 6) Which of the following document is used for time keeping ?
- Daily time sheet
 - Time card
 - Job card
 - All of these
- 7) Administrative overheads as a percentage of
- Direct material
 - Direct wages
 - Prime cost
 - Works cost
- 8) Idle capacity of a plant refers to the difference between
- Maximum capacity and practical capacity
 - Practical capacity and normal capacity
 - Capacity based on sales expectancy and practical capacity
 - None of these
- 9) Bad debt is an example of
- Production overhead
 - Administrative overhead
 - Selling overhead
 - Distribution overhead
- 10) When the factory overhead control A/c has a closing debit balance, factory overhead was
- Over absorbed
 - Under-absorbed
 - Fixed
 - Variable
2. A) You have been asked to calculate the following levels in respect of Part No. 101823 – (a) Reorder level, (b) Maximum level, (c) Minimum level, (d) Danger level, and (e) Average stock level from the following information :
- Cost of purchasing per order Rs. 20
 - Number of units to be purchased during the year 5,000.
 - Purchase price including transportation costs Rs. 50 per unit.
 - Annual carrying cost per unit Rs. 5.
- | | Average | Maximum | Minimum |
|---|----------------|----------------|----------------|
| Lead time | 10 days | 15 days | 5 days |
| Rate of consumption | 15 units/day | 20 units/day | – |
| Maximum lead time for emergency purchases : 4 days. | | | |
- B) Write a short note on element of cost. **5**



3. A) During April 2012, the following information is obtained from the personnel department of a manufacturing concern : 5

labour force at beginning of the month 950 and 1050 at the end of the month. During the month 10 persons quit while 30 persons are discharged. 140 workers were engaged out of which only 20 persons were appointed in the vacancy created by the number of workers separated and the rest on account of an expansion scheme. Calculate the labour turnover rate and equivalent annual labour turnover rate under different methods.

B) Difference between Cost Accounting and Financial Accounting. 5

4. Solve **any one** of the following :

i) During one week the workman X manufactured 200 articles. He receives wage for a guaranteed 44 hour week at the rate of Rs. 15 per hour. The estimated time to produce one article is 15 minutes and under incentive scheme the time allowed is increased by 20%. Calculate his gross wages under each of the following methods of remuneration :

1) Time rate

2) Piece work with a guaranteed weekly wages.

3) Rown premium bonus.

4) Halsy premium bonus, 50% to workman. 10

ii) The following information regarding transactions took place in respect of material X during the month of January 2012.

Date	Particulars	Quantity Kg.	Rate P/U Rs.
Jan. 02	Received	2000	10
Jan. 06	Received	300	12
Jan. 09	Issued	1200	—
Jan. 10	Received	200	14
Jan. 11	Issued	1000	—
Jan. 22	Received	300	15
Jan. 31	Issued	200	—

You are required to write up Store Ledger Account under FIFO method. 10



5. Solve **any one** of the following :

- i) The Modern Manufacturing Co. submits the following information on 31st March 2012.

	Rs.
Sales for the year	2,75,000
Inventories at the beginning of the year	
Finished goods	70,000
Work in Progress	4,000
Purchases of material for the year	1,10,000
Materials inventory at the beginning	3,000
Materials inventory at the end	4,000
Direct Labour	6,500
Factory overheads 60% of D. labour	
Inventories at the end of the year	
Work in Progress	6,000
Finished goods	8,000
Other Expenses :	
Selling Expenses 10% of Sales	
Administrative Expenses 5% of Sales.	
Prepare a statement of cost/cost sheet.	

- ii) The following information relates to milling machine.

10

Cost of machine	Rs. 11,000
Estimated scrap value	Rs. 1,000
Effective working life	Hrs. 10,000
Rep. and Maint. cost estimated over the whole life of machine	Rs. 1,500
Hours worked in a month	200
Standing charges of the shop for a month	Rs. 1,250
Number of machines in the shop, each of which bears equal change.	Nos. 25
Power used by each machine 5 units per hour 6 paise p/u.	
You are required to compute Machine Hour Rate.	



- 8) If operating leverage is 4 times and combined leverage is 6 times, then financial leverage is _____ times.
 a) 0.67 b) 1.5 c) 24 d) 6.4
- 9) Discounted cashflow method is also called as _____ method.
 a) Pay back b) Return on investment
 c) Net present value d) Internal rate of return
- 10) At internal rate of return N.P.V. is
 a) Positive b) Negative c) Nil d) Higher

2. Write short notes (**any two**).

10

- a) Forms of dividend
 b) Capital gearing ratio
 c) Internal rate of return.

3. A) Calculate capital gearing ratio from the following information.

- 15% long term debt Rs. 8,00,000
 10% preference share capital Rs. 1,00,000
 Equity share capital Rs. 2,00,000
 Reserves and surplus Rs. 1,50,000
 Preliminary expenses Rs. 50,000

B) Particulars	Project A	Project B
* Present value of cash in flows Rs.	1,825	1,910
* Present value of cash outflows Rs.	1,600	1,600

Find out profitability index of both projects and also calculate net present value and comment.

(5+5)

4. The selected financial data for companies A, B and C for the year ended 31-12-2014 are as follows.

Particulars	Co. 'A'	Co. 'B'	Co. 'C'
Variable cost as % of sales	$66\frac{2}{3}$	75	50
10% debt Rs.	2,000	3,000	10,000
Degree of operating leverage	5	6	2
Degree of financial leverage	3	4	2
Income tax rate	40%	40%	40%

Prepare Income Statement for each company.

10

OR



Calculate the operating, financial and combined leverages from the following information.

Sales (units)	1000
Selling price Rs.	50 per unit
Variable cost	50% of sales
Total operating cost Rs.	40,000
10% debentures Rs.	50,000
Income tax rate	40%

5. Calculate the cost of equity (K_e) in each of the following case.

- 1) An equity share of the company is currently selling for Rs. 50/-. Company expects to earn Rs. 6 per share at the end of current year. Dividend payout ratio is 60%. Dividend per share expected to grow @ 8% p.a.
- 2) An equity share of the company is currently selling for Rs. 50/-. The company had paid dividend of Rs. 6/- per share at the end of last year. Dividend per share is expected to grow @ 8% p.a.

10

OR

X Ltd. issued Rs. 100 lakhs, 12% debentures of Rs. 100 each redeemable at par after five years, you are require to calculate the cost of debt (K_d) in each of the following cases.

- 1) If debentures are issued at par with 5% floatation cost.
 - 2) If debentures are issued at 10% premium with 5% floatation cost.
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**M.Com. – II (Sem. – IV) Examination, 2014
TAXATION (Gr. C) (Paper – III)**

Day and Date : Thursday, 20-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Total Marks : 50

Instructions: 1) **All questions are compulsory.**
2) **Figures to the right indicate marks.**

1. Select the correct choice :

10

- 1) Payment of Central Excise Duty depends upon
 - a) Removal goods from the place of removal
 - b) Manufacture of goods in the factory
 - c) Deemed manufacture of goods
 - d) Removal goods for branch transfer
- 2) Cenvat Credit on goods other than capital goods can be utilized
 - a) As soon as goods received into the factory
 - b) Only after payment actually made
 - c) Only after the goods actually sold
 - d) As soon as manufacture takes place
- 3) A manufacturer being eligible for SSI related exemptions is linked to his turnover in the previous year
 - a) Less than Rs. 400 Lakhs
 - b) Less than Rs. 150 Lakhs
 - c) Less than Rs. 90 Lakhs
 - d) Less than Rs. 350 Lakhs
- 4) Under Central Excise, the due date of payment of tax through e-payment is
 - a) 6th of the following month
 - b) 5th of the following month
 - c) 31st of every month
 - d) 15th of the following month
- 5) Which one of the following document is not required for registration of Importer Exporter Code (IEC)
 - a) Memorandum and Articles of Association
 - b) Registered Address
 - c) First Information Report
 - d) Applicant's Photograph



- 6) Ram has imported motor car for his personal use and paid Rs. 2,50,000 as import duty. Car was used in India for 3 months and 2 days. He wants take back with him the said car (i.e. re-export) he can get duty draw back
- a) at 50% of the duty paid
 - b) at 92% of the duty paid
 - c) at 75% of the duty paid
 - d) at nil
- 7) A firm is
- a) Not liable to Wealth Tax
 - b) Liable to Wealth Tax
 - c) Not liable to Wealth Tax but partner's share in the value of the assets of the firm shall be included in the net wealth of the partner
 - d) None of the above
- 8) One house shall be exempt u/s 5(vi) of the Wealth Tax in case of
- a) Individual assessee only
 - b) Any assessee
 - c) Individual or HUF
 - d) None of the above
- 9) Net Wealth of the Assessee is to be computed as on
- a) 31st March preceding the relevant assessment year
 - b) First moment of 31st March preceding the relevant assessment year
 - c) As on last moment of 31st March preceding the relevant assessment year
 - d) None of the above
- 10) While calculating net maintainable rent under wealth tax for value of the property, deduction from gross maintainable rent shall be at
- a) 30%
 - b) 17.5%
 - c) 25%
 - d) None of the above
2. Write short notes on **any two** from the following : **10**
- a) Determination of net maintainable rent under Wealth Tax.
 - b) Procedure for obtaining registration under Central Excise
 - c) Invoice under Central Excise
 - d) Input credit under Central Excise
 - e) Procedure to be followed for finding transaction value with reference to Assessable Value under Customs Act
3. Answer **any two** from the following : **10**
- A) Explain the concept of Levy and Collection of Central Excise.
 - B) State why classification of goods is important under Central Excise.
 - C) When is the residual method applicable for finding transaction value under Customs ?
 - D) Explain the procedure for obtaining Importer Exporter Code (IEC).



4. A) Machine Craft Ltd. manufactured and supplied a machine to Yuvraj Ltd. on the following terms and conditions : 10

	Rs.
Cost of the machine (net of taxes and duties)	13,60,000
Erection Expenses	1,04,000
Packing Expenses	16,000
Design and Development Charges	1,20,000
Central Sales Tax on taxable turnover	@4%
Excise Duty	10.30%
Cash discount will be offered if full payment is, received before dispatch of the goods	20,000
Bought out items	17,000

It is further informed that the buyer made all payment before delivery of goods. The manufacturer incurred cost of Rs. 2,400 in loading the machine in the truck in his factory and the same not charged separately to the buyer.

Find the Assessable value and excise duty payable.

OR

- B) The goods manufactured by Royal Ltd. are exempted from excise duty with effect from 01/03/2013. Earlier these goods were liable to duty at 14.42%. Its inputs were liable to excise duty at 20.60%. Following information is supplied on 1st March 2013.

- i) Inputs costing Rs. 1,44,720 are lying in stock.
- ii) Inputs costing Rs. 77,184 are in process.
- iii) The finished goods valuing Rs. 4,82,400 are in stock, the input cost is 50% of the value.
- iv) The balance in CENVAT receivable account is Rs. 1,79,104.

The department has asked Royal Ltd. to reverse the credit taken on inputs referred above. However Royal Ltd. contends that credit once validly taken is indefeasible and not required to be reversed. Decide.

What will be your answer if balance in Cenvat Receivable account as on 1st March 2013 is Rs. 29,104 ?



5. A) Compute the net wealth of Kuber a resident individual, as on 31-03-2013 from the following particulars furnished : 10
- 1) He has gifted to a trust a commercial property situated at Ahmedabad purchased 5 years back for Rs. 21,00,000 for the benefit of the smaller Hindu Undivided Family consisting of himself and his wife.
 - 2) He has a house property at Delhi, valued at Rs. 24,00,000 which is occupied by a firm in which he is partner for its business purpose. Another house at Mumbai, valued at Rs. 16,50,000 is being used for his own business.
 - 3) Vehicles for personal use 9,60,000

Motor car, Ford Ikon	4,65,000
Maruti Gypsy Car	5,70,000
Cash in hand	4,35,000
Jewellery	16,50,000
 - 4) Kuber is the holder of an impartible estate in which urban lands of the value of Rs. 9,00,000 as on 31-03-2013 are comprised.
 - 5) He had transferred an urban house plot in January 1998 in favour of his uncle which was not revocable during his lifetime. This uncle died on 28-3-2013. Kuber could get the title to the plot retransferred to his name only on 5-5-2013 despite sincere and honest efforts. The market value of the house as on 31-3-2013 is Rs. 24,00,000.

OR

- B) Compute the net wealth and wealth tax liability of Raghupati Ltd. as on 31-3-2013. The company is engaged in jewellery business exports and domestic sales :

	Rs.
Factory buildings W.D.V.	28,00,000
Bank balance	14,00,000
Unaccounted cash balance	4,20,000
Silver ware	85,00,000
Gold Ornaments	45,00,000
Motor Cars W.D.V.	27,00,000
Farm House within 10 Kms of M.C.D. Limits	16,00,000
(Value as per Schedule III)	
Guest house in London (Value as per Schedule III)	9,00,000

The company has taken a loan of Rs. 6,00,000 by mortgaging guest house and built the factory premises. The market value of Cars are 13,00,000.



Seat No.	
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**M.Com. – II (Sem. – IV) Examination, 2014
ADVANCED ACCOUNTANCY (Gr. – a) (Paper – IV)
Research Methodology
(For External Students)**

Day and Date : Saturday, 22-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Max. Marks : 50

N.B. : 1) ***All questions are compulsory.***
2) ***Figures to the right indicate full marks.***

1. Select most suitable alternative from the given alternatives : **10**
- 1) The role of statistics in research is to function as a tool in
 - a) Designing research
 - b) Analysing its data
 - c) Drawing conclusions
 - d) All of these
 - 2) To tell whether or not the hypothesis seems to be valid is called
 - a) Testing of hypothesis
 - b) Formulation of hypothesis
 - c) Tentative hypothesis
 - d) None of these
 - 3) Statistical test of hypothesis for small samples is called
 - a) Z-test
 - b) T-test
 - c) F-test
 - d) None of these
 - 4) The first step of report writing is
 - a) Preparation of rough draft
 - b) Analysis of the subject matter
 - c) Preparation of report
 - d) None of these
 - 5) Selection of sample by lottery methods is called
 - a) Random sampling
 - b) Cluster sampling
 - c) Quota sampling
 - d) None of these
 - 6) Coding of data is done
 - a) During collection of data
 - b) Before collection of data
 - c) Before or after a collection of data
 - d) None of these



- 7) A good report contains
- a) A good format
 - b) Simplicity
 - c) Precision
 - d) All of these
- 8) Error which is generally arise when data are not properly observed is called
- a) Sampling error
 - b) Non-sampling error
 - c) Sampling and Non sampling error both
 - d) None of these
- 9) Assigning numbers and symbols to various responses in schedule to facilitate further analysis of data is called
- a) Processing
 - b) Editing
 - c) Coding
 - d) None of these
- 10) All statistical method which simultaneously analyse more than two variables are called
- a) Multivariable analysis
 - b) Casual analysis
 - c) Inferential analysis
 - d) None of these
2. Write short notes on : 10
- 1) Sample size
 - 2) Data analysis
3. Give answer of the following questions in brief : 10
- 1) What are the advantages and limitations of sampling ?
 - 2) Write characteristics of good report.
4. Write answer **any one** of the following questions : 10
- 1) What is report writing ? Write steps in drafting reports.
 - 2) What do you mean by testing hypothesis ? Write fundamentals of hypothesis testing.
5. Answer **any one** of the following questions : 10
- 1) Write note on specific applications of statistics in research.
 - 2) What is processing of data ? Explain quantitative and qualitative analysis of data.
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Seat No.	
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**M.Com. – II (Semester – IV) Examination, 2014
ADVANCED COSTING (Paper – IV) (Gr.b)
Research Methodology (For External Students)**

Day and Date : Saturday, 22-11-2014

Total Marks : 50

Time : 3.00 p.m. to 5.00 p.m.

Instructions : 1) **All questions are compulsory.**
2) **Figures to the right indicate full marks.**

1. Choose the correct alternative from alternatives given below each question : **10**

- 1) Selection of sample by lottery method is called
 - a) Random sampling
 - b) Cluster sampling
 - c) Quota sampling
 - d) Deliberate sampling
- 2) Sampling error arises due to
 - a) Chance factor
 - b) Personal bias
 - c) Variation in population
 - d) All of the above
- 3) Coding of data is done
 - a) only after collection of data
 - b) only before collection of data
 - c) before or after collection of data
 - d) during the collection of data
- 4) A study of functional relationship existing between two or more variables is called
 - a) Causal analysis
 - b) Inferential analysis
 - c) Correlation analysis
 - d) Canonical analysis
- 5) A brief account of the problem of investigation is
 - a) A data procession
 - b) A research report
 - c) Editing
 - d) None
- 6) One of the characteristic of good report is
 - a) Simplicity
 - b) Accuracy
 - c) Objectivity
 - d) All the above

P.T.O.



- 7) The role of statistics in research is to function as
 - a) A tool of designing research
 - b) Analysing the research data
 - c) Drawing conclusions
 - d) All the above
- 8) Method of sampling used for public opinion surveys is
 - a) Cluster sampling
 - b) Quota sampling
 - c) Random sampling
 - d) Systematic sampling
- 9) Assigning numbers and symbols to various response in schedule to facilitate further analysis of data is called
 - a) Processing
 - b) Editing
 - c) Coding
 - d) Classification
- 10) To reduce a sampling error we should
 - a) Increase the sample size
 - b) Reduce the sample size
 - c) Enhance personal bias
 - d) Use deliberate sampling

2. Write short notes on : **10**

- 1) Types of sampling
- 2) Editing and coding.

3. Answer in brief : **10**

- 1) What are the types of report ?
- 2) Write advantages of sampling.

4. Explain the fundamentals of hypothesis testing. **10**

OR

What is report writing ? Write elements of research report. **10**

5. What is data analysis ? Explain quantitative and qualitative analysis. **10**

OR

Write the applications of measures of central tendency and dispersion.



Seat No.	
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M.Com. II (Sem. – IV) Examination, 2014
TAXATION (Gr. C) (Paper – IV)
Research Methodology (External Students Only)

Day and Date : Saturday, 22-11-2014

Total Marks : 50

Time : 3.00 p.m. to 5.00 p.m.

Instructions: 1) *All questions are compulsory.*
2) *Figures to the right indicates full marks.*

1. Select the most appropriate alternative from given alternatives : **10**
- 1) Sampling error arises due to
 - a) Chance factor
 - b) Variation in population
 - c) Personal bias
 - d) All of the above
 - 2) Method of sampling used for public opinion surveys is
 - a) Cluster sampling
 - b) Quota sampling
 - c) Random sampling
 - d) Systematic sampling
 - 3) To reduce a sampling error we should
 - a) Reduce the sample size
 - b) Increase the sample size
 - c) Enhance personal bias
 - d) Use deliberate sampling
 - 4) Coding of data is done
 - a) Only after collection of data
 - b) Only before collection of data
 - c) Before or after collection of data
 - d) During collection of data
 - 5) Assigning numbers and symbols to various responses in schedule to facilitate further analysis of data is called
 - a) Processing
 - b) Editing
 - c) Coding
 - d) Classification
 - 6) A research report acts as
 - a) Means of communication
 - b) Aids in decision-making
 - c) Guidance for future research
 - d) All of the above



- 7) Selection of sample by lottery method is called
 - a) Random sampling
 - b) Deliberate sampling
 - c) Cluster sampling
 - d) Quota sampling
- 8) Statistical technique dealing with the association between two or more variables is called
 - a) Causal analysis
 - b) Correlation analysis
 - c) Inferential analysis
 - d) All of the above
- 9) A brief account of the problem of investigation is called
 - a) A research report
 - b) A data processing
 - c) Editing of data
 - d) All of the above
- 10) In a research report appendices and Bibliography are content of
 - a) Introductory part
 - b) Body of the report
 - c) Addenda
 - d) All of the above

2. Write short notes on : 10

- a) Advantages of sampling.
- b) Importance of Tabulation.

3. Answer in brief : 10

- a) Steps in sampling.
- b) Editing and evaluating the final draft.

4. What is 'project report' ? Explain the characteristics of a good project report. 10

OR

Explain the meaning and importance of coding and editing of data. 10

5. Explain the various types of reports. What are the steps in drafting the report ? 10

OR

How statistics is useful in Research ? Explain the applications of measures of central tendency. 10



Seat No.	
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**M.Com. – II (Semester – IV) Examination, 2014
MANAGEMENT ACCOUNTING (Compulsory)
(Paper – III)**

Day and Date : Tuesday, 25-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Max. Marks : 50

Instructions : 1) **All questions are compulsory**
2) **Figures to the right indicate full marks.**

1. Choose the correct alternative :

- 1) _____ costing is defined as 'the practise of charging all costs, both variable and fixed to operations, processes or products.
a) Marginal b) Absorption c) Standard d) Uniform
- 2) Rent, insurance, depreciation are the examples of _____ cost.
a) Fixed b) Variable c) Direct d) Semi variable
- 3) _____ is the difference between the total sales value and total variable cost.
a) Fixed cost b) Profit c) Contribution d) P.V. Ratio
- 4) _____ Ratio is the ratio of contribution to sales.
a) Profit volume b) Profit value c) Profit margin d) Profit and loss
- 5) If margin of safety is Rs. 1,00,000, Variable cost to sales is 80%, then the profit is Rs.
a) 80,000 b) 20,000 c) 8,00,000 d) 2,00,000
- 6) Material usage variance plus material price variance = material _____ variance.
a) Sub usage b) Mix c) Yield d) Cost
- 7) Labour _____ variance is always adverse.
a) Mix b) Yield c) Idle time d) Cost
- 8) For material _____ variance mainly the purchase department and its manager is responsible.
a) Cost b) Price c) Usage d) Mix



- 9) Sales above break even sales are called as
 a) Excess sales b) Short sales c) Margin of safety d) Profit

- 10) Fixed cost is also called as _____ cost.
 a) Relevant b) Variable c) Marginal d) Period **10**

2. Write short notes :

- A) Reporting and levels of management (i.e. reporting to levels of management).
 B) Marginal costing and absorption costing. **10**

3. A) A manufacturing concern which has adopted standard costing furnishes the following information.

Standard

Material (For 70 Kg of finished products)	100 Kg
Price of materials	Re. 1 per Kg

Actual

Output	2,10,000 Kg
Materials used	2,80,000 Kg
Cost of Materials	Rs. 2,52,000

Calculate material price and material usage variance.

- B) From the particulars given below calculate :

- 1) Break-even-sales
 2) Margin of safety

Sales	Rs. 20,000
Total cost	Rs. 16,000
Variable cost	Rs. 12,000

4. From the following calculate : **10**

- a) Fixed cost
 b) Sales required to earn profit of Rs. 2,000
 c) Profit when sales are Rs. 40,000
 d) New Break-even-point if selling price is reduced by 10%
 Profit volume ratio 40%
 Margin of safety 80%
 Actual sales Rs. 1,25,000

OR



Particulars	2012	2013
Sales Rs.	5,00,000	10,00,000
Profit Rs.	(–) 50,000	(+) 50,000

You are require to calculate :

- 1) P.V. Ratio
- 2) Fixed Cost
- 3) Break even sales
- 4) Profit when sales are Rs. 7,50,000
- 5) Sales to earn profit of Rs. 75,000.

10

5. The standard cost of chemical mixture is
35% material A at Rs. 25 per Kg
65% material B at Rs. 36 per Kg
A standard loss of 5% is expected in production.
During a period there is used
125 Kg of Material A at Rs. 27 per Kg
300 Kg of Material B at Rs. 34 per Kg
The Actual output was 380 Kg

Calculate :

- 1) Material Mix Variance
- 2) Material Yield Variance

OR

Particulars	Budget	Actual
Output 12,000	13,000	
No. of working days	25	27
Hours per working day	100	105
Overheads Rs.	48,000	50,000

Calculate overhead variances.

10



Seat No.	
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**M.Com. – II (Semester – IV) Examination, 2014
BUSINESS FINANCE (Compulsory Paper – IV)**

Day and Date : Thursday, 27-11-2014
Time : 3.00 p.m. to 5.00 p.m.

Max. Marks : 50

N. B. : 1) **All questions are compulsory.**
2) Figures to the **right** indicate **full** marks.

1. Choose the correct alternative from given alternatives : **10**
- 1) Processing of proposals for new issues and underwriting of new security issues are the main functions of _____ market.
a) Money b) Primary c) Capital d) Secondary
 - 2) Selling of securities to one or few institutions or individuals rather than going through security market is called _____
a) Private placement b) Public placement
c) Both a) and b) above d) None of the above
 - 3) _____ provides regular, efficient and effective market mechanism for trading of all kinds of securities and instruments.
a) Capital market b) Money market
c) Stock exchange d) Commodity market
 - 4) _____ has introduced BOLT system of trading for listed securities.
a) NSE b) OTCEI c) RBI d) BSE
 - 5) Conversion of physical certificates of a holder in electronic form is known as _____
a) Rematerialisation b) Dematerialisation
c) Capitalisation d) Privatisation
 - 6) The main objective of _____ management is to maximise return and minimise risk while making an investment.
a) Human Resource b) Portfolio
c) Personnel d) Sales

