

**S-5406**

**Sub. Code**

**22MCO1C2**

**M.Com. DEGREE EXAMINATION, NOVEMBER 2024**

**First Semester**

**Commerce**

**ADVANCED CORPORATE ACCOUNTING**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 2 = 20)

Answer **all** the questions.

1. What is a share?
2. What is forfeiture share?
3. What is sales ratio?
4. What is managerial remuneration?
5. What is purchase consideration?
6. What do you understand by alternation of share capital?
7. Write about voluntary winding up?
8. What is Insolvent?
9. What is Minority Interest?
10. What is Cost of Control?

**Part B****(5 × 5 = 25)**

Answer **all** the questions choosing either (a) or (b).

11. (a) Raj co. Ltd., issued 50,000 equity shares of Rs. 10 each to the public on condition that full amount of shares will be paid in a lump sum. All these shares were taken up and paid by the public. Pass journal entries in the books of company when:
- (i) shares are issued at par,
  - (ii) shares are issued at a premium of 10 % and
  - (iii) shares are issued at a discount of 10%.

Or

- (b) Mr. Saravana is a shareholder in Kiran Ltd., holding 2,000 shares of Rs. 10 each. He has paid Rs. 2 and Rs. 3 per share on application and allotment respectively, but failed to pay Rs. 3 and Rs.2 per share for first and second calls respectively, Directors forfeit his shares. Give journal entry.
12. (a) The profits of sun Ltd., for the last 5 years were as follows:

Years	Rs.
1994	15,000
1995	18,000
1996	22,000
1997	25,000
1998	27,000

Compute the value of goodwill of sun Ltd., on the basis of 4 years purchase of weighted average profit after assigning weights 1, 2, 3, 4 and 5 serially to the profits.

Or

- (b) The following is the balance sheet of VTL Ltd., as on 31-12-1998.

Liabilities	Rs.	Assets	Rs.
4,000 @ 10% preference shares of Rs. 100 each	4,00,000	Sundry assets at book value	12,00,000
General Fund	6,00,000		
Bills payable	50,000		
Creditors	1,50,000		
	<u>12,00,000</u>		<u>12,00,000</u>

The market value of 60% of the assets is estimated to be 15% more than the book value and that of the remaining 40% at 10% less than the book value. There is an unrecorded liability of Rs. 10,000. Find the value of each equity share (it is to be assumed that preference shares have no prior claim as to payment of dividend or to repayment of capital).

13. (a) Kay co Ltd., has the following shares as a part of its share capital 10,000 at 8% preference shares of Rs. 100 each fully paid. 50,000 equity shares of Rs. 5 each fully paid, 20,000 equity shares of Rs. 10 each, Rs. 8 called up and paid up. The company has decided to alter the share capital as follows:

- (i) To sub-divide the preference shares into share of Rs. 10 each.
- (ii) To consolidate the equity shares of Rs. 5 each into shares of Rs. 10 each.
- (iii) To convert the partly paid up equity shares into fully paid up shares of Rs. 8 each, with necessary legal sanctions.

Journalise the alternatives.

Or

- (b) S Ltd., and R Ltd., agreed to amalgamate on the basis of the following balance sheets as on 31-03-1997.

Liabilities	S Rs.	R Rs.	Assets	S Rs.	R Rs.
Share capital Rs. 25 each	75,000	50,000	Good will	30,000	-
P and L a/c	7,500	2,500	Fixed assets	31,500	38,800
Creditors	3,500	3,500	Stock	15,000	12,000
Depreciation fund	-	2,500	Debtors	8,000	5,200
			Bank	1,500	2,500
	<u>86,000</u>	<u>58,500</u>		<u>86,000</u>	<u>58,500</u>

The assets and liabilities are to be taken over by a new company formed called P Ltd., at book values. P Ltd's capital is Rs. 2,00,000 divided into 10,000 equity shares of Rs. 10 each and 10,000 at 9% preference shares of Rs. 10 each. P Ltd., issued the equity shares equally to the vendor companies and preference shares were issued for any balance of purchase price. Pass journal entries in the books of P Ltd., and prepare its balance sheet, if the amalgamation is in the nature of purchase.

14. (a) The following particulars relate to a limited company which went into voluntary liquidation:

Particulars	Rs.
Preferential creditors	25,000
Unsecured creditors	58,000
6% debentures	30,000

The assets realized Rs. 80,000. The expenses of liquidation amounted to Rs. 1,500 and the liquidators remuneration was agreed at  $2\frac{1}{2}\%$  on the amount realized and 2% on the amount paid to unsecured creditors including preferential creditors. Show the liquidators final statement of account.

Or

(b) The Capital of Ford Company Ltd, which went into liquidation was as follows:

- (i) 4,000 equity shares Rs. 100 each, fully paid.
- (ii) 3,000 equity shares of Rs. 100 each, Rs. 80 per share paid up.
- (iii) 1,000 preference shares of Rs. 100 each fully paid (these have preference in the repayment of capital)
- (iv) 1,000 deferred shares of Rs. 100, Rs. 80 per share paid up (these to be repaid only after satisfying the claims of equity shareholders). The various creditors amounted in all to Rs. 1,00,000 including the liquidators remuneration of Rs. 2,500. The liquidator made a call of the remaining Rs. 20 per share on the deferred shares which was paid in full. He also realized all the assets amounting to Rs. 1,91,000.

A call of Rs. 15 per share was made on the equity shares which were partly paid up. This was paid in full, with the exception of that on 100 shares which shares forfeit the right of refund of capital. Prepare the liquidators account showing the return to the shareholders.

15. (a) On 1<sup>st</sup> March 2000 the balance sheets of H Ltd. and its subsidiary S Ltd. stood as follows:

Liabilities	H Ltd. Rs.	S Ltd. Rs.	Assets	H Ltd. Rs.	S Ltd. Rs.
Equity share capital	8,00,000	2,00,000	Fixed assets	5,50,000	1,00,000
General reserve	1,50,000	70,000	And 5% shares in S Ltd. (at cost)	2,80,000	-
Profit and loss a/c	90,000	55,000	Stock	1,05,000	1,77,000
Creditors	1,20,000	80,000	Other current assets	2,25,000	1,28,000
	<u>11,60,000</u>	<u>4,05,000</u>		<u>11,60,000</u>	<u>4,05,000</u>

Draw a consolidate Balance Sheet as at 31<sup>st</sup> March 2000 after taking into consideration the following information:

- (i) H ltd. acquired the shares on 31<sup>st</sup> July 1999.
- (ii) S Ltd. earned profit of Rs. 45,000 for the year ended 31<sup>st</sup> March 2000.
- (iii) In January 2000 S Ltd. sold to H Ltd. goods costing Rs. 15,000 for Rs. 20,000 on 31<sup>st</sup> March 2000 half of these goods were lying as unsold in the godown of H Ltd.

Or

- (b) L Ltd. acquired 80% of the shares in M Ltd. on 1.1.1996 on which date M Ltd. had Rs. 20,000 credit balance in its profit and loss account.

Particulars	L Ltd.	M Ltd.
	Rs.	Rs.
Profit for the year 1997	2,00,000	80,000
P and L Balance on 31.12.1996	1,20,000	70,000

M Ltd. had not paid any dividend during the years 1996 and 1997. You are required to prepare consolidated P and L a/c for the year ended 31.12.1997.

### Part C

(3 × 10 = 30)

Answer any **three** questions.

- 16. R Ltd. issued 36,000 equity shares of Rs. 10 each at a premium of Rs. 2 per share payable,

On Application – Rs. 3

On Allotment – Rs. 5 (including premium)

And balance on call.

Applications were received for 67,200 shares and it was decided to make allotment as follows:

Applicants for 17,300 shares (in respect of application for 1,000 shares or more) received 6,100 shares. Applicants for 30,700 shares (in respect of application for 500 or more but less than 1,000) received 16,100 shares. Applications for 19,200 shares (in respect of applications for less than 500 received the remaining shares pro-rata). Cash thus received after satisfying amount due on application was applied towards allotment and the balance was returned. Mr. Kather, an applicant for 150 shares to whom pro-rata allotment was made failed to pay the allotment money. Mr. David who was allotted 50 shares also on pro-rata basis failed to pay the call money. All these shares were forfeited after the call and subsequently reissued to MR. Hooper as fully paid at Rs. 7.50 per share. Give Journal entries including those relating to cash to record the above transactions.

17. The Silver ore company Ltd. was formed on 1.4.1997 with an authorized capital of Rs. 6,00,000 in shares of Rs. 10 each of these 52,000 shares had been issued and subscribed but there were calls in arrear on 100 shares. Form the following trail balance as on 31<sup>st</sup> march 1998, prepare the Trading and Profit & Loss account and the Balance Sheet.

Particulars	Rs.	Particulars	Rs.
Cash at Bank	1,05,500	Share Capital	5,19,750
Plant	40,000	Sale of Silver	1,79,500
Mines	2,20,000	Interest on F.D upto December 31. 1997	3,900
Promotion expenses	6,000	Dividend on investment	3,200
Advertising	5,000		
Cartage on plant	1,800		
Furniture and Buildings	20,900		
Administrative expenses	28,000		

Particulars	Rs.	Particulars	Rs.
Repairs to plant	900		
Coal and oil	6,500		
Royalties paid	10,000		
Railway track and wagons	17,000		
Wages of miners	74,220		
Cash	530		
Investment – shares of tin mines	80,000		
Brokerage on above	1,000		
6% F.D in syndicate bank	89,000		
	<u>7,06,350</u>		<u>7,06,350</u>

**Adjustments:**

- Depreciate plant and railways by 10%, Furniture and building by 5%.
- Write off a third of the promotion expenses.
- Value of Silver ore company on 31<sup>st</sup> March 1998 Rs. 15,000.
- The directors forfeited on 20<sup>th</sup> December 1997, 100 shares on which only Rs. 7.50 has been paid.

18. The Balance Sheets of J Co. Ltd. and H Co. Ltd. as on 31.3.2004 were as follows:

Liabilities	J Ltd.	H Ltd.	Assets	J Ltd.	H Ltd.
	Rs.	Rs.		Rs.	Rs.
Share Capital:			Goodwill	40,000	-
Rs. 100 each	5,00,000	-	Fixed Assets	4,00,000	8,00,000
Rs. 10 each	-	4,00,000	Cash at bank	-	1,00,000



Liabilities	J Ltd.	H Ltd.	Assets	J Ltd.	H Ltd.
	Rs.	Rs.		Rs.	Rs.
Capital reserve	1,00,000	-	Other current assets	4,50,000	3,30,000
General reserve	35,000	4,00,000			
Secured loan	-	2,50,000			
Unsecured loan	1,00,000	-			
Sundry creditors	1,55,000	1,80,000			
	<u>8,90,000</u>	<u>12,30,000</u>		<u>8,90,000</u>	<u>12,30,000</u>

It was proposed the J Co. Ltd. should be taken over by H Ltd. the following arrangements were accepted by both the companies.

- (a) Goodwill of J Ltd. is considered worthless.
- (b) Arrears of depreciation in J co. Ltd. amounted to Rs. 20,000
- (c) The holders of every 2 shares in J Ltd. was to receive:
  - (i) As fully paid at par, 10 shares in H Ltd.
  - (ii) So much cash as necessary to adjust the rights of shareholders of both the companies in accordance with the intrinsic values of the shares both the companies with the intrinsic values of the shares as per their balance sheets after the adjustments mentioned above.

You are required to

- (1) Determine the purchase consideration,
- (2) Show the balance sheet of H Co. Ltd. after the absorption, if the amalgamation is in the nature of purchase.

19. On 31.3.1998 the date of liquidation of accompany, its balance sheet was as under:

Liabilities	Rs.	Assets	Rs.
7% at preference shares	3,00,000	Land and Buildings	4,00,000
6,000 equity shares of Rs. 10 each, Rs. 8 paid up	48,000	Plant and Machinery	1,60,000
3,000 equity shares of Rs. 10 each, Rs. 7 paid up	21,000	Stock	4,00,000
6% debentures of Rs. 100 each	12,00,000	Debtors	6,40,000
Outstanding interest on debentures	72,000	Cash at bank	51,000
Creditors	8,000		
Bills payable	2,000		
	<u>16,51,000</u>		<u>16,51,000</u>

The assets were realized were realized as under:

Land and Buildings Rs. 3,50,000, Pant and Machinery Rs. 2,00,000, Debtors Rs. 6,00,000, Stock Rs. 4,61,000, Liquidation expenses Rs. 2,000.

Remuneration of Liquidator  $\frac{1}{2}$  % on the assets realized including cash and 1% on the amount paid to unsecured creditors. Creditors shown in the balance sheet included Rs. 2,000 preferential. Interest on debenture is to paid upto 31.5.1998. Dividend on preference shares is in arrears for 1  $\frac{1}{2}$  years. Legal charges Rs. 1,000. Prepare liquidators final statement of accounts.

20. The following are the balance sheets of H Ltd. and S Ltd. as on 31<sup>st</sup> March 1989.

Liabilities	H Ltd.	S Ltd.	Assets	H Ltd.	S Ltd.
Shares capital:			Fixed assets	2,50,000	2,00,000
Shares of Rs. 100 each	5,00,000	4,00,000	Investment in S Ltd.	2,50,000	-
General reserve	1,00,000	1,00,000	Current assets	4,00,000	5,50,000
Profit and Loss a/c	2,00,000	1,50,000			
Current liabilities	1,00,000	1,00,000			
	<u>9,00,000</u>	<u>7,50,000</u>		<u>9,00,000</u>	<u>7,50,000</u>

The following further information is furnished:

- H Ltd. acquired 2,000 shares in S Ltd. on 1.4.1988 when the latter general reserve and profit and loss account were Rs. 2,50,000 and Rs 1,00,000 respectively.
- On 30.6.1988, S Ltd. declared 20% dividend out of pre-acquisition profits H Ltd. credited the amount received to its profit and loss account.
- On 31.10.1988 S Ltd. issued bonus shares in the ration of 3 shares for 5 shares held out of the general reserve. H Ltd. made no entry in its books for the bonus shares received.
- S Ltd. owned H Ltd. Rs. 5,00,000 on 31.3.1989 on account of goods supplied on credit. However all of those goods were already disposed off by S Ltd.

Prepare a consolidated balance sheet as at 31<sup>st</sup> March 1989.

**S-5409**

**Sub. Code**

**22MCO1E1**

**M.Com. DEGREE EXAMINATION, NOVEMBER 2024**

**First Semester**

**Commerce**

**Elective – FINANCIAL SERVICES AND MARKETS**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 2 = 20)

Answer **all** questions.

1. What is commercial paper?
2. Classify financial assets giving example.
3. What do you mean by listing of securities?
4. What is private placement?
5. What is close ended mutual funds?
6. Define leasing.
7. Define forfeiting.
8. What is edifactoring?
9. What is meant by foreign currency convertible bonds?
10. What is foreign exchange rate?

**Part B**

(5 × 5 = 25)

Answer **all** questions choosing either (a) or (b).

11. (a) Explain the classification of money market with features of it.

Or

- (b) Briefly explains the scope of financial services.

12. (a) Discuss the advantages of private placement.

Or

- (b) Write the problems associated with new issue market.

13. (a) Distinguish between commercial bank and merchant bank.

Or

- (b) Explain the various stages of venture capital financing.

14. (a) State the advantages of forfeiting.

Or

- (b) Discuss about the Depository system in India.

15. (a) Explain the features of foreign exchange market.

Or

- (b) Write about the American depository receipts.

**Part C**

(3 × 10 = 30)

Answer any **three** questions.

16. Discuss the role of the financial system in the economic development of a country.
  17. Explain the various types of new issue market.
  18. Elucidate the various types of mutual funds.
  19. Explain the different types of factoring and their significance.
  20. Narrate the various types of foreign investments.
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**S-5411**

**Sub. Code**

**22MCO2C2**

**M.Com. DEGREE EXAMINATION, NOVEMBER 2024**

**Second Semester**

**Commerce**

**MANAGEMENT ACCOUNTING**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 2 = 20)

Answer **all** questions

1. Who is management Accountant?
2. State any two scope of Management Accounting.
3. What is working capital?
4. Calculate the current ratio from the given information:  
Current Assets – Rs. 1,90,000  
Current liabilities – Rs. 85,000  
Liquid Assets – Rs. 2,00,000
5. State the classification of cash flows
6. What is fund?
7. Write any two advantages of Budgetary control.
8. Define Budget.
9. What is marginal cost?
10. What is Variable cost?

**Part B****(5 × 5 = 25)**

Answer **all** questions, choosing either (a) or (b).

11. (a) Discuss the limitations of financial statements.

Or

- (b) State the installation of Management Accounting system.

12. (a) Describe any five accounting ratios and briefly explain their significance.

Or

- (b) From the following particulars calculate the average collection period.

Particulars	Rs.
Gross sales	1,00,000
Cash sales	20,000
Sales returns	7,000
Total debtors	9,000
Bills receivables	2,000
Provision for doubtful debts	1,000
Total creditors	10,000

13. (a) From the following particulars calculate funds lost in operation.

Net loss for the year – Rs. 90,000

Dividend received – Rs, 7,000

Depreciation charged – Rs. 10,000

Profit on sale of asset – Rs. 5,000

Refund of tax – Rs, 2,000

Or

- (b) Examine the uses and significance of cash flow statement.



14. (a) The expenses for budgeted production of 10,000 units in a factory are furnished below

Particulars	Per Unit (Rs.)
Material	70
Labour	25
Variable Overheads	20
Fixed Overheads (Rs. 1,00,000)	10
Variable expenses (Direct)	5
Selling Expenses (10% fixed)	13
Distribution expenses (20% fixed)	7
Administration Expenses	5
Total cost per unit	155

Prepare a budget for production of (i) 8,000 units  
(ii) 6,000 units. Assume that administration expenses are fixed for all levels of production

Or

- (b) Write the brief note on Zero Base Budgeting.
15. (a) From the particulars given below calculate:
- (i) Break – Even point
  - (ii) Profit or loss when sales are Rs. 12,000 and
  - (iii) Sales required to earn a profit of Rs. 5000

Period	Sales (Rs.)	Profit/Loss (Rs.)
I	10,000	(500)
II	14,000	1,500

Or

- (b) You are given the following particulars Calculate:  
 (i) BEP (ii) Sales to earn profit of Rs. 20,000.

- (1) Fixed cost Rs. 1,50,000  
 (2) Variable cost Rs. 15 per unit  
 (3) Selling price Rs. 30 per unit.

**Part C**

(3 × 10 = 30)

Answer any **three** questions.

16. Differentiate Management Accounting with Financial Accounting and Cost Accounting.
17. From the following profit and loss account and balance sheet for the year 2019 and 2020. You are required to prepare a comparative income statement and comparative Balance Sheet.

**Profit and Loss Account**

Particulars	2018	2019	Particulars	2018	2019
To cost of goods sold	6,000	7,500	By Sales	8,000	10,000
To Administrative expenses	200	200			
To selling expenses	300	400			
To Net profit	1,500	1,900			
	8,000	10,000		8,000	10,000

### Balance Sheet

Liabilities	2018	2019	Assets	2018	2019
Bills payable	500	750	Cash	1,000	1,400
Creditors	1,500	2,000	Debtors	2,000	3,000
Tax payable	1,000	1,500	Stock	2,000	3,000
6% Debenture	1,000	1,500	Land	1,000	1,000
10% preference capital	3,000	3,000	Building	3,000	2,700
Equity capital	4,000	4,000	Plant	3,000	2,700
Reserves	2,000	2,450	Furniture	1,000	1,400
	13,000	15,200		13,000	15,200

18. Balance sheets of M/s. Black and White as on 1.1.2019 and 31.12.2019 were as follows: (In rupees)

Liabilities	1.1.2019	31.12.2019	Assets	1.1.2019	31.12.2019
Creditors	40,000	44,000	Cash	10,000	7,000
Mrs.White's loan	25,000		Debtors	30,000	50,000
Loan from P.N. Bank	40,000	50,000	Stock	35,000	25,000
Capital	1,25,000	1,53,000	Machinery	80,000	55,000
			Land	40,000	50,000
			Building	35,000	60,000
	2,30,000	2,47,000		2,30,000	2,47,000

During the year a machine costing Rs, 10,000 (accumulated depreciation Rs. 3,000) was sold for Rs. 5,000. The provision for depreciation against machinery as on 1.1.2019 was Rs. 25,000 and on 31.12.2019 Rs. 40,000. Net profit for the year 2019 amounted to Rs. 45,000. You are required to prepare funds flow statement.

19. ABC company has given the following particulars. You are required to prepare a cash budget for the three months ending 31<sup>st</sup> December 2017:

Months	Sales (Rs.)	Material (Rs.)	Wages (Rs.)	Overheads (Rs.)
August	20,000	10,200	3,800	1,900
September	21,000	10,000	3,800	2,100
October	23,000	9,800	4,000	2,300
November	25,000	10,000	4,200	2,400
December	30,000	10,800	4,500	2,500

- (a) Credit terms are:

Sales/Debtors – 10% sales are on cash basis. 50% of the credit sales are collected next month and the balance in the following month.

- (b) Creditors: Materials 2 months

(i) Wages 1/5 month

(ii) Overheads 1/2 month)

- (c) Cash balance on 1<sup>st</sup> October 2017 is expected to be Rs. 8,000

- (d) A machinery will be installed in August 2017 at a cost of Rs. 1,00,000. The monthly installment of Rs. 5,000 is payable from October onwards.

- (e) Dividend at 10% on preference share capital of Rs. 3,00,000 will be paid on 1<sup>st</sup> December 2017.

- (f) Advance to be received for sale of vehicle Rs. 20,000 in December.

- (g) Income Tax advance to be paid in December Rs. 5,000

20. From the following data. Which product would you recommend to be manufactured in a factory, time being the key factor?

Particulars	Per unit of product A (Rs.)	Per unit of product B (Rs.)
Direct Material	24	14
Direct Labour @ Rs. 1 per hour	2	3
Variable Overhead @ 2 per hour	4	6
Selling Price	100	110
Standard time to produce	2 hours	3 hours

**S-5414**

**Sub. Code**

**22MCO2N1**

**M.Com. DEGREE EXAMINATION, NOVEMBER 2024**

**Second Semester**

**Commerce**

**NME – ENTREPRENEURSHIP DEVELOPMENT**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 2 = 20)

Answer **all** questions.

1. What is meant by Business Plan?
2. What is Entrepreneurial Mobility?
3. List out the factors that impede the growth of entrepreneurship.
4. How would you group entrepreneurs?
5. What is Trigger Session?
6. What is meant by Project Report?
7. What do you mean by supportive role of Government and NGOs in the context of entrepreneurship?
8. State the purpose of DIC in sphere of EDP.
9. What is Normal Enterprise?
10. What is Credit Union?

**Part B**

(5 × 5 = 25)

Answer **all** questions choosing either (a) or (b).

11. (a) Highlight the benefits of entrepreneurship.

Or

- (b) Enumerate any five causes for slow pace of entrepreneurial growth in India.

12. (a) Elaborate the functions of an entrepreneur.

Or

- (b) State the constraints faced by an entrepreneur in general.

13. (a) Mention the approaches to Ideation.

Or

- (b) Highlight the benefits of Business Plan.

14. (a) State the reasons for establishment of Industrial Estates.

Or

- (b) Write down the objectives of KVIC in promoting EDP.

15. (a) Describe the Benefits of Social Enterprise.

Or

- (b) What are the various types of Social Enterprise?

**Part C**

(3 × 10 = 30)

Answer any **three** questions.

16. Describe the various stages involved in entrepreneurship.
  17. How would you classify entrepreneurs in terms of their behaviors?
  18. Light out the lapses committed in preparing Business Plan.
  19. Elaborate the functions of Industrial and Technical Consultancy Organization of Tamilnadu.
  20. Distinguish Social Enterprise and Socially Responsible Enterprise.
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**S-5421**

**Sub. Code**

**22MCO4C1**

**M.Com. DEGREE EXAMINATION, NOVEMBER 2024**

**Fourth Semester**

**Commerce**

**SPECIAL ACCOUNTING**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 2 = 20)

Answer **all** questions.

1. What do you mean by non-banking assets?
2. What is a contingent liability? What do they include?
3. What is the meaning of surrender value?
4. What is additional reserve?
5. Write any two advantages of double account system.
6. What are the provisions relating to Disposal of surplus?
7. Write a short note on gearing adjustment.
8. Explain the meaning of inflation accounting.
9. What do you mean by human resource accounting?
10. Explain the importance of human resource accounting.

**Part B****(5 × 5 = 25)**Answer **all** questions choosing either (a) or (b).

11. (a) From the following information, find out the amount of provision to be shown in the Profit and Loss Account of a Commercial Bank:

Assets	Rs.
Standard	8,000
Substandard	6,000
Doubtful:	
For One year	1,000
For Three years	1,600
For more than 3 years	400
Loss Assets	1,200

Or

- (b) In respect of the following transactions of X Bank Ltd.. Give necessary journal entries and their treatment in the Profit and Loss Account and Balance Sheet in respect of the year ended 31.12.2009. The following bills were discounted at 5% pa.

Discount on	Amount	Due date inclusive of
	Rs.	3 days of grace
28.12.09	50,000	31.01.2010
29.07.09	1,00,000	30.11.2009
29.10.09	4,00,000	30.04.2010
31.12.09	30,000	03.03.2010

12. (a) A Life Insurance Company got its valuation made once in every three years. The Life Assurance Fund on 31.3.15 amounted to Rs. 41,92,000 before providing for Rs. 32,000 for the shareholders' dividend for the year 2013-14. Its actuarial valuation on 31.3.15 disclosed a net liability of Rs. 40,40,000 under the assurance and annuity contracts. An Interim bonus of Rs.40,000 was paid to the policy holders during the period ending 31.3.15. Prepare a statement showing the amount now available as bonus to policy holders.

Or

- (b) A Life Assurance Company makes its valuation made once in every three years. Its life assurance fund on 31.3.2012 amounted to Rs. 31,92,000 before providing Rs. 40,000 for shareholders' dividend for the year 2011-12. Its actuarial valuation due on 31.3.2012 disclose a net liability of Rs. 30,40,000 under assurance annuity contracts. An interim bonus of Rs. 40,000 was paid to the policy holders during the year ending 31.3.12. Prepare a statement showing the amount now available as bonus to policy holders assuming that the surplus disclosed by the valuation is to be allocated to the shareholders and the policy holders in the ratio of one and nine respectively.

13. (a) A water supply concern had to replace a quarter of the mains and lay an auxiliary main for the remaining length in order to augment supplies of water to a locality. The total cost of the original main was Rs. 8,00,000 the auxiliary main cost Rs. 9,00,000 and the new main cost Rs. 3,50,000. It is estimated that cost of laying a main has gone up by 30%. Parts of the old main realized Rs. 15,000. Pass the necessary journal entries to record the above transactions.

Or

- (b) Milan Co. Ltd. rebuilds its works at a cost of Rs. 3,30,000. In the process, it completely replaces a part of the old works which had cost Rs. 1,30,000. In constructing the new works old materials worth Rs. 4,000 has been used and the value is included in the cost of new works. The balance of the materials resulting from the old works which are replaced is sold for Rs. 8,400. In the case of works which are replaced the cost of materials was 70% and of labour 30% and the present cost of material and labour have increased by 12% and 15% respectively. Assuming the accounts are maintained under the double account system determines the amount to be capitalized and the net charge to revenue and pass journal entries.

14. (a) From the data given below compute appropriate conversion factors.
- (a) General price index numbers - opening 200; closing 300; average for the year 220.
- (b) General price index numbers - At the end of the year - 300
- On the date of acquiring an item of stock - 120
- On the date of acquiring an asset - 150

Or

- (b) The details relating to MSK Ltd. are provided to you for the year ended 31<sup>st</sup> December 2015. You are required to ascertain (i) cost of sales and (ii) closing inventory as per CPP method. The company has been constantly following FIFO method for pricing of stock issues.

	Rs.	Index
Opening stock on 1 <sup>st</sup> January 2015	40,000	400
Purchase during the year	2,00,000	625
Closing stock (out of the purchases made in Nov. 15)	30,000	600
Wholesale price index on 31.12.15		700

15. (a) Write a note on benefits derived for human resource accounting.

Or

- (b) Give the limitations of human resource accounting.

**Part C**

(3 × 10 = 30)

Answer any **three** questions.

16. Prepare P&L a/c and B/S of Chennai Bank Ltd. as on 31.3.2016 according to Banking Regulations Act, 1949.

	Debit Rs. in '000	Credit Rs. in '000
Money at call and short notice	5,000	Share Capital 10,000
Cash in hand	1,000	Statutory Reserve 5,000
Balance with other banks	15,000	Deposits 55,000
Govt. Securities	2,000	Borrowings from other banks 10,000
Loans and advances	40,000	P & L a/c as on 1-4-2015 5,300
Bills discounted	10,000	Interest and discount 5,000
Premises less depredation	2,000	Commission and Brokerage 500
Furniture	500	
Balance with RBI	10,000	
Computer	200	
Salary and bonus	1,400	
Interest on borrowings and deposits	2,000	

	Debit Rs. in '000	Credit Rs. in '000
Audit deposits	100	
Directors fees	200	
Silver	1,000	
Printing and stationeries	200	
Advertisements	200	
	<hr/> 90,800 <hr/>	<hr/> 90,800 <hr/>

Additional information:

- (a) Rebate on hiltis discounted for unexpired term is Rs. 3,00,000
- (b) Interest accrued on investments is Rs. 2,00,000
- (c) Charge 5% depreciation on Premises and 20% on Furniture
- (d) A provision for doubtful debts amounting to Rs. 1, 00,000 is required.
- (e) Bills for collection amounted to Rs. 2,00,0000
- (f) Acceptances for customers Rs. 3,00,000
- (g) The directors desired to declare 5% dividend. Prepare P & L a/c and B/S in the prescribed form.

17. Z P Insurance Co. Ltd. has furnished the following information for preparation of revenue account for fire insurance business for the year ended 31-3-2015.

	Rs.		Rs.
Claims admitted but not paid	42,376	Bad debts	2,500
Commission on reinsurance received	12,000	Reserve for unexpired risk on 1-4-2014	2,30,000

	Rs.		Rs.
Claims O/S on 1-4-2014	27,000	Premium received	5,52,000
Dividend on share capital	18,500	Share transfer fees	5,000
Claims paid	15,000	Exp. of management	75,000
Additional reserve on 1-4-2014	40,000	Commission paid	50,000

The following further information has also to be considered:

- (a) Premium O/S at the end of the year Rs. 40,000
- (b) Additional reserve at 10% of net premium to be maintained
- (c) It is the policy of the company to maintain 50% of premium towards reserve for unexpired risk.

18. From the following as at 31-3-2016, prepare the Revenue A/c, Net Revenue A/c, Capital A/c and General Balance Sheet of KPTC Ltd.:

	Rs.		Rs.
Balance as on 1.4.15 :		Expenses of management	14,400
Land	1,80,000	Cost of distribution	6,000
Machinery	7,20,000	Depreciation	24,000
Mains	2,40,000	Sale of power	1,56,000
Expenditure during the year :		Meter rent	6,000
Land	6,000	Interest on debentures	12,000
Machinery	6,000	Interim dividend	24,000
Mains	61,200	Net Revenue A/c as on 1.4.15	34,200

	Rs.		Rs.
Share capital		Depreciation fund	3,00,000
– Ordinary shares	6,58,800	Sundry Debtors :	
Debentures	2,40,000	For energy supplied	48,000
Sundry creditors	1,200	For others	600
Cost of generation	42,000	Cash balance	6,000
Rent, rates and taxes	6,000		

19. Gupta Ltd., provides you the following data and requests you to ascertain 'gearing adjustment' required under CCA method.

	1-1-96	31-12-96
(a) Net borrowings	2,70,000	2,30,000
(b) Net operating assets	4,80,000	5,20,000
(c) Shareholders funds	2,00,000	3,00,000

Current cost adjustments computed on 31.12.96 were as follows :

COSA	Rs. 40,000
MWCA	Rs. 20,000
Depreciation Adjustment	Rs. 30,000

20. Discuss briefly the measurements of human resource accounting.



**S-5422**

**Sub. Code**

**22MCO4C2**

**M.Com. DEGREE EXAMINATION, NOVEMBER 2024**

**Fourth Semester**

**Commerce**

**GST AND CUSTOMS LAW**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 2 = 20)

Answer **all** questions.

1. What is GST?
2. What are the types of GST?
3. What is composition Scheme?
4. What is “Input tax credit”?
5. Find out the Anti-Profiteering.
6. What is filing of returns?
7. What is IGST supply of Goods?
8. Explain the UTGST.
9. What is customs law in income tax?
10. What are the types of customs duty?

**Part B**

(5 × 5 = 25)

Answer **all** questions choosing either (a) or (b).

11. (a) What are the objectives of GST?

Or

- (b) Explain the strength and weakness of GST.

12. (a) What is types of supply? Explain them.

Or

- (b) Explain the “List of exempted Goods”.

13. (a) Discuss about furnishing details of outward supplies and inward supplies.

Or

- (b) Discuss about vision and mission of CGST.

14. (a) What are the features of IGST Act 2017?

Or

- (b) What are benefits of filing of return to Assessee?

15. (a) What are the objectives of customs law?

Or

- (b) What are the principles of indirect taxes?

**Part C**

(3 × 10 = 30)

Answer any **three** questions.

16. Explain the benefits and demerits of GST.
  17. Explain the levy and collection of CGST/SGST.
  18. Explain the transitional provisions treatment of unavailed CENUAT.
  19. Difference between Reverse charge and forward charge.
  20. Explain the prosecution provisions adjudication Appeal and Revision.
-

**S-5423**

<b>Sub. Code</b>
<b>22MCO4C3</b>

**M.Com. DEGREE EXAMINATION, NOVEMBER 2024**

**Fourth Semester**

**Commerce**

**FINANCIAL MANAGEMENT**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 2 = 20)

Answer **all** questions.

1. What do you mean by financial forecasting?
2. What is profit maximization?
3. Define – Equity Shares.
4. What is Capital Gearing?
5. Point out the features of optimum capital structure.
6. What do you mean by Financial Leverage?
7. What is Cost of Capital?
8. Define – Credit policies.
9. Point out the objectives of Investment management.
10. Write a short note on Sensitivity Analysis.

**Part B**

(5 × 5 = 25)

Answer **all** questions, choosing either (a) or (b).

11. (a) List out the basic principles of financial decisions.

Or

- (b) A Ltd. Company needs Rs. 6,00,000 for construction of a new plant. The following three financial plans are feasible.

- (i) The Company may issue 60,000 equity shares of Rs. 10 each.
- (ii) The company may issue 30,000 equity shares of Rs. 10 each and 3,000 preference shares of Rs. 100 each bearing 8% coupon rate of interest.
- (iii) The company may issue 30,000 equity shares of Rs. 10 each and 3,000 preference shares of Rs. 100 each bearing 8% rate of dividend. The Profit before interest and taxes (PBIT) is expected to be Rs. 1,50,000. Corporate tax rate is 50%. Calculate the earnings per share under the three plans. Which plan would you recommend and why?

12. (a) What are the importances of financial planning?

Or

- (b) NCP Company Ltd. has an all equity capital structure consisting of 20,000 equity shares Rs. 100 each. The management plans to raise Rs. 30 lakhs to finance a programme of expansion. Three alternative methods of financing are under consideration.

- (i) Issue of 30,000 new shares of Rs. 100 each
- (ii) Issue of 30,000 8% debentures of Rs. 100 each
- (iii) Issue of 30,000 8% Preference shares of Rs. 100 each

The Company's expected earnings before interest and taxes (EBIT) are Rs. 10 lakhs. Determine the earnings per share in each alternative assuming a corporate tax rate of 50 per cent. Which alternative is best and why?

13. (a) Discuss about modern methods of risk analysis.

Or

- (b) A firm has the following capital structure after tax costs for the different sources of funds used.

Sources of Funds	Amount (Rs.)	Proportion %	After Tax Cost %
Debt	15,00,000	25	5
Preference shares	12,00,000	20	10
Equity Shares	18,00,000	30	12
Retained Earnings	15,00,000	25	11
	<u>60,00,000</u>	<u>100</u>	

You are required to compute the weighted average cost of capital.

14. (a) CMP Ltd. Earnings Rs. 5 per share. The capitalization rate is 10% and the return on investments is 12%. Under Walter's model, determine
- The optimum payout
  - The market price of the share at this payout
  - The market price of the share if the payout is 40%

Or

- (b) The cost of capital and the rate of return on investment of MRM Ltd. are 10% and 15% respectively. The company has one million equity share of Rs. 10 each outstanding and earnings per share is Rs.5. Calculate the value of the firm in the following situations. Use Walter's model and comment on the results.
- 100% retention
  - 50% retention
  - No retention

15. (a) Bring out the techniques involved in accelerating cash inflows.

Or

- (b) Bring out the motive for holding Cash in business concern.

**Part C**

(3 × 10 = 30)

Answer any **three** questions.

16. Bring out the objectives of financial management.
17. What are the short term sources of financing Explain?
18. Xavier of equity Ltd wants to implement a project for which Rs.60 Laths is to be raised. The following financial plan is under evaluation Plan A: Issue of 6 lakh equity shares, of Rs. 10 each Part B: Issue of 30,000 10% non-convertible debentures of Rs. 100 each and issue of 3 lakhs equity shares of Rs. 10 each. Assuming a corporate tax of 55%, Calculate the indifference point. Also calculate the EPS under Plan A and Plan B.
19. Mr. Kumar Purchased shares in Saradha Textiles Ltd. at Rs.317 per share, in January 2000. She held them for five years and sold them in January 2006 for Rs.500 The Dividend per share received by himself was as under:

	Rs.
2001	– 15
2002	– 15
2003	– 18
2004	– 18
2005	– 20

Calculate the Cost of Equity Capital.

20. What are the methods of estimating working capital requirements? Explain.