

R7372

Sub. Code

611301

M.Com. DEGREE EXAMINATION, NOVEMBER – 2022

Third Semester

Commerce

ADVANCED CORPORATE ACCOUNTING

(CBCS – 2019 onwards)

Time : 3 Hours

Maximum : 75 Marks

Part A

(5 × 3 = 15)

Answer **all** questions.

1. What is meant by Book building?
2. What do you understand by divisible profit?
3. Write a note on Absorption based on intrinsic value of shares.
4. What is Cost of control for capital reserve?
5. Enlist the major significance of accounting for price level changes.

Part B

(5 × 10 = 50)

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

6. (a) What is the effect of forfeiture of shares? How does forfeiture of shares differ from surrender of shares?

Or

- (b) Define Debentures. Also enumerate the points of distinction between a debenture and a share.

7. (a) Write a note on the overall managerial remuneration that can be legally paid to the managers of a banking companies.

Or

- (b) ABC (PVT) Ltd., is incorporated on 1-7-2011 to take over the business of 'P' & Co as a going concern with effect from 1-4-2011. The following is the Trading and Profit and Loss a/c for the year ended 31.3.2012 of 'P' & Co (Pvt) Ltd.

Expenses/Losses	Amount Rs.	Revenues/Gains	Amount Rs.
To Opening Stock	30,000	By Sales (Upto 1.7.2011 Rs. 25000)	75,000
To Purchases	43,750	By Closing Stock	17,500
To Gross profit c/d	18,750		
	<hr/>		<hr/>
	92,500		92,500
To Director Fees	750	By Gross profit b/d	18,750
To Office Expenses	4,500		

To Selling Expenses	9,000	
To Audit Fees	250	
To Preliminary expenses	750	
To Net Profit c/d	3,500	
	<u>18,750</u>	<u>18,750</u>

Prepare a statement the profit earned prior to and after incorporation.

8. (a) What do you mean by amalgamation in the light of the Accounting standard? Discuss the two types of Amalgamation.

Or

- (b) Calculation of intrinsic values. The following are the balance sheet of Prathiksha Ltd and Nandhini Ltd as on 1st March 2017:

Balance sheet of Prathiksha Ltd as on 31st March 2017

Liabilities	Rs.	Assets	Rs.
Share capital:	Rs.	Assets	Rs.
20000 shares of Rs. 10 each	2,00,000	Fixed Assets	3,50,000
General Reserve	2,50,000	Investments	2,50,000
Profit and Loss A/c	1,50,000	Current Assets	3,00,000
Debentures	1,75,000		
Current Liabilities	1,25,000		
	<u>9,00,000</u>		<u>9,00,000</u>

Balance sheet of Nandhini Ltd as on 31st March
2017

Liabilities	Rs.	Assets	Rs.
Share capital:		Fixed Assets	1,50,000
9000 shares of Rs. 10 each	90,000	Current Assets	1,00,000
General Reserve	50,000		
Profit and Loss A/c	40,000		
Current Liabilities:			
Creditors	50,000		
Bills payable	20,000		
	2,50,000		2,50,000

Pratiksha Ltd. agrees to take over Nandhini Ltd.
Find out the ratio of exchange of shares on the basis
of book values.

9. (a) Distinguish between capital profit and revenue profit.

Or

- (b) Discuss the various procedures to be followed while preparing consolidated financial statement.
10. (a) What are the benefits of Convergence of IFRS and Indian AS which is notified by the ministry of corporate affairs?

Or

- (b) Express the models of Human resource accounting and also explain the limitation of human resources accounting of each model.

Part C

(1 × 10 = 10)

Compulsory

11. Case Study

Ala and Ary entered into a partnership business. The performance and profitability of the business were good. They wanted to expand their firm by investing more capital. But, they both had less personal savings, which was not sufficient to expand their business. So, they decided to convert their business into a limited company and registered it as M&M Ltd. The company is authorized to raise Rs. 10,00,000 divided into 1,00,000 units. To start with, M&M Ltd bought some fixed assets such as land, furniture and fixtures from a vendor. But, M&M Ltd. did not pay cash or cheque for this.

The advertisement was given in the newspaper inviting public to buy shares of M&M Ltd. 50,000 shares were offered to the public for subscription. However, due to its profitability and popularity M&M Ltd. received application for 60,000 shares.

Now, discuss on the following:

- (a) State one reason, other than raising more capital, why may a partnership firm be converted into a limited company.
- (b) Apart from the issue of shares, what other sources are available for raising finance?
- (c) What is M&M Ltd.'s registered capital?
- (d) What is the value of each share?

- (e) Is there any other way M&M Ltd. could pay the vendor, other than credit terms, for buying the fixed assets?
 - (f) Is M&M Ltd. allowed to issue more than 1,00,000 shares?
 - (g) What is M&M Ltd's issued share capital?
 - (h) How will the directors deal with over-subscription?
-

R7373

Sub. Code

611302

M.Com. DEGREE EXAMINATION, NOVEMBER – 2022.

Third Semester

Commerce

MODERN MARKETING MANAGEMENT

(CBCS – 2019 onwards)

Time : 3 Hours

Maximum : 75 Marks

Part A

(5 × 3 = 15)

Answer **all** questions.

1. What is the role of marketing in business scenario?
2. What are the objectives of marketing research?
3. Differentiate between packing and packaging.
4. What do you mean by telemarketing?
5. What are the steps involved in selling?

Part B

(5 × 10 = 50)

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

6. (a) Explain the features of industrial, Consumer and services marketing.

Or

- (b) What do you mean by marketing plan? Discuss in detail the process of marketing plan.

7. (a) Discuss in detail the theories of consumer behaviour.

Or

- (b) What are the types of marketing segmentation? Explain.

8. (a) What are the stages involved in new product Development?

Or

- (b) Define branding. Discuss in detail the policies and strategies for effective branding.

9. (a) What are the bases for price fixing? Discuss in detail various pricing methods with suitable examples.

Or

- (b) Define retailing. Discuss in detail the modern trends in retailing.

10. (a) What are the elements of promotional mix? Explain.

Or

- (b) What do you mean by advertising copy? How do you evaluate the advertising effectiveness?

Part C

(1 × 10 = 10)

Compulsory

11. You feel your sales people are underpaid. You request a large increase in the budget for them but it was denied in the conference with other Vice-presidents, who all wanted pay increases for their people. You still feel strongly that more money is needed if sales force is to be kept effective. What would you do about this situation?
-

R7374

Sub. Code

611303

M.Com. DEGREE EXAMINATION, NOVEMBER – 2022.

Third Semester

Commerce

BUSINESS LEGISLATIONS

(CBCS – 2019 onwards)

Time : 3 Hours

Maximum : 75 Marks

Part A

(5 × 3 = 15)

Answer **all** questions.

All questions carry equal marks.

1. Explain the conditions of making an offer.
2. Define Consideration.
3. Explain the term coercion.
4. Write a note on 'Caveat Emptor'.
5. Define quasi-Contract.

Part B

(5 × 10 = 50)

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

All questions carry equal marks.

6. (a) Enumerate the different methods of Discharge by Branch of contract.

Or

- (b) Who is Agent? What are the duties and rights?

7. (a) Discuss the Rules Regarding Delivery of Goods.
Or
(b) Distinguish between Memorandum of Association and Articles of Association.
8. (a) Explain the Statutory provisions regarding the issue of prospectus.
Or
(b) Define the Meeting. And distinguish between AGM and EGM.
9. (a) Define the consumer protection Act' 1986, and Explain the Rights of Consumer.
Or
(b) Explain the Rights and duties of the Buyer and Seller.
10. (a) Write a note on Doctrine of Indoor Management.
Or
(b) Enumerate the Rules as to Communication of offer, Acceptance and Revocation.

Part C

(1 × 10 = 10)

Compulsory

11. Case Study:

A is holder of a bill he endorses it "sans re course" to B. B endorses it to C. C to D and D again to A:

- (a) Can A recover the amount of the bill from B.
(b) What are the rights of D?
(c) Can A recover the amount from C and D or any of them.

R7375

Sub. Code

611304

M.Com. DEGREE EXAMINATION, NOVEMBER – 2022

Third Semester

Commerce

INCOME TAX LAW AND TAX PLANNING

(CBCS – 2019 onwards)

Time : 3 Hours

Maximum : 75 Marks

Part A

(5 × 3 = 15)

Answer **all** questions.

All questions carry equal marks.

1. Define the term 'Income' under the Income Tax Act 1961.
2. Explain the various types of 'Provident funds'.
3. Write a short note on exempted capital gain
4. Briefly explain the computation of tax liability of an individual.
5. Discuss the jurisdiction of assessing officer.

Part B

(5 × 10 = 50)

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

All questions carry equal marks.

6. (a) Discuss the rules relating to determination of residential status of an assessee.

Or

- (b) For the accounting year ended 31st March 2020 Mr.Sun furnishes the following particulars of his income.

	Rs.
Salary received in India	60,000
Profit from business in Germany but received in India	15,000
Income from house property in Pakistan deposited in bank there	12,000
Profit from business established in Bangladesh but business is controlled from India	46,000
Income accrued in India but received in Sweden	25,000
In this accounting year Mr.Sun has brought into India foreign income of earlier years	42,700
Profit from sale of plant at Mumbai (50% received in Bangkok)	1,60,000
Interest on Japan Development Bonds (60% received in India)	1,00,000

Compute this total income if (i) he is resident (ii) he is not ordinarily resident; or (iii) he is non resident.

7. (a) Enumerate the items of Income tax which are exempted incomes of salaried employees.

Or

- (b) Mr. Landlord is the owner of two houses. In respect of these he has furnished the following particulars.

	House A	House B
	Rs.	Rs.
Date of completion of construction	(31-3-1997)	(1-7-2001)
Municipal rental value	3,60,000	6,00,000

	House A	House B
	Rs.	Rs.
Actual rent received	3,00,000	60,000 p.m.
Municipal taxes paid	36,000	30,000 (due)
Ground rent	1,000	7,800
Interest on loan taken for construction	50,000	1,82,000

Compute his income from house property for the assessment year 2020–21. Out of the Municipal taxes of House 'A', Rs.18,000 are paid by the tenant.

8. (a) What is Capital Gain? Write the differences between short term and long term capital gains.

Or

- (b) Sri. Singh is practicing as a Chartered Accountant in Delhi. He deposits all receipts in his Bank Account and pays all expenses by cheque. Following is the analysis of his account for the year ending 31-3-2020. Compute his income from profession:

Receipts	Rs.	Payments	Rs.
Consultation	4,00,000	Computer purchased	50,000
Audit fees	90,000	Stipend to articled clerks	24,000
Appellate tribunal appearance	50,000	Office expenses	30,000
Presents from clients	20,000	Office rent	15,000
Interest on Govt. securities	60,000	Salaries and wages	18,000
Rent received from house	70,000	Printing and stationery	5,000

Receipts	Rs.	Payments	Rs.
Loan from client	1,00,000	Subscription to C.A Institute	800
Miscellaneous receipts	7,000	Purchase of books for professional use (Annual publication)	10,000
		Travelling expenses	12,000
		Interest on loan	15,000
		Donation to NDF	20,000

Additional information:

- (i) Travelling expenses are incurred for profession.
 - (ii) Computer is purchased on 1-8-18 and used for office purpose.
 - (iii) 50% of the books were purchased in August 2018.
 - (iv) $\frac{1}{2}$ of Travelling expenses are disallowed.
 - (v) $\frac{1}{2}$ of the loan from client is used for personal purpose.
9. (a) Explain the provisions regarding carry forward and set off of losses.

Or

- (b) The following are particulars of income of Mr. Boss for the Assessment year 2019-20:

	Rs.
Income from House property (computed)	61,200
Business income	1,80,000
Dividends (Gross) from a Co-op. Society	15,500
Long-term Capital gain: Long term from Land	60,000
From Jewellery	35,000

He paid Rs.28,000 of LIC premium on his own life on a policy of Rs.2,00,000.

He gave Rs.20,000 as donation to a charitable institution approved under section 80G.

During the year he deposited Rs.20,000 in an equity linked saving scheme (Dhan 80) notified u/s 80C.

He deposited Rs. 12,500 in National saving scheme 2018.

Interest accrued on N.S. certificates VIII issue purchased in November 2017 for Rs.30,000 is Rs.2,260.

Compute his Total Income.

10. (a) Discuss the general powers of Income tax Authorities.

Or

- (b) Describe the stages in assessment procedure of Income Tax.

Part C

(1 × 10 = 10)

Compulsory

11. Bimal, Nirmal and Ashok are partners of a firm assessed u/s 185 sharing profit and loss equally. The following is the profit and loss account:

Profit and Loss Account			
Particulars	Rs.	Particulars	Rs.
Sundry expenses	22,000	Gross profit	22,000
Office expenses	3,000	Interest on securities	
Rent of premises	1,000	(Gross)	3,000
Commission to Nirmal	2,000	Net Loss:	

Particulars	Rs.	Particulars	Rs.
Interest on capital:		Bimal	7,000
Bimal	3,000	Nirmal	7,000
Nirmal	3,000	Ashok	7,000
Ashok	3,000		
Salary to Bimal	6,000		
Charity	1,000		
Advertisement expense	2,000		
	<u>46,000</u>		<u>46,000</u>

Calculate the total income of the firm.

R7376

Sub. Code

611508

M.Com. DEGREE EXAMINATION, NOVEMBER – 2022

Third Semester

Commerce

PRINCIPLES OF FOREX MANAGEMENT

(CBCS – 2019 onwards)

Time : 3 Hours

Maximum : 75 Marks

Part A

(5 × 3 = 15)

Answer **all** questions.

1. Explain the term foreign exchange.
2. Write a note on purchasing power parity theory.
3. State the features of floating rate systems.
4. What is translation risk?
5. Discuss the needs for FEMA.

Part B

(5 × 10 = 50)

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

6. (a) Explain various kinds of foreign exchange markets.

Or

- (b) What are the functions and significance of Fixed Income Money Market Derivatives Association of India?

7. (a) What is forward contract? Explain the extension and cancellation of forward contracts.

Or

- (b) Briefly explain the various forecasting exchange rates.

8. (a) Discuss the impact of monetary and fiscal policy on exchange rate.

Or

- (b) Explain the need and methods of sterilisation of excessive forex inflow.

9. (a) What are the internal strategies of transaction risk?

Or

- (b) Discuss the features, mechanism and uses of futures contract.

10. (a) State the rules of foreign exchange possession and retention, realisation, repatriation and surrender.

Or

- (b) Explain the provisions regulating export of goods and services. Discuss the borrowing and lending in foreign exchange.

Part C

(1 × 10 = 10)

Compulsory

11. Enumerate the nature and methods of handling in the operating risk. Discuss the inflation and exchange risk.