

R8055

Sub. Code

611401

M.Com. DEGREE EXAMINATION, APRIL – 2023

Fourth Semester

Commerce

ADVANCED COST ACCOUNTING

(CBCS – 2019 onwards)

Time : 3 Hours

Maximum : 75 Marks

Section A

(5 × 3 = 15)

Answer **all** questions.

All questions carry equal marks.

1. Define Cost allocation and Cost apportionment.
2. From the information given below prepare a Contract account and find out the value of tender.

Rs.

Materials used 18,000

Productive wages 13,800

Direct expenses 1,500

Provide 60% on wages for works-overheads and $12\frac{1}{2}\%$ on works cost for office on cost. Profit should be 15% of the tender price.

3. 600 kg of material was charged to Process A at the rate of Rs.4 per kg. The direct labour accounted for Rs.200 and the other departmental expenses amounted to Rs.760. The normal loss is 10% of input and the net production was 500 kg. Assuming that process scrap is saleable at Rs.2 per kg., prepare a ledger account of Process A showing the values of normal and abnormal loss.
4. Distinguish between cost control and cost reduction.
5. What is Cost modelling?

Section B

(5 × 10 = 50)

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

All questions carry equal marks.

6. (a) What are the objectives of cost accounting? Explain the significance of Cost accounting in decision making in an organization.

Or

- (b) What is Activity Based Costing? Discuss the advantages and disadvantages of Activity Based Costing.
7. (a) The information given below has been taken from the costing records of an Engineering works in respect of Job No. 310

	Rs.
Materials	4,010
Wages	
Dept A – 60 hours @ Rs.13 p.h.	
Dept B – 40 hours @ Rs.12 p.h.	
Dept C – 20 hours @ Rs.15 p.h.	

Overhead expenses for these three departments were estimated as follows :

Variable overheads

Dept A – Rs.5,000 for 5,000 labour hours

Dept B – Rs.3,000 for 1,500 labour hours

Dept C – Rs.2,000 for 500 labour hours

Fixed overheads

Estimated at Rs.20,000 for 10,000 normal working hours.

You are required to calculate the cost of Job 310 and calculate the price to give profit of 25% on selling price.

Or

- (b) The following information relates to Process 'A' for the month of April.

Opening work in progress	Nil
Units introduced into the process	15,000
Units completed and transferred to Process 'B'	10,000
Closing work-in-progress	5,000
Material cost incurred during the month	Rs.75,000
Conversion cost (labour and overheads) incurred during the month	Rs.52,500

Materials are introduced at the start of the process and conversion costs are incurred uniformly throughout the process. The work-in-progress at the end of the month is 50% complete.

You are required to compute the cost of completed production transferred to Process 'B' and the cost of working progress at the end of the month.

8. (a) Mr. Kesavan started transport business with a fleet of 10 taxis. The various expenses incurred by him are given below :

- (i) Cost of each taxi Rs.7,50,000
- (ii) Salary of office staff Rs.15,000 p.m.
- (iii) Salary of garage staff Rs.20,000 p.m.
- (iv) Rent of garage Rs.10,000 p.m.
- (v) Driver's salary per tax Rs.4,000 p.a.
- (vi) Road tax and repairs per taxi Rs.21,600 p.a.
- (vii) Insurance premium @ 4% of cost p.a.

The life of a taxi is 3,00,000 km and at the end of which it is estimated to be sold at Rs.1,50,000. A taxi runs on an average 4,000 km. per month of which 20% it runs empty. Petrol consumption is 9 km. per litre of petrol costing Rs.93 per litre. Oil and other sundry expenses amount to Rs.100 per 100 km.

Calculate the effective cost of running a taxi per km. If the hire charge is Rs.18 per km. Find out the profit of Mr. Kesavan may expect to make in the first year of operation.

Or

(b) The following are the particulars relating to a contract which has begun on 1st January 2021.

	Rs.
Contract price	5,00,000
Machinery	30,000
Materials	1,70,600
Wages	1,48,750
Direct expenses	6,330
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	Rs.
Outstanding wages	5,380
Uncertified work	9,000
Overheads	8,240
Materials returned	1,600
Materials on hand (31.12.2021)	3,700
Machinery on hand (31.12.2021)	22,000
Value of work certified	3,90,000
Cash received	3,51,000

Prepare the contract account for the year 2021 showing the amount of profit that may be taken to the credit of Profit and Loss a/c for the year. Allow show the work-in-progress at it would appear in the Balance Sheet.

9. (a) The standard material cost to produce one tonne of chemical X is :

300 kg of Material A @ Rs.10 per kg

400 kg of Material B @ Rs.5 per kg

500 kg of Material C @ Rs.6 per kg

During a period, 100 tonnes of Chemical X were produced from the usage of :

35 tonnes of Material A at a cost of Rs.9,000 per tonne

42 tonnes of Material B at a cost of Rs.6,000 per tonne

53 tonnes of Material C at a cost of Rs.7,000 per tonne

Calculate material variances.

Or

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(b) Arun Limited has furnished you the following data :

	Budget	Actual (July)
No. of working days	25	27
Production in units	20,000	22,000
Fixed overheads	Rs.30,000	Rs.31,000

Budgeted overhead rate is Re.1 per hour. In July, the actual hours worked were 31,500. Calculate overhead variances.

10. (a) What do you mean by Target and Kaizen costing? Explain the differences between Target and Kaizen costing.

Or

- (b) What is Life cycle costing? Explain the life cycle costing processes.

Section C

(1 × 10 = 10)

(Compulsory)

11. In a factory with four production departments and two service departments, the operating costs for the month of March were shown as below. The cost of running the canteen is apportioned to each department on the basis of the estimated use of the canteen by the employees in each department. Similarly, the cost of the boiler house is apportioned on the basis of the estimated consumption of power used by each department.

Cost for March were :

	Rs.
Production department 1	2,00,000
2	5,00,000
3	3,00,000
4	4,00,000

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Service department :

Canteen	50,000
Boiler house	1,00,000
	<u>15,50,000</u>

The service departments are apportioned as follows :

	Canteen	Boiler house
Production department 1	10	20
2	30	10
3	20	30
4	30	20

Service department :

Canteen	–	20
Boiler house	10	–
	<u>100</u>	<u>100</u>

You are required to prepare a cost statement showing the cost of operating the four production departments after the cost of service departments have been reapportioned to each department.

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M.Com. DEGREE EXAMINATION, APRIL – 2023

Fourth Semester

Commerce

PORTFOLIO AND INVESTMENT MANAGEMENT

(CBCS – 2019 onwards)

Time : 3 Hours

Maximum : 75 Marks

Section A

(5 × 3 = 15)

Answer **all** questions.

All questions carry equal marks.

1. Define the concepts investment and investment management.
2. Enumerate the steps involved in valuation of equity shares based on accounting information.
3. Explain the various components of fundamental analysis.
4. What do you mean by portfolio construction?
5. Describe the main features of futures contracts.

Section B

(5 × 10 = 50)

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

All questions carry equal marks.

6. (a) Explain the differences among investment, speculation and gambling.

Or

- (b) Describe the functions of investment management.

7. (a) Define risk and distinguish between systematic and unsystematic risk.

Or

- (b) The probable returns on a security and their probability distribution, based on a long period of research study are as below :

Probability	P _i	0.15	0.25	0.20	0.30	0.10
Return %	R _i	12	14	16	18	20

Compute the Expected Return.

8. (a) Discuss the merits and limitations of Dow Theory in today's context.

Or

- (b) A person owns a Rs. 1,000 face value bonds with five years to maturity. The bond makes annual interest payments of Rs.80. The bond is currently priced at Rs.960. Given the market interest rate is 10 per cent, should the investor hold or sell the bond.

9. (a) Compare and contrast efficient market hypothesis with fundamental and technical analysis.

Or

- (b) What are the types of Swap contracts? Explain their uses.

10. (a) A Company paid a cash dividend of Rs.4 per share on its stock during the current year. The earnings and dividends of the company are expected to grow at an annual rate of 8 percent indefinitely investors expect a rate of return of 14 percent on the company's shares. What is a fair price for this company's shares?

Or

- (b) Describe how options can be used to hedge the value of stockholding against decline in share price.

Section C**(1 × 10 = 10)**

Compulsory.

11. Monthly return data (in percent) for IPCL stock and the NSE index for a 12 months period are presented as follows :

Month	IPCL	NSE index
1	10.27	11.00
2	9.31	3.69
3	6.73	4.20
4	-5.68	-4.93
5	2.60	3.05
6	2.86	5.88
7	2.78	3.74
8	3.84	2.63
9	-6.51	-2.10
10	-23.42	21.35
11	0.00	-4.55
12	6.64	2.80

Calculate beta of IPCL stock.

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611403

M.Com. DEGREE EXAMINATION, APRIL – 2023

Fourth Semester

Commerce

GST AND CUSTOMS LAW

(CBCS – 2019 onwards)

Time : 3 Hours

Maximum : 75 Marks

Section A

(5 × 3 = 15)

Answer **all** questions.

All Questions Carry Equal Marks

1. What are the features of indirect taxes?
2. Explain briefly the taxes subsumed under CGST Act, 2017.
3. Write a short note on 'Credit note'.
4. What is Anti Profiteering in GST? Give an example.
5. What is duty draw back?

Section B

(5 × 10 = 50)

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

All Questions Carry Equal Marks

6. (a) Explain the reforms brought in indirect taxation through GST.

(or)

- (b) What is GST council? Who are the members in the GST council? Explain the functions of GST council.

7. (a) What is a taxable supply? Explain the time, place and valuation of taxable supply with examples.

(or)

(b) Describe the registration process under GST. Who is liable to take registration? Explain the benefits of registration under GST.

8. (a) Explain the special features of IGST Act, 2017.

(or)

(b) Bring out the major provisions of Union Territory GST Act 2017 related to levy and collection of GST.

9. (a) Enumerate the returns to be filed under GST. Discuss the consequences of non-filing of prescribed returns.

(or)

(b) Describe the important provisions related to 'Inspection, Search and Seizure' proceedings under GST.

10. (a) List the types of customs duty in India Describe the methods of valuation of goods under the customs Act.

(or)

(b) Explain the scope and objectives of Customs Act, 1962.

Section C

(1 × 10 = 10)

(Compulsory)

11. What are the objectives of GST (Compensation to States) Act, 2017? Explain in detail the major provisions related to levy and collection of compensation less under GST (Compensation to States) Act, 2017.
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611510

M.Com. DEGREE EXAMINATION, APRIL – 2023

Fourth Semester

Commerce

STRATEGIC BUSINESS MANAGEMENT

(CBCS – 2019 onwards)

Time : 3 Hours

Maximum : 75 Marks

Part A

(5 × 3 = 15)

Answer **all** questions.

All questions carry equal marks.

1. What do you mean by strategic management?
2. List out 5Ps of strategic thinking.
3. What is zero defect strategy?
4. Define international joint ventures.
5. What is zero defect strategy?

Part B

(5 × 10 = 50)

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

6. (a) Elucidate the process of environmental scanning.

Or

- (b) Explain the need and importance of strategic planning.

7. (a) What are the factors that determine industry attractiveness? Explain it by using porter's five force model.

Or

- (b) Explain blue ocean strategy with an example.

8. (a) Explain the reasons for forming strategic alliances.

Or

- (b) Discuss how mergers and acquisitions are part of a growth strategy.

9. (a) Identify the circumstances in which a firm can create a competitive advantage over a rival.

Or

- (b) Write a short note on core competence and market leadership.

10. (a) How can corporate governance foster ethical decisions and behaviours in business?

Or

- (b) Explain social responsibilities of the business with reference to Indian firms.

Part C

(1 × 10 = 10)

Case Study (Compulsory)

11. Balanced scorecard model developed by Dr. Kaplan in 1990. proposed that organization should be mission driven rather than finance driven. During the late 1990's rapid changes in the external environment necessitated Philips to make its operations flexible, innovative and value adding. They lead the company to introduce a program called business excellence through speed and team work in July 1998. Several tools were used in best

and one such tool was balanced scorecard. There were four perspectives in Philip's balanced scorecard competence, processes, customer and finance. Philips identified critical success factors which were important to create value and grouped them under these four perspectives. Each of the business units has their own CSF's which were established with the help of the guidelines provided by corporate quality department at Philips. The success of the CSF's was measured through performance indicators. To measure the performance of key indicators, a traffic light system was used.

Questions:

1. Write how the implementation of balance scorecard model can help in improving the performance of the organization.
2. Examine the use of balanced scorecard as a tool of communicate corporate strategy.
3. What are the roles of senior management to be appreciated in initiating and implementing business transformation?
4. Write the importance of goals and strategies in guiding an organization.

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M.Com. DEGREE EXAMINATION, APRIL – 2023

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MANAGERIAL COMMUNICATION

(CBCS – 2019 Onwards)

Time : 3 Hours

Maximum : 75 Marks

Part A

(5 × 3 = 15)

Answer **all** questions.

1. Write the meaning of Business Communication.
2. Explain Authoritative Quotes.
3. Write a short note on situational report.
4. Details about the inside address of letters.
5. Explain Cargo insurance.

Part B

(5 × 10 = 50)

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

6. (a) Explain the global business communication of electronic technology.

Or

- (b) Describe the Strategies for communication across different cultures.

7. (a) Discuss about the use of appropriate tenses, voices and prepositions.

Or

- (b) Describe the effective closing of communication.

8. (a) What are the characteristics of report writing.

Or

- (b) Explain the 3Ps of Business writing.

9. (a) Describe the structure and formatting of international business letters.

Or

- (b) Explain Salutation and how it relates to letters.

10. (a) Write the importance of claims with ECGC under credit risk insurance.

Or

- (b) Discuss about the Shipping and retirement of bills in export – import communication.

Part C

(1 × 10 = 10)

Compulsory question

11. Describe the planning, organizing and delivering of process communication.
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