

**R3691**

**Sub. Code**

**611301**

**M.Com. DEGREE EXAMINATION, NOVEMBER – 2025**

**Third Semester**

**Commerce**

**ADVANCED CORPORATE ACCOUNTING**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 1 = 10)

Answer **all** the following objective type questions by choosing the correct option.

1. The amount received in excess of the face value of shares is credited to: (CO1, K2)
  - (a) Capital Reserve
  - (b) Securities Premium Account
  - (c) Share Capital Account
  - (d) General Reserve
  
2. In case of forfeiture of shares, the amount not received is: (CO1, K2)
  - (a) Debited to Share Forfeiture Account
  - (b) Credited to Share Capital Account
  - (c) Debited to Share Capital Account
  - (d) Credited to Securities Premium Account

3. Profits earned before the date of incorporation are transferred to: (CO2, K2)
- (a) Capital Reserve
  - (b) General Reserve
  - (c) Profit and Loss Account
  - (d) Securities Premium Account
4. Final accounts of banking companies are prepared as per the guidelines of: (CO2, K2)
- (a) SEBI
  - (b) RBI
  - (c) Companies Act, 2013
  - (d) Ministry of Finance
5. Goodwill is recorded in the books during amalgamation in the nature of purchase if: (CO3, K4)
- (a) Purchase consideration exceeds net assets
  - (b) Purchase consideration equals net assets
  - (c) Purchase consideration is less than net assets
  - (d) Net assets are nil
6. In amalgamation in the nature of merger, the identity of reserves is: (CO3, K4)
- (a) Completely lost
  - (b) Partially maintained
  - (c) Fully maintained
  - (d) Not relevant

7. The amount by which cost of investment exceeds the parent's share in net assets is called: (CO4, K4)
- (a) Minority Interest
  - (b) Capital Reserve
  - (c) Goodwill
  - (d) Revaluation Reserve
8. Mutual owings between holding and subsidiary companies are: (CO4, K4)
- (a) Added to liabilities
  - (b) Ignored in consolidation
  - (c) Eliminated during consolidation
  - (d) Treated as external debts
9. Choose the most appropriate objective of Human Resource Accounting (HRA): (CO5, K3)
- (a) Increase income tax liability
  - (b) Evaluate employee job satisfaction
  - (c) Provide valuation of human resources in financial statements
  - (d) Measure physical asset depreciation
10. Select the correct statement regarding Indian Accounting Standards (Ind AS): (CO5, K3)
- (a) Ind AS and IFRS are completely unrelated frameworks
  - (b) Ind AS are mandatory for all individuals filing tax returns
  - (c) Ind AS converges with IFRS to ensure consistency with global reporting norms
  - (d) Ind AS applies only to non-profit organizations

**Part B**

(5 × 5 = 25)

Answer **all** questions not more than 500 words each.

11. (a) B Company 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%. (CO1, K2)

Or

- (b) MTL Ltd invited applications for 20,000 shares of Rs. 100 each payable: Rs. 25 on application; Rs. 35 on allotment; Rs. 40 on call. 25,000 shares were applied for. The directors accepted applications for 20,000 shares and rejected the remaining applications. All moneys due were fully received. Give journal entries and show the balance sheet of the company. (CO1, K2)
12. (a) Following balances have been extracted from the books of Rama Ltd, on 31 March, Equity share capital (1,00,000 shares of Rs. 10 each) Rs. 10,00,000; Securities Premium Rs. 2,00,000; 12% Debentures Rs. 5,00,000; Creditors Rs. 2,00,000, Proposed Dividend Rs. 50,000; Surplus, ie, Balance in statement of profit and loss (debit) Rs. 50,000; Land and Building Rs. 9,00,000; Government Bonds Rs. 5,00,000, Capital Work-in Progress (Building) Rs. 3,50,000 and Discount on issue of 12% Debentures Rs. 1,00,000; cash at Bank Rs. 50,000; Furniture Rs. 60,000; Debtors Rs. 20,000. Debenture were issued on 1 April, 2013 redeemable after 5, years, i.e., on 31-March, 2017. Surplus, i.e., Balance in statement of profit and loss is before

writing off Discount on issue of Debentures. Prepare the balance sheet of the company as per revised schedule VI, part I of the Companies Act, 1956.

(CO2, K2)

Or

- (b) From the flowing balances, prepare the Balance Sheet of a Company in the prescribed format Goodwill Rs. 1,50,000; Investments Rs. 2,00,000, Share capital Rs. 5,00,000; reserves Rs. 1,10,000, Securities premium Rs. 15,000; Preliminary expenses Rs. 10,000, Profit and Loss A/c (Cr) Rs. 25,000; Debentures Rs. 2,50,000. Other R. 4,70,000, Stock Rs. 80,000; Debtors Rs. 60,000; Bank balance Unsecured loan Rs. 65,000, Sundry creditors Rs. 35,000.

(CO2, K2)

13. (a) Madhan & Co. decided to purchase a business for Rs. 2,40,000. Its profits for the last four years were 2015 Rs. 60,000; 2016-Rs. 75,000; 2017- Rs. 72,000 and 2018- Rs. 69,000. The owner of the business was personally managing it. A manager to replace him has to be paid Rs. 9,000 p.a. Calculate the value of goodwill if it is valued on the basis of three years' purchase of the average net profit for the last four years.

(CO3, K4)

Or

- (b) From the following information, compute the value of goodwill by capitalizing super profits:
- (i) Average capital employed is Rs. 2,00,000
  - (ii) Normal rate of profit is 10%
  - (iii) Profit for 2011 Rs. 31,000; 2012 Rs. 29,500; 2013-Rs. 33,000
  - (iv) Profit for 2012 has been arrived after writing off abnormal loss of Rs. 1,000 and profit for 2013 includes a non-recurring income of Rs. 1,500.

(CO3, K4)

14. (a) X Ltd. Purchased 60% shares of Y Ltd. on 1-1-20 when the balance on their P&L A/c and General reserve were Rs. 1,50,000 and Rs. 1,60,000 respectively. On 31. 12-20, the Balance sheet of Y Ltd. showed P&L a/c balance of Rs. 4,00,000 and General reserve Rs. 3,00,000. Calculate Capital profits and Revenue profits. (CO4, K4)

Or

- (b) P Ltd. acquired 65% shares of Q Ltd. on 1-10-19. P&L a/c in the books of Q Ltd. showed a debit balance of Rs. 40,000 on 1-4-19. On 3 1-3-20, the Balance Sheet of Q Ltd. showed P&L a/c balance of Rs. 1,20,000. Calculate capital profits and Revenue profits. (CO4, K4)
15. (a) Discuss the importance of Human Resource Accounting in modern business organizations. (CO5, K3)

Or

- (b) Explain the significance of Accounting Standards in maintaining financial transparency. (CO5, K3)

**Part C**

(5 × 8 = 40)

Answer **all** the questions not more than 1000 words each.

16. (a) Dee Ltd. offered to the Public 20,000 equity shares of Rs. 100 each at a premium of Rs. 10 per share. The payment was to be made as follows: On Application Rs. 20; On Allotment Rs. 40 (including premium); On 1<sup>st</sup> call Rs. 25; On Second call Rs. 25. Applications totaled for 35,000 shares; applications for 10,000 shares were rejected; those totaling 15,000 shares were allotted 10,000 shares and the remaining applications were accepted in full. The directors made both the calls. One shareholder,

holding 500 shares (Full allottee) Failed to pay the calls. Expenses of the issue amounted to Rs. 10,000. Pass Journal entries and relevant extracts from the balance sheet relating to the above transactions.

(CO1, K2)

Or

- (b) A Company issued 6% Debentures of Rs. 10,00,000 with a condition that they should be redeemed after 3 years at 10% premium. The amount allocated for the redemption of debentures is invested in 5% State Government Securities. The Sinking Fund Table shows that Rs. 0.317209 at 5% compound interest in 3 years will become Re. 1. Pass Journal entries and Prepare ledger accounts for all the three years.

(CO1, K2)

17. (a) The following Trial Balance of Nallis Ltd. as at 30<sup>th</sup> Dec. 2018 is given to you:

(CO2, K2)

Debits	Rs.	Credits	Rs.
Stock (1.1.2018)	80,000	8,000 equity shares of Rs.100 each, Rs.75 paid	6,00,000
Bank	17,600	6% debentures	2,00,000
Patents	60,000	Sundry creditors	1,00,000
Calls-in-arrears	20,000	General reserve	80,000
Returns inwards	30,000	Sales	10,00,000
Purchases	7,72,000	Returns outward	20,000
Wages	1,08,000	P & L A/c (Cr)	12,000
Insurance prepaid	400		
Bills receivable	30,000		

Debits	Rs.	Credits	Rs.
Sundry debtors	80,000		
Discount on issue of debentures	10,000		
Plant & Machinery	4,00,000		
Land & Buildings	3,00,000		
Insurance	4,000		
General expenses	40,000		
Establishment expenses	60,000		
	<u>20,12,000</u>		<u>20,12,000</u>

Additional information:

- (i) The value of stock on 31<sup>st</sup> Dec. 2018 was Rs. 74,000
- (ii) Outstanding wages totalled Rs. 10,000
- (iii) A provision 5% is to be created on sundry debtors for doubtful debts.
- (iv) Depreciate patents @ 10% and Plant and Machinery @ 72% and on Land and Buildings @4%. You are required to prepare Statement of Profit and Loss for the year ended 31.12.2018 and Balance Sheet as on that date.

Or

(b) The following are the balances of Aabhushan Bhandar Co, Ltd) as on 31 March 2020. (CO2, K2)

Share Capital (Rs.100 shares)	40,00,000	Premises	30,72,000
12% Debentures	30,00,000	Plant	33,00,000
P&L_Account	6,00,000	Opening Inventories	7,50,000
B/P	3,70,000	Trade Receivables	8,70,000
Trade Creditors	4,00,000	Goodwill	2,50,000
Sales	41,50,000	Cash at bank	7,44,000
General Reserve	2,50,000	Calls in Arrear	75,000
Bad debts Provision on 01-04-2019	35,000	Interim Dividend paid	3,92,500
		Purchases	18,50,000
		Preliminary Expenses	50,000
		Wages	9,79,800
		General Expenses	68,350
		Salaries	2,02,250
		Bad debts	21,100
		Debenture interest paid	1,80,000
	<u>1,28,05,000</u>		<u>1,28,05,000</u>

Additional Information:

- (i) Depreciate Plant by 15%
- (ii) Write off preliminary Expenses.
- (iii) Half year's Debenture Interest due.
- (iv) Create 5% Provision on Trade Receivables for Doubtful Debts.
- (v) Provide for income Tax (@50%
- (vi) Inventories on 31 March 2020 was Rs.9,50,000.
- (vii) A claim of Rs. 25,000 for workmen's Compensation is being disputed by the company.

The directors recommended a dividend of 15% including interim dividend. It was also decided to transfer the minimum statutory amount to general reserve. Prepare financial statements of the company.

18. (a) 'X' Ltd. and 'Y' Ltd. agree to amalgamate as from 31st December 2013 on which date their respective Balance Sheets were as follows: (CO3, K4)

Liabilities	X Rs.	Y Rs.	Assets	X Rs.	Y Rs.
Share capital: Shares of Re. 1 each	80,000	25,000	Cash in hand	10,100	3,050
Sundry creditors	3,000	1,000	Cash at Bank	3,400	450
Reserves	7,500	4,000	Sundry debtors	22,500	6,000

Liabilities	X Rs.	Y Rs.	Assets	X Rs.	Y Rs.
Profit and Loss A/c	2,500	1,000	Plant	12,000	4,500
			Stock	15,000	7,000
			Premises	30,000	10,000
	<u>93,000</u>	<u>31,000</u>		<u>93,000</u>	<u>31,000</u>

Draw up the Balance sheet of the new company 'XY' Ltd. which was incorporated to take over the amalgamated concerns and state the number of shares in the new company which will be allotted to the shareholders of the old companies. (Assume the same face value).

Or

- (b) The following is the Balance sheet of XYZ Ltd. on 31<sup>st</sup> Dec. 2018. (CO3, K4)

Liabilities	A Ltd.	Assets	Rs.
	Rs.		Rs.
20,000 shares of Rs. 10 each	2,00,000	Land and buildings	1,00,000
Debentures	1,00,000	Plant and Machinery	1,50,000
Sundry creditors	30,000	Work-in-progress	30,000
Reserve fund	25,000	Stock	60,000

Liabilities	A Ltd.	Assets	Rs.
Dividend equalization fund	20,000	Furniture and fittings	2,500
profit and Loss appropriation A/c	5,100	Sundry debtors	25,000
		Cash at bank	12,500
		Cash in hand	100
	3,80,100		3,80,100

The company is absorbed by ABC company Ltd, on the above date. The consideration for the absorption is the discharge of debentures at a premium of 5% taking over the liability in respect of the sundry creditors and payment of Rs. 7 cash and one share of Rs. 5 in ABC Co. Ltd. at the market value of Rs. 8 per share in exchange for one share in XYZ Co. Ltd. The cost of liquidation of Rs. 5,000 be met by the purchasing company. Pass journal entries in the books of both the companies. Show how the purchase price is arrived at.

19. (a) What is accounting standards? Explain the significance of Indian accounting standards and International Financial reporting standards.

Or

- (b) H Ltd. acquired the shares of S Ltd. on 1-1-2016. On that date the profit and Loss account of S Ltd. had a credit balance of Rs. 1,000 and in reserve Rs. 3,000. Prepare a consolidated Balance sheet from the following. (CO4, K4)

Liabilities	HLtd Rs.	S Ltd Rs.	Assets	H Ltd Rs.	S Ltd Rs.
Share Capital (Rs.10 each)	1,00,000	50,000	Sundry Assets	60,000	63,000
Reserve	10,000	5,000	Investments - 4,000 Shares in S Lt(d)	65,000	-
Profit and Loss a/c	10,000	4,000			
Sundry creditors	5,000	4,000			
	<u>1,25,000</u>	<u>63,000</u>		<u>1,25,000</u>	<u>63,000</u>

20. (a) Critically analyze the development and current status of Human Resource Accounting in India. Include its limitations and future scope. (CO5, K3)

Or

- (b) Compare Indian Accounting Standards (Ind AS) and International Financial Reporting Standards (IFRS), highlighting major similarities and differences with relevant examples or case studies.  
(CO5, K3)
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**R3692**

**Sub. Code**

**611302**

**M.Com. DEGREE EXAMINATION, NOVEMBER – 2025**

**Third Semester**

**Commerce**

**MODERN MARKETING MANAGEMENT**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 1 = 10)

Answer **all** the questions by choosing the correct option.

1. A company focusing on long-term profits by satisfying customer needs better than competitors follows:  
(CO1, K2)
  - (a) Product Concept
  - (b) Production Concept
  - (c) Modern Marketing Concept
  - (d) Selling Concept
  
2. Segmenting markets based on consumer values and lifestyles refers to:  
(CO1, K2)
  - (a) Demographic segmentation
  - (b) Behavioral segmentation
  - (c) Psychographic segmentation
  - (d) Geographic segmentation

3. A buyer evaluating different smartphone models before making a purchase is in the stage of: (CO2, K4)
- (a) Need recognition
  - (b) Evaluation of alternatives
  - (c) Purchase decision
  - (d) Post-purchase
4. A system that collects, stores, and analyzes marketing data to support decision making is called: (CO2, K4)
- (a) Market segmentation
  - (b) Marketing research
  - (c) Marketing Information system
  - (d) Consumer behaviour
5. A strategy of entering a new market with a completely new product is called: (CO3, K5)
- (a) Product development
  - (b) Market penetration
  - (c) Diversification
  - (d) Market development
6. A product in the maturity stage of PLC typically faces: (CO3, K5)
- (a) High R and D cost
  - (b) Declining sales
  - (c) Peak competition
  - (d) High failure risk

7. A product sold through high-end showrooms only follows this type of distribution: (CO4, K3)
- (a) Exclusive
  - (b) Intensive
  - (c) Direct
  - (d) None of these
8. A pricing method based on customer's perception of value is known as: (CO4, K3)
- (a) Value-based pricing
  - (b) Cost-plus pricing
  - (c) Break-even pricing
  - (d) Skimming pricing
9. A method of promotion that involves offering free samples and coupons is called: (CO5, K2)
- (a) Sales Promotion
  - (b) Public Relations -
  - (c) Advertising
  - (d) Direct Marketing
10. A salesperson addressing customer objections is performing which step of selling: (CO5, K2)
- (a) Handling Objections
  - (b) Closing the sale
  - (c) Pre-approach
  - (d) Presentation

**Part B**

(5 × 5 = 25)

Answer **all** the questions not more than 500 words each.

11. (a) Explain the importance of service marketing mix.  
(CO1, K2)

Or

- (b) List and describe any four bases for market segmentation.  
(CO1, K2)

12. (a) Explain any four psychological factors that influence consumer behaviour.  
(CO2, K4)

Or

- (b) Describe the main steps involved in the marketing research process.  
(CO2, K4)

13. (a) Explain any four common reasons for new product failure.  
(CO3, K5)

Or

- (b) Describe the key stages in the Product Life Cycle.  
(CO3, K5)

14. (a) Explain the role of middlemen in the distribution process.  
(CO4, K3)

Or

- (b) Describe any four modern methods of direct marketing.  
(CO4, K3)

15. (a) List and explain any four steps in the personal selling process.  
(CO5, K2)

Or

- (b) Describe any four methods commonly used in sales promotion.  
(CO5, K2)

**Part C**

(5 × 8 = 40)

Answer **all** the questions not more than 1000 words each.

16. (a) Discuss the marketing strategies used by leaders, challengers, followers, and niche marketers. Give examples. (CO1, K2)

Or

- (b) Explain the internal and external factors of the marketing environment. How do they affect marketing decisions? (CO1, K2)

17. (a) Discuss the relevance of consumer behaviour theories in modern marketing with examples. (CO2, K4)

Or

- (b) Explain segmentation, targeting, and positioning (STP) with a suitable example from a real-life brand. (CO2, K4)

18. (a) Discuss the process of product planning and development with examples. (CO3, K5)

Or

- (b) Explain Product-Market Integration Strategies with suitable examples for each. (CO3, K5)

19. (a) Discuss the factors influencing channel choice decisions. Give examples. (CO4, K3)

Or

- (b) Explain the objectives of pricing and the different bases for price setting with simple examples. (CO4, K3)

20. (a) Discuss the importance and objectives of advertising, and explain how advertisement media is selected. (CO5, K2)

Or

- (b) Explain the concept of customer relationship marketing. How does it help in retaining customers? Give examples. (CO5, K2)
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**R3693**

**Sub. Code**

**611303**

**M.Com. DEGREE EXAMINATION, NOVEMBER – 2025**

**Third Semester**

**Commerce**

**BUSINESS RESEARCH METHODS**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 1 = 10)

Answer **all** the following objective type questions by choosing the correct option.

1. Who defined “Research is a systematic, controlled, empirical and critical investigation of hypothetical relations among natural phenomena”? (CO1, K1)
  - (a) Black and Champion
  - (b) Kerlinger
  - (c) Creswell
  - (d) L.V. Redman and A.V.H. Morry
  
2. Cross-sectional surveys are divided into two types, which are? (CO1, K1)
  - (a) Exploratory and causal
  - (b) Functional and Dysfunctional
  - (c) Relational and logic
  - (d) Descriptive and analytical

3. Find out an example for probability sampling? (CO2, K2)
- (a) Convenience or accidental Sampling
  - (b) Purposive or judgmental sampling
  - (c) Quota sampling
  - (d) Stratified random sampling
4. Which of the following stage is known as 'blueprint' of research? (CO2, K2)
- (a) Research design
  - (b) Development of Working Hypothesis
  - (c) Formulating the Research Problem
  - (d) Execution of the Project
5. \_\_\_\_\_ involve a set of predetermined questions and highly standardized techniques of recording? (CO3, K4)
- (a) Structured interview
  - (b) Unstructured interview
  - (c) Interview guide
  - (d) All of the above
6. Which of the following is not a data collection method? (CO3, K4)
- (a) Observation
  - (b) Schedules
  - (c) Interview guide
  - (d) Research question

7. It is the last step in the data collecting and compilation process, and it serves as the entry point for statistical analysis and interpretation, it is known as? (CO4, K5)
- (a) Preparing of the Report
  - (b) Hypothesis Testing
  - (c) Documentation
  - (d) Tabulation
8. What are the main purposes of data analysis? (CO3, K5)
- (I) Description
  - (II) Construction of Measurement Scale
  - (III) Generating empirical relationships
  - (IV) Explanation and prediction
- Codes ;
- (a) I, II and III
  - (b) II, III and IV
  - (c) I, III and IV
  - (d) All of the above
9. To test Null hypothesis, a researcher uses (CO3, K5)
- (a) X
  - (b) t-test
  - (c) ANOVA
  - (d) Factorial Analysis
10. Bibliography given in a research report (CO3, K5)
- (a) has no relevance to research
  - (b) shows vast knowledge of the researcher
  - (c) helps those interested in further research
  - (d) all of the above

**Part B** $(5 \times 5 = 25)$ Answer **all** the questions not more than 500 words each.

11. (a) Bring out the features of qualitative and quantitative research. (CO1, K1)

Or

- (b) Discuss the steps involved in the Research process. (CO1, K1)

12. (a) Briefly discuss about the determinants in choosing optimal sample size. (CO2, K3)

Or

- (b) Discuss the probability sampling with merits and demerits. (CO2, K2)

13. (a) Distinguish between questionnaire and interview schedule. (CO3, K4)

Or

- (b) Discuss about the validity and reliability of measuring instrument in research. (CO3, K4)

14. (a) What is tabulation of data? How does tabulation help in data analysis? Give two examples to illustrate your answer. (CO4, K5)

Or

- (b) The marks obtained by 6 students in Mathematics and Statistics are given below : (CO5, K5)

Student	Math (X)	Stats (Y)
A	45	40
B	50	50
C	55	55
D	60	60
E	65	65
F	70	70

Find the Pearson's correlation coefficient between Math and Statistics marks.

15. (a) "Report writing is more an art that hinges upon practice and experience". Discuss. (CO5, K5)

Or

- (b) A certain drug is claimed to be effective in curing cold. In an experiment on 500 persons with cold, half of them were given the drug and half of them were given the sugar pills. The patient's reactions to the treatment are recorded in the following table : (CO4, K5)

	Helped	Harmed	No effect	Total
Drug	150	30	70	250
Sugar Pills	130	40	80	250
Total	280	70	150	500

On the basis of data can it be concluded that there is a significant difference in the effect of -drug and sugar pills?

**Part C**

(5 × 8 = 40)

Answer **all** questions not more than 1000 words each.

16. (a) Discuss the various types of Research. (CO1, K1)

Or

- (b) Explain essentials that are to be considered by a researcher while formulating Research Problem. (CO1, K1)

17. (a) Give your understanding of a good research design. Is single research design suitable for all studies? If not, why? (CO2, K2)

Or

- (b) How research designs are classified and brief on how experimental design is different from a descriptive research design. (CO2, K2)

18. (a) Explain the term Scaling. What are the different types of scaling techniques available for researchers? (CO3, K4)

Or

- (b) Analyse the various techniques of data collection in social science research? (CO3, K4)
19. (a) Consider the data on the quantity demanded and the price of a commodity over a ten - year period as given in the following table : (CO4, K5)

Year	Demand	Price
1996	100	5
1997	75	7
1998	80	6
1999	70	6
2000	50	8
2001	65	7
2002	90	5
2003	100	4
2004	110	3
2005	60	9

- (i) Estimate the correlation coefficient between the quantity demanded and price and interpret the same.
- (ii) Test the statistical significance of the correlation coefficient at a 5 per cent level.

Or

- (b) Processing of data involves editing, coding, classifying and tabulating. Explain each of these steps by taking an appropriate research example. (CO4, K4)

20. (a) The following are the number of words per minute which a secretary typed on several occasions on three different typewriters. (CO5, K5)

Typewriter 1	71	78	70	69	77	72	65	69
Typewriter 2	74	76	72	70	69	68	72	63
Typewriter 3	70	72	66	64	63	67	69	70

Test whether the differences among the mean of the three samples (typewriters) can be attributed to chance. You may use a 5 per cent level of significance.

Or

- (b) What are non-parametric tests? How are they different from parametric tests? Explain the advantages and disadvantages of the non-parametric test. (CO5, K4)
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**R3694**

**Sub. Code**

**611304**

**M.Com. DEGREE EXAMINATION, NOVEMBER – 2025**

**Third Semester**

**Commerce**

**INCOME TAX LAW AND TAX PLANNING**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 1 = 10)

Answer **all** the following objective questions by choosing the correct option.

1. Assessment Year” is the year: (CO1, K2)
  - (a) In which income is earned
  - (b) Immediately after the year of earning income
  - (c) When the return is filed
  - (d) Same as previous year
  
2. Which section of the Income Tax Act defines “Income”? (CO1, K2)
  - (a) Section 2(24)
  - (b) Section 4
  - (c) Section 14
  - (d) Section 10
  
3. Which allowance is exempt up to Rs.50 per month per child for a maximum of two children? (CO2, K4)
  - (a) Hostel Allowance
  - (b) Transport Allowance
  - (c) Children Education Allowance
  - (d) Daily Allowance

4. Valuation of perquisites is given under (CO2, K4)
- (a) Section 15
  - (b) Rule 3 of Income Tax Rules
  - (c) Section 80C
  - (d) Section 24
5. Income from business or profession is chargeable under (CO3, K3)
- (a) Section 10
  - (b) Section 28
  - (c) Section 24
  - (d) Section 80
6. Which of the following expenses is expressly disallowed? (CO3, K3)
- (a) Rent of business premises
  - (b) Salary to employees
  - (c) Income tax paid
  - (d) Depreciation
7. Which of the following is NOT taxable under "Income from Other Sources"? (CO4, K4)
- (a) Interest on savings bank account
  - (b) Gift from a friend exceeding Rs.50,000
  - (c) Agricultural income in India
  - (d) Dividend from Indian companies
8. Income of a minor child is (CO4, K4)
- (a) Taxed in the child's name
  - (b) Exempt fully
  - (c) Clubbed with the income of parent
  - (d) Ignored

9. The CBDT functions under the (CO5, K3)
- (a) Ministry of Finance
  - (b) Ministry of Home Affairs
  - (c) Ministry of Corporate Affairs
  - (d) Reserve Bank of India
10. Which form is used for filing TDS returns? (CO5, K3)
- (a) ITR-1 (b) Form 16A
  - (c) Form 24Q/26Q (d) Form 10E

**Part B**

(5 × 5 = 25)

Answer **all** the questions not more than 500 words each.

11. (a) Define Direct and Indirect Taxes. How do they differ from each other? (CO1, K2)

Or

- (b) From the information given below, find out the net income and tax liability of X (30 years) for the assessment year 2025-26. (CO1, K2)

Rs.

Income from the activity of owning and maintaining race horses	2,10,000
Winnings from camel races in Dubai	9,77,000
Winning from MP Govt Lottery	4,00,000
Expenditure on earning above winnings	8,000
Salary from A Ltd. (it includes entertainment allowance of Rs 10,000)	10,50,000
Interest income of minor child (of deposit made out of gift received by the child from brother of Mrs X)	80,000

Rs.

Income of Mrs X [it is interest on company deposit (50% deposit is made out of gift received from X and 50% is made out of gift received from her brother), Mrs X does not have any other income]	2,16,000
Public provident fund contribution	1,05,000
ignore section 115 BAC pertaining to new tax regime	

12. (a) X (34 yrs) is employed by A Ltd. His basic salary is Rs. 50,000 per month. He is also entitled for dearness allowance at the rate of 35% of basic salary. 40% of dearness allowance is taken into consideration for retirement benefit purpose, he gets Rs.20,000 per month as house rent allowance which is increased to Rs. 25,000 per month with effect from December 1, 2024. Besides, with effect from March 1, 2025 he gets a special increment in his basic salary of Rs. 5,000 per month. Rent paid by X is as follows: (CO2, K4)

Up to May 31, 2024 - Nil (he lives in New Delhi with his parents without paying any rent) From June 1, 2024 to October 31, 2024- Rs. 35,000 per month (in Delhi)

From November 1, 2024 to April, 2025 Rs. 28,000 p.m. (in Noida)

Besides the company provides commission on the basis of turnover as follows:

- (i) Commission at the rate of 1% of turnover achieved by X (turnover achieved by X is Rs. 1,00,000 per month up to October 2024, Rs.1,50,000 per month from November till February 2025 and Rs. 2,00,000 per month from March 2025 onwards)
- (ii) Special commission for achieving target of turnover Rs. 2,00,000 per month (at the rate of 0.5%).

Determine the amount of house rent allowance chargeable to tax for the assessment year 2025-26.

Or

- (b) Mr. A an employee of Ranchi (Population 15 lakhs (2001) and 30 lakhs (2011) based company provides the following particulars of his salary income:

(CO2, K4)

Rs.

(i)	Basic Salary	12,000 p.m.
(ii)	Profit Bonus	12,000
(iii)	Commission on turnover achieved by Mr. A	42,000
(iv)	Entertainment allowance	2,000 p.m.
(v)	Club facility	6,000
(vi)	Transport allowance	1,800 p.m.
(vii)	Free use of car of more than 1.6 it. capacity for both personal and employment purposes; expenses are met by employer	
(viii)	Rent free house provided by employer. Lease rent paid by employer	6,000 p.m.

Rs.

- |      |  |        |
|------|--|--------|
| (ix) | Free education facility for three children of the employee: (Bills issued in the name of employer) | 22,500 |
| (x)  | Gas, water and electricity bills issued in the name of employee But paid by employer               | 16,800 |

Compute income under the head salary for the assessment year 2025-26 assuming that the employee opts to be taxed under new tax regime.

13. (a) X purchases gold for Rs.6,00,000 on July 17, 1972. Its fair market value on April 1, 2001 is approximately Rs.10,92,920 on July 24, 2024 gold is converted into jewellery. On July 30, 2024, X starts a business of selling jewellery and jewellery owned by him is converted into stock-in-trade (at the time of conversion, fair market value of the jewellery is Rs. 18,69,000) (assume that cost of acquisition and cost of improvement are Rs.14,97,300 and Rs. 34,450). 40 per cent of the stock-in-trade is sold to a customer Y on November 1, 2024 for Rs. 22,00,000 (fair market value Rs.24,50,000). Remaining 60% of the stock-in-trade is sold to another customer is Z on November 28, 2025 for Rs. 30,00,000 (fair market value Rs. 34,00,000). Discuss the tax consequences of these transactions in the hands of X, Y and Z. Assume that X is not a dealer registered under sales tax or VAT or GST.  
(CO3, K3)

Or

- (b) Mr. Rohan owns a house property in Mumbai which is let out for Rs.30,000 per month. Municipal taxes paid by him during the year are Rs.24,000. He has taken a loan on the property and paid interest of Rs.1,80,000 during the year. Compute his income from house property.  
(CO3, K3)

14. (a) For the previous year ending March 31, 2025, X (60 years) submit the following information: (CO4, K4)

- (i) Income from house property Rs. 4,40,000
- (ii) Loss from Business A (non-speculative):- Rs.-90,000
- (iii) Bank fixed deposit interest Rs.40,000
- (iv) Deposits in public Provident Fund account Rs. 1,20,000
- (v) Payment of life insurance premium on own life Rs. 40,000 (sum assured Rs. 5,00,000)
- (vi) Medi-claim insurance premium Rs.28,000 (on the life of X's father)

Determine the amount of net income and tax liability of X (ignores section 115 BAC pertaining to new tax regime under the following two different situations:

- (1) If business loss is set off against other incomes
- (2) If business loss is carried forward to the next year without adjusting during the current year. Also discuss which one is better option

Or

- (b) Differentiate between tax planning, tax avoidance, and tax evasion. (CO4, K4)

15. (a) What was the objective of the Direct Tax Code (DTC) 2010? Discuss. (CO5, K3)

Or

- (b) Explain the main functions of CBDT? (CO4, K3)

**Part C**

(5 × 8 = 40)

Answer **all** questions not more than 1000 words each.

16. (a) X (45 years) is an Indian citizen. He leaves India for the first time on July 3, 2024. He comes back on April 5, 2000 and 2025. He gives the following information regarding his income pertaining to the Assessment Year 2025–2026. (CO1, K2)

Rs.

Salary (after standard deduction) from an Indian company for rendering service in India	9,45,000
Royalty from the Government of India (received outside India)	2,00,000
Technical fees from a foreign company (received outside India and technical fees pertain to a project of the foreign company situated in India)	9,28,000
Technical fees from an Indian company (received outside India and technical fees pertain to a project of the Indian company situated outside India)	11,24,000
Dividend from an Indian company (received in India)	14,00,000
Dividend from a foreign company (received outside India)	3,10,000

From the information given above, find out the taxable income of X for the assessment year 2025-26 in the following two situations:

Situation 1 : X leaves India on July 3, 2024 to meet his friends and relatives

Situation 2: X leaves India on July 3, 2024 for the purpose of employment.

Or

- (b) Discuss the special provisions and exemptions available under Section 10 of the Income Tax Act.

(CO1, K2)

17. (a) Nazir is an employee of a private sector company at Coimbatore, retires on January 31, 2025. He submits the following information (CO2, K4)
- (i) Basic salary Rs. 80,000 per month
  - (ii) Dearness allowance (forming part of salary) Rs. 5000 per month
  - (iii) Retirement gratuity not exceeding 1/2 month's salary for each year of completed service computed on average salary of last 10 months claimed exempt under section 10(10)(ii), he is not covered by the payment Gratuity Act, 1972: Rs. 21,50,000
  - (iv) He does not have any leave to his credit at the time of retirement. However, the employer has paid leave encashment of Rs. 30,000 under company's service rules.
  - (v) He has been allotted a furnished house at Coimbatore (population 76 lakhs) by the company with effect from September 1, 2024. He has vacated this property at the time of his retirement. Lease rent of the property paid by the employer company is Rs. 20,000 per month. Besides, the company pays Rs. 20,600 per month as rent of furniture provided along with the house. The company does not charge any rent till the date of retirement.
  - (vi) He has been provided with a car from the employer company (1610 cc) without driver but only for coming and going from residence to office and back.
  - (vii) The company maintains Recognized Provident Fund to which each employee along with the company contributes 12% of salary.
  - (viii) Interest is credited in the Provident Fund account at the rate of 8.5% which comes to Rs. 95,000

- (ix) Professional tax paid by X Rs. 2000 on April 1, 2025
- (x) X wants to claim a deduction of Rs. 20,000 on account of entertainment expenditure incurred by him for official purposes. Nothing is reimbursed by the company on this account xi. After retirement, X has started legal practice from which income generated by him for the period ending March 31, 2025 is Rs. 1,40,000.

Determine the amount of net income and tax liability of X for the assessment year 2025-26 taking into consideration the following additional information:

- (1) X wants that if entertainment expenditure is not allowed as deduction from salary income, the same should be allowed as deduction from consultancy income .
- (2) X's Father had taken an insurance policy in 2009 on the life of X (when X was 30 years old). During the previous year 2024–25.X has paid Rs.32,000 as insurance premium. Prior to April 1, 2024 this premium was paid by X's father, sum assured Rs. 20,00,000.
- (3) While deducting tax at source from salary income, the employer-company have included excess interest over 7.5% in respect of Provident Fund in his taxable income. X is of the view that the employer has wrongly included this amount in taxable salary; Ignore section 115 BAC pertaining to new tax regime.

Or

- (b) Ram (47 years) is employed by ABC Textile Limited, Surat. From the information given below, find out net income and tax liability of Ram for the assessment year 2025-26. (CO2, K4)

Basic salary : Rs.46,000 per month, commission at the rate of 10% of sales made by Ram: Rs. 90,000 for the period ending on December 31, 2024 and Rs. 45,000 for the period ending March 31, 2025  
dearness Allowance : Rs. 8,000 per month (1/4 is part of salary for computing pension but only 20% is part of salary for computing other retirement benefits, like Provident fund and gratuity, etc.),  
house rent allowance: Rs.25,000 p.m. Tiffin allowance: Rs. 10,000 p.m. (but only with effect from February 1, 2025).

Besides, he has been provided with the amenities of gas, electricity and water, the expenses of which amounting to Rs. 18,000 are paid by the employer. He has been purchased from the company's showroom, garments of MRP of Rs. 30,000 at a discount of 95% of MRP (as per service rules). Production cost of those garments is 30% of MRP (dealers generally get a discount of 60% of MRP). He resides in a rented accommodation at 32, Navsari Bazaar, Surat (rent being Rs. 21,000 payable every month to the landlord: D Ltd. population of Surat is above 46 lakhs). However, the employer-company has purchased this property from D Ltd. on December 31, 2024 and the same house is allotted as a rent-free unfurnished house to Ram without charging any rent. HRA has been discontinued on the same day.

Ram contributes Rs.6,000 per month towards recognized provident fund contribution by the employer company is not more than 12% of salary. Provident fund interest is credited at the rate of 8% which comes to Rs.2,94,000 for the previous year 2024-25.

Ram pays life insurance premium on the life of his married daughter (annual insurance premium since 2006 being Rs.10,000, sum assured Rs. 95,000, premiums which became due on May 15, 2023 and May 15, 2024 are paid during the previous year 2024-25). Income of Ram from other source is Rs. 1,54,930. Besides, he gets a pension of Rs.3,600 and p.m. from the previous employer with whom Ram was employed till 1996 and contributes Rs. 20,000 towards public provident fund Ignore section 115 BAC pertaining to new tax regime.

18. (a) Following are the particulars of two house properties owned by Mr. Narain. (CO3, K3)

	House I	House II
Municipal Valuation	96,000	90,000
Fair Rent	88,000	96,000
Standard Rent	90,000	1,08,000
Actual Rent received	9,000 p.m.	15,000 p.m.
Self occupied	1-4-23 to 30.11.23	1-12-23 to 31-3-24
Let out	1-12-23 to 31-3.24	1-4-23 to 30-11-23
Municipal Taxes–Due	6,000	8,000
Paid	3,000	NIL
Interest on borrowed Money	10,000	42,000

Loan taken to construct House-II is still outstanding. Loan was taken in 1998.

Find out Mr. Swami's Income from house property under old tax regime as well as new tax regime.

Or

- (b) From the following Profit and Loss Account of a manufacturer, calculate the income under the head 'Profits and Gains of Business or profession' for the year ending on 31<sup>st</sup> March. (CO3, K3)

	Rs.		Rs.
Salaries to employees	1,95,000	Gross profit	5,80,000
Advertisement expenses (in cash)	24,000	Interest on securites	14,000
General expenses	16,000	Income from house property	25,000
Entertainment expenses	22,000	Bad debts recovered (allowed earlier)	12,000
Bad debts	1,500		
Drawings by the proprietor	24,000		
GST (due and paid on 1-7-2024)	6,000		
Interest on Proprietor's capital	7,000		
Repairs	2,500		
Rent	21,000		
Legal expenses	5,000		
Depreciation	15,000		
Bonus (due)	6,000		
Bonus to the proprietor	4,000		
Car purchased	72,000		
Expenses on car during the year	12,000		

	Rs.	Rs.
Donations	2,000	
Provisions for bad debts	6,000	
Net profit	<u>1,90,000</u>	
	<u>6,31,000</u>	<u>6,31,000</u>

From the examination of books of accounts, the following other informations are available:

- (i) Advertisement expenses were spent on insertions in newspaper Rs.3,000 were spent on purchase of land and are included in legal expenses.
- (ii) Half of the repair expenses were on let-out building.
- (iii) Depreciation allowable on all assets including car is Rs. 14,400.

Bonus was paid to employees on 30-06-2024 and date of filing of return is 31-7-2024

19. (a) Rohit furnishes the following particulars of his income for the financial year 2024-25: (CO4, K4)
- (i) Dividend from UTI Rs.10,000
  - (ii) Net amount received as winning from horse race Rs.21,000
  - (iii) Winning from camel race (Net) Rs.15,000
  - (iv) Winning from lottery (Net) Rs.70,000. Cost of lottery ticket was Rs.500. Commission paid to lottery seller Rs.1,000 out of prize money.
  - (v) Income tax refund Rs.10,000 (related to past year)
  - (vi) Interest on income tax refund Rs.1,000

- (vii) Amount won from T.V. programme “Kaun Banega Crorepati” Rs.2,00,000
- (viii) Interest on 8% tax free Relief Bonds issued by RBI Rs. 5,000
- (ix) On 1-10-2023, he purchased 1,000, 8% debentures of Rs.100 each of Hexa Limited Company from open market @ Rs.105. Dates of interest payment are June 30 and December 31 every year.
- (x) On 1-10-2023, he subscribed for 1,000, 10% debentures of Rs.100 each of Pearl Ltd. The date of interest payment is March 31, every year.
- (xi) Interest received on Punjab Government Loan, Rs.20,000
- (xii) Interest received on 8% debentures of Phymox Ltd (Unlisted Company) Rs.4,500
- (xiii) Gift from father Rs.50,000
- (xiv) Family Pension received Rs.48,000
- (xv) He lives in a rented house paying rent @10,000 p.m. He has sublet 1/3 portion of the house on a rent of Rs.4,500 p.m. the municipal tax Rs.6,000 and repairs of whole house Rs.2,700 have been borne by him.

Calculate Income under head other sources for the assessment year 2025-26.

Or

- (b) X (47 years) submits the following information for the year ending March 31, 2025: (CO4, K4)
  - (i) Son of X (date of birth: August 31, 2006) has a fixed deposit of Rs. 40,00,000 in PNB (rate of interest 7%)

- (ii) Minor daughter of X owns a business. For the previous year ending March 31, 2025, her income from business is Rs. 70,000
  - (iii) On October 4, 2017, X gifted Rs. 5,00,000 to M Rs. X. This amount (along with her own funds) is used in setting up a sole proprietor business by M Rs.X. On April 1, 2024, her investment in the business is Rs. 11,00,000 and for the year ending March 31, 2025 income from the business is Rs.2,78,000
  - (iv) Salary income of X is Rs. 11,85,000
  - (v) X holds 10% shares in A Ltd., (a closely held manufacturing company). On June 10, 2024, X transfers these shares by way of gift to Mrs X. Mrs X takes a loan of Rs.2,10,000 on January 1, 2025 from the company. Accumulated profit of the company on this date is Rs. 40,00,000.
  - (vi) X is entitled for a deduction of Rs. 90,000 under section 80CCC.
  - (vii) Income of M Rs. X for the assessment year 2025-26 is Rs 3,00,000 Determine the net income and tax liability of X for the assessment year 2025-26. Ignore section 115 BAC pertaining to new tax regime
20. (a) Define the various types of assessments under the Income Tax Act with relevant sections. (CO5, K3)

Or

- (b) Explain the concept of Tax Deducted at Source (TDS). What are the provisions, rates and consequences of non-compliance under the Income Tax Act? (CO5, K3)

**R3695**

**Sub. Code**

**611507**

**M.Com. DEGREE EXAMINATION, NOVEMBER – 2025**

**Third Semester**

**Commerce**

**Elective – STRATEGIC MANAGEMENT**

**(CBCS – 2022 onwards)**

Time : 3 Hours

Maximum : 75 Marks

**Part A**

(10 × 1 = 10)

Answer **all** the following objective type questions by choosing the correct option.

1. Which of the following best represents the components of strategy as per strategic management theory? (CO1, K2)
  - (a) Mission, Vision, Ethics
  - (b) Scope, Goals, Resource Leverage and Synergy
  - (c) Tactics, Tools, Methods
  - (d) Marketing, Sales, operations
  
2. The ethnocentric approach in international strategy is characterized by: (CO1, K2)
  - (a) Hiring local managers in every foreign market
  - (b) Viewing the entire world as a potential market without home-country bias
  - (c) Treating the home country as superior and replicating its strategies abroad
  - (d) Encouraging decentralized control and autonomy in all subsidiaries

3. According to Henry Mintzberg, which of the following is not one of the 5Ps of strategy? (CO2, K1)
- (a) Plan
  - (b) Ploy
  - (c) Process
  - (d) Perspective
4. Which of the following strategic models was developed by BCG (Boston Consulting Group) to analyze product portfolios? (CO2, K1)
- (a) Ansoff Matrix
  - (b) GE Matrix
  - (c) Balanced Scorecard
  - (d) BCG Matrix
5. Which of the following is a key reason for companies to form international joint ventures? (CO3, K2)
- (a) To completely acquire the partner company
  - (b) To share risk, resources and market access
  - (c) To avoid tax benefits
  - (d) To exit the business completely
6. In strategic management, disinvestment refers to: (CO3, K2)
- (a) Buying new businesses
  - (b) Divesting or selling off a business unit or asset
  - (c) Reinvesting in failing units
  - (d) Outsourcing core competencies
7. What does the DMAIC model of Six Sigma stand for? (CO3, K3)
- (a) Define, Measure, Analyze, Improve, Control
  - (b) Design, Manage, Analyze, Implement, Control
  - (c) Define, Monitor, Adjust, Improve, Control
  - (d) Develop, Measure, Analyze, Improve, Create

8. Who is credited with introducing the concept of Zero Defects in quality management? (CO4, K3)
- (a) Joseph Juran
  - (b) Philip Crosby
  - (c) Edwards Deming
  - (d) Genichi Taguchi
9. Which of the following is a key characteristics of an Organic Organizational Structure? (CO5, K4)
- (a) Rigid hierarchy and centralized control
  - (b) High degree of formality
  - (c) Flexible roles and decentralized decision-making
  - (d) Strict departmental boundaries
10. Corporate Governance aims to achieve strategic advantage by: (CO5, K4)
- (a) Promoting unethical financial practices
  - (b) Reducing transparency in management
  - (c) Ensuring accountability, fairness, and transparency in operations
  - (d) Avoiding stakeholder interests

**Part B**

(5 × 5 = 25)

Answer **all** questions not more than 500 words each.

11. (a) Explain the SWOT analysis and how it helps an organization respond to the external environment. (CO1, K2)

Or

- (b) Distinguish between Corporate, Business and Functional level strategies within the strategy hierarchy. (CO1, K2)

12. (a) Briefly explain Michael Porter's three generic strategies. (CO2, K1)

Or

- (b) What is the main idea behind Blue Ocean Strategy by W. Chan Kim and Renee Mauborgne? How is it different from competition-based strategies? (CO2, K1)

13. (a) Define a Strategic Alliance. How is it different from a merger or acquisition? (CO3, K2)

Or

- (b) What are the strategic benefits and common challenges of a foreign subsidiary as a growth model? (CO3, K2)

14. (a) What is strategic advantage? Explain two ways organizations can gain a strategic advantage through quality initiatives. (CO4, K3)

Or

- (b) Briefly explain the contribution of C.K. Prahalad and Gary Hamel in developing the concept of Core Competence. (CO4, K3)

15. (a) Define Strategic Business Unit (SBU). How does it contribute to achieving strategic advantage in large organizations? (CO5, K4)

Or

- (b) Briefly explain how corporate culture and organizational climate act as strategic assets for competitive advantage. (CO5, K4)

**Part C**

(5 × 8 = 40)

Answer **all** questions not more than 1000 words each.

16. (a) Discuss the General Electric (GE) Strategic Business Planning Matrix. How can this model assist in making strategic decisions at the corporate level? (CO1, K2)

Or

- (b) Describe the 6-S framework of strategic growth. How can this framework be applied to ensure long-term organizational success? (CO1, K2)
17. (a) Compare and contrast the Miles and Snow's four strategic types. Provide suitable examples of companies following each strategy. (CO2, K1)

Or

- (b) Discuss the Ansoff Growth Matrix and the McKinsey Growth Pyramid model. How can businesses use these frameworks to plan long-term strategic growth? (CO2, K1)
18. (a) Explain how Mergers and Acquisitions contribute to strategic growth. Discuss both the gains and problems associated with Mergers and Acquisitions, with suitable examples. (CO3, K2)

Or

- (b) Discuss the strategic relevance of Business Process Outsourcing (BPO), Reorganization, and Reengineering in today's competitive business environment. (CO3, K2)

19. (a) Explain Motorola's Six Sigma methodology, highlighting the DMAIC and DMADV approaches. How does Six Sigma help in gaining competitive supremacy? (CO4, K3)

Or

- (b) Compare and contrast the quality philosophies of Edwards Deming, Joseph Juran, Philip Crosby, and G. Taguchi. How have they shaped strategic quality management in organizations? (CO4, K3)

20. (a) Discuss the role of Ethics and Corporate Social Responsibility (CSR) in achieving sustainable strategic advantage. Support your answer with examples. (CO5, K4)

Or

- (b) Explain how organizations can adapt their strategies to local conditions both ethically and sustainably. Why is this adaptation important in global business environments? (CO5, K4)

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