


VIVEKANANDA COLLEGE, TIRUVEDAKAM WEST
College with Potential for Excellence

 Residential & Autonomous – A Gurukula Institute of Life-Training
 Re-accredited (3rd Cycle) with 'A' Grade (CGPA 3.59 out of 4.00) by NAAC
 [Affiliated to Madurai Kamaraj University]

M.Com. Degree (Semester) Examinations, November 2021

Part – III: Core Course: First Semester: Paper – I

ACCOUNTING FOR MANAGERIAL DECISIONS

Under CBCS – Credit 4

 Time: **3 Hours**

 Max. Marks: **75**
SECTION – A
Answer ALL Questions:
(5 × 1 = 5)

1. Contribution minus profit =
 - a) Variable
 - b) Sales
 - c) Fixed cost
 - d) All of the above
2. Funds inflow from operations
 - a) An Internal source of funds
 - b) An External source of funds
 - c) Neither Internal nor External
 - d) current year
3. Premium on redemption of debentures is
 - a) A cash inflow
 - b) Cash out flow
 - c) An income
 - d) An asset
4. A Flexible Budget is
 - a) Budget for different capacity levels
 - b) Budget for different departments
 - c) Budget for receipts and payments
 - d) None of the above
5. Angle of Incidence is
 - a) Angle between Sales and Fixed cost lines
 - b) Angle between Sales and Variable cost lines
 - c) Angle between Sales and Total cost lines
 - d) None of the above

SECTION – B

Answer any FIVE Questions:

(5 × 2 = 10)

6. What is ratio analysis?
7. What are the sources of cash flow?
8. What is P/V Ratio?
9. Define Angle of incidence.
10. Define standard costing.
11. What is Zero Base Budgeting?
12. Write note on cash budget.

SECTION – C

Answer ALL Questions:

(5 × 6 = 30)

13. a) From the following profit and loss account of everyday Co. Ltd., for the year ending on 31st March 2017 and 2018, you are required to prepare comparative income statement and comment on the performance:

| Particulars | 31.03.2018 (₹) | 31.03.2017 (₹) |
|-------------------------------|----------------|----------------|
| Sales | 12,80,000 | 9,60,000 |
| Less: cost of goods sold | 7,12,000 | 4,96,000 |
| Gross profit | 5,68,000 | 4,64,000 |
| Less: Administrative expenses | 2,56,000 | 1,76,000 |
| Selling expenses | 1,44,000 | 1,68,000 |
| Interest charges | 6,400 | 9,600 |
| | 4,06,400 | 3,53,600 |
| Net profit before income tax | 1,61,600 | 1,10,400 |
| less: Income Tax @ 50% | 80,800 | 55,200 |
| | 80,800 | 55,200 |

[OR]

- b) Discuss the scope of management accounting.

14. a) Distinguish between cash flow and fund flow statement.

[OR]

- b) Calculate cash flow from operating activities from the following information.

| Particulars | 2018 (₹) | 2019 (₹) |
|-----------------------|----------|----------|
| Bills Receivable | 20,000 | 25,000 |
| Debtors | 1,00,000 | 80,000 |
| Outstanding Expenses | 1,600 | 2,000 |
| Creditors | 50,000 | 40,000 |
| Accrued Income | 12,000 | 14,000 |
| Bills Payable | 80,000 | 50,000 |
| Profit & Loss Account | 1,00,000 | 3,60,000 |

15. a) From the following data, calculate i) P/V Ratio, ii) Profit when sales are ₹ 20,000 and iii) New break Point if selling price is reduced by 20%.

Fixed Expenses ₹ 4, 000

Break - even Point ₹ 10,000

[OR]

- b) From the following data, calculate

i) P/V Ratio ii) Break -Even Point iii) Margin of Safety

Total Sales ₹ 3,60,000

Selling Price per unit ₹ 100

Fixed Expenses ₹ 1,00,000

Variable Cost per unit ₹ 50

16. a) The standard materials required for producing 100 units is 120 kgs. A standard price of 0.50 paise per kg is fixed and ₹ 2,40,000 units were produced during the period. Actual materials purchased were 3,00,000 kgs. At cost of ₹ 1,65,000. Calculate the Material Variance.

[OR]

b) Calculate labour variances from the following data:

| Particulars | Standard | Actual |
|-----------------------------------|----------|--------|
| Output in units | 2,000 | 2,500 |
| Number of workers employed | 50 | 60 |
| Number of working days in a month | 20 | 22 |
| Average wage per man per month | 280 | 330 |

17. a) What are the advantages of Budgetary Control?

[OR]

b) The expenses for the production of 5,000 units in a factory are given as follows:

| Particulars | Per unit (₹) |
|---------------------------------------|--------------|
| Materials | 50 |
| Labour | 20 |
| Variable overheads | 15 |
| Fixed overheads (₹ 50,000) | 10 |
| Administrative expenses (5% variable) | 10 |
| Selling expenses (20% fixed) | 6 |
| Distribution expenses (10% fixed) | 5 |
| Total cost of sales per unit | 116 |

You are required to prepare a budget for the production of 7,000 units.

SECTION – D

Answer any THREE Questions:

(3 × 10 = 30)

18. Given: Current Ratio - 2.5, Liquidity Ratio – 1.5,

Working Capital ₹ 60, 000.

Calculate Current Liabilities, Current Assets, Liquid Assets and Stock.

19. From the following balance sheets, Prepare a Cash flow statement:

| Liabilities | 2018 (₹) | 2019 (₹) | Assets | 2018 (₹) | 2019 (₹) |
|--------------------|----------|----------|-----------|----------|----------|
| Share capital | 2,00,000 | 2,50,000 | Building | 2,00,000 | 1,90,000 |
| General reserve | 50,000 | 60,000 | Machinery | 1,50,000 | 1,69,000 |
| Profit & loss A/c. | 30,500 | 30,600 | Stock | 1,00,000 | 74,000 |
| Bank loan | 70,000 | - | Debtors | 80,000 | 64,200 |
| Creditors | 1,50,000 | 1,35,200 | Cash | 500 | 8,600 |
| Provision for tax | 40,000 | 35,000 | Goodwill | 10,000 | 5,000 |
| | 5,40,500 | 5,10,800 | | 5,40,500 | 5,10,800 |

During the year:

- Dividend of ₹ 23,000 was paid.
- Machinery was purchased for ₹ 8,000.
- Income tax paid during the year ₹ 33,000.

20. Sales - ₹ 1, 00,000, Profit – ₹ 10,000, Variable Cost – 70%. Find out P/V ratio, Fixed Cost and Sales Volume to earn a profit of ₹ 40,000.

21. Explain the various types of variances used in standard costing.

22. The Income and Expenditure forecasts for the months of March to July 2019.

| Month | Sales (₹) | Purchases (₹) | Wages (₹) | Manufacturing Expenses (₹) | Office Expenses (₹) | Selling Expenses (₹) |
|--------|-----------|---------------|-----------|----------------------------|---------------------|----------------------|
| March | 60000 | 36000 | 9000 | 3500 | 2000 | 4000 |
| April | 62000 | 38000 | 8000 | 3750 | 1500 | 5000 |
| May | 64000 | 33000 | 10000 | 4000 | 2500 | 4500 |
| June | 58000 | 39000 | 8500 | 3750 | 2000 | 3500 |
| July | 56000 | 39000 | 9500 | 5000 | 1000 | 3500 |
| August | 60000 | 34000 | 8000 | 5200 | 1500 | 4500 |

Prepare Cash budget for 3 months starting from 1st May, 2019.

- Cash balance on May 1st 2016 was ₹ 8,000
- Plant costing ₹ 16000 is due for delivery in July payable 10% on delivery and the balance after the 3 months.
- Advance Tax ₹ 8,000 payables in March and June each.
- Credit allowed by suppliers is 2 months and allowed to customer is one month.
- Lag in payment of wages is one month.




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M.Com. Degree (Semester) Examinations, November 2021

Part – III: Core Course: First Semester: Paper – II

RESEARCH METHODOLOGY

Under CBCS – Credit 4

 Time: **3 Hours**

 Max. Marks: **75**
SECTION – A
Answer ALL Questions
(5 × 1 = 5)

1. Research is
 - a) Searching again and again
 - b) Working in a scientific way to search for truth of any problem
 - c) Finding solution to any problem
 - d) None of the above
2. A tentative proposition subject to test is _____
 - a) Variable
 - b) Hypothesis
 - c) Data
 - d) Concept
3. Of the following sampling methods, which is a probability method?
 - a) Judgement
 - b) Quota
 - c) Simple random
 - d) Convenience
4. Questionnaire is a:
 - a) Research method
 - b) Measurement technique
 - c) Tool for data collection
 - d) Data analysis technique
5. Information is
 - a) Data
 - b) Processed Data
 - c) Manipulated input
 - d) Computer output

SECTION – B

Answer any FIVE Questions

(5 × 2 = 10)

6. Show the meaning of research.
7. Outline the importance of research.
8. Compare “measurement” with “scaling”
9. Outline the meaning of “description” and “order” in scaling
10. Show the characteristics of a good sample
11. Compare primary data with secondary data
12. Show the meaning of editing

SECTION – C

Answer ALL Questions

(5 × 6 = 30)

13. a) Identify the objectives of research

[OR]

- b) Develop the research process

14. a) Plan the procedure for hypothesis testing

[OR]

- b) Develop the primary scales of measurement

15. a) Identify any four probability sampling techniques

[OR]

- b) Select the non-probability sampling techniques

16. a) Construct the characteristics of a good questionnaire

[OR]

- b) Develop the types of observation.

17. a) Identify the contents of a research report

[OR]

- b) Develop the qualities of good research report

SECTION – D

Answer any THREE Questions

(3 × 10 = 30)

18. Analyse the different types of research
19. Examine the types of non-comparative scaling technique
20. Analyse the factors to be considered while selecting a sampling technique
21. Distinguish between interview schedule and questionnaire
22. Analyse the steps in processing of data





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M.Com. Degree (Semester) Examinations, November 2021

Part – III: Core Course: First Semester: Paper – III

HUMAN RESOURCE MANAGEMENT

Under CBCS – Credit 4

Time: **3 Hours**

Max. Marks: **75**

SECTION – A

Answer ALL Questions:

(5 × 1 = 5)

1. The expansion of HRM is _____
 - a) Human Relations Management
 - b) Humanistic Resource Management
 - c) Human Resource Management
 - d) Human Resourceful Management
2. On the Job Training Method is based on
 - a) Demonstration Method
 - b) Apprenticeship Training Method
 - c) Informal Training
 - d) All of the above
3. Performance appraisal means evaluating an employee's performance relative to
 - a) Establishing goods
 - b) Fellow employees
 - c) Job description requirements
 - d) Performance standards
4. Employees would be called back for jobs once the business revives in the case of _____
 - a) Resignation
 - b) Dismissal
 - c) Layoff
 - d) Retrenchment

5. Which is/ are the functions of Human Relations?
- a) Minimise dissatisfaction
 - b) Moral building programmes
 - c) Personal contacts
 - d) All of the above

SECTION – B

Answer any FIVE Questions: (5 × 2 = 10)

- 6. Compare job design with job analysis
- 7. Show the differences between training and development
- 8. Explain the objectives of Human Resource Development
- 9. Outline any four advantages of job evaluation
- 10. Show the importance of employee welfare
- 11. Explain the concept of stress management
- 12. Outline the importance of workers participation in management

SECTION – C

Answer ALL Questions: (5 × 6 = 30)

13. a) Identify the sources of recruitment

[OR]

- b) Construct the role of Human Resource Manager

14. a) Choose the different methods of training

[OR]

- b) Construct the process of career planning

15. a) Identify the advantages of time wage system

[OR]

- b) Organise the essentials of a good incentive plan

16. a) Identify the types of transfers

[OR]

- b) Select the measures to control the absenteeism

17. a) Identify the causes for industrial disputes

[OR]

- b) Build the causes for poor industrial relations

SECTION – D

Answer any THREE Questions: (3 × 10 = 30)

- 18. Analyse functions of Human Resource Management
- 19. Examine the principles of Human Resource Development
- 20. Discover the traditional methods of performance appraisal
- 21. List the different types of separation
- 22. Examine the various factors influencing the employee morale



Answer ALL Questions:

(5 × 1 = 5)

- 1**

SECTION – B

Answer any FIVE Questions:

(5 × 2 = 10)

6. Define international marketing.
7. List out the firm related factors in marketing selection process.
8. What do you mean by international licensing?
9. What is distribution channel?
10. What do you mean by letter of hypothecation?
11. Write short note on pre shipment credit.
12. Elaborate ECGC.

SECTION – C

Answer ALL Questions:

(5 × 6 = 30)

13. a) Explain the objectives of international marketing.
[OR]
b) Discuss political environment.
14. a) Summarize the specific factors which need to be analysed while evaluating market selection.
[OR]
b) Outline the advantages of indirect export.
15. a) Classify any five different types of foreign intermediaries.

[OR]

- b) Identify the different common distribution channel levels.

16. a) Elucidate in detail about bill of lading.

[OR]

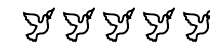
- b) What are the five important parties involved in bill of exchange? Classify.
17. a) Examine in detail about functions of EXIM bank (any five).
[OR]
b) Discuss the parties involved in letter of credit.

SECTION – D

Answer any THREE Questions:

(3 × 10 = 30)

18. Identify the problems faced in international marketing.
19. Examine in detail about market selection process. - 138
20. Determine the factors influencing the selection of channels.
21. List out the important document required for pre-shipment stage of an export transactions.
22. Classify the different kinds of letter of credit.





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M.Com. Degree (Semester) Examinations, November 2021

Part – III: Core Course: Third Semester: Paper – II

CORPORATE FINANCIAL ACCOUNTING

Under CBCS – Credit 4

Time: **3 Hours**

Max. Marks: **75**

SECTION – A

Answer ALL Questions:

(5 × 1 = 5)

1. Bank overdraft is shown in the balance sheet of a company as
 - a) Long term borrowings
 - b) Short term borrowings
 - c) Other current liabilities
 - d) Provision of bad debts
2. A company in which more than 50% of shares are held by another company is termed as
 - a) Holding company
 - b) Subsidiary company
 - c) Govt. Company
 - d) Public company
3. Every Banking company is required to close its accounts on:
 - a) 31st December
 - b) 31st March
 - c) 30th June
 - d) 30th September
4. The balance found in the Revenue Account of General Insurance Companies is treated as:
 - a) Provision for unexpired risk;
 - b) Net Profit / Net loss;
 - c) Operating profit or loss from insurance business;
 - d) Gross profit/Gross loss.

5. Human Resource Accounting concept was developed by _____

- a) Stephen Knauf b) Rensis Likert
c) S k Chakraborty d) Flamhoitz

SECTION – B

Answer any FIVE Questions:

(5 × 2 = 10)

6. Explain the term Revenue from operation.

7. X Ltd purchased 60% shares of Y Ltd. on 1.1.02 when the balance on their P&L a/c and General reserve were ₹ 1,50,000 and ₹ 1,60,000 respectively. On 31.12.2002, the Balance sheet of Y Ltd. Showed P&L a/c balance of ₹ 4,00,000 and General reserve ₹ 3,00,000. Show the capital profits and Revenue profits.

8. On 31st March, 2018 a bank held the following bills, discounted by

| Date of bill 2008 | Term of bill (months) | Discounted @ % p.a. | Amount of the bill ₹ |
|-------------------|--------------------------|------------------------|----------------------------|
| January, 17 | 4 | 17 | 7,30,000 |
| February, 7 | 3 | 18 | 14,60,000 |
| March, 9 | 3 | 17.5 | 3,64,000 |

You are required to Show the total amount of rebate on bills discounted. Also show the necessary journal entry for the rebate.

9. The Life Fund of a Life Insurance Company on 31.3.2006 showed a balance of ₹ 54,00,000. However, the following items were not taken into

account while preparing the Revenue account for 2005-06. Show the correct life fund balance:

| Particulars | ₹ |
|---|--------|
| Interest and dividends accrued on investments | 20,000 |
| Income tax deducted at source on the above | 6,000 |
| Reinsurance claims recoverable | 7,000 |
| Commission due on reinsurance premium paid | 10,000 |
| Bonus in reduction of premiums | 3,000 |

10. Infer the meaning of Non Banking Assets.

11. On 31st March, 2018 Bharat Commercial Bank limited find its advances classified as follows;

Standard assets ₹ 14,91,300

Substandard assets ₹ 92,800

Doubtful assets (Secured)

Doubtful for one year ₹ 25,660

Doubtful for one year to 3 years ₹ 15,640

Doubtful for more than 3 years ₹ 10,350

Loss assets ₹ 10,350

Outline the amount of provision is to be made by the bank against the advances.

12. Explain the Objectives of Human Resource Accounting.

SECTION – C

Answer ALL Questions:

(5 × 6 = 30)

13. a) Develop a Balance sheet as at 31st March 2020 from the following information of ABC Limited as required under the Companies Act 1956.

| Particulars | ₹ | Particulars | ₹ |
|--------------------|-----------|------------------------|-----------|
| Term loan | 10,00,000 | Loss for the year | 3,58,000 |
| Creditors | 11,45,000 | Sundry debtors | 12,25,000 |
| Advances | 3,72,000 | Loans from directors | 2,00,000 |
| Cash & Bank | | Provision for doubtful | |
| balances | 2,75,000 | debts | 20,200 |
| Staff advances | | Stock | 4,00,000 |
| Provision for Tax | 55,000 | Fixed assets (W.D.V) | 51,50,000 |
| Securities premium | 1,70,000 | Finished goods | 7,50,000 |
| Loose tools | 4,75,000 | | |
| Investments | 50,000 | | |
| General reserve | 2,25,200 | | |
| Capital work –in- | 20,50,000 | | |
| progress | 2,00,000 | | |

Additional information:

- i) Share capital consists of 30,000 equity shares of ₹ 100 each fully paid up.
- ii) 10,000 10% preference shares of ₹ 100 each fully paid up.
- iii) Term loan is secured; iv) Depreciation on assets ₹ 5,00,000

[OR]

b) The following Trial balance of Nallis Limited as at 30th December, 2018 is given to you:

| Debits | ₹ | Credits | ₹ |
|------------------------------------|-----------|--|-----------|
| Opening stock | 80,000 | 8,000 equity shares of ₹ 100 each ₹ 75 paid up | 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 | Profit & Loss a/c(Cr.) | 12,000 |
| Insurance prepaid | 400 | | |
| Bills receivable | 30,000 | | |
| 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 | | |
| | 20,12,000 | | 20,12,000 |

Additional Information:

i) The value of stock on 31st December was ₹ 74,000

ii) Outstanding wages totaled ₹ 10,000.

iii) A provision 5% is to be created on sundry debtors for doubtful debts.

iv) Depreciate patents @ 10% and Plant and Machinery @ 7 ½ % and on Land and Building @ 4%.

You are required to prepare statement of profit and loss account for the year ended 31st December.

14. a) Develop a consolidated balance sheet from the following balance sheet

| Liabilities | H Ltd., | S Ltd., | Assets | H Ltd., | S Ltd., |
|------------------------|------------|------------|--------------------|------------|------------|
| Capital: ₹ 1 shares | 1,400 | 1,000 | Sundry assets | 885 | 1,510 |
| Creditors | 350 | 190 | Shares in S Ltd., | | |
| P& L a/c | 260 | 320 | 900 shares at cost | 1,125 | - |
| | 2,010 | 1,510 | | 2,010 | 1,510 |

On the date of acquisition of shares by H Ltd., in S Ltd., the credit balance on latter's profit and loss account was ₹ 220. No dividends have been declared since that date.

[OR]

b) Develop a Consolidated the Balance sheets from the following informations

| Liabilities | H Ltd. ₹ | S Ltd. ₹ | Assets | H Ltd. ₹ | S Ltd. ₹ |
|--------------------|-------------|-------------|---------------|-------------|-------------|
| Capital ₹ 1 share. | 1,400 | 1,000 | 900 shares in | 1,200 | -- |
| P&L a/c | -- | 300 | S at cost | | |
| Creditors | -- | 500 | sundry assets | 200 | 1,800 |
| | 1,400 | 1,800 | | 1,400 | 1,800 |

When H Ltd. acquired the shares in S the P&L account of the latter had a credit balance of ₹ 200

15. From the following information relating to Lakshmi Bank Ltd., Model to prepare the P&L account for the year ended 31.12.2018.

| Particulars | ₹ | Particulars | ₹ |
|-------------------------------|-----------|------------------|-----------|
| Rent received | 72,000 | Salaries | 2,18,800 |
| Exchange and commission | 32,800 | Postage | 5,600 |
| Interest on fixed deposit | 11,00,000 | Sundry Charges | 4,000 |
| Interest on savings bank | 2,72,000 | Director's fees | 16,800 |
| Interest on Overdraft | 2,16,000 | Printing | 8,000 |
| Discount on bills discounted | 7,80,000 | Law charges | 3,600 |
| Interest on current account | 1,68,000 | Locker rent | 1,400 |
| Interest on cash credits | 8,92,000 | Transfer fees | 2,800 |
| Depreciation on bank property | 20,000 | Interest on Loan | 10,36,000 |

[OR]

b) On 31st December 2018, the following balances stood in the books of Asian Bank Ltd., after preparation of its Profit and Loss account. Build its balance sheet

| Particulars | ₹ (in '000) |
|------------------------------------|-------------|
| Issued and subscribed capital | 4,000 |
| Reserve fund | 6,200 |
| Fixed deposits | 42,600 |
| Savings bank deposits | 19,000 |
| Current accounts | 23,200 |
| Money at call and short notice | 1,800 |
| Investments | 25,000 |
| Profit and loss account | 1,350 |
| Dividend for 2017 | 400 |
| Premises | 2,950 |
| Cash in hand | 380 |
| Cash with RBI | 10,000 |
| Cash with other banks | 6,000 |
| Bills discounted and purchased | 3,800 |
| Loans, cash credits and overdrafts | 51,000 |
| Bills payable | 70 |
| Unclaimed dividend | 60 |
| Rebate on bills discounted | 50 |
| Short loans | 4,750 |
| Furniture | 1,164 |
| Other assets | 336 |
| Net profit for 2018 | 1,550 |

16. a) Identify the different methods of human resource accounting.

[OR]

b) Select the different components of inflation accounting.

17. a) The following figures relate to Life insurance Corporation for the year ending 31st March, 2016. Build the Life Insurance Revenue account. **7**

| Particulars | (₹ '000) | Particulars | (₹ '000) |
|-------------------------------|-------------|-------------------------------------|-------------|
| Claims | 39 | Consideration for annuities granted | 16.5 |
| Management expenses | 14 | Surrenders | 9 |
| Director's fees | 4 | Premium received | 151 |
| Audit fees | 3 | Life fund | 1150 |
| Medical expenses | .5 | Interest received | 40 |
| Agents commission | 5 | Rent received | 10 |
| Depreciation | 4 | Claims cancelled | .5 |
| Bonus in reduction of premium | 1.5 | Annuities | 1.5 |

Premium outstanding ₹ 9 thousand and Claims outstanding ₹ 3 thousand

[OR]

b) From the following particulars, Solve the fire revenue account for 2019-2020

| Particulars | ₹ '000 |
|--|--------|
| Claims paid | 235 |
| Legal expenses regarding claims | 5 |
| Premium received | 600 |
| Reinsurance premium | 60 |
| Commission | 100 |
| Expenses of management | 150 |
| Provision against unexpired risk on 1.4.2019 | 260 |
| Claims unpaid on 1.4.2019 | 20 |
| Claims unpaid on 31.3.2020 | 35 |

SECTION – D

Answer any THREE Questions:

(3 × 10 = 30)

18. Big company limited is a company with an authorized capital of ₹ 5,00,000 divided into 5,000 equity shares of ₹ 100 each. On 31.3.2020, 2,500 shares were fully called up. The following are the balances are the balances extracted from the ledger of the company as on 31.3.2020.

| Particulars | ₹ | Particulars | ₹ |
|--------------------------|----------|-----------------------------|----------|
| Stock | 50,000 | Advertisement | 14,300 |
| Sales | 4,25,000 | Debtors | 38,700 |
| Purchases | 3,00,000 | Creditors | 35,200 |
| Wages (Productive) | 70,000 | Plant and Machinery | 80,500 |
| Discount allowed | 4,200 | Furniture | 17,100 |
| Discount received | 3,150 | Cash and bank | 1,34,700 |
| Insurance upto 30.6.2021 | 6,720 | Reserve | 25,000 |
| Salaries | 18,500 | Loan from Managing Director | 15,700 |
| Rent | 6,000 | Bad debts | 3,200 |
| General expenses | 8,950 | Calls in arrears | 5,000 |
| Profit and loss account | 6,220 | | |
| Printing and Stationery | 2,400 | | |

You are required to Classify the trading and profit and loss account for the year ended 31.3.2020 and the balance sheet as on that date of the company. The following further information is given:

i) Closing stock was ₹ 91,500.

ii) Depreciation to be charged on plant and machinery and furniture at 15% and 10% respectively.

iii) Outstanding liabilities: wages ₹ 5,200; Salary ₹ 1,200 and Rent ₹ 600

iv) Dividend at 5% on paid up share capital is to be provided.

19. The following are the balance sheet of H Limited and its subsidiary S Limited as on 31st March, 2019.

| Liabilities | H Ltd., | S Ltd., | Assets | H Ltd., | S Ltd., |
|---|-----------------|-----------------|------------------------------|-----------------|-----------------|
| Share capital: ₹ 10 each fully paid | 6,00,000 | 2,00,000 | Machinery | 3,00,000 | 1,00,000 |
| General reserve | 1,50,000 | 70,000 | Furniture | 70,000 | 45,000 |
| Profit & Loss a/c | 70,000 | 50,000 | 70% shares in S Ltd. At cost | 2,60,000 | - |
| Creditors | 90,000 | 60,000 | Stock | 1,75,000 | 1,89,000 |
| | | | Debtors | 55,000 | 30,000 |
| | | | Cash at bank | 50,000 | 10,000 |
| | | | Preliminary expenses | - | 6,000 |
| | 9,10,000 | 3,80,000 | | 9,10,000 | 3,80,000 |

H limited acquired the shares of S Limited on 30th June 2018. On 1st April, 2019, S limited general reserve and profit and loss account stood at ₹ 60,000 and ₹ 20,000 respectively. No part of the preliminary expenses was written off in the year ended 31st March, 2019.

Examining the above, to prepare Consolidated Balance Sheet of H limited and its subsidiary S Limited as on 31st March, 2019.

20. From the following information, prepare P&L account of Vasari bank Ltd. for the period ended 31.3.2008.

| Particulars | ₹ In '000 |
|---|-----------|
| Interest on loans | 300 |
| Interest on fixed deposits | 275 |
| Commission | 10 |
| Exchange and brokerage | 20 |
| Salaries | 150 |
| Discount on bills (gross) | 152 |
| Interest on temporary OD in current a/c | 30 |
| Interest on cash credit | 240 |
| Interest on savings bank deposit | 87 |
| Postage, telegrams | 10 |
| Printing and stationery | 20 |
| Sundry expenses | 10 |
| Rent | 15 |
| Taxes and licences | 10 |
| Audit fees | 10 |

Additional information:

Rebate on bills discounted ₹ 30

Salary of managing director ₹ 30

Bad debts ₹ 40

Provisions for income tax is to be made at 55% (round off to the nearest '000)

Interest of ₹ 4,000 on doubtful debts was wrongly credited to interest on loan account.

Provide ₹ 15,000 as dividend.

21. The books of Jai prakash Insurance Co. Ltd. contain the following information in respect of fire insurance as on 31.3.2006

| Particulars | ₹ (in '000) |
|---|-------------|
| Provision for unexpired risks 1.4.05 | 80,000 |
| Estimated liability in respect of outstanding claims: | |
| On 1.4.05 | 10,000 |
| On 31.3.06 | 15,000 |
| Medical expenses regarding claims | 1,000 |
| Claims paid | 70,000 |
| Reinsurance premium | 14,500 |
| Reinsurance recoveries | 1,500 |
| Premiums | 1,90,000 |
| Commission on direct business | 25,000 |
| Commission on re insurance ceded | 3,000 |
| Commission on re insurance accepted | 1,000 |
| Refund of double taxation | 600 |
| Management expenses | 55,000 |
| Interest & dividends | 8,000 |
| Legal expenses regarding claims | 1,500 |
| Profit on sale of investments | 1,750 |
| Additions reserve on 31.3.05 | 60,000 |

Additional reserve is to be increased by 10% of the net premium income.

Discover the revenue a/c keeping the reserve for unexpired risks at 50% of premium income.

22. Categorize the advantages of Inflation Accounting.





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M.Com. Degree (Semester) Examinations, November 2021

Part – III: Core Course: Third Semester: Paper – III

DIRECT TAXES - I

Under CBCS – Credit 4

Time: **3 Hours**

Max. Marks: **75**

SECTION – A

Answer ALL Questions

(5 × 1 = 5)

1. Gratuity received by a Government employee is:

- | | |
|-------------------|------------------------------|
| a) Fully exempted | b) Partly taxable |
| c) Fully taxable | d) Exempted upto ₹ 10,00,000 |

2. U/s 44AB the audit of accounts is compulsory if total sales exceed:

- | | | | |
|--------------|--------------|--------------|----------------|
| a) ₹ 30 lakh | b) ₹ 40 lakh | c) ₹ 60 lakh | d) ₹ One Crore |
|--------------|--------------|--------------|----------------|

3. Rate of T.D.S. for Listed Securities including cesses is

- | | | | |
|--------|----------|----------|-----------|
| a) 10% | b) 15.3% | c) 20.3% | d) 30.3%. |
|--------|----------|----------|-----------|

4. Business loss can be carried forward for:

- | | | | |
|-------------|------------|------------|------------|
| a) 10 years | b) 9 years | c) 4 years | d) 8 years |
|-------------|------------|------------|------------|

5. Salary from PFAF of a partner is

- | | |
|--------------------|------------------------------|
| a) Exempted income | b) Taxable income |
| c) Salary income | d) Income from other sources |

SECTION – B

Answer any FIVE Questions

(5 × 2 = 10)

6. Mr. Arun has furnished the following information:

- i) Salary ₹30,000 p.m.
- ii) DA @ ₹ 6,000 p.m.
- iii) Bonus ₹ 20,000
- iv) Cost of furnishing ₹ 1,20,000

Calculate the value of rent free house if Mr. Arun is Government employee and rent of house is fixed by Government is ₹ 2,500 p.m.

7. Compute the Annual Rental Value from the following information:

MRV ₹ 80,000 FRV ₹ 1,00,000 Standard Rent ₹ 70,000 & Actual Rent ₹ 1,20,000.

8. State whether the following expenses are allowed or disallowed while calculating business income.

- i) Income tax paid ₹ 60,000
- ii) Fire insurance premium paid for house property ₹ 4000
- iii) Office expenses ₹ 3,000
- iv) Provision for depreciation ₹ 2,000

9. Cost of house purchased in 2001-02 for ₹ 4,00,000. The house was sold during the previous year 2020-21. (CII for 2001-02= 100 and 2020-21=301). Compute the Indexed cost of purchase.

10. From the following information compute the income from other sources.

- Lottery winnings received ₹ 70,000
- Gift from friend ₹ 10,000
- Gift from brother in law ₹ 12,000.

11. Compute the taxable income and loss to be C/F:

- i) Business profit for the previous year 2020-21 ₹ 20000.
- ii) B/F Business loss of 2018-19 ₹ 10000
- iii) Capital loss on shares ₹ 60,000
- iv) Loss from self occupied house (u/s 24) ₹ 5,000

12. Give the chart for computation total income of an Individual

SECTION – C

Answer ALL Questions

(5 × 6 = 30)

13. a) Explain the provision relating to House rent allowance received.

[OR]

b) From the particulars given below compute his gross salary.

| | ₹ |
|---|----------|
| Salary | 1,48,000 |
| Bonus | 12,000 |
| Free gas, electricity, water etc (actual bill paid by company) | 6,000 |
| Furnished flat provided to the employee at Kanpur (population above 25 lakhs) for which actual rent paid by Company | 78,000 |
| Rent recovered from employee | 12,000 |
| Furniture at cost (including television, fridge and AC) | 50,000 |

14. a) Explain the fully exempted income under the head House property.

[OR]

b) Mr. Harish is a practicing Chartered Accountant. He maintains his accounts on cash basis. Following is the receipts and payments A/c for the year ended 31st March, 2021.

| Receipts | ₹ | Payments | ₹ |
|----------------------------------|-----------------|-----------------------------------|-----------------|
| To Balance B/d | 9,300 | By office rent | 52,400 |
| To Audit fees | 5,64,700 | By salary of audit clerk | 24,800 |
| To Income from other accounting | 1,56,800 | By allowance of articulated clerk | 1,800 |
| To fees for conducting IT appeal | 8,100 | By Salaries | 32,400 |
| To examiner fees from university | 600 | By Municipal tax | 400 |
| To dividend (gross) | 7,840 | By Personal expenses | 1,53,500 |
| To Rent from property | 4,000 | By Membership fees | 1,100 |
| | | By LIC premium | 1,500 |
| | | By Income tax | 52,500 |
| | | By Motor car purchased | 2,09,000 |
| | | By Expenses of Motor car | 600 |
| | | By Insurance of House property | 300 |
| | | By Balance c/d | 2,21,040 |
| | 7,51,340 | | 7,51,340 |

Having regard to the fact that 1/3rd of motor car expenses is in respect of his professional practice. Compute Professional income of Mr. Harish. Assuming the rate of depreciation on car @15%.

15. a) Mr. A Purchased the house in Delhi in 2000 for ₹ 1,00,000 and added two rooms and a verandah in the house at a cost of ₹ 30,000 in 2000. He made improvements in the house and added two bathrooms at a cost of ₹ 2,40,000 in May 2014. Mr. A sells the house on 1st July, 2020 for ₹ 25,00,000. Find out the capital gain or loss, if the fair market value of the

house on 1.4.2001 was ₹ 4,00,000. The cost inflation indices in 2001-02, 2014-15 and 2020-21 were 100, 240 and 301 respectively.

[OR]

b) What is income from other sources? and What are the incomes chargeable under the head income from other sources?

16. a) Explain the Carry forward and set off of losses and its provisions

[OR]

b) Compute the gross total income from particulars given below:

i) House property: Loss from self occupied house ₹ 30, 000

Income from let out house ₹ 16, 000

ii) Profit and gains: Business loss ₹ 1,50,000

Share of loss from firm (B/F from AY 2018-19) ₹ 1,00,000

iii) Capital gains: short term capital loss ₹ 2,40,000

Long term capital gain ₹ 4,00,000

17. a) Compute the total income from the particulars given below:

i) Business income ₹ 2,54,300

ii) Long term capital gain ₹ 30,000

iii) Race winning (Horses) ₹ 20,000

iv) Amount deposited in PPF ₹ 20,000

v) NSC VIII issue purchased ₹ 10,000

[OR]

b) Mr. A who is totally blind submits the following information. Compute total income:

Salary ₹ 2,90,000

Rent received from house ₹ 30,000 p.m.

Short term capital gain ₹ 12,000

Dividend from co-operative society ₹ 7,000

Accrued interest on NSC VIII issue ₹ 3,000

Deposited in PPF ₹ 10,000

Life insurance premium paid ₹ 6,000

SECTION – D

Answer any THREE Questions:

(3 × 10 = 30)

18. On the basis of the following information, compute the taxable income of

Mr. Vasudevan under the head salaries for the AY 2021-22.

Basic salary ₹ 40,000 p.m.

Dearness allowance ₹ 600 p.m.

Entertainment allowance ₹ 300 p.m.

Hill area compensatory allowance ₹ 450 p.m.

Tribal area allowance ₹ 350 p.m.

His own contribution towards SPF ₹ 3,000 p.m.

Employer's contribution ₹ 3,000 p.m.

House rent allowance ₹ 4,000 p.m.

Interest credited to SPF ₹ 16,500

Mr. Vasudevan is an officer of the forest department of Government of Tamil Nadu. He is employed at a place at a height of 1,100 metre above the sea level. He is paying ₹ 6,000 as house rent.

19. The following is the profit and loss account of a merchant for the year ending 31-3-2021.

| | ₹ | | ₹ |
|----------------------------|----------|----------------------|----------|
| To office salary | 2,06,500 | By gross profit | 4,36,750 |
| To bad debts written off | 1,700 | By commission | 1,250 |
| To provision for bad debts | 3,000 | By discount | 500 |
| To advertisement | 53,800 | By sundry receipts | 200 |
| To fire insurance | 550 | By rent of building | 3,600 |
| premium(house) | 52,750 | By profit on sale of | 3,000 |
| To general expenses | 1,200 | investment | |
| To depreciation | 2,000 | | |
| To interest on capital | 1,300 | | |
| To interest on bank | 1,22,500 | | |
| loan(due) | | | |
| To net profit | | | |
| | 4,45,300 | | 4,45,300 |

Compute the taxable profits from business. The amount of depreciation is ₹ 1,000. Interest on bank loan was paid on 1.8.2021. Due date of filing of return is 31.07.2021.

20. From the following particulars of Mr. Edward for the previous year ended 31st March, 2021, Compute income from other sources for the AY 2021-22.

He received:

| | |
|---|--------|
| i) Director's fees from a company | 10,000 |
| ii) Interest on bank deposit | 3,000 |
| iii) Income from undisclosed sources (unexplained money) | 12,000 |
| iv) Winning from lotteries | 24,500 |
| v) Royalty on a book written by him | 8,000 |
| vi) By giving lectures in functions | 5,000 |
| vii) Interest on loan given to relatives | 7,000 |
| viii) Interest on tax free debentures of a company (Listed in recognised stock exchange) | 3,600 |

| | |
|---|-------|
| ix) Dividend on shares | 6,400 |
| x) Interest on post office savings bank a/c | 500 |
| xi) Interest on Government securities | 2,200 |

He paid ₹ 100 for collection of dividends and ₹ 1,000 for typing the manuscript of Book written by him.

21. Describe the provisions relating to set off of losses.

22. Mr. Sarath, a chartered Accountant, is living at Kanpur and is carrying on his profession there. For the 2020-21 he has supplied the following particulars. Compute his total income for the assessment year 2021-22:

- a) Professional Gain ₹ 5,00,000
- b) Rent received from house at Delhi ₹ 18000 p.a.
- c) Municipal taxes ₹ 1500 p.a.
- d) Long term capital gain ₹ 10000
- e) Part Time salary as lecturer in taxation laws ₹ 1,64,000
- f) Interest on Govt. Securities ₹ 19000
- g) He deposited ₹ 15000 in PPF
- h) LIC premium paid ₹ 8,000





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M.Com. Degree (Semester) Examinations, November 2021

Part – III: Elective Course: First Semester: Paper – I

GOODS AND SERVICE TAX LAW & PRACTICE

Under CBCS – Credit 5

Time: **3 Hours**

Max. Marks: **75**

SECTION – A

Answer ALL Questions:

(5 × 1 = 5)

1. Goods and service tax is a – tax system
 - a) Single point tax
 - b) Multipoint tax
 - c) Regressive tax
 - d) Progressive tax
2. Which of the following transaction is inter-state supply of goods involving movement of goods?
 - a) Location of supplier is in Bangalore and location of recipient is in Mumbai
 - b) Location of supplier is in Bangalore and place of supply in Mumbai
 - c) Location of supplier and place of supply is Bangalore
 - d) None of the above
3. Tax credit in respect of goods or inputs sent for job work can be claimed by
 - a) Job worker
 - b) Principal
 - c) Either by Jobworker or Principal
 - d) Not eligible for input credit
4. Details of outward supplies shall include_____
 - a) invoice
 - b) credit and debit notes
 - c) revised invoice issued in relation to outward supplies
 - d) all the above

5. Every registered person is required to keep and maintain books of account or other records for a period of _____ years.

- a) 2 b) 3 c) 5 d) 6

SECTION – B

Answer any FIVE Questions:

(5 × 2 = 10)

6. Define electronic cash ledger.
7. What is mixed supply?
8. What is time of supply?
9. Mention any four special category states for registration under GST.
10. Write note on credit note.
11. Write a note on GSTR-2 & 2A return.
12. What is refund of tax?

SECTION – C

Answer ALL Questions:

(5 × 6 = 30)

13. a) What is meant by?
- a) assessment b) audit c) authorised representative

[OR]

- b) Explain the structure of GST.

14. a) What is composition levy or scheme? State its features.

[OR]

- b) How do you determine the rate of tax in case there is a change in tax rate?

15. a) What is input tax credit? Also mention three conditions to avail it.

[OR]

- b) Examine the provision relating to availing composition levy.

16. a) Write a note on any six returns and its frequency of filing under GST.

[OR]

- b) Write a detailed note on filing of various returns under GST.

17. a) Briefly discuss any six powers of GST officers in India.

[OR]

- b) Write a detailed note on refunds of tax under GST.

SECTION – D

Answer any THREE Questions:

(3 × 10 = 30)

18. What are direct and indirect taxes? What are the merits and demerits of indirect taxes?

19. What would be the time of supply where composite supply involves principal supply of goods and also for continuous supply of goods.

20. Enumerate the process and forms applicable to registration under GST.

21. Enumerate the various powers and duties of GST officers briefly.

22. Examine the provision relating to filing of various returns under GST.



**SECTION – A****Answer ALL Questions****(5 × 1 = 5)**

1. _____ is based on the voice processing facility available with the bank computers.
 - a) Anytime banking
 - b) Anywhere banking
 - c) Phone banking
 - d) Mobile banking
2. The advantages of the smart cards are _____.
 - a) Security
 - b) Reliability
 - c) Longer life
 - d) All of the above
3. ATMs provide _____.
 - a) Round the clock services
 - b) Privacy in transaction
 - c) Anywhere banking facility
 - d) All the above
4. _____ means maintenance of records and information.
 - a) Database Management
 - b) Management
 - c) Hardware
 - d) Software
5. In India, Cyber Law is known as _____.
 - a) Information Technology Act
 - b) Banking Regulation Act
 - c) RBI Act
 - d) Indian Penal Code Act

SECTION – B

Answer any FIVE Questions

(5 × 2 = 10)

6. Write short notes on Smart Card.
7. What is electronic cheque?
8. Define E-mail.
9. Mention any two features of CTM.
10. State the meaning of MMS.
11. Give any two advantages of Aadhaar Based Payment System.
12. What do you understand by biometric security?

SECTION – C

Answer ALL Questions

(5 × 6 = 30)

13. a) Write a short note on Core Banking Solution.

[OR]

- b) Write short notes on: a) CTS b) PoS

14. a) Explain the merits of ATMs.

[OR]

- b) Explain the various types of NETWORKS.

15. a) Describe the merits and demerits of E-Mail

[OR]

- b) What are the facilities available in mobile banking?

16. a) Write short notes on: a) ECS b) RTGS

[OR]

- b) Explain the security aspects concerning the use of 'ATM'.

17. a) Explain the following:

a) Electronic cash

b) Electronic purse

[OR]

- b) Discuss the cyber issues in online transactions.

SECTION – D

Answer any THREE Questions

(3 × 10 = 30)

18. Explain the need for technology in banking sector in India.
19. Distinguish between Credit cards and Debit cards.
20. Explain the 'Advantages of internet banking'.
21. Describe the steps involved in Electronic Fund Transfer system.
22. Discuss the impact of technology on the various vital components of banking system.

