

11. From the following information calculate cash from operation.

I) Balance as on		31-12-2019	31-12-2020
Stock		49,500	38,500
Debtors		93,500	82,500
B/P		27,500	33,000
Creditors		60,500	41,250
Rent outstanding		16,500	5,500
Insurance Prepaid		5,500	8,250

II) Additional information :

Provision for bad debts	Rs. 8,250
Transfer to general reserve	60,500
Depreciation on building	16,500
Depreciation on plant	5,500
Provision for taxation	1,54,000
Profit on sale of plant	16,500
Loss on sale of building	33,000
Preliminary expenses written off	16,500
Net profit for the year	9,79,000

12. Coates India Ltd. manufactures a particular product, the standard direct labour cost per unit is as follows :

Grade of workers	Hours	Rate Rs.	Amount Rs.
A	30	2	60
B	20	3	60
	50		120

During a period, 100 units of the product were produced, the actual labour cost of which was as follows :

Grade of workers	Hours	Rate Rs.	Amount Rs.
A	3,200	1.50	4,800
B	1,900	4.00	7,600
	5,100		12,400

- Calculate :
- Labour Cost Variance
 - Labour Rate Variance
 - Labour Efficiency Variance.



SECTION - C

Answer any two of the following :

(2x24=48)

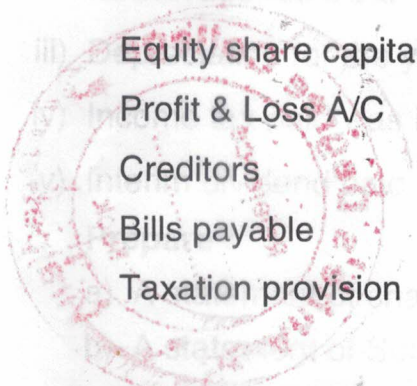
13. From the following Balance Sheet of Soorya Ltd. Prepare cash flow statement for the year ending 31-03-2021 together with relevant ledger accounts.

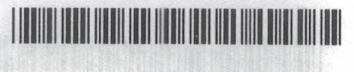
Assets	31-03-2020	31-03-2021
	Rs.	Rs.
Goodwill	1,15,000	90,000
Land and Buildings	2,00,000	1,70,000
Machinery	80,000	2,00,000
Stock	77,000	1,09,000
Bills Receivable	20,000	30,000
Debtors	1,60,000	2,00,000
Bank	25,000	18,000
	6,77,000	8,17,000

Liabilities	31-03-2020	31-03-2021
	Rs.	Rs.
Equity share capital	4,50,000	5,00,000
Profit & Loss A/C	70,000	1,18,000
Creditors	97,000	1,33,000
Bills payable	20,000	16,000
Taxation provision	40,000	50,000
	6,77,000	8,17,000

Additional information :

- a) Depreciation of Rs. 10,000 and Rs. 20,000 have been charged on machinery and Land and Buildings respectively.
- b) An interim dividend of Rs. 20,000 have been paid during the current accounting year.
- c) Rs. 35,000 income tax paid during the year.





14. The standard mix to produce one unit of product is as follows :

Material A	60 units @ Rs. 15 per units =	900
Material B	80 units @ Rs. 20 per units =	1,600
Material C	100 units @ Rs. 20 per units =	2,500
Total	240 units	Rs. 5,000

During the month of July, 10 units were actually produced and consumption was as follows :

Material A	640 units @ Rs. 17.50 per units =	11,200
Material B	950 units @ Rs. 18.00 per units =	17,100
Material C	870 units @ Rs. 27.50 per units =	23,925
Total	2460 units	Rs. 52,225

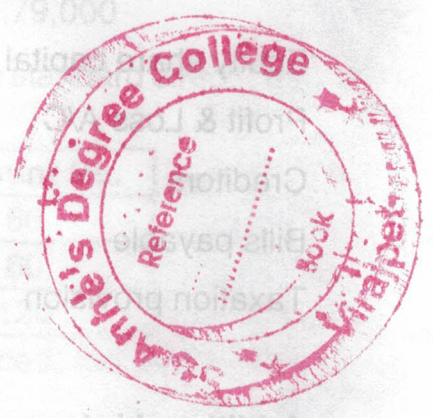
Calculate all material variances.

15. XYZ company furnishes the following information of its cost and profit for the year 2019 and 2020.

Year	Cost Rs.	Profit Rs.
2019	12,00,000	2,00,000
2020	15,00,000	3,00,000

Calculate the following :

- P/V ratio
- Fixed cost
- Variable cost
- Margin of safety for 2019 and 2020
- Most likely profit when sales are Rs. 20,00,000
- Break-even point
- Estimated sales when the desired profit is Rs. 2,50,000
- Sales for a variable cost of Rs. 8,28,000 when P/V ratio is increased to 40%.





16. The Balance Sheets of AXY Co. Ltd. for the year 2019 and 2020 are as follows :

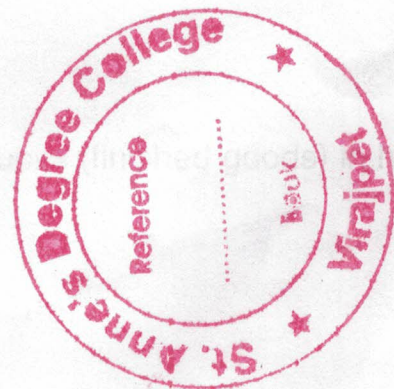
Liabilities	2019	2020	Assets	2019	2020
	Rs.	Rs.		Rs.	Rs.
Share capital	2,00,000	2,50,000	Fixed Assets	3,50,000	4,75,000
Retained earnings	1,60,000	3,00,000	Stock	1,00,000	95,000
Share Premium	-	5,000	Account Receivables	43,000	50,000
Accumulated depreciation	80,000	60,000	Prepaid expenses	4,000	5,000
Debentures	60,000	-	Cash	15,800	10,200
Account Payable	37,800	40,200	Commission on shares	25,000	20,000
	5,37,800	6,55,200		5,37,800	6,55,200

Additional information :

- i) Net income for the year Rs. 1,40,000
- ii) An addition to fixed asset was made during the year at a cost of Rs. 1,65,000 and fully depreciated machinery costing Rs. 40,000 was discarded, no salvage realized.
- iii) Depreciation for the year Rs. 20,000
- iv) Income tax paid was Rs. 40,000
- v) Interim dividend paid during the year Rs. 20,000

Prepare :

- a) A statement of changes in working capital.
- b) A statement of Sources and Application of Fund.





16. The Balance Sheets of AXY Co. Ltd. for the year 2019 and 2020 are as follows :

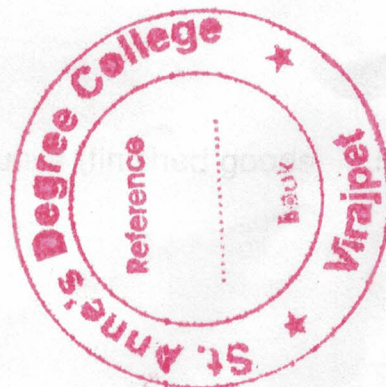
Liabilities	2019 Rs.	2020 Rs.	Assets	2019 Rs.	2020 Rs.
Share capital	2,00,000	2,50,000	Fixed Assets	3,50,000	4,75,000
Retained earnings	1,60,000	3,00,000	Stock	1,00,000	95,000
Share Premium	-	5,000	Account Receivables	43,000	50,000
Accumulated depreciation	80,000	60,000	Prepaid expenses	4,000	5,000
Debentures Account Payable	60,000	-	Cash	15,800	10,200
	37,800	40,200	Commission on shares	25,000	20,000
	5,37,800	6,55,200		5,37,800	6,55,200

Additional information :

- i) Net income for the year Rs. 1,40,000
- ii) An addition to fixed asset was made during the year at a cost of Rs. 1,65,000 and fully depreciated machinery costing Rs. 40,000 was discarded, no salvage realized.
- iii) Depreciation for the year Rs. 20,000
- iv) Income tax paid was Rs. 40,000
- v) Interim dividend paid during the year Rs. 20,000

Prepare :

- a) A statement of changes in working capital.
- b) A statement of Sources and Application of Fund.



Reg. No.

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BCMCMC 361

**Credit Based VI Semester B.Com. Degree
Examination, September/October 2021
(Common to All Batches)
INDIAN CORPORATE LAW**

Time : 3 Hours

Max. Marks : 120

SECTION – A

ವಿಭಾಗ – ಎ

Answer any four questions :

(4×6=24)

ಯಾವುದಾದರೂ ನಾಲ್ಕು ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿ :

1. State the facts and judicial decisions in the case of 'Solomon and Solomon and Company'.
ಸೋಲೋಮನ್ ವಿರುದ್ಧ ಸೋಲೋಮನ್ ಮತ್ತು ಕಂಪನಿ ಪ್ರಕರಣದ ತೀರ್ಪಿನ ಬಗ್ಗೆ ವಿವರಿಸಿ.
2. What are the conditions for buy back of shares ?
ಶೇರು ಮರು ಖರೀದಿಯ ಶರ್ತಗಳನ್ನು ತಿಳಿಸಿರಿ.
3. Explain meaning and importance of prospectus.
ಪರಿಚಯ ಪತ್ರದ ಅರ್ಥ ಮತ್ತು ಪ್ರಾಮುಖ್ಯತೆಯನ್ನು ವಿವರಿಸಿ.
4. What are the qualifications and disqualifications of company directors ?
ಕಂಪನಿ ನಿರ್ದೇಶಕರ ಅರ್ಹತೆ ಮತ್ತು ಅನರ್ಹತೆಯ ಬಗ್ಗೆ ಟಿಪ್ಪಣಿ ಬರೆಯಿರಿ.
5. Write a note on private limited company.
ಖಾಸಗಿ ನಿಯಮಿತ ಕಂಪನಿಯ ಬಗ್ಗೆ ಟಿಪ್ಪಣಿ ಬರೆಯಿರಿ.
6. Distinguish between a member and a shareholder of a company.
ಕಂಪನಿಯ ಸದಸ್ಯನಿಗೂ ಮತ್ತು ಶೇರುದಾರರಿಗೂ ಇರುವ ವ್ಯತ್ಯಾಸಗಳನ್ನು ತಿಳಿಸಿ.

SECTION – B

ವಿಭಾಗ – ಬಿ

Answer any four questions :

(4×12=48)

ಯಾವುದಾದರೂ ನಾಲ್ಕು ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿ :

7. What is meant by doctrine of indoor management ? Narrate the exceptions to this rule.
ಆಂತರಿಕ ಆಡಳಿತ ತತ್ವ ಎಂದರೇನು ? ಈ ತತ್ವದ ಅಪವಾದಗಳನ್ನು ವಿವರಿಸಿ.

P.T.O.



8. What is memorandum of association ? Briefly explain its clauses.
ಕಂಪನಿಯ ಸಂವಿಧಾನ ಪಟ್ಟಿ ಎಂದರೇನು ? ಅದರ ಅಡಕ ಅಂಶಗಳ ಕಿರುಪರಿಚಯ ನೀಡಿರಿ.
9. Define a member. Who can be a member of a company ?
ಕಂಪನಿಯ ಸದಸ್ಯನ ವ್ಯಾಖ್ಯೆಯನ್ನು ನೀಡಿರಿ. ಕಂಪನಿಯ ಸದಸ್ಯರಾಗಲು ಯಾರು ಅರ್ಹರು ?
10. Explain three types of resolutions passed at general body meeting.
ಸಾಮಾನ್ಯ ಸದಸ್ಯರ ಸಭೆಯಲ್ಲಿ ಮಂಜೂರಾತಿ ಪಡೆಯುವ ಮೂರು ವಿಧಗಳ ತರಾವುಗಳನ್ನು ವಿವರಿಸಿರಿ.
11. State the provisions of company act relating to transfer of shares. Distinguish between transfer and transmission of shares.
ಶೇರು ವರ್ಗಾವಣೆ ಮತ್ತು ಶೇರು ಸಂವಹನ ಕುರಿತಂತೆ ಕಂಪನಿ ಕಾಯ್ದೆಯಲ್ಲಿರುವ ನಿಬಂಧನೆಗಳನ್ನು ತಿಳಿಸಿ. ಶೇರು ವರ್ಗಾವಣೆಗೂ ಶೇರು ಸಂವಹನಕ್ಕೂ ಇರುವ ವ್ಯತ್ಯಾಸಗಳನ್ನು ಬರೆಯಿರಿ.
12. Discuss the rules relating to allotment of shares.
ಶೇರು ಹಂಚಿಕೆ ಕುರಿತು ಇರುವ ಕಾನೂನುಬದ್ಧ ನಿಯಮಗಳ ಬಗ್ಗೆ ಚರ್ಚಿಸಿ.

SECTION - C

ವಿಭಾಗ - ಸಿ

Answer any two questions :

ಯಾವುದಾದರೂ ಎರಡು ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿ :

13. What is corporate veil ? Explain the circumstances under which corporate veil is lifted.

ಕಂಪನಿಯ ಪರದೆ ಎಂದರೇನು ? ಯಾವ ಸಂದರ್ಭಗಳಲ್ಲಿ ಕಂಪನಿಯ ಪರದೆಯನ್ನು ಸರಿಪಡಿಸಬಹುದು ? ವಿವರಿಸಿ.

14. Explain the requisites of a company general body meeting.

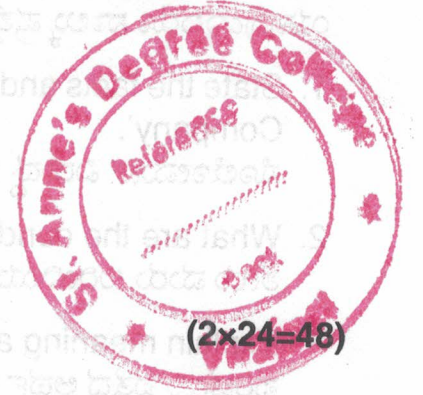
ಕಂಪನಿ ಶೇರುದಾರರ ಸಭೆಗಳ ಅವಶ್ಯಕ ಅಂಶಗಳನ್ನು ವಿವರಿಸಿರಿ.

15. Discuss the provisions of Companies Act regarding the appointment and removal of company director.

ಕಂಪನಿ ನಿರ್ದೇಶಕರ ನೇಮಕಾತಿ ಮತ್ತು ಸ್ಥಾನದಿಂದ ವಜಾಗೊಳಿಸುವುದರ ಬಗ್ಗೆ ಕಂಪನಿಗಳ ಕಾಯ್ದೆಯಲ್ಲಿರುವ ನಿಯಮಗಳನ್ನು ವಿವರಿಸಿರಿ.

16. Define a joint stock company. Explain the features of joint stock company.

ಕೂಡು ಬಂಡವಾಳ ಸಂಸ್ಥೆಯನ್ನು ವ್ಯಾಖ್ಯಾನಿಸಿರಿ. ಕೂಡು ಬಂಡವಾಳ ಸಂಸ್ಥೆಯ ಲಕ್ಷಣಗಳನ್ನು ವಿವರಿಸಿ.



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BCMCMC 362

**Credit Based VI Semester B.Com. Degree Examination,
September/October 2021
(Common to all Batches)
AUDITING**

Time : 3 Hours

Max. Marks :120

SECTION - A

ವಿಭಾಗ - ಎ

Answer any four questions :

(4×6=24)

ಯಾವುದಾದರೂ ನಾಲ್ಕು ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿರಿ :

1. Write a note on Audit working papers.

ಲೆಕ್ಕಪರಿಶೋಧನಾ ಕಾರ್ಯದ ಕಾಗದ ಪತ್ರಗಳ ಬಗ್ಗೆ ಟಿಪ್ಪಣಿ ಬರೆಯಿರಿ.

2. State the features of statutory audit.

ಶಾಸನಿಕ ಲೆಕ್ಕಪರಿಶೋಧನೆಯ ಗುಣಲಕ್ಷಣಗಳನ್ನು ಬರೆಯಿರಿ.

3. Explain about general EDP control.

ಸಾಮಾನ್ಯ ಎಲೆಕ್ಟ್ರಾನಿಕ್ಸ್ ಅಂಕಿ ಅಂಶಗಳ ಸಂಸ್ಕರಣ ತಡೆಗಳ ಬಗ್ಗೆ ವಿವರಿಸಿರಿ.

4. What are the qualifications and disqualifications of Company Auditor ?

ಕಂಪನಿ ಲೆಕ್ಕಪರಿಶೋಧಕರ ಅರ್ಹತೆ ಮತ್ತು ಅನರ್ಹತೆಗಳು ಯಾವುವು ?

5. Write the importance of internal audit.

ಆಂತರಿಕ ಲೆಕ್ಕಪರಿಶೋಧನೆಯ ಪ್ರಾಮುಖ್ಯತೆಯನ್ನು ಬರೆಯಿರಿ.

6. What are the limitations of auditing ?

ಲೆಕ್ಕಪರಿಶೋಧನಾಶಾಸ್ತ್ರದ ನ್ಯೂನತೆಗಳಾವುವು ?



P.T.O.



SECTION – B

ವಿಭಾಗ - ಬಿ

Answer any four questions.

(4×12=48)

ಯಾವುದಾದರೂ ನಾಲ್ಕು ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿರಿ.

7. Explain the merits and demerits of continuous audit.

ನಿರಂತರ ಲೆಕ್ಕಪರಿಶೋಧನೆಯ ಅನುಕೂಲಗಳು ಮತ್ತು ಅನಾನುಕೂಲಗಳನ್ನು ವಿವರಿಸಿರಿ.

8. Explain the provisions relating to the appointment of an auditor of a company.

ಕಂಪನಿ ಕಾಯಿದೆಯ ಪ್ರಕಾರ ಲೆಕ್ಕಪರಿಶೋಧಕನ ನಿಯುಕ್ತಿಯನ್ನು ವಿವರಿಸಿ.

9. What is internal audit ? Point out the difference between internal audit and external audit.

ಆಂತರಿಕ ಲೆಕ್ಕಪರಿಶೋಧನೆ ಎಂದರೇನು ? ಆಂತರಿಕ ಮತ್ತು ಬಾಹ್ಯ ಲೆಕ್ಕಪರಿಶೋಧನೆಗಳ ನಡುವೆ ಇರುವ ವ್ಯತ್ಯಾಸ ಪಟ್ಟಿ ಮಾಡಿ.

10. What is "Audit of Computerised Accounts" ? What are the problems faced in the Audit of Computerised Accounts ? Explain.

"ಕಂಪ್ಯೂಟರೀಕೃತ ಲೆಕ್ಕಗಳನ್ನು ಪರಿಶೋಧನೆ ಮಾಡುವುದು" ಎಂದರೇನು ? ಕಂಪ್ಯೂಟರೀಕೃತ ಲೆಕ್ಕಗಳನ್ನು ಪರಿಶೋಧನೆ ಮಾಡುವಾಗ ಎದುರಿಸಬೇಕಾದ ಸಮಸ್ಯೆಗಳಾವುವು ? ವಿವರಿಸಿ.

11. Explain different types of Audit.

ವಿವಿಧ ರೀತಿಯ ಲೆಕ್ಕಪರಿಶೋಧನಾ ಕ್ರಮವನ್ನು ವಿವರಿಸಿ.

12. Explain in detail the method of verification and valuation of 'stock in trade'.

'ಸರಕು ದಾಸ್ತಾನಿ'ನ ಅಸ್ತಿತ್ವದ ದೃಢೀಕರಣ ಮತ್ತು ಮೌಲ್ಯನಿರ್ಣಯದ ವಿಧಾನವನ್ನು ಸವಿಸ್ತಾರವಾಗಿ ವಿವರಿಸಿ.

SECTION – C

ವಿಭಾಗ - ಸಿ

Answer any two questions.

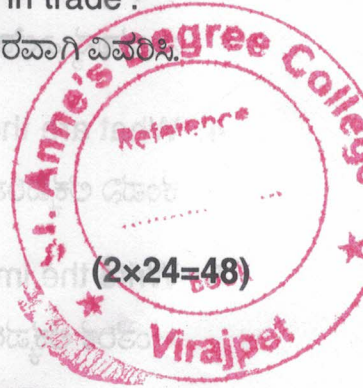
ಯಾವುದಾದರೂ ಎರಡು ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿರಿ.

13. Define Auditing. Discuss the primary and secondary objects of Audit.

ಲೆಕ್ಕಪರಿಶೋಧನೆಯ ವ್ಯಾಖ್ಯೆ ನೀಡಿರಿ. ಅದರ ಪ್ರಾಥಮಿಕ ಮತ್ತು ಪೂರಕ ಉದ್ದೇಶಗಳ ಕುರಿತು ವಿವರಿಸಿರಿ.

14. Explain the rights, duties and liabilities of a Company Auditor.

ಕಂಪನಿಯ ಲೆಕ್ಕಪರಿಶೋಧಕನ ಹಕ್ಕುಗಳು, ಕರ್ತವ್ಯಗಳು ಮತ್ತು ಜವಾಬ್ದಾರಿಗಳನ್ನು ವಿವರಿಸಿರಿ.



15. Define internal check system. Explain the internal check system followed for the payment of wages.

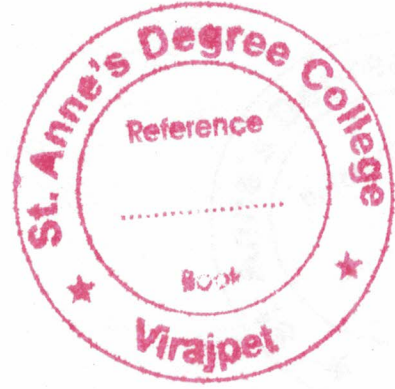
ಆಂತರಿಕ ತಪಾಸಣಾ ರೀತಿಯ ವ್ಯಾಖ್ಯೆಯನ್ನು ಬರೆಯಿರಿ. ಕೂಲಿ ಬಟವಾಡೆಗೆ ಸಂಬಂಧಿಸಿದಂತೆ ಆಂತರಿಕ ತಪಾಸಣಾ ರೀತಿಯನ್ನು ವಿವರಿಸಿ.

16. "Vouching is an essence of Audit" – Explain. How would you Vouch ?

- i) Receipt from debtors
- ii) Cash sales
- iii) Payment to creditors
- iv) Rent paid.

"ದೃಢೀಕರಣ ಲೆಕ್ಕಪರಿಶೋಧನೆಯ ಸಾರ" ಈ ಹೇಳಿಕೆಯನ್ನು ವಿವರಿಸಿ. ಈ ಕೆಳಗಿನ ಸ್ವೀಕೃತಿ ಮತ್ತು ಪಾವತಿಗಳನ್ನು ಹೇಗೆ ದೃಢೀಕರಿಸುವಿರಿ ?

- i) ಸಾಲಗಾರರಿಂದ ಬಂದ ಹಣ
- ii) ನಗದು ವಿಕ್ರಯಗಳು
- iii) ಸಾಲಿಗರಿಗೆ ಪಾವತಿಗಳು
- iv) ಬಾಡಿಗೆ ಪಾವತಿ.



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BCMCMC 363



Credit Based VI Semester B.Com. Examination, September/October 2021
(Common to all Batches)
COMMERCE
Financial Management – II

Time : 3 Hours

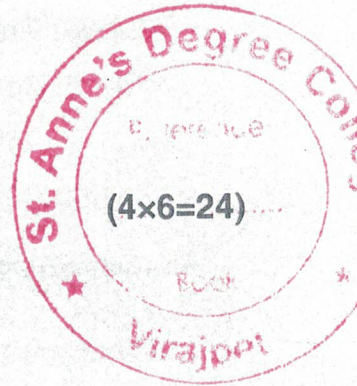
Max. Marks : 120

Instruction : Provide working notes wherever necessary.

SECTION – A

Answer any four questions :

1. Explain the measures for improving the liquidity of the firm.
2. What is an operating cycle ? How is it calculated ?
3. What are the activities of the "Sponsor" of a Mutual Fund ?
4. Two steel companies Tata Steel and Bhushan Steel had equity shares priced at ₹ 150 each. During the financial year 2017-18 each one made net profit of ₹ 210 crores. Cost of equity is the same for both the companies at 10%. Tata Steels Ltd. decided to declare a dividend at ₹ 8 per share and Bhushan Steels Ltd. decided not to declare any dividend. Using Miller – Modigliani Hypothesis :
 - a) Calculate the share prices of both the companies.
 - b) Is there any difference in the total shareholder wealth between the two companies ?
5. Lakshmi Vilas Bank Ltd., issued 15% preference shares of ₹ 100 each. They were redeemable at par after 5 years. Calculate the cost of preference shares :
 - i) If issued at a discount of 10%.
 - ii) If issued at a premium of 25%.



P.T.O.



6. From the following details, prepare a Comparative Income Statement.

	Year 2017 ₹	Year 2018 ₹
Sales	1,20,000	1,50,000
Less : Cost of goods sold	70,000	75,000
Gross profit	50,000	75,000
Less : Indirect Expenses	20,000	25,000
Net profit before tax	30,000	50,000
Less : Provision for tax	6,000	10,000
Net profit after tax	24,000	40,000

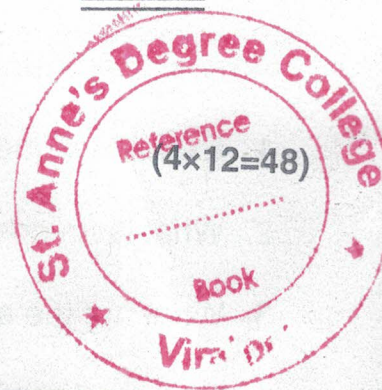
SECTION – B

Answer **any four** questions :

7. What are the factors affecting dividend policy ?
8. What are the benefits of Mutual Funds ?
9. The following companies are selected for having the same returns on investments at 12% and the same EPS at ₹ 20. However their cost of capital and dividend payout ratio are different at the figures shown below :

Company	Dividend payout ratio (%)	Cost of equity (%)
A. Co. Ltd.	10	16
B. Co. Ltd.	20	15
C. Co. Ltd.	30	14
D. Co. Ltd.	40	13
E. Co. Ltd.	50	12
F. Co. Ltd.	60	11

Using Gordon's dividend model determine their share price.





10. The Balance Sheet of Berger Paints Ltd. for the year 2016 and 2017 are given below :

Balance Sheet

Liabilities	31-12-2016	31-12-2017
	₹	₹
Equity share capital	6,00,000	12,00,000
10% pref. share capital	5,00,000	9,00,000
Reserve fund	4,00,000	5,00,000
Profit and Loss Account	2,00,000	3,00,000
Long-term loans	2,00,000	5,00,000
Creditors	1,00,000	3,00,000
Total	20,00,000	37,00,000
Assets		
Fixed Assets	15,00,000	28,00,000
Less: Depreciation	5,00,000	8,00,000
Net Block	10,00,000	20,00,000
Investments	4,00,000	5,00,000
Inventories	4,50,000	6,50,000
Accounts receivables	1,00,000	4,00,000
Cash	50,000	1,50,000
Total	20,00,000	37,00,000

Compare the financial position of the company for two years with the help of Common – size Balance Sheet.



11. J. B. Chemicals Ltd. provides the data about the sales and inventory for a period of twelve years. Determine the trend values keeping the earliest years figures as the basis :

Year	Sales (₹ Crore)	Inventory (₹ Crore)
2009	1,100	220
2010	1,100	210
2011	1,700	280
2012	1,900	360
2013	2,500	480
2014	2,300	400
2015	2,000	410
2016	2,200	420
2017	2,600	430
2018	2,700	440
2019	2,900	460
2020	3,000	480

12. The following details relating to various companies for the year 2017-18 are given below with the expected growth rate :

Calculate the cost of equity shares

Sl. No.	Company	Face value(₹)	Dividend %	Market price (₹)	Growth rate (%)
1	Nexon	6	115	580	4
2	Tiago	2	110	210	5



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3	Hexo	8	120	1,200	6
4	Tlagor	5	160	180	7
5	Zest	5	100	400	8
6	Harrier	100	50	2,600	9

SECTION - C

Answer any two questions :

(2x24=48)

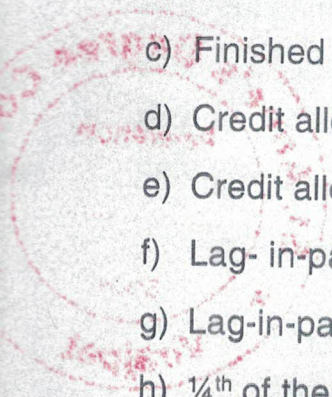
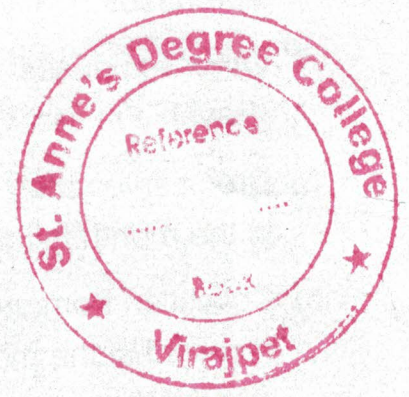
13. The proforma cost sheet of a company shows the following particulars :

Elements of cost	Per unit (₹)
Raw materials	70
Direct labour	30
Overheads	50
Profit	50
Selling price	200

The following particulars are available.

- a) Raw materials are in stock for two months.
- b) Materials are in process for one month.
- c) Finished goods in stock on an average for two months.
- d) Credit allowed by suppliers is two months.
- e) Credit allowed to customers is two months.
- f) Lag- in-payment of wages is one month.
- g) Lag-in-payment of overhead expenses is one month.
- h) 1/4th of the output is sold for cash.
- i) Cash in hand and at bank is expected to be ₹ 30,000.

You are required to prepare a statement showing the working capital needed to finance a level of activity of 52000 units of production.





14. From the following information you are required to prepare Cash Budget for the months of July, August and September 2017.

- 1) Cash in Bank on 1st July 2017 is ₹ 25,000.
- 2) Salaries and wages estimated monthly ₹ 10,000.
- 3) Interest payable August 2017 ₹ 5,000.
- 4) Sales, purchases and expenses are as follows :

	June	July	August	September
	₹	₹	₹	₹
Estimated cash sales	-	1,40,000	1,52,000	1,21,000
Credit sales	1,00,000	80,000	1,40,000	1,20,000
Purchases	1,60,000	1,70,000	2,40,000	1,80,000
Other Expenses (Payable in same month)	-	20,000	22,000	21,000

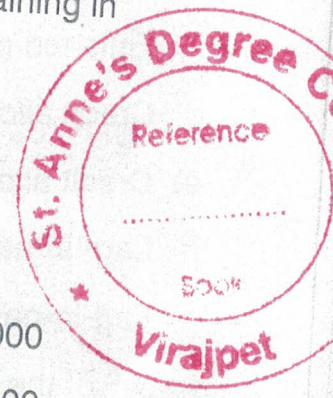
- 5) Credit sales are collected 50% in the month of sales are made and 50% in the month following.
- 6) Collection from credit sales are subject to 5% discount if payment is received in the month of sales and 2.5% if payment is received in the month following.

7) 10% of the purchases are paid in the same month and the remaining in the next month.

Salaries and wages are paid in the same month.

15. A Ltd. has the following capital structure :

Equity share capital (shares of ₹ 10 each)	₹ 30,00,000
6% preference shares of ₹ 100 each	20,00,000
8% debentures of ₹ 100 each	40,00,000
Total	90,00,000





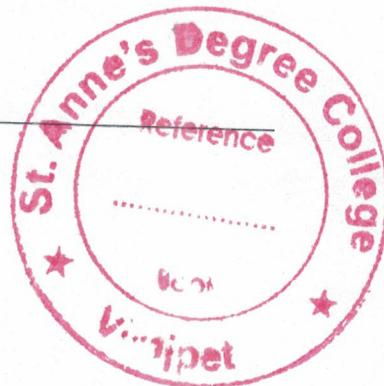
The market price of the company's equity share is ₹ 30. It is expected that the company will declare a dividend of 50%, which will grow at 20% forever. The tax rate may be presumed at 35%. You are required to compute the following :

- A weighted average cost of capital based on existing capital structure.
- The new weighted average cost of capital, if the company raises an additional ₹ 20,00,000. Term Loan at an interest of 10% p.a. This would result in increase in dividend rate to 80% and leave the growth unchanged, but the price of the share will fall to ₹ 15 per share.

16. From the following data pertaining to a company compute operating cycle for each of the two years :

Particulars	I Year	II Year
	₹	₹
Stocks : Raw materials	20,000	27,000
Work-in progress	14,000	18,000
Finished goods	21,000	24,000
Purchase of raw materials	96,000	1,35,000
Cost of goods sold	1,40,000	1,80,000
Sales	1,60,000	2,00,000
Debtors	32,000	50,000
Creditors	16,000	18,000

Also calculate number of operating cycles in a year and use it to estimate the size of working capital. You can assume 360 days in a year for the purpose of calculation.





3. Determine the time of supply of goods in each of the following independent cases :

SI. No.	Date of Removal of Goods	Date of Issue of Invoice	Date of Payment	Date of Receipt Shown by Recipient
1.	25-08-2020	25-08-2020	05-09-2020	01-09-2020
2.	25-08-2020	21-08-2020	04-09-2020	01-09-2020
3.	25-08-2020	24-08-2020	16-08-2020	01-09-2020
4.	25-08-2020	23-08-2020	05-09-2020	23-08-2020

4. Who are the persons liable for registration under GST ?
5. What is mixed supply ? Give example.

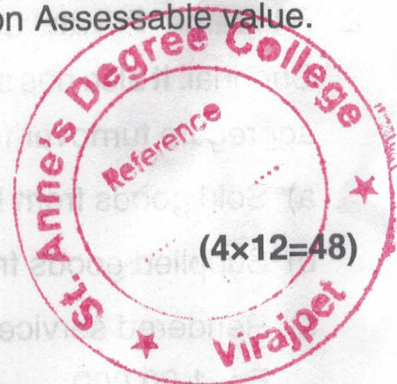
6. Determine the duty payable by Mr. Chinmay from the following details :

- Assessable value of imported goods Rs. 5,00,000.
- Basic customs duty payable @ 10%.
- Social Welfare Surcharge @ 10%.
- Goods is liable for payment of safeguard duty @ 15% on Assessable value.
- IGST @ 12% and Compensation cess @ 28%.

SECTION – B

Answer **any four** of the following questions :

7. Explain the salient features of GST.
8. Mr. Vinod is a registered dealer in Bhopal (Madhya Pradesh). From the following particulars, compute turnover which is taxable under IGST and IGST payable.
- Product C worth Rs. 2,04,000 sold to a registered dealer of Punjab @ 28%.
 - Product M amounting to Rs. 2,00,000 supplied to dealer of Srinagar @ 12%.
 - Product B worth Rs. 2,20,000 were transferred to their branch at Kolkata IGST @ 18%.
 - Commodity Z worth Rs. 3,00,000 supplied to a Job worker of Bangalore @ 12%.





- 5) Ayurvedic medicines worth Rs. 1,64,800 are sold to the registered dealer of Maharashtra @ 12%.
 - 6) Product S worth Rs. 54,000 are sold to the registered dealer of Uttar Pradesh @ 5%.
 - 7) Product G rated @ 5% amounting to Rs. 3,10,000 were sold to firm of London in the course of export outside India.
 - 8) Product S worth Rs. 5,40,000 are sold to a registered dealer of Kerala @ 5%.
 - 9) Commodity X imported from UK for Rs. 8,00,000 (IGST @ 12%).
 - 10) Sale of Petroleum products to a registered dealer in UP for Rs. 2,50,000.
 - 11) Supplied product L worth Rs. 8,00,000 to dealer in Bhopal @ 5%.
 - 12) Product R amounting to Rs. 3,45,000 sold to an unregistered dealer of Bhuvaneshwar 12%.
 - 13) Rendering a services worth Rs. 3,00,000 to a person of New Delhi @ 18%.
 - 14) Product S sold to a dealer of Arunachal Pradesh for Rs. 3,55,000 @ 5%.
9. From the following information furnished by a dealer in Karnataka. Compute the amount of taxable supply and IGST payable.

Particulars

Interstate supply

GST @12% GST@18%

Gross sale 8,00,000 3,50,000

It includes the following :

Packing charges 3,500 1,500

Design charges 1,500 800

Trade discount 800 300

Exports 24,000 -

Freight (shown separately) 2,000 700

Freight (not shown separately) 18,000 13,000

Goods returned within 3 months 1,500 1,200

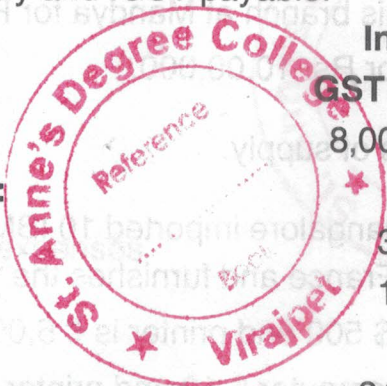
Installation expenses (shown separately) 5,600 5,100

Goods rejected within 8 months 3,000 1,600

Sales outside the state 9,000 8,000

Commission for additional sales 3,500 1,500

Goods worth Rs. 70,000 was sold within the state (included in gross sales turnover of Rs. 3,50,000).





10. Mr. Vivek a dealer in Karnataka furnishes following details of transactions for the year 2020-21. Compute the turnover for the year 2020-21 and state whether he is eligible for composition levy under GST law ? If so calculate tax liability.

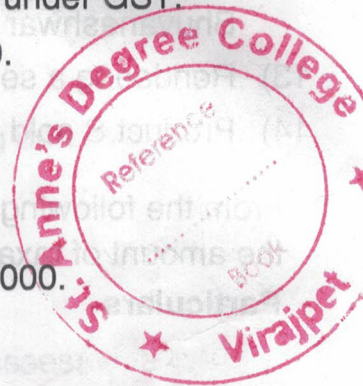
- a) Sold goods to Mr. X in Chamarajanagar Rs. 5,00,000.
- b) Sold goods to Mr. Y in Mandya Rs. 2,00,000.
- c) Sold goods to XYZ company in Bangalore Rs. 1,50,000.
- d) The goods received from unregistered dealer Rs. 10,000.
- e) Goods supplied to a job worker in Mysore Rs. 1,50,000 and returned after completion.
- f) Supply of services to Mr. B for Rs. 4,00,000 at zero rate under GST.
- g) The sale of goods to a merchant in Mysore Rs. 5,00,000.
- h) Supply of goods to Bangalore Rs. 5,00,000.
- i) Imported goods worth Rs. 8,00,000.
- j) Purchased goods from Hyderabad for Rs. 10,00,000.
- k) Supplied goods from his branch at Mandya for Rs. 5,00,000.
- l) Sold food and drinks for Rs. 10,00,000.

11. Explain the different types of supply.

12. M/s. Narendra Printers, Mangalore imported 10 IBM computers from USA and a latest new printer from France and furnishes the following information :

- a) Price per computer is \$ 500 and printer is € 5,000.
- b) Packing charges per computer \$ 10 and printer € 100.
- c) Shipping charges up to New Mangalore Port for computers \$ 500 and for printer € 250.
- d) Transit insurance \$ 500 for computers and € 150 for printer.
- e) Brokerage paid to agent of exporters \$ 175 for computers and € 125 for printer.
- f) Lorry freight for transporting computers and printer to M/s. Narendra Printers, Mangalore Rs. 3,000 and Rs. 2,000 respectively.
- g) Rate of exchange: \$ = Rs. 64 and € = Rs. 74.

Compute the assessable value for computers and printers.





SECTION - C

Answer any two of the following questions :

(2x24=48)

13. Briefly explain the benefits of GST.

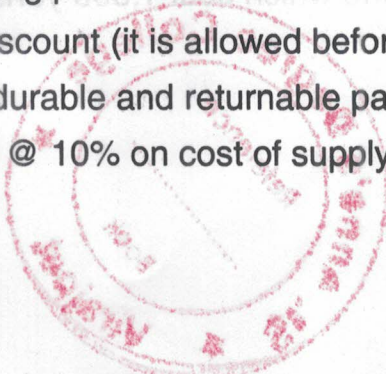
14. From the following information you are required to calculate Value of Taxable Supply and CGST and SGST payable at 6% each.

The sale price of Rs.1, 50,000 does not include the following :

Particulars	Amount in Rs.
Pre-delivery inspection charges	10,000
Publicity expenses	25,000
Packing cost	15,000
Cost of special packing	5,000
Material purchased (Exclusive of GST)	10,000
Design and Development Charges	5,000
Royalty charges	4,000
Advertising charges	14,000
Servicing charges	5,000
Selling expenses	25,000
Freight charges	30,000
Installation and erecting expenses	6,000
Insurance cost	5,000
Transportation charges	6,000
Taxes, Duties, cesses, fees and charges	4,000
Incentives paid to sales personnel	5,000
Warranty expenses	3,000
Materials imported from UK (including BCD but excluding IGST)	10,000
Rate of profit @ 10% on cost of supply.	

But the selling price includes the following :

- a) Trade discount (it is allowed before or at the time of supply) Rs. 10,000
- b) Cost of durable and returnable packing Rs. 5,000
- c) Mark up @ 10% on cost of supply.





15. Mr. Ramanand a dealer of Mysore submits the following information in relation to manufacture and selling of a machine. Compute the net tax payable by Ramanand.

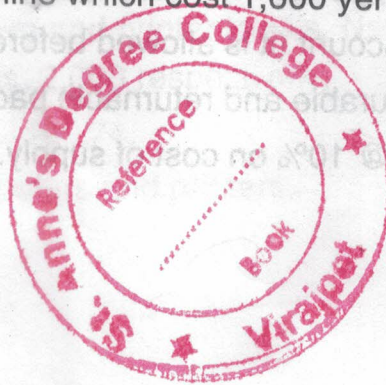
Particulars	Rs.
Import of raw materials (excluding BCD @ 10% and IGST @ 12%)	2,40,000
Raw materials purchased from Mangalore (including GST @ 28%)	2,81,600
Raw materials purchased from Goa (including GST @ 5%)	63,000
Subsidy received from an NGO which was directly related to price of the machine	13,000
Penalty levied by Mr. Pavan for delayed payment	575
Subsidy received from Central Govt. which directly linked to the price of the output	34,000
Additional incentives paid to the employees of sales department	5,000
Warranty charges	6,100
Manufacturing expenses	6,000
Service received from a registered dealer of Bengaluru to manufacture a machinery @ 18% GST	23,000

Along with the machine he supplied 3 different components at a fixed price of Rs. 25,000 each which are not naturally bundled. The GST rate of the three products is 5%, 12%, and 28% respectively.

Mr. Ramanand sold the machine to Mr. Pradeep a registered dealer in New Delhi at a profit of 15% on the cost of production and the rate of GST on such sale is 18%.

16. Nakshatra Ltd., imported 25 machines from Japan @ 65,000 Yens per machine. However, the following expenses are not included in the price of the machine.

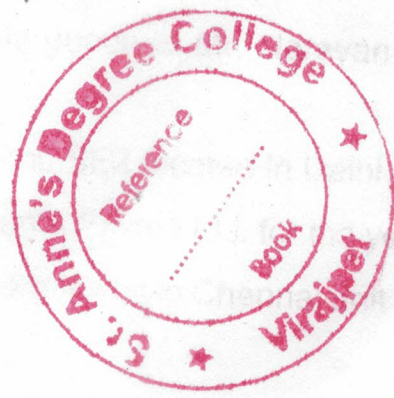
- Design and development charges 15,000 Yens.
- Importer supplied moulds to supplier which cost of 9,000 Yens.
- Packing charges 9,800 Yens.
- Containers are used to pack the machine which cost 1,600 yens per container.
- Brokerage 8,000 Yens.





- f) Buying commission paid to an agent for representing Nakshatra Ltd., in Indian Rupees Rs. 4,500.
- g) Transportation charges incurred by Nakshatra Ltd., from port to godown Rs. 2,300.
- h) Insurance premium paid in India from port to godown Rs. 800.
- i) Octroi Rs. 300.
- j) Technical know-how rendered by Nakshatra Ltd., to supplier cost of Rs. 2,800.
- k) Exporter paid cost of transport and insurance on machinery upto Indian port, but details are not available.
- l) Rate of duty: BCD @ 10% Social welfare surcharge as applicable.
- m) IGST payable as per GST law @ 12%.
- n) Compensation cess applicable @ 18%.
- o) As per Notification issued by the Government of India, Safeguard duty has been imposed on @ 30% and anti-dumping duty @ 10% on Assessable value.

From the above information, you are required to calculate customs value for purpose of determination of duty liability and also calculate duty payable. Exchange rate specified by is CBIC is 1 Yen = Rs. 0.53. Rate of BCD 10%, IGST @ 12%, compensation cess @ 20%.



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**Credit Based VI Semester B.Com. Degree
Examination, September/October 2021
COMMERCE
(Common to all Batches)
Financial Accounting – VI**

Time : 3 Hours

Max. Marks : 120

Instruction : Give working note wherever necessary.**SECTION – A**

Answer any 4 questions :

(4×6=24)

1. State the difference between External and Internal Reconstruction.
2. Explain different methods of calculating purchase consideration.
3. Write a note on :
 - 1) Money at call and short notice.
 - 2) Non-performing Assets.
4. The following particulars relate to a limited company which went into voluntary liquidation :

Preferential creditors	Rs. 1,00,000
Unsecured creditors	Rs. 2,32,000
7% Debentures	Rs. 1,20,000
The assets realized	Rs. 3,20,000

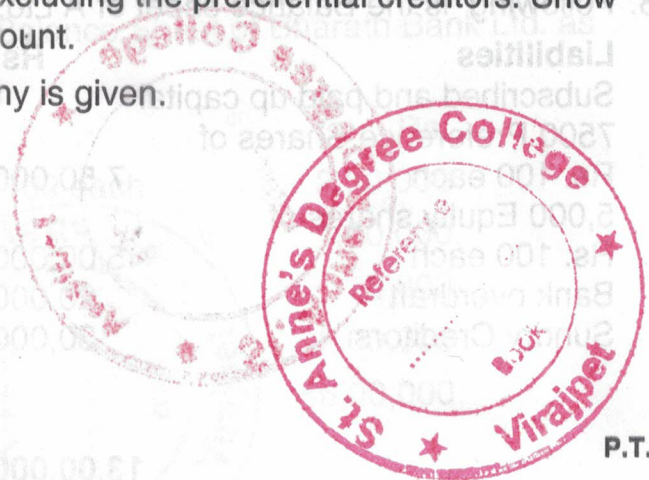
The expenses of liquidation amounted to Rs. 6,000 and the liquidator's remuneration was agreed at 2.5% on the assets realized and 2% of the amount paid to unsecured creditors excluding the preferential creditors. Show the Liquidator's final statement of account.

5. The following information of a company is given.

Current ratio – 2.5 : 1
Quick Ratio – 1.5 : 1
Current liabilities – Rs. 8,00,000

Find out :

- a) Current assets
- b) Liquid assets
- c) Inventory.



P.T.O.



6. The following is the balance sheet of Gangu Company Ltd. as on 31-3-2018.

Liabilities	Rs	Assets	Rs.
Share Capital	2,00,000	Fixed Assets	3,00,000
Reserve Fund	75,000	Current Assets	1,00,000
P & L A/c	25,000	Preliminary Expenses	50,000
8% Debentures	50,000		
Current liabilities	1,00,000		
	4,50,000		4,50,000

B Co. Ltd. takes over the business of Gangu Co. Ltd. The purchase price has to be paid in cash to the extent of Rs. 50,000 and balance in fully paid equity shares of Rs. 10 each. Calculate the amount of purchase consideration and show the mode of payment.

SECTION – B

Answer any 4 questions.

(4×12=48)

7. Shwetha Ltd. was formed with an authorized capital of Rs. 20,00,000 divided into equity shares of Rs. 10 each, to acquire the business of L and M whose balance sheet on the date of acquisition was as follows.

Liabilities	Rs.	Assets	Rs.
Capital	10,00,000	Freehold premises	14,00,000
General Reserve	7,00,000	Stock	2,00,000
Sundry Creditors	3,00,000	Sundry Debtors	2,70,000
		Less: prov. for bad debt	<u>20,000</u>
		Cash at Bank	1,50,000
	20,00,000		20,00,000

The purchase price was agreed upon at Rs. 23,00,000 to be paid in 2,00,000 equity shares of ₹10 each at ₹11 and the balance in cash.

You are required to journalize and prepare the balance sheet in the books of Shwetha Ltd.

8. Following is the Balance sheet of A Ltd. as on 31-3-2018.

Liabilities	Rs.	Assets	Rs.
Subscribed and paid up capital		Plant and Machinery	42,200
7500 Preference Shares of		Lease hold premises	1,30,800
Rs. 100 each	7,50,000	Patent	8,50,000
5,000 Equity shares of		Stock	55,000
Rs. 100 each	5,00,000	Debtors	76,500
Bank overdraft	20,000	Cash	500
Sundry Creditors	30,000	Preliminary Exps.	12,000
		Discount on issue of shares	18,000
		P & L A/c	1,15,000
	13,00,000		13,00,000



The company suffered a loss and a scheme of reconstruction was adopted as following :

- a) Preference Shares to be reduced to an equal number of fully paid shares of Rs. 50 each.
- b) Equity Shares to be reduced to an equal number of fully paid shares of Rs. 25 each.
- c) The amount available to be used to write off Rs. 30,800 of lease hold premises, Rs. 15,000 of stock, 20% of plant and debtors and the balance available to write off the patent.

Pass Journal entries and prepare Balance Sheet after reconstruction.

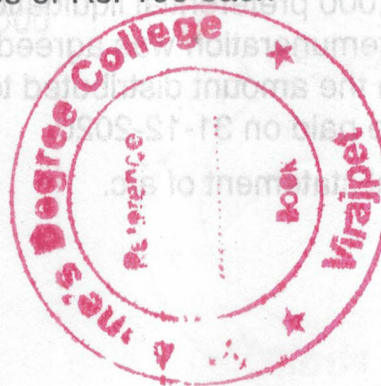
9. Following is the balance sheet as on 31-3-2018.

Liabilities	Rs.	Assets	Rs.
Equity share capital	2,00,000	Plant and Machinery	2,00,000
10% pref. share capital	1,00,000	Land and Building	2,00,000
20% debenture	1,00,000	Stock	1,50,000
Reserve	1,00,000	Debtors	50,000
Long term loan	50,000	Cash	1,00,000
Creditors	1,00,000		
Bank overdraft	50,000		
	7,00,000		7,00,000

Calculate current ratio, liquid ratio, proprietary ratio, debt equity ratio, capital gearing ratio.

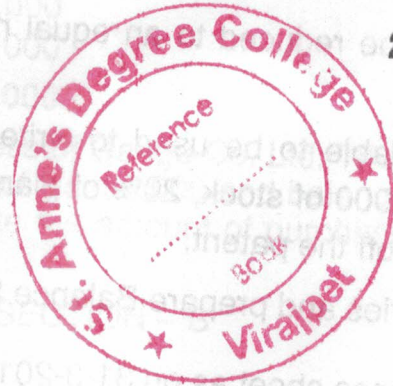
10. From the following figures, prepare Balance Sheet of Bharath Bank Ltd. as on 31-03-2019 :

Share capital – 2,000 shares of Rs. 100 each	Rs. 2,00,000
Premises	1,00,000
Rebate on bills discounted	5,000
Traveller's cheques	2,00,000
Deposits	56,00,000





Money at call	9,00,000
Profit and loss a/c (credit)	45,000
Investments	7,00,000
Bills purchased	15,00,000
Acceptances for customers	5,00,000
Loans	22,00,000
Bills for collection	4,00,000
Reserves	3,00,000
Depreciation Fund	10,000
Cash in hand	30,000
Cash at banks	4,50,000
Cash with RBI	5,20,000
Pension Fund	40,000



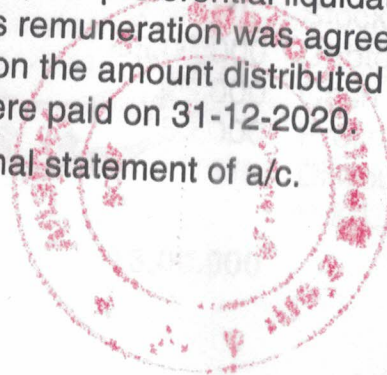
Adjust the following :

- 1) Traveller's cheques paid Rs. 10,000.
- 2) Money at call recovered Rs. 20,000.

11. Omega Ltd. went into voluntary liquidation on 1st July, 2020. The Balance sheet of the company on this date as follows.

Liabilities	Rs.	Assets	Rs.
Share capital :		Plant	2,00,000
12,000 10% preference shares of Rs. 10 each	1,20,000	Stock	1,00,000
20,000 equity shares of Rs. 10 each	2,00,000	Debtors	1,50,000
5% Debentures	60,000	Cash	3,000
Creditors	1,03,000	Profit and loss a/c	30,000
	4,83,000		4,83,000

Preference Dividend was in arrears for one year and payable on liquidation. Plant and stock realised Rs. 2,75,000. Debtors worth Rs. 25,000 were bad. Creditors include Rs. 5,000 preferential liquidation expenses amounted to Rs. 1,600. Liquidators remuneration was agreed at 2% on amount realised except cash and 2% on the amount distributed to equity share holders. Debenture holders were paid on 31-12-2020. Prepare liquidator's final statement of a/c.



Reg. No.

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BCMCMC 364

**Credit Based VI Semester B.Com. Degree
Examination, September/October 2021
COMMERCE
(Common to all Batches)
Financial Accounting – VI**

Time : 3 Hours

Max. Marks : 120

Instruction : Give working note wherever necessary.

SECTION – A

Answer any 4 questions :

(4×6=24)

1. State the difference between External and Internal Reconstruction.
2. Explain different methods of calculating purchase consideration.
3. Write a note on :
 - 1) Money at call and short notice.
 - 2) Non-performing Assets.
4. The following particulars relate to a limited company which went into voluntary liquidation :

Preferential creditors	Rs. 1,00,000
Unsecured creditors	Rs. 2,32,000
7% Debentures	Rs. 1,20,000
The assets realized	Rs. 3,20,000

The expenses of liquidation amounted to Rs. 6,000 and the liquidator's remuneration was agreed at 2.5% on the assets realized and 2% of the amount paid to unsecured creditors excluding the preferential creditors. Show the Liquidator's final statement of account.

5. The following information of a company is given.

Current ratio – 2.5 : 1
Quick Ratio – 1.5 : 1
Current liabilities – Rs. 8,00,000

Find out :

- a) Current assets
- b) Liquid assets
- c) Inventory.



P.T.O.



6. The following is the balance sheet of Gangu Company Ltd. as on 31-3-2018.

Liabilities	Rs	Assets	Rs.
Share Capital	2,00,000	Fixed Assets	3,00,000
Reserve Fund	75,000	Current Assets	1,00,000
P & L A/c	25,000	Preliminary Expenses	50,000
8% Debentures	50,000		
Current liabilities	1,00,000		
	4,50,000		4,50,000

B Co. Ltd. takes over the business of Gangu Co. Ltd. The purchase price has to be paid in cash to the extent of Rs. 50,000 and balance in fully paid equity shares of Rs. 10 each. Calculate the amount of purchase consideration and show the mode of payment.

SECTION - B

Answer any 4 questions.

(4×12=48)

7. Shwetha Ltd. was formed with an authorized capital of Rs. 20,00,000 divided into equity shares of Rs. 10 each, to acquire the business of L and M whose balance sheet on the date of acquisition was as follows.

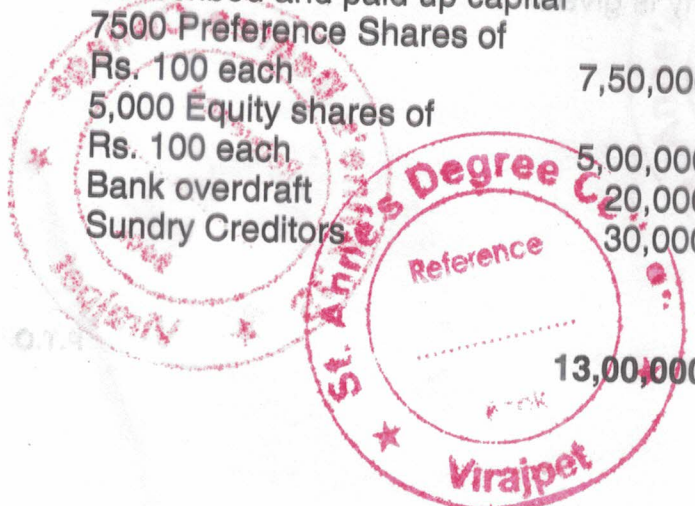
Liabilities	Rs.	Assets	Rs.
Capital	10,00,000	Freehold premises	14,00,000
General Reserve	7,00,000	Stock	2,00,000
Sundry Creditors	3,00,000	Sundry Debtors	2,70,000
		Less: prov. for bad debt	<u>20,000</u>
		Cash at Bank	1,50,000
	20,00,000		20,00,000

The purchase price was agreed upon at Rs. 23,00,000 to be paid in 2,00,000 equity shares of ₹10 each at ₹11 and the balance in cash.

You are required to journalize and prepare the balance sheet in the books of Shwetha Ltd.

8. Following is the Balance sheet of A Ltd. as on 31-3-2018.

Liabilities	Rs.	Assets	Rs.
Subscribed and paid up capital		Plant and Machinery	42,200
7500 Preference Shares of		Lease hold premises	1,30,800
Rs. 100 each	7,50,000	Patent	8,50,000
5,000 Equity shares of		Stock	55,000
Rs. 100 each	5,00,000	Debtors	76,500
Bank overdraft	20,000	Cash	500
Sundry Creditors	30,000	Preliminary Exps.	12,000
		Discount on issue of shares	18,000
		P & L A/c	1,15,000
	13,00,000		13,00,000





The company suffered a loss and a scheme of reconstruction was adopted as following :

- a) Preference Shares to be reduced to an equal number of fully paid shares of Rs. 50 each.
- b) Equity Shares to be reduced to an equal number of fully paid shares of Rs. 25 each.
- c) The amount available to be used to write off Rs. 30,800 of lease hold premises, Rs. 15,000 of stock, 20% of plant and debtors and the balance available to write off the patent.

Pass Journal entries and prepare Balance Sheet after reconstruction.

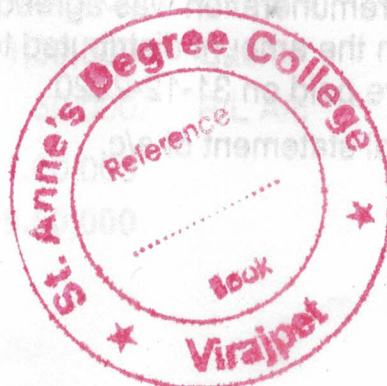
9. Following is the balance sheet as on 31-3-2018.

Liabilities	Rs.	Assets	Rs.
Equity share capital	2,00,000	Plant and Machinery	2,00,000
10% pref. share capital	1,00,000	Land and Building	2,00,000
20% debenture	1,00,000	Stock	1,50,000
Reserve	1,00,000	Debtors	50,000
Long term loan	50,000	Cash	1,00,000
Creditors	1,00,000		
Bank overdraft	50,000		
	7,00,000		7,00,000

Calculate current ratio, liquid ratio, proprietary ratio, debt equity ratio, capital gearing ratio.

10. From the following figures, prepare Balance Sheet of Bharath Bank Ltd. as on 31-03-2019 :

Share capital – 2,000 shares of Rs. 100 each	Rs. 2,00,000
Premises	1,00,000
Rebate on bills discounted	5,000
Traveller's cheques	2,00,000
Deposits	56,00,000





Money at call	9,00,000
Profit and loss a/c (credit)	45,000
Investments	7,00,000
Bills purchased	15,00,000
Acceptances for customers	5,00,000
Loans	22,00,000
Bills for collection	4,00,000
Reserves	3,00,000
Depreciation Fund	10,000
Cash in hand	30,000
Cash at banks	4,50,000
Cash with RBI	5,20,000
Pension Fund	40,000



Adjust the following :

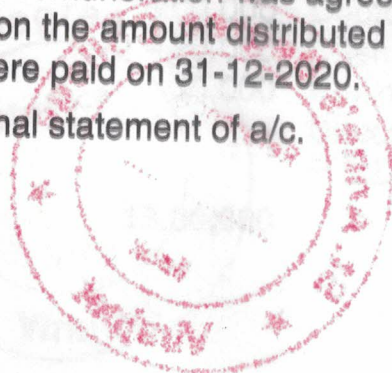
- 1) Traveller's cheques paid Rs. 10,000.
- 2) Money at call recovered Rs. 20,000.

11. Omega Ltd. went into voluntary liquidation on 1st July, 2020. The Balance sheet of the company on this date as follows.

Liabilities	Rs.	Assets	Rs.
Share capital :		Plant	2,00,000
12,000 10% preference shares of Rs. 10 each	1,20,000	Stock	1,00,000
20,000 equity shares of Rs. 10 each	2,00,000	Debtors	1,50,000
5% Debentures	60,000	Cash	3,000
Creditors	1,03,000	Profit and loss a/c	30,000
	4,83,000		4,83,000

Preference Dividend was in arrears for one year and payable on liquidation. Plant and stock realised Rs. 2,75,000. Debtors worth Rs. 25,000 were bad. Creditors include Rs. 5,000 preferential liquidation expenses amounted to Rs. 1,600. Liquidators remuneration was agreed at 2% on amount realised except cash and 2% on the amount distributed to equity share holders. Debenture holders were paid on 31-12-2020.

Prepare liquidator's final statement of a/c.





12. Naman Ltd. decided to sell its business to the Sanman Ltd. on 31-12-2018. On that date its balance sheet as follows :

Liabilities	Rs.	Assets	Rs.
Share Capital :		Freehold property	33,000
4,000 shares of Rs. 10 each	40,000	Stock	7,000
5% Debentures	20,000	Debtors	8,000
Creditors	6,000	Bills Receivable	4,000
Reserve Fund	10,000	Goodwill	8,000
Profit and loss a/c	4,000	Cash at Bank	20,000
	80,000		80,000

The Sanman Ltd. agreed to take over the assets (excluding cash) at the amount stated in the Balance sheet except Goodwill for which the company agreed to pay Rs. 20,000 and discharge the liabilities to sundry creditors. The purchase price was to be discharged by the allotment of 2,400 shares of Rs. 10 each at Rs. 12.50 per share and the balance in cash. The expenses of liquidation amounted to Rs. 600.

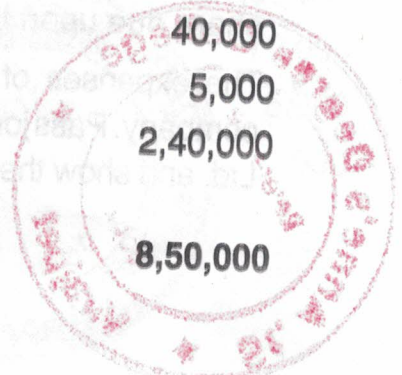
Prepare necessary ledger accounts in the books of Naman Ltd. and show Journal entries in the books of Sanman Ltd.

SECTION - C

Answer any 2 questions.

13. Balance sheet of unreliable Ltd. as on 31-3-2016 :

Liabilities	₹	Assets	₹
Share capital		Goodwill	15,000
2,000 5% Pref. shares of		Land and Buildings	2,00,000
₹ 100 each	2,00,000	Machinery	3,00,000
4,000 equity shares of		Stock	50,000
₹ 100 each	4,00,000	Debtors	40,000
6% debentures	1,00,000	Cash	5,000
Bank overdraft	50,000	P/L A/c	2,40,000
Creditors	1,00,000		
	8,50,000		8,50,000





The scheme of reconstruction executed as follows :

- 1) Preference shares reduced to fully paid shares of ₹ 75 each.
- 2) Equity shares reduced to fully paid shares of ₹ 40 each.
- 3) Debenture holders takeover stock and debtors in full satisfaction of their claim.
- 4) Land and Building is increased by 30% and machinery decreased by 33 $\frac{1}{3}$ %.
- 5) Expenses of reconstruction amount to ₹ 3,000

Journalise above transaction and prepare reconstructed Balance sheet.

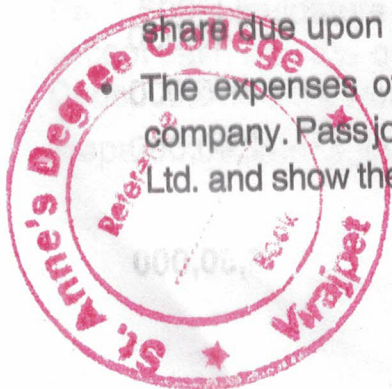
14. Modern Trading Ltd. decided to reconstruct and consequently went to voluntary liquidation. The balance sheet of the company as on 31-12-2018 was as follows :

Liabilities	Rs.	Assets	Rs.
Capital :	10,00,000	Land and Building	4,50,000
1,00,000 Equity shares of		Plant and Machinery	2,40,000
Rs. 10 each		Sundry Debtors	1,00,000
Sundry Creditors	30,000	Stock	50,000
Bills Payable	20,000	Cash at Bank	10,000
		P and L A/c	2,00,000
	10,50,000		10,50,000

The scheme of reconstruction is as follows :

- The new company was to take over all the assets of the old company, but not the liabilities.
- The capital of the new company was to be Rs. 15,00,000 in Rs. 1,50,000 shares of Rs. 10 each.
- The New company was to purchase the goodwill of the business and assets of the old company for the sum of Rs. 8,00,000 payable as to Rs. 7,00,000/- by the issue of 1,40,000 Equity shares of Rs. 10 each with Rs. 5 per share credited as paid-up and to pay Rs.1,00,000 in cash.
- The members of the New Company were to pay the balance of Rs. 5 per share due upon the shares issued to them. All the shares were duly paid.

The expenses of reconstruction amounted to Rs. 5,000/- paid by the New company. Pass journal entries to close the books of the Modern Trading Company Ltd. and show the opening Balance Sheet of the New company Ltd.





15. M. Ltd. and N Ltd. agreed to amalgamate and form a new company called MN Ltd as on 31-3-2018.

Balance sheet as on 31-3-2018

Liabilities	M Ltd.	N. Ltd.	Assets	M.Ltd.	N. Ltd.
Equity share capital (shares of ₹ 100 each)	1,00,000	70,000	Land and Building	30,000	—
Reserve fund	30,000	—	Machinery	1,07,000	55,000
Profit and Loss A/c	12,000	—	Stock	16,000	8,000
6% debenture	20,000	—	Cash	7,000	2,000
Employee's provident fund	3,000	—	Debtors	15,000	14,000
Trade Creditors	10,000	9,000			
	1,75,000	79,000		175,000	79,000

The New company agreed to take over all the assets and liabilities of both the companies. Its Authorised Capital is 5,000 equity shares of ₹100 each. It was agreed that purchase price of M Ltd. ₹1,35,000 and N Ltd. ₹ 60,000. The entire purchase price is paid in the form of shares of MN Ltd.

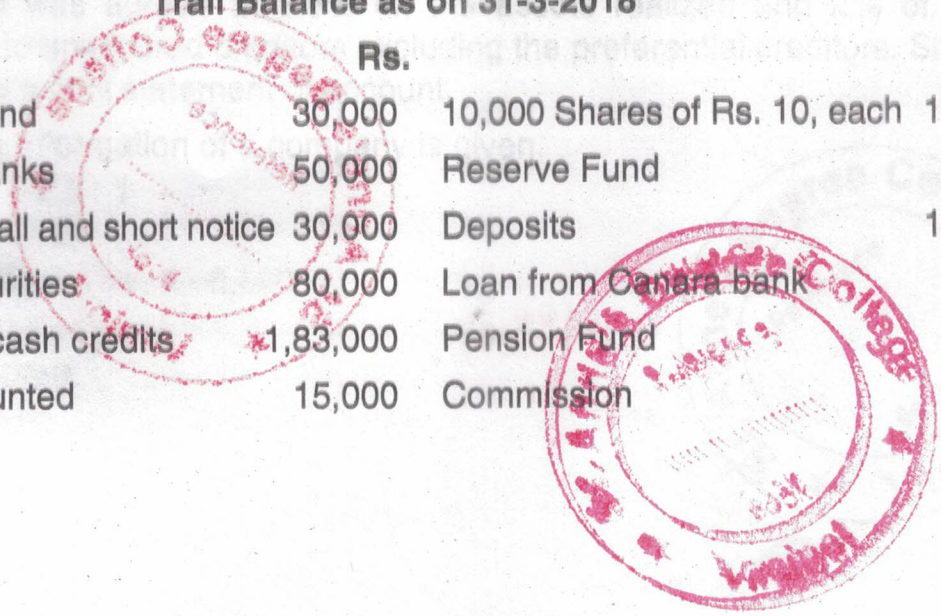
Prepare Realisation A/c and Equity share holders A/c in the books of M Ltd. and N Ltd.

And Pass Journal entries in the Books of MN Ltd. and draw its Balance sheet under Amalgamation in the nature of purchase.

16. From the following information, you are required to prepare the final accounts of Bangaru bank Ltd. as per the statute.

Trail Balance as on 31-3-2018

	Rs.		Rs.
Cash In hand	30,000	10,000 Shares of Rs. 10, each	1,00,000
Cash at banks	50,000	Reserve Fund	50,000
Money at call and short notice	30,000	Deposits	1,50,000
Govt. Securities	80,000	Loan from Canara bank	70,000
Loan and cash credits	1,83,000	Pension Fund	5,000
Bills discounted	15,000	Commission	500

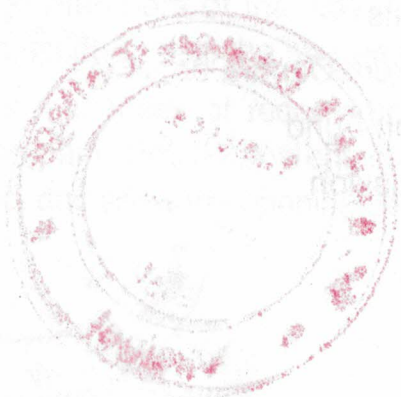




Commission	3,500	Interest and discount	71,500
Premises	30,000	Profit on sale of investments	1,000
Directors fees	1,000		
Audit fees	1,000		
Salary and allowances	6,000		
Printing and stationery	600		
Postage, etc	900		
Furniture	15,500		
Depreciation	1,500		
	4,48,000		4,48,000

Adjustments :

- Provide Rs. 2,500 for doubtful debts.
- The average due date of all bills discounted is 60 days (2 months). Bills are discounted at 10% p.a.
- A claim of Rs. 4,500 for bonus to workers pending award.
- Make provision for income tax Rs. 3,000
- Transfer 20% of profit to Reserve fund.



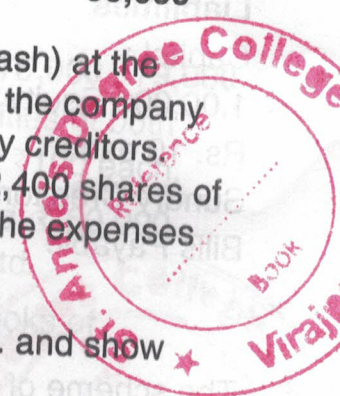


12. Naman Ltd. decided to sell its business to the Sanman Ltd. on 31-12-2018. On that date its balance sheet as follows :

Liabilities		Rs.	Assets		Rs.
Share Capital :			Freehold property		33,000
4,000 shares of Rs. 10 each	40,000		Stock		7,000
5% Debentures	20,000		Debtors		8,000
Creditors	6,000		Bills Receivable		4,000
Reserve Fund	10,000		Goodwill		8,000
Profit and loss a/c	4,000		Cash at Bank		20,000
		80,000			80,000

The Sanman Ltd. agreed to take over the assets (excluding cash) at the amount stated in the Balance sheet except Goodwill for which the company agreed to pay Rs. 20,000 and discharge the liabilities to sundry creditors. The purchase price was to be discharged by the allotment of 2,400 shares of Rs. 10 each at Rs. 12.50 per share and the balance in cash. The expenses of liquidation amounted to Rs. 600.

Prepare necessary ledger accounts in the books of Naman Ltd. and show Journal entries in the books of Sanman Ltd.

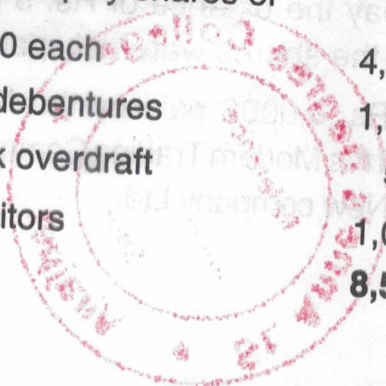


SECTION - C

Answer any 2 questions.

13. Balance sheet of unreliable Ltd. as on 31-3-2016 : (2x24=48)

Liabilities		₹	Assets		₹
Share capital			Goodwill		15,000
2,000 5% Pref. shares of ₹ 100 each	2,00,000		Land and Buildings		2,00,000
4,000 equity shares of ₹ 100 each	4,00,000		Machinery		3,00,000
6% debentures	1,00,000		Stock		50,000
Bank overdraft	50,000		Debtors		40,000
Creditors	1,00,000		Cash		5,000
	8,50,000		P/L A/c		2,40,000
					8,50,000





The scheme of reconstruction executed as follows :

- 1) Preference shares reduced to fully paid shares of ₹ 75 each.
- 2) Equity shares reduced to fully paid shares of ₹ 40 each.
- 3) Debenture holders takeover stock and debtors in full satisfaction of their claim.
- 4) Land and Building is increased by 30% and machinery decreased by $33 \frac{1}{3}\%$.
- 5) Expenses of reconstruction amount to ₹ 3,000

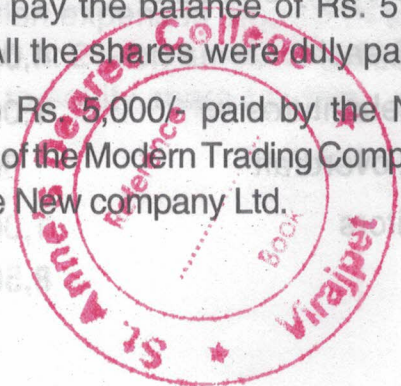
Journalise above transaction and prepare reconstructed Balance sheet.

14. Modern Trading Ltd. decided to reconstruct and consequently went to voluntary liquidation. The balance sheet of the company as on 31-12-2018 was as follows :

Liabilities	Rs.	Assets	Rs.
Capital :		Land and Building	4,50,000
1,00,000 Equity shares of	10,00,000	Plant and Machinery	2,40,000
Rs. 10 each		Sundry Debtors	1,00,000
Sundry Creditors	30,000	Stock	50,000
Bills Payable	20,000	Cash at Bank	10,000
		P and L A/c	2,00,000
	10,50,000		10,50,000

The scheme of reconstruction is as follows :

- The new company was to take over all the assets of the old company, but not the liabilities.
- The capital of the new company was to be Rs. 15,00,000 in Rs. 1,50,000 shares of Rs. 10 each.
- The New company was to purchase the goodwill of the business and assets of the old company for the sum of Rs. 8,00,000 payable as to Rs. 7,00,000/- by the issue of 1,40,000 Equity shares of Rs. 10 each with Rs. 5 per share credited as paid-up and to pay Rs.1,00,000 in cash.
- The members of the New Company were to pay the balance of Rs. 5 per share due upon the shares issued to them. All the shares were duly paid.
- The expenses of reconstruction amounted to Rs. 5,000/- paid by the New company. Pass journal entries to close the books of the Modern Trading Company Ltd. and show the opening Balance Sheet of the New company Ltd.





15. M. Ltd. and N Ltd. agreed to amalgamate and form a new company called MN Ltd as on 31-3-2018.

Balance sheet as on 31-3-2018

Liabilities	M Ltd.	N. Ltd.	Assets	M.Ltd.	N. Ltd.
Equity share capital (shares of ₹ 100 each)	1,00,000	70,000	Land and Building	30,000	-
Reserve fund	30,000	-	Machinery	1,07,000	55,000
Profit and Loss A/c	12,000	-	Stock	16,000	8,000
6% debenture	20,000	-	Cash	7,000	2,000
Employee's provident fund	3,000	-	Debtors	15,000	14,000
Trade Creditors	10,000	9,000			
	1,75,000	79,000		175,000	79,000

The New company agreed to take over all the assets and liabilities of both the companies. Its Authorised Capital is 5,000 equity shares of ₹100 each.

It was agreed that purchase price of M Ltd. ₹1,35,000 and N Ltd. ₹ 60,000.

The entire purchase price is paid in the form of shares of MN Ltd.

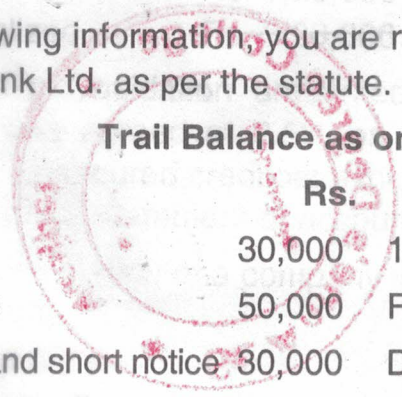
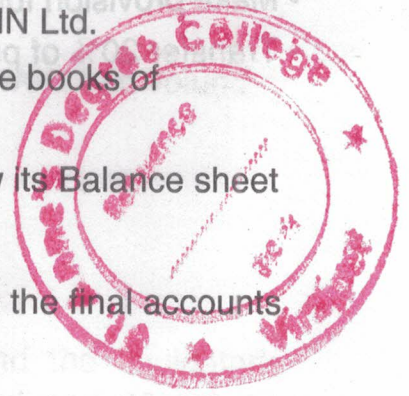
Prepare Realisation A/c and Equity share holders A/c in the books of M Ltd. and N Ltd.

And Pass Journal entries in the Books of MN Ltd. and draw its Balance sheet under Amalgamation in the nature of purchase.

16. From the following information, you are required to prepare the final accounts of Bangaru bank Ltd. as per the statute.

Trail Balance as on 31-3-2018

	Rs.		Rs.
Cash in hand	30,000	10,000 Shares of Rs. 10, each	1,00,000
Cash at banks	50,000	Reserve Fund	50,000
Money at call and short notice	30,000	Deposits	1,50,000
Govt. Securities	80,000	Loan from Canara bank	70,000
Loan and cash credits	1,83,000	Pension Fund	5,000
Bills discounted	15,000	Commission	500

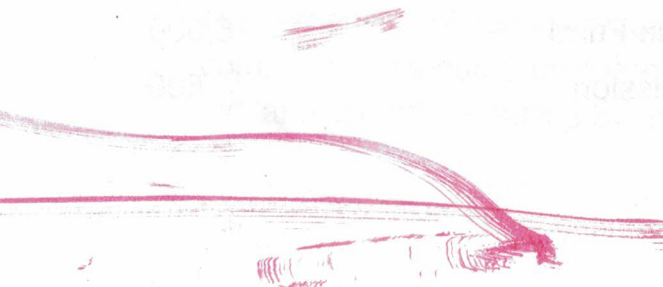
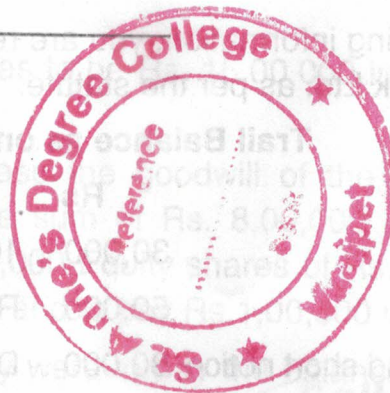
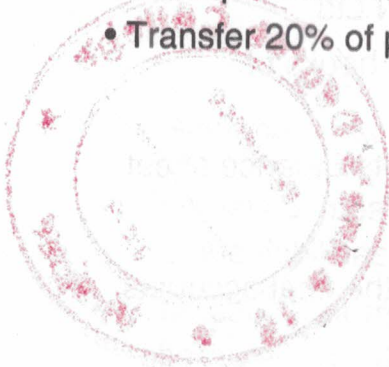




Commission	3,500	Interest and discount	71,500
Premises	30,000	Profit on sale of investments	1,000
Directors fees	1,000		
Audit fees	1,000		
Salary and allowances	6,000		
Printing and stationery	600		
Postage, etc	900		
Furniture	15,500		
Depreciation	1,500		
	4,48,000		4,48,000

Adjustments :

- Provide Rs. 2,500 for doubtful debts.
- The average due date of all bills discounted is 60 days (2 months). Bills are discounted at 10% p.a.
- A claim of Rs. 4,500 for bonus to workers pending award.
- Make provision for income tax Rs. 3,000
- Transfer 20% of profit to Reserve fund.



24
Reg. No.

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BCMCMC 365

**Credit Based VI Semester B.Com. Degree Examination,
September/October 2021
(Common to all Batches)
COST AND MANAGEMENT ACCOUNTING – IV**

Time : 3 Hours

Max. Marks : 120

Instruction : Provide working notes **wherever** necessary.

SECTION – A

Answer **any four** questions.

(4×6=24)

1. Explain different concepts of Fund.
2. Write a note on break-even point.
3. Define standard cost and standard costing.
4. You are given the following information :

Selling price Rs. 350 Per Unit

Variable cost Rs. 200 Per Unit

Fixed cost Rs. 16,50,000

Ascertain 1) Contribution

2) BEP

3) P/V Ratio.

5. The Sun India Ltd. has budgeted sales of 50000 units of certain products for the year 2020. Expected unit cost based on the past experience be ;

Direct material Rs. 3.00

Direct labour cost Rs. 2.00

Manufacturing overhead Rs. 1.50

The company begins the year with 20,000 units (finished goods) in hand and ends with 5000 units (finished goods)

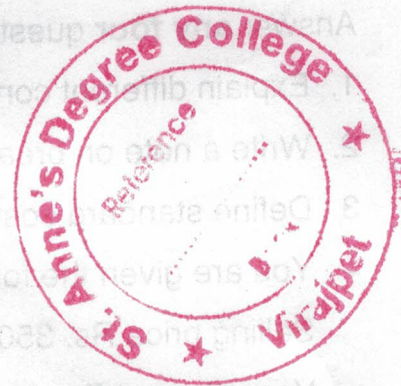
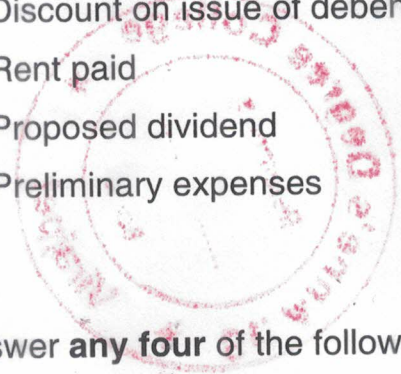
Prepare production cost budget.

P.T.O.



6. Find out fund from operations from the following :

Particulars	Rs.
Salaries	5,000
Closing balance of P/L A/C	60,000
Depreciation	5,000
Loss on sale of plant	4,000
Opening balance of P/L A/C	25,000
Transfer to general reserve	1,000
Dividend received	5,000
Refund of Income Tax	3,000
Profit on sale of Building	5,000
Discount on issue of debentures	2,000
Rent paid	8,000
Proposed dividend	6,000
Preliminary expenses	3,000



SECTION – B

Answer any four of the following :

(4x12=48)

7. Define Marginal Costing. Distinguish between Marginal Costing and Absorption Costing.
8. Explain the various steps involved in Standard Costing.
9. The following are the summarised Balance Sheets of Karan Metals Ltd. as on 31st Dec. 2019 and 2020.

Liabilities	2019	2020	Assets	2019	2020
	Rs.	Rs.		Rs.	Rs.
Equity Shares	30,000	40,000	Machinery	30,000	27,000
Profit & Loss A/C	14,000	16,000	Furniture	8,000	10,000



Current Liabilities

Current Assets

Creditors	16,000	18,000	Stock	18,000	16,000
Bills payable	12,000	8,500	Debtors	16,000	26,000
Provision for Tax (CL)	8,000	11,500	Prepaid expenses	1,500	4,000
Provision for Dividend (CL)	6,000	4,000	Bank A/C	12,500	15,000
	86,000	98,000		86,000	98,000

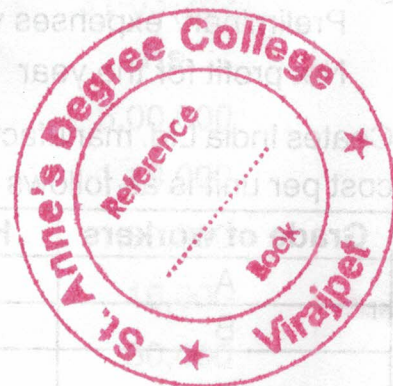
You are required to prepare :

A statement showing the changes in the working capital.

10. From the following prepare production Budget for six months ending 30-6-2020.

I) The units to be sold for different months :

2020	Jan.	1,08,000
"	Feb.	1,20,000
"	Mar.	1,32,000
"	Apr.	1,56,000
"	May	1,38,000
"	June	1,50,000
"	July	1,80,000



II) The stock on 1st Jan. 2020 estimated to be 18000 units.

III) There will be no work in progress at the end of any month.

IV) Finished units equal to one-sixth of the sales for next month will be in Stock at the end of each month.