

--	--	--	--	--	--	--	--	--	--



BCMCMC 35

Credit Based Sixth Semester B.Com. Degree Examination, April/May 20
COMMERCE
Financial Management – II

Time : 3 Hours

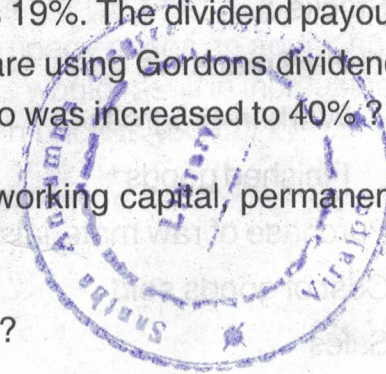
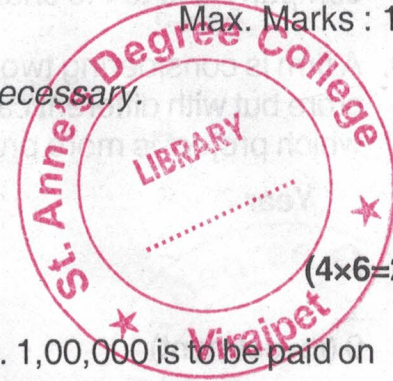
Max. Marks : 1

Instruction : Provide working notes wherever necessary.

SECTION – A

Answer **any four** questions :

1. A house is purchased on instalment basis such that Rs. 1,00,000 is to be paid on signing the agreement and 10 yearly instalment of Rs. 50,000 at the end of every year. If interest charged is 12% compounded annually, calculate the cash value of the house.
2. Kamath and company issued equity shares of Rs. 10 each anticipating a share issue expense of 20% on face value of the share. It is anticipating to declare a dividend of 30% for the current year. Calculate the cost of equity – a) if the shares are issued at par b) if the shares are issued at a premium of 50%.
3. Skanda enterprises achieved an Earnings Per Share of Rs. 16 for the year 2012-13. Its cost of equity was 13% and the rate of return was 19%. The dividend payout ratio was 30%. Calculate the market price of the share using Gordons dividend model. What will be the share price if the payout ratio was increased to 40% ?
4. What is the meaning of gross working capital, net working capital, permanent and temporary working capital ?
5. What are the merits of conservative dividend policy ?
6. What are the activities of the "sponsor" of a mutual fund ?





SECTION – B

Answer **any four** questions :

(4×12=48)

7. What is a mutual fund ? How is it formed and managed ?
8. Explain the term “Bonus Shares”. What are the benefits of bonus shares to the company and to the share holders ?
9. A firm is considering two alternative projects requiring an investment of Rs. 1.55 crore but with different cash flow profiles. Determine based on Net Present Value, which project is more profitable and acceptable ?

Year	Cash flows	
	Project X (Rs. in lakhs)	Project Y (Rs. in lakhs)
0 (investment)	(155)	(155)
1	70	40
2	60	45
3	50	60
4	40	50
5	30	75

The cost of capital of the company can be assumed to be 20%.

10. From the following data pertaining to a company. Compute operating cycle.

Particulars	Amount for the year
Stocks :	₹
Raw materials	35,000
Work-in-progress	20,000
Finished goods	25,000
Purchase of raw materials	1,05,000
Cost of goods sold	2,00,000
Sales	2,25,000
Debtors	75,000
Creditors	35,000

Also estimate the size of working capital based on operating cycle. You can assume 360 days in a year for the purpose of calculation.

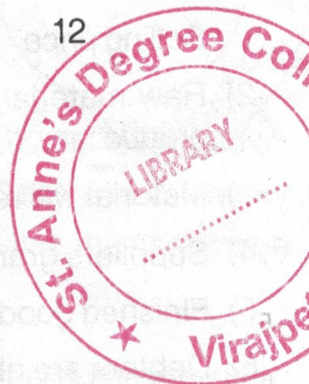


11. Apply Modigliani-Miller hypothesis and determine the share prices of the following companies after the declaration of dividend.

Company	Face value (Rs.)	Price before declaration of dividend	Dividend per share (Rs.)	Cost of equity %
A	10	600	12	5
B	10	418	6	6
C	10	206	5	7
D	10	165	12	4
E	10	5,980	20	5
F	10	123	8	12

12. A Ltd. has the following capital structure.

	Rs.
Equity share capital (3,00,000 shares)	30,00,000
6% preference shares	20,00,000
8% Debentures	40,00,000
	<u>90,00,000</u>



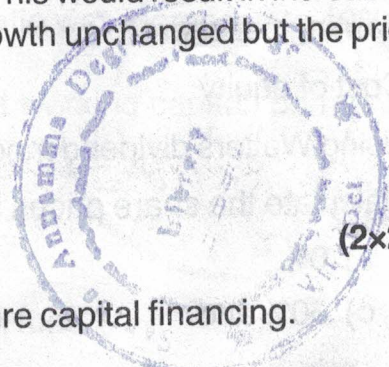
The market price of the company's equity share is Rs. 30. It is expected that the company will pay a current dividend of Rs. 5 per share which will grow at 20% forever. The tax rate may be presumed at 35%, you are required to compute the following :

- a) Weighted average cost of capital based on existing capital structure.
- b) The new weighted average cost of capital, if the company raises an additional Rs. 20,00,000 debt by issuing 10% debentures. This would result in increasing the expected dividend to Rs. 8 and leave the growth unchanged but the price of the share will fall to Rs. 15 per share.

SECTION – C

Answer **any two** questions :

- 13. Give a brief account of the factors promoting venture capital financing.
- 14. What is a dividend policy ? What are the factors affecting dividend policy of a company ?



(2x24=48)



15. X Ltd. is presently operating at 60% level producing 30,000 units and proposes to increase its capacity utilisation in the coming year by 50% over the existing level of production. The following data has been supplied.

1) Unit cost structure of the product at current level.

	Rs.
Raw material	4
Wages (variable)	2
Overheads (variable)	2
Fixed overhead	1
Profit	3
Selling price	<u>12</u>

- 2) Raw materials will remain in stores for one month before being issued to production.
- 3) Material will remain in process for further one month.
- 4) Suppliers grant 3 months credit to the company.
- 5) Finished goods remain in godown for one month.
- 6) Debtors are allowed credit for 2 months.
- 7) Average time lag in wages and overhead payment is one month.

Prepare a statement showing working capital requirement at the new level, assuming that minimum cash balance of Rs. 19,500 has to be maintained.

16. Three companies X, Y, Z present the following financial details :

	X	Y	Z
Return on investment	30%	25%	20%
Earning per share	Rs. 16	Rs. 12	Rs.8
Cost of equity	18%	25%	22%

Using Walters dividend model.

Calculate the share prices for :

- | | |
|------------|-------------------------------|
| a) 0% | b) 25% |
| c) 50% and | d) 75% Dividend payout Ratio. |



**Credit Based Sixth Semester B.Com. Degree
Examination, April/May 2015
(Credit Based Semester Scheme)
COMMERCE
Financial Accounting – VI**

Time : 3 Hours

Max. Marks : 120

Instruction : Provide working notes wherever necessary.

SECTION – A

Answer any four questions.

(4×6=24)

1. Define the term Amalgamation and Absorption.
2. Distinguish between internal and external reconstruction of company.
3. Write a note on net asset method of purchase price.
4. Dull Ltd. went into voluntary liquidation following was the position :
 - a) Assets realized ₹ 3,50,000 (excluding securities given to secured creditors).
 - b) Share Capital (of ₹ 100 each) ₹ 1,00,000.
 - c) Secured creditors ₹ 35,000 (securities realized ₹ 40,000).
 - d) Preferential creditors ₹ 6,000.
 - e) Unsecured creditors ₹ 1,40,000.
 - f) Debentures having floating charges on assets, ₹ 2,50,000.
 - g) Liquidation expenses ₹ 5,000 and liquidators remuneration ₹ 7,500.

Prepare the liquidators final statement of account.



5. The following information of Avinash Ltd. company is given

Current ratio 2.5 : 1

Acid test ratio 1.5 : 1

Current liabilities ₹ 4,00,000

Find out :

- Current assets
- Liquid assets
- Inventory.

6. From the following Balance Sheets of 'H' Ltd. and 'S' Ltd., as on 31-03-2015
Calculate cost of control

Liabilities	'H' Ltd.	'S' Ltd.	Assets	'H' Ltd.	'S' Ltd.
	₹	₹		₹	₹
Share Capital (Share of Rs. 10 each)	10,00,000	5,00,000	Fixed Assets	10,00,000	5,00,000
General Reserve	2,50,000	1,50,000	Current assets	6,50,000	6,00,000
P/L A/c	1,50,000	1,00,000	Shares in 'S' Ltd.	5,00,000	—
8% Debentures	5,00,000	2,50,000			
Sundry Creditors	2,50,000	1,00,000			
	21,50,000	11,00,000		21,50,000	11,00,000

'H' Ltd. acquires $\frac{3}{4}$ of the share capital of 'S' Ltd. on 31-03-2015.

SECTION – B

Answer any four questions.

(4×12=)

7. Following is the summarised Balance Sheet of ABC Ltd. as on 31st March 2014.

	₹		₹
Equity Share Capital	2,50,000	Goodwill	20,000
6% Preference Shares	1,50,000	Building	2,50,000
General Reserve	20,000	Machinery	1,75,000
P and L Account	15,000	Furniture	10,000



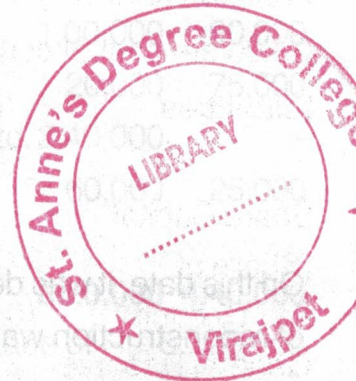
5% Debentures	1,00,000	Stock	90,000
Creditors	28,000	Debtors	21,000
Bills Payable	12,000	Bank	5,000
		Preliminary Expenses	4,000
	5,75,000		5,75,000

Additional information :

- a) Total sales ₹ 4,00,000 of which 20% is made on credit.
- b) Gross Profit for the year amounted to ₹ 80,000 and net profit ₹ 20,000.

Calculate :

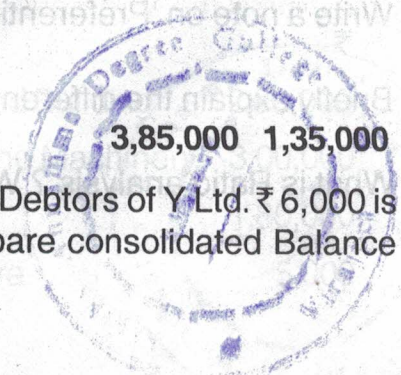
- 1) Current ratio
- 2) Liquid ratio
- 3) Debt-Equity ratio
- 4) Gross profit ratio
- 5) Net Profit ratio
- 6) Fixed assets turnover ratio



8. The Balance Sheet of X Ltd. and Y Ltd. on 31-12-2014 were as under :

	X Ltd.	Y Ltd.		X Ltd.	Y Ltd.
	₹	₹		₹	₹
Shares of			Machinery	2,60,000	—
Rs. 100 each	2,00,000	50,000	Stock	40,000	85,000
General Reserve	30,000	10,000	Debtors	10,000	40,000
P and L A/c			Cash	10,000	10,000
on 1-1-2014	40,000	20,000	300 shares in Y Ltd.	65,000	—
Profit for 2014	50,000	25,000			
Creditors	65,000	30,000			
	3,85,000	1,35,000		3,85,000	1,35,000

Shares were acquired by X Ltd. on 1-7-2014. Of the Debtors of Y Ltd. ₹ 6,000 is owing by X Ltd. in respect of goods supplied. Prepare consolidated Balance Sheet.





9. The Balance Sheet of Delta Ltd. as on 31-12-2014 is as follows :

	₹		₹
Share Capital		Goodwill	2,00,000
30000 Preference Shares	3,00,000	Land	4,00,000
100000 Equity Shares	5,00,000	Machinery	2,50,000
14% Debentures	2,00,000	Tools	1,00,000
Creditors	3,00,000	Stock	1,00,000
		Debtors	65,000
		Cash	10,000
		P/L A/c	1,75,000
	13,00,000		13,00,000

On this date, it was decided to reconstruct the company and the following scheme of reconstruction was agreed upon :

- a) Creditors to accept 14% debentures to the extent of half of their dues and the balance to be paid after six months.
- b) Preference Shares to be reduced to shares of ₹ 5 each.
- c) Equity Shares to be reduced to shares of Re. 1 each.
- d) Land to be reduced by ₹ 79,000, Machinery by ₹ 40,000, Tools ₹ 48,000 and RBD ₹ 8,000 to be created.

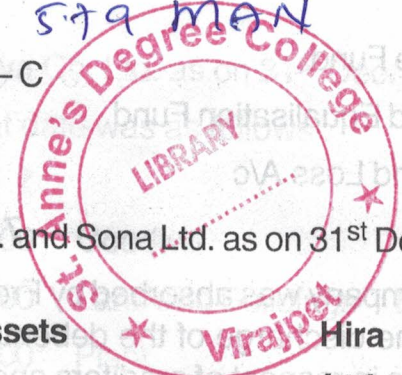
Prepare Reconstruction Account and revised Balance Sheet.

10. Write a note on 'Preferential Creditors'.
11. Briefly explain the different forms of Internal Reconstruction of Companies.
12. What is Ratio analysis ? What are its uses and limitations ?



579 MAN

SECTION - C



Answer any two questions.

(2x24=48)

13. Following are the Balance Sheets of Hira Ltd. and Sona Ltd. as on 31st December 2014.

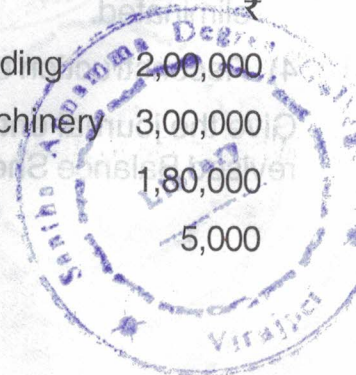
Liabilities	Hira Ltd.	Sona Ltd.	Assets	Hira Ltd.	Sona Ltd.
	₹	₹		₹	₹
Share Capital (Shares of ₹ 100 each)	5,00,000	2,00,000	Goodwill	40,000	30,000
G. Reserve	1,00,000	60,000	Fixed Assets	3,60,000	2,20,000
P/L A/c	1,40,000	90,000	Stock	1,00,000	90,000
B/Payable	—	40,000	Debtors	20,000	75,000
Creditors	80,000	50,000	Shares in Sona Ltd.	2,40,000	—
	8,20,000	4,40,000	Cash at Bank	60,000	25,000
				8,20,000	4,40,000

- 1) The P/L A/c of Sona Ltd. showed an opening credit balance of Rs. 50,000 on 1-1-2014.
- 2) A dividend of 16% was paid in Oct. 2014 for the year 2013.
- 3) Hira Ltd. acquired 1500 shares of Sona Ltd. on 1-7-2014.
- 4) The B/P of Sona Ltd. were all issued in favour of Hira Ltd. which Co. got discounted.
- 5) Creditors of Sona Ltd. include ₹ 20,000 for goods supplied by Hira Ltd.
- 6) Stock of Sona Ltd. include goods of ₹ 8,000 supplied by Hira Ltd. at a profit of 25% on sales.

Prepare the Consolidated Balance Sheet as at 31st Dec. 2014.

14. The following is the Balance Sheet of Snow Ltd. as on 31-12-2014.

	₹		₹
Share Capital		Land and Building	2,00,000
40000 Shares of ₹ 10 each	4,00,000	Plant and Machinery	3,00,000
Debentures	2,00,000	Stock	1,80,000
Sundry Creditors	60,000	Furniture	5,000





Reserve Fund	40,000	Debtors	50,000
Dividend Equalisation Fund	50,000	Cash at Bank	25,200
Profit and Loss A/c	10,200		
	7,60,200		7,60,200

The Company was absorbed by Fresh Ltd. on the above date. The consideration being the discharge of the debentures at a premium of 5%, taking over of liabilities in respect of creditors and payment of ₹ 7 in cash and one share of in Fresh Ltd. at a market value of ₹ 8 per share in exchange for one share of Snow Ltd. The cost of liquidation ₹ 5,000 is also met by purchasing company. Show the Ledger Accounts in the books of Snow Ltd. and journal entries in the books of Fresh Ltd.

15. The Balance Sheet of Ashish Ltd. as on 31-12-2014 was as under :

		₹			₹
Share Capital			Goodwill		1,500
5% Preference Shares			Premises		20,000
of ₹ 10 each	20,000		Machinery		30,000
Equity Shares of ₹ 10 each	40,000		Stock		5,000
7% Mortgage Debentures	10,000		Debtors		4,000
Bank Overdraft	5,000		P/L A/c		24,000
Creditors	10,000		Cash		500
	85,000				85,000

The Company got the following scheme of reconstruction approved by the court:

- 1) The Preference Shares be reduced to ₹ 7.50 per share and Equity Shares to ₹ 4 per share.
- 2) The Debenture holders took over stock and debtors in full settlement.
- 3) Premises increased by 30% and Machinery depreciated by 20% and Goodwill eliminated.
- 4) Reconstruction expenses incurred ₹ 300.

Give the journal entries for the above and prepare Reconstruction A/c and revised Balance Sheet.



16. Amar Co. Ltd. acquired the business of Chaya Co. Ltd. as on 31st Dec. 2014
 The Balance Sheet of Chaya Co. Ltd. on that date was as follows :

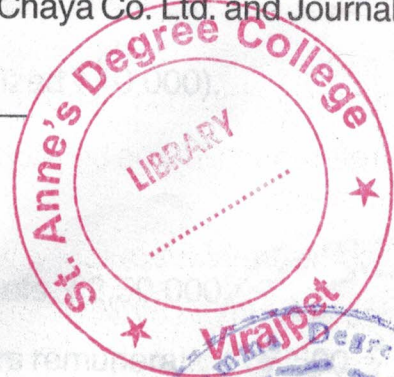
	₹		₹
Share Capital (Shares of ₹ 10 each)	6,00,000	Goodwill	1,00,000
General Reserve	1,00,000	Land and Buildings	6,00,000
Workmen's Compensation Fund	70,000	Plant	40,000
6% Debentures	1,00,000	Stock	1,68,000
Sundry Creditors	20,000	Sundry Debtors	36,000
P/L A/c	1,10,000	Bank	56,000
	10,00,000		10,00,000

The terms agreed were as follows :

- a) A cash payment of ₹ 2.50 for every share in Chaya Ltd. and an issue of 90000 fully paid shares of ₹ 10 each at a market value of ₹ 15 per share.
- b) Issue of such an amount of fully paid 8% Debentures in Amar Co. Ltd. at 96% as is sufficient to discharge the 6% Debentures of Chaya Co. Ltd. at a premium of 20%.

The Directors of Amar Co. Ltd. valued Land and Buildings at ₹ 11,80,000, Plant at ₹ 20,000, Stock at ₹ 1,42,000 and Debtors at face value subject to a reserve of 5% for doubtful debts. The cost of liquidation of Chaya Co. Ltd. amounted to ₹ 5,000.

Prepare the Ledger Accounts in the books of Chaya Co. Ltd. and Journal Entries in the books of Amar Co. Ltd.



--	--	--	--	--	--	--	--	--	--


BCMCMC 355
Credit Based Sixth Semester B.Com. Degree Examination, April/May 2015
COMMERCE
Cost and Management Accounting – IV

Time : 3 Hours

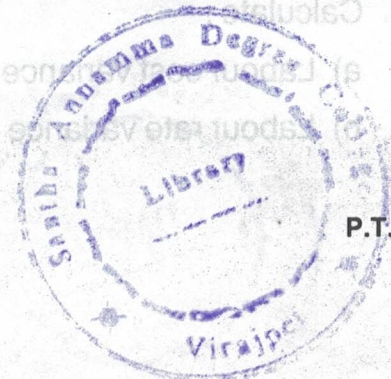
Max. Marks : 120

Note : Provide working notes wherever necessary.
SECTION – A
Answer **any four** questions :

1. What is sales budget ? Explain briefly factors affecting sales budget.
2. Write a note on cash flow statement.
3. Define “standard cost” and “standard costing”.
4. Calculate funds from operations from the following Profit and Loss Account of M/s Rajesh and Co.

Profit and Loss Account

	₹		₹
To Salaries	10,000	By Gross profit	2,00,000
To Rent	3,000	By Profit on sale of machine	5,000
To Commission	2,000	By Refund of tax	3,000
To Discount allowed	1,000	By Dividends received	2,000
To Provision for Depreciation	14,000		
To Transfer to Reserve	20,000		
To Provision for tax	10,000		
To Loss on sale of Investment	5,000		
To Discount on issue of Debenture	2,000		



To Preliminary Expenses	3,000
To Selling Expenses	20,000
To Net Profit	1,20,000
	2,10,000

2,10,000

5. The standard cost card reveals the following information :

Labour rate : ₹ 5 per hour

Hours set per unit for production : 10 hours

Actual data are given below :

Units produced : 500

Hours worked : 6000

Actual Labour cost : ₹ 24,000

Calculate : i) Labour cost variance

ii) Labour rate variance

iii) Labour efficiency variance.

6. From the following particulars, find out the selling price per unit if Break-even point is to be brought down to 9000 units.

Variable cost per unit : ₹ 75

Fixed expenses : ₹ 2,70,000

Selling price per unit : ₹ 100

SECTION – B

Answer **any four** questions :

(4x1)

7. What are the advantages and limitations of standard costing ?

8. Calculate :

a) Labour cost variance

b) Labour rate variance



c) Labour efficiency variance for departments A and B.

	Dept. A	Dept. B
Actual direct wages	₹ 2,000	₹ 1,800
Standard hours produced	8000	6000
Standard rate per hour	₹ 3	3.5 paise
Actual hours worked	8200	5800



9. The following are the summaries of the Balance Sheet of a company as on 31 March, 2012 and 2013.

Liabilities	2012		2013		Assets	2012		2013	
	₹	₹	₹	₹		₹	₹	₹	₹
Share capital	1,80,000	1,80,000	Machinery	72,000	80,000				
P and L A/c	16,000	23,000	Building	1,00,000	1,00,000				
Reserves	60,000	50,000	Stock	92,000	1,06,000				
Depreciation Fund	40,000	44,000	Prepaid expenses	1,000	2,000				
5% Debenture	90,000	70,000	Short term						
Outstanding			investments	1,10,000	84,000				
expenses	13,000	22,000	Debtors	77,000	73,000				
Sundry creditors	1,03,000	96,000	Cash at Bank	50,000	40,000				
	5,02,000	4,85,000		5,02,000	4,85,000				

You are required to prepare : A statement showing changes in the working capital.

10. Ratan Ltd., had a profit of ₹ 17,50,000 for the year ended 31 March 2014 after considering the following :

Depreciation on Building	1,30,000
Depreciation on Plant and Machinery	40,000
Goodwill written off	25,000
Loss on sale of machinery	9,000





Following was the position of current assets and current liabilities of the company as on 31 March, 2013 and 2014.

	31 March 2013	31 March 2014
	₹	₹
Stock	70,000	87,000
Bills Receivable	67,000	58,000
Cash	60,000	75,000
Creditors	68,000	77,000
Outstanding salary	7,000	4,000
Bills payable	43,000	29,000

Calculate cash flow from operating activities.

11. The Moon Company Limited plans to sell its products as follows :

Month	Estimated sales (in Units)
January 2014	108000
February 2014	120000
March 2014	132000
April 2014	156000
May 2014	138000
June 2014	150000
July 2014	180000

At the beginning of January 2014 there are 18000 units of the product in the stock. At the end of each month, the company plans to have an inventory equal to one-sixth of the sales of the next month. Prepare a production budget for six months ending June 2014.



12. You are given the following data :

Year	Sales ₹	Profit ₹
2013	4,50,000	60,000
2014	5,10,000	75,000

You are required to calculate :

- a) P/V ratio
- b) B.E.P.
- c) Profit when sales are ₹ 1,80,000
- d) Margin of safety in the year 2014.



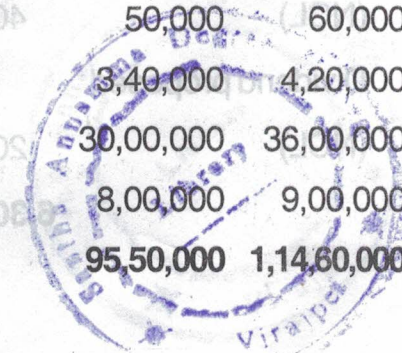
SECTION - C

Answer any two questions :

(2x24=48)

13. Summarised Balance Sheets of Navayuga Industries for the years ending 31 March 2013 and 2014 are re-produced below :

Liabilities	2013 ₹	2014 ₹	Assets	2013 ₹	2014 ₹
Equity capital	60,00,000	60,00,000	Land and Building		
General Reserve			(Less Depreciation)	14,20,000	17,50,000
Reserve	30,90,000	34,10,000	Plant and Machinery		
P and L A/c	1,50,000	1,80,000	(Less Depreciation)	31,00,000	37,50,000
			Furniture		
			(Less Depreciation)	8,40,000	9,80,000
16% Debentures	—	15,00,000	Investments	50,000	60,000
Creditors	3,10,000	3,70,000	Stock	3,40,000	4,20,000
			Debtors	30,00,000	36,00,000
			Cash at Bank	8,00,000	9,00,000
	95,50,000	1,14,60,000		95,50,000	1,14,60,000





Additional information for the year ending 31 March 2014 :

- a) Dividend of ₹ 1,80,000 for the year ended 31 March 2013 was paid during 2014.
- b) Investment costing ₹ 10,000 was sold for ₹ 12,000.
- c) Depreciation on assets for the year ending 31 March 2014 charged to Profit and Loss Account was as follows
 - Land and building ₹ 42,000
 - Plant and Machinery ₹ 4,74,000 and Furniture ₹ 1,84,000
- d) Sale of fixed assets : Machinery : Sale value ₹ 1,00,000 (book value ₹ 2,20,000), Furniture : Sale value ₹ 30,000 (book value ₹ 20,000).

You are required to prepare the cash flow statement as per AS-3 (Revised) for the year ending 31 March 2014 together with relevant ledger accounts.

14. The summarised Balance Sheets of Super Fast Ltd., as on 30-6-2013 and 30-6-2014 are as follows :

Liabilities	2013	2014	Assets	2013	2014
	₹	₹		₹	₹
Share capital	2,00,000	2,50,000	Buildings	2,00,000	2,50,000
General Reserve	40,000	70,000	Plant	1,75,000	1,50,000
P and L A/c	30,000	37,500	Stock	2,00,000	1,20,000
Bank loan (long term)	1,50,000	50,000	Debtors	25,000	20,000
Trade creditors	1,50,000	70,000	Cash at Bank	30,000	1,00,000
Taxation Reserve					
(NCL)	40,000	60,000			
Dividend proposed					
(NCL)	20,000	25,000			
	6,30,000	5,62,500		6,30,000	5,62,500



Additional information for the year ending 30-6-2014 :

- a) The company paid tax of ₹ 30,000 during the year.
- b) The company acquired a building worth ₹ 50,000 by issuing equal amount of shares ₹ 10 each to the vendor.
- c) The company sold plant worth ₹ 25,000 for ₹ 20,000 and the loss on sale was debited to Profit and Loss Account.
- d) Dividend paid in cash during the year amounted to ₹ 15,000.

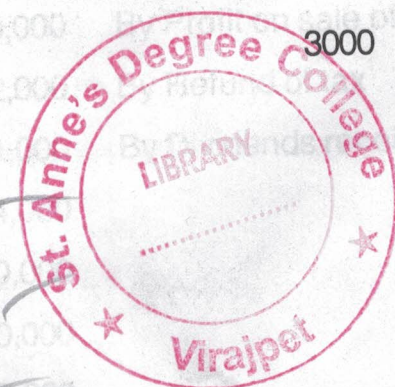
Prepare a Funds Flow Statement and Statement of Changes in Working Capital for the year ended 30-6-2014.

15. The following information is taken from the books of a factory.

Material	Standard (output 1000 kg)			Actual (output 20000 kg)		
	Qty. (kg)	Price (₹)	Amount (₹)	Qty (kg)	Price (₹)	Amount (₹)
P	450	20	9,000	10000	19	1,90,000
Q	400	40	16,000	8500	42	3,57,000
R	250	60	15,000	4500	65	2,92,500
Loss	100			3000		

Calculate :

- a) Material cost variance.
- b) Material yield variance.
- c) Material price variance.
- d) Material usage variance.
- e) Material mix variance.





16. Maruthi Ltd. manufactures a document reproducing machine which has a variable cost structure as follows :

Material ₹ 40

Labour ₹ 10

Overhead ₹ 4

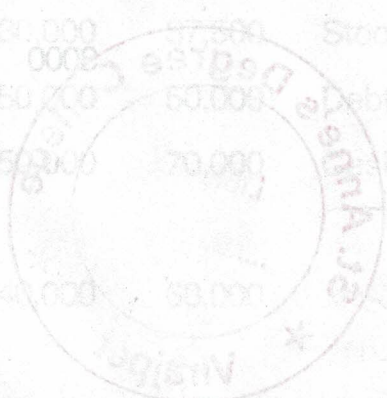
and a selling price of ₹ 90. Sales during the current year are expected to be ₹ 13,50,000 and fixed cost ₹ 1,40,000.

Under a wage agreement, an increase of 10% is payable to all direct workers from the beginning of the forthcoming year while material cost are expected to increase by 7.5%, variable overhead costs by 5% and fixed overhead costs by 3%.

You are required to calculate :

- a) The new selling price if the current P/V ratio is to be maintained; and
- b) The quantity to be sold during the forthcoming year to yield the same amount of profit as the current year assuming the selling price to remain at ₹ 90.

Particulars	2014	2015
Sales	1,35,00,000	1,35,00,000
Cost of Sales	85,00,000	92,50,000
Profit	50,00,000	42,50,000
Fixed Overhead	1,40,000	1,44,200
Variable Overhead	1,00,000	1,05,000
Labour	10,00,000	11,00,000
Material	30,00,000	32,25,000
Stock	2,00,000	2,10,000
Trade Debtors	1,50,000	1,57,500
Trade Creditors	1,50,000	1,57,500
Bank	30,00,000	31,50,000
Reserve	40,00,000	42,00,000
P and L A/c	30,00,000	31,50,000
General Reserve	40,00,000	42,00,000
Capital	2,00,00,000	2,00,00,000





BCMCMC 357

Credit Based VI Semester B.Com. Degree Examination, April/May 2015
(Semester Scheme)
COMMERCE
Business Taxation – IV (Elective)

Time : 3 Hours

Max. Marks : 120

Instruction : Provide working notes wherever necessary.

SECTION – A

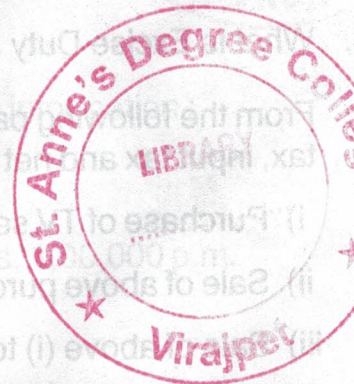
Answer any four :

(4×6=24)

1. Explain the term 'dealer' under KVAT.
2. Distinguish between VAT and CST.
3. Mr. Avinash's gross turnover of the inter-state sale during the quarter ending 30th September, 2014 is Rs. 1,00,000. From the following information compute his taxable turnover.

Aggregate of Sale Price	Tax Collected @
Rs. 44,000	10%
Rs. 30,600	2%
Rs. 10,500	5%
Rs. 14,900	Exempted goods

4. From the following particulars calculate the customs duty payable :
 - i) Assessable value of imported goods Rs. 5,00,000.
 - ii) Basic customs duty payable @ 10%.
 - iii) The imported goods are also produced in India. On such goods excise duty is leviable @ 12%.
 - iv) SAD @ 4% and education cess @ 3% leviable.



P.T.



5. Determine the assessable value for the purposes of levy of excise duty from following particulars :
- Cum-duty selling price exclusive of sales tax Rs. 10,000.
 - Rate of excise duty applicable 12% + 3% education cess.
 - Trade discount allowed (not deducted from selling price) Rs. 1,400.
 - Outward freight (included in selling price) Rs. 735.
6. Gross value of the services provided by a service provider is Rs. 8,00,000 is entitled for an abatement of 40%. The customer has been allowed 5% discount. Find out the value of taxable service and service tax payable assuming that
- Service tax has been separately collected
 - Service tax has not been separately collected.

SECTION – B

Answer any four :

7. Explain briefly the Form C and Form F and the procedure to be followed to a concessional rate of tax under GST Act.
8. What is Excise Duty ? Explain the different kinds of Excise Duty.
9. From the following particulars calculate total turnover, taxable turnover, output tax, input tax and net tax payable by a registered dealer in Karnataka.
- Purchase of TV sets from an unregistered dealer Rs. 2,00,000.
 - Sale of above purchases to a registered dealer in Karnataka Rs. 1,20,000.
 - Sale of above (i) to consumers Rs. 1,20,000.
 - Purchase of washing machines from registered dealer in UP Rs. 2,00,000.
 - Sale of washing machines to registered dealer in Tamil Nadu Rs. 1,50,000.
 - Sale of washing machines to consumers in Karnataka Rs. 1,00,000.
 - Purchase of refrigerators from a registered dealer in Karnataka Rs. 2,00,000.
 - Sale of above purchases Rs. 2,40,000.
- TV and washing machine are taxable at 14.5% and refrigerator at 5.5%.

10. An Indian dealer imported a machine from London. From the following information determine the Assessable Value of the machine for Customs Duty :

£ (Pound sterling)

- i) Cost of Machine 10,000
- ii) Packing charges 500
- iii) Transportation charges by air 3,000
- iv) Commission paid to the broker of exporter who arranged the deal 100
- v) Amount paid to an employer of exporter for assembling machine in India 3,000
- vi) Insurance premium 500
- vii) Transportation charges from airport to factory and insurance premium Rs. 10,000
- viii) Rate of exchange £ 1 = ₹ 80.

11. Udipi TV – a cable operator of Udipi furnishes following information :

- i) Monthly charges at Rs. 200 for 16,500 subscribers.
- ii) Charges received from Namma TV, for signal feed Rs. 1,00,000 p.m.
- iii) Advertising charges from firms Rs. 80,000.
- iv) Entertainment tax paid Rs. 2,15,000.
- v) Cable installation charges from 80 customers Rs. 2,000 each including cost of material Rs. 1,200.
- vi) 15 customers have not paid the monthly charges.

Find out Service Tax payable for the month of September





12. The particulars of sales of a dealer for the year ending 31st March 2014 are as under :
- Gross Sales (excluding the amount of sales tax, including the following items) Rs. 20,00,000.
 - Sales of taxable goods in the state Rs. 2,00,000.
 - Exports from India Rs. 3,00,000.
 - Last sale to a dealer for the purpose of complying the order of export Rs. 50,000.
 - Sales outside the state Rs. 1,00,000.
 - Goods returned out of inter-state sales after seven months Rs. 20,000.
 - Subsequent sale in inter-state trade Rs. 1,20,000.
 - Sales of exempted goods in the state Rs. 2,50,000.
 - Sales of Newspapers Rs. 1,00,000.

Determine the taxable turnover of the dealer in the inter-state trade.

SECTION - C

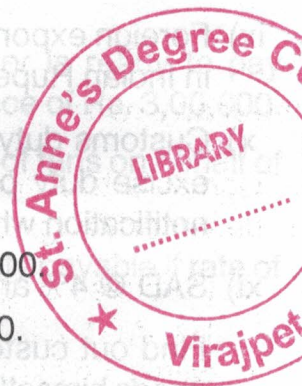
Answer any two :

(2x)

13. Compute total turnover, taxable turnover and KVAT payable by a registered dealer of Mangalore, from the following information :
- Purchase of goods from unregistered dealers in Karnataka (III Schedule) Rs. 3,00,000, out of this purchase, goods worth Rs. 15,000 were returned within the same month.
 - Sale of goods from the above purchases to a dealer of Udupi Rs. 3,50,000. Out of this sales, goods worth Rs. 10,000 were returned by the purchaser in the same month.
 - Sale of goods to a registered dealer of Goa Rs. 8,00,000. These goods were purchased from a registered dealer in Mysore for Rs. 6,00,000 (unscheduled).
 - Goods sold to unregistered dealers in Hasan Rs. 6,00,000 (III Schedule). These goods were purchased from registered dealers in Tamil Nadu for Rs. 4,50,000.
 - Sale of gold and bullion in Mangalore (II Schedule) Rs. 8,00,000 from purchases made in Mumbai for Rs. 7,00,000.



- vi) Purchased goods from registered dealers in Dharwad (III Schedule) Rs. 12,00,000. Out of these, goods worth Rs. 10,00,000 were sold in Sirsi.
 - vii) Sale of cement (unschedule) to registered dealers in Shimoga Rs. 5,00,000. Cement was purchased from a factory in Bagalkot for Rs. 4,50,000. Sales returns Rs. 50,000 within 5 months.
 - viii) Purchase of soft drinks for supplying to the customers Rs. 10,000 (General Rate 14.5%)
 - ix) Sale of vegetables (I Schedule) Rs. 30,000 purchased for Rs. 20,000 from growers in Karnataka.
 - x) Export sale outside India (III Schedule) Rs. 20,00,000.
 - xi) Transfer of goods to branch at Kasargod with F Rs. 5,00,000.
 - xii) Transfer of goods to branch at Karwar Rs. 1,00,000.
14. Calculate total turnover, taxable turnover and central sales tax payable by a registered dealer. Tax is included in sales :
- i) Sale of TV sets with C Form (KVAT 5.5%) Rs. 30,60,000.
 - ii) Sale of computers without Form C (5.5%) Rs. 13,06,000.
 - iii) Sale of music system without C (14.5%) Rs. 6,87,000.
 - iv) Sale of declared goods with C (5%) Rs. 4,10,000.
 - v) Sale of declared goods without C Rs. 8,40,000.
 - vi) Sale to Govt. of Tamil Nadu without C (14.5%) Rs. 4,58,000.
 - vii) Sale to Govt. of Andhra Pradesh with C (5%) Rs. 3,06,000.
 - viii) Sale of declared goods within Karnataka Rs. 2,50,000.
 - ix) Export sale Rs. 12,50,000.
 - x) Movement of declared goods to branch in Tamil Nadu :
 - a) Against Form F Rs. 4,20,000
 - b) Without Form F Rs. 3,15,000.
 - xi) Sales returns of computers :
 - a) Within 6 months Rs. 40,000
 - b) After 6 months Rs. 50,000.





15. An importer has imported a machine from USA with a invoice price of 15,000 Dollars. Other details are as follows :
- i) Freight from USA to Indian port was 800 Dollars.
 - ii) Insurance was paid to insurer in India Rs. 12,000.
 - iii) Design and development charges at 2,500 Dollars were paid to a consultancy firm in USA.
 - iv) The importer also spent an amount of Rs. 60,000 in India for development work connected with the machinery.
 - v) Rs. 17,500 were spent in transporting the machine from Indian port to the factory of importer.
 - vi) Rate of exchange as announced by RBI was Rs. 50.70 = one Dollar.
 - vii) Rate of exchange announced by Central Govt. by notification (CBEC) Rs. 50 = one Dollar.
 - viii) Rate charged by bank who recovered the amount from importer Rs. 50.10 = One Dollar.
 - ix) Foreign exporter has an agent in India. Commission is payable to the agent in Indian Rupees @ 5% of invoice price.
 - x) Customs duty payable was 10%. If similar goods were produced in India excise duty payable as per tariff is 12%. There is an excise exemption notification which exempts the duty as is in excess of 8%.
 - xi) SAD @ 4% and education cess @ 3% also charged.

Find out customs duty payable if importer is manufacturer and using the goods himself.

16. A) Panasonic Ltd. manufactured 15000 coloured TV during the year 2013-14. In this connection the following informations are available :
- i) Retail price of the TV Rs. 20,000. It includes excise duty.
 - ii) Sold 12000 TV to wholesalers. Discount allowed @ 25% on retail price.
 - iii) TV sold in retail 2000.
 - iv) The balance 1000 TV sets not removed from factory.
 - v) The company purchased inputs for manufacture of TV Rs. 3,75,00,000. It includes basic excise duty of Rs. 50,00,000.



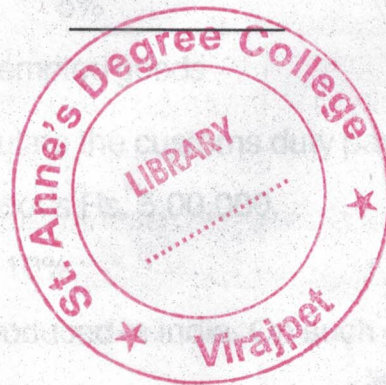
- vi) The closing stock in inputs is Rs. 40,00,000.
- vii) The company is liable to pay basic excise duty @ 12% + 3% education cess thereupon.
- viii) The rate abatement is 35%.

Determine the excise duty payable.

AND

- B) Rama Ltd. manufactures fans. It gets order from a wholesaler for 1000 fans. For this order following items are charged by Rama Ltd. :
- i) Price per fan Rs. 600.
 - ii) Packing charges per fan Rs. 40.
 - iii) Trade discount @ 5% on price Rs. 600 and 1% agent commission for order procuring.
 - iv) Transit Insurance Rs. 1,000.
 - v) Outward freight Rs. 15,000.
 - vi) Bank charges for recovery of sales price Rs. 400.
 - vii) Special discount @ 10% on Rs. 600 per fan if buyer is ready to pay Rs. 3,00,000 as an advance. Buyer had paid an advance of Rs. 3,00,000.
 - viii) The wholesaler incurred Rs. 60,000 on advertisement of fans on behalf of manufacturer.

Find the Assessable Value. Also find out amount of excise duty payable if rate of duty is 12% and 3% education cess thereon.



**Credit Based Sixth Semester B.Com. Degree Examination,
April/May 2015**

(Semester (Regular) Scheme)

COMMERCE

Auditing

Time : 3 Hours

Max. Marks : 120

SECTION - A

ವಿಭಾಗ - ಎ

Answer any four questions.

ಯಾವುದಾದರೂ ನಾಲ್ಕು ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿರಿ.

1. What is internal audit ?

ಆಂತರಿಕ ಲೆಕ್ಕ ಪರಿಶೋಧನೆ ಎಂದರೇನು ?

2. State the features of statutory audit.

ಕಾಯಿದೆ ಲೆಕ್ಕ ಪರಿಶೋಧನೆಯ ಗುಣಲಕ್ಷಣಗಳನ್ನು ಬರೆಯಿರಿ.

3. What are the essentials of a good audit working papers ?

ಒಂದು ಉತ್ತಮ ಲೆಕ್ಕ ಪರಿಶೋಧನಾ ಕಾರ್ಯಪತ್ರಗಳಿಗೆ ಕಾಗದ ಪತ್ರಗಳ ಮೂಲ ತತ್ವಗಳು ಯಾವುವು ?

4. What are the limitations of auditing ?

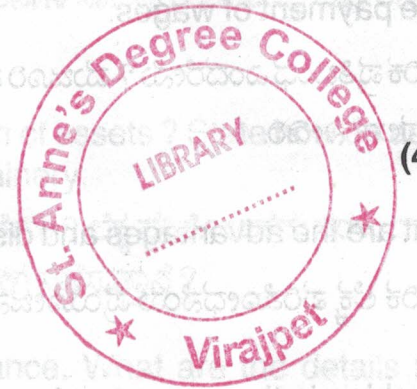
ಲೆಕ್ಕ ಪರಿಶೋಧನಾ ಶಾಸ್ತ್ರದ ನ್ಯೂನತೆಗಳಾವುವು ?

5. Write a note on qualification of company auditor.

ಕಂಪನಿ ಲೆಕ್ಕ ಪರಿಶೋಧಕನ ಅರ್ಹತೆಗಳ ಬಗ್ಗೆ ಒಂದು ಟಿಪ್ಪಣಿ ಬರೆಯಿರಿ.

6. Explain about general EDP controls.

ಸಾಮಾನ್ಯ ಎಲೆಕ್ಟ್ರಾನಿಕ್ ಅಂಕಿ ಅಂಶಗಳ ಸಂಸ್ಕರಣ ತಡೆಗಳ ಬಗ್ಗೆ ವಿವರಿಸಿರಿ.



(4×6=24)





BCMCMC 352

SECTION - B

ವಿಭಾಗ - ಬಿ

Answer any four questions.

ಯಾವುದಾದರೂ ನಾಲ್ಕು ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿರಿ.

(4×12=48)

7. What is an audit programme ? Explain its advantages and disadvantages.
ಲೆಕ್ಕ ಪರಿಶೋಧನೆಯ ಕಾರ್ಯಕ್ರಮ ಎಂದರೇನು ? ಅದರ ಪ್ರಯೋಜನಗಳು ಮತ್ತು ದೋಷಗಳನ್ನು ವಿವರಿಸಿರಿ.
8. What is internal check ? Suggest a suitable system of internal check applicable in the payment of wages.
ಆಂತರಿಕ ಪ್ರತಿಬಂಧ ಎಂದರೇನು ? ಮಜೂರಿ ಪಾವತಿಗೆ ಸಂಬಂಧಪಟ್ಟ ಸೂಕ್ತವಾದ ಆಂತರಿಕ ಪ್ರತಿಬಂಧ ವ್ಯವಸ್ಥೆಯ ಬಗ್ಗೆ ಸಲಹೆ ನೀಡಿರಿ.
9. What are the advantages and disadvantages of Internal audit ?
ಆಂತರಿಕ ಲೆಕ್ಕ ಪರಿಶೋಧನೆಯ ಪ್ರಯೋಜನಗಳು ಹಾಗೂ ದೋಷಗಳು ಯಾವುವು ?
10. "Vouching is the essence of audit". Explain this statement. What are the main points to be kept in mind while examining vouchers ?
"ದೃಢೀಕರಣ ಲೆಕ್ಕ ಪರಿಶೋಧನೆಯ ಸಾರ" ಈ ಹೇಳಿಕೆಯನ್ನು ವಿವರಿಸಿರಿ. ಪುರಾವೆಗಳನ್ನು ಪರೀಕ್ಷಿಸುವಾಗ ಯಾವ ಅಂಶಗಳನ್ನು ನೆನಪಿನಲ್ಲಿಟ್ಟುಕೊಳ್ಳಬೇಕು ?
11. How are the auditors of a company appointed under different circumstances ?
ಕಂಪನಿ ಲೆಕ್ಕ ಪರಿಶೋಧಕರನ್ನು ವಿವಿಧ ಸಂದರ್ಭಗಳಲ್ಲಿ ಹೇಗೆ ನೇಮಕ ಮಾಡುತ್ತಾರೆ ?
12. Explain the main problems of auditing in EDP environment.
ಎಲೆಕ್ಟ್ರಾನಿಕ್ ಅಂಕಿ ಅಂಶಗಳ ಸಂಸ್ಕರಣೆಯ ಪರಿಸರದಲ್ಲಿ ಲೆಕ್ಕ ಪರಿಶೋಧನೆಯು ಎದುರಿಸುವ ಸಮಸ್ಯೆಗಳನ್ನು ವಿವರಿಸಿರಿ.

12



SECTION - C

ವಿಭಾಗ - ಸಿ

Answer any two questions.

ಯಾವುದಾದರೂ ಎರಡು ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿರಿ.

(2x24=48)

13. Define auditing. Explain its objectives in brief. State its advantages.

ಲೆಕ್ಕ ಪರಿಶೋಧನೆಯ ವ್ಯಾಖ್ಯೆ ನೀಡಿರಿ. ಅದರ ಉದ್ದೇಶಗಳನ್ನು ಸಂಕ್ಷಿಪ್ತವಾಗಿ ವಿವರಿಸಿರಿ. ಅದರ ಪ್ರಯೋಜನಗಳನ್ನು ವಿವರಿಸಿರಿ.

14. Explain the relative merits and demerits of continuous and periodical audit.

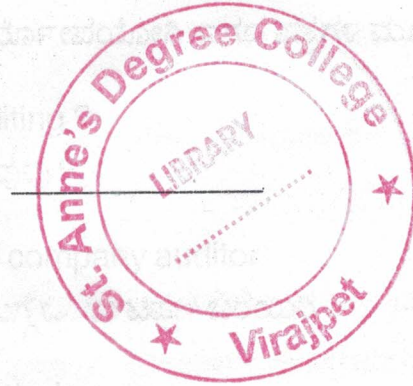
ನಿರಂತರ ಲೆಕ್ಕಪರಿಶೋಧನೆ ಮತ್ತು ನಿಯತಕಾಲಿಕ ಲೆಕ್ಕ ಪರಿಶೋಧನೆಗಳ ಸಾಪೇಕ್ಷ ಗುಣ ಮತ್ತು ಅವಗುಣಗಳನ್ನು ವಿವರಿಸಿರಿ.

15. What do you mean by valuation and verification of assets ? State how an auditor would verify stock in trade and plant and machinery.

ಆಸ್ತಿಗಳ ಪರಿಶೋಧನೆ ಮತ್ತು ಮೌಲ್ಯಮಾಪನ ನಿರ್ಣಯ ಎಂದರೇನು ? ಲೆಕ್ಕ ಪರಿಶೋಧಕನು ಸರಕು ದಾಸ್ತಾನು ಮತ್ತು ಯಂತ್ರೋಪಕರಣ ಸಾಮಗ್ರಿಗಳ ಪರಿಶೋಧನೆಯನ್ನು ಹೇಗೆ ನಡೆಸುತ್ತಾನೆ ?

16. What is an audit report ? Explain its importance. What are the details to be incorporated in the report of a company auditor ?

ಲೆಕ್ಕ ಪರಿಶೋಧಕನ ವರದಿ ಎಂದರೇನು ? ಅದರ ಪ್ರಾಮುಖ್ಯತೆಯನ್ನು ವಿವರಿಸಿರಿ. ಕಂಪನಿಯ ಲೆಕ್ಕ ಪರಿಶೋಧಕನ ವರದಿಯಲ್ಲಿ ಸೇರಿಸಬೇಕಾದ ಅಂಶಗಳಾವುವು ?



Credit Based Sixth Semester B.Com. Degree Examination, April/May 2015
(Semester Scheme)

COMMERCE

Indian Corporate Law

Time : 3 Hours

Max. Marks : 120

SECTION – A

ವಿಭಾಗ - ಎ

Answer any four questions.

ಯಾವುದಾದರೂ ನಾಲ್ಕು ಪ್ರಶ್ನೆಗಳನ್ನು ಉತ್ತರಿಸಿರಿ.

1. State the facts and judicial decisions in the case of "Soloman Vs Soloman and Company".

“ಸೋಲೋಮನ್ ವಿರುದ್ಧ ಸೋಲೋಮನ್ ಮತ್ತು ಕಂಪನಿ” ಪ್ರಕರಣದ ತೀರ್ಪಿನ ಬಗ್ಗೆ ವಿವರಿಸಿ.

2. What is meant by Register of Members ? State the contents of Register of members.

ಸದಸ್ಯರ ದಾಖಲೆ ಪುಸ್ತಕ ಎಂದರೇನು ? ಸದಸ್ಯರ ದಾಖಲೆ ಪುಸ್ತಕದ ಅಡಕಗಳನ್ನು ತಿಳಿಸಿ.

3. Write a note on Agenda and quorum of the meeting.

ಸಭೆಯ ಕಾರ್ಯಕ್ರಮ ಪಟ್ಟಿ ಹಾಗೂ ಸಭೆಯಲ್ಲಿ ಅಗತ್ಯವಿರುವ ಸದಸ್ಯರ ಕನಿಷ್ಠ ಸಂಖ್ಯೆಯ ಬಗ್ಗೆ ಟಿಪ್ಪಣಿ ಬರೆಯಿರಿ.

4. State the meaning and importance of prospectus.

ಪರಿಚಯ ಪತ್ರದ ಅರ್ಥ ಹಾಗೂ ಪ್ರಾಮುಖ್ಯತೆಯನ್ನು ತಿಳಿಸಿ.

5. Distinguish between a member and shareholder of a company.

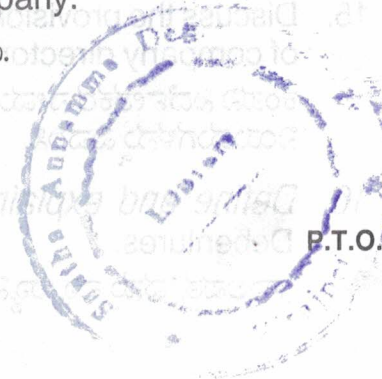
ಕಂಪನಿಯ ಸದಸ್ಯನಿಗೂ ಮತ್ತು ಶೇರುದಾರನಿಗೂ ಇರುವ ವ್ಯತ್ಯಾಸಗಳನ್ನು ತಿಳಿಸಿ.

6. Write a note on the doctrine 'constructive notice'.

‘ರಚನಾತ್ಮಕ ಸೂಚನೆ’ ಯ ಸಿದ್ಧಾಂತದ ಕುರಿತು ಕಿರು ಟಿಪ್ಪಣಿ ಬರೆಯಿರಿ.



(4×6=24)



Answer any four questions.

(4×12=48)

ಯಾವುದಾದರೂ ನಾಲ್ಕು ಪ್ರಶ್ನೆಗಳನ್ನು ಉತ್ತರಿಸಿರಿ.

7. What is 'Memorandum of Association' ? Briefly explain its clauses.
ಕಂಪನಿಯ ಸಂವಿಧಾನ ಪಟ್ಟಿ ಎಂದರೇನು ? ಅದರ ಅಡಕ ಅಂಶಗಳ ಕಿರು ಪರಿಚಯ ನೀಡಿರಿ.
8. What is Registration of charges ? What are the effects of non-registration of charges ?
ಆಧಾರಗಳ ನೋಂದಣಿ ಎಂದರೇನು ? ಆಧಾರಗಳ ನೋಂದಣಿಯನ್ನು ಮಾಡದಿರುವುದರಿಂದ ಆಗುವ ಪರಿಣಾಮಗಳು ಯಾವುವು ?
9. Define a member. Who can be a member of a company ?
ಕಂಪನಿಯ ಸದಸ್ಯನ ವ್ಯಾಖ್ಯೆಯನ್ನು ನೀಡಿರಿ. ಕಂಪನಿಯ ಸದಸ್ಯನಾಗಲು ಯಾರು ಅರ್ಹರು ?
10. Discuss the rules regarding allotment of shares.
ಶೇರು ಹಂಚಿಕೆಗೆ ಸಂಬಂಧಿಸಿದ ನಿಯಮಗಳನ್ನು ಚರ್ಚಿಸಿ.
11. List out the various duties of company directors.
ಕಂಪನಿ ನಿರ್ದೇಶಕರ ವಿವಿಧ ಕರ್ತವ್ಯಗಳನ್ನು ಪಟ್ಟಿ ಮಾಡಿರಿ.
12. Explain the 'Doctrine of Indoor Management'. Narrate the exceptions to this doctrine.
ಆಂತರಿಕ ಆಡಳಿತ ತತ್ವ ಎಂದರೇನು ? ಈ ತತ್ವದ ಅಪವಾದಗಳನ್ನು ವಿಶದಪಡಿಸಿರಿ.

SECTION – C

ವಿಭಾಗ – ಸಿ

Answer any two questions.

(2×24=48)

ಯಾವುದಾದರೂ ಎರಡು ಪ್ರಶ್ನೆಗಳನ್ನು ಉತ್ತರಿಸಿರಿ.

13. Define a 'Company' and bring out its characteristics.
'ಕಂಪನಿಯನ್ನು' ವ್ಯಾಖ್ಯಾನಿಸಿ. ಹಾಗೂ ಅದರ ಗುಣ ಲಕ್ಷಣಗಳನ್ನು ವಿವರಿಸಿ.
14. What is 'Corporate Veil' ? Explain the circumstances under which it is lifted ?
ಕಂಪನಿಯ ಪರದೆ ಎಂದರೇನು ? ಯಾವ ಸಂದರ್ಭಗಳಲ್ಲಿ ಕಂಪನಿಯ ಪರದೆಯನ್ನು ಸರಿಸಬಹುದು ? ಚರ್ಚಿಸಿ.
15. Discuss the provisions of Companies Act regarding the appointment and removal of company directors.
ಕಂಪನಿ ನಿರ್ದೇಶಕರ ನೇಮಕಾತಿ ಮತ್ತು ಸ್ಥಾನದಿಂದ ವಜಾಗೊಳಿಸುವುದರ ಬಗ್ಗೆ ಕಂಪನಿಗಳ ಕಾಯ್ದೆಯಲ್ಲಿರುವ ನಿಯಮಗಳನ್ನು ವಿವರಿಸಿ.
16. Define and explain the term 'Debenture'. Explain the various classes of Debentures.
'ಸಾಲಪತ್ರ' ವನ್ನು ವ್ಯಾಖ್ಯಾನಿಸಿರಿ ಮತ್ತು ವಿವರಿಸಿ. ವಿವಿಧ ಸಾಲಪತ್ರಗಳ ವರ್ಗಗಳನ್ನು ವಿವರಿಸಿರಿ.