



PRABODHAN EDUCATION SOCIETY'S

VIDYA PRABODHINI COLLEGE

OF COMMERCE, EDUCATION, COMPUTER & MANAGEMENT,
PARVARI - GOA

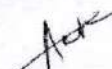
TIME TABLE

T. Y. B. COM SEMESTER END EXAMINATION, NOVEMBER - 2023

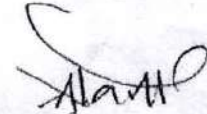
(SEMESTER VI - Truncated Syllabus)

As Per CHOICE BASED CREDIT SYSTEM

DAY	DATE	TIMING	SUBJECT
Monday	20 th November, 2023	10.00 a.m. to 12.00 noon.	UCOC 112 - Human Resource Management ✓
Wednesday	22 nd November, 2023	10.00 a.m. to 12.00 noon.	UCOD - 122 CMA: Cost and Management Audit ✓
Friday	24 th November, 2023	10.00 a.m. to 12.00 noon.	UCOD - 123 Business Management: Strategic Management ✓


(Dr. Arun R. Marathe)
Chairperson, Examination

Date: 11th October, 2023


(Dr. Bhushan V. Bhav)
Principal

HUMAN RESOURCE MANAGEMENT (Truncated Syllabus)(Repeat)

Semester: VI

Duration: 2 Hours

Max Marks: 80

Instructions:

- All questions are compulsory having internal choice.
 - Figures to the right indicate maximum marks allotted.
-

Q.1 Answer **any four** of the following in brief. **(4x4=16 Marks)**

- Explain the concept of Human Resource Planning in brief.
- What are the outsourcing opportunities in India?
- Explain what is time wage system.
- Explain in brief the need for outsourcing.
- Write a short note on labour welfare agencies.
- Explain the measures for healthy growth of trade unions in India.

Q.2 Answer **any four** of the following in brief. **(4x4=16 Marks)**

- Discuss in brief the objectives of Human Resource Planning.
- Why there is a need for outsourcing? Answer in brief.
- Explain the concept of ESOPs.
- Explain the objectives of workers participation in management.
- What do you mean by employee branding?
- What are the functions of trade union?

Q.3 Answer **any one** of the following. **(1x12=12Marks)**

- Discuss in detail the factors affecting job design.
- Explain the sources of recruitment.

Q.4 Answer **any one** of the following **(1x12=12Marks)**

- Explain the features of profit sharing scheme.
- What are the barriers to empowerment?

Q.5 Answer **any one** of the following **(1x12=12Marks)**

- What are the weaknesses of India Trade Unions?
- Discuss the measures to counter labour turnover in detail.

Q.6 Answer **any one** of the following **(1x12=12Marks)**

- Explain the features and advantages of Co-partnership.
- Elaborate the effects of higher rate of labour absenteeism.

Total No. of Printed Pages: 01

T.Y.B.com Semester VI (CBCS) Ordinance
EXAMINATION NOVEMBER 2023
Cost & Management Accounting - Cost and Management Audit

[Time: 2 Hours]

[Max. Marks:80]

- Instructions:**
1. All questions are **compulsory**; however **internal choice** is available.
 2. Answer sub-question in **question no.1 and 2 in not more than 100 words each.**
 3. Answer question no.3 to question no.6 in **not more than 400 words each.**
 4. Figures to the **right** indicate maximum marks for respective question/sub-question.

- Q1 Write short notes (**Any Four**) 16
- a. Features of cost Audit.
 - b. Efficiency Audit.
 - c. Books of account to be maintained Section 128.
 - d. Disqualification of cost auditor as per Section 141.
 - e. Duties of cost auditor.
 - f. Liabilities of cost auditor.
- Q2 Write short notes (**Any Four**) 16
- a. Internal check.
 - b. Cost Audit Working papers.
 - c. Benefits derived from cost records.
 - d. Accounting for Research and development Expenses.
 - e. Preservation of Cost Accounting Records.
 - f. Cost Audit as aid to Management.
- Q3 A. What do you mean by Cost Audit? Explain the objectives of cost Audit. 12
OR
B. Explain the merits and demerits of Cost Audit.
- Q4 A. Describe the Responsibilities of Cost Auditor. 12
OR
B. Explain Professional Ethics and code of conduct of Cost Auditor.
- Q5 A. Explain the Cost Audit Procedures and Techniques. 12
OR
B. Explain in brief the Cost Audit Programme.
- Q6 A. Explain the end use of Cost Audit Report. 12
OR
B. Enumerate the points to be considered for maintenance of cost accounting records for Materials cost and Employee cost.

Total No. of Printed Pages: 01

T.Y.B.com (CBCS) Ordinance Semester VI
EXAMINATION NOVEMBER 2023
Business Management Strategic Management

[Time: 2 Hours]

[Max. Marks:80]

Instructions:

1. All questions are compulsory. However **internal choice** is available.
2. Answer sub-questions in Question 1 and Question 2 in not more than **100 words each**.
3. Answer Question 3 to 6 in **not** more than **400** words.
4. Figures to the **right** indicate **maximum** marks.

Q1 Answer any four of the following:

4x4=16

1. Meaning of strategy.
2. Evaluation stage of strategic management process.
3. Advantages of strategic management.
4. Elements of mission.
5. Objectives.
6. Vision statement.

Q2 Answer any four of the following:

4x4=16

1. Strategy based on relative superiority and aggressive initiative.
2. Primary activities in value chain.
3. Strategy based on key factors for success and degrees of freedom.
4. Six sigma.
5. Strategy implementation.
6. Cresive approach.

Q3 a. Distinguish between strategic management and operational management. 12

OR

b. Explain the different levels of strategy. 12

Q4 a. What is environmental analysis? Explain the factors in the internal environment of business. 12

OR

b. Explain the factors in the external environment. 12

Q5 a. Explain the Boston Consulting Group analysis. 12

OR

b. Explain Michael Porters five force analysis. 12

Q6 a. What is strategic evaluation? Explain the steps in strategic evaluation. 12

OR

b. What is balanced scorecard? Explain the perspectives of balanced scorecard. 12

Vijay.

(Repeat)



GOA UNIVERSITY
TALÉIGAO PLATEAU, GOA

**REVISED PROGRAMME OF T.Y.B.COM. (CBCS)
ORDINANCE OC-66 SEMESTER VI
REPEAT EXAMINATION OF NOVEMBER 2023**

INSTRUCTIONS TO CANDIDATES:

1. CANDIDATES ARE REQUESTED TO BE PRESENT AT THE PLACE OF EXAMINATION FIFTEEN MINUTES BEFORE THE COMMENCEMENT OF THE EXAMINATION.
2. CANDIDATES ARE FORBIDDEN TO TAKE ANY BOOK, PAPER OR COPY MATERIAL OF ANY KIND INTO THE EXAMINATION HALL AND ANY STUDENT FOUND COPYING WILL BE PENALIZED.
3. CENTRE AND PLACE OF EXAMINATION WILL BE THE RESPECTIVE COLLEGE.
4. MOBILE PHONES, BLUETOOTH ENABLED GADGETS, COMMUNICATION DEVICES ETC. ARE NOT ALLOWED IN THE EXAMINATION HALL.
5. THE WRITTEN EXAMINATION WILL BE CONDUCTED IN THE FOLLOWING ORDER:

DAY & DATE	TIME	SUBJECT
MONDAY 20 TH NOVEMBER 2023	10.00 A.M. TO 12.00 NOON	UCOC 112 HUMAN RESOURCE MANAGEMENT (17) ✓ +1(T)
WEDNESDAY 22 ND NOVEMBER 2023	10.00 A.M. TO 12.00 NOON	UCEC 104 INTERNATIONAL ECONOMICS (23) ✓
FRIDAY 24 TH NOVEMBER 2023	10.00 A.M. TO 12.00 NOON	UCOD 117 ACCOUNTING: ADVANCED COMPANY ACCOUNTS (1) ✓ UCOD 118 COST & MANAGEMENT ACCOUNTING: ADVANCED COST ACCOUNTING I (2) X UCOD 119 BUSINESS MANAGEMENT: FINANCIAL MANAGEMENT II (1) ✓ UCOD 120 BANKING & FINANCIAL SERVICES: LAW AND PRACTICE OF BANKING I X

Total No. of Printed Pages: 2

Q6 A. Comment on the role of human resource in creating an innovative organization. 12

EXAMINATION NOVEMBER 2023
Human Resource Management

B. "The dynamic business environment poses serious challenges before human resource managers". Comment on the statement. 12
[Time: 2 Hours] [Max. Marks: 80]

- Instructions:**
- All questions are compulsory, however internal choice is available.
 - Answer sub-questions under Q. No. 1 and Q. No. 2 in not more than 100 words each.
 - Answer Q. No. 3 to Q. No. 6 each in not more than 400 words each.
 - Figures to the right indicate maximum marks to the question/sub question.
 - Paper carries maximum of 80 marks.

Q1 Write short notes on any **FOUR** of the following: 4x4=16

- Job Rotation
- Personal Observation as a method of data collection
- Employee Placement
- Bonus Payment
- Empowerment of Employees
- Piece Wage System

Q2 Write short notes on any **FOUR** of the following: 4x4=16

- Employee Competencies
- Concept of Learning Organizations
- Any four problems of Trade Unions in India
- Innovative Organization
- Government as a labour welfare agency
- Any four effects of Labour Turnover on Organization

Q3 A. What is human resource planning? Explain the importance of human resource planning. 12

OR

B. Explain the various external sources of recruitment. 12

Q4 A. Explain the various forms of workers participation in management. 12

OR

B. Explain any eight pre-requisites of an effective wage system. 12

Q5 A. Explain the various measures for the healthy growth of trade unions in India. 12

OR

B. Explain the various measures for minimizing labour absenteeism. 12

Q6 A. Comment on the role of human resource manager in creating an innovative organization. 12

OR

B. "The dynamic business environment poses serious challenges before human resource managers". Comment on the statement. 12



Total No. of Printed Pages: 02

**T.Y.B.Com (Semester VI) (CBCS) Ordinance
EXAMINATION NOVEMBER 2023
INTERNATIONAL ECONOMICS**

[Time: 2 Hours]

[Max. Marks:80]

Instructions: 1. All questions are compulsory.

2. Answer sub-questions in question 1 and 2 in not more than 100 words each.

3. Answer questions 3 to 6 in not more than 400 words.

4. Figures to the right indicate maximum marks to the question.

Q1 Answer any four of the following:

(4 x 4=16)

- a) Define the concept of Income Terms of Trade.
- b) Distinguish between Balance of Payment and Balance of Trade.
- c) Write a brief note on comparative advantage in international trade.
- d) Write a note on devaluation of currency.
- e) Explain the meaning of Managed floating exchange rate system.
- f) Explain any two types of tariffs used in international trade.

Q2 Answer any four of the following:

(4 x 4=16)

- a) State any four characteristics of Multinational Corporations.
- b) Write a note on forward transaction in foreign exchange market.
- c) Explain the concept of Foreign Direct Investment (FDI).
- d) Explain the concept of convertibility of rupee on capital account.
- e) Explain the impact of Foreign Portfolio Investment (FPI) on exchange rate.
- f) State any four functions of World Trade Organisation (WTO).

Q3 A) Define international trade. Explain any five features of international Trade.

(12)

OR

B) Explain any three Non-Tariff Barriers (NTBs) used in International trade as protective devices.

(12)

Q4 A) Explain the characteristics and functions of foreign exchange market. (06 +06=12)

OR

B) Explain the components of current account and capital account of the Balance of Payments. (06 +06=12)

Q5 A) Explain any three entry modes adopted by Multinational Corporations. (12)

OR

B) Explain resources, market size, and economic environment of the host country as the determinants of Foreign Direct Investments (FDI). (12)

Q6 A) Write a detail note on General Agreement on Trade in Services (GATS) and TRIPS. (06 +06=12)

OR

B) Explain the role and importance of NAFTA, EU and ASEAN in international trade. (12)

Total No. of Printed Pages: 06

T.Y.B.Com Semester VI (CBCS) Ordinance
EXAMINATION NOVEMBER 2023
Accounting Major V-Advanced Company Accounts

[Time: 2 Hours]

[Max. Marks:80]

Instructions:

- 1) Q. No. 1 is compulsory.
- 2) Answer any three questions from Q.No.2 to Q.No.6
- 3) Each question carries 20 marks
- 4) Figures to the right indicate maximum marks allotted.
- 5) All working notes to form part of the answer.

Q1 The following is the Balance Sheet of AMAZON LTD.as at 31st March 2019

(20 Marks)

LIABILITIES	AMOUNT(Rs.)	ASSETS	AMOUNT(Rs.)
Share Capital; 2,00,000 Equity shares of Rs.10 each fully paid up	20,00,000	Plant and machinery	9,00,000
6000 ,8% preference shares of Rs. 100 each	6,00,000	Furniture and fixtures	2,50,000
9% Debentures	12,00,000	Patents and copyrights	70,000
Bank overdraft	1,50,000	Long -Term Investments (at cost) (market value Rs.55,000)	68,000
Sundry creditors	5,92,000	Stock	14,00,000
-----	-----	Sundry debtors	14,39,000
-----	-----	Cash and bank balance	10,000
-----	-----	Profit and Loss account	4,05,000
TOTAL	45,42,000	TOTAL	45,42,000

The following scheme of Reconstruction was finalised;

- a) Preference shareholders would give up 30% of their capital in exchange for allotment of 11% debentures to them.
- b) Debenture holders having charge on Plant and machinery would accept plant and machinery in full settlement of their dues.
- c) Stock equal to Rs. 5,00,000 in book value will be taken over by sundry creditors in full settlement of their dues.
- d) Investment value to be reduced to market price.
- e) The company would issue 11% debentures for Rs.3,00,000 and augment its working capital requirement after settlement of bank overdraft. Pass necessary Journal entries and prepare capital reduction account and balance sheet of the company after internal reconstruction.

- Q2 The statement of Assets and Liabilities drawn on 31st March 2019 disclosed the following particulars of VISION INDIA LIMITED. (20 Marks)

LIABILITIES	AMOUNT (Rs.)	Assets	AMOUNT(Rs.)
1000 Equity shares of Rs.100 each fully paid	1,00,000	Land & buildings	84,000
Profit & Loss account	20,000	Plant & machinery	60,000
Debentures	15,000	Furniture & fittings	5,000
Trade creditors	20,000	5% Govt. securities	20,000
Provision for Taxation	9,000	Stock	2,000
Outstanding Expenses	15,000	Debtors	6000
-----	-----	Cash	1000
-----	-----	Cash at bank	1000
Total	1,79,000	Total	1,79,000

The net profit after charging depreciation and taxation were as under;

2014-15- -----	Rs. 17,000
2015-16-----	Rs.19,000
2016-17 -----	Rs.18,000
2017-18 -----	Rs.20,000
2018-19 -----	Rs.19,000

On 31st March 2019 the Land & buildings were revalued at Rs.95,000 and Plant & Machinery Rs.71,000 and Furniture and Fittings Rs.4,000. 10% represents a fair commercial rate of return on investment in the company. Assume that the entire profit during the year is withdrawn from business.

Find out the value of goodwill based on ;

1. Five years' purchase of super profits of the company
2. Capitalisation of super profit
3. Capitalisation of future maintainable profit.

- Q3 The summary of assets and liabilities of RELIANCE LIMITED as on 31st March 2019 is as follows: (20 Marks)

LIABILITIES	Amount (Rs.)	ASSETS	Amount (Rs.)
Share capital ; 1000 preference shares of Rs.100 each fully paid	1,00,000	Goodwill	40,000
2000 Equity Shares of Rs. 100 fully paid	2,00,000	Buildings	1,30,000
8 % Debentures	20,000	Plant & Machinery	80,000
Creditors	10,000	Stock	60,000
General Reserve	50,000	Debtors	30,000
-----	-----	Bills receivables	35,000
-----	-----	Cash	5,000
TOTAL	3,80,000	TOTAL .	3,80,000

On this day, Reliance Limited is absorbed by Premier Limited and agreed the following:

- To issue six preference shares of Rs.100 each in Premier Limited for every eight preference shares in Reliable Limited.
- To issue to the Debenture holders in Reliance Limited, Mortgage Debentures at Rs. 96 in lieu of 8% Debentures in Reliance limited which are to be redeemed at a premium of 20%.
- To pay Rs.25 per share in cash and to issue five equity shares of Rs.100 each in exchange for every four equity shares held in Reliance limited.
- To take over all assets and liabilities.

You are required to prepare the following in the books of Reliance Limited :

- Realisation account
- Premier limited account
- Equity shareholders account
- Cash and Bank account

Also, pass opening journal entries in the books of Premier Limited. (Apply Purchase Method).

Q4 The following is the summary of Balance Sheet of AIRTEL LIMITED as on 31ST March 2019 (20 Marks)

LIABILITIES	AMOUNT (Rs.)	ASSETS	AMOUNT (Rs.)
25,000 Equity shares of Rs.10 each fully paid	2,50,000	Plant & Machinery	1,20,000
Capital Reserve	20,000	Furniture	50,000
Share premium	20,000	Stock	3,10,000
General reserve	1,19,700	Debtors	1,03,000
Profit and loss account	78,800	Cash in hand	1,700
Sinking fund	10,000	Cash at bank	2,17,000
Creditors	2,04,700	-----	-----
Provision for Tax	98,500	-----	-----
Total	8,01,700	Total	8,01,700

Additional information:

The company transfers 20% of its profits after tax to general reserve.
 The net profits before taxation of the last 3 years have been as follows;

31-3-2017	Rs.1,67,500
31-3-2018	Rs.1,83,000
31-3-2019	Rs.1,97,000

Rate of taxation is 50% and the normal rate of dividend is 10%

Machinery is valued at Rs.1,40,000.

Goodwill will be valued at Rs.20,000.

Calculate the following:

1. Intrinsic value of equity share.
2. Yield value of equity share.
3. Fair value of equity share.

Q5 Following is the Trial balance of GODWIN LIMITED as on 31st March 2019.

(20 Marks)

Particulars	Debit (Rs.)	Particulars	Credit (Rs.)
Stock at cost	10,00,000	Share capital (Equity shares of Rs. 100 each)	40,00,000
Plant and Machinery	10,00,000	General reserve	1,40,000
Land & building	8,00,000	Loan from SBI (Long Term)	6,00,000
Furniture and fixtures	6,70,000	Provision for taxation	22,000
Sundry debtors	8,00,000	Net profit for the year	5,40,000
Staff advance (short term)	1,70,800	Profit & loss account(opening balance)	2,00,000
Cash in hand	1,20,000	Unsecured loans (long term)	1,00,000
Bank balance	9,88,000	Sundry creditors	2,80,000
Preliminary Expenses (to the extent not written off)	53,200	Unclaimed dividend	10,000
Advance tax	24,000		
Bills receivables	1,16,000		
Long term investments (at cost)	1,50,000		
Total	58,92,000	Total	58,92,000

Additional information;

- Transfer to general reserve Rs.60,000 and Dividend Equalisation Reserve Rs. 40,000
- Directors recommend 6% dividend.
- Sundry creditors include creditors for goods Rs.2,10,000, while remaining are for expenses.
- Loan from SBI is secured against stock.
- Market value of Investments is Rs.1,68,000 while its face value is Rs.1,20,000.
- Ignore previous year's figures and corporate dividend tax.
- Out of debtors, debts due for more than six months were Rs.1,50,000.

Prepare Balance sheet of GODWIN LIMITED as on 31st March 2019 as per the schedule III of Companies Act.

Q6 The summary of assets and liabilities of P Limited as at 31st March 2019 is as follows.

(20 Marks)

Liabilities	Amount (Rs.)	Assets	Amount(Rs.)
Share capital ;5000 equity shares Rs.100 each	5,00,000	Freehold premises	2,50,000
2000 10 % preference shares of Rs.100	2,00,000	Plant & machinery	1,35,000
Reserves & surplus ; Profit & Loss account	(2,95,000)	Patent rights	70,000
15% Debentures	2,00,000	Inventories	2,00,000
Short – term borrowings (unsecured loans)	1,00,000	Debtors	1,80,000
Creditors	1,50,000	Cash at bank	50,000
Accrued interest on debentures	30,000		
TOTAL	8,85,000	TOTAL	8,85,000

The following scheme of reconstruction was passed and approved by the court:

- A new company was formed called PK limited to take over the entire business of P limited
- PK limited to issue one equity share of Rs.100, RS.60 paid up in exchange of every two shares in P limited to the shareholders who agree with the scheme. Shareholders who do not agree with the scheme are to be paid @Rs.20 per share in cash. Such shareholders hold 400 equity shares.
- Preference shareholders to get 15,11% preference shares of Rs.10 each in exchange of 2 preference shares of P Limited.
- Liability in respect of 15% debentures and interest accrued thereon to be taken over and discharged directly by PK Limited by issue of equity shares of Rs.100 each fully paid up.
- The creditors of P Limited will get from PK Limited 50% of their dues in cash and 25% in equity shares of Rs.100 each and the balance to be forgone by them
- The freehold premises to be revalued at 20% more.
- The value of machinery to be reduced by 33.33% and that of debtors by 10%.
- The value of stock to be reduced to Rs.1,60,000 and patents to have no value.
- The preliminary expenses amounted to Rs,5000.

You are required to prepare;

- Realisation account and PK Limited account in the books of P limited
- Opening journal entries in the books of PK limited. (Apply Purchase Method)

Total No. of Printed Pages: 03

T.Y.B.COM SEMESTER VI (CBCS) ORDINANCE
EXAMINATION NOVEMBER 2023
Cost & Management Accounting - Advanced Cost Accounting I

[Time: 2 Hours]

[Max. Marks:80]

- Instructions:**
1. Question No. 1. is compulsory.
 2. Answer any three questions from Question No.2 TO Question No.6.
 3. Give working notes wherever necessary.
 4. Each question carries equal marks.

Q1 Narayan owns a fleet of taxis and the following information is available from his records : (20 Marks)

Number of taxis	10
Cost of each taxi	Rs. 2,00,000
Salary of Manager	6,000 p.m.
Salary of Accountant	5,000 p.m.
Salary of Cleaner	2,000 p.m.
Salary of Mechanic	4,000 p.m.
Garage rent	6,000 p.m.
Insurance premium	5% per annum
Annual tax	6,000 per taxi
Drives salary	2,000 p.m. per taxi
Annual repair	10,000 per taxi

Total life of a Taxi is about 2,00,000 km. A taxi runs in all 3000 km. In a month of which 30% it runs empty. Petrol consumption is one litre for 10 km @ Rs. 68 per litre. Oil and other sundries are Rs. 50 per 100 km. Calculate the cost of running a taxi per km.

Q2 A shop floor supervisor of a small factory presented the following cost for Job No. 305 to determine the selling price. (20 Marks)

Materials	Rs.140 per unit
Direct Wages 36 hours @ Rs. 2.50 (Dept. X 16 hrs, Department Y 12 hrs. & Dept. Z 8 hrs).	Rs. 90 per unit
Chargeable Expenses	Rs. 10 per unit
Total	Rs. 240
Add 33.33% for expenses	80
Total Cost	Rs 320

Analysis of the profit & Loss A/c of 2019 shows the following:

Particulars	Rs.	Particulars	Rs.
To Materials used	3,00,000	By Sales less returns	5,00,000
To Direct Wages:			
Dept. X 20000			
Dept. Y 24000			
Dept. Z 16000	60,000		
To Special stores Items	8,000		
To Works Overheads:			
Dept. X 10000			
Dept. Y 18000			
Dept. Z 4000	32,000		
Work Cost	4,00,000		
To Gross Profit c/d	1,00,000		
TOTAL	5,00,000	TOTAL	5,00,000
To selling expenses	40,000	By Gross Profit b/d	100000
To Net Profit	60,000		
TOTAL	1,00,000	TOTAL	1,00,000

It is also noted that average hourly rates for 3 departments P, Q, & R are similar.

You are required to:

1. Draw up a Job Cost Sheet
2. Calculate the entire revised cost using 2019 actual figures as basis.
3. Add 20% to total cost to determine the selling price.

- Q3 The net profit of A. Co. Ltd. appeared at Rs. 60,652 as per financial records for the year ending 31st March 2019. The cost book however showed a net profit of Rs. 86,200 for the same period. A scrutiny of the figures from both the sets of accounts revealed the following facts: (20 Marks)

Particulars	Amount
Works Overhead under recovered in costs	1,560
Administrative Overheads over recovered in costs	850
Depreciation charged in financial accounts	5,600
Depreciation recovered in costs	6,250
Interest on investments not included in costs	4,000
Loss due to obsolescence charged in financial accounts	2,850
Income tax provided in financial accounts	20,150
Bank interest & transfer fee in financial books	375
Stores adjustment (credit in financial books)	237
Value of opening stock :	
Cost Accounts	24,800
Financial Accounts	26,300
Value of closing stock:	
Cost Accounts	25,000
Financial Accounts	23,000
Interest charged in cost accounts	2,000
Goodwill written off	5,000
Loss on sale of furniture	600

Prepare a Reconciliation Statement.

- Q4 a) Distinguish between cost control & cost reduction. (10 Marks)
b) Explain the essentials for the success of cost control. (10 Marks)
- Q5 A. Component XY is made entirely in machine shop no. AXY II. Material cost is Rs. 10 per component. Each component takes 6 minutes to produce and the machine operator is paid Rs. 8 per hour. Machine hour rate is Rs. 60 per hour. The setting up of the machine to produce the component takes 3 hours for the operator. You are required to prepare cost sheet showing the setting up costs and the production costs both in total (i.e. for the batch) and per component, assuming a batch size of
i) 100 components and ii) 200 components. (10 Marks)
- B. Mention the different tools and techniques used for cost reduction? (5 Marks).
C. What are the reasons for disagreement between cost and financial profits? (5 Marks)
- Q6 Write short notes on the following: (4 X 5 Marks)
a. Features of Job Costing
b. Hotel Operating Costing
c. Need for Reconciliation.
d. Elements of a cost control.

Total No. of Printed Pages: 02

T.Y.B.Com Semester VI (CBCS) Ordinance
EXAMINATION NOVEMBER 2023
Business Management - Financial Management II

[Time: 2 Hours]

[Max. Marks:80]

Instructions:

1. Question Q. No. 1 is compulsory.
2. Answer any 3 questions from Q. No. 2 to Q. No. 6.
3. Figures to the right indicate full marks.
4. Give working notes wherever necessary.

Q1 Write short notes on any four

(4x5=20)

- a. Gordon's model.
- b. Cost of debt capital.
- c. Internal rate of return
- d. Net Income Approach to capital structure.
- e. Features of Financial Leverage
- f. Dividend payout ratio.

Q2

- a. A company issues 1,000 7% preference shares of Rs.100 each at a premium of 10% redeemable after 5 years at par. Compute the cost of preference capital. 05
- b. The current market price of equity shares is Rs. 180 and the current dividend per share is Rs.13.5. The shareholders incur 2% of the net dividends received by them as brokerage cost for making new investments and they fall in the 40% tax bracket. Calculate the cost of retained earnings. 05
- c. A company has the following capital structure: 05

Securities	Book value (Rs.)	After tax cost
Equity	6,00,000	13%
Retained earnings	2,00,000	8%
Preference capital	3,00,000	14%
Debentures	4,00,000	5%
Total	15,00,000	

Find the weighted average cost of capital using book value weights.

- d. Write a note on "Optimum capital structure". 05

- Q3 a. The company is considering an investment proposed to install a new machine. 15
The proposal will cost Rs. 2,00,000 and will have a life of 5 years and no salvage value. The firm uses straight line method of depreciation. The estimated cash inflows (CFAT) from the proposed investment proposal are as follows:

Years	1	2	3	4	5
CFAT	60,000	80,000	1,00,00	60,000	40,00

Calculate the following:

- 1) Payback period.
- 2) Average rate of return.
- 3) Net present value at 10% discount rate.

Discount factor at 10% for first five years respectively is as follows:

Year	1	2	3	4	5
10% Discount factor	0.91	0.83	0.75	0.68	0.62

- b. Write a note on explicit and implicit cost of capital. 05

- Q4 a. The Balance sheet of a company as on 31-3-2019 is as follows: 15

Balance Sheet

Liabilities	Amount Rs.	Assets	Amount Rs.
Equity capital (Rs. 100 per share)	6,00,000	Net Fixed assets	10,00,000
Retained earnings	80,000	Current assets	5,00,000
10% Preference capital	4,00,000		
12% Debentures	3,00,000		
Current liabilities	1,20,000		
	15,00,000		15,00,000

The company's total Assets turnover ratio is 4. Fixed operating costs are Rs. 1,00,000 and its variable operating cost ratio is 60%. The income tax rate is 40%. You are required to calculate:

- i) EPS
- ii) Operating leverage
- iii) Financial leverage
- iv) Combined leverage

- b. Describe Profitability Index as a method of appraising Investments proposals. 05

- Q5 a. What is cost of equity? Enumerate the different approaches to calculate cost of equity. 10

- b. Answer the following in brief: 10

- i. List out the assumptions of MM hypothesis.
- ii. Explain any five factors determining the capital structure of a firm.

- Q6 a. Discuss in detail the factors determining the dividend policy of a firm. 10

- b. Define capital budgeting. Explain the process of capital budgeting. 10

TYBCOM Semester End Assessment (Repeat)

November 2023

Course Title: Cost and Management Audit DSE 6

Course Code: UCOD122

Category: Core/Course

Semester: VI

Duration: 2 Hours

Max Marks: 80

Instructions:

1. All questions are compulsory having internal choice.
 2. Figures to the right indicate maximum marks allotted to each question
 3. Answer sub-questions **Question no. 1** and **Question no. 2** in not more than 100 words each
 4. Answer **Question no 3 to Question no. 6** each in not more than 400 words.
-

Q1. Write Short notes on any four of the following: (4 x 4 = 16)

- i. Concept of efficiency audit
- ii. Objectives of cost audit
- iii. Disqualification of cost auditor
- iv. Books of accounts to be maintained
- v. Duties of the cost auditor
- vi. Professional ethics for cost auditor

Q2. Write Short notes on any four of the following: (4 x 4 = 16)

- a) Internal control
- b) Internal check
- c) Ceiling on Number of cost audit
- d) Maintenance of raw material records
- e) Maintenance of records of wages
- f) Maintenance of records of overheads

Q3. Answer any one from the following (1 x12 = 12)

- a) Distinguish between cost audit and financial audit
- b) Explain the scope of cost audit.

Q4. Answer any one from the following (1 x12 = 12)

- a) Elaborate on responsibilities of cost auditor
- b) Explain the appointment of cost auditor.

Q5. Answer any one from the following (1 x12 = 12)

- a) Explain in detail familiarization with industry
- b) Explain the techniques of cost audit

Q6. Answer any one from the following (1 x12 = 12)

- a) Explain in detail familiarization with organisation
- b) Explain the code of conduct for cost auditor.

Total No. of Printed Pages: 04

T.Y.B.com Semester VI (CBCS) Ordinance
EXAMINATION NOVEMBER 2023
Accounting - Accounting I

[Time: 2 Hours]

[Max. Marks:80]

Instructions:

1. Question No. 1 is compulsory.
2. Answer **any three** questions from Question No. 2- Question No. 6.
3. Figure to the right indicates marks to the questions/sub-question.

- Q1 On January 1, 2016 Sung Co. acquired a Van on hire purchase from Oprat Ltd for a period of 20 4 years. The terms of the contract were as follows:
- a. The cash price of the van was Rs 2,00,000/-.
 - b. Rs. 40,000/- were to be paid on signing of the contract.
 - c. The balance was to be paid in annual instalments of Rs. 40,000/- plus interest.
 - d. Interest chargeable on the outstanding balance was 6% p.a.
 - e. Depreciation at 10% p.a. is to be written-off using the straight-line method.

You are required to give Journal Entries in the books of sung Co.

- Q2 Illus ltd obtained a lease of coal mines for 100 years from Mr Landlord on 1st January 2016. 20
 Following information is provided:

- i. Mining corporation will develop the land and will bear the cost of development
- ii. Royalties is Rs.2 per tonne of coal.
- iii. Minimum rent for the first year will be Rs. 10,000/-, with annual increase of Rs. 1,000/- till it reaches Rs. 15,000/-.
- iv. Short workings if any, are recoverable within the first three years only.
- v. Mining Corporation developed the land at the cost of Rs. 2 Crores and estimated coal deposit of Rs.20,00,000/- of tonnes.

Year	2016	2017	2018	2019
Production (tonnes)	1,000	2,000	10,000	15,000

You are required to prepare

- i. Royalties Account;
- ii. Short workings Account
- iii. Landlords Account

- Q3 Micro Ltd is a proprietor of a business consisting of two departments. One department selling 20 Computers and the other selling Software. The balances of the business on 31.12.19 were as follows

Particulars	Dr	Cr
Capital		71,000
Sales-Computer		59,000
Software		29,500
Purchases- Computer	20,000	
Software	10,000	
Drawings	3,000	
Building (at cost)	43,000	
Equipment's at Written Down Value- Computer	18,000	
Software	7,000	
Creditors and Debtors	10,200	5,319
Stock on 1.1.19- Computer	2,320	
Software	2,136	
Salaries- Computer	20,560	
Software	15,440	
Advertisement	615	
Discount Allowed- Computer	400	
Software	200	
Bank	5,600	
Rent and rates	1,580	
Canteen Charges	875	
Heating and lighting	880	
Insurance of stock	940	
General administrative expenses	2,073	
Total	1,64,819	1,64,819

The following information is also provided:

- The general administrative expenses and the rent & rates included prepayments of Rs. 33 and Rs.80/- respectively.
- On 31.12.19, following were the outstanding balances:
Salaries- Computer Rs.250/-; Software Rs.170/-; Heating and lighting Rs.20/-.
- Closing stock were: Computer Rs. 2,800/-; Software Rs. 2,450/-.
- 5% commission is to be paid to the manager of computer and software department on Net Profit of the respective departments.
- 10% depreciation is to be provided on equipment's on written down value.
- The general administrative expenses are primarily incurred in relation to the processing of purchases and sales invoices.
- In apportioning the various expenses between the two departments due regard is to be given to the following information

	Number of Workers	Average Stock Levels (Rs.)	Floor area (sq.ft)
Computer	9	2,500	4,000
Software	6	2,200	2,000

- Q4 Simo Ltd has a Branch in Agonda. Goods are sent to the branch at cost plus $33\frac{1}{3}\%$, which is 20 the selling price. The following information is given with respect to the branch on 31.03.2019.

Particulars	Rs.
Goods sent to branch (invoice value)	4,80,000
Stock at branch (1.4.2018) at selling price	24,000
Cash sales	1,80,000
Returns from debtors	6,000
Branch expenses paid for cash	53,500
Branch debtors balance (1.4.2018)	30,000
Discount allowed	1,000
Bad debts	1,500
Stock at branch (31.3.2019) at invoice price	48,000
Branch Debtors balance (31.3.2019)	36,500
Collection from debtors	2,70,000
Branch Debtors cheques returned dishonoured	5,000

You are required to prepare: (i) Branch Stock Account, (ii) Branch Debtors Account and (iii) Branch Adjustment Account to reveal the profit of the Branch for the year 2019.

- Q5 A. Modern Ltd buys a car on instalment payment system from Motors Ltd on 1.1.2015. 10 Payment is to be made on December 31 for 5 years @ 40,000/- per annum, interest being calculated at 5% p.a. The cash down price of the car is Rs.2,00,000/-. Depreciate the car at 10% p.a. on the Diminishing Balance Method. You are required to prepare Interest Suspense Account in the books of Modern Ltd.
- B. Mr. Y has a branch in Margao. He invoices goods to the branch at selling price which 10 is cost plus $33\frac{1}{3}\%$ from the following particulars prepare Branch Account and Goods Sent to Branch Account in the books of Mr. Y.

Particulars	Rs.
Stock on 01/01/2019 (invoice price)	15,000
Debtors on 01/01/2019	11,400
Goods sent to branch (purchase price)	67,000
Cash sales	31,000
Credit sales	37,400
Cash received from debtors	40,000
Discount allowed to customers	300
Bad debt written off	250
Cheque Sent to Branch:	
Salaries	5000
Sundry expenses	1,700
Stock on 31/12/2019 (invoice price)	13,400

Q6 Answer any **FOUR** of the following questions:

20

- A. Advantages of hire purchase system.
- B. Meaning and features of Instalment payment system.
- C. Write a note on Short working.
- D. Concept and advantages of Departmental Accounting.
- E. Branch Accounting v/s Departmental Accounting.
- F. Write a short note on the nature of Hire purchase.

Total No. of Printed Pages: 3

T.Y.B.com Semester VI (CBCS) Ordinance
EXAMINATION NOVEMBER 2023
Accounting - Accounting II

[Time: 2:00 Hours]

[Max. Marks: 80]

Instructions: (1) Question No. 1 is compulsory.

(2) Answer any **three** questions from Question No. 2 to Question No. 6.

(3) Figures to the right indicate marks to the question/sub-question.

Q1 Kodak Ltd. issued on 1st January, 2016; 5,000, 6% redeemable debentures of Rs. 100/- each at par, redeemable at a premium of 10% after 4 years. It was decided to create a sinking fund for the redemption of the debentures. Investments are expected to earn interest at 5% per annum. (20)

Reference to the sinking fund table shows that Rs. 0.232012 invested annually at 5% compound interest amounts to Rs. 1/- at the end of 4 years. Investments were made in multiples of 100 only. On 31st December 2019, investments were sold for Rs. 4,05,000/- and the debentures were redeemed. Assume that accounts are closed on 31st December every year.

Prepare the following ledgers for the period of 4 years;

(a) Sinking Fund Account, and

(b) Sinking Fund Investment Account.

Q2 Mr. Gupta is a Chartered Accountant who occupies the ground floor of his residence for his profession. His Receipts and Payment account for profession for the year ended 31st December 2019 is as below; (20)

Receipts	Rs.	Payments	Rs.
Cash in Hand	6,000	Salaries	14,400
Cash at Bank	24,000	Rent (Paid to family)	6,000
Audit fees	1,08,000	Motor car expenses	16,000
Tax consultation fees	36,000	Telephone charges	3,000
		Electricity charges	4,800
		Printing & Stationery	3,200
		Institute Membership Fees	700
		Purchase of periodicals	6,000
		Drawings	72,000
		Cash in Hand	4,300
		Cash at Bank	43,600
	1,74,000		1,74,000

Additional Information:

- a) The motor car expenses, telephone charges and electricity charges are to be shared equally between the profession and household.
- b) 20% of the salaried are to be borne by the household.
- c) Annual expenses of the household are: Food – Rs. 76,000/-, Clothing – Rs. 16,000/- and miscellaneous expenses – Rs. 6,000/-.
- d) Other income of the household are: -
 - a. Income from investment – R. 18,000/-.
 - b. Salary of Mrs. Gupta from a school – Rs. 16,800/-

Prepare the Profit and Loss account for his profession and Income and Expenditure account for his household.

- Q3 (a) On 1.1.2017, 400, 6% debentures of Rs.100/- each of PQR Ltd. were held as investments by XYZ Ltd. at a cost of Rs. 36,400/-. Interest is payable on December 31st. (10)
- On 1.4.2017: Rs. 8,000 of such debentures were purchased by XYZ Ltd. @ Rs. 98 each cum-interest.
- On 1.9.2017: Rs. 12,000 of such debentures were sold @ Rs. 96 each ex-interest. Prepare Investment Account for 6% debentures of PQR Ltd. in the books of XYZ Ltd. Ignore income tax.
- (b) On 1st April 2018, 5,000 equity shares of Rs. 10 each of Procter Ltd. were held as investments by Mr. Suraj at a cost of Rs. 48,000. (10)
- On 30th April 2018, he purchased 1,000 of such equity shares @Rs. 12 per share. On 20th September 2018, dividend was received @ Rs. 2 per share for the year ended 31st March 2018. Dividends for shares acquired by him on 30th April 2018 are to be adjusted against the cost of purchase.
- On 10.10.2018, Mr. Suraj sold 2,000 equity shares @Rs. 12/- per share. Prepare the Investment Ledger in the books of Mr. Suraj for the year ended 31st March 2019.
- Q4 Tata Ltd. issued 3,000, 11% Debentures of Rs. 100/- each at par on 1st January 2016. (20)
- The terms of the issue included that the company provide a sinking fund for redemption of debentures on 31st December 2019. The company decided to take out an insurance policy to provide for the necessary cash to facilitate the redemption of debentures. The annual insurance premium payable to the insurance company being Rs. 69,000/-.
- Prepare the following ledgers for the period of 4 years;
- (a) 11% Debenture Account,
 - (b) Debenture Redemption Fund Account, and
 - (c) Debenture Redemption Insurance Policy Account.

- Q5 Lazer Ltd., went into voluntary liquidation on 31st December, 2018. The balances in its books as on that date were; (20)

Liabilities	Amount	Assets	Amount
2,500 Equity Shares of Rs. 100/- each, Rs.75/- paid	1,87,500	Land and Building	2,50,000
7,500 Equity Shares of Rs. 100/- each, Rs. 60/- paid	4,50,000	Machinery and Plant	6,25,000
6% Cumulative Preference Shares of Rs.100/- each fully paid	5,00,000	Patents	1,00,000
5% Mortgage Debentures	2,50,000	Stock	1,37,500
Interest Outstanding on Debentures	12,500	Sundry Debtors	2,75,000
Creditors	3,62,500	Cash at Bank	75,000
		Surplus Account (Negative Balance)	3,00,000
	17,62,500		17,62,500

The Liquidator is entitled to a commission of 3% on all assets realised except cash and 2% on amounts distributed among unsecured creditors other than preferential creditors. Creditors include Preferential Creditors Rs. 37,500/- and a loan for Rs. 1,25,000/- secured by a mortgage on land and building. The preference dividends were in arrears for two years. The assets realised as follows;

Particulars	Amount
Land and Building	3,00,000
Machinery and Plant	5,00,000
Patents	75,000
Stock	1,50,000
Sundry Debtors	2,00,000

The expenses of liquidation amounted to Rs. 27,250/-
Prepare the Liquidator's Final Statement of Account.

- Q6 Answer any four of the following:

(4×5=20)

- What are the benefits of Accrual basis of accounting?
- Write short note on Cum.-interest and Cum-dividend.
- Write short note on Cost of Investments.
- Explain any two methods of Redemption of Debenture.
- Write short note on Sinking fund method.
- Distinguish between In Insolvency and winding up.

Total No. of Printed Pages: 3

T.Y.B.com Semester VI (CBCS) Ordinance
EXAMINATION NOVEMBER 2023

Cost & Management Accounting - Advanced Cost Accounting - II

[Time: 2:00 Hours]

[Max. Marks: 80]

- Instructions:** (1) Question No. 1 is compulsory.
(2) Answer **any three** questions from Question No. 2 to Question No. 6.
(3) Figures to the right indicate marks to the question/sub-question.

- Q1 A product passes through two processes before it is completed. The output of each process is charged to the next process at a price calculated to give a profit of 20% on transfer price (i.e. 25% on cost price). The output of process II is charged to finished stock account on similar basis. There was no work in progress at the beginning of the year and overheads have been ignored. Stocks in each process have been valued at prime cost of the process. The following data is obtained at the end of 31st March 2019.

Particulars	Process I (Rs.)	Process II (Rs.)	Finished Stock (Rs.)
Direct Material	20,000	5,000	-
Direct Wages	15,000	10,000	-
Stock on 31 st March, 2019	5,000	6,500	5,000
Sales during the year	-	-	1,10,000

You are required to prepare Process cost accounts and finished stock account showing the profit element at each stage.

- Q2 MNL Construction Ltd. commenced a contract on 1st April, 2018. The total contract was for Rs. 17,50,000. It was decided to estimate the total profit on the contract and to take to the credit of Profit and Loss Account the proportion of estimated profit on cash basis which the work completed bore to the total contract. Actual expenditure for the period 1st April, 2018 to 31st March, 2019 and estimated expenditure for the period 1st April, 2019 to 31st December, 2019 are given below.

	01.04.2018 to 31.03.2019 (Actuals) (Rs.)	01.04.2019 to 31.12.2019 (Estimated) (Rs.)
Materials issued	3,00,000	5,50,000
Labour: Paid	2,00,000	2,50,000
Outstanding	20,000	30,000
Plant purchased	1,50,000	-
Expenses: Paid	75,000	1,50,000
Prepaid	15,000	-
Plant returned to store (historical cost)	50,000	1,00,000 (on 31.12.2019)
Materials at site	20,000	50,000
Work certified	8,00,000	Full
Work uncertified	25,000	-
Cash received	6,00,000	-

The plant is subject to annual depreciation at the rate of 25% on written down value method. The contract is likely to be completed on 31st December, 2019. Prepare contract account for the period from 01.04.2018 to 31.03.2019 and estimated contract account for the entire period from 01.04.2018 to 31.12.2019.

Q3 The cost ledger of a company shows the following balances as on 31st March, 2018. 20

Particulars	Debit (Rs.)	Credit (Rs.)
Work in Progress Control Account	15,680	
Finished Stock Ledger Control Account	11,720	
Stores Ledger Control Account	21,000	
General Ledger Adjustment Account		49,600

Transactions for the year 2018 - 2019 are as follows:

Particulars	Rs.
Direct wages	1,22,400
Indirect Wages	5,600
Factory overheads allocated to production	37,400
Administrative overheads allocated	12,400
Stores issued to production	78,600
Cost of goods finished during the year	2,40,000
Cost of finished goods sold (no stock was left at the year-end)	2,64,000
Stores purchased	72,000
Stores issued to factory repair order	3,000
Carriage inward on stores issued for production	1,200
Factory expenses	28,000
Administrative expenses	12,000
Sales	2,64,000

You are required to prepare the following ledger accounts under non-integrated accounting system.

- General Ledger Adjustment Account
- Work-in-Progress Control Account
- Stores Ledger Control Account
- Finished Goods Control Account

- Q4 (a) What is uniform costing? Explain its advantages. (any five points) 10
 (b) Datta Enterprises operates an integral system of accounting. You are required to pass the journal entries for the following transactions that took place for the year ended 31.03.2019. 10

	Amount (Rs.)
Raw materials purchased on credit	6,00,000
Materials issued to production	4,00,000
Wages paid (50% direct)	2,00,000
Wages charged to production	1,00,000
Selling and distribution expenses incurred	40,000
Finished product (at cost)	5,00,000

- Q5 (a) What is responsibility accounting? Explain the various types of responsibility centres. (any four) 10
 (b) From the following details extracted from the books of XYZ Ltd. For the month of January 2018 prepare (i) Statement of equivalent production (ii) Statement of Cost and (iii) Statement of Evaluation using FIFO Method. 10
- (i) Opening Stock as on 01.01.2018 200 units @ Rs. 4 per unit
 Degree of completion: Materials 100%, Labour and overheads 40%
- (ii) Inputs introduced 1,050 units
- (iii) Output transferred to next process 1,100 units
- (iv) Closing stock as on 31.01.2018 150 units
 Degree of completion: Materials 100%, Labour and overheads 70%
- (v) Other relevant information regarding the process are as follows: Materials Rs. 3,150, Labour Rs. 4,500 and Overheads Rs. 2,250

Q6 Write short notes (any four) 20

- (a) Objectives and limitations of inter-process profits.
 (b) Advantages of cost plus contract to the contractor and contractee.
 (c) Steps in implementation of activity based costing
 (d) Pre-requisites of an inter-firm comparison scheme
 (e) Objectives of uniform costing.

Total No. of Printed Pages: 2

T.Y.B.com Semester VI (CBCS) Ordinance
EXAMINATION NOVEMBER 2023
Business Management - Supply Chain and Logistics Management

[Time: 2:00 Hours]

[Max. Marks: 80]

- Instructions:** 1) All Questions are compulsory; however internal choice is available
2) Answer sub questions in question 1 and 2 in not more than 100 words each.
3) Answer questions from question 3 to 6 in not more than 400 words each.
4) Figures to the right indicate maximum marks to the questions.

Q1 Answer any four of the following questions.

(4×4=16)

- A. Explain the importance of Logistics Management.
- B. What is Integrated Logistics System?
- C. Write a short note on Logistics in India.
- D. Explain the concept of Supply Chain.
- E. Explain any two reasons for outsourcing in Supply Chain Management.
- F. Explain any two functions /contributions of Supply Chain Management.

Q2 Answer any four of the following questions.

(4×4=16)

- A. Explain the Cost/ Revenue Trade Off method of establishing a Customer Service Strategy.
- B. Write a short note on Qualitative Techniques of Demand Forecasting.
- C. Explain the concept of Demand Management.
- D. Write a short note on Bar Coding as a type of information technology system used in Supply Chain & Logistics Management.
- E. Explain any two types of Packaging in Supply Chain Management?
- F. Write a short note on Artificial Intelligence as a type of information technology system used in Supply Chain & Logistics Management.

Q3 A] Explain in detail the evolution of the Logistics Concept.

12

OR

B] What is Logistics Management? Explain the functions of Logistics Management.

12

Q4 A] Explain the process tools for Supply Chain Management?

12

OR

B] Explain the importance of Supply Chain Management.

12

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- Q5** A] What are the components/elements of Customer Service? **12**
OR
B] What is Demand Forecasting? Explain the types of Demand Forecasting. **12**
- Q6** A] What is Material Handling? Explain the Material Handling Systems. **12**
OR
B] What is transportation? Explain the functions of Transportation. **12**

Total No. of Printed Pages: 3

T.Y.B.com Semester VI (CBCS) Ordinance
EXAMINATION NOVEMBER 2023
Accounting - Accounting II

[Time: 2:00 Hours]

[Max. Marks: 80]

- Instructions:** (1) Question No. 1 is compulsory.
 (2) Answer any three questions from Question No. 2 to Question No. 6.
 (3) Figures to the right indicate marks to the question/sub-question.

Q1 Kodak Ltd. issued on 1st January, 2016; 5,000, 6% redeemable debentures of Rs. 100/- each at par, redeemable at a premium of 10% after 4 years. It was decided to create a sinking fund for the redemption of the debentures. Investments are expected to earn interest at 5% per annum. (20)

Reference to the sinking fund table shows that Rs. 0.232012 invested annually at 5% compound interest amounts to Rs. 1/- at the end of 4 years. Investments were made in multiples of 100 only. On 31st December 2019, investments were sold for Rs. 4,05,000/- and the debentures were redeemed. Assume that accounts are closed on 31st December every year.

Prepare the following ledgers for the period of 4 years;

- (a) Sinking Fund Account, and
 (b) Sinking Fund Investment Account.

Q2 Mr. Gupta is a Chartered Accountant who occupies the ground floor of his residence for his profession. His Receipts and Payment account for profession for the year ended 31st December 2019 is as below; (20)

Receipts	Rs.	Payments	Rs.
Cash in Hand	6,000	Salaries	14,400
Cash at Bank	24,000	Rent (Paid to family)	6,000
Audit fees	1,08,000	Motor car expenses	16,000
Tax consultation fees	36,000	Telephone charges	3,000
		Electricity charges	4,800
		Printing & Stationery	3,200
		Institute Membership Fees	700
		Purchase of periodicals	6,000
		Drawings	72,000
		Cash in Hand	4,300
		Cash at Bank	43,600
	1,74,000		1,74,000

Additional Information:

- a) The motor car expenses, telephone charges and electricity charges are to be shared equally between the profession and household.
- b) 20% of the salaries are to be borne by the household.
- c) Annual expenses of the household are: Food – Rs. 76,000/-, Clothing – Rs. 16,000/- and miscellaneous expenses – Rs. 6,000/-.
- d) Other income of the household are: -
 - a. Income from investment – R. 18,000/-.
 - b. Salary of Mrs. Gupta from a school – Rs. 16,800/-

Prepare the Profit and Loss account for his profession and Income and Expenditure account for his household.

- Q3 (a) On 1.1.2017, 400, 6% debentures of Rs.100/- each of PQR Ltd. were held as investments by XYZ Ltd. at a cost of Rs. 36,400/-. Interest is payable on December 31st. (10)

On 1.4.2017: Rs. 8,000 of such debentures were purchased by XYZ Ltd. @ Rs. 98 each cum-interest.

On 1.9.2017: Rs. 12,000 of such debentures were sold @ Rs. 96 each ex-interest. Prepare Investment Account for 6% debentures of PQR Ltd. in the books of XYZ Ltd. Ignore income tax.

- (b) On 1st April 2018, 5,000 equity shares of Rs. 10 each of Procter Ltd. were held as investments by Mr. Suraj at a cost of Rs. 48,000. (10)

On 30th April 2018, he purchased 1,000 of such equity shares @Rs. 12 per share. On 20th September 2018, dividend was received @ Rs. 2 per share for the year ended 31st March 2018. Dividends for shares acquired by him on 30th April 2018 are to be adjusted against the cost of purchase.

On 10.10.2018, Mr. Suraj sold 2,000 equity shares @Rs. 12/- per share.

Prepare the Investment Ledger in the books of Mr. Suraj for the year ended 31st March 2019.

- Q4 Tata Ltd. issued 3,000, 11% Debentures of Rs. 100/- each at par on 1st January 2016. The terms of the issue included that the company provide a sinking fund for redemption of debentures on 31st December 2019. The company decided to take out an insurance policy to provide for the necessary cash to facilitate the redemption of debentures. The annual insurance premium payable to the insurance company being Rs. 69,000/-. (20)

Prepare the following ledgers for the period of 4 years;

- (a) 11% Debenture Account,
- (b) Debenture Redemption Fund Account, and
- (c) Debenture Redemption Insurance Policy Account.

- Q5 Lazer Ltd., went into voluntary liquidation on 31st December, 2018. The balances in its (20)
-books as on that date were;

Liabilities	Amount	Assets	Amount
2,500 Equity Shares of Rs. 100/- each, Rs.75/- paid	1,87,500	Land and Building	2,50,000
7,500 Equity Shares of Rs. 100/- each, Rs. 60/- paid	4,50,000	Machinery and Plant	6,25,000
6% Cumulative Preference Shares of Rs.100/- each fully paid	5,00,000	Patents	1,00,000
5% Mortgage Debentures	2,50,000	Stock	1,37,500
Interest Outstanding on Debentures	12,500	Sundry Debtors	2,75,000
Creditors	3,62,500	Cash at Bank	75,000
		Surplus Account (Negative Balance)	3,00,000
	17,62,500		17,62,500

The Liquidator is entitled to a commission of 3% on all assets realised except cash and 2% on amounts distributed among unsecured creditors other than preferential creditors. Creditors include Preferential Creditors Rs. 37,500/- and a loan for Rs. 1,25,000/- secured by a mortgage on land and building. The preference dividends were in arrears for two years. The assets realised as follows;

Particulars	Amount
Land and Building	3,00,000
Machinery and Plant	5,00,000
Patents	75,000
Stock	1,50,000
Sundry Debtors	2,00,000

The expenses of liquidation amounted to Rs. 27,250/-
Prepare the Liquidator's Final Statement of Account.

- Q6 Answer any four of the following:

(4×5=20)

- What are the benefits of Accrual basis of accounting?
- Write short note on Cum.-interest and Cum-dividend.
- Write short note on Cost of Investments.
- Explain any two methods of Redemption of Debenture.
- Write short note on Sinking fund method.
- Distinguish between In Insolvency and winding up.