

21ECOE23

Reg No :

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
B.Com. SECOND SEMESTER DEGREE EXAMINATION AUGUST 2022

ECONOMICS

Economics of Business Environment

Duration:2 Hours

Max Marks:60

Section - A

I. Answer any TWO of the following :

2×5= 10

1. Write a note on Globalisation.
2. Write a short note on business and society.
3. Write a note on economic and social infrastructure.
4. Write a short note on Fiscal policy.

Section - B

II. Answer any TWO of the following :

2×10=20

5. Explain the instruments of Monetary Policy.
6. Explain the private and public investment.
7. Briefly explain the highlights of MSMEs.
8. Explain the objectives of Make In India.

Section - C

III. Answer any TWO of the following :

2×15= 30

9. Explain the meaning, objectives and importance of business environment.
10. Explain the Financial Environment.
11. Explain the legal environment of business.
12. Explain the characteristics of Indian Economy.

21COME24

Reg No :

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
B.Com SECOND SEMESTER DEGREE EXAMINATION AUGUST 2022
COMMERCE
Business and Technology

Duration: 2 Hours

Max Marks: 60

SECTION – A

Answer any TWO questions:

(15×2= 30)

1. Explain the responsibility of an individual and organisation towards compliance with law on data protection, data security and health and safety of an employee in the work place.
2. a) Who is Non-executive director? Explain the role of Non-executive director. **(8 Marks)**
b) Explain the role of following Board Committees and its advantages and disadvantages.
 - i) Audit Committee
 - ii) Remuneration Committee **(7 Marks)**
3. Explain the following financial systems used within an organisation with an example.
 - a) Purchase System
 - b) Sales System
4. Explain Maslow and Herzberg's theory of Motivation.

SECTION – B

Answer any FOUR questions :

(5×4= 20)

5. Describe components of the organisation stated by Mintzberg.
6. Define internal, connected and external stakeholders and explain their needs with an example.
7. Explain the impact of changes in social structure, values, attitudes and tastes on the organisation.
8. Define Big Data. Describe the features of big data.
9. Briefly describe training and development process in an organisation.
10. Describe how to overcome the barriers to effective time management.

SECTION – C

Answer any FIVE questions :

(2×5= 10)

11. What is meant by Tall and Flat organisations?
12. What is Centralised and Decentralised pattern of communication?
13. What is Remuneration Committee?

14. What is Tax Evasion?
15. State Tuckman four stages of group development.
16. Differentiate between Authority and Responsibility.
17. Define Coaching.

21ECOE24

Reg No :

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
B.Com. SECOND SEMESTER DEGREE EXAMINATION AUGUST 2022
ECONOMICS
Monetary Economics

Duration: 2 Hours

Max Marks: 60

Section - A

I. Answer any TWO of the following :

2×5= 10

1. Write a note on Core banking.
2. Write a note on the primary functions of Commercial banks.
3. What are the objectives of IFC?
4. Write a note on primary functions of money.

Section - B

II. Answer any TWO of the following :

2×10=20

5. Briefly explain Fisher's quantity theory of money.
6. Explain the digital banking instruments.
7. Explain the financial instruments of IMF.
8. Describe the measures to control inflation.

Section - C

III. Answer any TWO of the following :

2×15= 30

9. Define Digital banking. Explain the various digital banking instruments.
10. Explain the objectives and instruments of Monetary policy.
11. Explain the objectives and functions of IBRD.
12. Critically explain Friedman's restatement of quantity theory.

21COME25

Reg. No : _____

**CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
SECOND SEMESTER B.Com DEGREE EXAMINATION AUGUST 2022
COMMERCE
ART OF BUSINESS**

Duration: 2 Hours

Max Marks: 60

SECTION – A

Answer any TWO questions:

(15 x 2 = 30)

1. Briefly explain the components of Micro Environment.
2. Explain the features of “Sole Proprietorship” & “Hindu Undivided Family”.
3. What are the functions of RBI? Also, what is its role in Business Facilitation?
4. Explain –
 - a. The key factors to be considered in PESTLE analysis.
 - b. The three classes of Internal Strategic Responses.
 - c. The three approaches in Holistic Strategic Responses.

SECTION – B

Answer any FOUR questions:

(5 x 4 = 20)

5. Explain the types of Government Policies as per its intended impact.
6. What are the powers of SEBI?
7. Briefly Explain “Employment” & “Profession” as forms of economic activity.
8. What are the purposes of Environment Analysis?
9. Explain the four elements to be considered while analyzing the Demographic Environment.
10. Explain the domains of BCK.

SECTION – C

Answer any FIVE questions:

(5x2 =10)

11. Mention the incorporation year& place of Headquarters of Axis Bank Ltd.
12. Mention the incorporation year of Dr. Reddy’s Laboratories Ltd. Also, mention the year in which it acquired American Remedies Ltd.
13. What is the meaning of “Arbitrage”?
14. Mention the place of headquarters of GAIL (India) Ltd. Also, mention its former name.
15. What is the meaning of “Depreciation”?
16. Who are the founders of Microsoft Corporation?
17. Mention the incorporation year & year of entry of Nestle in India.

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
B.Com. SECOND SEMESTER DEGREE EXAMINATION AUGUST 2022
COMMERCE
Advanced Financial Accounting

Duration: 2 Hours

Max Marks: 60

SECTION – A

Answer any TWO questions:

(15×2= 30)

1. A fire occurred in the business premises of Rajan on 20th July 2022. The stocks were insured for a sum of Rs.40,000 with a provision of average clause. From the following details, ascertain the amount of fire claim to be lodged with the insurance company.

	Rs.
Stock as on 1.01.2021	31000
Purchases from 1.1.21 to 31.12.2021	122000
Sales from 1.1.21 to 31.12.2021	180000
Stock as on 31.12.2021	27000
Purchases from 1.1.22 to the date of fire	147000
Sales from 1.1.22 to the date of fire	150000
The stock salvaged	18000

2. Snow white Dry Cleaners purchased from Karkera Brothers on 1.1.2018 two machines of Rs. 42,000 each on hire purchase system. The payment was to be made Rs. 24,000 down and the remainder in three equal installments together with interest at 12% per annum. Snow White Dry Cleaners write off depreciation at 10% per annum on written down value method. They could not pay their second installment due on 31.12.2019. Karkera Brothers agreed to leave one machine with the purchaser adjusting the value of the other against amount due valuing the machine at 20% depreciation on diminishing balance method.
 Seller after spending Rs.3,000 on repairs sold away the re possessed machine for Rs.25,000.
 Prepare Machines A/c and Hire Vendor's A/c in the books of the Hire Purchaser and Repossessed Stock A/c in the books of the Hire Vendor.
3. Bengal Coal Company took a lease of a mine from Mr. Yashpal on a royalty of Rs. 5 per ton with a minimum rent of Rs. 1,00,000 in the first year and thereafter an increase of Rs. 10,000 every year till it reaches Rs.1,20,000 when it becomes fixed for all future years. The short workings of every year is recoverable during the subsequent two years. The output was as follows:

Year	In Tons
2001	3000
2002	8000
2003	24000
2004	30000

From the above particulars prepare:

- i) Minimum Rent A/c ii) Royalties A/c & iii) Short workings A/c

4. Mona Agencies opened a branch at Shimoga on 1st January 2021. Goods were invoiced at cost plus 25%. From the following information, prepare Branch Stock A/c, Branch Debtors A/c, Branch Cash A/c, Branch Expenses A/c, Branch Adjustment A/c & Branch P/L A/c under 'Stock and Debtors' system:

	Rs.
Goods sent to branch (at invoice price)	300000
Sales: Cash	100000
Credit	140000
Goods returned by the Branch (at invoice price)	12000
Goods returned by debtors	3000
Cash received from debtors	80000
Discount allowed	1000
Cash sent to branch for the payment of:	
Rent and rates	1500
Salaries	6000
Sundry expenses	<u>1000</u>
	8500
Defective goods written off	1000
Stock on 31 st December 2021(at invoice price)	50000

SECTION – B

Answer any FOUR questions :

(5×4= 20)

5. A fire occurred on 28 February, 2022 in the boutique of Saina Agarwal. From the following figures, ascertain the claim to be lodged:

	Rs.
Stock on 1.01.2022	4,00,000
Purchases from 1.01.2022 to the date of fire	16,00,000
Goods used by the trader for personal use	80,000
Other direct expenses	1,20,000
Sales from 1.01.2022 to the date of fire	12,40,000
Goods distributed as free samples	20,000

The rate of gross profit is 40% on Sales. The stock salvaged was valued at Rs.1,16,000.

6. A fire occurred on 31st July 2022 in the warehouse of Mr. Nirmal Kumar. From the following particulars ascertain the loss suffered by the trader.

Stock on January 1, 2022	Rs. 18,000
Purchases from Jan.1, 2022 to the date of fire	Rs. 1,80,000
Wages	Rs. 21,500
Sales from January 1, 2022 to the date of fire	Rs. 2,50,000

The rate of Gross Profit is 25% on sales. The stock salvaged was Rs. 5,500

7. Vespa Ltd. Purchased a Machinery on 1.4.2022 by hire purchase system costing Rs.2,75,000, Rs.35000 is to be paid on signing the agreement & the balance in three installments of Rs. 80000 each annually together with 10% interest. Calculate the interest payable and Installment price of the Machinery.
8. Karunya purchases a motor-cycle on hire purchase system. The total price of motor cycle payable is Rs.4,000 as down payment and thereafter the installment of Rs.6,000, Rs.5,000 and Rs.2000 payable at the end of first, second and third year respectively. Interest is charged at 5% p.a. Calculate the cash price of the motor-cycle and interest payable in each of the installment.

9. Write Short note on:
a. Minimum Rent b. Short workings
10. Mehta of Bangalore purchased goods for his three departments as follows:
Dept. A 200 Pieces
Dept. B 1400 Pieces Total Cost Rs. 5,100
Dept. C 400 Pieces
Sales of three departments were as follows:
Dept. A 180 Pieces at Rs. 15 per piece
Dept. B 1500 Pieces at Rs. 18 per piece
Dept. C 450 Pieces at Rs. 6 per piece
Stock at the beginning:
Dept. A 100 pieces, Dept. B 400 pieces and Dept. C 60 pieces.
Mehta informs that the rate of gross profit is the same in all departments.
You are required to prepare columnar trading account for the three departments.

SECTION – C

Answer any FIVE questions :

(2×5= 10)

11. What is Salvage? How is it ascertained?
12. Pass journal entry in the books of the Hire Purchaser:
Aravind bought 5 trucks from Bharath Auto Cars Ltd. costing Rs.100000 each on Hire purchase system
13. Pass journal entries for recording the Minimum Rent payable to the Landlord.
14. Who is the Lessee? Give an example.
15. What is Loading? Explain with an example.
16. Pass the adjusting entry for loading when branch accounts are maintained under “Debtors System”:
Opening Stock at Invoice price Rs. 80000 (goods are invoiced to the branch at cost plus 25%).
17. Choose the correct answer from the following:
Which account is prepared for recording all cash transactions relating to the branch?
(a) Branch debtor account (b) Branch cash account

21COMC203

Reg No :

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
B.Com. SECOND SEMESTER DEGREE EXAMINATION AUGUST 2022
COMMERCE
Law and Practice of Banking

Duration:2 Hours

Max Marks:60

SECTION – A

Answer any TWO questions:

(15×2= 30)

- 1) What is meant by Banking? What are the modern functions of commercial banks?
- 2) What is dishonor of cheque? Briefly explain the various reasons for dishonour of cheque.
- 3) Describe the major types of Cheque.
- 4) What is digital wallet? Explain the significance and the types of digital wallets.

SECTION – B

Answer any FOUR questions :

(5×4= 20)

- 5) Describe the changing role of commercial banks.
- 6) Elucidate the responsibilities to be performed by the collecting banker as an agent to his customer.
- 7) Describe the roles and responsibilities of banker while opening 'Joint Account'.
- 8) Explain in detail the account opening and operations of Hindu Undivided Family.
- 9) Outline the essential elements of Bills of Exchange.
- 10) Explain the differences between Small Finance Bank and Payments Bank.

SECTION – C

Answer any FIVE questions :

(2×5= 10)

- 11) What is Overdraft?
- 12) What is Cash credit?
- 13) Define the term 'Paying Banker'.
- 14) What is Partnership Deed?
- 15) What is meant by a Cheque?
- 16) What is Magnetic Ink Recognition?
- 17) What is the Basel Committee on Banking Supervision?

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
B.Com. SECOND SEMESTER DEGREE EXAMINATION AUGUST 2022
COMMERCE
Financial Reporting I

Duration: 2 Hours

Max Marks: 60

SECTION – A

Answer any TWO questions:

(15×2= 30)

1. Speculate owns two properties and uses fair value accounting where possible.
 Property A: An office building used by Speculate for administrative purposes. At 1 April 20X2 it had a carrying amount of \$2 million and a remaining life of 20 years. On 1 October 20X2, the property was let to a third party and reclassified as an investment property. The property had a fair value of \$2.3 million at 1 October 20X2, and \$2.34 million at 31 March 20X3.
 Property B: Another office building let on a 12-month lease to a subsidiary of Speculate. At 1 April 20X2, it had a fair value of \$1.5 million which had risen to \$1.65 million at 31 March 20X3.
 - i) What is the correct treatment when Property A is reclassified as an investment property? (2 marks)
 - Cost model
 - Revaluation model
 - Fair value model
 - ii) Which of the following models can Speculate use to account for investment properties in its individual financial statements? (2 marks)
 - iii) What is the total gain for investment properties to be included in Speculate's individual statement of profit or loss for the year ended 31 March 20X3? Enter your answer to the nearest dollar (\$). (2 marks)
 - iv) What would the carrying amount of Property A be at 31 March 20X3 if Speculate used the cost model for investment properties? (3 marks)
 - v) Celine, a manufacturing entity, purchases a property for \$1 million on 1 January 20X1 for its investment potential. The land element of the cost is believed to be \$400,000, and the buildings element is expected to have a useful life of 50 years. At 31 December 20X1, local property indices suggest that the fair value of the property has risen to \$1.1 million. Show how the property would be presented in the financial statements as at 31 December 20X1 if Celine adopts:
 - a) the cost model b) fair value model (6 marks)
 - a. Take \$350,000 gain to other comprehensive income
 - b. Take \$350,000 gain to the statement of profit or loss
 - c. Take \$400,000 gain to other comprehensive income
 - d. Take \$400,000 gain to the statement of profit or loss
2. During the year ended 31 December 20X8, Linetti Co built an extension to its head office. The costs associated with the construction of the head office extension are as follows:

	\$m
Land acquisition	10.0
Fees for environmental certifications and building permits	0.5
Architect and engineer fees	1.0
Construction material and labour costs (including unused materials)	6.6

At 30 September 20X8, the date when the head office extension became available for use, the cost of unused materials on site amounted to \$0.5m. At that date, the total borrowing costs incurred on a loan which was used to specifically finance the head office extension amounted to \$0.8m. Linetti Co also acquired 100% of a subsidiary, Scully Co, on 1 January 20X8. The carrying amount of the assets of Scully Co in the consolidated financial statements of the Linetti group at 31 December 20X8, immediately before an impairment review, were as follows:

	\$m
Goodwill	1.4
Brand name	2.0
Property, plant and equipment	6.0
Current assets (at recoverable amount)	2.4
	11.8

The recoverable amount of Scully Co was estimated at \$9.6m at 31 December 20X8 and the impairment of the investment in Scully Co was deemed to be \$2.2m.

i) For the year ended 31 December 20X8, how much should be capitalised in respect of the construction of the extension to the head office building? **(3 marks)**

ii) Linetti Co incurred further expenditure on the head office extension after it had been completed. Which of the following would qualify as capital expenditure? **(2 marks)**

- Property insurance premiums incurred
- Installation of new office fixtures and fittings
- Marketing costs telling the public that the head office extension is operational
- Maintenance and relocation of computers and related office equipment

iii) At 31 December 20X9, the directors of Linetti Co decide to adopt the revaluation model of IAS® 16 Property, Plant and Equipment for Linetti Co's property. In accordance with IAS 16, which of the following statements is FALSE? **(2 marks)**

- In subsequent years, the depreciation will be based on the revalued amount of the head office building as opposed to its cost
- Any revaluation gain on the head office building is recognised in other comprehensive income and any revaluation loss is recognised in profit or loss
- Each component part of the head office building is revalued separately
- The residual value and the useful life of the head office building must be reviewed

iv) Assuming Scully Co represents a cash-generating unit, what is the carrying amount of the brand and PPE at 31 December 20X8 following the impairment review? **(6 marks)**

v) Which, if any, of the following statements regarding impairment reviews is/are correct? **(2 marks)**

- At the end of each reporting period, an entity should assess if there is any indication that assets have been impaired
- Annual impairment reviews are required on all intangible assets with indefinite lives

3. The following trial balance relates to Fryatt at 31 May 20X7:

	Dr \$	Cr \$
Revenue		630,000
Cost of sales	324,000	
Distribution costs	19,800	
Administration expenses	15,600	
Loan interest paid	6,800	
Property – cost	240,000	

Property – depreciation at 1 June 20X6		40,000
Plant and equipment – cost	140,000	
Plant and equipment – depreciation at 1 June 20X6		48,600
Trade receivables	51,200	
Inventory – 31 May 20X7	19,600	
Bank	4,300	
Trade payables		35,200
Ordinary shares \$1		25,000
Share premium		7,000
Bank Loan (repayable 31 December 20X9)		20,000
Retained earnings at 1 June 20X6		15,500
	821,300	821,300

The following notes are relevant:

1. Owned plant and equipment is to be depreciated on the reducing balance basis at a rate of 20% per annum. The property cost includes land at a cost of \$60,000. The building is depreciated over 30 years on a straight line basis. All depreciation is charged to cost of sales.

2. On 1 June 20X6 Fryatt commenced using an item of plant and machinery under a lease agreement, with three annual payments of \$29,000. The first payment was made on 31 May 20X7 and has been charged to cost of sales. The present value of the lease payments at 1 June 20X6 was \$72,000. Under the terms of the lease Fryatt has the option to extend the lease indefinitely at a reduced rental at the end of the 3 years. The plant has an estimated useful life of six years, with a negligible value at the end of this period. The rate of interest implicit in the lease is 10%.

3. The directors have estimated the provision for income tax for the year to 31 May 20X7 at \$7,200.

Prepare the statement of profit or loss for Fryatt for the year to 31 May 20X7 and a statement of financial position at that date, in a form suitable for presentation to the shareholders and in accordance with the requirements of IFRS Standards.

4. Sachi Co issued \$2m 6% convertible loan notes on 1 April 20X2. The convertible loan notes are redeemable on 31 March 20X5 at par for cash or can be exchanged for equity shares in Sachi Co on that date. Similar loan notes without the conversion option carry an interest rate of 9%.

The following table provides information about discount rates:

	6%	9%
Year 1	0.943	0.917
Year 2	0.890	0.842
Year 3	0.840	0.772

On 1 April 20X3, Sachi Co purchased 50,000 \$1 equity shares in Speedi Co at \$4 per share, incurring transaction costs of \$4,000. The intention is to hold the shares for trading. By 31 March 20X4 the shares are trading at \$7 per share. In addition to the gain on investment, Sachi Co also received a dividend from Speedi Co during the year to 31 March 20X4.

i) In accordance with IAS 32 Financial Instruments: Presentation, which of the following describes an equity instrument? (2 marks)

- A contractual obligation to deliver cash or another financial asset to another entity
- A contract which is evidence of a residual interest in the assets of an entity after deducting all of its liabilities

- c. A contractual right to exchange financial instruments with another entity under potentially favourable conditions
- d. A contract which gives rise to both a financial asset of one entity and a financial liability of another
- ii) In accordance with IAS 32, how should the issue of the convertible loan notes be recognised in Sachi Co's financial statements? **(2 marks)**
 - a. As debt. Interest should be charged at 6% because it cannot be assumed that loan note holders will choose the equity option
 - b. As equity because the loan notes are convertible to equity shares
 - c. As debt and equity because the convertible loan notes contain elements of both
 - d. As debt. Interest should be charged at 9% to allow for the conversion of the loan notes
- iii) What amount in respect of the convertible loan notes will be shown under non-current liabilities in Sachi Co's statement of financial position as at 1 April 20X2? **(4 marks)**
- iv) In accordance with IFRS 9 Financial Instruments, at what amount will the Speedi Co shares be shown under 'investments in equity instruments' in Sachi Co's statement of financial position as at 31 March 20X4? **(2 marks)**
- v) Where should the gain on the investment in Speedi Co and its dividend be recognised in Sachi Co's financial statements for the year ended 31 March 20X4? **(2 marks)**
 - a. Both in profit or loss
 - b. Gain on investment in other comprehensive income and the dividend in profit or loss
 - c. Gain on investment in profit or loss and the dividend in other comprehensive income
 - d. Both in other comprehensive income
- vi) An entity acquires a 6% \$1,000 bond, a financial asset, for \$970 at the beginning of Year 1. Interest is receivable annually in arrears. The bond is redeemable at the end of Year 3 at a premium of 3%. The financial asset is measured at amortised cost. The effective interest rate of the financial instrument has been calculated at 8.1%. Calculate the closing statement of financial position figure at the end of Year 2. **(3 marks)**

SECTION – B

Answer any **FOUR** questions :

(5×4= 20)

5. a) The Conceptual Framework for Financial Reporting provides definitions of the elements of financial statements. One of the elements defined by the framework is 'expenses'. In no more than 35 words, give the Framework's definition of expenses. **(2.5 marks)**
 b) According to the International Accounting Standards Board's Framework for Financial Reporting, what is the objective of financial reporting? **(2.5 marks)**
6. Smithson Co purchased a new building with a 50-year life for \$10 million on 1 January 20X3. On 30 June 20X5, Smithson Co moved out of the building and rented it out to third parties on a short-term lease. Smithson Co uses the fair value model for investment properties. At 30 June 20X5 the fair value of the property was \$11 million and at 31 December 20X5 it was \$11.5 million. What is the total net amount to be recorded in the statement of profit or loss in respect of the office for the year ended 31 December 20X5?
7. Amco Co carries out research and development. In the year ended 30 June 20X5 Amco Co incurred total costs in relation to project X of \$750,000, spending the same amount each month up to 30 April 20X5, when the project was completed. The product produced by the project went on sale from 31 May 20X5. The project had been confirmed as feasible on 1 January 20X5, and the product produced by the project was expected to have a useful life of five years. What is the carrying amount of the development expenditure asset as at 30 June 20X5?

8. Posh plc has the following units in inventory at the end of 20X9.

	Units	Cost per unit (\$)
Raw materials	5,000	25
Work in progress	2,000	30
Finished goods	1,000	35

Finished items usually sell for \$50 per unit. However, water damage caused by improper storage of inventory will mean that 300 units of finished goods will be sold at 60% of the normal selling price less costs to sell of \$5 per item. A further \$5.50 per unit is still to be incurred to finish off the items of work in progress. In accordance with IAS 2 Inventories, at what amount should inventories be stated in the statement of financial position of Posh plc as at the end of 20X9?

9. Owl leases an asset with an estimated useful life of 6 years for an initial period of 5 years, and an optional secondary period of 2 years during which a nominal rental will be payable. The present value of the initial period lease payments is \$87,000. What will be the carrying amount of the right-of-use asset in Owl's statement of financial position at the end of the second year of the lease?
10. A company issues 4% convertible bonds at their nominal value of \$5 million. Interest is payable annually in arrears. Each \$1,000 bond is convertible at any time up to maturity into 400 ordinary shares. Alternatively the bonds will be redeemed at par after 3 years. The market rate applicable to non-convertible bonds is 6%. The present value of \$1 payable at the end of year, based on rates of 4% and 6% are as follows:

End of year	4%	6%
1	0.96	0.94
2	0.92	0.89
3	0.89	0.84

What amounts will be shown as a financial liability and as equity when the convertible bonds are issued?

SECTION – C

Answer any FIVE questions :

(2×5= 10)

11. The International Accounting Standards Board's Conceptual Framework for Financial Reporting defines a liability as:
- an amount owed to another entity
 - a present obligation of the entity to transfer an economic resource as a result of past events
 - expenditure that has been incurred but not yet charged to the statement of profit or loss
 - an obligation that may arise in the future
12. IAS 16 Property, Plant and Equipment requires an asset to be measured at cost on its original recognition in the financial statements. EW used its own staff, assisted by contractors when required, to construct a new warehouse for its own use. Identify whether the costs listed below should be capitalised or expensed.
- Clearance of the site prior to commencement of construction
 - Professional surveyor fees for managing the construction work

13. The following information relates to three assets held by a company:

	Asset A	Asset B
	\$	\$
Carrying amount	100	50
Value in use	80	60
Fair value less cost to sell	90	65

What is the total impairment loss?

14. Which of the following is a change in accounting policy and which a change in accounting estimate in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors?
- Classifying commission earned as revenue in the statement of profit or loss, having previously classified it as other operating income
 - Revising the remaining useful life of a depreciable asset
15. An entity based in the US purchased goods for Kr200,000 on 28 March 20X3 when the exchange rate was Kr0.65: \$1. The exchange rate at the year ended 30 June 20X3 was Kr0.75:\$1. If the goods were unsold at the year-end, what should be the value of inventory?
16. Cowper plc has spent \$20,000 researching new cleaning chemicals in the year ended 31 December 20X0. They have also spent \$40,000 developing a new cleaning product which will not go into commercial production until next year. The development project meets the criteria laid down in IAS 38 Intangible Assets. How should these costs be treated in the financial statements of Cowper plc for the year ended 31 December 20X0?
- \$60,000 should be capitalised as an intangible asset on the statement of financial position.
 - \$40,000 should be capitalised as an intangible asset and should be amortised; \$20,000 should be written off to the statement of profit or loss.
 - \$40,000 should be capitalised as an intangible asset and should not be amortised; \$20,000 should be written off to the statement of profit or loss.
 - \$60,000 should be written off to the statement of profit or loss
17. At the reporting date an asset is identified as an asset held for sale after meeting the criteria according to IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Where should the asset appear on the statement of financial position?
- Part of the property, plant and equipment under non-current assets
 - It is not shown on the statement of financial position
 - Separately below non-current assets
 - Separately below current assets

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
B.Com SECOND SEMESTER DEGREE EXAMINATION AUGUST 2022
COMMERCE
International Financial Management I

Duration:2 Hours

Max Marks:60

SECTION – A

Answer any TWO questions:

(15×2= 30)

1. PKA Co is a European company that sells goods solely within Europe. The recently-appointed financial manager of PKA Co has been investigating the working capital management of the company and has gathered the following information:

Inventory management

The current policy is to order 100,000 units when the inventory level falls to 35,000 units. Forecast demand to meet production requirements during the next year is 625,000 units. The cost of placing and processing an order is €250, while the cost of holding a unit in stores is €0.50 per unit per year. Both costs are expected to be constant during the next year. Orders are received two weeks after being placed with the supplier. You should assume a 50-week year and that demand is constant throughout the year.

Calculate the cost of the current ordering policy and determine the saving that could be made by using the economic order quantity model.

2. ZSE Co is concerned about exceeding its overdraft limit of \$2 million in the next two periods. It has been experiencing considerable volatility in cash flows in recent periods because of trading difficulties experienced by its customers, who have often settled their accounts after the agreed credit period of 60 days. ZSE has also experienced an increase in bad debts due to a small number of customers going into liquidation.

The company has prepared the following forecasts of net cash flows for the next two periods, together with their associated probabilities, in an attempt to anticipate liquidity and financing problems. These probabilities have been produced by a computer model that simulates a number of possible future economic scenarios. The computer model has been built with the aid of a firm of financial consultants.

Period 1 cash flow	Probability	Period 2 cash flow	Probability
\$000		\$000	
8,000	10%	7,000	30%
4,000	60%	3,000	50%
(2,000)	30%	(9,000)	20%

ZSE Co expects to be overdrawn at the start of period 1 by \$500,000.

a) Calculate the following values:

- i) the expected value of the period 1 closing balance
- ii) the expected value of the period 2 closing balance
- iii) the probability of a negative cash balance at the end of period 2

iv) the probability of exceeding the overdraft limit at the end of period 2.

Discuss whether the above analysis can assist the company in managing its cash flows.

3. i) Explain the differences between NPV and IRR as methods of Discounted Cash Flow analysis. **(5 marks)**

ii) A company with a cost of capital of 14% is trying to determine the optimal replacement cycle for the laptop computers used by its sales team. The following information is relevant to the decision:

The cost of each laptop is \$2,400. Maintenance costs are payable at the end of each full year of ownership, but not in the year of replacement, e.g. if the laptop is owned for two years, then the maintenance cost is payable at the end of year 1.

Interval between replacement (years)	Trade-in value (\$)	Maintenance cost
1	1,200	Zero
2	800	\$75 (payable at end of year 1)
3	300	\$150 (payable at end of Year 2)

Ignoring taxation, calculate the equivalent annual cost of the three different replacement cycles, and recommend which should be adopted.

What other factors should the company take into account when determining the optimal cycle? **(10 marks)**

4. Charm Inc., a software company, has developed a new game, 'Fingo', which it plans to launch in the near future. Sales of the new game are expected to be very strong, following a favourable review by a popular PC magazine. Charm Inc. has been informed that the review will give the game a 'Best Buy' recommendation. Sales volumes, production volumes and selling prices for 'Fingo' over its four-year life are expected to be as follows:

Year	1	2	3	4
Sales and production (units)	150,000	70,000	60,000	60,000
Selling price (\$ per game)	\$25	\$24	\$23	\$22

Financial information on "Fingo" for the first year of production is as follows:

Direct material cost \$5.40 per game

Other variable production cost \$6.00 per game

Fixed costs \$4.00 per game

Advertising costs to stimulate demand are expected to be \$650,000 in the first year of production and \$100,000 in the second year of production. No advertising costs are expected in the third and fourth years of production. Fixed costs represent incremental cash fixed production overheads. 'Fingo' will be produced on a new production machine costing \$800,000. Tax allowable depreciation will be claimed on a reducing balance basis at a rate of 25%. The machine will have a useful life of four years at the end of which no scrap value is expected. Charm Inc. pays tax on profit at a rate of 30% per year and tax liabilities are settled in the year in which they arise.

Charm Inc. uses an after-tax discount rate of 10% when appraising new capital investments. Ignore inflation.

Calculate the net present value of the proposed investment and comment on your findings.

SECTION – B

Answer any **FOUR** questions :

(5×4= 20)

5. Jeeps Co is concerned about its cash position and has taken to delaying payments to some suppliers in order to ease that problem. Each month the purchase ledger department splits the total value of invoices for that month into three categories, A, B and C depending on their importance.

Category A invoices, amounting to \$2,000,000, are urgent and paid after 30 days.

Category B invoices, amounting to \$3,000,000, are less urgent and paid after 60 days; and

Category C invoices, amounting to \$4,000,000, are least urgent and paid after 90 days.

Several suppliers have reacted to this by offering Jeeps Co a 2% cash discount if the accounts are settled within 15 days. Jeeps Co is currently considering whether or not to accept this.

Another supplier, who Jeeps Co now waits 90 days to pay, has been threatening legal action over the \$300,000 currently owed. Jeeps Co feels that some sort of compromise might be needed.

Jeeps Co's cost of capital is 12% per annum.

Assume that there are 30 days in a month and that purchases accrue evenly over the 360-day year.

a) What is Jeeps Co's payables period (to the nearest day)? **(3 marks)**

b) To avoid a court action, Jeeps Co is thinking of offering to repay the creditor it owes \$300,000 in instalments as follows (all figures in \$000)

Now	1 month	2 months	3 months	4 months	5 months
75	45	45	45	45	45

How much will Jeeps Co save, in present value terms, if the creditor accepts the instalment offer instead of Jeeps having to pay in full immediately (to the nearest \$00)? **(2 marks)**

6. Grumpy Co sells stress-relieving toys and, surprisingly perhaps, is happy with the progress it is making financially as it is growing and is profitable. There are issues however about cash flow. An extract from the accounting records for the most recent financial period (a year) is as follows:

	\$
Credit sales	480,000
Cash sales	80,000
Trade receivables	85,000
Other receivables	12,000
Credit purchases	212,000
Cash purchases	21,000
Trade payables	30,000
Other payables including VAT	26,000
Finished goods inventory at start of year	45,000

Finished goods inventory at end of year	52,000
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In one typical cycle of trade (cycle X), goods were ordered on 17/1/15 and delivered 21 days later, the supplier was paid on 25/2/15. The goods remained in inventory for 62 days. At which point these goods were sold on credit terms of 60 days. Grumpy was eventually paid 68 days after the sale was made. Assume there are 365 days in the year.

a) What is the receivables period from the table data? **(3 marks)**

b) What is the payables period from the table data? **(2 marks)**

7. Discuss the reasons why the net present value investment appraisal method is preferred to other investment appraisal methods such as payback, return on capital employed and internal rate of return.

8. Bell Co has decentralized and divisional managers are allowed to make their own investment decisions subject to confirmation by the main company board. Because each of the three divisions (Ding, Dong and Merrily) are subject to different levels of risk, it has been thought appropriate to use different discount rates in each division.

Ding has been told that its real discount rate is 5%. The general rate of inflation, based on an index that uses a very wide range of prices, is 2%. In the industry in which Ding operates, a number of prices are seen to be inflating at 3%.

Dong is assessing a project in which the first of four annual lease payments has been agreed at \$120,000. This is payable in one year's time and subsequent payments will rise by 4% per annum. Dong's proper money cost of capital is 8%.

Merrily is considering investing \$1,000,000 in a project, which will produce the following annual outflows and inflows.

Year	1	2	3
Outflows (\$000)	1,800	2,500	1,500
Inflows (\$000)	2,000	3,000	2,000

The cash flows, which arise at the end of each year, are stated in current year terms. It is expected that outflows will rise by 3% per annum and inflows by 2% per annum. The money cost of capital of the Merrily Division is 9%.

What is the net present value of Merrily's project (to the nearest \$000)?

9. Discuss THREE ways in which a company could reduce the risk associated with foreign accounts receivable.

10. Care Co needs to replace a major piece of office equipment that is in constant use and for which there is expected to continue to be use for the foreseeable future. Two types of machine are available with different capital costs, useful lives, scrap values and annual running costs.

Machine 1 will initially cost \$480,000, have a life of four years, scrap value of \$60,000 and annual running costs of \$72,000.

Machine 2 will initially cost \$540,000, have a life of three years, scrap value of \$120,000 and annual running costs of \$47,000.

Care Co's cost of capital is 10%. Assume all cash flows, except the initial capital cost, occur at the end of the relevant year and assume that taxation and inflation can be ignored. It is now felt that the final scrap value of the machines depends on two factors: whether or not a new supplier enters the market (which would reduce the likely scrap value) and the strength of the dollar against other currencies (since sales of used machines will be made abroad and invoiced in the foreign currency). Adverse effects will each reduce the scrap value by 10% of the figure used in the investment appraisal. The relevant

probabilities are as follows.

New supplier	Probability	Strong \$	Probability
Yes	0.4	Yes	0.3
No	0.6	No	0.7

What is now the expected value of the scrap proceeds from machine 2?

SECTION – C

Answer any FIVE questions :

(2×5= 10)

11. Mention any THREE money market instruments.
12. A variety of corporate governance rules have been introduced in different countries. But, what are the principles, common to all, that they typically include?
13. Under the terms of the UK Corporate Governance Code, which are the type of directors permitted to sit on a company's audit committee?
14. A company has the following pattern of cash flow for a project:

Year	Cash flow (\$)
0	(100,000)
1	40,000
2	20,000
3	30,000
4	5,000
5	40,000

The company uses a discount rate of 10%. In what year does discounted payback occur?

15. Mile Co is looking to change its working capital policy to match the rest of the industry. The following results are expected for the coming year:

	\$000
Revenue	20,500
Cost of sales	(12,800)
Gross profit	7,700

Revenue and cost of sales can be assumed to be spread evenly throughout the year. The working capital ratios of Mile Co, compared with the industry, are as follows:

	Mile Co	Industry
Receivable days	50	42
Inventory days	45	35
Payable days	40	35

Assume there are 365 days in each year. If Mile Co matches its working capital cycle with the industry, what will be the decrease in its net working capital?

16. An investment project has a cost of \$12,000, payable at the start of the first year of operation. The possible future cash flows arising from the investment project have the following present values and associated probabilities:

PV of Year 1 cash flow \$	Probability	PV of Year 2 cash flow \$	Probability
16,000	0.15	20,000	0.75
12,000	0.60	-2,000	0.25
-4,000	0.25		

What is the expected value (EV) of the net present value of the investment project?

17. Swap Co is due to receive goods costing \$2,500. The terms of trade state that payment must be received within three months. However, a discount of 1.5% will be given for payment within one month. What is the annual percentage cost of ignoring the discount and paying within three months?

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
B.Com. SECOND SEMESTER DEGREE EXAMINATION AUGUST 2022
COMMERCE
Indian Taxation

Duration: 2 Hours

Max Marks: 60

SECTION – A

Answer any TWO questions:

(15×2= 30)

1. Following are the particulars of income of Mr. Vishal for the PY. Compute the GTI if he is Resident, Not Ordinarily Resident and Non-resident.

- Salary accrued and received in India Rs. 20,000
- Served for 3 months in the Indian Embassy in the US and salary received there Rs. 30,000
- Profit from business in New York Rs. 25,000
- Dividend declared in Perth but received in India Rs. 30,000
- Dividend received from an Indian company Rs. 35,000
- Income from business in USA, business controlled from London Rs. 3,00,000
- Interest on debentures of a company in France received in India Rs. 98,000
- Profit from business in Delhi, the business is controlled from Nepal, profit received there Rs. 68,000
- Income from business in New York controlled from Delhi Rs. 4,30,000
- Royalty received in Germany from Ms. Pallavi a resident in India for technical services provided for a business carried on in Germany Rs. 70,000
- Interest received from Mr. Liam a non-resident on the loan provided to him for a business carried on in India Rs. 20,000
- Interest received in London from Mr. Neil a non-resident on the loan provided to him for a business carried on in Sri Lanka Rs. 15,000
- Income from business in Mumbai the business being controlled from London Rs. 1,30,000

2. Mr. B, general manager of a private company in Bangalore furnishes the following particulars of income for the year ending.

Net salary (after deduction of Rs. 3,000 employment tax, Rs. 8,000 tax deducted at source) – Rs. 1,22,000

Dearness allowance (30% paid under terms of employment) – Rs. 90,000

D.P. – Rs. 12,000

H.R.A. – Rs. 80,000 (he pays a rent of Rs. 5,000 per month for his house)

Servant allowance – Rs. 15,000 (he has employed a cook to whom he pays Rs. 900 p.m.)

Conveyance allowance – Rs. 600 p.m.

Travelling allowance – Rs. 9,000 (of which Rs. 4,000 is spent on his family tour)

Daily allowance – Rs. 12,000 (90% spent for official purposes)

Education allowance – Rs. 7,200 (3 daughters are studying)

Hostel allowance – Rs. 5,000 (his eldest daughter stays in a hostel for her studies)

Entertainment allowance – Rs. 8,000 (he spent Rs. 5,000 on entertaining his employers' customers)

He is in-charge of the sales also and is allowed a commission of 0.5% on the sales, during

the year he achieved a turnover of Rs.20,00,000

LIC premium Rs. 20,000

PPF deposit Rs. 12,000

Repayment of loan taken for construction of house Rs. 16,000 (principal) and Rs. 6,000 (interest)

Compute the taxable salary and deduction U/S 80C of Mr. B for the PY.

3. Compute taxable income from house property for the AY:

	A Let Out	B Let Out	C Self-Occupied	D Let out for business
Fair rental value	2,00,000	3, 80,000	2,40,000	1, 80,000
Annual municipal value	2,40,000	3,60,000	2, 80,000	1, 86,000
Standard rent	2,24,000	-	2,64,000	-
Annual rent receivable	2,60,000	3, 84,000	-	-
Vacancy period (months)	2	1	-	-
Municipal taxes	10% of AMV	12%	12%	15%
Municipal taxes paid	50%	40%	100%	5%
Ground rent received p.m.	6,000	9,000	-	-
Interest on housing loan	1,44,000	-	-	-

In respect of House C, a loan was borrowed for the repairs of the house property during the PY 2021-22 amounting to Rs. 3,50,000 at 9% p.a. The amount is still outstanding.

In respect of House D, a loan was taken for construction on 1-9-18 amounting to Rs. 2,80,000 at 10% p.a. The construction was completed on 1-4-21. On 1-4-21, the outstanding amount of loan stood at Rs. 2,20,000.

4. A. From the following particulars compute the income from other sources

Family pension Rs.1,20,000

Following interest were received:

- On FD from bank Rs. 8,000
- From POSB Rs. 300
- Interest on deposit with a firm Rs. 600
- Interest from subletting of house taken on rent Rs. 5,000, rent paid Rs. 3,000
- Gift from brother-in-law Rs. 30,000, gift from other persons Rs. 55,000
- He spent Rs. 400 from collecting the rent of the house. **(8 Marks)**

B. Mr. Mahendra is the proprietor of a business. His P&L A/C for the year ended 31-3-2022 is as follows:

	Rs.		Rs.
To General Charges	1,800	By Gross Profit	40,840
To Household Expenses	2,900	By Interest on tax-free GOI	2,000
To Commission	1,750	Bonds	3,000
To Discount and Allowances	730	By Dividend from Foreign Co.	
To Provision for Bad Debts	1,500	By Interest on Karnataka Govt.	2,400
To Postage & Telegram	450	Loan (gross)	3,000
To Law Charges	1,200	By Interest on FD in SBI	
To Advertising	270		
To Provision for depreciation	450		
To Provision for income tax	1,550		
To Net Profit	38,640		
	51,240		51,240

Additional information:

- Actual Bad debts written off during the year amounted to Rs. 550.
- Amount of income tax actually paid during the year is Rs. 4,200.
- Depreciation allowable is Rs. 1,700 as per income tax rules.

Compute the business income for the PY 2021-22. (7 Marks)

SECTION – B

Answer any FOUR questions :

(5×4= 20)

- Describe the different types of assesseees.
- From the following information compute the taxable capital gains:
Cost of Acquisition of residential house in May 2010 - Rs. 30,00,000
Sale consideration on 5-10-2021 – Rs. 45,00,000
Cost of new house purchased for residential purposes by due date of filling the return (including the cost of site Rs. 50,000) – Rs. 5,00,000
Amount deposited as per the scheme by the due date of filing the return - Rs. 1,00,000
(CII for 2010-11:167; 2021-22: 317)
- Mr. A is working in a limited company, the other particulars of his income for the financial year ending are as follows:
Basic Salary Rs. 10,000 p.m.
Dearness allowance – 40% of salary (60% paid under the terms of employment)
City Compensatory allowance – Rs. 300 p.m.
HRA – Rs. 3,800 p.m. (He pays Rs. 3,200 p.m. rent for his house)
Compute his taxable HRA.
- Mr. Aarav has made following donations during the PY:
National children's Fund Rs. 2,00,000
National Blood Transfusion Council Rs. 2,00,000
Kasturba Medical College Rs. 4,00,000
An approved Charitable institution Rs. 2,00,000
Repairs of notified church Rs. 50,000
Help to poor student Rs. 20,000
Books donated to approved college Rs. 30,000
Congress party Rs. 55,000
Municipality for family planning Rs. 80,000
His GTI amounted to Rs. 62,00,000. This included LTCG of Rs. 2,00,000. During the year he paid Rs. 18,000 as medical insurance premium. Compute his total income.
- Mr. Narain was a manager in a private company. He sought premature retirement from his service on 1-11-2021 after completing 25 years of service. His salary for 10 months preceding retirement was Rs. 36,900. He had 7 months leave to his credit on the basis of 30 days per year which was approved and he was paid Rs. 27,300 as leave salary. Compute the amount of encashment exempt from tax for P.Y. 2021-22, if his last drawn salary is Rs. 3,900.

10. The following is the Receipts and Payment A/C of Dr. Usha Joshi a medical practitioner for the year ended 31-03-2022:

Receipts	Rs.	Payments	Rs.
To balance b/d	60,000	By Staff Salary: 2019-20	12,000
To Visiting Fees	25,000	2020-21	3,000
To Consultation Fees	70,000	By Purchase of Surgical	
To Sale of Medicine	65,000	Equipment	95,000
To Operation Theatre Rent	25,000	By Purchase of Medical Books	15,000
To Dividend from Co-operative		By Motor Car Expenses	5,000
Society	35,000	By balance c/d	1,60,000
To Interest on deposits	10,000		
	2,90,000		2,90,000

Additional Information:

- 60% of motor car expenses relate to personal use. Depreciation on motor car allowable under the Income Tax Act was Rs. 6,000 for professional use.
 - The rate of depreciation on surgical equipment's is 15%.
- Compute income from profession for the PY.

SECTION – C

Answer any FIVE questions :

(2×5= 10)

- Define Income as per Income Tax Act of 1961.
- State any two inclusions in Income from Salary.
- Ms. Krithi was appointed as a superintendent in a limited company on 1-7-2016 in the salary grade 3,600-200-4200-300-5,100-400-6,300. Find out her basic salary for the PY if she is a private employee.
- Mr. Sudhakar a non-government employee retired from service when his pension was fixed at Rs. 7,000 p.m. He commuted 2/3rd of his pension and received Rs. 3,60,000 for the same. Compute the exempt amount of the commuted pension if he also received gratuity.
- The GTI of Mr. Khan is Rs. 32,00,000. He paid Rs. 19,000 as medical insurance premium, spent Rs. 6,000 for health checkup. Compute the total income.
- Compute the deductions U/S 80C:
LIC premium on own life Rs.3,000 (Policy amount Rs.20,000)
Invested Rs.12,000 in mutual fund of UTI
Contribution to RPF Rs.314,000 (Employer's contribution Rs.26,000)
PPF Deposit Rs.35,000 (interest accrued Rs.6,000)
- Find out the GAV in the following cases:

Particulars	A	B
Municipal Value	10,000	12,000
Fair Rent	12,000	13,000
Standard Rent	15,000
Monthly Rent	1,500	1,800
Vacancy Period (months)	1	2

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
SECOND SEMESTER B.Com DEGREE EXAMINATION AUGUST 2022
COMMERCE
PROFESSIONAL ACCOUNTING – II

Duration: 2 Hours**Max Marks: 60****SECTION - A****Answer any TWO questions:****(2×15=30)**

1. The following is the trial balance of Mr. Pandit for the year ended 31st March, 2022:

Trial Balance as on 31st March 2022

Particulars	Dr. (Rs.)	Particulars	Cr. (Rs.)
Opening Stock:			
Raw Materials	1,50,000	Sundry Creditors	50,000
Finished goods	75,000	Purchase Returns	5,000
Purchase of Raw Materials	5,00,000	Capital	1,00,000
Land & Building	1,00,000	Bills Payable	24,000
Loose tools	30,000	Long-Term Loan	2,00,000
Plant & Machinery	30,000	Provision for Bad and Doubtful Debts	2,000
Investments	25,000	Sales	8,50,000
Cash in Hand	20,000	Bank Overdraft	23,000
Cash at Bank	5,000		
Furniture & Fixtures	15,000		
Bills Receivable	15,000		
Sundry Debtors	40,000		
Drawings	20,000		
Salaries	20,000		
Coal and Fuel	15,000		
Factory rent & rates	20,000		
General Expenses	4,000		
Advertisement	5,000		
Sales Return	10,000		
Bad Debts	4,000		
Direct Wages (Factory)	80,000		
Power	30,000		
Interest Paid	7,000		
Discount Allowed	3,000		
Carriage Inwards	15,000		
Carriage Outwards	7,000		
Commission Paid	5,000		
Dividend Paid	4,000		
	12,54,000		12,54,000

Additional Information

- Stock of finished goods at the end of the year Rs.1,00,000
- A provision for doubtful debts. at 5% on Sundry Debtors. Depreciation on building Rs.1,000 and Rs.3,000 on Machinery to be provided.
- Accrued commission Rs.12,500. Interest accrued on investment Rs.15,000.
- Salary Outstanding Rs.2,000 and Prepaid Interest Rs.1,500.
- You are required to prepare Manufacturing, Trading and Profit and Loss Account for the year ended 31st March, 2022.

2. A, B and C are partners in a firm sharing profits and losses as 8:5:3. Their balance sheet as at 31st December 2021 was as follows:

Liabilities	Rs.	Assets	Rs.
Sundry creditors	1,50,000	Cash	40,000
General reserve	80,000	Bills receivable	50,000
Partners' loan accounts:		Sundry debtors	60,000
A	40,000	Stock	1,20,000
B	30,000	Fixed assets	2,80,000
Partners' capital accounts:			
A	1,00,000		
B	80,000		
C	70,000		
	5,50,000		5,50,000

From 1st January 2022 they agreed to alter their profit-sharing ratio as 5:6:5. It is also decided that:

- (a) The fixed assets should be valued at Rs.3,31,000;
- (b) A provision of 5% on sundry debtors to be made for doubtful debts;
- (c) The goodwill of the firm on this date be valued at three years' purchase of the average net profits of the last five years before charging insurance premium; and
- (d) The stock to be reduced to Rs.1,12,000.

-> There is a joint life insurance policy for Rs.2,00,000 for which an annual premium of Rs.10,000 is paid, the premium being charged to profit and loss account. The surrender value of the policy on 31st December 2021 was Rs.78,000.

-> The net profits of the firm for the last five years were Rs.14,000, Rs.17,000, Rs.20,000, Rs.22,000 and Rs.27,000.

-> Goodwill and the surrender value of the joint life policy was not to appear in the books.

-> Show calculations of Gain/sacrifice ratios.

Draft journal entries for goodwill and Joint Life Policy adjustments, Prepare Revaluation account, capital accounts of the partners and the revised balance sheet.

3. Rashmi Limited issued at par 1,00,000 Equity shares of Rs.10 each payable Rs.2.50 on application; Rs.3 on allotment; Rs.2 on first call and balance on the final call. All the shares were fully subscribed. Mr. Nair who held 10,000 shares paid full remaining amount on first call itself. The final call which was made after 3 months from first call was fully paid except a shareholder having 1000 shares who paid his due amount after 2 months along with interest

on calls in arrears. Company also paid interest on calls in advance to Mr. Nair. Give journal entries to record these transactions.

4. From the following information supplied by M.B.S. Club, prepare Receipts and Payments account and Income and Expenditure Account for the year ended 31st March 2022.

Particulars	01.04.2021	31.03.2022
Outstanding subscription	1,40,000	2,00,000
Advance subscription	25,000	30,000
Outstanding salaries	15,000	18,000
Cash in Hand and at Bank	1,10,000	?
10% Investment	1,40,000	70,000
Furniture	28,000	14,000
Machinery	10,000	20,000
Sports goods	15,000	25,000

- Subscription for the year amount to Rs.3,00,000/-. Salaries paid Rs.60,000.
- Face value of the Investment was Rs.1,75,000, 50% of the Investment was sold at 80% of Face Value. Interest on investments was received Rs.14,000.
- Furniture was sold for Rs.8000 at the beginning of the year. Machinery and Sports Goods purchased and put to use at the last date of the year.
- Charge depreciation @ 15% p.a. on Machinery and Sports goods and @10% p.a. on Furniture.
- Following Expenses were made during the year:
Sports Expenses: Rs.50,000, Rent: Rs.24,000 out of which Rs.2,000 outstanding, Misc. Expenses: Rs.5,000

SECTION - B

Answer any FOUR questions:

(4×5 = 20)

5. Mr. Pankaj runs a factory which produces motor spares of export quality. The following details were obtained about his manufacturing expenses for the year ended on 31.3.2022.

		Rs.
W.I.P.	- Opening	3,90,000
	- Closing	5,07,000
Raw Materials	- Purchases	12,10,000
	- Opening	3,02,000
	- Closing	3,10,000
	- Returned	18,000
	- Indirect material	16,000
Wages	- direct	2,10,000
	- indirect	48,000
Direct expenses	- Royalty on production	1,30,000
	- Repairs and maintenance	2,30,000
	- Depreciation on factory shed	40,000
	- Depreciation on plant & machinery	60,000
By-product at selling price		20,000

You are required to prepare Manufacturing Account of Mr. Pankaj for the year ended on 31.3.2022.

6. X Company Limited issued 10,000 14% Debentures of the nominal value of Rs.50,00,000 as follows:
- To sundry persons for cash at 90% of nominal value of Rs.25,00,000.
 - To a vendor for purchase of fixed assets worth Rs.10,00,000 – Rs.12,50,000 nominal value.
 - To the banker as collateral security for a loan of Rs.10,00,000 – Rs.12,50,000 nominal value.

Pass necessary Journal Entries.

7. Vasudevan, Sunderarajan and Agrawal are in partnership sharing profit and losses at the ratio of 2:5:3. The Balance Sheet of the partnership as on 31.12.2021 was as follows:

Liabilities	Rs.	Assets	Rs.
Capital A/cs		Sundry fixed assets	5,00,000
Vasudevan	85,000	Inventory	1,00,000
Sunderarajan	3,15,000	Trade receivables	50,000
Agrawal	2,25,000	Bank	5,000
Trade payables	30,000		
	6,55,000		6,55,000

The partnership earned profit Rs.2,00,000 in 2018 and the partners withdrew Rs.1,50,000 during the year. Normal rate of return is 30%.

You are required to calculate the value of goodwill on the basis of 5 years' purchase of super profit. For this purpose, calculate super profit using average capital employed.

8. During 2021, subscription received in cash is Rs.42,000. It includes Rs.1,600 for 2020 and Rs.600 for 2022. Also, Rs.3,000 has still to be received for 2021.
- Calculate the amount to be credited to Income and Expenditure Account in respect of subscription and
 - Show necessary ledger accounts.
9. A, B and C entered into partnership on 01.01.2021 to share profits and losses in the ratio of 5:3:2. 'A' personally guaranteed that C's share of profit after charging interest on capitals at 5% p.a., would not be less than Rs.30,000 in any year. Capitals of A, B and C were Rs. 3,20,000, Rs. 2,00,000 and Rs. 1,60,000 respectively. Profits for the year ending 31.12.2021 before providing for interest on partners' capital was Rs.1,59,000. You are required to prepare the Profit and Loss Appropriation Account.
10. Write a brief on "Small Company". Give definition, share capital & turnover Limits for a company to be classified as Small Company. Give exclusions to this clause.

SECTION – C

Answer any FIVE questions:

(5×2 = 10)

11. Differentiate between Direct Manufacturing Expenses and Indirect Manufacturing expenses.
12. What is the difference between Revaluation account and Memorandum revaluation account?
13. Answer the following MCQs:
 - (i) Scholarship granted to students out of specific funds provided by Government will be debited to;
 - (a) Income and Expenditure Account.
 - (b) Receipts and payments Account.
 - (c) Funds.
 - (d) None of the three.
 - (ii) In case of NPO, excess of total assets over liabilities is known as
 - (a) Profits
 - (b) surplus
 - (c) Capital fund.
 - (d) Accumulated Fund.
14. Distinguish between Calls-in-Arrears and Calls-in-advance.
15. What is joint life policy? What is the objective of taking such a policy?
16. State with reasons whether the following statements are True or False.
 - i) Tournament expenses incurred are more than the Tournament fund, then the excess to be shown as an asset in the closing Balance sheet.
 - ii) Part amount of entrance fees which is to be capitalized shall be disclosed in the income and expenditure account.
17. State with reasons whether the following statements are True or False.
 - i) A company may issue shares at a discount to the public in general.
 - ii) Non-participating preference shareholders enjoy voting rights.

**CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
SECOND SEMESTER B.Com DEGREE EXAMINATION AUGUST 2022
COMMERCE
BUSINESS MATHEMATICS**

Duration: 2 Hours**Max Marks: 60****SECTION - A****I. Answer any TWO questions: (15x2=30)**

1. a) Divide 25 into two parts so that the sum of their reciprocals is $\frac{1}{6}$ (8)
 b) How many 4 digits numbers can be formed using the digits 1,2,3,5,7,8,9, if no digit is repeated in any number? How many of these will be greater than 3000? (4)
 c) There are 8 non-collinear points on a plane. How many triangles can be formed? (3)
2. a) Find the sum to n terms of the series 3+33+333+..... (8)
 b) Find $\frac{dy}{dx}$ if $x = at^3$, $y = \frac{a}{t^3}$ (4)
 c) If $A = \{1,2,3\}$ and $B = \{4,5\}$. Find $A \times B$ (3)
3. a) Y bought a TV costing RS.13,000 by making a down payment of ₹3000 and agreeing to make equal annual payments for four years. How much would be each payment if the interest on unpaid amount be 14% compounded annually? (8)
 b) A box contains 7 red, 6 white and 4 blue balls. How many selections of 3 balls can be made so that: (i) all 3 are red (ii) none is red (iii) one is of each color (7)
4. a) Find the number of ways of selecting 4 letters from the word 'EXAMINATION'. (8)
 b) The ratio of the prices of two houses was 16:23. Two years later when the price of the first has increased by 10% and that of the second by ₹477, the ratio of the prices become 11:20. Find the original prices of the two houses. (7)

SECTION - B**II. Answer any FOUR questions: (5x4=20)**

5. Insert 4 arithmetic means between 4 and 324.
6. Prove that $\frac{\log_3 8}{\log_9 16 \log_4 10} = 3 \log_{10} 2$
7. Solve $3x + 2y + 17 = 0$ and $5x - 6y - 9 = 0$.
8. Solve $x^2 - 5x + 6 = 0$ using formula method.
9. A dietician wishes to mix two types of foods in such a way that vitamin contents of the mixture contain atleast 8 units of vitamin A and 10 units of vitamin C. Food 'I' contains 2 units/kg of vitamin A and 1 unit/kg of vitamin C. Food 'II' contains 1 unit/kg of vitamin A and 2 units/kg of vitamin C. It costs Rs 50 per kg to purchase Food 'I' and Rs 70 per kg to purchase Food 'II'. Formulate this problem as a linear programming problem and write its objective function and constraints.

10. ₹16,000 invested at 10% p.a. compounded semi-annually amounts to ₹18,522. Find the time period of investment.

SECTION - C

III. Answer any FIVE questions:

(2x5=10)

11. What is the duplicate ratio of 3:4?
12. Find the mean proportion between 1.25 and 1.8.
13. Sachin deposited ₹1,00,000 in the bank for 2 years at 6% simple interest. How much interest would he earn?
14. Simplify $2x^{\frac{1}{2}} \cdot 3x^{-1}$, if $x = 4$.
15. Examine the nature of the roots $5x^2 - 4x + 2 = 0$.
16. How many 3 letter words can be formed using the letters of the word HEXAGON?
17. Integrate $\int 3^x dx$.

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
SECOND SEMESTER B.Com DEGREE EXAMINATION AUGUST 2022
COMMERCE
MERCANTILE LAW

Duration: 2 Hours**Max Marks: 60**

SECTION – A

Answer any TWO questions:**(15x2=30)**

1. Explain the essential elements to incorporate a Limited Liability Partnership and the steps involved therein under the LLP Act, 2008.
2. Answer all questions:
 - a. A, B and C jointly borrowed Rs. 50,000/- from Z. The whole amount was repaid by B to Z. Explain in the light of the Indian Contract Act, 1872 whether:
 - i) B can recover the contribution from A and C.
 - ii) Legal representatives of A are liable in case of death of A.
 - iii) B can recover the contribution from the assets, in case C becomes insolvent (8 marks)
 - b. Explain the rights of an unpaid seller against the buyer under the Sale of Goods Act, 1930. (7 marks)
3. Answer all questions:
 - a. Explain the 'doctrine of "ultravires"' under the Companies Act, 2013. (8 marks)
 - b. Explain what is meant by "Supervening Impossibility" according to the Indian Contract Act, 1872 with the help of an example. Also explain the effect of such impossibility. (7 marks)
4. Answer all questions:
 - a. Explain the cases where an agreement, though made without consideration, will be valid and enforceable. (10 marks)
 - b. Mr. Nikhil is one of the four partners in M/s RSS Enterprises. He owes a sum of Rs. 2 crores to his friend Mr. Sumanth which he is unable to repay in due time. He, therefore, plans to sell his share in this firm to Mr. Sumanth as complete settlement of the loan. Based on the Indian Partnership Act, 1932, explain with reasons:
 - i) Can Mr. Nikhil validly transfer his interest in the firm by way of sale?
 - ii) What would be the rights of the transferee (Mr. Sumanth) in case Mr. Nikhil wants to retire from the firm after a period of 6 months from the date of transfer? (5 marks)

SECTION – B

Answer any FOUR questions:**(5x4 =20)**

5. Explain any five circumstances under which contracts need not be performed with the consent of both the parties.
6. State the rules regarding registered office of a Limited Liability Partnership (LLP) and change therein as per the provisions of the Limited Liability Partnership Act, 2008.
7. Define Partnership and state the essential elements for the existence of Partnership as per the Indian Partnership Act, 1932. Explain any two elements.

8. Distinguish between 'Sale' and 'Hire Purchase' under the Sale of Goods Act, 1930.
9. What is meant by 'Capital'? Explain its classification in the domain of Company Law as per prevailing Companies Act.
10. Diya was suffering from a dislocated shoulder pain and was in great pain. She went to Dr. Screwala whose consultation fees was Rs. 3000. The doctor agreed to treat her but on the condition that Diya had to sign a promissory note of Rs. 5000/- payable to doctor. Diya signed the promissory note and gave it to doctor. On recovering from the pain, Diya refused to honour the promissory note. Explain with reasons, whether the doctor can recover amount of promissory note under the provisions of the Indian Contract Act, 1872?

SECTION – C

Answer any FIVE questions:

(5x2 =10)

11. What is a 'Voidable Contract'?
12. Mr. A threatened to shoot Mr. B if Mr. B does not lend him Rs. 50,000/- and Mr. B agreed to it. Decide the validity of the agreement.
13. State any two differences between contingent and wagering contract under the Indian Contract Act, 1872.
14. Classify the transactions according to the types of goods they are:
 - a. A wholesaler of cotton has 100 bales in his warehouse. He agrees to sell 50 bales and these bales were selected and set aside.
 - b. Y agrees to sell the mangoes which will be produced in his garden this year.
15. State two differences between 'Dissolution of Firm' and 'Dissolution of Partnership'.
16. State any two features of a 'One Person Company'.
17. Who is a 'Designated Partner'?

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
B.Com SECOND SEMESTER DEGREE EXAMINATION AUGUST 2022
COMMERCE
Supply Chain Management

Duration:2 Hours**Max Marks:60****SECTION – A****Answer any TWO questions: (15×2= 30)**

1. Elaborate on the classification of BPS along with the advantages and disadvantages.
2. Explain Procurement to Pay Cycle.
3. Explain the impact of Artificial Intelligence in Contract Life Cycle Management.
4. Elaborate on Data Governance and Data Stewardship.

SECTION – B**Answer any FOUR questions : (5×4= 20)**

5. Write a note on the different classes of Limited Company.
6. Explain Strategic Sourcing.
7. Explain Warranty Management and the important components of Warranty Management.
8. What do you mean by
 - a. Reverse logistics
 - b. Green logistics
 - c. Spare Management and
 - d. Return Material Authorisation
9. Write a note on Inventory Management. Explain the reasons for Inventory Management.
10. What are the problems arising from Master Data?

SECTION – C**Answer any FIVE questions : (2×5= 10)**

11. What is E-Logistics?
12. State the benefits of technology intervention in Sourcing.
13. Define Contract Lifecycle Management.
14. What is Order Management?
15. What is a Helpdesk?
16. What is Reorder Point and Safety Stock?
17. What is ITES (Information Technology Enabled Service)?

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
B.Com. SECOND SEMESTER DEGREE EXAMINATION AUGUST 2022
COMMERCE
Business Mathematics

Duration:2 Hours**Max Marks:60**

SECTION – A

Answer any TWO questions:**(15×2= 30)**

1. a) Explain the different types of annuity on the basis of payment period.
b) Find the amount of annuity of Rs. 6000 each, the first being made at the end of 6 years and the last at the end of 10 years, if money is worth 5% p.a
2. Solve the equation $x^2 - 2x + 1 = 0$ by using factorisation and Shridhara Acharaya method and interpret the result.
3. a) Three persons enter in a room. There are five chairs. Find how many ways can they take their seat.
b) A committee of 5 is to be selected from among 6 boys and 5 girls. Determine the number of ways of selecting the committee if it is to consist of atleast 1 boys and 1 girl.
4. a) Explain the properties of rectangle.
b) Find the area of a rectangular garden with length 10 m and breath 15m. What is the length of the wire required to put fence 3 times around it?

SECTION – B

Answer any FOUR questions :**(5×4= 20)**

5. What will be HCF if two terms 6 and 12 and LCM IS 2. Verify the answer.
6. Prove that : $\left(\frac{x^a}{x^b}\right)^{a+b} \left(\frac{x^b}{x^a}\right)^{b+c} \left(\frac{x^c}{x^a}\right)^{c+a} = 1$
7. Find the compound interest on Rs.5000 at 10% p.a. for 2 years when interest is compounded quaterly.
8. 6 men or 10 women can finish a work in 15days. In how many days will 8 men and 4 women will finish the work?
9. Solve the linear equation $9x+2y=10$ and $3x+6y=14$
10. Explain different types of Sets.

SECTION – C

Answer any FIVE questions :

(2×5= 10)

11. What are fractional numbers?
12. Find the sum of first 50 even numbers.
13. Calculate the simple interest on Rs. 5,000 for two years at 10% p.a.
14. Find the ratios and their inverse ratio 8kg and 160gms.
15. What is inverse proportion? Give an example
16. Solve the equation $3x-2=15$
17. Find the slant height of a cone with radius 7cm and height 12cm.

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
B.Com SECOND SEMESTER DEGREE EXAMINATION AUGUST 2022
COMMERCE

Financial Analytics and Control

Duration: 2 Hours

Max Marks: 60

SECTION – A

Answer any TWO questions:

(15×2= 30)

1. Waconia Company has established the following support cost pools and cost drivers for October 20X7:

Cost pool	Budgeted Support Costs	Cost Driver Levels
Purchase orders	\$ 50,000	100 orders
Machine setups	\$120,000	200 setups
Electricity	\$ 30,000	100,000 kilowatt hours

The following information pertains to the actual consumption of activity resources for two representative jobs completed during October:

	Job W1	Job W2
Number of units produced	2,000	4,000
Number of purchase orders	20	30
Number of setups	40	40
Number of kilowatt hours	1,000	2,000

What is the total support cost assigned to Job W1 using Activity-Based Costing?

2. Dremmon Corporation uses a standard cost accounting system. Data for the last fiscal year are as follows.

	Units
Beginning inventory of finished goods	100
Production during the year	700
Sales	750
Ending inventory of finished goods	50
Per Unit	
Product selling price	\$200
Standard variable manufacturing cost	90
Standard fixed manufacturing cost	20*
Budgeted selling and administrative costs (all fixed)	\$45,000
*Denominator level of activity is 750 units for the year	

There were no price, efficiency, or spending variances for the year, and actual selling and administrative expenses equaled the budget amount. Any volume variance is written off to cost of goods sold in the year incurred. There are no work-in-process inventories. Assuming that Dremmon used absorption costing, what is the amount of operating income earned in the last fiscal year?

3. Butteco has the following cost components for 100,000 units of product for the year.

Raw materials	\$200,000
Direct labor	1,00,000
Manufacturing overhead	2,00,000
Selling/administrative expense	1,50,000

All costs are variable except for \$100,000 of manufacturing overhead and \$100,000 of selling and administrative expenses. Find the total costs to produce and sell 110,000 units?

4. Madtack Company's beginning and ending inventories for the month of November are:

	Nov-01	Nov-30
Direct materials	\$ 67,000	\$ 62,000
Work-in-process	1,45,000	171,000
Finished goods	85,000	78,000
Production data for the month of November:		
Direct labor	\$200,000	
Actual factory overhead	132,000	
Direct materials purchased	163,000	
Transportation in	4,000	
Purchase returns and allowances	2,000	

Madtack uses one factory overhead control account and charges factory overhead to production at 70% of direct labor cost. The company does not formally recognize over/underapplied overhead until year-end.

What is the Madtack Company's cost of goods transferred to finished goods inventory for the month of November ?

SECTION – B

Answer any **FOUR** questions :

(5×4= 20)

5. A review of Plunkett Corporation's accounting records for last year disclosed the following selected information.

Variable costs

Direct materials used	\$56,000
Direct labor	1,79,100
Manufacturing overhead	1,54,000
Selling costs	1,08,400

Fixed costs

Manufacturing overhead	2,67,000
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Selling costs 1,21,000

Administrative costs 2,35,900

In addition, the company suffered a \$27,700 uninsured factory fire loss during the year. What were Plunkett's product costs and period costs for last year?

6. Hoeppner Corp. uses process costing to allocate costs. In the Pressing Department, all of the materials are added at the very beginning of the process. After this first addition, no additional materials are added during the process. At the end of January, Hoeppner was presented with the following information:

Beginning work-in-process (60% complete for conversion costs) 2,000

Units started in January 5,000

Transferred out from Pressing during January 6,000

Ending work-in-process, (40% complete for conversion costs) 1,000

Under the FIFO method, what are the equivalent units of production for the month of January?

7. Performance results for four geographic divisions of a manufacturing company are shown below.

Division	Target Return on Investment (%)	Actual Return on Investment (%)	Return on Sales
A	18	18.1	8
B	16	20	8
C	14	15.8	6
D	12	11	9

Briefly justify which is the division with the best performance and why?

8. Kepler Optics makes lenses for telescopes. Because Kepler will only sell lenses of the highest quality, the normal spoilage during a reporting period is 1,000 units. At the beginning of the current reporting period, Kepler had 2,200 units in inventory, and during the period, production was started on 4,000 units. Units in inventory at the end of the current reporting period were 1,500, and the units transferred out were 3,000. During this period, what is the abnormal spoilage for Kepler's lens production?
9. A manufacturing company is in the process of preparing its flexible budget for next month's manufacturing costs. The company estimates costs within a relevant range of 10,000 to 30,000 units per month. During the last two months, electricity costs (a semi-variable cost) were \$39,600 for 18,000 units and \$42,000 for 20,000 units. How much should be budgeted for electricity costs to produce 24,000 units?
10. Wexford Co. has a subunit that reported the following data for year 1:
- Asset (investment) turnover 1.5 times
- Sales \$750,000
- Return on sales 8%
- The imputed interest rate is 12%. What is the division residual income for year 1?

SECTION – C

Answer any FIVE questions :

(2×5= 10)

11. Briefly explain Dual rate pricing in Transfer Pricing Method.
12. What is Blackflush Costing?
13. Explain briefly about variances.
14. What is Cost Drivers? Name two types of Operational Cost Drivers.
15. What is PCAOB?
16. What are the different phases of Effective Benchmarking?
17. What is cloud computing?

CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
B.Com. SECOND SEMESTER DEGREE EXAMINATION AUGUST 2022
COMMERCE
Modern Banking

Duration: 2 Hours**Max Marks:60****SECTION – A****Answer any TWO questions:****(15×2= 30)**

1. Explain the steps involved Money Laundering Process.
2. a. Explain the various types of investment avenues. **(8 marks)**
b. Explain the advantages and disadvantages of Investing in Mutual Funds. **(7 marks)**
3. What is meant by Settlement cycle? Explain the content of settlement cycle.
4. A Letter of Credit (LC) is a document that guarantees the buyer's payment to the sellers. In this context elaborate on the different kinds of letters of credit.

SECTION – B**Answer any FOUR questions :****(5×4= 20)**

5. Elucidate the functions of a Bank.
6. Write a short note on Dormant and Unclaimed Accounts.
7. Explain the features of credit card and associated equipment.
8. Write a short note on Nostro and Vostro Accounts.
9. Explain the risks involved in International Trade.
10. What is a Loan? Explain the different types of Loan.

SECTION – C**Answer any FIVE questions :****(2×5= 10)**

11. What is Campaign Management System?
12. List the circumstances where the bank can refuse payment of the cheques.
13. What is a Exchange Earners' Foreign Currency Account?
14. State any four responsibility of Customer Service Department.
15. What is Phishing?
16. What is the purpose of KYC?
17. What is a Airway Bill?

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CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME
B.Com. SECOND SEMESTER DEGREE EXAMINATION AUGUST 2022
COMMERCE
Corporate Administration

Duration:2 Hours

Max Marks:60

SECTION – A

Answer any TWO questions:

(15×2= 30)

1. Explain the stages in the formation of a Company.
2. Define Auditor. Explain the provisions relating to appointment of an Auditor.
3. Explain the role of Company Secretary in convening the meetings.
4. a) Describe the procedure for winding up of the company. **(10 Marks)**
b) Explain the consequences of winding up order. **(5 Marks)**

SECTION – B

Answer any FOUR questions :

(5×4= 20)

5. Explain the features of a company.
6. Explain the legal formalities of Global Company.
7. Describe the qualifications of a Company Secretary.
8. Write the important matters requiring special resolution.
9. Explain the consequences of winding up of a company.
10. Write a short note on Extra-ordinary General Meeting.

SECTION – C

Answer any FIVE questions :

(2×5= 10)

11. Define Company.
12. Define Promoter.
13. Define Key Managerial Personnel.
14. State the modes of voting.
15. Define the term Winding Up.
16. Define Book Building.
17. Define Whole time director.
