

## CHOICE BASED CREDIT SYSTEM

M.Com. FIRST SEMESTER DEGREE EXAMINATION JANUARY 2025

Accounting Standards and Financial Reporting

Duration: 3 Hours

Max Marks: 70

I. Answer any THREE of the following :

(3×5= 15 Marks)

- 1) Write a note on LASB.
- 2) Why formulation of accounting standards is crucial part in the Accounting Standard setting process?
- 3) Mention the basic disclosures required for reportable segments as per Ind AS 108.
- 4) What are 'Contingent Assets'? Explain with examples.

II. Answer the following question :

(1×10= 10 Marks)

5)

On 1st April, 2021, entity A contracted for the construction of a building for Rs. 22,00,000. The land under the building is regarded as a separate asset and is not part of the qualifying assets. The building was completed at the end of March, 2022, and during the period the following payments were made to the contractor:

| Payment date        | Amount (Rs. '000) |
|---------------------|-------------------|
| 1st April, 2021     | 200               |
| 30th June, 2021     | 600               |
| 31st December, 2021 | 1,200             |
| 31st March, 2022    | 200               |
| Total               | 2,200             |

Entity A's borrowings at its year end of 31st March, 2022 were as follows:

- a. 10%, 4-year note with simple interest payable annually, which relates specifically to the project; debt outstanding on 31st March, 2022 amounted to Rs. 7,00,000. Interest of Rs. 65,000 was incurred on these borrowings during the year, and interest income of Rs. 20,000 was earned on these funds while they were held in anticipation of payments.
- b. 5% 10-year note with simple interest payable annually; debt outstanding at 1st April, 2021 amounted to Rs. 10,00,000 and remained unchanged during the year; and
- c. 10% 10-year note with simple interest payable annually; debt outstanding at 1st April, 2021 amounted to Rs. 15,00,000 and remained unchanged during the year

What amount of the borrowing costs can be capitalized at year end as per relevant Ind AS?

III. Answer any THREE of the following :

(3×15= 45 Marks)

- 6) What are borrowing costs? Explain the methods of accounting for borrowing costs.
- 7) Explain the Accounting Standards issued by ICAI.
- 8) Explain the conceptual framework and process of fair value measurement.
- 9) Differentiate between statement of financial position and statement of profit and loss.

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## CHOICE BASED CREDIT SYSTEM

M.Com. FIRST SEMESTER DEGREE EXAMINATION JANUARY 2025  
Financial Decision Making

Duration: 3 Hours

Max Marks: 70

I. Answer any THREE of the following :

(3×5= 15 Marks)

- 1) 'Financial management is nothing but managerial decision making on asset mix, capital mix and profit allocation'. Explain.
- 2) Write the differences between 'Gross Working Capital' and 'Net Working Capital'.
- 3) From the following details ascertain funds from operations:

| Particulars                                | 2023 (Rs.) | 2024 (Rs.) |
|--|------------|------------|
| Profit and loss account balance at the end | 50,000     | 80,000     |
| General reserve                            | 30,000     | 40,000     |
| Goodwill                                   | 20,000     | 12,000     |
| Preliminary expenses                       | 6,000      | 4,000      |
| Depreciation provision (accumulated)       | 25,000     | 40,000     |
| Income from non trading investment         |            | 20,000     |

Preference share of the face value Rs. 1, 00,000 were redeemed during the year at premium of 10%. The premium on redemption was charged to the Profit and Loss Account.

- 4) The following information is available in respect of the rate of return on investment ( $r$ ), the capitalization rate ( $k_e$ ) and Earnings per share ( $E$ ) of Hypothetical Ltd.  $r = 12\%$  and  $E = \text{Rs } 20$

Determine the value of the shares using Gordon's Model, assuming the following:

|   | D/P ratio (1-b) | Retention ratio (b) | $k_e$ (%) |
|---|-----------------|---------------------|-----------|
| 1 | 10              | 90                  | 20        |
| 2 | 20              | 80                  | 19        |
| 3 | 30              | 70                  | 18        |
| 4 | 40              | 60                  | 17        |
| 5 | 50              | 50                  | 16        |

II. Answer the following question :

(1×10= 10 Marks)

- 5) A company's equity shares are being traded in the market at Rs. 54 per share with a price-earning ratio 9. The company's dividend payout is 72%. It has 1, 00,000 equity shares of Rs. 10 each and no preference shares. Book Value per share is Rs. 42. Calculate a) Earnings per share b) Net income c) Dividend Yield d) Return on equity.

III. Answer any THREE of the following :

(3×15= 45 Marks)

- 6) The Board of Directors of Nanak Engineering Company Private Ltd. requests you to prepare showing the working capital requirements for a level of activity at 1,56,000 units of production. The following information is available for your calculation:

|               |            |
|---------------|------------|
| Raw Material  | 90         |
| Direct Labour | 40         |
| Overhead      | <u>75</u>  |
| Total Cost    | 205        |
| Profit        | <u>60</u>  |
| Selling Price | <u>265</u> |

1. Raw Materials are in stock on an average for 1 month
2. Materials are in process (50% complete) on average for 4 weeks
3. Finished goods are in stock on an average for 1 month
4. Credit allowed by suppliers 1 month
5. Time lag in payment from debtors is 2 months
6. Average lag in payment of wages is 1.5 weeks
7. Average lag in payment of overheads is 1 month
8. 20% of the output is sold against cash
9. Desired cash in hand and bank balance is Rs.80,000.

It is to be assumed that production is carried evenly throughout the year, wages and overhead accrue similarly and a time period of 4 weeks is equivalent to 1 month.

- 7) With the following ratios and other information, prepare Trading A/c, Profit and Loss A/c and Balance Sheet of Prasad Ltd:

|                                     |          |                                   |             |
|-------------------------------------|----------|-----------------------------------|-------------|
| Gross Profit Ratio                  | 25%      | Fixed assets/Shareholders Fund    | 5/4         |
| Net Profit/Sales Ratio              | 20%      | Fixed assets/Total Current Assets | 5/7         |
| Inventory Turnover Ratio            | 10 times | Fixed Assets                      | Rs. 10 Lakh |
| Net profit/Shareholders Fund        | 1/5      | Closing Stock                     | Rs. 1 Lakh  |
| Shareholders Fund/Total Liabilities | 1/2      |                                   |             |

8) Following are the summarized balance sheets of ESS GEE Ltd as on December 31, 2023 and 2024.

| Liabilities           | 2023<br>(Rs) | 2024<br>(Rs) | Assets            | 2023<br>(Rs) | 2024<br>(Rs) |
|-----------------------|--------------|--------------|-------------------|--------------|--------------|
| Share capital         | 1,00,000     | 1,30,000     | Land and building | 1,00,000     | 95,000       |
| General reserve       | 25,000       | 30,000       | Machinery         | 75,000       | 84,500       |
| Profit and loss A/c   | 15,200       | 15,400       | Stock             | 50,000       | 37,000       |
| Bank loan (long-term) | 35,000       | -            | Sundry debtors    | 40,000       | 32,100       |
| Sundry Creditors      | 75,000       | 67,500       | Cash              | 200          | 300          |
| Provision for tax     | 15,000       | 17,500       | Bank              | -            | 4,800        |
|                       |              |              | Goodwill          | -            | 7,500        |
|                       | 2,65,200     | 2,60,400     |                   | 2,65,200     | 2,60,400     |

Additional information:

1. Dividend of Rs 11,500 was paid.
2. Assets of another company were purchased for a consideration of Rs 30,000 payable shares. The following assets were purchased: Stock Rs 10,000; Machinery Rs 12,500.
3. Machinery was further purchased for Rs 4,000.
4. Depreciation written off machinery Rs 6,000.
5. Income tax provided during the year Rs 18,500.
6. Loss on sale of machine Rs 100 was written off to General Reserve.

You are required to prepare a cash flow statement for the year ended 31st December 2024.

9) Critically evaluate the Irrelevance of Dividends and Relevance of Dividend Models.

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**CHOICE BASED CREDIT SYSTEM****M.Com. FIRST SEMESTER DEGREE EXAMINATION JANUARY 2025****P.G. COMMERCE****Supply Chain Management****Duration:3 Hours****Max Marks:70****I. Answer any THREE of the following :****(3×5= 15 Marks)**

1. In a supply chain, each organization hold one week's demand in stock. In other words, each buys enough materials from its suppliers to make its closing stock at the end of the week equal to the during the week. Demand for a product is steady at 100 units a week. One week, demand from final consumers is five units higher than usual. Assuming the deliveries are very fast, how does this affect movements in the supply chain?
2. What is an alternative plan? List out the common methods in generating plan in logistics.
3. What is partial productivity? Explain types of partial production relating to the throughput?
4. Explain the role of Logistics in SCM.

**II. Answer the following question :****(1×10= 10 Marks)**

5. Apple Inc. is widely recognized as a leader in innovation, branding, customer service, and its robust software ecosystem. Whether it's the launch of a new iPhone, iPad, or advancements like Apple Maps, everything Apple does attracts global attention. Notably, Apple's supply chain has been ranked as the best in the world for several years by the IT research firm Gartner, which highlights Apple's exceptional efficiency and responsiveness. Despite facing challenges, including environmental and labor issues at some supplier facilities, Apple continues to excel in managing its supply chain to meet high standards and customer expectations.

**Questions:**

1. Why is Apple's supply chain considered the best in the world? (3)
2. What are some challenges Apple faces in its supply chain? (3)
3. Design a supply chain model. (4)

(3×15= 45 Marks)

**III. Answer any THREE of the following ;**

6. Intermediaries play a key role in logistics by bridging gaps between manufacturers and end customers. Analyze the importance of using intermediaries in logistics by discussing how they contribute to efficiency, cost management, and customer satisfaction.
7. Explain Lean Strategy, Agile Strategy and Alliances and its difference with suitable example.
8. We are often told that packaging is a major problem for waste disposal. Why is there so much packaging, and how can the amount be reduced? Where can these packages be disposed?
9. What is Sourcing? Explain the different types of sourcing with suitable examples.

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## CHOICE BASED CREDIT SYSTEM

M.Com. FIRST SEMESTER DEGREE EXAMINATION JANUARY 2025  
Managerial Economics

Duration: 3 Hours

Max Marks: 70

I. Answer any THREE of the following :

(3×5= 15 Marks)

- 1) Explain 'Diseconomies of Scale'.
- 2) Elaborate 'Law of Demand'.
- 3) Discuss the factors involved in 'Pricing Policy'.
- 4) Explain the importance of 'Statistical Quality Control'.

II Answer the following question :

(1×10= 10 Marks)

5) Perfect competition, monopoly, monopolistic competition and oligopoly are types of market structures considered in economic analysis. Which of these types would you relate to the following markets? Justify your answers with relevant explanation.

- i) Stock market
- ii) Market for bus transport in Mumbai
- iii) Confectionery
- iv) Cigarettes
- v) Market for ice-creams in Delhi

III. Answer any THREE of the following :

(3×15= 45 Marks)

- 6) Explain the necessity of studying Managerial Economics.
- 7) Identify the major influencing factor to the market demand for Ice-cream, Sugar, Ball pen, Designer jeans and Coffee.
- 8) Discuss the importance of advertising in the case of a monopolistically competitive firm.
- 9) Analyze various forecasting techniques with relevant explanations.

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## CHOICE BASED CREDIT SYSTEM

M.Com. FIRST SEMESTER DEGREE EXAMINATION JANUARY 2025

Business Information System

Duration: 3 Hours

Max Marks: 70

**I. Answer any THREE of the following :** (3×5= 15 Marks)

1. What according to you is the impact of unstructured data on backup and recovery?
2. State the advantages and disadvantages of ROLAP.
3. Briefly describe BI Component framework.
4. Are KPIs plotted on a balanced scorecard? Explain.

**II. Answer the following question :** (1×10= 10 Marks)

5. What is slowly changing dimension? Show the comparison chart of handling three types of slowly changing dimensions.

**III. Answer any THREE of the following :** (3×15= 45 Marks)

6. Explain Connected world and Business Analytics.
7. Describe Business Intelligence Framework with an example.
8. Explain the ETL process in detail.
9. Explain various types of analysis with suitable examples in support of your answer.

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