

CHOICE BASED CREDIT SYSTEM

M.Com. FIRST SEMESTER DEGREE EXAMINATION NOVEMBER 2025

Accounting Standards and Financial Reporting

Duration:3 Hours

Max Marks:70

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

1. Mention the contents of financial statements as per Ind AS 10.
2. Write a note on Ind AS 16.
3. Analyse the role of ICAI in setting Accounting Standards in India.
4. Mention which borrowing costs are eligible for capitalisation.

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

5. Hibiscus PLC is in the process of negotiating the acquisition of specialized machinery for the perfumery process. The following activities are accordingly carried out.

(1) A special site has to be prepared for the machinery installation. Hence the old site was dismantled at the cost of Rs.10,000. Scrap recovered from this process was sold for Rs. 800. Cost of construction of the special site is Rs. 60,000.

(2) Negotiations were successful and it was decided that the old machinery which had carrying cost of Rs. 50,000 but was now valued at Rs. 40,000 will be exchanged for new specialized machinery valued at Rs. 200,000. The difference itself will be settled in cash.

(3) It spent Rs.4,000 on freight and Rs. 3,000 on installation.

(4) It spent materials worth Rs. 3,000 and wages of Rs. 1,200 on the trial run.

(5) Machinery was finally installed but owing to low capacity utilization, it incurred loss of Rs. 10,000

(6) Hibiscus incurred costs of Rs. 5,000 for launching the product.

Required: Give your opinion on how to account for above mentioned transactions as per Ind AS 16 and the final cost of the new asset.

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

6. Explain the structure and contents of 'Statement of Financial Position'.
7. Explain the IFRS issued by IASB.
8. Explain the conceptual framework and process of fair value measurement.
9. Explain the financial instruments recognised as per Ind AS 39.

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Financial Decision Making

Duration:3 Hours

Max Marks:70

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

1. Write short notes on 'Interrelationship between Investment, Financing and Dividend decisions'.
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	60,000
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 shares 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 a firm

Capitalization Rate (ke) = 0.10

Earnings per share (E) = Rs.10

Assumed rate of return on investments (r): a) 20% b) 15%

Dividend payout ratio 50%, 75%, and 100%.

Use Walter's Model and find market price of shares.

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

5. Calculate Turnover ratios from the following figures:

Items	Rupees in Lakhs	Items	Rupees in Lakhs
Sales	17,874	Purchases returns	5
Sales return	4	Debtors	10,000

Other income	53	Bills receivable	2,000
Cost of sales	15,440	Creditors	5,000
Administration & selling expenses	1,843	Bills Payable	3,000
Depreciation	63	Opening stock	4,000
Interest Expenses (non-operating)	456	Closing stock	5,000
Purchases	15,000	Fixed asset	5,000

III. Answer any THREE of the following :

(3×15= 45 Marks)

6. X and Y Ltd decides to purchase a business and as consulted you at one point on which you are required to advise them what is the average amount of working capital which will be required in the first year of working.

You are given the following information and are instructed to add 10% to your computed value to allow for contingencies.

Particulars	Amount (Rs)
1. Average amount backed up for stock:	
a) Stock of finished goods	5000
b) Stock of stores and materials	8000
2. Average credit given:	
a) Inland sales - 1.6 weeks credits	312000
b) Export sales - 1.5 week credit	78000
3. Average time lag payment of wages and other outstanding:	
a) Wages - 1.5 weeks	260000
b) Stocks and materials - 1.5 months	48000
c) Rent and royalties - 6 months	10000
d) Clerical staff - 0.5 month	62400
e) Managerial salary - 0.5 month	4800
f) Miscellaneous Expenses - 1.5 months	48000
4. Payment in advance:	
a) Sundry expenses paid quarterly in advance	8000
5. Undrawn profits on an average throughout the year	11000

Set up your calculation for the average amount of working capital requirement.

7. From the following Balance Sheet of Deepika Ltd. Compute:

1. Equity Ratio (Proprietary Ratio)
2. Debt-Equity Ratio
3. Funded debt to Total Capitalization
4. Fixed Assets to Net Worth
5. Solvency Ratio
6. Current Assets to Proprietors Fund Ratio
7. Fixed Assets Ratio

Liabilities	Rs.	Assets	Rs.
Equity share capital	3,00,000	Goodwill	90,000
9% Preference share capital	1,50,000	Land and building	1,00,000
Reserve fund	50,000	Plant and machinery	2,50,000
Profit and loss account	20,000	Equipment	60,000
Share premium	10,000	Furniture and fitting	80,000
8% debentures	2,00,000	Sundry debtors 92000 Less: Provision 2000	90,000
6% mortgage loan	60,000	Bills receivable	1,00,000
Sundry creditors	80,000	Stock in hand	1,20,000
Income tax provision	20,000	Cash balances	45,500
Depreciation fund	50,000	Prepaid insurances	1,500
		Preliminary expenses	2,000
		Discount on issue of debentures	1,000
	9,40,000		9,40,000

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

Liabilities	2023 (Rs)	2024 (Rs)	Assets	2023 (Rs)	2024 (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	-	4,000
			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 16,500.
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.

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

1. What is 'Demand Chain Management'? How does it differ from 'Supply Chain Management'?
2. Define 'Computer-Based Information Systems used in SCM'.
3. What are the major new developments observed in modern 'Supply Chain Management'?
4. Explain 'Enterprise Resource Planning' systems.

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

5. A logistics service provider plans to switch to electric delivery vehicles and optimize routes to lower emissions. However, high setup costs and limited charging infrastructure are major challenges.

Question: Evaluate the benefits and barriers of adopting green logistics in modern supply chains.

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

6. i) How does digitalization and automation contribute to modern supply chain success? (5 Marks)
- ii) Evaluate how strategic partnerships and collaborations contribute to world-class Supply Chain Performance. (10 Marks)
7. i) Differentiate between 'Logistics' and 'Supply Chain Management'. (5 Marks)
- ii) Explain the impact of new technologies such as Artificial Intelligence, IoT, and Blockchain on Supply Chain Operations. (10 Marks)
8. Explain in detail the different infrastructure flows in a supply chain and their importance.
9. Discuss 'Risk Management Strategies' in Global Supply Chain Management.

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CHOICE BASED CREDIT SYSTEM**M.Com. FIRST SEMESTER DEGREE EXAMINATION NOVEMBER 2025****Managerial Economics****Duration:3 Hours****Max Marks:70****I. Answer any THREE of the following : (3×5= 15 Marks)**

1. Explain 'Scarcity of Resources' with relevant examples.
2. Differentiate between 'Law of Demand' and 'Law of Supply'.
3. Discuss 'Long-run' and 'Short run' cost curves.
4. Explain 'Price Leadership'.

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

5. The owner of a small company manufactures a product. Since he started the company, the number of units of the product he has sold is represented by the following time series. Find the trend line that describes the trend by using 3 years moving average. Support your answer with a graph and interpretation.

Year	2002	2003	2004	2005	2006	2007	2008
Units Sold	100	120	95	105	108	102	112

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

6. Explain and illustrate how would you proceed in deciding the business strategy for increasing your company's market share of sales of passenger car in Mumbai, assuming you are the sales manager of Maruti Udyog Pvt. Ltd.
7. Discuss 'Income Elasticity of Demand' with relevant examples and diagram.
8. "Over the years, the market trade in major cities is turning to become Oligopolistic Market Structure".
 - i) Explain 'Oligopoly Market Structure'. (5 Marks)
 - ii) List three examples of oligopolistic market structure in 2025 and highlight some of its features. (10 Marks)
9. i) Discuss the types of 'Demand Forecasting'. (10 Marks)
 - ii) What kind of demand forecasting techniques can be applied if the historical data is used to predict the demand for a commodity in the future? (5 Marks)

