



QP CODE: 24045562



24045562

Reg No :

Name :

M.Com DEGREE (CSS) EXAMINATION, DECEMBER 2024

First Semester

CORE - CM010101 - SPECIALISED ACCOUNTING

M.COM FINANCE AND TAXATION (SF), M.COM FINANCE AND TAXATION, M.COM MARKETING
AND INTERNATIONAL BUSINESS (SF), M.COM MANAGEMENT AND INFORMATION
TECHNOLOGY (SF)

2019 ADMISSION ONWARDS

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Time: 3 Hours

Weightage: 30

Part A (Short Answer Questions)

*Answer any **eight** questions.*

Weight 1 each.

1. The company deals in three products, A, B and C, which are neither similar nor interchangeable. At the time of closing of its account for the year 2018-19, the Historical Cost and Net Realisable Value of the items of closing stock are determined as follows:

Items	Historical Cost (Rs. in lakhs)	Net Realisable Value (Rs. in lakhs)
A	40	28
B	32	32
C	16	24

What will be the value of closing stock as per AS-2?

2. What are exclusions for which AS-26 may not be applicable?
3. What are the different types of goodwill?
4. What is amalgamation adjustment reserve?
5. What do you mean by inter-company owings?
6. Write a short note on the adjustment of Dissenting Shareholders.
7. State any two functions of NBFCs.
8. What are Residuary NBFCs?
9. What is Market Risk associated with Mutual Funds?
10. Explain the term forensic accounting.

(8×1=8 weightage)





Part B (Short Essay/Problems)

Answer any **six** questions.

Weight 2 each.

11. Answer the following : M/s A Ltd. had 8,00,000 Equity Shares outstanding on 1st April, 2013. The Company earned a profit of Rs. 20,00,000/- during the year 2013-14. The average fair value per share during 2013-14 was Rs. 40/-. The Company has given Share Option to its employees of 1,00,000 Equity Shares at option price of Rs. 20. Calculate Basic EPS and Diluted EPS as per AS-20.
12. Ultra Ltd. has provided the following information. Depreciation as per accounting records = Rs.2,00,000/- Depreciation as per tax records = Rs.5,00,000/- Unamortised preliminary expenses as per tax record = Rs.30,000/- There is adequate evidence of future profit sufficiency. How much deferred tax asset/ liability should be recognised as transition adjustment as per AS-22 when the tax rate is 50%?
13. From the following information find out Goodwill (a) as per annuity method, (b) as per 4 years' purchase of super profit, and (c) as per capitalization of super profit method.
Net profits for four years:
I year Rs. 30,000; II year Rs. 40,000 III year Rs. 50,000; IV year Rs. 60,000.
The profit includes non-recurring profits on an average basis of Rs. 3,000.

Average capital Employed	3,00,000
Normal rate of profit	10%
Present value of annuity is	2.5%

14. Explain the methods of accounting for amalgamation as per Ind AS 103.
15. Explain the Net Payment Method of calculating Purchase Consideration.
16. The books of accounts of a NBFC had advances classified as below as on 31st March 2018. Calculate the amount of provision, which must be made against the Advances as per Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

	Rs. in lakhs
Standard assets	19,000
Sub-standard assets	1,550
Secured portions of doubtful debts:	
• upto one year	520
• one year to three years	160
• more than three years	70
Unsecured portions of doubtful debts	125
Loss assets	90





17. From the details given below about investment made by Ishaan, you are required to calculate effective yield per annum with respect to each of the Mutual Fund Schemes up to 31.03.2017.

Mutual Fund	P	Q
Date of Investment	1-12-2016	1-1-2017
Amount of investment (₹)	6,00,000	11,00,000
NAV at the date of investment (₹)	11.50	11.00
Dividend received up to 31-3-2017 (₹)	10,500	17,000
NAY as on 31-3-2017 (₹)

18. Briefly discuss the accounting task which machines can perform with the help of artificial intelligence.

(6×2=12 weightage)

Part C (Essay Type Questions)

Answer any **two** questions.

Weight 5 each.

19. Write an essay on 'Accounting Standard Setting Process' and explain any five Accounting Standards.
20. From the information given below and liabilities and assets of A Ltd. on 31st March, 2013, find the value of its equity shares by 'intrinsic value method' and 'yield method' :
- Company's prospects for 2013-14 are good.
 - Buildings are now worth Rs 3,50,000.
 - Profits for the last 3 years have shown an annual increase of Rs 50,000. The annual transfer to reserves is 25% of net profit.
 - Preferential shares are preferential as to capital and dividend; and
 - Normal rate of return expected is 15 %.

Liabilities	Rs	Assets	Rs	
1,000 8 % preference shares		Building	70,000	
of Rs 100 each fully paid	1,00,000	Furniture	3,000	
4,000 equity shares of Rs 100		Stock (Market value)	4,50,000	
each fully paid	4,00,000	Investments at cost (face value		
Reserves	1,50,000	Rs 4,00,000)	3,35,000	
Surplus A/c :	Rs	Debtors	2,80,000	
Balance on 1-4-2013	70,000	Bank	60,000	
Add: Profit for 2013-14				
(before transfer				
to Reserve)	4,30,000			
		5,00,000		
Creditors	48,000			
		11,98,000		11,98,000

21. Genesis Ltd. agreed to acquire the business of Oasis Ltd. as on 31st December 2018. Following is the ledger balance of Oasis Ltd.



<i>Cr. Balances</i>	<i>₹</i>	<i>Dr. Balances</i>	<i>₹</i>
<i>Shares capital in fully paid shares of ₹ 10 each</i>	<i>3,00,000</i>	<i>Goodwill</i>	<i>50,000</i>
<i>General Reserve</i>	<i>80,000</i>	<i>Land, Buildings and Machinery</i>	<i>3,20,000</i>
<i>Workmen Compensation fund</i>	<i>5,000</i>	<i>Stocks- in-trade</i>	<i>84,000</i>
<i>Profit and Loss Account</i>	<i>55,000</i>	<i>Debtors</i>	<i>18,000</i>
<i>6% Debentures</i>	<i>50,000</i>	<i>Cash and Bank balance</i>	<i>28,000</i>
<i>Creditors</i>	<i>10,000</i>		
	<i>5,00,000</i>		<i>5,00,000</i>

The consideration payable by Genesis Ltd. was agreed as under:

- (i) Cash payment equivalent to ₹ 2.50 for every share of ₹ 10 in Oasis Ltd.
- (ii) Issue of 45,000 ₹ 10 shares fully paid, in Genesis Ltd. having an agreed value of ₹ 15 per share.
- (iii) Issue of such an amount of fully paid 5% Debentures of Genesis Ltd. at 96 percent as is sufficient to discharge the 6% Debentures of Oasis Ltd. at a premium of 20 %.

While arriving at the agreed consideration, the Directors of Genesis Ltd. valued Land, Building and Machinery at ₹ 6,00,000, the stock-in-trade T ₹ 71,000 and the Debtors at their book value subject to an allowance of 5 % to cover doubtful debts.

The cost of liquidation of Oasis Ltd. was ₹ 2,500. On the date of acquisition, Oasis Ltd. had a liability towards a workman for compensation against an injury. The amount was ascertained at ₹ 3,000. The company paid compensation in cash to the worker.

Genesis Ltd. also issued to the public 5,000 shares of ₹10 each at ₹ 15 per share. The shares were fully subscribed and paid for.

You are required to prepare ledger accounts in the books of Oasis Ltd. Also pass opening journal entries in the books of Genesis Ltd. and prepare its Balance Sheet.

22. Briefly explain the concepts of Green Accounting and its Scope and Significance. Also mention its development in a globalised era.

(2×5=10 weightage)