

**UNIVERSITY OF KERALA**  
**SCHOOL OF DISTANCE EDUCATION**

**VI<sup>th</sup> Semester B.Com -2021 Admission**

**Topics for Assignment & Case Analysis**

<p><b>Course Code: CO 1641</b> <b>Title: Auditing</b> <b>Assignment Code: CO. 1641/SDE-A/2024</b> <b>Assignment Coverage: All Modules</b> <b>Maximum Marks: 10</b></p>
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**Attempt all the questions. Give answers to each question in 2 to 3 pages.**

1. Explain the significance and contents of an Audit Programme?
2. Explain the different types of audit?
3. Explain the Powers, Duties and liabilities of a statutory auditor?
4. What is vouching? What are the general considerations for vouching transactions?
5. What is investigation? What are the different types of investigation?

<p><b>Course Code: CO 1641</b> <b>Title: Auditing</b> <b>Case Analysis Code: CO. 1641/SDE –C/2024</b> <b>Case Analysis Coverage: All Modules</b> <b>Maximum Marks: 10</b></p>
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**Attempt both the cases, each in not less than 5 pages.**

1. Company X approached audit firm A to audit its financial statements for the year ended a year ago. Company X informed audit firm A that they have attempted to reach its auditor from audit firm B for the past six months but to no avail and therefore decided to engage audit firm A to audit its financial statements for the year ended a year ago (the last financial year audited by B ended two years ago). Given the above circumstances, audit firm A has performed a search of audit firm B from the Accounting and Corporate Regulatory Authority (ACRA) and found out that audit firm B had been “removed” (dissolved). It was a sole proprietorship and the auditor being the sole proprietor, did not renew its practising license.
  - a. What are the powers of an auditor?
  - b. Explain the procedure for removal of an auditor?
  - c. What are the liabilities of an auditor?
2. You are appointed as an auditor in a corporate in a mid-tier accountancy firm, ABC & Co. The current economic climate is such that the number of deals taking place has fallen significantly and both current work and prospects in the pipeline are low – the M&A market has all but disappeared – you have never known it to be so inactive. As a result of the

economic conditions your firm is currently undertaking a cost review exercise and it is rumoured that the headcount – both staff and salaried partners – will be reduced significantly. For conducting the audit, the auditor has to prepare a detailed audit programme for the work to be performed.

- a. What is audit programme and how it is prepared?
- b. What are the types of audit programmes?
- c. What is meant by cost audit programme?

**Course Code: CO1642**

**Title: APPLIED COSTING**

**Assignment Code: CO. 1642/SDE-A/2024**

**Assignment Coverage: All Modules**

**Maximum Marks: 10**

**Attempt any three topics, each in not less than 5 pages**

1. Discuss the features and significance of job order costing.
2. Explain the term service costing and its applicability in different areas.
3. Explain managerial applications of marginal costing.
4. Describe the procedure for establishing standard costing. How variance analysis is helpful in cost control?
5. Discuss the various methods of apportioning joint costs.

**Course Code: CO1642**

**Title: APPLIED COSTING**

**Case analysis Code: CO. 1642/SDE –C/2024**

**Case analysis Coverage: All Modules**

**Maximum Marks: 10**

**Attempt both the cases, each in not less than 5 pages**

1. Being the cost accountant of a company you are directed to make an assessment of the future profitability of the company. CVP analysis is suggested. How will you make the assessment? Use imaginary figures.
2. Prepare process accounts covering three processes with imaginary figures. Attempt to incorporate adjustments of various types of process losses. Also list out the type of industries where process costing is appropriate.

**Course Code: CO-1643**  
**Title: Management Accounting**  
**Assignment Code: CO-1643/SDE-A/2024**  
**Assignment Coverage: All Modules**  
**Maximum Marks: 10**

**Answer all questions, each in not less than 3 pages.**

1. Accelerating the cash inflows and delaying the cash outflows are key factors for improving and managing the cash flow. Discuss.
2. State the significance of ratio analysis. Explain major accounting ratios.
3. Discuss the method of preparing comparative and common size statements.
4. A fund flow statement helps in allocating the scarce financial resources of most productive requirements. Comment
5. What do you mean by management reporting? What are the essential information included in a good report?

**Course Code: CO-1643**  
**Title: Management Accounting**  
**Case Analysis Code: CO-1643/SDE –C/2024**  
**Case Analysis Coverage: All Modules**  
**Maximum Marks: 10**

**Attempt all the cases each in 2-3 pages**

1. Beta Pharma is an organization engaged in the manufacture and sale of medicines which is a highly competitive industry. The company must maintain an aggressive marketing to survive.

The company has recently appointed a new president to look into the affairs of the company. The management of the Beta Pharma is concerned about the future of the company and has decided to use ratio analysis to identify potential trouble areas so that the performance of the organization could significantly increase in the coming years.

In addition to the balance sheet and the income statement for years ie, 2019 and 2020 the industry averages have also been given.

- 1) Is Beta Pharma a strong firm in the pharmaceutical industry?
- 2) Identify the strengths and weaknesses of the company based on ratio analysis
- 3) Do the changes in the ratios from 2019 to 2020 give evidence that the firm is growing stronger or weaker? Mention the ratios.
- 4) Give suggestions to the company to improve the performance in the coming years.

#### **Industry Averages for Financial Ratios**

<b>Particulars</b>	<b>₹</b>
Current Ratio	1.5
Quick Ratio	1.3
Gross Profit Ratio	23%
Net Profit Ratio	8%
Return on Capital Employed	9%
Return on Share holders' Equity	13.10%
EPS	6%

Debt Equity Ratio	0.96
Interest Coverage Ratio	2.5 times
Total Assets Turnover	0.85 times
Fixed Assets Turnover	2.85 times
Average Collection Period	74 days
Stock Turnover Ratio	4.3 times
Debtors Turnover	5 times

**Balance Sheet as on 30<sup>th</sup> June 2019**

For Year	2019 (₹ in 000)	2019 (₹ in 000)	2018 (₹ in 000)	2018 (₹ in 000)
<b>Sources of Funds</b>				
<b>1. Shareholders' funds</b>				
a) Share Capital	2,64,000		2,50,000	
b) Reserves & Surplus	26,00,780		21,90,000	
		28,65,580		24,40,000
<b>2. Loan Funds</b>				
a) Secured		2,70,000		90,000
b) Unsecured				500
<b>Total</b>		<b>31,36,380</b>		<b>25,30,500</b>
<b>Application of Funds</b>				
<b>1. Fixed Assets</b>				
a) Gross Block	8,10,600		6,60,800	
b) Less Depreciation	2,10,700		1,75,400	
c) Net Block	5,99,900		4,85,400	
d) Capital WIP with Advance	80,000		50,000	
		6,79,900		5,35,400
<b>2. Investment</b>		7,90,500		10,25,000
<b>3. Current Assets &amp; Advances</b>				
a) Current Assets	15,00,800		11,40,790	
b) Loans and Advances	3,16,300		1,34,000	
Less Current liabilities & provisions	18,17,100		12,74,790	
	4,00,000		3,60,000	
Net Current Assets		14,16,500		9,14,790
Miscellaneous Expenditure		2,49,480		63,310
<b>Total</b>		<b>31,36,380</b>		<b>25,38,500</b>

**Profit and Loss account for the year ending 30<sup>th</sup> June 2019**

	2019 (₹ in 000)	2018 (₹ in 000)
<b>Income</b>		
Sale	22,00,000	20,00,000
Other Income	1,47,000	71,450
<b>Total</b>	<b>23,47,000</b>	<b>20,71,450</b>
<b>Expenditure</b>		
Material Consumed	9,24,900	7,90,000
Power and Fuel	44,000	33,000
Repair and Maintenance	66,000	50,000
Salaries and wages	1,25,800	92,000
Administrative and Selling Expenses	5,90,700	6,02,000

Interest		58,000	30,000
Depreciation		38,400	33,600
	<b>Total</b>	18,47,800	16,30,600
Profit for the Year before Tax		4,99,200	4,40,850
Less Provision for Income Tax			10,000
Net Profit for the Year after Tax		4,99,200	4,30,850

2. The Reebok Company manufactures and sells fashion goods. The company has four divisions strategically located near all the major markets. Each division operates in the independent responsibility center and is evaluated at the end of the year as an autonomous profit unit. The management of Reebok is not very happy with the performance of one of its division whose cash budget a presented below. The management believes that the division has not achieved the desired growth and profitability mainly because of its slow collection policy.

Budgeted statement of Cash Receipts and Cash Disbursements for the XYZ Company for the Year ended 30<sup>th</sup> June 2019.

Particulars	Total (₹)	I Quarter (₹)	II Quarter (₹)	III Quarter (₹)	IV Quarter (₹)
Opening Cash Balance	85,000	20,000	15,000	30,000	20,000
Cash Receipts	60,000	15,000	6,000	26,000	13,000
Total Cash Available	1,45,000	35,000	21,000	56,000	33,000
Cash Disbursement					
Inventory	25,000	5,000	6,000	9,000	5,000
Asset Purchase	60,000	30,000	15,000	5,000	10,000
Operating Expense	15,000	5,000	5,000	2,500	2,500
Total Disbursements	1,00,000	40,000	26,000	16,500	17,500
Minimum Cash Balance Required	20,000	5,000	5,000	5,000	5,000
Total Cash Needed	1,20,000	45,000	31,000	21,500	22,500
Excess of Cash Available over Cash Disbursement	25,000	-10,000	-10,000	34,500	10,500

After a tremendous amount of research, it has been found that some areas of concern noticed by management are

- 1) In preparing the budgets, participation from various levels with the organization is missing
- 2) The relevant people for implementing the budgets are not consulted. These are the people who have the ability to control the item that is budgeted, and who will be rewarded according to its accomplishments.
- 3) The budget committee has not reviewed the budget to make sure there are no internal inconsistencies.

In the context of his information, discuss how the Reebok's company budgeting process could be revised to correct the problems.

**Course Code: CO 1651.1**  
**Title: Marketing Management**  
**Assignment Code: CO 1651.1/SDE-A/2024**  
**Assignment Coverage: All Modules**  
**Maximum Marks: 10**

**Answer all the questions:**

1. Discuss various techniques of sales promotion. Differentiate advertising from publicity.
2. State the relevance of market segmentation on customer buying behavior.
3. What is brand equity? List the advantages of branding to consumers and firms.
4. Explain product life cycle.
5. Who is a retailer? Give an account of the different types of retail formats.

**Course Code: CO 1651.1**  
**Title: Marketing Management**  
**Case Analysis Code: CO 1651.1/SDE –C/2024**  
**Case Analysis Coverage: All Modules**  
**Maximum Marks: 10**

**Answer the following case**

1. Justin and Adam are two enterprising youths. They have passed out from IIM, Bangalore. They thought instead of doing a job, they will launch fresh vegetables in Indian markets. Having learnt of the future conventional foods, they decided to venture into cultivation of Broccoli. Broccoli are known to be the best alternative food for vegetarians. For Justin and Adam fund raising was a serious handicap for mass production. However, the first trial batch of Broccoli that they produced was bought by Star Hotel in Bangalore. Further, the hotel placed orders for supply of 20 kgs every day. Now Broccoli industry is run by small entrepreneurs, like Justin and Adam. Another big player M/s Ashtavinayak Broccoli, equipped with cold storage facility was more interested in the export market. Justin and Adam have set their sights high. They aim to sell Broccoli in a very big way all over India. Broccoli has a great market potential and is a perishable food.

***Questions***

- A. Advise Justin and Adam on how to increase the consumer awareness about the new product?
  - B. What is the best distribution channel for Broccoli?
2. Design a marketing mix for the following products. Justify your answer (make assumptions whenever necessary).
- (a) Mobile phone
  - (b) Radio
  - (c) Amazon
  - (d) Instagram/Facebook

## Elective - Finance

**Course Code: CO 1661.1**  
**Title: Income Tax Law and Accounts**  
**Assignment Code: CO 1661.1/SDE-A/2024**  
**Assignment Coverage: All Modules**

### Answer all the questions:

1. Discuss various deductions allowable from Gross Total Income.
2. Discuss the provisions of the Income Tax Act regarding the assessment of companies
3. What are the charitable donations? What are the conditions for allowing deduction in respect of these donations?
4. Explain and illustrate the term “Book Profit” in relation to the assessment of firms.
5. What are the provisions of the Income Tax Act filing of returns

**Course Code: CO 1661.1**  
**Title: Income Tax Law and Accounts**  
**Case Analysis Code: CO 1661.1/SDE –C/2024**  
**Case Analysis Coverage: All Modules**  
**Maximum Marks: 10**

### Answer all the questions:

1. For the current year, Vincent Design Inc., a corporation, reports taxable income Rs.3,00,000 before paying salary to James the shareholder of Vincent Design Inc. James marginal tax rate on ordinary income is 25 per cent and 18 per cent on dividend income. Assume Vincent Design’s tax rate is 39 per cent.
  - (a) How much total income tax will Vincent Design and James pay on the Rs.3,00,000 taxable income for the year if Vincent Design doesn’t pay any salary to James and instead distributes all of its after-tax income to James as a dividend?
  - (b) How much total income tax will Vincent Design and James pay on the Rs.3,00,000 of income if Vincent Design pays James a salary of Rs.1,50,000 and distributes its remaining after-tax earnings to James as a dividend?
  - (c) Compare your answer in part a. with your answer to part b. Explain why these numbers are different.
2. Glass Work Ltd., a manufacturing company, which maintains accounts under mercantile system, has disclosed a net profit of Rs.10.50 lakhs for the year ending 31st March, 2020. You are required to compute the taxable income of the company for the Assessment Year 2020-21, after considering the following information:

- (i) Advertisement expenditure debited to profit and loss account includes the sum of Rs. 55,000 paid in cash to the sister concern of a director, the market value of which is Rs. 42,000.
- (ii) Legal charges debited to profit and loss account include a sum of Rs. 40,000 paid to consultant for framing a scheme of amalgamation duly approved by the Central Government.
- (iii) Repairs of plant and machinery debited to profit and loss account include Rs. 1.50 lakhs towards replacement of worn out parts of machineries.
- (iv) A sum of Rs. 5,000 on account of liability foregone by a creditor has been taken to general reserve.
- (v) Sale proceeds of import entitlements amounting to Rs. 1.5 lakh has been credited to Profit & Loss Account, which the company claims as capital receipt not chargeable to income-tax.
- (vi) Being also engaged in the biotechnology business, the company incurred the following expenditure on in-house research and development as approved by the prescribed authority:
- (a) Research equipments purchased Rs. 2,50,000.
  - (b) Remuneration paid to scientists Rs. 75,000.
- The total amount of Rs. 4, 00,000 is debited to the profit and loss account. Assume Tax Rate 30%.



## Elective - Cooperation

**Course Code: CO 1661.2**  
**Title: Co-operative Accounting**  
**Assignment Code: CO. 1661.2/SDE-A/2024**  
**Assignment Coverage: All Modules**  
**Maximum Marks: 10**

**Attempt any 5 questions, each in 2-3 pages (2 marks each)**

1. Explain the meaning, features and procedure of co-operative accounting.
2. Explain the various types of the books and registers kept by co-operative societies.
3. Discuss the various sources of owned and borrowed funds of co-operative societies.
4. Explain the provisions of the Act relating to state aid to co-operatives.
5. Discuss the powers, duties and responsibilities of co-operative auditors.
6. Explain the features, significance and method of preparation of the balance sheet of a co-operative society and draft the specimen form of the co-operative balance sheet.
7. From the following details prepare the Receipts and disbursement statement of a Milk Marketing Co-operative society for the year ended 31<sup>st</sup> March, 2020.

Receipt:	Rs.	Payments:	Rs.
Share capital (members)	525000	Loan to member	411000
Sales of Branch	425000	Share capital	12560
Loan repayment by members	235000	Sales tax	59000
Sale of Cattle feed	35000	Office rent	3800
Bank withdrawals	123000	Transportation charge	8400
Interest on loan	48500	Electricity charges	8400
Staff security deposit	11300	Contingency expense	12000
Miscellaneous receipt	6300	Postage	325
Member's deposit	4320	Rent of yard	7600
Interest on fixed deposit	4320	Advance payment	11800
Milk supplies account	132500	Stationery	350
Manure sales	4250	Milk supplies account	65800
		Furniture purchased	22500
Opening Balance	38600		

**Course Code: CO 1661.2**  
**Title: Co-operative Accounting**  
**Case Analysis Code: CO. 1661.2/SDE –C/2024**  
**Case Analysis Coverage: All Modules**  
**Maximum Marks: 10**

**Attempt both the cases, each in not less than 5 pages**

1. “Earning of profit is not the basic objective of a cooperative society. But this does not imply that cooperatives are run on no profit or no loss basis. It is the mode of disposal of surplus that imparts a peculiar status to the cooperatives in comparison to other forms of business organization. The cooperatives dispose off their surplus as per the cooperative societies Act, Rules and Bye laws”. Critically analyze the above statements and discuss the relevant rules in the Cooperative Societies Act which deal with the disposal of surplus. Also explain the manner in which surplus is to be distributed.
2. From the information given below prepare final accounts of an Agricultural Credit Society for the year ending 31<sup>st</sup> March 2020.

**Balance Sheet as on 31.3.2019**

<b>Liabilities</b>	<b>Amount</b>	<b>Assets</b>	<b>Amount</b>
Share capital	275500	Cash in hand	9500
Deposits	140000	Cash at Bank	58000
Borrowing from DCB	410000	Loan to members	610000
Reserve Fund Invested	54000	Shares in DCB	55000
Reserve Fund Uninvested	20000	Advance due to	115000
Common Good Fund	6000	Interest accrued	55000
Establishment	10000	Interest on overdues	24500
Advance due by	40000	Reserve fund invested	54000
Interest payable	30000	Miscellaneous income	4000
Reserve for over due interest	24500	Furniture	30000
Reserve for bad debt	10000	Land & Building	50000
Undistributed profit	10000		
Net Profit	35000		
Total	1065000	Total	1065000

**Receipts and Disbursement Account for the year ended 31<sup>st</sup> March 2020**

<b>Receipts</b>	<b>Amount</b>	<b>Payments</b>	<b>Amount</b>
To Share capital	20000	By Share capital	5000
Deposits	60000	Deposits	10000
Borrowings from DCB	600000	Borrowings from DCB	615000
Repayment by members	549000	Loan to members	600000
Advance due by	100000	Advance due by	110000
Advance due to	150000	Advance due to	50000
Miscellaneous income	64500	Interest on over dues	45000
Interest on loan	100000	Furniture	2000
Bank withdrawals	950000	Establishment	80000
Opening cash	9500	Investment in bank	1050000
		Cash in hand (closing)	36000
<b>Total</b>	<b>2603000</b>	<b>Total</b>	<b>2603000</b>

The following adjustments are to be made:

1. Depreciate furniture at 15%.
2. Interest payable on borrowings as on 31/03/2020 is Rs.120,000.
3. Interest overdue during the previous year was realized in the current year.
4. Interest on overdue on 31/03/2020 is Rs.12400

## **Elective – Computer Application**

**Course Code: CO 1661.5**  
**Title: Computerised Accounting**  
**Assignment Code: CO1661.5/SDE-A/2024**  
**Assignment Coverage: All Modules**  
**Maximum Marks: 10**

### **Answer all the questions**

1. Explain the features and benefits of Tally.
2. How do you display a detailed version of report in Tally?
3. What are the main components of ERP?
4. How Trial Balance is prepared and displayed in Tally?
5. What is credit note? State the purpose of preparing Credit Note.

**Course Code: CO 1661.5**  
**Title: Computerised Accounting**  
**Case Analysis Code: CO 1661.5/SDE –C/2024**  
**Case Analysis Coverage: All Modules**  
**Maximum Marks: 10**

### **Answer both the questions, each in not less than 5 pages**

1. Being an accountant in company which is converting its system of accounting from manual method to computerized accounting you explain in detail the steps to be followed. Elucidate the relative merits and demerit of introducing the new system of accounting.
2. Write the procedure to create TDS voucher in Tally. State the method to modify and delete it.