

**UNIVERSITY OF KERALA
SCHOOL OF DISTANCE EDUCATION**

Fifth Semester B.Com Degree Examination, April 2020

FUNDAMENTALS OF INCOME TAX

Time: 3 Hours

Max. Marks: 80

SECTION - A

Answer **all** questions in **one** or **two** sentences each. **Each** carries 1 mark.

1. What is Perquisite?
2. Differentiate between Total Income & Gross Total Income.
3. What is Municipal rent?
4. What do you mean by RPF?
5. Define the term ESOP.
6. What is CBDT?
7. State the importance of Tax.
8. What do you mean by Assessment?
9. Who is a deemed assessee?
10. What do you mean by standard deduction?

(10×1=10 Marks)

SECTION-B

Answer **any eight** questions in **not** exceeding **one** paragraph each. **Each** carries
2 marks)

- 11 What is Assessment Year & Previous Year?
- 12 Who is a 'Person' under Income Tax Act, 1961?
- 13 Write a note on 'Types of Residents' with respect to individuals.
- 14 List any four exempted incomes.
- 15 What is Transferred Balance?
- 16 What is a Perquisite?
- 17 What is Annual Value of a house?
- 18 What do you mean by 'excessive payments'?
19. State and explain the term capital asset.
20. What do you mean by LTCG?
21. What is net annual value?
22. Who is an Assessee?

(8×2=16 Marks)

SECTION-C

Answer any six questions. Each question carries 4 marks.

- 23 What do you mean by Partly Agricultural Income?
- 24 Who are Specified Employees? Give some examples of free or concessional benefits provided by the employer which are included in their salary income.
- 25 Write a note on the rules for identifying Capital receipt and Revenue receipt.

- 26 Smt. Geetha, who was born and brought up in India, went for higher studies to U.K on 1st March, 2017 and came back to India on 1st October, 2018 early in the morning. Find out her residential status for the Assessment Year 2019-20.
- 27 After serving for 33 years and 9 months in B.C Ltd, Mr.X who is covered under the Payment of Gratuity Act retires on 30th November, 2018. The employer pays him a gratuity of Rs.3,00,000. His monthly salary at the time of retirement was Rs.10,000, DA Rs 3000 and HRA Rs.1000. Determine the amount of gratuity exempt under section 10(10) of the Income Tax Act and the taxable gratuity, if any, for the AY 2019-20.
28. Prepare a note on assessment of a minor child.
29. Explain condition for exemption of the rule; tax is payable in the assessment year for the income of the previous year.
30. Explain different heads of Income.

(6×4=24 Marks)

SECTION-D

Answer **any two** questions. **Each** carries **15** marks.

31. Mr. Mathur is a manager of an industrial unit of a company in Delhi. The particulars of his salary are given below.

	Rs.
Basic Salary	15,000 p.m
D.A (under terms of employment)	5,000 p.m
Entertainment allowance	1,000 p.m
Medical allowance	500 p.m
House Rent Allowance	4000 p.m
Rent paid for the house	5000 p.m

Car of 1-2 lt capacity provided by employer for private and official use. Employer meets expenses of car. He and his employer each contribute 15% of salary to R.P.F. Mr. Mathur had taken an interest free loan of Rs.15000 to purchase a refrigerator. Compute income under the head salary for the assessment year 2019-20.

32. Mr. Xavier is the owner of a house at Coimbatore, particulars of which for the year ended 31st March 2019 are as below.

	Rs.
Actual rent received	4500
Municipal valuation	4200
Municipal tax (Total)	630
Municipal tax paid by Mr. Xavier	(420)
Municipal tax paid by the tenant	(210)
Interest on loan for renewing the house	150

Unrealised rent allowed in Assessment Year 2016-17 recovered during the year Rs.2000.

Compute Mr. Xavier's Income from House Property for the Assessment Year 2019-20.

33. How will you determine the residential status of an individual?

(2×15=30 Marks)

UNIVERSITY OF KERALA
SCHOOL OF DISTANCE EDUCATION
Fifth Semester B.Com Degree Examination, April 2020

MODEL QUESTION
COST ACCOUNTING

Time: 3 Hours

Max. Marks: 80

SECTION - A

Answer **all** questions in **one** or **two** sentences each. **Each** carries 1 mark.

1. What is cost unit?
2. What is idle time?
3. Distinguish between a tender and a quotation
4. What is ABC?
5. What is Time Booking?
6. Explain Learning Curve
7. What is FSN Analysis?
8. What is bonus plan?
9. What is a profit centre?
10. What is cost absorption?

(10x1=10 Marks)

SECTION-B

Answer **any eight** questions in **not** exceeding **one** paragraph each. **Each** carries 2 marks)

11. Distinguish between Methods of costing and techniques of costing
12. Write a note on Cost Accounting Standards
13. Write a note on cost sheet.
14. Differentiate between Primary packing and secondary packing
15. Distinguish between Halsey Plan and Rowan Plan
16. How do classify overheads according to element?
17. Distinguish between over absorption and under absorption
18. Explain the features of integrated and non-integrated system of accounting
19. How do reconcile cost and financial accounts
20. Discuss briefly the different methods of pricing issues
21. Distinguish between waste and scrap
22. Annual Consumption=5000; Material cost per unit=Re1; Carrying cost as a percentage of price 5%; Ordering cost Rs.15. Calculate EOQ. (8x2=16 Marks)

SECTION-C

Answer any six questions. Each question carries 4 marks.

23. Discuss the causes of labour turnover
24. Distinguish between financial accounting and cost accounting.

25. Calculate Maximum level, minimum level, reorder level and average stock level from the following:
 Lead time: 2-4 months
 Minimum consumption: 1000 units
 Maximum consumption: 2000 units
 Reorder quantity: 500 Units
26. Calculate the earnings of a worker according to Halsey and Rowan plans.
 Standard rate per hr = Rs. 3 per hr
 Time Taken = 25 hrs
 Time Allowed = 30 hrs
27. Discuss the different methods for absorbing overhead expenditure
28. From the following information find out the Machine Hour Rate for Machine No. 18:
- | | |
|--|-------------|
| Cost of Machine | Rs. 11000 |
| Scrap value | Rs. 680 |
| Repairs for working life | Rs. 1500 |
| Standing expenses for 4 weeks period | Rs. 1600 |
| Effective working life | 10000 hours |
| Power: 6 units per hour @ Rs. 5 paise per unit | |
| Operating hours during 4 week period | 120 hours |
- There are 40 machines in number in the workshop each bearing equal overhead charges.
29. Discuss the different methods of time keeping?
30. Prepare a statement of cost and profit from the following:
- | | |
|---|-----------|
| Opening stock of raw material | Rs. 4500 |
| Raw materials purchased during the period | Rs. 35000 |
| Direct labour paid | Rs. 6000 |
| Factory overheads | Rs. 3500 |
| Direct expenses | Rs. 1000 |
| Office overheads | Rs. 1500 |
| Opening stock of finished goods | Rs. 7500 |
| Closing stock of finished goods | Rs. 8500 |
| Closing stock of raw materials | Rs. 5500 |
| Selling and distribution overheads | Rs. 3500 |
| Sales | Rs. 65000 |
31. From the following data given by the Personnel Department calculate the labour turnover rate by the application of (i) Separation method, (ii) Replacement method and (iii) Flux method
- No. of workers on the Pay Roll:
 At the beginning of the month Jan, 91 900
 At the end of the month 1,100
- During the month 10 workers left, 40 persons were discharged and 150 workers were recruited. Of these, 25 workers were recruited in the vacancies of those leaving, while the rest were engaged for an expansion scheme.

(6x4=24 Marks)

SECTION-D

Answer **any two** questions. **Each** carries **15** marks.

32. What is inventory control? Discuss the methods of inventory control
 33. What is cost Accounting? Discuss the scope and significance of cost accounting
 34. Prepare store ledger using FIFO and weighted average method

Date	Receipts	Date	Issue
April 3, 2019	1000 units@ 12	April 5, 2019	500 units
April 10, 2019	500 units@ 12.5	April 9, 2019	300 units
April 15, 2019	200 units@ 14	April 23, 2019	600 units
April 21, 2019	300 Units@ 14	April 26, 2019	400 units
April 24, 2019	400 Units@ 14.5	April 30, 2019	250 units
April 30, 2019	200 Units@ 15		

35. In a factory there are two service departments and three production departments. In a month the departmental expenses were as follows:

Production Dept.			Service Dept.	
A	B	C	S1	S2
50000	75000	100000	15000	10000

The service depts. costs are allocated to production depts. on a percentage basis as follows:

Service Dept.	Production Dept.			Service Dept.	
	A	B	C	S1	S2
S1	30	40	15	-	15
S2	40	30	20	10	-

Prepare s statement showing the distribution of service dept expenses to the production departments under (i) Repeated distribution method, and (ii) Simultaneous Equation Method

(2x15=30 Marks)

UNIVERSITY OF KERALA
SCHOOL OF DISTANCE EDUCATION
Fifth Semester B.Com Degree Examination, April 2020
MODEL QUESTION
FINANCIAL MARKETS AND SERVICES

Time: 3 Hours

Max. Marks: 80

SECTION - A

Answer **all** questions in **one** or **two** sentences each. **Each** carries 1 mark.

1. What is money market?
2. What is merchant banking?
3. What is EMI?
4. What is leasing?
5. What is resource factoring?
6. Define NIM.
7. What is a financial instrument?
8. What is repo?
9. Define SHCI.
10. What is listing?

(10 x 1=10 Marks)

SECTION-B

Answer **any eight** questions in **not** exceeding **one** paragraph each. **Each** carries 2 marks)

11. Mention the features of venture capital.
12. What is forfeiting?
- 13 Explain hire purchase system
14. Write a note on securitization.
15. What is mutual fund?
16. What do you mean by dematerialization?
17. What are the functions of financial system?
18. Differentiate capital market and money market.
19. What is fee based financial services?
20. What is insurance?
21. List the types of lease.
22. What is credit rating?

(8x2=16 Marks)

SECTION-C

Answer any six questions. Each question carries 4 marks.

23. Briefly explain the functions of underwriters.
24. Discuss the importance of merchant banking.
25. Explain the procedure for granting loans.
26. Distinguish fixed and flexible rate of interest.
27. What are the modern trends in insurance sector?
28. State the advantages of listing of securities.
29. List the objectives of depositories.

30. Write the difference between primary market and secondary market.

31. State the different types of derivatives.

(6 x 4 = 24 Marks)

SECTION-D

Answer **any two** questions. **Each** carries **15** marks.

32. What do you mean by financial services? How financial services are classified?

33. Explain the methodology followed for credit rating of different types of securities.

34. Discuss the different money market instruments.

35. What do you mean by Portfolio management? How select and evaluate portfolios?

(2 x 15 = 30 Marks)

**UNIVERSITY OF KERALA
SCHOOL OF DISTANCE EDUCATION**

Fifth Semester B.Com Degree Examination, April 2020

MODEL QUESTION

WEB DESIGNING AND PRODUCTION FOR BUSINESS

Time: 3 Hours

Max. Marks: 80

SECTION - A

Answer **all** questions in **one** or **two** sentences each. **Each** carries 1 mark.

1. What is HTML?
2. What is a Web Browser?
3. What is URL?
4. What is Domain Name?
5. Explain the term Tag.
6. What is Formatting Tag?
7. What is Thumbnail?
8. Define Navigation Bar
9. What is Web Hosting?
10. What is White Space?

(10 x1=10 Marks)

SECTION-B

Answer **any eight** questions in **not** exceeding **one** paragraph each. **Each** carries
2 marks)

11. Define a Home Page
12. What is Absolute Address?
13. What are the requirements to use internet?
14. Explain the need to have a web site for a business concern
15. Distinguish between static and dynamic sites
16. Explain the use of list tags
17. Distinguish between designing and development
18. What is an HTML editor?
19. What is anchor tag? Explain its uses?
20. List the benefits of sound to an HTML file
21. What is a browser?
22. Distinguish between HTML and HTTP

(8x2 = 16 Marks)

SECTION-C

Answer any six questions. Each question carries 4 marks.

23. What are the uses of internet?
24. Explain the terms Portal, Blog, website
25. What are the advantages and disadvantages of Web?
26. Write the HTML code to create a web page to say GOOD MORNING
27. Explain the contents of Web page address
28. Differentiate Assembly language and Machine language

- 29. Explain the various steps involved in addressing a web site
- 30. Name the Tags considered as basic tags to create an HTML document
- 31. Explain the tags used for formatting text (6x4=24 Marks)

SECTION-D

Answer **any two** questions. **Each** carries **15** marks.

- 32. Explain the various elements of a Web page
- 33. Explain the different types of tags used in HTML program with examples
- 34. Write the HTML codes to create a Website for a textile, which has three major areas for Ladies, Gents and Kids. The home page contains the name and address of the textiles and have three internal links- ladies, Gents and kids. Prepare four HTML pages- one for Home page and one each for different areas
- 35. Write HTML codes used to create three frames, two vertical and one horizontal frame divided into two parts and insert pictures by internal linking

(2x15=30 Marks)

UNIVERSITY OF KERALA
SCHOOL OF DISTANCE EDUCATION
Fifth Semester B.Com Degree Examination, April 2020
MODEL QUESTION
ACCOUNTING FOR SPECIALISED INSTITUTIONS

Time: 3 Hours

Max. Marks: 80

SECTION - A

Answer **all** questions in **one** or **two** sentences each. **Each** carries 1 mark.

36. What is Valuation balance sheet?
37. Write a note on “principles of uberrimae fidei”.
38. What is Clear profit?
39. What is meant by Non-performing assets?
40. What are Non banking assets?
41. What is meant by Commission on re-insurance ceded?
42. What is Reserve for unexpired risk?
43. What is Life assurance fund?
44. What is Money at call and short notice?
45. Write a note on dividend distribution tax. (10x1=10 Marks)

SECTION-B

Answer **any eight** questions in **not** exceeding **one** paragraph each. **Each** carries 2 marks)

46. What are the different steps in the compilation of accounts in the Indian Audit and Accounts department?
47. How do you treat contingent liabilities in bank accounts?
48. Write a note on Bonus in reduction of premium.
49. How do we classify Non-performing Assets?
50. Write a note on Public Accounts Committee.
51. Distinguish between a broker and a jobber.
52. How do you treat replacement of an asset under double account system?
53. Distinguish between double insurance and re-insurance.
54. What are the general principles of government accounting?
55. Write a note Rebate on bills discounted.
56. Write a note on Schedule 9- Schedule of Advances.
57. What are the general principles of government account in India? (8x2=16 Marks)

SECTION-C

Answer any six questions. Each question carries 4 marks.

58. Discuss the guidelines of IRDA regarding the preparation of financial statements of Insurance companies.
59. Distinguish between single account system and double account system.
60. Write a note on the financial statements of local bodies.

61. What are the books of accounts to be maintained by the Brokers as per SEBI guidelines?
62. In respect of the following transactions of Confident bank Ltd. pass necessary journal entries as well as their treatment in the P/L account and balance sheet for the year ended March 31, 2018. The following bills are discounted at 5%.

Discounted on	Amount (Rs.)	Terms (months)
25.12.2018	100000	3
14.9.2018	200000	4
25.11.2018	800000	3
28.11.2018	60000	5

63. The following are the figure extracted from the books of Excel Bank Limited, as on 31-3-2015:

Particulars	Rs.
Interest and Discount Received	37,05,738
Interest paid on Deposits	20,37,452
Issued and Subscribed Capital	10,00,000
Salaries and Allowances	2,00,000
Director's fee and allowances	30,000
Rent and taxes paid	90,000
Postage and telegrams	60,286
Statutory reserve fund	8,00,000
Commission, exchange & brokerage	1,90,000
Rent received	65,000
Profit on sale of investments	2,00,000
Depreciation on Bank's properties	30,000
Stationery expenses	40,000
Other expenses	25,000
Auditor's Fee	5,000

Other Information:

- A customer to whom a sum of Rs. 10 lakhs had been advanced has become insolvent and it is expected that only 50% can be recovered from his estate.
- Also there were other debts, for which a provision of Rs. 1,50,000 was found necessary by the auditors.
- Rebate on bills discounted on 31-3-2014 was Rs. 12,000 and on 31-3-2015 was Rs. 16,000.
- Provide Rs. 6,50,000 for Income tax.
- The directors desire to declare 10% dividends.

Prepare the Profit and Loss Account of Excel Bank Ltd. for the year ended on 31-3-2015.

64. From the following particulars of the Life Insurance Company for the year ended 31.3.2006, you are required to prepare valuation Balance Sheet as on 31.3.2006 and Distribution Statement as on that date:

	Rs. Lakhs
Life insurance fund as on 31-3-2006	3800

Net liability as per valuation	3000
Interim bonus paid	500

30. The following balances are extracted from the books of M/s. Flashlight Electric Company Ltd:

(i) Fixed assets:

Expenditure up to 1.1.2006:

(a) Land and Buildings Rs 10,00,000 ;

(b) Machinery Rs 15, 00,000.

(ii) Additions during the year – Machinery Rs 3, 50,000

(iii) Depreciation Fund:

(a) Machinery Rs 3, 00,000;

(b) Buildings Rs 1, 00,000.

(iv) Authorised Capital Rs 50, 00,000 divided into equity shares of Rs 100 each.

(v) Issued and fully paid-up 20,000 equity shares of Rs 100 each (including 2,500 equity shares issued during the year).

(vi) 7.5% Debentures Rs. 10, 00,000 secured by a charge on Fixed Assets.

(vii) Sundry Creditors Rs. 2,50,000; Reserve Fund Rs. 5,00,000; Reserve Fund Investments at cost Rs. 5,00,000; (Market value Rs. 5,25,000).

(viii) Stock Rs. 3, 02,500; Sundry Debtors Rs. 4, 50,000; Cash at Bank Rs. 2, 00,000; Cash in hand Rs. 50,000.

(ix) Profit and Loss Account (Cr.) Rs 2, 02,500.

You are instructed to prepare:

(a) Capital Account

(b) General Balance Sheet as on the same date under the Double Account System.

31. The Chennai Electricity Company decides to replace one of its old plants with a modern one with a larger capacity. The plant when installed ten years back cost the company Rs. 24,00,000, the components of materials, labour and overheads being in the ratio of 5:3:2.

It is ascertained that the costs of materials and labour have gone up by 40% and 80% respectively. The proportion of overheads to total costs is expected to remain the same as before. The cost of the new plant as per improved design is Rs. 60 lakhs and in addition, materials recovered from the old plant of a value of Rs. 2, 40,000 has been used in the construction of the new plant. Old plant was scrapped and sold for Rs. 7, 50,000.

The accounts of the company are maintained under the double account system. Indicate how much would be capitalized and the amount to be charged to revenue. Show journal entries and prepare ledger accounts.

(6x4=24 Marks)

SECTION-D

Answer **any two** questions. **Each** carries **15** marks.

32. Discuss the final accounts of Life insurance companies with statements using imaginary figures.
33. What is meant by Double account system? Discuss final accounts under double account system with an example.
34. The following balances have been extracted from the books of Bharat Insurance Co. Ltd. for the year ended 31st December 2006:

Amount of Life Assurance Fund at the beginning of the year Rs. 15,70,562; Claims by death Rs. 1,16,980; Claims by maturity Rs. 96,420; Premiums Rs. 2,10,572; Expenses of Management Rs. 29,890; Commission Rs. 36,541; Consideration for annuities granted Rs. 10,620; Interest, Dividends and Rents Rs. 52,461; Income-tax paid on profits Rs. 3,060; Surrenders Rs. 21,768; Annuities Rs. 29,420; Bonus paid in cash Rs. 9,450; Bonus paid in reduction of premium Rs. 3,500; Preliminary Expenses Rs. 600; Claims admitted but not paid at the end of the year Rs. 80,034; Annuities due but not paid Rs. 22,380; Capital — Paid-up Rs. 6,00,000; Government Securities Rs. 16,90,890; Sundry Assets Rs. 5,68,110; Investment Reserve Rs. 60,000.

Prepare the Revenue Account and the Balance Sheet after taking into account the following:

- (a) Claims covered under reinsurance Rs. 10,000.
- (b) Further Claims intimated Rs. 8,000.
- (c) Further bonus utilised in reduction of premium Rs. 1,500.
- (d) Interest Accrued Rs. 15,400.
- (e) Premium Outstanding Rs. 7,400.
35. From the following balances extracted from the books of Tushar Bank Ltd., Akola, prepare the Profit and Loss Account for the year ended 31st March 2015 and the Balance Sheet as on that date.

Particulars	Rs.
Current accounts	1,60,00,000
Savings Accounts	60,00,000
Fixed and time deposits	19,00,000
Acceptances	4,00,000
Unclaimed dividend	60,000
Dividend 2013-2014	1,00,000
Profit and Loss A/c (Credit) on 1-4-2015	4,20,000
Reserve fund	7,00,000
Share Capital: 20,000 shares of Rs. 50 each.	10,00,000
Interest and discount received	15,00,000
Interest paid	4,00,000
Borrowings from other banks	14,00,000
Money at call	6,00,000
Investments (Market value Rs. 62,00,000)	60,00,000
Premises	

(After depreciation upto 31-3-2014 Rs. 2,00,000)	24,00,000
Sundry creditors	60,000
Bills payable 16,00,000 Bills for collection	2,80,000
Salaries	1,60,000
Rent and taxes	40,000
Audit fee	4,000
Printing	10,000
General expenses	6,000
Cash in hand	1,20,000
Cash with R.B.I.	30,00,000
Cash with other banks	26,00,000
Bills discounted and purchased	12,00,000
Loans, overdrafts and cash credits	1,40,00,000

Adjustments:

- 1) Authorised share capital is Rs. 20,00,000 divided into 40,000 shares of Rs. 50 each.
- 2) Rebate on bills discounted amounted to Rs. 10,000.
- 3) Create a provision for taxation Rs. 2,00,000.
- 4) Provision for bad and doubtful debts is required to be made at Rs. 60,000.
- 5) Provide 5% depreciation on the original amount of premises.

(2x15=30 Marks)

UNIVERSITY OF KERALA
SCHOOL OF DISTANCE EDUCATION
Fifth Semester B.Com Degree Examination, April 2020
MODEL QUESTION
COOPERATIVE LEGAL SYSTEM

Time: 3 Hours

Max. Marks: 80

SECTION - A

Answer **all** questions in **one** or **two** sentences each. **Each** carries 1 mark.

1. Who is an Administrator?
2. What are Awards?
3. Which Act was the basis for Cooperative Credit Societies Act of 1904 ?
4. Write a note on 'Tribunal'.
5. Define an Apex Society.
6. What is meant by Decree?
7. Who is a defaulter?
8. Who is an Associate member?
9. Who is a Liquidator?
10. What is Certificate of registration? (10x1=10 Marks)

SECTION-B

Answer **any eight** questions in **not** exceeding **one** paragraph each. **Each** carries 2 marks)

11. What are the objects of cooperative legislations?
12. How can we remove or expel a member?
13. Explain Sec. 4 of the Kerala Cooperative Societies Act.
14. Differentiate between inspection and inquiry
15. Distinguish between appeal and revision.
16. Explain the procedure for Arbitration.
17. What are the documents needed while submitting application for registration of a Cooperative Society?
18. Explain how cancellation of registration of society is made under Sec. 74
19. Explain the procedure of settling dispute by Arbitrator
20. What are the conditions for the transfer of shares as per Sec. 22.
21. How do you distinguish Cooperative Societies Act 1904 and 1912?
22. Discuss any four powers of Cooperative Tribunal. (8x2=16 Marks)

SECTION-C

Answer any six questions. Each question carries 4 marks.

23. Discuss the features of Cooperative Societies Act, 1904
24. What are the powers and functions of the president of a cooperative Society?

25. Explain the procedure for amalgamation of societies as per the provisions of Cooperative Societies Act and Rules.
26. Explain the offences and penalties under Sec. 94 of the Kerala Cooperative Societies Act 1969
27. What are Cooperative Principles?
28. Discuss the powers of a liquidator.
29. State the qualifications required to become Board members.
30. Discuss the circumstances of winding up of a Cooperative Society.
31. Discuss the formalities to be observed for inspection, inquiry and supervision.

(6x4=24 Marks)

SECTION-D

Answer **any two** questions. **Each** carries **15** marks.

32. Discuss on Cooperative Legislations in Kerala.
33. Draft a model bye law of a consumer cooperative society.
34. Discuss the procedure for liquidating a cooperative Society.
35. Discuss the privileges of Cooperative Societies.

(2x15=30 Marks)
