



G 5320

QP CODE: G 5320

Reg No :

Name :

M.Com. DEGREE (C.S.S) EXAMINATION, MAY 2021

First Semester

Faculty of Commerce

Core - CM010101 - SPECIALISED ACCOUNTING

2019 Admission (For Private Candidates)

9FA3BECF

Time: 3 Hours

Weightage: 30

Part A (Short Answer Questions)

Answer any **eight** questions.

Weight **1** each.

1. Write a brief note on "Compliance with Accounting Standard."
2. Define the following terms as per AS-26 i) An intangible asset ii) Amortisation
3. The net profits of a Company, after providing for taxation, for the past five years are Rs. 42,000; Rs. 47,000; Rs. 45,000; Rs. 39,000 and Rs. 47,000. The capital employed in the business is Rs. 4, 00,000 on which a reasonable rate of return of 10% is expected.
Calculate the goodwill under:
(a) Capitalisation of Average Profit Method and
(b) Capitalisation of Super Profit Method.
4. What is external reconstruction?
5. What do you mean by inter-company owings?
6. Write a short note on the adjustment of cross-holdings.
7. What is meant by conducting financial activity as principal business?
8. Write a short note on NBFC-Factors.
9. Write a short not on Annual and Semi Annual Reports of Mutual Funds.
10. What is Green Accounting?

(8×1=8 weightage)

Part B (Short Essay/Problems)

Answer any **six** questions.

Weight **2** each.



11. A Limited is engaged in manufacturing of Chemical Y for which Raw Material X is required. The company provides you following information for the year ended 31st March, 2017.

Raw Material X Rs. per unit

Cost price 380

Unloading Charges 20

Freight Inward 40

Replacement cost 300

Chemical Y

Material consumed 440

Direct Labour 120

Variable Overheads 80

Additional Information:

(i) Total fixed overhead for the year was Rs. 4,00,000 on normal capacity of 20,000 units. (ii) Closing balance of Raw Material X was 1,000 units and Chemical Y was Rs. 2,400 units. You are required to calculate the total value of closing stock of Raw Material X and Chemical Y according to AS 2, when

(a) Net realizable value of Chemical Y is Rs. 800 per unit

(b) Net realizable value of Chemical Y is Rs. 600 per unit

12. Distinguish between "Timing differences" and "Permanent differences" referred to in AS 22 on Accounting for Taxes, giving 2 examples of each.

13. On 31st March, 2014, liabilities and assets of H Ltd. disclosed the following position:

Liabilities	Rs	Assets	Rs
Subscribed Share Capital in Shares of (10 each fully paid)		Goodwill	40,000
	4,00,000	Other Fixed Assets	5,00,000
General Reserve	1,90,000	Current Assets	4,00,000
Surplus Alc	1,20,000		
14% Debentures	1,00,000		
Current Liabilities	1,30,000		
	9,40,000		9,40,000

On the above mentioned date, the tangible fixed assets were independently valued at Rs 3,50,000 and goodwill Rs 50,000. The net profit for three years were 2011-12--Rs 1,03,200; 2012-13--Rs 1,04,000 and 2013-14--Rs 1,03,300 of which 20% was placed to General Reserve, this proportion being considered reasonable in the industry in which the company is engaged and where a fair return on investment may be taken at 18%. Compute the value of company's share by (a) the net assets method and (b) the yield method. Ignore Taxation.