

G 17001274



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Reg. No.....

Name.....

M.Com. DEGREE (C.S.S.) EXAMINATION, MAY 2017

Fourth Semester

Faculty of Commerce

Elective—Finance

SA 04 E03—SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

(2012 Admissions—Regular)

Time : Three Hours

Maximum Weight : 30

Section A

*Answer any five questions.
Each question carries 1 weight.*

1. What is portfolio management ?
2. Distinguish between Investment and gambling.
3. Write notes on "Elliot Wave Theory".
4. What is capital asset pricing model ?
5. What is Hedge ?
6. What do you mean by open-end mutual funds ?
7. Explain the long position of future contract.
8. What is value stock ?

(5 × 1 = 5)

Section B

*Answer any five questions.
Each question carries 2 weight.*

9. Narrate the rational consideration in designing investment portfolio.
10. What is security analysis ? Discuss its importance.
11. Explain the methods of forecasting earnings.
12. What do you mean by Technical analysis ? Explain the features of Dow theory.
13. Discuss the various forms market efficiency.
14. Explain "Markowitz model".
15. Discuss the steps involved in investment process.
16. Explain the procedure involved in designing investment portfolio.

(5 × 2 = 10)

Turn over





G 17001274

Section C

Answer any **three** questions.
Each question carries 5 weight.

17. Explain the role of SEBI in regulating the capital market in India.
18. Narrate "Portfolio theory". Also explain the portfolio risk and return.
19. What do you mean technical analysis? Explain the importance and limitations of technical analysis.
20. What is investment portfolio? Explain the components of investment portfolio.
21. How will you make micro economic fundamental analysis of securities of different industry and company?
22. Write notes on :
 - (a) Portfolio selection.
 - (b) Sharps portfolio selection.
 - (c) Portfolio utility theory.

(3 × 5 = 15)

G 17001272



17001272



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M.Com. DEGREE (C.S.S.) EXAMINATION, MAY 2017

Fourth Semester

Faculty of Commerce

Elective—Finance

IFO4E01—INTERNATIONAL FINANCE

(2012 Admissions—Regular)

Time : Three Hours

Maximum Weight : 30

Section A

*Answer any **five** questions.
Each question carries 1 weight.*

1. What is SDR ?
2. What is International Finance ?
3. Write notes on Smithsonian Agreement.
4. Narrate the meaning of Current Account Deficit.
5. List out the functions of IMF.
6. What do you mean by inflation risk ?
7. Briefly explain Bretton woods conference.
8. Give the features of International Portfolio Investment.

(5 × 1 = 5)

Section B

*Answer any **five** questions.
Each question carries 2 weight.*

9. Discuss the importance of International Finance.
10. Explain the functions of World Bank.
11. Narrate the recent trends in the International Finance.
12. Explain the role of current account and capital account in the Balance of Payment.
13. Discuss the features of International Monetary System.

Turn over



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M.Com. DEGREE (C.S.S.) EXAMINATION, MAY 2017

Fourth Semester

Faculty of Commerce

Elective—Finance

FM 04 E02—FINANCIAL MARKETS AND DERIVATIVES

(2012 Admissions—Regular)

Time : Three Hours

Maximum Weight : 30

Section A

*Answer any five questions.
Each question carries 1 weight*

1. What is Green shoe option ?
2. Write notes on depository system.
3. What do you mean by Arbitrage ?
4. Distinguish between call option and put option.
5. What is insider trading ?
6. Narrate interest rate swaps.
7. What is exchange rate quotation ?
8. Define financial system.

(5 × 1 = 5)

Section B

*Answer any five questions.
Each question carries 2 weight.*

9. Discuss the term "Swapping through Intermediaries".
10. Explain the trading mechanism for commodity futures.
11. Narrate the role of Banks in Currency forward.
12. Define "Future". Also discuss the features of a future contract.
13. What do you mean by SWAPS ? Bring out its advantages.
14. Discuss the stages of evolution of Indian Capital Market.
15. Explain the components of a Financial System.
16. What is Capital Market ? How does it differ from money market ?

(5 × 2 = 10)

Turn over





G 17001273

Section C

Answer any **three** questions.
Each question carries 5 weight.

17. Define "Option". Discuss the techniques of calculation of option price.
18. Explain the different types of derivative contracts permitted by SEBI also explain the measure of control exercised by SEBI in regulating derivative markets.
19. What do you mean by Primary market ? Explain its functions and also narrate the methods adopted for new issue market.
20. Discuss the functions of Financial system .Also explain the importance of a good financial system for the economic development of a nation.
21. Narrate the merits and demerits of a forward contract.
22. What is commodity exchange ? Explain the functions of important commodity exchanges in India

(3 × 5 = 15)



G 17001534



17001534

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M.Com. DEGREE (C.S.S.) EXAMINATION, MAY 2017

Fourth Semester

Faculty of Commerce

Elective—Finance

DT 04C 17—DIRECT TAXES—ASSESSMENT AND PROCEDURES

(2012 Admissions—Regular)

[Common For all Electives]

Time : Three Hours

Maximum Weight : 30

Section A

Answer any five questions.

Weight 1 each.

1. What is 'book profit' is the assessment of a firm ? How is it calculated.
2. What are the consequences of Best Judgement Assessment ?
3. Explain the determination of Tax rates applicable to AOP, where the shares of partners are determinate and indeterminate.
4. Distinguish between TDS and TCS.
5. Define an Indian Company.
6. What is 'PAYE' scheme ?
7. The total income of a company computed as per provisions of Income tax act for the previous year is Rs. 3,49,800. The book profit for the same year is Rs. 17,16,500. Calculate the tax payable by the company.
8. What are the qualifications of a judicial member of the Appellate Tribunal ?

(5 × 1 = 5)

Section B

Answer any five questions.

Weight 2 each.

9. Briefly explain the transactions where PAN has to be quoted.
10. A, B, and C are equal partners of AOP. During the PY, the income of AOP is Rs. 2,60,000 and the income of A, B and C is Rs. 15,000, Rs. 30,000 and Rs. 45,000 respectively. Compute the liability of AOP and A, B and C for the AY 2015–16. Would it make any difference if the total income of AOP is Rs. 45,000.

Turn over



G 17001534

11. What are the advantages of tax planning ? How does it differ from Tax Evasion ?
12. State the provisions relating to appeal to the Supreme court.
13. Syam, Sunder and Sangeeth are partners of a firm with equal shares. The profit and loss account of the year ended 31.03.2015 shows a net profit of Rs. 99,750 after debiting the following as per deed :
- (1) Salaries of Rs. 20,000 and Rs. 15,000 to Syam and Sunder respectively.
 - (2) Bonus to Sangeeth Rs. 15,000.
 - (3) Rs. 5,000 for interest on capital to 'Syam' calculated @ 20%.
 - (4) Rs. 10,000 for rent of the business premises paid to 'Sunder'.
 - (5) Commission of Rs. 5,000 to Sangeeth. Compute Book Profit and the total income of the firm for the A.Y. 2015-16 assuming that it is a professional firm and all are working partners.
14. When does the claim for refund arise and what is the procedure relating to application for refund ?
15. Mrs. Joy has the following assets and liabilities on the valuation date 31.03.2015 :

		Rs. in lakhs
(1) Cash in hand	:	11.0
(2) Jewellery	:	24.0
(3) Residential house	:	60.0
(4) Car for personal use	:	16.0
(5) A farm house-15kms away from local limit of Delhi	}	:
	:	30.0
(6) Aircraft for personal use	:	180.0
(7) Loan taken to purchase the aircraft	:	80.0
(8) Urban land construction not permitted	}	:
compute the net wealth of Mrs. Joy	}	5.00

16. What is meant by the term 'assets' under the wealth-tax act ?

(5 × 2 = 10)





G 17001534

Section C*Answer any **three** questions.**Weight 5 each.*

17. Explain the provisions of the wealth-tax act which allows clubbing of net wealth belonging to others in the wealth of the assessee.
18. Sabari company limited is a widely-held domestic company. The following are the particulars of its income in respect of the previous year 2014-15 :

	Rs.
(a) Income from business	1,10,00,000
(b) Interest on Government securities	20,000
(c) Short-term capital gains	30,000
(d) Long-term capital gains	66,000
(e) Dividend from a domestic company (gross)	20,000
(f) Dividend from a foreign company	20,000
(g) Book profit u/s 115 JB	80,00,000

During the previous year the company donated Rs. 50,000 to National defense fund by cheque. Compute company's total income and tax payable for the assessment year 2015-16.

19. Explain the various circumstances loading to penalty for an assessee ?
20. The profit and Loss Account of M/s XY. Gloss works for the year ending on 31st March, 2015 is :

	Rs.		Rs.
Stock	1,30,000	Sales	4,50,000
Purchases	1,50,000	Stock	25,000
Penalties and fines	59,000	Rent from	12,000
Office Expenses	6,000	House Property	
Selling Expenses	8,000		
Interest to partners	6,000		
Net profit	1,28,000		
	<u>4,87,000</u>		<u>4,87,000</u>

Turn over



G 17001534

- (i) Interest of Rs. 6,000 @ 8 % has been paid to 'X' on capital.
- (ii) Penalties and fines have been levied because of illegal sale and purchase of glass.
- (iii) Remuneration payable to partners : X Rs. 2,00,000 and Y Rs. 1,00,000 has not been debited to Profit and Loss Account.
- (iv) Shri X and Y are equal partners in the firm compute the tax payable by the firm and the total income of the partners.
21. PQ and Co is an AOP carrying on business. Its members are P.Ltd, a foreign company and Mr. Q. Their profit sharing ratio is 3 : 2. The P and L A/c of the AOP for the previous year is as follows :

To Interest on capital to partners		By Gross Profit	: 1,50,000
P.Ltd	:	20,000	
Q	:	10,000	
Salary to Q	:	60,000	
Expenses	:	30,000	
Net profit	:	30,000	
		<u>1,50,000</u>	<u>1,50,000</u>

Other information :

- (i) Out of expenses charged to P and L A/c, Rs. 15,000 is not deductible u/s 36.
- (ii) Other incomes of partners are P. Ltd (foreign company) Rs. 50,000
Q. Rs. 40,000 Compute the net income of AOP.
22. Explain in detail the various types of assessment.

(3 × 5 = 15)



G 17001533



17001533

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M.Com. DEGREE (C.S.S.) EXAMINATION, MAY 2017

Fourth Semester

Faculty of Commerce

Elective—Finance

AC04C16—ADVANCED COST ACCOUNTING

(2012 Admissions—Regular)

[Common for All Electives]

Time : Three Hours

Maximum Weight : 30

Section A

*Answer any five questions.
Each question carries 1 weight.*

1. Define Cost Accounting.
2. What are equivalent unit ?
3. Distinguish between absorption costing and Marginal costing.
4. Narrate Budget Manual.
5. What do you mean by Key factor ?
6. Briefly explain Performance Budget ?
7. What is Over head variance ?
8. Explain Integrated accounting.

(5 × 1 = 5)

Section B

*Answer any five questions.
Each question carries 2 weight.*

9. A Company which supplies its output on contract basis as component to an assembling firm has a contract to supply 10,000 units of its only product during 2015. The following were the budgeted expenses and revenue.

Material : Rs. 15 per unit.

Wages : Rs. 10 per unit.

Work expenses : Fixed Rs. 40,000 and Variable Rs. 4 per unit.

General Expenses Rs. 60,000.

Profit is 20 % on sale price.

Prepare the budget for 2015 showing the costs and profit.

Turn over





G 17001533

10. Given that the cost standards for materials consumption are 40 Kgs. at Rs. 10 per kg. Actuals were 48 kgs at Rs. 12 per kg. Compute (1) Material cost variance ; (2) Material price variance ; and (3) Material usage variance.
11. Determine the value of abnormal loss in the process "A" account.
In process "A" 100 units were introduced at a cost of Rs. 1,000. The other expenditure incurred by this process was Rs. 600. Of the units introduced 10 % is normally lost, in the course of manufacturing and they possess a scrap value of Rs. 3 each. The output of process "A" was only 75 units.
12. You are required to calculate break -even volume and margin of safety using the following data :
Profit Rs. 20,000
Profit volume ratio is 50 %.
Percentage of profit on sales is 25%.
13. The expenses for the production of 500 units in a factory are given as follows :
Materials : Rs. 80 per unit.
Labour : Rs. 60 per unit.
Variable overhead (Factory) Rs. 15 per unit.
Fixed factory overhead (5,000 Rs.) Rs. 10 per unit.
Administrative overhead (20 % variable) Rs. 10 per unit.
Selling and distribution expenses (50 % Fixed) Rs. 10 per unit.
Total unit cost per unit is Rs. 185 per unit.
You are required to prepare a flexible budget for 600 units.
14. Describe the procedure for fixing standard cost of product with which you are familiar.
15. Explain the features of Zero based budget.
16. Narrate the nature and advantages of cost ledger accounting.

(5 × 2 = 10)

Section C

*Answer any three questions.
Each question carries 5 weight.*

17. From the following data find out :—
- (a) P/V ratio.
 - (b) Sales required to break-even.
 - (c) Number of units to be sold to earn a profit of Rs. 1,60,000.
 - (d) Margin of safety at a profit of Rs. 50,000.





G 17001533

- (e) Sales required to earn a profit of Rs. 1,90,000.
- (f) New P/V ratio if selling price is reduced by Rs. 5.
- (g) Number of units to be sold to earn a profit of Rs. 50,000 at the reduced selling price.
 - (1) Selling price per unit Rs. 40.
 - (2) Variable cost per unit Rs. 24 g.
 - (3) Fixed expenses Rs. 64,000.

18. The standard cost of chemical mixture is :

40 % material at Rs. 20 per kg.

60 % material B at Rs. 30 per kg.

A standard loss of 10 % is expected in production.

During a period these are used:

90 kgs. materials A at a cost of Rs. 18 per kg.

110 kgs. materials B at a cost of Rs.34 per kg.

The weight produced is 182 kgs. of goods products. Calculate :

- (a) Material price variance ;
 - (b) Material mix variance ;
 - (c) Material yield variance ;
 - (d) Material usage variance ; and
 - (e) Material cost variance.
19. A product passes through two distinct processes A and B and thereafter it is transferred to finished stock. The output of A passes to B and that of B to finished stock. From the following information you are required to prepare process accounts.

Particulars		Process 1	Process 2
Materials consumed	...	12,000	6,000
Direct Labour	...	14,000	8,000
Manufacturing expenses	...	4,000	4,000
Input in process A (units)	...	10,000	—
Input in process A (values)	...	10,000	—
Output (units)	...	9,400	83,000
Normal wastage	...	5 %	10 %
Value of normal wastage (per 100 units)	...	8	10

Turn over





G 17001533

20. From the following information supplied to you, prepare a cash budget in respect of three months to June 30 :

Month		Sales	Materials	Wages	Overheads
January	...	60,000	40,000	11,000	6,200
February	...	56,000	48,000	11,600	6,600
March	...	64,000	50,000	12,000	6,800
April	...	80,000	56,000	12,400	7,200
May	...	84,000	62,000	13,000	8,600
June	...	76,000	50,000	14,000	8,000

Expected cash balance on 1st April Rs. 20,000.

Other information :

- (a) Materials and overheads are to be paid during month following the month of supply.
 - (b) Wages are to be paid during the month in which they are incurred.
 - (c) Terms of sales - The terms of credit sales are payment by the end of the month following the month of sales; half of the sales are paid when due, the other half to be paid during the next month.
 - (d) The 5 % commission is to be paid within the month following the actual sales.
 - (e) Preference dividend for Rs. 30,000 is to be paid on 1st May.
 - (f) Share call money for Rs. 25,000 is due on 1st April and 1st June.
 - (g) Plant and machinery worth Rs. 10,000 is to be installed in the month of January and the payment is to be made in the month of June.
21. Define Marginal Costing. Explain the merits and demerits of marginal costing.
22. Explain joint products and by-products. What are the methods generally used to account for these products ?

(3 × 5 = 15)

