



M.Com. II Semester Degree Examination, September/October - 2022

COMMERCE

21COM2C6L : International Business

100170

Time : 3 Hours

Maximum Marks : 70

Note : Answer any **five** of the following questions with questions No. **1 Compulsory**. Each question carries **fourteen** marks.

1. (a) Briefly explain the various modes of entry into International Business. 10
(b) List the stages of Internationalization. 4
2. (a) Define Regional Economic Integration. Explain the various levels of Economic Integration. 10
(b) Write a note on European Union. 4
3. (a) What are MNCs ? Enumerate the arguments for and against MNCs. 10
(b) Explain the opportunities offered by Global supply chain management. 4
4. (a) Explain the various types of Foreign Direct Investments. 7
(b) Briefly explain the factors that influence Foreign Direct Investments. 7
5. (a) Write a note on the basic principles and functions of World Trade Organization. 7
(b) Briefly explain the various types of tariffs imposed in International Business. 7
6. (a) Explain the institutional framework for export promotion in India. 7
(b) Define Global HRM. Explain the scope and importance of Global HRM. 7
7. (a) List the benefits and costs of FDI in a developing economy such as India. 10
(b) Discuss the types of foreign collaborations. 4
8. (a) What is foreign trade policy ? Explain its objectives. 5
(b) Explain the salient features of MNCs. 5
(c) List out the key functions of IMF. 4

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**M.Com. II Semester (CBCS) Degree Examination,
September/October - 2022**

100170

COMMERCE

21COM2C7L : Operations Research for Business Decisions

Time : 3 Hours

Maximum Marks : 70

Note : Answer **any five** of the following questions with Question No.1 is **Compulsory**. Each question carries **equal** marks.

1. (a) What is Operations Research ? Make a brief note on techniques of OR. 7
 (b) Solve the following LPP under Graphical Method. 7
 Maximise 'Z' = $8x_1 + 5x_2$
 Subject to constraints
 $x_1 \leq 150$,
 $x_2 \leq 250$,
 $2x_1 + x_2 \leq 500$,
 $x_1, x_2 \geq 0$ (Non-Negativity Constraints)
2. (a) What is degeneracy ? Explain the process of degeneracy with an illustration. 7
 (b) Solve the following LPP under Simplex method. 7
 Minimize $Z = -X_1 - 3X_2 + 2X_3$
 Subject to constraints
 $3X_1 - X_2 + 3X_3 \leq 7$
 $-2X_1 + 4X_2 \leq 12$
 $-4X_1 + 3X_2 + 8X_3 \leq 10$
 Where, $X_1, X_2, X_3 \geq 0$
3. A company has 3 factories A, B and C which supply to 5 warehouses its small car fans. The production capacity of factories and the demand of customers - assumed constant and distribution costs are given in the following table. 14

Wholesalers	A	B	C	D	E	Available Units
F1	5	7	10	5	3	5
F2	8	6	9	12	4	10
F3	10	9	8	10	15	10
Requirement	3	3	10	5	4	25

The objective is to supply the wholesalers with their demand in a cheapest way.

Use -

- (i) North-West Corner Rule.
 (ii) Minimum Entry Cell Method.
 (iii) VAM for optimal solution.



P.T.O.

4. (a) A truck owner finds from his past record that maintenance cost per year of a truck whose purchase price is Rs. 8,000 are as given below : 4

Year	1	2	3	4	5	6	7	8
Maintenance cost (Rs.)	1,000	1,300	1,700	2,200	2,900	3,800	4,800	6,000
Resale price (Rs.)	4,000	2,000	1,200	600	500	400	400	400

Determine at what time it is profitable to replace the truck.

- (b) The following failure rates have been observed for a special type of light bulbs. 10

Months	1	2	3	4	5
% Failing at the end of each month	10	25	50	80	100

In an industrial unit there are 1,000 special type of bulbs in use, and it costs Rs. 10 to replace an individual bulb which has burnt out. If all bulbs are replaced simultaneously, it would cost Rs. 2.50 per bulb. It is proposed to replace all bulbs at fixed intervals, whether or not they have burnt out and to continue replacing burnt out bulbs as they fail. At what intervals of time the manager should replace all the bulbs.

5. The scheduled completion time of a project is 48 days. Calculate probability of finishing the project within this time. 14

Activity	To	Tm	Tp
10-20	4	8	12
20-30	1	4	7
30-50	3	5	7
20-40	8	12	16
40-50	0	0	0
40-60	3	6	9
50-70	3	6	9
50-80	4	6	8
60-100	4	6	8
70-90	4	8	12
80-90	2	5	8
90-100	4	10	16

- Draw a PERT network.
- Find the critical path.
- Find the starting and ending time estimates.
- Find early and late start, early and late finish.
- What is the probability of completing the project in 48 days for the critical path ?
- What due date 95% chance of being met ?



6. (a) Discuss the steps used in solving the LP problem under simplex method. 7
 (b) Explain the various methods of obtaining initial basic feasible solution under transportation model. 7
7. (a) Write a short note on Group Replacement ? 4
 (b) A project has the following characteristics. Construct PERT network and find critical path. 10

Activity	To	Tm	Tp
1-2(A)	1	5	1.5
2-3(B)	1	3	2
2-4(C)	1	5	3
3-5(D)	3	5	4
4-5(E)	2	4	3
4-6(F)	3	7	5
5-7(G)	4	6	5
6-7(H)	6	8	7
7-8(I)	2	6	4
7-9(J)	5	6	8
8-10(K)	1	3	2
9-10(L)	3	7	5

8. (a) A company has 4 machines to do 3 jobs. Each job can be assigned to 1 & only 1 machine. The cost of each job on a machine is given to the following table :

Machines		W	X	Y	Z
Jobs	A	18	24	28	32
	B	8	13	17	18
	C	10	15	19	22

- What are the job assignments which will minimize the cost ? 5
 (b) Discuss the rules for constructing the network diagram with an illustration. 5
 (c) What are the Common Errors in PERT network ? 4

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**M.Com. II Semester (CBCS) Degree Examination,
September/October - 2022**

100171

COMMERCE

21COM2C8L : Security Analysis and Portfolio Management

Time : 3 Hours

Maximum Marks : 70

Note : Answer **any five** of the following questions with Question No.1 is **Compulsory**. Each question carries **equal** marks.

1. (a) What is Investment ? Discuss the investment process. 7
 (b) A Stock costing ₹ 250 pays no dividends. The possible prices that the stock might sell for at the end of the year and the probability of each are : 7

Possible Prices (₹)	Probability
2000	0.10
2300	0.25
2500	0.35
2800	0.20
3100	0.10

2. (a) "An investor cannot consistently earn excess returns by undertaking fundamental analysis or technical analysis". Discuss 7
 (b) Explain the basic principles and hypotheses of Dow Theory. 7
3. (a) Write an elaborative note on Harry Markowitz's Modern Portfolio Theory. 7
 (b) Calculate the portfolio variance and standard deviation for a portfolio having the following characteristics. 7

Securities	Return (%)	Standard Deviation	Proportion of Investment
J	40	12	0.2
K	15	8	0.3
L	50	16	0.5

Correlation Coefficients :

J and K = 0.8 J and L = 0.2 K and L = 0.5



P.T.O.

4. (a) What is Arbitrage Pricing theory ? 4
- (b) The following data are available to you as portfolio manager : 10

Security	Estimated return(%)	Beta	Standard Deviation (%)
1	32	2.10	50
2	30	1.80	35
3	25	1.65	42
4	20	1.30	26
5	18	1.15	29
6	15	0.85	18
7	14	0.75	20
8	12	0.50	17
Market Index	16	1.00	25
Govt. security	7.5	0	0

- (i) In terms of security market line, which of the securities listed above are undervalued ?
- (ii) Assuming that a portfolio is constructed investing equal proportion of funds in each of the above securities, what is the expected return and risk of such a portfolio ?
5. (a) Discuss the need for performance measurement and evaluation of Portfolio. 7
- (b) The return on a mutual fund portfolio during the last few years was 16%, when the return on the market portfolio was 18%. The standard deviation of the portfolio return was 14% whereas the standard deviation of the market portfolio return was 16%. The portfolio beta was 1.2. The risk-free rate was 10%. 7

Decompose the portfolio return into four components as suggested by Fama.



6. The following information relate to Moon Traders Ltd. for the year ended 14 31st Dec, 2022.

Trading and Profit and Loss Account

To Opening stock	75000	By Sales	520000	
To Purchases	325000	Less : Return	20000	500000
To Gross Profit	200000	Closing Stock		100000
	600000			600000
To Operating Expenses		By Gross Profit		200000
Adm Expenses 40000		By Non-operating Income		
Selling Expenses 25000	65000	Dividend		9000
To Non-operating Expenses		Profit on sale of shares	11000	20000
Loss on sale of assets	5000			
To Net Profit	150000			
	2,20,000			2,20,000

Balance Sheet as on 31.12.2022

Liabilities	₹	Assets	₹
Issued Capital : 2000 shares of Rs. 100 each	200000	Land and Building	150000
Reserves	90000	Plant and Machinery	80000
Current Liabilities	150000	Debtors	80000
Profit and Loss A/C	60000	Stock	160000
		Cash	30000
	500000		500000

Calculate :

- | | |
|-------------------------------|----------------------------------|
| (a) G P Ratio | (b) Operating Ratio |
| (c) Operating Profit Ratio | (d) Net Profit Ratio |
| (e) Expenses Ratio | (f) Stock Turnover Ratio |
| (g) Return on total resources | (h) Turnover of Fixed Assets and |
| (i) Turnover of Total Assets | |



P.T.O.

7. (a) "Formula plans attempt to make portfolio revision a simple and almost mechanical exercise". Discuss. 7

(b) Given the following information : 7

	Portfolio			
	A	B	C	D
Beta	1.10	0.8	1.8	1.4
Return (%)	14.5	11.25	19.75	18.5
Standard Deviation (%)	20.0	17.5	26.3	24.5

Risk free rate of return = 6 percent

Market Return = 12 percent

Calculate

- (i) Sharpe Ratio
- (ii) Treynor Ratio
- (iii) Jensen ratio

8. (a) What is Portfolio Revision ? Discuss the various strategies for portfolio revision. 4

(b) Write a note on Efficient Market Hypothesis. 5

(c) Security J has a beta of 0.75 while security K has a beta of 1.45. Calculate the expected return for these securities as per CAPM, assuming that the risk free rate is 5 percent and the expected return of the market is 14 percent. 5

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**M.Com. Second Semester (CBCS) Degree Examination,
September/October - 2022**

100171

COMMERCE

21COM2C9L : Advanced Cost Accounting Techniques

Time : 3 Hours

Maximum Marks : 70

Note : Answer **any five** of the following questions with question No.1 **Compulsory**. Each question carries **equal** marks.

1. (a) Define marginal costing. Explain its application in managerial decisions. 7
 (b) You are given the following data for the coming year of a factory. 7
- | | |
|----------------------------|--------------|
| Budgeted output | 80,000 units |
| Fixed expenses | ₹ 4,00,000 |
| Variable expenses per unit | ₹ 10 |
| Selling price per unit | ₹ 20 |

Draw a break even chart showing the break-even point. If the selling price is reduced to ₹ 18 per unit what will be the new break-even point ?

2. (a) What is budget ? State its pre-requisites. 4
 (b) A department of Sun-rise India company attains sales of ₹ 6,00,000 at 80% of its normal capacity. Its expenses are given below : 10

Particulars	₹
Office salaries	90,000
General expenses	2% of sales
Depreciation	7,500
Rent & Rates	8,750
Selling cost :	
Salaries	8% of sales
Travelling expenses	2% of sales
Sales office	1% of sales
General expenses	1% of sales
Distribution cost :	
Wages	15,000
Rent	1% of sales
Other expenses	4% of sales

Sun-rise India company is operating at 90%, 100% and 110% of normal capacity. Prepare flexible budget with necessary assumptions.



P.T.O.

3. A group of workers normally consists of 30 skilled, 15 semi-skilled and 10 unskilled. They are paid at standard hourly rate as under :

14

Skilled ₹ 8, Semi-skilled ₹ 6 and Unskilled ₹ 4.

In a normal working week of 40 hours, the group is expected to produce, 2,000 units of output. During the week ended 31st Dec 2021 the group consisted of 40 skilled, 10 Semi-skilled and 5 Unskilled. The actual wages paid were at ₹ 7, ₹ 6.50 and ₹ 3 respectively. 4 hours were lost due to abnormal idle time and 1600 units were produced.

You are required to calculate :

- (i) Labour cost variance
 - (ii) Labour rate variance
 - (iii) Labour efficiency variance
 - (iv) Labour composition variance
 - (v) Labour idle time variance
 - (vi) Labour yield variance
4. (a) Define Transfer Pricing. Explain the disadvantages of transfer pricing. 7
- (b) MS Company Ltd. is a leading manufacturer of a certain consumer durable product. The company has two divisions - Engineering and Assembly. The output of the engineering division is transferred to the assembly division for further processing and assembling before being sold to the customer as complete product. Verification of the company's records reveals that the variable cost per unit of the product for engineering and assembly are ₹ 250 and ₹ 300 respectively. The fixed cost of Engineering division is ₹ 15,000 and that of the assembly division is ₹ 10,000. The product variable cost per unit of engineering division is ₹ 400, and the total output is 100 units which are sold to customer on completion @ ₹ 2000 per unit. If the engineering division decides to charge its transfers to assembly division at cost plus 150% what will be the MS Company profit and the profits of its two divisions ? 7



5. (a) What is Divisional Performance Measurement ? Explain its importance and Limitations. 7
- (b) Bharath Ltd. Has three divisions A, B, and C. The operating result of the three divisions is as follows : 7

Particulars	Divisions		
	A	B	C
	₹	₹	₹
Sales	5,00,000	5,00,000	10,00,000
Less: Cost	4,00,000	3,00,000	6,00,000
Profit	1,00,000	2,00,000	4,00,000
Investment	3,00,000	5,00,000	15,00,000

- (i) You are required to determine ROI of the three divisions and rank these divisions on the basis of their performance.
- (ii) Determine Residual Income (RI) of the three divisions and rank them assuming cost of capital is 15%.
6. The standard cost of a certain chemical mixture is : 14
- 40% material A at ₹ 400 per kg
- 60% material B at ₹ 600 per kg
- A standard loss of 10% is anticipated in production:
- The following particulars are available for the month of March.
- 180 kg of material A has been used at ₹ 360 per kg
- 220 kg material B has been used at ₹ 680 per kg
- The actual production of 'AB' is 369 kg.
- You are required to calculate :
- (a) Material cost variance (b) Material rate variance
- (c) Material mix variance (d) Material efficient and yield variance
7. (a) Explain the guiding principles of transfer pricing. 7
- (b) Write a note on Non-Financial measures. 7

8. Write a note on -
- (a) Zero Base Budgeting. 4
- (b) Applications of transfer pricing. 5
- (c) Balanced Scorecard. 5

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**M.Com. II Semester (CBCS) Degree Examination,
September/October - 2022**

100170

COMMERCE

21COM2C10L : Strategic Marketing Management

Time : 3 Hours

Maximum Marks : 70

Instruction : Answer **any five** of the following questions with question No.1 is **Compulsory**.
All questions carries equal marks.

1. What do you mean by strategic intent ? Explain the different components of strategic intent. 14
2. Define strategic marketing management. Elucidate various strategic implications of marketing decisions. 14
3. Explain the relevance of Michael Porter's Five Force Model to understand the competitive strategies in marketing decisions. 14
4. What do you mean by strategic marketing evaluation ? Illustrate the techniques used in marketing strategic evaluation. 14
5. Describe the recent trends in strategic marketing management. 14
6. (a) Explain the functions of strategic marketing management. 7
(b) Critically examine the different approaches for competitor analysis. 7
7. (a) Define consumer behaviour. Discuss the determinants affecting consumer behaviour. 7
(b) Briefly explain the marketing mix strategies. 7
8. (a) How is PEST analysis used in marketing strategic planning ? 5
(b) What is brand resonance ? How is brand resonance measured ? 5
(c) Write a note on CRM. 4

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M.Com. II Semester (CBCS) Examination, September/October - 2022

100129

COMMERCE

21COM2S2 L/T : Computerized Accounting

Time : 1 Hour

Maximum Marks : 30

Note : Answer **all** the questions. Each question carries **one** mark.

30x1=30

1. The following is not a type of Accounting Software :
 - (a) Spread-sheet software
 - (b) Pre-packaged Accounting software
 - (c) Billing Software
 - (d) Customised Accounting Software

2. The following is a Component of Computerised Accounting :
 - (a) Paper
 - (b) Hardware
 - (c) Purchase
 - (d) Softcore

3. An integrated Software package that manages the business across the entire organisation is known as :
 - (a) Pre-packaged Accounting Software
 - (b) Customised Accounting Software
 - (c) Enterprise Resource Planning (ERP) Software
 - (d) Spread-sheet software

4. Programs designed to perform a specific function for a user is known as :
 - (a) Operating system
 - (b) Programming Software
 - (c) Utility Software
 - (d) Application Software

5. XBRL Communications are defined by :
 - (a) Algorithms
 - (b) Java Language
 - (c) Metadata set out in taxonomies
 - (d) None of these

6. A Blockchain requires each node to be approved before joining is known as :
 - (a) Approved Blockchain
 - (b) Public Blockchain
 - (c) Private Blockchain
 - (d) Participatory Blockchain



P.T.O.

7. Blockchains are also known as :
- (a) Compressed Ledger Technology
 - (b) Black and White Technology
 - (c) Chain Link Technology
 - (d) Distributed Ledger Technology
8. A Blockchain platform allows users and developers to create novel uses of an existing blockchain infrastructure is known as :
- (a) Public Blockchain
 - (b) Blockchain Network
 - (c) Blockchain Infrastructure
 - (d) Blockchain path
9. _____ are created by mathematical function that turns digital information into a string of numbers and letters.
- (a) Stringers
 - (b) Pin codes
 - (c) Bitcoins
 - (d) Hash Codes
10. From Gateway of Tally, which among the following option is available in the Right Button ?
- (a) F2 : Date
 - (b) K : Company
 - (c) Y : Data
 - (d) Z : Exchange
11. Which of the following is not a sub-group in Tally ?
- (a) Bank Accounts
 - (b) Deposits (Asset)
 - (c) Current Assets
 - (d) Reserves & Surplus
12. Which of the following will not list under Accounting Masters in Tally prime ?
- (a) Transactions
 - (b) Voucher type
 - (c) Ledger
 - (d) Group
13. The path which is used to create Stock category :
- (a) Gateway of Tally > Create > Accounting Masters > Stock Category
 - (b) Gateway of Tally > Create > Inventory Masters > Stock Category
 - (c) Gateway of Tally > Alter > Inventory Masters > Stock Category
 - (d) Gateway of Tally > Alter > Accounting Masters > Stock Category
14. How many predefined ledgers are available in Tally Prime ?
- (a) 2
 - (b) 3
 - (c) 4
 - (d) 5



15. Which of the following is not an Accounting voucher type in Tally prime ?
(a) Payment Voucher (b) Receipt Voucher
(c) Contra Voucher (d) Stock Journal
16. Sales order does not contain the following details :
(a) Customers Name (b) Quantity and Rate details
(c) Date of Order (d) Name of the Accounting Group
17. 'Received cheque from a Customer and the cheque were remitted to bank' entry is recorded in the _____ Voucher in Tally prime.
(a) Sales (b) Journal (c) Receipt (d) Contra
18. A Voucher which is used to record the transaction details of the purchases returns is known as :
(a) Purchase Returns Voucher (b) Purchase Voucher
(c) Debit Note Voucher (d) Credit Note Voucher
19. The following is a type of Inventory Vouchers :
(a) Purchase Voucher (b) Receipt Voucher
(c) Delivery Note Voucher (d) Sales Order Voucher
20. Functional key which is used to select Purchase Vouchers is :
(a) F6 (b) F7 (c) F8 (d) F9
21. Which of the following is a primary group in Tally ?
(a) Suspense A/c (b) Salary A/c
(c) Sundry Debtors (d) Secured Loans
22. Which of the following is a Sub group in Tally ?
(a) Suspense A/c (b) Salary A/c
(c) Sundry Debtors (d) Sales Accounts
23. Rs 20,000 withdrawn from State Bank. Which voucher type this transaction will be recorded ?
(a) Payment (b) Receipt (c) Contra (d) Post-Dated



24. Single Entry mode is applicable for :
- (a) Receipt Voucher (b) Payment Voucher
(c) Contra Voucher (d) All of these
25. We can cancel a voucher using :
- (a) Alt + X (b) Ctrl + X
(c) Shift + X (d) Ctrl + Shift + X
26. The shortcut key used to activate calculator is :
- (a) Ctrl + M (b) Ctrl + N
(c) Ctrl + A (d) Ctrl + R
27. Tally generates _____ report(s) automatically based on voucher/journal entries.
- (a) Balance Sheet (b) Stock report
(c) Profit & loss account (d) All of them
28. Employee groups, employee, attendance/production types, pay heads, salary details, voucher types etc. are available under in Tally :
- (a) Payroll Info (b) Inventory Info
(c) Accounts Info (d) None of them
29. Which option is true for viewing Profit & Loss A/c in Tally ?
- (a) Gateway of Tally > Reports > Profit & Loss A/c
(b) Gateway of Tally > Display > Profit & Loss A/c
(c) Gateway of Tally > Account books > Profit & Loss A/c
(d) None of these
30. Where do we record credit purchase of Furniture in Tally ?
- (a) Purchase Voucher (b) Payment Voucher
(c) Receipt Voucher (d) Journal Voucher

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Paper HC 2.4 – Operations Research for Business Decisions

Time: 3 Hours]

[Max. Marks: 70

Instructions: Attempt all the sections.

SECTION – A

1. Answer any TEN sub-questions. Each sub-question carries TWO marks(10×2=20 marks)

- Define Operations Research.
- Mention the different types of linear programming.
- What is Basic Feasible Solution?
- Define LLP.
- What is degeneracy?
- State the types of activities used in drafting network diagram.
- Mention the significant properties of linear programming.
- What is Dummy destination?
- What do you mean by hyper planes and convex combination?
- What is penalty method?
- State the meaning of PERT.
- What are non negative constraints?

Section – B

Answer any **Four** of the following questions. Each question carries **Five** marks: (4×5=20)

- Explain the application of operation research.
- What is degeneracy? How do you overcome degeneracy in transportation problems?
- What is network analysis? Distinguish between PERT and CPM.
- Explain the computational procedure for solving LPP under Simplex method.
- Solve the following LPP using **Simplex method**.

$$\text{Maximize } Z = 2x_1 + 5x_2$$

Subject to Constraints

$$x_1 \leq 40$$

$$X_2 \leq 30$$

$$X_1 + X_2 \leq 30$$

Where $X_1, X_2 \geq 0$ (Non-negativity constraints)

7. The manufacturer of patent medicines is proposed to prepare a production plan for medicines A and B. There are sufficient ingredients available to make 20,000 bottles of medicine A and 40000 bottles of medicine B. However, there are only 45000 bottles into which either of medicines can be filled. Further, it takes 3 hours to prepare enough material to fill 1000 bottles of medicine A and 1 hour to prepare enough material to fill 1000 bottles of medicine B and there are 66 hours available for this operation. The profit is Rs 8 per bottle of medicine A and Rs 7 per bottle of medicine B. Formulate the problem as LPP.

Section – C

Answer any **Three** of the following questions. Each question carries **Ten** marks: (3x10=30)

8. Discuss the different types of models used in operations research.
9. Briefly explain Simplex method procedure to solve the linear programming problems.
10. Maximize $Z=5x_1-4x_2+3x_3$

$$\text{Subject to } 2x_1+x_2-6x_3= 20$$

$$6x_1+5x_2+10x_3 \leq 76$$

$$8x_1-3x_2+6x_3 \leq 50$$

$$x_1, x_2, x_3 \geq 0$$

Solve the above equation graphically.

11. Consider the following transportation problem.

	D1	D2	D3	D4	Availability
O1	5	8	3	6	30
O2	4	5	7	4	50
O3	6	2	4	6	20
Requirement	30	40	20	10	

Determine initial basic feasible solution by VAM

12. The scheduled completion time of a project is 48 days. Calculate probability of finishing the project within this time.

Activity	T_0	T_m	T_p
10-20	4	8	12
20-30	1	4	7
30-50	3	5	7
20-40	8	12	16
40-50	0	0	0
40-60	3	6	9
50-70	3	6	9
50-80	4	6	8
60-100	4	6	8
70-90	4	8	12
80-90	2	5	8
90-100	4	10	16

Required-

- Draw a PERT network
- Find the critical path
- How many days are required to complete the project?

Second Semester M.Com (CBCS) Degree Examination, September/October 2022

COMMERCE

Paper SC-2.5 (A) International Financial Reporting Standards

Time: 3 Hours

Max.Marks:70

8 P = 73625

SECTION-A

1. Answer any **TEN** of the following Sub-questions. Each sub-question carries two marks.

(10x2=20)

- a. What is deferred tax?
- b. State any two benefits for adopting IFRS.
- c. Expand the IFRIC and SIC.
- d. Write any two differences between presentation currency and functional currency.
- e. State the objectives of IASB.
- f. What do you mean by EPS?
- g. What is interim financial reporting?
- h. State any two objectives of intangible Assets.
- i. What is joint venture?
- j. What do you mean by Related Party Disclosure?
- k. What do you mean by inventory cost?
- l. State any two recognition of Provision as per IAS 37.

SECTION-B

Answer any **FOUR** of the following questions. Each question carries **five** marks. (4x5=20)

2. What are the difference between GAAP and IAS?
3. Define IFRS. Explain the objectives of IFRS foundation.
4. Describe in detail the concept of IAS-12 on Income taxes.
5. XYZ Ltd has 400 million equity shares on January 1, 2020, as well as on December 31, 2020. Its net profit for the year 2020 is \$450 million effective tax rate of the XYZ Ltd is 280%. It has 50 million 5% convertible debenture of \$20, which is convertible into five equity shares. Non-controlling interest is 30%. Compute basic EPS and diluted EPS in accordance with IAS-33.

6. Brilliant inc. is installing a new plant at its production facility and has incurred the following costs:

Sl. No	Particulars	Million(Rs)
a	Cost of the plant (cost per supplier's invoice plus taxes)	10,500,000
b	Initial delivery and handing costs	750,000
c	Cost of site preparation	400,000
d	Consultants used for advice on the acquisition of the plant	550,000
e	Interest charges paid to supplier of plant for deferred credit	400,000
f	Estimated dismantling costs to be incurred after six years	1,000,500
g	Operating losses before commercial production	1,050,000

Which of these costs can be capitalized as part of the property, plant and equipment in accordance with IAS 16?

7. Royal Enterprises Inc. is a retailer of Italian furniture and has five major product lines, sofas, dining table, beds, closets, and lounge chairs. At December 31, 2019 quantity on hand cost per unit and net realizable value (NRV) per unit of the product lines are as follows:

Product line	Quantity on hand	Cost per unit (\$)	NRV per unit (\$)
Sofas	120	1000	1050
Dining tables	160	500	480
Beds	280	1500	1400
Closets	350	750	700
Lounge chairs	630	250	250

Compute the valuation of the inventory of Moonstruck Enterprises, at December 31, 2019, under IAS 2 using the "lower of cost and NRV" principle.

SECTION- C

Answer any **THREE** of the following questions. Each question carries **ten** marks. (3x10=30)

8. Write an analytical note on International Accounting Standard- 10.
9. Explain the nature and importance of the IFRS.
10. What is disclosure of financial statement? Explain the types of disclosure.

11. Describe in detail the concept of IAS-31 on interests in joint ventures.

12. ABC acquired on 80% of interest in MNR for 9 Lakhs. The carrying amounts and fair values of MNR identifiable assets and liabilities at the acquisition date were as follows:

Particulars	Carrying amount (Rs)	Fair values (Rs)
Tangible non-current assets	375000	350000
Intangible non-current assets	-	200000
Current assets	400000	350000
Liabilities	(300000)	(300000)
Contingent liabilities	-	(30000)
Total	475000	570000

Required-

- ABC has decided to measure the non-controlling interest at its share of MNR identifiable net assets. Compute Goodwill as per IFRS-3.
- If the consideration transfer was Rs 4 Lakhs instead of 9 Lakhs, calculate Gain on bargain purchase as per IFRS-3.