

Time: 3 hours

Marks: 100

N.B: 1. All questions are compulsory.

2. Figures to the right indicate maximum marks.

Q.1 (A) Select the correct answer from the options given below (any ten): (10 Marks)

1. _____ refers to internal arrangement of machines, equipments in an orderly manner to facilitate smooth production activity. (Plant location, Plant layout, Product design)
2. _____ is useful quality control step of Production Planning and Control.
(Routing, Follow-up, Scheduling)
3. _____ is balance between all factors of production that gives maximum output for the minimum input. (Production, Productivity, Technology)
1. _____ control is concerned with the end result of quality.
(Inventory, Material, Quality)
2. The International Organisation for Standardisation is located in _____.
(Switzerland, Scotland, England)
3. External failure cost results in customer _____.
(satisfaction, dissatisfaction, delight)
4. _____ is an example of unorganized money market.
(RBI, Commercial Banks, Indigenous Bankers)
5. Capital market deals with _____ term funds.
(long, medium, short)
6. SEBI protects the interests of _____.
(investors, borrowers, speculators)
10. A Self Help Group is an association of _____ people. (poor, rich, both)
11. _____ is India's first mutual fund. (UTI, GIC, LIC)
12. _____ are traded in commodities market. (Bonds, Equity shares, Metals)

(B) State whether the following statements are True or False (any ten): (10 Marks)

1. PERT and CPM are important techniques for improving productivity.
2. Batch production is a form of continuous production system.
3. Improper material handling minimises the wastage in production planning and control.
4. The term internal customers means employees of the organisation.
5. The Japanese term Kaizen stands for change for good.
6. Failure Mode and Effects Analysis (FEMA) is an element of Six Sigma Approach.
7. IPOs are not regulated by SEBI.
8. Commercial Papers are essentially unsecured debt instruments.
9. NSDL is the largest depository in India.
10. Hedging is done to reduce the risk in financial markets.
11. Incubators are one of the sources for funding start-ups.
12. Off-shore mutual funds attract domestic capital.

Answer

- Q.2. Answer any two of the following: (15 Marks)**
- a) What is Production Management? Explain the scope of Production Management.
 - b) Explain briefly the classification of Intermittent Production System.
 - c) Discuss briefly any six techniques of Inventory Control.

- Q.3 Answer any two of the following: (15 Marks)**
- a) What is Quality Circle? Explain its features.
 - b) What is Kaizen? Discuss its process
 - c) Describe the importance of service quality management.

- Q.4 Answer any two of the following: (15 Marks)**
- a) Explain the Dematerialisation Process.
 - b) Discuss the functions of Stock Exchange
 - c) Describe the three main Credit Rating Agencies operating in India.

- Q.5 Answer any two of the following: (15 Marks)**
- a) What are the factors responsible for growth of mutual funds?
 - b) What are Derivatives? Explain the participants of Derivative Market.
 - c) Explain the importance of Micro-Finance.

- Q.6 Write Short Notes on any four: (20 Marks)**
- 1. Routing and Scheduling
 - 2. Objectives of Production Management
 - 3. Dimensions of Quality
 - 4. ISO 9000
 - 5. SEBI
 - 6. Systematic Investment Plan

2

SYBCom Sem IV Regular Examination
Auditing April 2018
 (3 Hours)

Q. P. Code : 36250

(Total Marks: 100)

Please check whether you have the right question paper.

- N.B.: 1) All questions are compulsory.
 2) Figures to the right indicate full marks.

1. A) State whether the following statements are True or False (Any Ten): (10)
- 1) A voucher decides authenticity of the transaction.
 - 2) Internal audit is compulsory for listed companies.
 - 3) There is no risk involved in audit sampling.
 - 4) Frauds do not affect financial statements.
 - 5) Copy Right is Current Asset.
 - 6) Secret reserve means part of profits secretly reserved for future use.
 - 7) Aim of Internal Audit Report is to suggest remedial action.
 - 8) Inventory is valued at cost or Net Realisable Value whichever is less.
 - 9) Routine checking saves time of the auditor.
 - 10) Repairs to building is debited to Building Account is an error of Principle.
 - 11) Audit programme must be in writing.
 - 12) Concurrent Audit is done with the occurrence of the transactions.

1. B) Match the Columns (Any Ten): (10)

Column 'A'	Column 'B'
1) Statutory Auditors	a) Delivery Challan
2) An Auditor	b) Principle of Auditing
3) Manipulation of Accounts	c) Memorandum of Association
4) Audit Note Book	d) Random Number Table
5) Fraud	e) Error of Commission
6) Audit Sampling	f) Report to shareholders
7) Final Audit	g) Audit working papers
8) Permanent Audit File	h) Done at the end of the year
9) Confirmation	i) Should be Independent
10) Document for Goods dispatched	j) Intentional mistake
11) Income recorded twice	k) Management fraud
12) Confidentiality	l) Used for debtors verification

2. A) Distinguish between Accounting and Auditing. (08)
 B) Explain the term 'Window Dressing'. What are the objections against it? (07)
- OR**
2. C) What are the advantages of Interim Audit? (08)
 D) What are the drawbacks of Continuous Audit? (07)

TURN OVER

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3. A) Give meaning and objectives of Audit Planning. (08)
 B) Discuss the sources of obtaining information about client's business by the auditor. (07)
- OR
3. C) Explain the importance of Audit Working Papers. (08)
 D) What are the essentials of good Audit Programme? (07)
4. A) Give the internal control for Purchases. (08)
 B) Explain the Internal Audit. (07)
- OR
4. C) Explain the points which are generally considered while framing a system of internal control. (15)
5. A) How would you verify "Plant and Machinery"? (08)
 B) How would you vouch "Rent Received"? (07)
- OR
5. C) How would you vouch "Sale on Consignment"? (08)
 D) What are the duties of an auditor regarding Stock Verification? (07)
6. A) Explain the points which are to be considered by an auditor in the course of Vouching? (10)
 B) How would you verify "Sundry Debtors"? (10)
- OR
6. C) Write short notes (Any Four) (20)
- 1) Audit Evidence.
 - 2) True and Fair View.
 - 3) Error of Commission.
 - 4) Audit Sampling.
 - 5) Test Checking.
 - 6) Financial Statements and its users.

- N.B. 1. All questions are compulsory
2. Figures to the right indicate full marks

1. (A) Select the most appropriate answer from the options given below (ANY TEN) (10)

- (i) _____ media scheduling strategy is suitable for a brand of shampoo.
a) Bursting b) Seasonal c) Steady advertising d) None of these
- (ii) _____ medium has greatest flexibility in terms of modifying advertisements.
a) Film b) Magazine c) Television d) Outdoor
- (iii) _____ method of fixing advertising budget is suitable for small firms.
a) Percentage of sales b) Competitive parity
c) All you can afford method d) All of these
- (iv) Out-of- home advertising is suitable to achieve _____.
a) Global reach b) National reach c) Local reach d) Regional reach
- (v) _____ is a step in media planning.
a) Media scheduling b) Media clutter
c) Deciding the theme d) Deciding the creative pitch
- (vi) _____ is essential for the creative process in advertising.
a) Media research b) Colour combinations c) Ideas d) Communication
- (vii) Visualization is a mental process in which the creative team is led by the _____.
a) Cameraman b) Accounts Manager c) Art director d) Media Director
- (viii) 'Dimag Ki Batti Jala De' slogan is used for _____ brand.
a) Mentos b) Colgate c) Flipkart d) All of these
- (ix) A woman buying her wedding sari is an example of _____ Product.
a) Low involvement b) High involvement
c) Casual involvement d) All of these
- (x) 'Unique Selling Proposition' involves _____.
a) one selling idea b) several selling ideas
c) two selling ideas d) all of these
- (xi) _____ is a catchy element of an advertisement that helps consumers' remember the brand.
a) Slogan b) Headline c) Caption d) Body copy
- (xii) _____ type of copy is used by Cadbury's "Kuch Meetha Ho Jaye" campaign.
a) Educational b) Humorous c) Soft Sell d) Hard Sell

Turn Over

1

(B) State whether the following statements are True OR False: (ANY TEN) (10)

- a) Magazines as a medium allow more selectivity of target market.
- b) Radio as a medium has the advantage of grabbing attention while the consumer is engaged in other activities.
- c) Television is more interactive than the print media
- d) DAGMAR model regulates advertising
- e) A Selling Point is a quality or feature that can create disinterest in a product or service.
- f) The products which are available near the check-out counter in a mall are called high involvement products.
- g) Divergent thinking is helpful for Visualisation.
- h) Recent Five Star chocolate advertisements are an example of humour appeal.
- i) Story boards are used for creating an advertisement on You Tube.
- j) Photographs are more believable in 'before and after advertisements'
- k) Descriptive copy is suitable for financial product advertisements.
- l) All advertising campaigns need to be tested.

2. Answer ANY TWO of the following: (15)

- a) Explain the limitations of Print advertising.
- b) Discuss the advantages of internet advertising.
- c) Write in brief about the Doordarshan Code for advertisers.

3. Answer ANY TWO of the following: (15)

- a) What are the steps while planning the advertising campaign?
- b) Discuss briefly the factors affecting an advertising budget.
- c) 'There are several aspects to be considered while selecting media for advertising.' Discuss

4. Answer ANY TWO of the following: (15)

- a) Elaborate on the concept of Creative Brief in advertising with the help of any one practical example.
- b) Describe the various types of buying motives.
- c) Explain the various limitations of celebrity endorsements in advertising.

5. Answer ANY TWO of the following: (15)

- a) Discuss briefly the importance of jingles and music used in advertising
- b) What are the principles of effective layout in print advertisements?
- c) Examine the different methods of pre-testing advertising.

6. Write short notes on ANY FOUR of the following: (20)

- a) Media objectives
- b) Media scheduling strategies
- c) DAGMAR model
- d) Appeals
- e) Any 6 elements of copy
- f) Any 5 types of execution styles used in advertising.

fc

Q. P. Code: 34265

Time: 2 ½ hours

Total marks: 75

NB: (1) All questions are compulsory

(2) Figures to the right indicate full marks

1(A) Briefly describe the following (any 5)

1. Consumerism
2. PIL
3. Anthropocentrism
4. Ecofeminism
5. GIS
6. ICT
7. Time management
8. Lateral thinking

OR

(B) Write a comprehensive note on the Foundation Course (Semester IV) project submitted by you. (15)

2. Trace the origins of the RTI Act 2005 and critically evaluate its provisions.

OR

Explain the rationale and the origin of Citizens' Charters in India. (15)

3. Describe the three main principles of sustainability

OR

Explain the view points of bio-centrism and ecocentrism. (15)

4. Describe Nanotechnology and its applications.

OR

With regard to the contemporary technology explain

a. Issues of control and misuse ; b. Lack of access (15)

5. Explain in detail Maslow's Theory of Motivation.

OR

Explain the basic details of exams such as GMAT and CAT, conducted for entry into professional courses. (15)

मराठी रुपांतर
वेळ: २ तास ३० मिनिटे

गुण: ७५

सूचना: १. सर्व प्रश्न अनिवार्य आहेत.

२. उजवीकडील अंक पूर्ण गुण दर्शवितात.

१. अ) खालील संकल्पना स्पष्ट करा. (कोणत्याही पाच)

१. ग्राहकवाद
२. जनहित याचिका
३. मानवतावादी दृष्टीकोण
४. महिलाकेंद्रित परिस्थितीकी
५. भौगोलिक माहिती पद्धती
६. माहिती आणि संज्ञापन तंत्रज्ञान
७. कालव्यवस्थापन
८. सर्वांगीण विचार

किंवा

ब) पायाभूत अभ्यास (सत्र-४) साठी तुम्ही सादर केलेल्या प्रकल्पावर व्यापक टीप लिहा.

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२. अ) माहिती अधिकार कायदा २००५ चा उगम शोध आणि त्याच्या तरतुदीचे बारकाईने मूल्यमापन करा.

किंवा

ब) भारतातील नागरिकांच्या सनदची उत्पत्ती आणि तर्क स्पष्ट करा.

३. अ) निरंतरतेच्या तीन महत्वाच्या तत्वांचे वर्णन करा.

किंवा

ब) जीवन केंद्रित दृष्टीकोण आणि निसर्ग केंद्रित दृष्टीकोण स्पष्ट करा.

१५

४. अ) नैनी तंत्रज्ञान आणि त्याचे उपयोग वर्णन करा.

किंवा

ब) समकालीन तंत्रज्ञानाच्या बाबतीत स्पष्ट करा.

१५

अ. निसंश्लेषण आणि दुरुपयोग समस्या

ब. अधिगम अभाव

५. अ) माँस्लौबा अभिप्रेरण सिद्धांत संविस्तर स्पष्ट करा.

किंवा

ब) व्यावसायिक अभ्यासक्रम प्रवेशासाठी आयोजित केल्या जाणाऱ्या पदवी व्यवस्थापन परीक्षा आणि सामाईक प्रवेश परीक्षा या परीक्षांचा मुलभूत तपशील स्पष्ट करा.

१५

[Time: Three Hours]

Please check whether you have got the right question paper.

- N.B: i) All questions are Compulsory subject to Internal Choice.
ii) Figures to the right indicate maximum marks.

Q.1 Attempt ANY TWO from the following:

- a) Who is called as a Promoter of a company? Discuss the role, rights and duties of a Promoter. 10
b) Explain the concept of Registration / Incorporation of a Company. Discuss the procedure for Registration of Company. 10
c) Write a note on 'Doctrine of Indoor Management'. State the exceptions to the rule. 10
d) Explain the concept of 'Private Placement' in detail. 10

Q.2 Attempt ANY TWO from the following:

- a) Who can become a member in a company? Write a note on 'Register of Members'. 10
b) Discuss the various types of Directors. 10
c) What do you understand by Director Identification Number? Write a note on Termination of Membership. 10
d) Explain in detail the concept of Extra Ordinary General Meeting as a type of company meetings. 10

Q.3 Attempt ANY TWO from the following:

- a) Discuss the concept of 'Partnership'. Explain the various features of a partnership as per Indian Partnership Act 1932. 10
b) Explain the meaning of Dissolution of a partnership firm. Write the consequences of dissolution of a partnership firm. 10
c) Explain the procedure for incorporation of a 'Limited Liability Partnership'. 10
d) Distinguish between Limited Liability Partnership and Partnership. 10

Q.4 Attempt ANY TWO from the following:

- a) Give the meaning of the following terms: 10
1) Consumer
2) Defect
3) Complaint
4) Consumer Dispute
b) Who is an aggrieved consumer? Discuss the Jurisdiction and procedure of District Forum in Settlement of Consumer Dispute. 10
c) Explain in brief various features of Competition Act 2002. 10
d) Write a note on 'Anti-Competitive Agreements'. 10

Q.5 Attempt ANY TWO from the following:

- a) Discuss the concept of 'Intellectual Property Rights' in India. 10
b) What is Patentable and what is not Patentable in India. Discuss the requisites for Grant of Patent in India. 10
c) Discuss the provisions relating to Fair use and Infringements of Copyrights in India. 10
d) Write the procedure for registration of Trade Marks in India. Write note on various types of Trademarks. 10

[वेळ : ३ तास]

[गुण : १००]

Please check whether you have got the right question paper.

- सूचना : १) सर्व प्रश्न सोडविणे आवश्यक आहेत.
२) उजवीकडील अंक त्या प्रश्नाचे कमाल गुण दर्शवितात.

प्र.१ कोणतेही दोन प्रश्न सोडवा.

- अ) कंपनीचा 'प्रवर्तक' म्हणजे काय? त्याची भूमिका, अधिकार आणि कर्तव्ये यांची चर्चा करा.
ब) 'कंपनीची नोंदणी' हि संकल्पना स्पष्ट करा तसेच कंपनी नोंदणीची कार्यपद्धती कोणत्या त्या सांगा.
क) 'अंतर्गत व्यवस्थापनाचे तत्व' स्पष्ट करा आणि त्यांच्या अपवादांची चर्चा करा.
ड) 'प्रायव्हेट प्लेसमेंटची' संकल्पना मुद्देसूद स्पष्ट करा.

प्र.२ कोणतेही दोन प्रश्न सोडवा.

- अ) कंपनीचा सभासद कोण होऊ शकतो ? तसेच सभासदांची नोंदवही वर टीप लिहा.
ब) संचालकाचे वेगवेगळे प्रकार लिहा.
क) 'संचालक ओळख क्रमांक' (Director Identification Number) म्हणजे काय? तसेच 'कंपनीच्या सभासदांचे सभासदत्व संपुष्टात येणे' यावर टीप लिहा.
ड) कंपनीच्या सभेच्या प्रकारातील 'अतिरिक्त सामान्य सर्वसाधारण सभा' हि संकल्पना सविस्तर स्पष्ट करा.

प्र.३ कोणतेही दोन प्रश्न सोडवा.

- अ) भारतीय भागीदारी कायदा १९३२ अन्वये भागीदारीची संकल्पना स्पष्ट करा व त्याची वैशिष्ट्ये सांगा.
ब) भागीदारी संस्थेचे विसर्जन म्हणजे काय? तसेच सदर विसर्जनाचे परिणाम स्पष्ट करा.
क) मर्यादित दायित्व भागीदारीची नोंदणी प्रक्रिया स्पष्ट करा.
ड) मर्यादित दायित्व भागीदारी आणि भागीदारी यातील फरक स्पष्ट करा.

प्र.४ कोणतेही दोन प्रश्न सोडवा.

- अ) खालील संज्ञा स्पष्ट करा
i. वस्तूचा ग्राहक
ii. वस्तूतील दोष
iii. तक्रार
iv. ग्राहक तटा
ब) नुकसानग्रस्त ग्राहक कोण आहे? तसेच ग्राहक संरक्षण कायद्याखालील ग्राहकांच्या तक्रारी निवारण्यासाठी जिल्हा मंचाची प्रक्रिया व कार्यक्षेत्र विषद करा.
क) स्पर्धा कायदा २००२ चे वैशिष्ट्ये विषद करा.
ड) 'स्पर्धा विरोधी करार' यावर टीप लिहा.

प्र.५ कोणतेही दोन प्रश्न सोडवा.

- अ) बुद्धिमत्ता संरक्षण कायद्याची संकल्पना स्पष्ट करा.
ब) पेटंट कायद्यान्वये भारतात कुठल्या संशोधनाला पेटंट मिळत नाही? तसेच पेटंट देताना कोणत्या गोष्टी विचारात घेतल्या जातात?
क) कॉपीराईट कायद्याचा योग्य वापर व उल्लंघन यावर केलेल्या तरतूदींची चर्चा करा.
ड) व्यापारी मुद्रा/चिन्ह संरक्षण कायद्यान्वये नोंदणीची प्रक्रिया स्पष्ट करा. तसेच वेगवेगळ्या प्रकारच्या व्यापारी मुद्रांबाबत टिपा लिहा.

2

24/04/18

Q.P. Code : 36194

Time : 3 hours

Marks: 100

1. All questions are compulsory
2. Q. no. 1 & Q.6 carries 20 marks.
3. Q.2, 3, 4 & 5 carries 15 marks
4. Use of simple calculator is allowed.

Q.1 A) MULTIPLE CHOICE QUESTIONS. (any 10)

10

1. RBI is a _____.
 - a) Statutory company
 - b) Registered company
 - c) Listed company
 - d) Chartered company
2. Discounted bill of exchange is a _____.
 - a) Contingent Liability
 - b) Current liability
 - c) Non-Current Liability
 - d) Fixed Liability
3. Partly paid shares can be made fully paid by capitalizing _____.
 - a) General reserve
 - b) Capital Redemption Reserve
 - c) Securities Premium
 - d) All of the above
4. Bonus shares cannot be issued by capitalizing _____.
 - a) Revaluation reserve
 - b) Securities premium
 - c) Capital Reserve
 - d) General Reserve
5. Discount on issue of Debentures is a _____.
 - a) Capital loss
 - b) Capital profit
 - c) Revenue loss
 - d) Revenue profit
6. The Companies Act 2013 _____.
 - a) Prescribes restrictions on issue of debentures at discount
 - b) Does not prescribe any restrictions on issue of debentures at discount
 - c) Provides no issue of debentures at discount
 - d) All of the above
7. The reserve which cannot be transferred to Capital Redemption Reserve _____.
 - a) Securities premium A/c
 - b) Profit prior to incorporation
 - c) Revaluation Reserve
 - d) All of the above
8. A company can issue _____.
 - a) Only redeemable preference shares
 - b) Only irredeemable preference shares
 - c) Only Deferred shares
 - d) All of the above
9. Debentures may be redeemed out of _____.
 - a) Capital
 - b) Profit
 - c) Conversion into shares
 - d) All of the above
10. Capital Reserve is _____.
 - a) Current year's profit
 - b) Past accumulated profits
 - c) Capital profit
 - d) Divisible profit

1

10% after utilising available resources to the maximum extent, keeping in view the provisions of the Companies Act, 2013. All preference shareholders were paid off, except one shareholder holding 150 preference shares.

Pass Journal Entries in the books of the company assuming that redemption is duly carried out.

OR

Q. 2 Following is the Balance sheet of Moonlight Ltd. as on 31st March, 2017.

Liabilities	₹	Assets	₹
2,000 – 8% Redeemable Preference shares of ₹ 100 each, fully paid	2,00,000	Fixed Assets	15,75,000
1,00,000 Equity Shares of ₹ 10 each, fully paid	10,00,000	Bank	2,18,000
Securities Premium	35,000	Investments	1,50,000
Profit & Loss Account	4,50,000	(Market value ₹ 1,90,000)	
Sundry Creditors	2,58,000		
	<u>19,43,000</u>		<u>19,43,000</u>

On the above date the Directors of the company took following steps to redeem 8% Preference shares at a premium of 5%:

- The company issued 4,000 Equity shares of ₹ 10, at a premium of ₹ 2 per share for the purpose of redemption of preference shares.
- Investment were sold at market price.
- All the payments were made to the preference shareholders except those holding 100 shares who could not be traced.

You are required to pass necessary journal entries in the books of Moonlight Ltd. Complying with requirements of Companies Act 2013.

Q.3 Roshan Ltd. gave notice of its intention to redeem its outstanding ₹ 4, 00,000, 8% debenture at ₹ 105 (nominal value ₹ 100) and offered the following options to the holders:

- 11% preference share of ₹ 40/- each at ₹ 50 per share.
 - 10% debenture at ₹ 100 (at par).
 - To have their holdings redeemed for cash. Assume redemption out profit only.
- The holders of ₹ 1, 40,000 debenture accepted option (a).
 - The holders of ₹ 1, 60,000 debentures accepted option (b).
 - The remaining debenture holders accepted option (c).

Pass the necessary journal entries in the books of Roshan Ltd.

OR

Q.3 The following balance appeared in the books of Paradise Ltd. on 1-4-2012:

- 12% Debentures ₹ 7,50,000
- Balance of Sinking Fund ₹ 6,00,000
- Sinking Fund investment ₹ 6,00,000 represented by 10% ₹ 6,50,000 secured bonds of Government of India.

Annual contribution to the sinking funds was ₹ 1,20,000 made on 31st March each year. On 31-03-2013, balance at bank was ₹ 3,00,000 before receipt of interest. The company sold the investment at 90% for redemption of debenture at a premium of 10% on the above date.

You are required to prepare the following accounts for the year ended 31st March, 2013.

- Debentures Account
- Sinking Fund Account
- Sinking Fund Investment Account
- Bank Account
- Debentureholders Account

Q.4 A limited, a trading company decided that the value of its building could be used to provide additional working capital. The Balance Sheet of the company as on 31st March, 2018 was as under:

Liabilities	₹	Assets	₹
Paid up Capital:		Fixed Assets:	
10,000 Equity Shares of ₹ 10 each	1,00,000	Building at cost	2,00,000
5,000 12% Redeemable Preference Shares of ₹ 10 each	50,000	Less: Depreciation	<u>40,000</u>
Reserves & Provisions:		Furniture at cost	90,000
Profit & loss Account	1,35,000	Less: Depreciation	<u>30,000</u>
Secured Loans:		Current Assets, Loans and Advances	
12% Debentures	70,000	Stock	58,000
Unsecured loans:		Debtors	52,000
Current Liabilities & Provisions:		Bank	65,000
Creditors	40,000		
	<u>3,95,000</u>		<u>3,95,000</u>

Depreciation on building has been provided @ 2% per annum on cost. The following action was taken

- The building was sold for ₹ 2,20,000 to another company, who leased it back to A Limited for 21 Years at annual rent of ₹ 16,000.
 - 12% Debentures were discharged at a premium of 10%.
 - Preference Shares were redeemed at a premium of 10%.
- The directors expect that the profit of the company will further increase by ₹ 20,000 for the coming year due to change in working capital.

You are required to draft the necessary journal entries to record the above transactions.

OR

Q.4 On 1st January, 2013 XYZ Limited issued 10,000 fifteen years debentures of ₹ 100 each bearing interest at 10% p.a. One of the conditions of issue was that the company could redeem the debentures by giving six month's notice at any time after 5 years, at a premium of 4%, either by payment in cash or by allotment of preference shares and / or other debenture at the option of the debentureholders.

On 1st April, 2018 the company gave notice to the debentureholders of its intention to redeem the debentures on 1st October, 2018 either by payment in cash or by allotment of 11% preference shares of ₹ 100 each at ₹ 130 per share or 11% second Debentures of ₹ 100 at ₹ 96 per debenture.

Holders of 4,000 debentures accepted the offer of the preference shares; holders of 4,800 debentures accepted the offer of the 11% second debentures and the rest demanded cash on 1st, October, 2018.

Required:

Give the journal entries to give effect to the above as of 1st October, 2018. Suggest how discount on issue of debentures can be dealt in the accounts. Ignore interest.

Q.5 ABC Ltd. was incorporated to take over the running business of BC and CI brothers with effect from 1st April, 2017. The Company was incorporated on 1st August, 2017.

The following information was available from the books of accounts, which were closed on 31st March, 2018.

		₹
Gross profit	7,00,000	
Shares transfer fees received	<u>10,000</u>	7,10,000
Expenses:		
Office Salaries		2,10,000
Partner's Salaries		60,000
Advertising		63,000
Printing Stationery		15,000
Travelling Expenses		40,000
Office Rent		96,000
Auditor's Remuneration		6,000
Directors' Fees		10,000
Bad Debts		12,000
Sales Commission		49,000
Preliminary Expenses		7,000
Debenture Interest		16,000
Interest on capital		18,000
Depreciation		21,000

Additional Information:

1. Monthly sales were ₹ 5, 00,000 for pre-incorporation period, while total sales for the year were ₹ 70, 00,000.
The sales were arose evenly throughout the concerned periods.
2. Office rent was ₹ 84,000 p.a. upto 30th September, 2017.
It became ₹ 1, 08,000 p.a. thereafter.
3. Travelling expenses included ₹ 7,000 towards sales promotion.
4. Auditor's Remuneration was payable for the whole year.
5. Bad debts written off included a debt of ₹ 4,000 taken over from the vendor, while the remaining were in respect of goods sold in September, 2017.
6. Depreciation includes ₹ 6,000 for asset acquired in the post incorporation period.

Prepare profit & Loss account for the year ended 31st March, 2018 in the columnar form showing profit/ loss for the pre and post incorporation period.

OR

Q.5 Nishan Ltd. was incorporated on 1st August, 2017 to acquire a business as on 1st April, 2017. The first accounts were closed on 31st March, 2018.

The following items appeared in the Profit and Loss Account.

Profit & Loss A/c
For the year ended 31st March, 2018

	₹		₹
Director's Fees	49,000	By Gross Profit	9,60,000
Rent	85,500		
Bad Debts	12,000		
Salaries	1,83,000		
Interest on Debenture	24,000		
Depreciation	66,000		
Preliminary Expenses	42,000		
General Expenses	49,200		
Commission on sales	36,000		
Printing & stationary	93,000		
Advertising	1,20,500		
Audit Fees	58,600		
Carriage Outwards	72,800		
Electricity Charges	44,400		
Insurance Premium	24,000		
	<u>9,60,000</u>		<u>9,60,000</u>

Additional Information:

1. Rent is paid on the basis of floor space occupied . The floor space occupied was doubled in the post incorporation period.

2. Sales for each month of December, 2017 to March, 2018 were double the monthly sales of April to November, 2017.
3. Bad debts ₹ 500 were in respect of sales effected two years ago.
4. Mr. Amit was working partner in the firm entitled to a remuneration @ ₹ 12,000 p.m. from 1st August, 2017 he was managing directors of a company entitled to salary @ ₹ 15,000 p.m. The remaining salary is to two Clerks employed during the period 1st July to 30th November, 2017.

You are required to prepare Profit & Loss Account for the year ended 31st March, 2018 and show 'pre' and 'post' incorporation profit or loss.

Q.6 a) Explain different types of debentures (10)

b) What rules must be complied for issue of Bonus shares ? (10)

OR

Q.6 Write short notes (any 4)

1. Sources of Bonus issue.
2. Sweat Equity shares.
3. Issue of Debentures as collateral security.
4. Divisible Profit.
5. Profit prior to incorporation.
6. Writing off discount on issue of debentures.

Please check whether you have got the right question paper.

- N.B:
1. All Questions are compulsory.
 2. All questions carry equal marks.
 3. Use of simple calculator is allowed.
 4. Draw neat diagrams wherever necessary.

Q.1 A. Explain the following concepts (ANY FIVE)

1. Financial Administration
2. Net Social Advantage
3. Regressive Taxation
4. Impact of tax
5. Revenue expenditure
6. Concentration effect
7. Zero based budget
8. Goods and services tax

10

B. Choose the right answer from the given options and rewrite the statement.

1. PP curve is illustrated to explain _____
 - a) Economic efficiency
 - b) Public goods
 - c) Government Policy
 - d) All of these
2. Which goods are characterized by two important features i.e. non-rival and non-excludability _____
 - a) Public goods
 - b) Private goods
 - c) Agricultural goods
 - d) All of these
3. Which is Indirect tax _____
 - a) Corporate Income tax
 - b) Capital gains tax
 - c) Customs Duty
 - d) Gift Tax
4. In case of Forward shifting of a tax burden, it lies on _____
 - a) Producer
 - b) Consumer
 - c) Worker
 - d) All of them
5. An adverse effect on taxation is _____
 - a) Discourage willingness to work
 - b) Discourage ability to work
 - c) Discourage willingness and ability to produce
 - d) All of these
6. Which is not the canon of public expenditure _____
 - a) Surplus
 - b) Sanction
 - c) Economy
 - d) Convenience
7. Which of the following programmes aims at Financial Inclusion _____
 - a) Public Provident Fund
 - b) Atal Pension Yojana
 - c) Mahatma Gandhi National Rural Employment Guarantee Act
 - d) Pradhan Mantri Jan Dhan Yojana
8. Revenue expenditure do not include _____
 - a) Interest payment
 - b) Subsidies
 - c) Debt-repayment
 - d) expenditure on Civil administration.

10

- 9. Fiscal Deficit -
 - a) Total expenditure - Total Receipt
 - b) Total expenditure - (Revenue Receipts + Non borrowing Capital Receipts)
 - c) Total expenditure - Revenue Receipts
 - d) Total expenditure - Capital Receipts.
- 10. Deficit financing is resorted when
 - a) Public expenditure > Public Revenue
 - b) Public expenditure < Public Revenue
 - c) Public Revenue - Public expenditure
 - d) None of these

20

Q.2 Answer any TWO of the following:

- a. Explain the meaning and functions of Public Finance.
- b. Explain the limitations of the principle of Maximum Social Advantage
- c. Examine the role of government in correcting market failure.

20

Q.3 Answer any TWO of the following:

- a. Explain the objectives of taxation.
- b. How do elasticities of demand and supply affect the incidence of taxation?
- c. Write a note on Taxation as Anti-inflationary measure.

20

Q.4 Answer any TWO of the following:

- a. Explain the effects of public expenditure.
- b. Examine the causes for increasing Public expenditure.
- c. Write a note on Public debt-management.

20

Q.5 Answer any TWO of the following:

- a. What are the objectives of Fiscal Policy?
- b. State the features of Functional Finance.
- c. Explain features of FRBM Act 2003.

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