

SYBAF. Set. IV

April-2018

UNIVERSITY PAPER

S.Y.BCAF

SEM-IV

APRIL.-2018

Sem. IV → Information Technology in Accounting
and Finance

Q.P. CODE: 36271

Date:- 24/04/2018

Maximum marks: 75

Duration: 2 ½ hrs.

Note:

1. Q. 1 is compulsory. Internal choice for remaining questions from Q.2 to Q.5.
2. Figures to the right indicate marks for the question. All questions carry equal marks.
3. Draw diagrams wherever required to explain the concept.

Q.1

- A. Select one correct option from the following and re-write the sentence. (Any 8) [08]
1. _____ is a supporting process. (Develop product, HR system, Set direction)
 2. In Tally, _____ short cut key is used to accept and save all data. (Ctrl+A, Shift+A, Alt+A)
 3. _____ report is one of the MIS reporting alternative. (Exception, Software, Hardware)
 4. _____ is one of the component of Information System. (BP,Data,BPM)
 5. _____ accounting package is mainly used to meet the special requirement of the user. (Tailored, Ready to use, Customized)
 6. _____ is a formalized graphic representation of a logic sequence work or manufacturing process, organization chart or similar formalized structure. (Algorithm, Flowchart, Workflow)
 7. _____ is one of the type of MIS. (DSS, BP, BPM)
 8. _____ risk is that material error exists that will not be prevented or detected in a timely manner by internal control system. (Audit, Control, Detection)
 9. In Tally, _____ voucher type is used to account all the payments made by company either by cash or bank. (Receipt, Contra, Payment)
 10. EDI stands for _____. (Electronic Data Interchange, E-commerce Document Internet, Electronic Data Internet)
- B. State whether the following sentences are true or false and re-write the sentence.(any 7) [07]
1. AIS is about providing right information to right person at right place, right time in right form and cost.
 2. Flowcharts use simple geometric symbols and arrows to define relationships.
 3. OAS stands for Office Accounting Software is one of the type of MIS.
 4. There are 28 pre-defined ledgers available in Tally ERP 9.0
 5. Keyboard is an example of hardware of computer.
 6. TQM is management approach to long term success through customer satisfaction.
 7. The function of inventory control is important as it takes away large capital as working capital.
 8. In Tally, Ctrl+ D is common key to either delete company or ledger.
 9. A Business Process has to be manual only.
 10. CAAT stands for Computer Advanced Accounting Audit.

Q.2

- A. Explain in detail benefits of AIS. [08]
- B. Explain in detail benefits of BPA. [07]

OR

Q.2

- C. Explain the concept: Total Quality Management in detail. [08]
- D. Explain life cycle of Business Process Management. [07]

Q.3

- A. Explain in detail features of Tally ERP 9.0 Explain with one proper example: How to create a company in Tally. [08]
- B. Explain in detail limitations of Computerized Accounting System. [07]

OR

Q.3

- C. Explain features of computerized accounting. [08]
- D. Explain in short all pre-defined vouchers present in Tally. Explain with one proper example of passing a contra voucher entry in Tally- starting with creating a company, ledger and voucher entry. [07]

Q.4

- A. Explain types of MIS. [08]
- B. Explain HRIS in detail. [07]

OR

Q.4

- C. List and explain guidelines for developing effective MIS report. [08]
- D. Explain meaning and objectives of MIS. [07]

Q.5

- A. Explain approach to auditing in CIS environment. [08]
- B. Explain: CAAT- white box approach – its meaning and uses. [07]

OR

Q.5

- Write Short notes for the following: (Any three) [15]
- A. Explain: Advantages and dis-advantages of CAAT.
- B. Explain: Marketing Decision Support System.
- C. Explain generic considerations of sourcing an accounting software.
- D. What knowledge is required for studying MIS?
- E. Explain: cloud computing.

Date: 25/04/2018

Q.P. CODE: 36572

Duration: 2 ½ hrs

Marks: 75

- Note: 1. All questions are compulsory with internal choices
2. Figures to the right indicate marks

Q.1a) Select the correct option & rewrite the statement (Any 8)

(08)

1. Management is _____
a. rigid b. dynamic c. permanent
2. Management uses _____ of management.
a. 4Ms b. 6Ms c. 8Ms
3. _____ is the essence of management
a. Planning b. Coordination c. Controlling
4. Decision making is a _____ oriented process
a. performance b. result c. goal
5. Planning is a _____ process.
a. mental b. virtual c. physical
6. Delegation _____ the burden on management.
a. increases b. reduces c. balances
7. Centralization provides _____ to policy.
a. dispersal b. concentration c. uniformity
8. Interview is the base of _____ selection
a. personal b. primary c. final
9. Personality test measures _____ of candidates.
a. balance b. maturity c. immaturity
10. Democratic leader acts as a good _____.
a. administrator b. listener c. manipulator

Q.1b) Match the Columns (Any 7)

(07)

Column A

- 1 Barriers to delegation
- 2 Motivation
- 3 Non-monetary
- 4 Leadership
- 5 Esprit de corps
- 6 Recalls
- 7 Decentralization
- 8 Unity of command
- 9 Departmentation by process
- 10 Alternative plans

Column B

- A Team spirit
- B Bonus
- C Stand-by arrangement
- D External source of recruitment
- E Textile mill
- F Better designation
- G Emotional maturity
- H Good control system
- I Costly
- J Internal source of recruitment
- K Fear of criticism
- L One superior

Q.2) Answer the following

- a. Briefly explain Henry Fayol's principle of management. (08)
 - b. Explain the nature of management. (07)
- OR**
- c. Define planning & state its importance. (08)
 - d. Explain the process of planning. (07)

Q.3) Answer the following

- a. Describe the different types of interviews that are conducted in organisation. (08)
 - b. What are the factors affecting decentralization? (07)
- OR**
- c. State the advantages & disadvantages of informal organisation. (08)
 - d. What is recruitment & state its sources? (07)

Q.4) Answer the following

- a. Explain leadership & describe any five styles of leadership (08)
 - b. What are the factors affecting motivation? (07)
- OR**
- c. What is controlling? Explain the steps in controlling. (08)
 - d. Distinguish between recruitment & selection. (07)

Q.5) Short Notes (any 3)

- a. Levels of management
 - b. Decision making
 - c. Centralization
 - d. Employment test
 - e. Leadership traits
- *****

Date: 26/04/2018

Q. P. Code: 35795

Time: 2:30 hours

Marks: 75

- Note:
1. All questions are compulsory.
 2. Figures on the right indicate full marks.

Q-1. A. Fill in the blanks. (Any 8) (08)

1. In case of small company paid up share capital doesn't exceed Rs. _____ or such higher amount as may be prescribed.
2. _____ means a company which has only one person as a member.
3. In case of private company maximum numbers of members are _____.
4. DIN stands for _____.
5. _____ Prospectus were issued in case securities were issued in stages.
6. A public company may issue securities to public through prospectus known as _____.
7. Buy back securities should be physically destroyed within _____ days.
8. Partnership business is governed by _____.
9. Ultra vires means _____.
10. Prospectus must be signed by atleast _____ directors of the company.

B. State whether following statements are True or False. (Any 7) (07)

1. Even a hydrogen bomb cannot destroy a company.
2. The promoter stands in a fiduciary position towards the company.
3. In case of Private Company, auditor is appointed by CAG.
4. Promoter cannot make any profit without consent of the company.
5. Maximum number of members in case of public company is unlimited.
6. Registration of partnership firm is compulsory in all over India.
7. Equity share holders cannot vote in meeting.
8. Buy back of shares is specified under section 62.
9. Sweat equity shares are issued to outsider at a discount for consideration.
10. Paid up share capital means such aggregate amount of money credited as fully paid up.

Q-2. a. What is Memorandum of Association? Explain all the clauses of Memorandum of Association. (07)

b. What is the procedure for forming a company? (08)

OR

Q-2. a. What is Doctrine of ultra vires and its effects? (07)

b. Write a distinguish between Private Company and Public Company. (08)

- Q-3. a. What is prospectus? Explain all types of prospectus. (07)
b. What is Private Placement and explain rules regarding private placement. (08)

OR

- Q-3. a. Explain rules regarding allotment of shares by company. (07)
b. Explain main contents of prospectus. (08)

- Q-4. a. Write a distinguish between Equity and Preference shares. (07)
b. What is Bonus Shares? Explain rules regarding bonus issue. (08)

OR

- Q-4. a. Explain Sweat Equity Shares. (07)
b. What is Buy Back of Shares? Explain rules regarding buy back of shares. (08)

- Q-5. Write short notes. (Any 3) (15)
a. Transmission of shares
b. Debentures
c. Doctrine of Constructive Notice
d. Foreign Company
e. Independent Director

Instructions:

All questions are compulsory.

Figures to right indicate full marks.

Use of simple calculator is allowed.

Q.1)A) Multiple Choice Question (Any Eight)

(08 Marks)

- Research ethics is _____ (Safety / transparency / all of these)
- The first section of research paper is ____ (Abstract / Introduction / Analysis)
- _____ is a reference to a published or unpublished source (Citation / Footnotes / Bibliography)
- _____ Hypothesis states that there is no relationship between two or more variables (Null / alternative / Negative)
- _____ research is also called as fundamental research (Basic / Empirical / Applied)
- _____ refers to previous research studies, reference books and other published sources. (Literature review / Research design/ research report)
- _____ data is also known as recorded data from published sources. (Secondary/ Tertiary / Primary)
- A sampling distribution is the distribution of _____ (Parameter / Mean / Proportion)
- Research _____ is a logical and systematic plan for conducting research study. (design / report / sample)
- _____ is an indirect and impersonal method of conducting survey. (Questionnaire / Experiment / Observation)

Q.1)B)state whether True or False (Any Seven)

(07 Marks)

- Pilot study is conducted on a larger segment of the research universe.
- Literature review helps to provide good insight into the research problems.
- Data processing is the intermediary stage between data collection and data analysis.
- Research Methodology is a scientific and systematic approach to solve business problems.
- Hypothesis must explain the facts that give rise to the need for explanation.
- Survey question can be open ended, close ended and structures.
- Stratification is the process of grouping the members of the population in non-homogeneous group before sampling.
- Mode is the value which occurs most frequently in the distribution.
- Data editing is influenced by the complexity of the questionnaire.
- Completely randomize design involves he principal of replication and the principal of randomization of experimental designs.

Q.2)A) Explain the Research and its types

(07 marks)

Q.2)B) What are the steps to be taken for formulation of hypothesis

(08 marks)

OR

Q.2)A) Explain Survey method and types of survey method

(07 marks)

Q.2)B) Explain the methods of non-probability sampling

(08 marks)

Q.3)A) Explain hypothesis and sources of hypothesis

(07 marks)

Q.3)B) Calculate the Mean and Median for the data given below (08 marks)

Daily Earnings (Rs.)	50-53	53-56	56-59	59-62	62-65	65-68	68-71	71-74	74-77
No. of Persons	4	7	15	30	36	28	16	10	5

OR

Q.3)A) Calculate Standard Deviation from the following (08 marks)

Marks	10	20	30	40	50	60
No. of students	7	13	20	10	6	4

Q.3)B) Explain the structure and layout of research report (07 marks)

Q.4)A) Calculate coefficient of correlation from the following data (08 marks)

X	12	9	8	10	11	13	7
Y	14	8	6	9	11	12	3

Q.4)B) Describe the steps in research report writing (07 marks)

OR

Q.4)A) Find out the co-efficient of mean deviation in the following series (08 marks)

Age in years	0-10	10-20	20-30	30-40	40-50	50-60	60-70	70-80
No. of Persons	20	25	30	40	45	35	10	8

Q.4)B) Explain the importance of review of literature (07 marks)

Q.5)A) Explain the data processing? Explain the steps of data processing (07 marks)

Q.5)B) What is primary data and the techniques of primary data collection (08 marks)

OR

Q.5) Write short notes (Any Three) (15 Marks)

- Secondary Method
- Advantages of sampling
- Regression Analysis
- Editing of data
- Essential of Good Report

Max. Marks: 75

Time: 2Hrs.30Min.

Instructions:

- A. All questions are compulsory subject to internal choice.
B. Figures to the right indicate full marks.

Q. 1.

A. State whether the following statements are true or false. (Attempt any Eight) [08]

1. Capital redemption reserve can be used only for the issue of bonus shares.
2. Treatment of monetary items is same as per integral and non-integral financial operations.
3. Proposed dividends are contingent liability after commencement of Companies Act, 2013.
4. Terms of redemption of debentures are mentioned at the time of issue.
5. Calls in arrear are deducted from share capital.
6. Debenture redemption reserve is created out of capital reserve.
7. Debenture interest in case of running business taken over by company is distributed on time basis.
8. Patents are fictitious assets.
9. Balance in debenture redemption reserve after redemption is transferred to capital reserve.
10. Debenture due for redemption within 3 months from the balance sheet date is appears under the head of long term liability.

B. Match the pair (Attempt any Seven)

[07]

	Column A		Column B
1	Accounting Standard – 1	a	Form of Statement of Profit and Loss
2	Accounting Standard – 11	b	Sales basis
3	Part I of Schedule III	c	Long term borrowings
4	Part II of Schedule III	d	Non-current assets
5	Advertisement expenses	e	Short term borrowings
6	Rent, rates and taxes	f	Form of Balance sheet
7	Interest on bank overdraft	g	Disclosure of Accounting Policy
8	Deferred tax assets	h	Accounting for foreign currency
9	Debentures	i	Time Basis
10	Bank overdraft	j	Finance Cost

Q. 2. A

[15]

The following information is available in respect of NP Ltd.

Capital reserve Rs. 50,000; Securities Premium Rs. 60,000; General Reserve Rs. 30,000; Profit & Loss Account - Rs. 2,20,000; The company had Rs. 4,00,000 in bank account. During the year company had purchased a machinery worth Rs. 2,00,000. It sold an investment costing Rs. 5,70,000 for Rs. 6,00,000. It had 2,00,000 7% Preference Shares of Rs. 10 each to be redeemed at premium of 10%. The company decided to issue such number of equity shares of Rs. 100 each at premium of Rs. 25 per share so as to have minimum cash of Rs. 10,00,000.

Draft necessary journal entries in the books of NP Ltd. considering the provisions prescribed in the Companies Act, 2013.

(Ignore depreciation on assets)

OR

Q. 2. B.

[15]

On 01.04.2008 VM Ltd. had issued 10,000 6% debentures of Rs. 100 each issued at discount of 4% redeemable on 01.08.2018 at premium of 20%. Company has balance in Debenture redemption reserve of Rs. 4,00,000 and Debenture redemption investments of Rs. 3,00,000. Investments were sold at par. Debenture holders were offered following options:

- Issue of equity shares of Rs. 10 each at 20% premium
- Issue of 8% debentures of Rs. 100 each at 10% discount
- Cash.

Additional information:

- 30% of the debenture holders opted for option a.
- 30% of the debenture holders opted for option b.
- Balance opted for cash.

Pass necessary Journal entries in the books of VM Ltd. for issue and redemption.
(Ignore annual interest payments.)

Q. 3. A

[15]

AKP Ltd. was incorporated to take over a running business of AP trading concern firm with effect from 01.04.2017. The company was incorporated on 01.07.2017. The following further information is provided.

Particulars	Amount	Particulars	Amount
To Salaries	80,000	By Gross Profit	4,00,000
To Office expenses	30,000		
To Publicity expenses	24,000		
To Insurance expenses	60,000		
To Carriage outward	15,000		
To Fees to Director	40,000		
To Depreciation	36,000		
To Commission on sales	90,000		
To Discount allowed	5,000		
To Net Profit c/d	20,000		
	4,00,000		4,00,000

Other Information:

- The sales were normal in the month of April. It was doubled from the period of May to January. It increased to three times the sales in April in the month of Feb and March.
- Salaries include salary to vendor Rs. 10,000 and salary to Director Rs. 5,000.
- Depreciation includes depreciation on machinery purchased on 01.12.2017 of Rs. 6,000.
- Publicity expenses were incurred by AKP Ltd.

Prepare statement showing distribution of profit in pre and post incorporation period for the year ended 31.03.2018

OR

Q.P. CODE: 35206

[15]

Q. 3. B.

The following balances appeared in the London Branch of NP Ltd. having head office at Mumbai as on 31.03.2018

Particulars	Debit (£)	Particulars	Credit (£)
Stock on 01.04.2017	1,000	Sales	4,000
Purchases	2,000	Trade Payables	2,000
Trade Receivables	3,000	Interest on investments	200
Insurance	600	H.O. Account	8,000
Carriage Inward	100		
Salaries	300		
Postage	600		
Building	4,200		
Land	1,000		
Bank Balance	1,400		
	14,200		14,200

Additional Information:

The stock on 31.03.2018 was £ 1,000. Building was purchased when 1 £ was equal to Rs. 70. Depreciation is provided on building @ 10 %. Land was purchased when 1 £ was equal to Rs. 75. The branch account in the books of head office account shows debit balance of Rs. 3,00,000.

The Following were the exchange rates during the year:

01.04.2017 1£ = Rs. 80

31.03.2018 1£ = Rs. 90

Average rate 1£ = Rs. 85.

You are required to convert the trial balance in reporting currency and prepare Profit & Loss Account and Balance sheet of the branch in the books of head office for the year ended 31.03.2018.

Q. 4. A.

[15]

The following is the trial balance of SS Ltd. as on 31.03.2018

Particulars	Amount (Rs.)	Particulars	Amount (Rs.)
* Machinery FA	15,00,000	Equity Share capital SC *	10,00,000
Land FA	10,00,000	9% Preference Share capital SC	8,00,000
* Debtors TR	3,00,000	Sales PFD	20,00,000
Purchases Purtd	8,00,000	Bills Payable TP	2,00,000
Advance Tax STP	50,000	Cash credit CRCF	1,00,000
* Investments NCI	3,00,000	Unclaimed dividend	20,000
Wages FRF	30,000	General Reserve RES	80,000
Salaries FBE	1,50,000	P & L A/c P&S	2,00,000
Rent OF	60,000	10% Debentures ATB *	1,00,000
* Opening Stock Chang Jo	90,000		
* Interest on Debentures OCL	10,000		
Licenses and Franchise FA	1,80,000		
Interim Dividend TR&S	30,000		
	45,00,000		45,00,000

Additional Information:

- i The authorised capital of the company was 20,000 equity shares of Rs. 100 each & 8,000 9% Preference of Rs. 100 each.
- ii Closing stock as on 31.03.2018 was Rs. 60,000. *Exchange Inven / Inventory*
- iii Depreciation was to be provided on Machinery @ 10%. *(-) M / (+) Dep & Amort*
- iv 10% of the investments were short term in nature. *(-) Inv / OCA*
- v Debentures were to be redeemed on 31.08.2018. *Info*
- vi Create provision for doubtful debt @ 10%. *(-) Debtor / BE*
- vii During the year Rs. 20,000 were transferred to General reserve.
- viii Provide for Taxation @ 30%.

Prepare Income statement & Balance sheet from the given information.

Q. 4. B. 1.

OR

[08]

VK Ltd. has authorised capital of Rs. 20,00,000 divided in 1,00,000 equity shares of Rs. 10 each, 50,000 8% Preference shares of Rs. 10 each and 50,000 10% Convertible Preference shares of Rs. 10 each. The company has issued 60,000 shares out of which 58,000 shares have been subscribed. The company has received Rs. 8 per share. The company had made the final call of Rs. 2 per share. It has not received the call money on 2,000 shares. The company has fully issued its 8% Preference shares and paid up. However only 50% of the 10% convertible shares are issued and it is subscribed upto 95% which are fully paid up. Show detailed note to accounts of Share capital.

2.

A company has the following information on 31.03.2017:

[07]

	Original Cost	Accumulated Depreciation
Furniture	10,00,000	6,00,000
Building	6,00,000	4,00,000
Vehicles	4,00,000	100000
Land	5,00,000	0

The company provides depreciation on Furniture, Building and Motor Car @ 12%, 5% and 10% respectively on original cost. The company has purchased a new Furniture on 31.12.2018 of Rs. 3,00,000. During the year a part of the land costing Rs. 1,00,000 was sold at cost. Show detailed note to accounts of Fixed Assets for the year ending on 31.03.2018.

- Q. 5. A Compare integral and non-integral foreign operations
B State the provisions relating to redemption of preference shares.

[08]

[07]

OR

- Q. 5. Write short notes on: (Attempt any three)
- a. Debenture redemption reserve and debenture redemption investments.
 - b. Time ratio and sales ratio.
 - c. Fixed assets.
 - d. Capital redemption reserve.
 - e. Proposed dividend and interim dividend.

[15]

Date: 04/05/2018

Q. P. Code: 36204

Time: 2:30 Hours

Marks: 75

Please check whether you have got the right question paper.

N.B:

1. All questions are compulsory.
2. All questions carry 15 marks.
3. Figures to the right indicate full marks.
4. Use simple calculator.
5. Working should for part of answer.

Q.1A) State True or False: Re- write the sentence (Attempt any eight) (08)

1. As per section 64 (1A) incomes accruing to a minor shall be clubbed in the income of father or mother at their option.
2. When income of minor child is clubbed in the income of the parent concerned, such parent will be allowed exemption of Rs.1500 per child.
3. Business loss is not eligible for set off against income from salaries.
4. Speculation losses may be set off against non-speculative profits.
5. TDS @2% will be applicable on rent of plant, machinery of equipment.
6. As per section 194J, tax is to be deducted @ 5% from the payments covered under section 194J.
7. Section 234B provides for levy of interest @ 2% per month
8. DTAA provisions are made vide section 90.
9. Advance tax is payable in 3 installments by a non-corporate assessee.
10. Every person, being a company, has to file its return of income only if it has any positive income or if it wants to carry forward the loss if any.

B) Fill in the blanks with correct options: Re-write the sentence (Attempt any seven) (07)

1. TDS applicable on commission is ____%.(15/ 2/ 5)
2. First due date of payment of advance tax of individual is _____.(15th Sept/ 15th June/ 15th Dec)
3. Due date of return of income for company is _____.(31st March/30th Sept/ 31st Oct)
4. Dividend from Indian Company is _____.(Taxable/exempt/ partly exempt)
5. The assessee is liable to pay interest _____ for every month under section 234A.(1%/1.5%/2%)
6. Business loss can be set off against _____.(Salary /Business income/ Winning income)
7. Interest paid to partners on their capital cannot exceed _____.(10/18/12)
8. TDS under section 192 is deducted .(5%/15%/Average Rate)
9. If rent is paid for land and Building , TDS is to be deducted @ _____% (2% /10% /20%)
10. Short term capital loss can be set of against _____ income.(Business income, Salary ,Long term capital gain)

192
194A Int
194C con
194H co
194J Int
194J Prof

Q2) Given below is the profit and loss account of partnership firm (XYZ) for the year ended 31st March 2017.

(15)

Particulars	Rs.	Particulars	Rs.
To Purchase	15,35,000	By Sales	35,00,000
TO Direct and Indirect Expenses	7,35,000	By Interest on Securities	45,000
To Depreciation	2,20,000	(NET) (TDS-Rs.5,000)	
To Interest to Partners	2,00,000		
To Salaries to Partners	6,60,000		
(X- 2,50,000, Y-200,000 Z-2,10,000)			
To Net profit	1,95,000		
	35,45,000		35,45,000

Other information:

1. Depreciation allowable as per section 32 is Rs. 1, 70,000.
2. Purchases include a bill from a supplier for Rs.35,000 which was paid in cash.
3. The firm has three partners X, Y, Z . They share profits in the ratio 4:3:3. Z is a sleeping partner.
4. Interest is paid to partners @ 20%p.a. and authorized in the partnership deed.
5. Salaries authorized by partnership deed are paid to all partners .

Compute the taxable income of the firm for the assessment year 2017-2018.

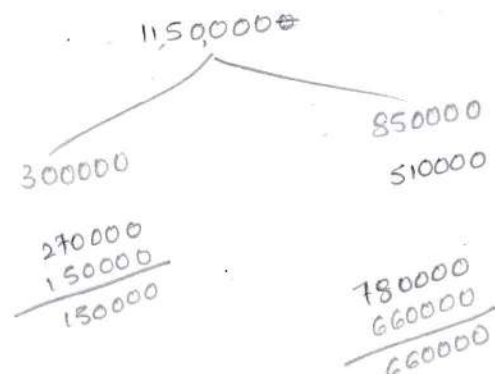
OR

Q2 A) Mr. Suraj Vike is an employee of L&T Ltd , and has substantial interest in the company. His salary is Rs.30,000 p.m. Mrs. Suraj Vike also is working in that company at a salary of Rs. 11,000 p.m. without any professional qualification, Mr. Suraj also receives Rs.20,000 as income from securities. Mrs. Suraj owns a house property which she has let out. Income from house property is Rs.1,00,800. Both the husband and the wife have three minor children- two twin daughters and one son. Income of the twin daughters is Rs.2, 000 p.a. each and that of his son is Rs.1,200 p.a. .Compute the Income of Mr. Suraj Vike and Mrs, Suraj Vike for assessment year 2017-2018.

(8)

B) MR. Khanna is a doctor. His tax liability for the financial year 2016-17 amounted to Rs. 12,400. The due date of filing the return of income in his case is 31st July, 2017. On 1st August, 2017 he paid tax of Rs.12, 400 and filed the return of income. Will he liable to pay interest under section 234A and 234B if Yes Calculate the same

(7)



Q.3) Mr. Rahul a resident individual, submits the following information relevant for the previous year ending 31st March, 2017: (15)

Particulars	Rs.
Income from Salary * HP	16,00,000
Income from House property:	
House I	70,000
House II	(-)52,000
House III	(-)25,000
Profits and Gains from Business or Profession:	
Business I	2,00,000
Business II	(-)75,000
Business III(Speculative)	(-)60,000
Business IV(Speculative)	72,000
Capital Gains:	
Short Term Capital Loss	(-)83,000
Long Term capital gains on transfer of preference shares	70,000
Income from other Sources:	
Income from card Games	80,000
Loss on Maintenance of horse race	(-)1,20,000
Income from owning and maintaining camels race A	2,00,000

Determine the Net Income for the assessment year 2017-2018.

OR

Q3A) Ruchira Ltd. Has made payments on various dates in financial year 2016-2017 to Raja Ltd, towards work done under different contracts as follows: (08)

Contract Number	Date of Payment	Amount (Rs.)
1	05/05/2016	20,000
2	06/06/2016	18,000
3	08/08/2016	22,000
4	10/09/2016	47,000
5	10/10/2016	10,000

Ruchira LTd. Claims that it is not liable to deduction of tax at source under section 194C. Examine the correctness of the claim made by the company. What would be the position if the value of the contract no. 5 is Rs 5,000 and there is no other contract during the year.

Q3.B) Compute the amount of tax to be deducted at source on the following payments made by M/s Shreya Ltd. During the financial year 2015-16, as per the provisions of the Income Tax Act, 1961. (07)

Sr.No.	Date	Nature of Payment
1	01/10/2016	Payment of Rs. 2, 00,000 to Mr. " X" a transporter who is having PAN.
2	01/11/2016	Payment of fees for technical services of Rs.50,000 to Mr. Ram who is having PAN.
3	30/06/2016	Payment of Rs.28,000 to M/s XYZ LTD. For repair of building.
4	01/01/2017	Payment of Rs.2, 00,000 made to Mr. A for purchase of diaries made according to specifications of M/s Shreya Ltd. . However, no material was supplied for such diaries to Mr. A by M/s Shreya Ltd.
5	01/02/2017	Payment of commission of Rs. 18,000 to Mr. Y

Q4) Ms. Krupali, a resident individual aged 62 years and a retired employee of the Prasar Bharati is a reputed signer deriving income of Rs.1, 00,000 each from music concerts performed abroad in two different countries. Total tax of Rs.20, 000 was deducted in the country where the concerts were performed. India does not have any DTAA under section, 90 of the Income tax act, 1961 with that country. Her income in India amounted to Rs. 3, 95,000. Compute the tax liability of Krupali, for the assessment year 2017-2018. (15)

OR

Q4) Ms. Manasi is running a provision shop. Tax liability of Ms. Manasi for the year is Rs. 50,000. She has paid advance tax of Rs.40, 500 on 15th March. Balance tax of Rs.9, 500 is paid by her on 31/12/2017 at the time of filing the return of income. Will she be liable to pay interest under section 234A, 234B or 234C? if yes calculate the same (due date of filing return is 31/07/2017) (15)

Q5) A) Discuss the provisions on income of Minor child. (8)

B) Discuss the provisions of section 70 (Inter – Source Adjustment) (7)

OR

Q5) Write short notes on(Any three) (15)

1. Double Taxation Relief
2. Installment of advance tax and due dates
3. Provisions of section 194A.
4. Defective Return
5. Losses in speculation business

Maximum Marks: 75

Duration: 2 ½ hrs

- Note: 1) There are 5 questions with internal choice
 2) Each question carries 15 marks.
 3) Suitable assumptions and working notes should form the part of your answer.
 4) Figures to the right hand side indicate full marks.
 5) Please check whether you have got the right question paper.

- 1) A) Fill in the blanks (any 8): (08)
- 1) Management accounting is _____ in nature.
 - 2) Use of Management accounting is _____.
 - 3) Underwriting commission (not written off) is classified as a _____ asset.
 - 4) Profit on sale of fixed asset is recorded in Vertical Income statement under the head _____.
 - 5) Dividend payout ratio = Dividend per share / _____.
 - 6) Debt service ratio is also called _____ ratio.
 - 7) Cash flow statement is compulsory for _____ companies.
 - 8) Refund of income tax is cash flow from _____ activities.
 - 9) Working capital required at the inception of the business is called _____ working capital.
 - 10) Business that purchases goods on cash basis and sells on credit basis will need _____ working capital.

- B) Match the following (any 7): (07)

Column A	Column B
Financial Accounting	2:1
Management Accounting	Cash flow from investing activities
Goodwill	Less the working capital required
Preliminary expenses	Cash flow from financing activities
Current ratio	Subject to audit
Quick ratio	Intangible assets
Interest received on investment	More the working capital required
Interest paid on borrowings	1:1
More the stock turnover ratio	Fictitious assets
Less the stock turnover ratio	Not subject to audit

- 2) A) From the following information provided to you by Ramol Ltd. prepare a Commonsize Balance Sheet: (15)
- Equity Share Capital Rs. 400000, General Reserves Rs. 80000, Profit & Loss Account Rs. 75000, Goodwill Rs. 100000, Land & Building Rs. 580000, Machinery Rs. 130000, Investments in Govt. Securities Rs. 250000, 10% Preference Capital Rs. 300000, 12% Debentures Rs. 200000, 12.5% Bank Loan Rs. 185000, Stock Rs. 120000, Debtors Rs. 160000, Creditors Rs. 60000, Bills payable Rs. 40000, Provision for Tax Rs. 45000, Bills Receivable Rs. 25000, Cash Rs. 5000, Formation expenses Rs. 15000

OR

Q. P. Code: 37083

B) Prepare a Vertical Income statement of Rohan Ltd. from the following information and calculate Gross Profit Ratio, Operating Ratio and Stock turnover Ratio: (15)

Cash Sales Rs. 550000, Credit Sales Rs. 1450000, Stock on 1st April, 2015 Rs. 250000, Purchases Rs. 550000, Carriage inwards Rs. 50000, Carriage outwards Rs. 25000, Wages Rs. 140000, Advertisement Rs. 60000, Salaries Rs. 240000, Discount allowed Rs. 10000, Dividend received Rs. 47000, , Depreciation on office computer Rs. 12000, Printing & Stationery Rs. 10000, Salesman commission Rs. 18000, Profit on sale of investments Rs. 13000, Stock on 31st March, 2016 Rs. 400000, Interest on Bank Loan Rs. 100000, Provision for tax Rs. 60000

3) A) Following is the Balance Sheet of Rudra Ltd.:

Liabilities	31-03-2015	31-03-2016	Assets	31-03-2015	31-03-2016
Share Capital (+) FA	300000	400000	Goodwill (+) NP	55000	50000
Profit & Loss A/c NP	3000	4000	Land and Building -	150000	142500
General Reserves (+) NP	50000	60000	Plant & Machinery -	80000	200000
Bills Payable (-) DLIA	20000	18000	Inventories (-) DLIA	106000	138500
Sundry Creditors (+) ILDA	35000	45000	Bills Receivables (+) ILDA	25000	12000
Provision for Taxes	35000	40000	Sundry Debtors (-) DLIA	45000	51000
Proposed Dividend	30000	40000	Cash and Bank Balance	12000	13000
Total	473000	607000	Total	473000	607000

Additional information for the year ended 31-3-2016 was as follows:

- Depreciation charged on land and building was Rs. 7,500 and on Plant and Machinery was Rs. 20000.
- During the year, a plant having WDV Rs. 24000 was sold for Rs. 26000.
- Proposed dividend paid Rs. 35000 while provision for tax made for the year was Rs. 33000

You are required to prepare a Cash flow statement for the year ended 31-03-2016.

OR

B) Ajinkya Ltd. manufactured and sold 12000 Mobile handsets in the year 2016. The production cost per unit was a under:

	Rs.
Material	3500
Labour	1000
Overheads (including depreciation Rs. 200 per unit)	1000
Total Cost	5500
Profit	2000
Selling price	7500

For the year 2017, it is estimated that:

- The output and sales will be 18000 hand-sets. There will be no change in the cost structure and selling price.
- Raw materials will remain in stock for one half month before issue to production.
- Finished goods will remain in godown for one month before sale.
- 20% of the sales will be on cash basis and credit allowed to customers will be two months.
- 40% of raw materials requirements will be obtained from a supplier in China by making one month advance payment. Balance suppliers allow credit of two months.
- Wages and Overheads are paid two months and one month in arrears respectively.
- Materials will be in process on an average for one and a half month.
- Cash in hand and with bank should always be Rs. 50000.

You are required to forecast working capital requirement of the company for the year 2017. (15)

4) A) Prepare a comparative income statement from the following: (15)
Profit & Loss account of M/s. Abhishek Ltd. for the year ended 31st March

Particulars	2016 (Rs.)	2015 (Rs.)	Particulars	2016 (Rs.)	2015 (Rs.)
To Opening Stock	44000	40000	By Sales	190000	200000
To Purchases	84000	72000	By Closing Stock	46000	44000
To Wages	40000	36000	By Interest received	20000	-
To Factory Expenses	32000	28000			
To Establishment Expenses	8000	6000			
To Management Expenses	2000	2000			
To Selling Expenses	6000	10000			
To Interest	6000	8000			
To Loss on sale of Assets	2000	2000			
To Provision for taxation	22000	24000			
To Net profit	10000	16000			
Total	256000	244000	Total	256000	244000

OR

B) Calculate the Trend Percentage from the following information extracted from the financial statements of Shaurya Ltd.

	2016 Rs.	2015 Rs.	2014 Rs.
Sales	16,400	13,640	9,880
Cost of sales	14,970	12,490	8,810
Expenses	80	130	50
Interest Expenses	500	370	200
Tax	390	190	450
Fixed Assets (Net)	5,480	5,110	4,770
Working Capital	5,090	4,880	3,290
Investments	770	180	430
Net Worth	6,660	6,010	5,850
External Loans	4,680	4,160	2,640

5) A) Distinguish between Owners fund and Owed Funds. (08)
B) Distinguish between Debtors turnover Ratio and Creditors turnover Ratio (07)

OR

Write short notes on (any 3): (15)

- Functions of Management accountant (any 5)
- Proprietary Ratio
- Forms of expressing ratios.
- Cash flow from Financing Activities
- Balance Sheet working capital and Cash working capital
