

**J. Z. Shah Arts & H. P. Desai Commerce College, Amroli – Surat**  
**Internal Test – 2020**

M. Com. Semester – II (EM)

**Economics of Growth Development and Planning - II**

Date : 27/02/2020

Roll No. : .....

Time : 11:30 To 01:00

Total Marks : 35

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1. Critically discuss the W.A. Lewis model of economic growth. (13)

**OR**

1. Explain Big Push theory in detail. (13)

2. Critically explain the Rostow's stages of economic growth. (12)

**OR**

2. Explain the meaning, assumptions and uses of input-output analysis (12)

3. **Write short notes (any two)** (10)

1. Criteria of judging social cost and social benefit
2. Difference between Harrod and Domar model.
3. Harrod- Domar model and Underdeveloped Countries.
4. Types of economic model.

vs



**J. Z. Shah Arts & H. P. Desai Commerce College, Amroli – Surat**

**Internal Test – 2020**

M. Com. Semester – II (EM)

**Management Theory and Practice - II**

Date : 28/02/2020

Roll No. : .....

Time : 11:30 To 01:00

Total Marks : 35

1.(A) Explain the causes of Organizational Resistance. (06)

1.(B) What is Change? Describe the Process of Change. (06)

**OR**

1.(A) Describe the Process of Team Building. (06)

1.(B) Explain External Dynamics of Team (06)

2.(A) Explain Styles of Conflict Management. (06)

2.(B) Describe in brief the Process of Management by Confidence. (06)

**OR**

2. Explain Sources of Conflict and Conflict Process. (12)

3.(A) **Attempt Any One :** (05)

1. Enterprise Resource Planning
2. Business Process Re-Engineering
3. Empowerment

3.(B) **Case Study :** (06)

The students of Commerce College has organized inter college management event. The Event Co-ordinator, Mr.Varun Patel is disappointed with the different groups who were not able to meet proper requirements on the day of event. Following statements were recorded from different group leaders,

**Registration Group:** There was heavy rush on registration desk, we were not having enough students for Online Registration. So some students could not successfully register for the event.

**Food Group:** Food was not properly served to students as we have not received exact number of registration from that group. There was shortage of food at the end. Some students who have paid fees could not be served the food.

**Certificate Group:** We were not able to produce proper certificates because exact data were not given about registration. And we were not having person with computer knowledge.

**Technical & Online group:** The group was worried about distribution work. Because of that some members were idle during the entire day of event.

The Event Co-ordinator, Mr.Varun Patel was not satisfied with the response from group leaders and members. Mr.Varun Patel tried creating the internal network on the day of event but it was not successful because of short time.

**Questions:** (1) Which problems are involved in the case? (2) How the problem could be solved? (3) Critically Examine the Personality of Event Co-ordinator.



**J. Z. Shah Arts & H. P. Desai Commerce College, Amroli – Surat**  
**Internal Test – 2020**

**M. Com. Semester – II (EM)**

**Advertising & Sales Management - II**

**Date : 29/02/2020**

**Time : 11:30 To 01:00**

**Roll No. : .....**

**Total Marks : 35**

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**1.(A)** Explain the components of advertising message design. **(06)**

**1.(B)** What is meant by post testing ? Explain its utilities **(05)**

**OR**

**1.(A)** What is an advertising appeal ? Explain the types of advertising appeals **(06)**

**1.(B)** Explain the objectives of ASCI **(05)**

**2.(A)** Describe the characteristics of an ideal compensation plan **(06)**

**2.(B)** What is sales volume analysis ? State the bases of sales volume analysis and explain any one of them **(06)**

**OR**

**2.(A)** Explain the Hygiene theory of motivation **(06)**

**2.(B)** Explain the process of sales force performance evaluation **(06)**

**3.(A)** **Write a short note (any one)** **(06)**

1. Psychological analysis
2. Salesman Productivity Approach
3. Audience exposure method

**3.(B)** **Case Study :** **(06)**

Shiv Ltd. has a Motercar show room and service station for car and scooter in Surat. Now company wants to start branches at Ahmedabad in August, Vadodara in September and in Anand in November And it wants t appoint sales force for them. How to recruit them ? and which terms and conditions for the appointment of sales force will follow ? Give your suggestions.



**J. Z. Shah Arts & H. P. Desai Commerce College, Amroli – Surat**  
**Internal Test – 2020**

M. Com. Semester – II (EM)

**Financial and Management Accounting - IV**

Date : 02/03/2020

Roll No. : .....

Time : 11:30 To 01:00

Total Marks : 35

- Q 1.** A Commercial Bank has the following capital funds and assets. Segregate the capital funds into Tier I and Tier II Capitals. Find out the risk adjusted assets and risk weighted assets and calculate the Capital Adequacy ratio. (12)

CAPITAL FUNDS	Amount (Rs.in lakhs)
Equity Share Capital	96,000
Statutory Reserve	56,000
Capital Reserve (Out of which Rs.5.6 Crores were due to revaluation of assets and the balance due to sale)	2420
<b>ASSETS:</b>	
Cash balances with RBI	960
Balances with other Bank	2500
Claim on banks	5700
Other Investments	156,500
<b>Loans and Advances:</b>	
i)    Guaranteed by Government	25,640
ii)   Guaranteed by Public Sector undertakings of Govt. Of India	140,420
iii)  Others	10,40,500
iv)   Premises, furniture and Fixtures	36,400
v)   Other Assets	40,240
<b>Off-Balance Sheet Items:</b>	
Acceptances, Endorsement and Letters of Credit	740,500

**OR**

- Q 1.** (i) A Bank Ltd. provides you the following information about it's Capital balances: (03)  
Tier-I Capital – Rs.300,000 and Tier-II Capital – Rs.100,000.

Particulars	Amt.	Risk (%)
Debentures	900,000	90
Mortgage Loan	45,00,000	75
Govt. Deposits	400,000	0

Calculate Capital Adequacy Ratio based on it.

- (ii) Calculate Net Interest Margin based on the details given below: (03)  
Return On Investments – Rs.60,000, Interest paid – Rs.50,000  
O/S Loan A/c Balance: At the Beginning of the year – Rs.80,000  
At the End of the year – Rs.150,000

(iii) Details of Deposits & Advances are as follows:

(03)

Savings Deposit – Rs.800,000,  
Term Deposit – Rs.900,000,  
Current Deposit – RS.750,000,  
Loans Given – Rs.800,000,  
Mortgage Loan – Rs.700,000  
Overdraft – Rs.337,500

(iv) Calculate the following :

(03)

- a) Gross NPA Ratio
- b) Net NPA Ratio
- c) Provision Coverage Ratio

PARTICULARS		Amt.
Standard Assets		20,00,000
Sub-Standard Assets		1,00,000
<u>Doubtful Assets:</u>		
-- Upto 1 Year	Secured	50,000
	Unsecured	30,000
--For more than 1 Year, But upto 3 Years	Secured	25,000
	Unsecured	15,000
More than 3 Years	Secured	20,000
	Unsecured	5000
Loss Assets		25,000
TOTAL		22,70,000

Q 2. From the following information, prepare the Balance Sheet of ABC Ltd. Showing the details of working:

(11)

Paid up capital Rs. 50,000  
Plant and Machinery Rs. 1,25,000  
Total Sales (p.a.) Rs. 5,00,000  
Gross Profit 25%  
Annual Credit Sales 80% of net sales  
Current Ratio 2  
Inventory Turnover 4  
Fixed Assets Turnover 2  
Sales Returns 20% of sales  
Average collection period 73 days  
Bank Credit to trade credit 2  
Cash to Inventory 1 : 15  
Total debt to current Liabilities 3

OR

**Q 2.** Following are incomplete Trading & Profit and Loss A/c. and Balance Sheet.

**(11)**

**Trading A/c.**

Particulars	Rs.	Particulars	Rs.
To Op. stock	3,50,000	By Sales	(?)
To Purchase	(?)	By Closing Stock	(?)
To Purchase Return	87,000		
To Gross Profit	7,18,421		
	14,96,710		14,96,710

**Profit & Loss A/c.**

Particulars	Rs.	Particulars	Rs.
To Office Exp.	3,70,000	By Gross Profit	7,18,421
To Int. on Deb.	30,000	By Commission	(?)
To Tax. Provision	18,421		
To Net Profit	3,50,000		
	(?)		(?)

**Balance Sheet**

<b>Sources of Funds</b>	
Paid Up Capital	5,00,000
General Reserve	(?)
P & L a/c.	(?)
10% Debenture	(?)
Current Liabilities	6,00,000
	(?)
<b>Application of Funds</b>	
Plant & machinery	7,00,000
Other Fixed Assets	(?)
Stock	(?)
Debtors	(?)
Bank	62,500
	(?)

Find out missing items with the help of other details are as under:

1. Current Ratio was 2:1.
2. Closing Stock is 25% of Sales.
3. Proposed Dividend was 40% of paid up capital.
4. Gross profit Ratio was 60%.
5. Amount transfer to General Reserve is same as proposed Dividend.
6. Balance of P & L Account is calculated 10% of proposed dividend.
7. Commission income is 1/7 of Net profit.
8. Balance of General reserve is twice the current year transfer amount.

**Q.3 Write Short Notes On (Any Three) :**

**(12)**

1. Elements of Tier I & Tier II Capital (Write Only the Headings of Elements)
2. Sources of Funding for Start Up Finance
3. Pitch Presentation
4. Advantages of ratio Analysis



**J. Z. Shah Arts & H. P. Desai Commerce College, Amroli – Surat**  
**Internal Test – 2020**

M. Com. Semester – II (EM)

**Financial and Management Accounting - V**

Date : 03/03/2020

Roll No. : .....

Time : 11:30 To 01:00

Total Marks : 35

**Q 1.** Prepare revenue account given year from following information of fire department of Abha Insurance co. (12)

Particular	2019	2018
Premium Received	16,20,000	14,40,000
Claim paid	10,80,000	9,00,000
Premium of re-insurance accepted	10,000	8,000
Commission on re-insurance accepted	500	400
Commission on re-insurance ceded	2,800	4,000
Commission of direct business	80,000	60,000
Premium of re-insurance ceded	90,000	72,000
Claim of re-insurance accepted	72,000	90,000
Recoveries of re-insurance	90,000	72,000

Additional information:

- (1) Fixed assets purchased on 1-1-07. Depreciation charge 5% of its cost price as per straight line method. Depreciated value of these fixed assets are Rs. 2,25,000 as on 31-12-17.
- (2) Maintain Reserve for un-clear risk as per legal term. Additional reserve increase by 2% of net premium.
- (3) Administration expenses of 2018 and 2019 are Rs. 1,16,000 and Rs. 1,40,000 respectively.
- (4) Reserve for un-cleared risk is Rs.3,00,000 and additional reserve Rs. 2,00,000 as on 31-12-17.
- (5) On 31-12-19, 31-12-18 and 31-12-17 liabilities of outstanding claim are Rs. 1,20,000, Rs. 72,000 and Rs. 36,000.
- (6) On 31-12-17, 31-12-18 and 31-12-19 receivable amount of premium are Rs. 90,000, Rs. 1,40,000 and Rs. 1,80,000.

**OR**

**Q 1.** The following trial balance was extracted from the books of the JivanJyot Life Assurance Company Ltd. as on 31-03-19: (12)

	Debit	Credit
10,000 share of Rs. 10 each		1,00,000
Life fund balance as on 1-4-2018		29,72,300
Dividends paid	15,000	
Bonus in reduction of premium	31,500	
Premium less re-assurance premium (commission thereon rs. 5,000)		1,61,500
Claim paid	1,97,000	
Outstanding claims(1-4-2018)		7,000

Commission	9,300	
Management expenses	32,300	
Mortgages in India	4,92,200	
Interest, dividend and rents		1,12,700
Agents balances	9,300	
Freehold premises	40,000	
Investments	23,05,000	
Loans on policies	1,73,600	
Cash on deposit	27,000	
Cash on current account	7,300	
Surrenders	7,000	
Medical stores	7,000	
Consideration for annuities granted		10,000
Annuity	10,000	
	33,63,500	33,63,500

Prepare the Revenue Account for the year ended 31-3-2019 and the balance sheet of the company as at that after taking the following into consideration:

(a) Claims outstanding	10,000
(b) Further bonus in reduction of premiums	5,000
(c) Premium outstanding	5,000
(d) Claims covered under re-insurance	80,000
(e) Management expenses due	30,000

**Q 2.** Figures for the period were called out from the books of Pranshul company. Prepare statement (11) detailed the source and disposal of added value.

Particulars	Amount	Particulars	Amount
Sale	24,80,000	Salaries and wages	6,30,000
Purchase of raw material	10,00,000	Postage and courier	14,000
Agent's commission	20,000	Contribution to P.F	60,000
Consumable store	25,000	Director's sitting fee and travelling expenses	40,000
Packing material	10,000	Subscription paid	2,000
stationary	10,000	Carriage	22,000
Audit fees	4,000	Interest on loan	18,000
Staff welfare expenses	1,58,000	Dividend to shareholder	30,000
Insurance	26,000	Depreciation provide	55,000
Rent, rate, tax	16,000	Income tax	1,00,000
Managing director's remuneration	84,000	Retained earnings	1,25,000
Travelling expenses	21,000	Opening stock:	
Fuel and oil	9,000	Raw material	85,000
Electricity	5,000	Finished goods	2,00,000
Materials used in repairs:		Closing stock:	
Plant-machinery	24,000	Raw material	1,08,000
Building	10,000	Finished goods	2,40,000
Advertisement	25,000		

OR

- Q 2.** The following balances were taken from the ledger of DGVCL on 31-3-2019. Prepare final account as per company's act 2013. **(11)**

Particulars	Amount	Particulars	Amount
Land-building	7,50,000	Trade debtors	43,905
Machinery	3,75,000	Trade creditors	68,355
Meters	75,000	Furniture	20,100
Mains	3,16,800	Miscellaneous expenses	73,950
Share capital (90,000 equity share each Rs.10)	9,00,000	Solar power purchase	36,000
6% Bank loan	3,00,000	P & L a/c credit (1-4-18)	47,370
Transformers	31,500	Bank balance	29,505
Salary and allowances	62,340	Interest of bank loan	9,000
Power purchase	44,070	Printing and stationary expenses	12,750
Taxes	26,145	Sale of electricity	3,83,400
Stock of stores	37,020	Depreciation fund (1-4-18)	1,52,400
Receipt from public lighting	31,800	Repairing and renovation fund (1-4-18)	47,100
Meter rent	12,660		

Additional information:

1. Provide 5% depreciation on fixed assets.
2. Additional expenses by the company during the year:
  - Building Rs.73,500
  - Machinery Rs. 46,800
  - Mains Rs. 1,07,700
  - Meter Rs. 18,000
3. Every year Rs.30,000 kept reserve for repairing and renovation reserve. Rs. 15,375 of repairing renovation expenses are included in miscellaneous expenses.
4. Authorised capital of the company comprised 1,60,000 equity share each Rs. 10.
5. 6% bank loan is for 8 years (secured).

- Q 3.** Discuss the principles to be considered while presenting reports to be submitted to the management. **(12)**

**OR**

- Q 3.** (A) Types of reports **(06)**  
 (B) Advantages of preparing value added statement. **(06)**



**J. Z. Shah Arts & H. P. Desai Commerce College, Amroli – Surat**

**Internal Test – 2020**

**M. Com. Semester – II**

**Financial and Management Accounting - VI**

**Date : 05/03/2020**

**Roll No. : .....**

**Time : 11:30 To 01:00**

**Total Marks : 35**

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**Q-1** From the Following details of **Mr. TARSARIYA**, find out Taxable Income from other Sources. **(12)**

- 1) He Received 8000 Per Month as rent of his Own Plant & Machinery. On 1-4-18 the Written down value is Rs. 3,00,000. Approved rate of Depreciation is 30%.
- 2) He Received Rs. 2,80,000 from unrecognized provident Fund in which the Share of Employer and Employee was as 2 : 3. The Employer gave contribution of Rs. 1,00,000.
- 3) Winning from Motor Race 2,76,400 (Net)
- 4) Unexplained Cash Rs. 71,512
- 5) Agricultural Income in Foreign Rs. 2,80,000 to get such income; 2,20,000 Paid as Expenses.
- 6) 7000 per month received as rent from sub-tenant. He Paid Rs. 5000 per month to the owner.
- 7) Winning from Lottery Rs. 2,55,670 (Net)
- 8) 12% 2,40,000 tax-free Debentures of Pinky Ltd. (TDS 20.60%)
- 9) 10% 3,62,720 tax-less Debentures of Rinky Ltd. (TDS 10.30%)
- 10) Unexplained Investment Rs. 36,272
- 11) He Purchased Gold-Silver of Rs. 5,67,891 but it was recorded in the books as Rs. 4,31,619
- 12) Winning from Cross-Word Puzzle Rs. 4000 (Gross)
- 13) Rs. 22,425 Received as interest on tax-free Debentures of Rehan Ltd. (TDS 10.30%)

**OR**

**Q-1** **Mr. M.S** Provides the following information. Find out Total Taxable Income from other Sources. **(12)**

- 1) Rs. 40,000 as Interest Received from Less-Tax Debentures of Pinky Ltd. (TDS 20%)
- 2) Winning from Motor Race 2,76,400 (Net)
- 3) Undisclosed Cash Rs. 71,512
- 4) Unexplained Investment Rs. 36,272
- 5) Unexplained Expenses Rs. 75,500
- 6) Family Pension Rs. 3200 (monthly)
- 7) Royalty Received Rs. 14,000 (gross)
- 8) Interest on Public Provident Fund Rs. 85,000
- 9) Unrecognized Provident Fund's Interest received on his own Contribution Rs. 2000
- 10) Rs. 4000 as interest received on tax paid in advance.
- 11) 7% Capital Investment Bonds Rs. 80,000
- 12) Rs. 20,000 12% Preference Shares of Rehan Ltd.

**Q-2** From the following information find out Taxable income of Partnership firm. (11)  
Compute...

- A) Taxable income from business of Firm.  
B) Total taxable income of Firm.  
C) Tax Liability of Firm.

M and S are equal Partners in a registered firm, whose profit and loss A/c for the year ended on 31-3-2019 is given below.

**Additional Information: -**

- 1) Advertising Expenses was paid by cash.
- 2) The Motor car is entirely used for private purpose of the partners.
- 3) The written down value of old Plant & Machinery as on 1<sup>st</sup> April, 2018 was Rs. 2,00,000. On 1-7-2018 a new plant was purchased of Rs. 4,00,000. Depreciation at 15% is allowable on all plant and Machinery.
- 4) Rent, Rates and Insurance include Rs. 48000 being rent paid to M for Premises for business.
- 5) Interest on capital payables at 24%
- 6) A Long term loan of Rs. 20,000 has taken during the year. This sum has debited to the account. Interest on loan Rs. 2000 is Outstanding and not considered in the books.

**Profit and Loss Account**

Particulars	Rs.	Particular	Rs.
To Salary, Wages and Bonus to employee	1,60,000	By Gross Profit	14,03,400
To General Expenses	2,40,000	By Bank Interest (gross)	40,000
To Sales Tax	12,000	By bad debts recorded (disallowed in earlier years' assessment)	6600
To Rent, Rates and Insurance	1,00,000	By dividend	24,000
To Income Tax Reserves	60,000	By long term capital gain	64,000
To Depreciation on old Plant & Machinery	48,000	By interest on Drawing	10,000
To Bad- Debts Written off	12,000		
To Bad – Debts Reserves	32,000		
To Advertising	80,000		
To Subscription	4000		
To donation to hospitals(charitable)	40,000		
To loss on sale of motor car	80,000		
To interest on Capital: -			
M - Rs. 60,000			
S - Rs. <u>60,000</u>	1,20,000		
<b>To Partner's Salary: -</b>			
M - Rs. 48,000			
S - Rs. <u>72,000</u>	1,20,000		
To Commission to S	40,000		
To Net Profit	4,00,000		
	<b>15,48,000</b>		<b>15,48,000</b>

OR

**Q-2** Compute the book profit and the maximum remuneration which can be paid to the partners U/S 40(b) from the profit & loss account submitted by a firm consisting of two partners namely, Prem and Ratan. **(11)**

<b>Particulars</b>	<b>Rs.</b>	<b>Particulars</b>	<b>Rs.</b>
Cost of Goods Sold	20,00,000	Sales	28,23,000
Office Salaries	2,90,000	Interest on investments	5,000
Interest on loan from a minor son of Partner Prem @ 14% p.a.	12,000	Long term capital gain	7,500
Purchase of Machinery @ 14% p.a.	24,000	Short term capital gain	10,000
Office rent	20,000	Winning of lotteries(gross)	5,000
Commission to working partner Prem	40,000		
Interest on loan to partner Ratan who is non-working partner @ 24% p.a.	18,000		
Salary to a working Partner Prem	2,20,000		
Salary to a non working Partner Ratan	24,000		
Interest on capital of Prem @20% p.a.	15,000		
Interest on capital of Ratan@20% p.a.	5,000		
Provision for bad & doubtful debts	5,000		
Entertainment Expenditure	7,500		
Income tax paid	5,000		
Doations to PM's National Relief Fund	20,000		
Net Profit	1,45,000		
<b>Total</b>	<b>28,50,500</b>		<b>28,50,500</b>

**Q-3 Write a Short Notes (Any three)** **(12)**

1. Tax Collection at Sources- Section 206 C and 206 (CA)
2. Calculation of GST and Comparison with old taxes
3. Tax deduction from prizes, lottery, cross word puzzle, card games etc. (Section 194-B)
4. Interest on deferred payment of advance tax
5. Tax deduction from payment to contractors and sub-contractors.
6. Clubbing of income

