

(i) Printed Pages : 7 Roll No.

(ii) Questions : 14 Sub. Code :

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Exam. Code :

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**Bachelor of Commerce 5th Semester
(1129)**

INCOME TAX LAWS

Paper-BCM-501

Time Allowed : Three Hours] [Maximum Marks : 80

Note :— (1) Attempt any **four** questions from Unit-A.

(2) Attempt any **two** questions each from Unit-B and Unit-C.

UNIT—A

1. Explain exemption under Section 54.
2. Explain treatment gratuity.
3. Mr. Ahas two sons. He is in receipt of children education allowance of Rs. 150 p.m. for his elder son and Rs. 70 p.m. for his younger son. Both his sons are going to school. He also receives transport allowance Rs. 1,800 p.m. and tribal area allowance of Rs. 500 p.m. Calculate his total taxable allowances.
4. Prem owns a house in Madras. During the previous year 2018-19, 2/3rd portion of the house was self-occupied and 1/3rd portion was let out for residential purposes at a rent of Rs. 8,000 p.m. Municipal value of the property is Rs. 3,00,000 p.a., fair rent is Rs. 2,70,000 p.a. and standard rent is Rs. 3,30,000 p.a. He paid Municipal taxes @ 10% of Municipal value during the year. A loan of Rs. 25,00,000 was taken by him during the year 2014 for acquiring the property. Interest on loan paid during the previous year 2018-19 was Rs. 1,20,000. Compute Prem's income from house property for the A.Y. 2019-20.

5. X purchases a house property for Rs. 26,000 on May 10, 1992. He gets the first floor of the house constructed in 1997-98 by spending Rs. 40,000. He dies on September 12, 1998. The property is transferred to Mrs. X by his will. Mrs. X spends Rs. 30,000 and Rs. 26,700 during 1999-00 and 2005-06 respectively for reconstruction of the house property. Mrs. X sells the house property on November 1, 2018 (brokerage paid by Mrs. X is Rs. 11,500). The fair market value of the house on April 1, 2001 is Rs. 1,60,000. Mrs. X purchases a new house property on March 10, 2019 for Rs. 10,00,000. Calculate the taxable Capital Gain.
6. Mr. X received the following gifts during the previous year 2018-19. Compare his taxable income under the head "Income from other sources":
- (a) Received Rs. 1,00,000 as gift from Y (friend) on 1-6-2018.
 - (b) Received a microwave costing Rs. 14,500 as gift from his another friend Z.
 - (c) Received Rs. 50,000 as gift from another friend Amrit on 1-11-2018.
 - (d) Received Rs. 30,000 as gift from his sister on 1-1-2019.
 - (e) Received Rs. 40,000 as gift from his friend Mr. D on 1-12-2019.
 - (f) On April 13, 2018 he received a plot worth Rs. 10 lakh from his Nani's sister under will.
 - (g) On June 21, 2018 he purchased a house from father in law of his brother for Rs. 5 lakh. The stamp duty value of the house is Rs. 7 lakh. 5 marks each

UNIT—B

7. What do you mean by residential status? Explain the provisions to determine residential status of individual.
8. Define agricultural income. How it is treated for income tax purpose?
9. Mr. A employed as Production Manager in B Limited furnishes you the following information for the year ended 31-3-2019:
 - (i) Basic salary up to 31-10-2018 Rs. 50,000 p.m.
 - (ii) Basic salary from 1-11-2018 Rs. 60,000 p.m.
 - (iii) Dearness allowance 40% of basic salary.
 - (iv) Bonus equal to one month salary (basic + DA enters)
 - (v) Contribution by employer to recognised Provident Fund Account of the employee 16% of basic salary.
 - (vi) Professional tax paid Rs. 2,500 out of which Rs. 2,000 was paid by employer.
 - (vii) Facility of laptop and computer was provided to A for both official and personal use. Cost of laptop Rs. 45,000 and computer Rs. 35,000 were acquired by the company on 1-12-2018.
 - (viii) Motor car owned by employer (cubic capacity of the engine exceeds 1.6 liters) provided to the employee from 1-11-2018 meant for both official and personal use. Repair and run expenses of Rs. 45,000 from 1-11-2018 to 31-3-2019 were fully met by employer. The motor car was self driven by employee.
 - (ix) He was given rent free accommodation at Bangalore at a concessional rent of Rs. 1,000. Cost of furniture Rs. 1,00,000

- (x) Leave travel concession given to employee, his wife and three children (one daughter age 7 and twin sons age 3). Cost of air ticket (economy class) reimbursed by the employer Rs. 30,000 for adults and Rs. 45,000 for the three children. Mr. A is eligible for availing exemption this year to the extent it is permissible in law.
- (xi) He got a loan of Rs. 5,00,000 from his employer at a nominal rate of interest of 3.65% for the construction of his house on 1st December, 2018. SBI lending rate as on 1-4-2018 was 8.4%. SBI rate on 1st December, 2018 was 8.5%.

Compute the salary income chargeable to tax in the hands of Mr. A for the Assessment Year 2019-20 if salary is due on last day for every month.

10. Mr. X owns a big house (completed on March 1, 2014). The house has three independent residential units. Unit 1 (50% of the floor space) is let out for residential purpose on monthly rent of Rs. 16,000 (this unit is however used by X from January 15, 2019 to March 15, 2019 for his residential purpose). A sum of Rs. 1,000 could not be collected from the tenant. Unit 2 (25% of the floor area) is used by X for the purpose of his residence while Unit 3 (remaining 25% of the floor area) is used by him for the purpose of business. Other particulars of the house are : Municipal valuation Rs. 3,84,000, Municipal taxes paid Rs. 32,000, Repairs Rs. 40,000, Ground Rent Rs. 16,000, Land Revenue paid Rs. 9,800, Insurance Premium Rs. 16,000 and interest on Capital borrowed for payment of Municipal taxes Rs. 14,000. Compute the taxable income from house property if Mr. X pays Rs. 18,000 towards interest on home loan. 15 marks each

UNIT—C

11. Explain briefly the expenses allowed to be debited under the head "Profit and Gains from Business or Profession".
12. What do you mean by transfer under Capital Gains ? Explain briefly the transactions which are not regarded as transfer.
13. X a resident individual furnishes the following particulars for the Assessment Year 2019-20 :

Profit and Loss Account for the year ended March 31, 2019

	Rs.		Rs.
Office Expenses	9,000	Gross Profit	8,86,575
Salary to Staff	24,000	Sundry Receipts	38,000
Depreciation	15,000		
Travelling Expenses for Business	9,000		
Embezzlement by Cashier	6,000		
Transfer to Reserve	1,875		
Expenditure on Festival	2,000		
Interest and Legal Expenses	22,600		
Sundry Expenses	5,000		
Telephone for Employees	25,000		
Net Profit	8,05,100		
	9,24,575		9,24,575

Other information :

- (a) Salary to Staff includes payment of Rs. 6,000 out of India on which tax has not been deducted at source.
- (b) Depreciation value of Plant and Machinery on April 1, 2018 is Rs. 70,000 (Depreciation rate 15%).
- An Air Conditioner (cost price Rs. 7,500) whose written down value on April 1, 2018 is Rs. 2,450 is disposed off for Rs. 7,000.
 - A Typewriter whose written down value on April 1, 2018 is Rs. 570 is sold for Rs. 200.
 - X purchases a Telephone set for Rs. 10,000 on November 1, 2018 which is eligible for depreciation at the rate of Rs. 15%.
- (c) Travelling Expenses include Rs. 7,600 being hotel expenses of an employee in respect of official trip to Madras for 5 days.
- (d) Amount debited as expenditure on festival is cost of gift presented to a relative.
- (e) Sundry Expenses include cash payment of Rs. 12,000 to an Advocate (who is not an employee of X) for giving income tax advice.

Determine the taxable income from business and profession of Mr. X for the Assessment Year 2019-20.

14. Mr. X owns two residential houses one at Ludhiana and other at Chandigarh. He submits the following information about sale of assets during the previous year 2018-19 [CII 280].

Assets	Residential House	Plot	Jewellery
Date of acquisition	1-3-79	1-11-2002	3-4-2004
Cost of acquisition	1,10,000	3,50,000	80,000
FMV on 1-4-2001	6,80,000	—	—
C.I.I.	100	105	113
Date of Sale	15-6-2018	16-6-2018	17-6-2018
Sale Price	25,00,000	11,60,000	2,80,000

He invested Rs. 8,00,000 for purchase of Residential House Property on 19-12-2018 and Rs. 1,00,000 for purchase of N.H.A.I. bonds on 12-12-2018. Compute the taxable Capital Gain of Mr. X.

15 marks each

(i) Printed Pages: 4

Roll No.

(ii) Questions : 14

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Exam. Code :

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Bachelor of Commerce 5th Semester

(1129)

MANAGEMENT ACCOUNTING

Paper—BCM-502

Time Allowed : Three Hours]

[Maximum Marks : 80

Note :— Attempt any *four* short questions from Unit-I. Each question carries **5** marks. Attempt any *two* long answer type questions each from Unit-II and Unit-III. Each question carries **15** marks.

UNIT—I

1. What do you mean by Common Size Statements ?
2. Write a short note on scope of Management Accounting.
3. A firm's current ratio is 2.5:1. Its net working capital is Rs. 3,75,000 and its stock is valued at Rs. 1,75,000. Calculate Quick Ratio.
4. What do you mean by Responsibility Centre ?
5. Discuss the importance of Cash Flow Statement to the Finance Manager.
6. Define Replacement Cost Approach of HRA. 4×5=20

UNIT—II

7. "Management Accounting can be viewed as Management Oriented Accounting." Comment.
8. What do you understand by Financial Statements ? Discuss the nature and limitations of Financial Statements.
9. From the following figures extracted from the P & L A/c of XYZ Co. Ltd., prepare Comparative Income Statement :

	Year ended 31.3.2018 (in Rs.)	Year ended 31.3.2019 (in Rs.)
Sales	60,30,000	78,95,000
Sales Returns	30,000	95,000
Opening Stock	15,00,000	21,00,000
Closing Stock	21,00,000	24,00,000
Purchases	42,18,000	58,34,000
Purchase Returns	18,000	34,000
Office Expenses	2,50,000	3,15,000
Selling Expenses	3,00,000	2,85,000
General Expenses	1,00,000	80,000
Income from Investments	1,20,000	Nil
Profit on Sale of Fixed Assets	Nil	50,000
Loss on Sale of Fixed Assets	2,000	Nil

Provision for taxation is to be made at 40% of net income.

10. Given below is the information for ABC Company Ltd.
At the end of March 2019, determine the balances for Income Statement and Balance Sheet :

Net Sales	1,00,000
Debtor Turnover Ratio based on Sales	2
Inventory Turnover Ratio	1.25
Fixed Assets Turnover Ratio (Sales/Fixed/Assets)	0.8
Debts/Assets Ratio	0.6
Net Profit Margin (After Tax)	5%
Gross Profit Margin	25%
Return on the Assets	2%
Short term Debts	30,000
Rate of Tax on Profits	50%

2×15=30

UNIT—III

- Define Price Level Accounting. Discuss the relevance of adopting price level accounting.
- What is Human Resource Accounting ? What is the status of Human Resource Accounting in India ?
- Define Social Accounting. Explain need, importance and approaches to Social Accounting.
- Following are the summarized Balance Sheets of X Ltd. as on 31st March, 2018 and 2019 :

Liabilities	2018	2019
Share Capital	1,00,000	1,30,000
General Reserve	25,000	30,000
Profit & Loss A/c	15,200	15,400
Bank Loan (Long Term)	35,000	—
Sundry Creditors	75,000	67,500
Provision for Tax	15,000	17,500
Total	2,65,200	2,60,400

Assets	2018	2019
Land & Building	1,00,000	95,000
Machinery	75,000	84,500
Stock	50,000	37,000
Sundry Debtors	40,000	32,100
Cash	200	300
Bank	—	4,000
Goodwill	—	7,500
Total	2,65,200	2,60,400

Other Information :

- (a) Dividend of Rs. 11,500 was paid.
- (b) Assets of another company were purchased for consideration of Rs. 30,000 payable in shares. The following assets were purchased : Stock — Rs. 10,000; Machinery — Rs. 12,500.
- (c) Machinery was further purchased for Rs. 4,000.
- (d) Depreciation written off machinery Rs. 6,000.
- (e) Income Tax provided during the year Rs. 16,500.
- (f) Loss on sale of machinery Rs. 100 was written off to General Reserve.

You are required to prepare a Fund Flow Statement.

2×15=30

13000

(i) Printed Pages : 2

Roll No.

(ii) Questions : 9

Sub. Code :

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Exam. Code :

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Bachelor of Commerce 5th Semester

(1129)

INDIAN ECONOMY

Paper-BCM-503

Time Allowed : 3 Hours]

[Maximum Marks : 80

- Note :-** (1) Attempt **four** questions from Section A, where each question is of **5** marks.
(2) Attempt **two** questions from Sections B and C respectively where each question is of **15** marks.

SECTION—A

1. (a) Outline the main features of India's plans.
(b) Occupational distribution of India's population.
(c) Balance of trade and balance of payments.
(d) Dualism in Indian Economy.
(e) SEBI and Capital Market Reforms.
(f) Extent of public debt in India. 4×5=20

SECTION—B

2. Examine the nature of Indian Economy.
3. Give a performance appraisal of LPG Policy introduced in India since 1991.
4. Define and discuss the concept of Demographic dividend with respect to age structure of Indian Population and its implications for Indian Economy.
5. Compare the development experience of India and China.
 $2 \times 15 = 30$

SECTION—C

6. Discuss the various Tax Reforms in India.
7. Explain the reasons for rise in public expenditure in India; suggest measure to correct it.
8. Highlight the contemporary problems of India's International trade.
9. Evaluate the performance of five year plans in India.
 $2 \times 15 = 30$

(i) Printed Pages: 2

Roll No.

(ii) Questions : 14

Sub. Code :

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Exam. Code :

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Bachelor of Commerce 5th Semester

(1129)

PRODUCTION AND OPERATION MANAGEMENT

Paper—BCM-504

Time Allowed : Three Hours]

[Maximum Marks : 80

Note :— (1) Attempt any *four* questions from Section-A.

(5×4=20)

(2) Attempt any *two* questions each from Section-B and Section-C.

(15×4=60)

SECTION—A (5×4=20)

1. Define the concept of Logistic Management.
2. Write down the steps in Production Process.
3. Explain ABC analysis of Material Management.
4. Write down key points/tips for Network Diagram (PERT/CPM).
5. Calculate the EOQ, Re-order period, No. of orders, P. Year and Total Variable Cost of Inventory.

Demand = 50,000 units p.a.

Ordering Cost = Rs. 3 p. order, Inspection Cost is Rs. 12 p. order, Interest Cost Rs. .06 p.u. p.a.

Deterioration and Obsolescence Cost Rs. .004 p. unit p.a.

Storage Cost Rs. 1,000 p.a. for 50000 units.

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6. Find optimal sequence as to minimize the total processing time on assembling — polishing machine :

Items	1	2	3	4	5	6
Assembling	8	10	6	7	9	14
Polishing	5	9	10	8	12	8

SECTION—B (15×2=30)

7.

Activity	1-2	1-3	1-4	2-5	3-5	3-6	3-7	4-6	5-7	6-8	7-8
Duration (Days)	3	8	9	4	7	11	5	7	3	6	6

Find critical path and all floats/slacks.

8. Differentiate between PERT and CPM.
 9. "Production and operation management is the management of an organisation's production system, which converts inputs into the organisation's products and services." Discuss.
 10. What is sequencing problem ? Give its essential characteristics.

SECTION—C (15×2=30)

11. A factory requires 1500 units of an item per month, each costing Rs. 27. The cost per order is Rs. 150 and the inventory carrying cost is 20% of the average inventory. Find out the EOQ and the no. of orders per year.

Would you accept a 2% price discount of a minimum supply quantity of 1200 units ?

Compare the total cost in both cases.

12. What are the various components of supply chain of a business unit ? Explain.
 13. Explain :
 (a) JIT
 (b) Time Study Vs. Motion Study
 (c) Logistics Management.
 14. Define the terms set-up cost, holding cost and shortage or penalty cost as applied to an inventory problem.

(i) Printed Pages : 2

Roll No.

(ii) Questions : 9

Sub. Code :

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Exam. Code :

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Bachelor of Commerce 5th Semester

(1129)

ENTREPRENEURSHIP AND SMALL BUSINESS

Paper—BCM-505

Time Allowed : Three Hours]

[Maximum Marks : 80

Note :— Attempt any **four** questions from Section A, each question carrying **5** marks and **two** questions each from Section B and Section C carrying **15** marks each.

SECTION—A

1. Explain the following :—

- Give five qualities of an entrepreneur.
- Leadership Traits of an entrepreneur.
- Discuss the importance of decision making.
- Define a small scale industry.
- Explain Profit Planning.
- Define Diversification.

5×4=20

SECTION—B

- Discuss the various problems obstructing the growth of entrepreneurship.
- What are the main reasons for slow progress of women entrepreneurs in India ?

4. Bring out significance of EDP. Also evaluate success of EDPs.
5. Define business planning. What are the advantages and limitation of planning ? 15×2=30

SECTION—C

6. “Small business is a seed bed of entrepreneurship.” Discuss.
7. Discuss the various steps to be taken to start a small scale industry.
8. Define growth and diversification. What are the main causes of growth ?
9. “Modern Technology is need of the hour for small industries.” Explain the reasons. What steps have been taken by the Govt. to fulfil this need ? 15×2=30

(i) Printed Pages: 2

Roll No.

(ii) Questions : 9

Sub. Code :

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Exam. Code :

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Bachelor of Commerce 5th Semester

(1129)

FINANCIAL MARKETS AND SERVICES

Paper—BCM-506

Time Allowed : Three Hours]

[Maximum Marks : 80

Note :— Candidates are required to attempt any *four* questions from Section-A (carrying 5 marks each) and attempt *four* questions in all, selecting *two* questions (carrying 15 marks each) each from Section-B and Section-C.

SECTION—A

1. Answer the following :

- (i) Write the characteristics of Financial Markets.
- (ii) What do you mean by Stock-Exchange ?
- (iii) Discuss the role and functions of Financial Services.
- (iv) Write the role of Merchant Bankers.
- (v) Write about Repos and Reverse Repos.
- (vi) Define Bills Market. Discuss the features of Treasury Bill.

SECTION—B

2. What do you mean by Financial Markets ? Discuss the types of Financial Markets.
3. What is the Money Market ? Write the characteristics of a developed money market. Explain the importance of Money Market.
4. What do you mean by Commercial Paper Market ? Explain guidelines of RBI on Commercial Papers.
5. What do you understand by Marketing of Securities ? Explain the different methods of marketing Corporate Securities.

SECTION—C

6. What do you mean by Merchant Banker ? What are the functions performed by Merchant Banker ?
7. "Investing in securities through Mutual Funds is a better choice than Direct Investment." Explain the statement.
8. What do you mean by Forfeiting ? Discuss the advantages and disadvantages of Forfeiting.
9. Explain the term Exchange Traded Funds. Describe its main features.

(i) Printed Pages : 2

Roll No.

(ii) Questions : 14

Sub. Code :

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Exam. Code :

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Bachelor of Commerce 5th Semester (Hons.)
(1129)

**ACCOUNTING AND FINANCE : STRATEGIC FINANCIAL
MANAGEMENT
Paper—BCH-507**

Time Allowed : Three Hours]

[Maximum Marks : 80

Note :— Attempt **four** questions from Section A carrying **5** marks each. Attempt **two** questions each from Sections B and C carrying **15** marks each.

SECTION—A

1. Role of financial policy in the business
2. Define leveraged buy—outs
3. Asset stripping
4. Financial Innovation
5. Reasons for demerger
6. Firms in high growth stage.

SECTION—B

7. What is strategic financial management ? Explain the various factors that affect the financial policy of a business.
8. What is strategic business unit ? Discuss various models for analysis of strategic business units.

9. What factors affect the financing decisions of mature companies and firms in high growth stage ?
10. Explain various investment appraisal techniques. What considerations should be taken while deciding the various techniques ?

SECTION—C

11. Explain various techniques of corporate restructuring with their benefits and limitations.
12. Write notes on the following :
 - (a) Spin offs
 - (b) Supply Chain Management
 - (c) Internal Cost-Profit Analysis.
13. What do you mean by valuation of business enterprise ? Explain the process of valuation.
14. Explain the drivers and implications of financial innovations.

(i) Printed Pages : 2

Roll No.

(ii) Questions : 9

Sub. Code :

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Exam. Code :

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Bachelor of Commerce 5th Semester (Hons.)
(1129)

ECONOMICS : MONEY AND BANKING
Paper-BCH-508

Time Allowed : Three Hours]

[Maximum Marks : 80

Note :- There are three Sections in all. Section A comprises of 6 short answer questions of 5 marks each. Attempt any 4 out of 6. Section B and C comprise of 4 essay type questions of 15 marks each. Attempt any 2 from each Section.

SECTION—A

1. Attempt any 4 of 5 marks each :

4×5=20

- (i) Functions of money
- (ii) Features of Friedman's theory of Demand for Money
- (iii) Philips Curve
- (iv) Define Structural Inflation
- (v) What are the liabilities of Bank ?
- (vi) Define Unregulated Credit Markets.

SECTION—B

Attempt any 2 of 15 marks each. 2×15=30

2. Discuss the concept of money by critically analysing the Measures of Money.
3. Analyse the M₁-Theory of Money Supply.
4. What are the various types of Inflation ? Also discuss Demand Pull Inflation.
5. What are the causes of Structural Inflation in Less Developed Countries. What measures can be taken to control it ?

SECTION—C

Attempt any 2 of 15 marks each : 2×15=30

6. Compare and contrast the working and functions of Co-operative and Development Banks.
7. What are the differences between Commercial Banks and NBFI's with regard to their function, role and significance in India economy?
8. Discuss the current Monetary Policy in detail.
9. Analyse the role and functions of Commercial Banks.