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**PG3S-354-A-23**  
**M.Com(F.A) III Semester (CBCS) Degree Examination**  
**COMMERCE**  
**Financial Derivatives**  
**Paper - SC 304(A)**

**Time : 3 Hours**

**Maximum Marks : 80**

**Instructions to Candidate:**

Attempt **all** the Sections.

**SECTION - A**

Answer **all sub**-questions in one or two sentences. Each sub-question carries **2** marks.

**(10×2=20)**

1. a) What is Derivatives?
- b) What is short squeeze?
- c) How do you calculate Time value of call option and Put Option?
- d) What is American option?
- e) What is Volatility?
- f) What is Swap?
- g) What is Badla System?
- h) What is Stock Index Futures?
- i) What do you mean by Spread?
- j) What do you mean by Forward Price?

**SECTION - B**

Answer **any Three** questions. Each question carries **5** marks.

**(3×5=15)**

2. Write a note on derivative trading in India.
3. Distinguish the futures contract and option contract.
4. What is margin money? Why it is collected? What are the different forms of margin money?
5. Write a note on attitudes of option traders.
6. A forward contract is entered into to purchase a coupon (interest) bearing bond. Calculate the forward price of such bond from the following data:  
Current spot price of the bond : Rs. 20,000  
Date of forward contract : 1<sup>st</sup> October, 2021  
Date Maturity : 30<sup>th</sup> September , 2022.  
Coupon (Interest) payment : On 31<sup>st</sup> March, 2022 (after six months) Rs. 1,000  
: On 30<sup>th</sup> September , 2022 (after one year ) Rs. 1,000  
Risk free interest rates : 10% p.a. for six months  
: 12% p.a. for one year.

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**(1)**

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### SECTION - C

Answer any **three questions**. Each question carries **15 Marks**.

**(3×15=45)**

7. Discuss the functions performed by the derivative markets in details.
8. What is Option contract? Explain the features of option contract.
9. Explain how the stock index futures are used for adjusting the beta value of portfolio
  - i) upward, and
  - ii) downward.
10. Calculate the pay-off of short call option from the following data and draw the pay-off diagram.

Underlying : Good Luck Co Ltd

Type of option : Call option

Style of option : European

Position : Short (seller)

Excise Price : Rs. 150 per share

Option premium : Rs. 5 per share

Spot price at expiration

Rs. 130, Rs. 140, Rs. 150, Rs. 160, Rs. 170, Rs. 180 per share.

11. From the following information , calculate call option value and put option value using Black - Scholes formula:

Current Market Price (S) : Rs. 100 per share

Exercise price (E) : Rs. 80 per share

Volatility of share price( $\sigma$ ) : 30%

Risk free rate of Interest (r) : 10%

Time to expiration (T) : 3 month.



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**PG3S-353-A-23**  
**M.Com(F.A) III Semester (CBCS) Degree Examination**  
**COMMERCE**  
**Accounting Systems**  
**Paper - H.C. 3.3**

**Time : 3 Hours**

**Maximum Marks : 80**

**Instructions to Candidates:**

Attempt **all** the Sections.

**SECTION - A**

Answer **all the sub-questions**. Each sub-question carries **2** marks.

**(10×2=20)**

1. a) Define accounting.
- b) What is money measurement concept?
- c) What is duality principle?
- d) What is IFRS?
- e) What is straight line method of depreciation?
- f) Define Accounting standard.
- g) What is inflation accounting?
- h) What is meant by Financial reporting?
- i) What is revenue according to net concept?
- j) What is materiality principle?

**SECTION - B**

Answer any **Three** questions. Each question carries **5** marks.

**(3×5=15)**

2. Briefly explain any two financial statements prepared by a firm.
3. What are the benefits of accounting data to creditors and investors.
4. Explain the factors influencing on depreciation.
5. Explain the benefits of human resource accounting.
6. Write a note on corporate financial reporting.

**SECTION - C**

Answer any **Three** questions. Each question carries **15** marks.

**(3×15=45)**

7. Explain briefly various principles of corporate accounting.
8. Explain Revenue recognition criteria with suitable examples.
9. Write a detailed note on corporate reporting.



10. ABC Company whose accounting year is the calendar year, purchased on 1<sup>st</sup> April, 2018 machinery costing Rs. 30,000. It purchased further machinery on 1<sup>st</sup> October, 2018 costing Rs. 20,000 and on 1<sup>st</sup> July, 2019 costing Rs. 10,000. On 1<sup>st</sup> January, 2020 one third of the Machinery installed on 1<sup>st</sup> April, 2018 become obsolete and was sold for Rs. 3000.

Show how Machinery account would appear in the books of the company up 31<sup>st</sup> March, 2022, it being given that Machinery was depreciated by Fixed Installment method at 10% per annum.

11. From the following figures extracted from the books of Mohan, you are required to prepare a trading account and profit and Loss account for the year ended 31<sup>st</sup> March, 2015 and a Balance sheet as on that date after making the necessary adjustments:

	Rs. in '000		Rs. in '000
Mohan's Capital	22,880	Bills Payable	550
Mohan's Drawings	1,320	Stock on 1 <sup>st</sup> April, 2014	3,850
Plant and Machinery	9,900	Wages	3,520
Freehold Property	6,600	Sundry Creditors	4,400
Purchases	11,000	Gas and Fuel	297
Returns Outwards	110	Bad Debts	66
Salaries	1,320	Freight	990
Office Expenses	715	Loose Tools on 1 <sup>st</sup> April, 2014	220
Office Furniture	550	Factory Lighting	286
Discount (Dr.)	132	Provision for Doubtful Debts	88
Sundry Debtors	2,926	Interest on Loan to Krishna	110
Loan to Krishna @ 10% per annum,		Cash in Hand	264
Balance on 1 <sup>st</sup> April, 2014	4,400	Sales	23,144
Cash at Bank	2,926		

**Adjustments :**

- i) Stock on 31<sup>st</sup> March, 2015 was valued at Rs. 7,260 thousand;
- ii) Depreciate plant and machinery by  $33\frac{1}{3}\%$ , furniture by 10% and freehold property by 5%;
- iii) Loose tools were valued at Rs. 176 thousand on 31<sup>st</sup> March, 2015; and
- iv) Of the Sundry debtors, Rs. 6 thousand are bad and should be written off. Maintain a provision of 5% on sundry debtors for doubtful debts.



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**PG3S-352-A-23**  
**M.Com(F.A) III Semester (CBCS) Degree Examination**  
**COMMERCE**  
**Taxation - II**  
**Paper - HC 302**

**Time : 3 Hours**

**Maximum Marks : 80**

**Instructions to Candidates:**

Attempt all Sections.

**SECTION - A**

Answer **ALL the sub-**questions: Each sub-question carries **2** marks. **(10×2=20)**

1. a) Define CGST.
- b) What is meant by Audit?
- c) What is Electronic Way bill?
- d) Define Inspection.
- e) Differentiate between Composite supply and Mixed Supply.
- f) What is meant by Reverse charge mechanism?
- g) What is meant by Advance Ruling?
- h) What is transaction value and under customs Act?
- i) State any four exempted goods under Customs Act.
- j) What is meant by Duty Drawback scheme?

**SECTION - B**

Answer **any Three** questions. Each question carries **5** marks. **(3×5=15)**

2. Write a note on Time of Supply under GST.
3. Define Tax Invoice. What are the particulars or contents of Tax invoice?
4. What are the different types of Assessment under GST?
5. A dealer purchases goods for Rs. 2,50,000(excluding GST). He incurs Rs. 35,000 on the goods purchases and sells them at a profit of Rs. 15,000. Compute the value of taxable supply and the amount of net GST payable. The rate of GST is 12% on Sales.
6. Find out the Assessable value in the case given below.

a) Price Charged by exporter (FOB)	Rs. 45,00,000
b) Cost of transportation to India by air	Rs. 11,00,000
c) Loading/unloading charges in India	Rs. 42,000
d) Cost of insurance from exporting country to India	Rs. 60,000
e) Cost of transportation from Airport to the Factory in India by Road	Rs. 1,00,000



### SECTION - C

Answer any **three questions**. Each question carries 15 Marks.

(3×15=45)

7. Define supply. What are the different types of Supply under GST?
8. Define Input Tax Credit. Discuss the eligibility and conditions to claim input tax credit.
9. Write a note on the following.
  - a) Composition levy Scheme.
  - b) Debit note and Credit notes
  - c) Demand and Recovery under Customs Act.
10. GBR Ltd. (a registered dealer) in Karnataka calculate net GST liability from the information as given below:
  - a) Raw material purchased from foreign market including custom duty paid on imports @10% and exclusive of IGST at 12% is Rs. 5,50,000.
  - b) Raw material purchased from local market (including GST charged on the material @ 5%) - Rs. 2,30,000
  - c) Raw material purchased from Odisha (including IGST @ 12%) - Rs. 45,000
  - d) Transportation and insurance cost - Rs. 25,000
  - e) Manufacturing expenses - Rs. 3,50,000
  - f) Materials purchased from a registered dealer who opted for composition scheme under GST Rs. 4,00,000. Rate of GST on this material is 1%.
  - g) Profit margin of a manufacturer is 10% on the selling price.

GBR Ltd. sold 25% of the finished goods to a SEZ in Bangalore and the balance to a dealer in Bangalore. GST rate on sale of such goods is 12%. Compute the Net GST liability.
11. Ideal Limited imports certain goods from USA, at Chennai port, cost of \$ 1,00,000 FOB. The other details are as follows:
  - i) Packing charges \$ 22,000.
  - ii) Sea freight to Indian port \$28,000
  - iii) Transit insurance \$ 10,000.
  - iv) Design and development charges paid to a consultant in USA by importer \$9,000.
  - v) Selling commission to be paid by the Indian importer Rs. 5,000.
  - vi) Rate of Exchange announced by RBI = Rs. 59.5 per \$
  - vii) Rate of Exchange notified by the CBIC Rs. 60 per \$
  - viii) Rate of Basic custom duty = 15% and IGST rate = 18%.

Compute the assessable value of the imported goods and the total custom duty payable.



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**PG3S-351-A-23**  
**M.Com.(FA) III Semester Degree Examination**  
**COMMERCE**  
**Management Accounting**  
**Paper : H.C 301**

**Time : 3 Hours**

**Maximum Marks : 80**

**Instructions to Candidates:**

*Attempt all sections.*

**SECTION - A**

Answer **All** the sub-questions. Each sub-question carries **2** marks. **(10×2=20)**

1. a) Define financial statement.
- b) What is profitability?
- c) State the usefulness of stock turnover ratio.
- d) Define the term cash.
- e) What is funds from operations?
- f) What is contribution?
- g) State the utility of variance analysis.
- h) What is budget?
- i) What is Gross capital employed?
- j) What is owners equity?

**SECTION - B**

Answer any **THREE** of the following questions. Each question carries **5** marks.

**(3×5=15)**

2. Explain the scope of management accounting.
3. Describe the need of analysing the financial statement.
4. Explain the process of evaluating liquidity through ratios.
5. Describe the needs of standard costing.
6. Explain the concept marginal cost and describe in brief its features.

**SECTION - C**

Answer any **THREE** of the following questions. Each question carries **15** marks.

**(3×15=45)**

7. Discuss the role and utility of management accounting in decision making process.
8. Discuss the significance marginal costing in decision making process by taking the suitable examples.



9. Describe the process of setting the standards for material and labour.
10. The following data have been extracted from the published accounts of two companies in an industry.

	ABC Ltd.	XYZ Ltd.
Sales	32,00,000	30,00,000
Net profit after tax	123000	1,58,000
Equity capital (Rs.10per share)	10,00,000	8,00,000
General Reserve	232000	6,42,000
Long term debt	8,00,000	6,60,000
Creditors	3,82,000	549000
Bank credit (Short term)	60,000	2,00,000
Fixed Assets	15,99,000	21,02,000
Inventories	331,000	80,9000
Other current assets	544000	452000

You are required to compute comparative ratios showing liquidity and profitability of the two companies.

11. From the following balance sheets of Damodar Co.Ltd on 3/12/2010 and 31/12/2011. You are required prepare
- A schedule of changes in working capital
  - A funds flow statement.

Liabilities	2010	2011	Assets	2010	2011
Share capital	1,00,000	1,00,000	Goodwill	12,000	12,000
Gen. Reserve	14,000	18,000	Building	40,000	36,000
Profit and loss A/c	16,000	13,000	Plant	37,000	36,000
Creditors	8,000	5400	Investment	10,000	11,000
Bills payable	1200	800	Stock	30,000	23400
Prov. for tax	16,000	18,000	Bills receivable	2,000	3,200
Profit doubtful			Debtors	18,000	19,000
debt	400	600	Cash at Bank	6,600	15200
	<b>155,600</b>	<b>155800</b>		<b>155,600</b>	<b>155800</b>

The following additional information has also been given :

- Depreciation charged in plant was Rs.4,000 and building Rs.4,000.
- Provision for tax of Rs.19,000 was made during the year.
- Interim dividend of Rs.8,000 was paid during the year 2011.