2M3N21257 (Pages : 3) Reg. No:..........................

Name: ....

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE

Third Semester MCOM Degree Examination, November 2021

MCM3C12– Income Tax Law, Practice and Tax Planning I

(2019 Admission onwards)

Time: 3 hours   Max. Weightage : 30

Section A

Answer any four questions. Each question carries two weightage

1. Explain the rebate and relief of Tax.

2. Explain the following terms:

    (a) Tax Evasion   (b) Tax Avoidance

3. In what circumstances is the income of one person treated as the income of another?

4. Explain the provisions regarding set-off and carry-forward of losses while computing the total income.

5. What is belated return of income?

6. Write a note on agricultural income.

7. What is meant by Deduction of Tax at Source?

(4 x 2=8 weightage)

Section B

Answer any four questions. Each question carries three Weightage

8. Explain the different types of assessment.

9. What are the differences between Capital Receipts and Revenue Receipts?

10. Mr. Ajay Prasad left for U.S.A on 10th March, 2018 after having lived in India for 20 years. He return to India on 10th September 2020. Find out his residential status for the Assessment Year 2021-22.

11. Compute taxable income from house property from the following particulars:

    Municipal Valuation   - Rs.50000

    Fair Market Rent   -Rs.80000

    Standard Rent   -Rs.60000

    Actual Rent   -Rs. 72000

    Municipal tax   -20% of M.V.

    Interest paid   -Rs.18000

12. Mr.Hari Ram Bharati is disabled. He is employed in a bank in Punjab. His particulars of income for the Assessment Year 2021-22:

Salary income (computed)   Rs.565000

Bank interest on F.D.   Rs.20000

Donation to National Defence Fund Rs. 9000 by cheque. Compute his total income for the previous year 2020-21.

13. Mr. X provides the following data regarding his transaction, for the sale of his residential house for the Assessment Year 2021-22.Compute the amount of capital gains to be included in the total income for the Assessment Year 2021-22:

House purchased in 2004-05   Rs.90400

Sold in November 2020   Rs.600000

Purchased another house in September 2020 Rs.300000

The cost of inflation indices are as under:

2004-05: 113, 2020-21: 301.

14. Mr. Rohit furnishes the following particulars of his income for the PY 2020-21.Compute his gross total income.

a) Dividend on equity shares	Rs.600
b) Dividend on preference shares (Gross)	Rs.3200
c) Interest on Bank deposit	Rs.2500
d) Ground rent	Rs.600
e)Income from letting on hire building and machinery under one composite lease	Rs.27000
f) Winning from lotteries (Net) received	Rs.14000
g) Director's sitting fee received	Rs.1300

(4 x 3=12 weightage)

Section C

Answer any two questions. Each question carries five Weightage.

15. Under the Income Tax Act some incomes are totally exempt from tax while some incomes are partially exempt. Discuss this statement.

16. Explain the powers of Income tax authorities.

7. Mr. Vicky Pandey has furnished the following details with regard to his salary income for the year ended 31st March.2021:

a) Salary at Rs.12000 per month

b) Bonus at six months salary

c) Travelling Allowance for tour at Rs. 300 per month

d) Entertainment allowance of Rs.500 per month

e) Commission equal to four months salary

f) He is also provided with free furnished quarters in a city (population 15 lakh) valued at Rs.3000 per month and furniture and fittings of the value of Rs.10000.He is also provided with free lunch at the company valued at Rs.60 per meal for 300 days

g) His contribution to company's Recognised Provident Fund Rs.2000 per month and employer contributes an equal sum. The interest credited to provident Fund Account is Rs.12000 at 9.5%.

h) He claims :

i)Electricity and water charges incurred by him for his residence of Rs.1600 per annum

ii)Entertainment and Travelling Allowance in full.

Compute his taxable income under the head salaries for the AY 2021-22

18. The following are the particulars of Mr. Kiran Chahar for the previous year 2020-21.You are required to compute his net tax liability.

	₹
a) Rent of property	10000
b) Municipal tax on property paid	1000
c) Agricultural income	10000
d) Long term capital gain	15000
e) Lottery winning	50000
f)Business Income	556900
g) Life Insurance Premium paid	10000
h)Casual income from crossword puzzles	1200
i)Contribution to Public Provident Fund	15000

(2 x 5=10 weightage)

2M3N21258   (Pages : 2)   Reg. No:...........................

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FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE

Third Semester MCOM Degree Examination, November 2021

MCM3C13– Research Methodology

(2019 Admission onwards)

Time: 3 hours   Max. Weightage : 30

Section-A
Answer any four questions. Each question carries 2 weightage

1. What is a semantic scale?

2. What is plagiarism?

3. What is a research design?

4. What do you mean by Pilot survey?

5. What is cluster sampling?

6. Define ratio scale?

7. What is meant by Type II error?

(4x2=8 Weightage)

Section-B
Answer any four of the questions. Each question carries 3 Weightage

8. What do you mean by exploratory research? What are its objectives?

9. Differentiate between census and sampling with suitable examples?

10. Find the Karl Pearson's Co-efficient of correlation from marks obtained in Quantitative techniques and Management Science of 10 students.

Marks in QT	55	71	35	50	55	30	40	80	20	25
Marks in MS	80	45	60	65	55	25	30	85	25	20

11. What are the sources of research problem?

12. Discuss the steps involved in testing hypothesis?

13. Elaborate the differences between questionnaire and schedule?

14. Briefly explain the factors influencing sample size of a research?.

(4x3=12 Weightage)

Section C
Answer any two questions. Each question carries 5 weightage.

15. What are the various sources of secondary data? Discuss the precautions to be taken while using secondary data?

16. The following table shows the yield of three varieties of seeds.

Varieties	Yield				
A	25	28	42		
B	61	47	27	58	12
C	54	35	21	86	

Carry out an analysis of variance and state your comments.

17. What is measurement scale? Explain different types of measurement scales used in research?

18. Discuss the various stages in the preparation of a research report. What are the characteristics of a good report?

(2x5 =10 Weightage)

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE

Third Semester MCOM Degree Examination, November 2021

MCM3EF02 – Financial Markets and Institutions

(2019 Admission onwards)

Time: 3 hours   Max. Weightage : 30

Section-A
Answer any four questions. Each question carries 2 weightage:

1. What do you mean by derivatives?

2. What is offer for sale?

3. What is bit coin?

4. What do you mean by IDR?

5. What is Commercial Paper?

6. Explain Defined Contributory Plan.

7. Differentiate FDI, FPI and FII.

(4x2=8 Weightage)

Section-B
Answer any four of the questions. Each question carries 3 Weightage:

8. Explain the procedure for purchasing dematerialized securities.

9. Explain in detail NCDEX.

10. What are the powers and functions of IRDA?

11. Explain the working of stock exchanges in India.

12. Explain the different types of Provident fund in India.

13. What are the various methods of marketing securities?

14. Explain the guidelines issued by RBI on the issue of Certificate of Deposits.

(4x3=12 Weightage)

Section-C
Answer any two questions. Each question carries 5 weightage:

15. Explain debt market. What are the hindrances for the development of debt market in India.

16. Explain in detail the various Development Financial Institutions in India.

17. Briefly explain the various International financial instruments.

18. Write an overview of the present Indian Capital Market.

(2x5 =10 Weightage)

FAROOK COLLEGE (AUTONOMOUS), KOZHIKODE

Third Semester MCOM Degree Examination, November 2021

MCM3C11– Financial Management

(2019 Admission onwards)

Time: 3 hours   Max. Weightage : 30

Section-A

Answer any four questions. Each question carries 2 weightage

1. Write a note on dividend policy?

2. What is lock box system?

3. Write a note on trading on equity

4. What are the assumptions of MM hypothesis of capital structure?

5. What do you understand by operating cycle concept of working capital??

6. Name the various factors influencing size of receivables?

7. Write a short note on capital gearing?

(4x2=8 Weightge)

Section-B

Answer any four of the questions. Each question carries 3 Weightage

8. Name the various tools of inventory management

9. A company issues 1000 7% preference shares of Rs.100 rupees each at a premium of 10% redeemable after 5 years at par. Compute the cost of preference capital.

10. Write short note on

     a) Any two cash management models

     b) Any two inventory management tools

11. ABC limited has raised funds through issue of 10000 debentures of Rs.150 each issued at a discount of Rs. 10 per debenture for a period of 10 years maturity. The coupon rate of debenture is 16%. The debentures to be redeemed after 10 years at a premium at the rate of 10%. The company's tax rate is 40%. Calculate the cost of debt.

12. Briefly explain the theory of irrelevance with respect to dividend decision?

13. A company is expecting to have Rs. 32,000 cash in hand on 1.4.2014 and it requests you to prepare cash budget for the three months April to June 2014. The following information is supplied to you:

Month	Sales	Purchase	Wages	Expenses
February	70,000	44000	6000	5000
March	80,000	56000	9000	6000
April	96,000	60000	9000	7000
May	1,00,000	68000	11000	9000
June	1,20,000	62000	14000	9000

Other information:

1. Period of credit allowed by suppliers is two months.

2. 25% of sales are for cash and the period of credit allowed to customers for credit sales is one month.

3. Delay in payment of wages and expenses one month.

4. Income tax 28000 is to be paid in June 2014.

14. Economic enterprises require 90,000 units of a certain item annually. The cost per unit is Rs.3, the cost per purchase order Rs.300 and the inventory carrying cost Rs.6 per unit per year.

    i. What is the economic order quantity?

    ii. What should the firm do if the supplier offers discount as below:

    Order quantity   **Discount**

    4500-5999   2%

    6000 &above   3%

                                        (4x3=12 Weightage)

Section C
Answer any two questions. Each question carries 5 weightage.

15. Amaranth cements limited has the following capital structure:

particulars	Market values	Book values	(Post tax)Cost%
Equity share capital	80	120	18
Preference share capital	30	20	15
Fully secured debentures	40	40	14

Calculate the company's weighted average cost of capital based on both market values and book values. Cost of individual sources of capital is net of tax.

16. What do you understand by working capital? Explain the concepts of working capital?

17. What is financial leverage? How does it help in magnifying revenue of a concern?

18. Calculate the degree of operating leverage(DOL), degree of financial leverage (DFL) and degree of combined leverage for the following firms and interpret the results

Particulars	Firm A	Firm B	Firm C
Output (unit)	60000	15000	100000
Fixed cost (Rs)	7000	14000	1500
Variable cost per unit(Rs)	0.20	1.50	0.02
Interest on borrowed funds (Rs)	4000	8000	-
Selling price per unit (Rs)	0.60	5.00	0.10

(2x5 =10 Weightage)