

Regular
S.Y. B.Com
Sem III

F.A. 25/10/2018

Duration: 3 Hrs.

Marks: 100

Kindly check whether you have received the right question paper

- N.B. 1) All questions are compulsory.
2) Q.1 and Q.6 carry 20 marks each.
3) Q.2, Q.3, Q.4 and Q.5 carry 15 marks each.
4) Use of simple calculator is allowed.

Q.1.A. State whether the following statement is true or false (Any 10) 10

1. The partners must conduct lawful business.
2. Drawing appears on debit side of capital account.
3. General reserve is credited to partners' capital account.
4. Unpaid salaries of employees are preferential liabilities.
5. Goodwill requires special treatment on amalgamation.
6. On amalgamation fictitious assets are transferred to capital account.
7. Partners' capital accounts are closed on settlement of purchase consideration among the partners.
8. Profit or loss on realization is transferred to partners' capital account in capital ratio.
9. Provision for discount on debtors shows debit balance.
10. Outstanding wages is a nominal account.
11. Closing stock is valued at market price only.
12. Assets taken over by partner is credited to his capital account.

B. Fill in the blanks (Any 10) 10

1. Fictitious assets are distributed among the partners in their _____ ratio.
(Profit Sharing/ Capital Sharing)
2. Assets and liabilities are transferred to realization account at _____.
(Book Value/ Market Value)
3. Unproductive wages are debited to _____.
(Trading Account/ Profit and Loss Account)
4. Expenses payable are shown on _____ side in the balance sheet.
(Assets/ Liabilities)
5. Current account showing debit balance is shown in the balance sheet on _____ side.
(Liabilities/ Assets)
6. Excess capital method is known as _____ method.
(Highest Relative method/ Maximum Loss method)
7. Profit on realization is _____ to partners' capital account.
(Credited/ Debited)
8. A partnership firm has _____ liability.
(Limited/ Unlimited)
9. Government dues are _____ liabilities.
(Preferential/ Unsecured)

Paper / Subject Code: 79305 / Accountancy and Financial Management III

10. Amount agreed to be paid by the new firm to old firm is called _____.
(Purchase Consideration/ agreed liability)
11. Bad debts is a _____.
(Loss/ Profit)
12. Employee's dues are _____ liabilities.
(Preferential/ Secured)

Q.2. Rajaram, Tukaram and Sakharam were in partnership, sharing profits and losses in the ratio of 3:2:1 respectively. On 31st March 2018, their balance sheet was as under: 15

Liabilities		Rs.	Assets		Rs.
Capital Account:			Cash at Bank		25,000
Rajaram	1,22,500		Sundry Assets		2,25,000
Tukaram	52,500		Drawings:		
Sakharam	<u>25,000</u>	2,00,000	Rajaram	25,000	
General Reserve		30,000	Tukaram	25,000	
Loan from BOI (Secured)		45,000	Sakharam	<u>12,500</u>	62,500
Bills Payable		25,000			
Sundry creditors		12,500			
		<u>3,12,500</u>			<u>3,12,500</u>

Additional information:

- Rs. 10,000 has to be provided for realization expenses.
- The following net realization were made:

15.04.2018	Rs.50,000
30.04.2018	Rs. 10,000
10.05.2018	Rs.67,500
19.05.2018	Rs.65,000
- The actual realization expenses were Rs.12,500.

Prepare a statement showing distribution of cash by applying Excess Capital Method.

OR

Q.2. Hum, Tum and Sub were in partnership sharing profits and losses in the ratio of 3:2:1. They dissolve the firm on 31st March 2018. 15

Liabilities		Rs	Assets		Rs
Capital Account:			Cash		25,000
Hum	50,000		Fixed Assets		2,00,000
Tum	62,500		Stocks		67,500
Sub	<u>25,000</u>	1,37,500			
Reserves		30,000			
Creditors		1,00,000			
Loan from Hum		25,000			
		<u>2,92,500</u>			<u>2,92,500</u>

The following are the realization and expenses:

	Fixed Assets	Stock	Expenses
April 2018	30,000	15,000	2,500
May 2018	55,000	2,500	3,750
June 2018	15,000	25,000	3,000
July 2018	83,750	20,000	6,000

Prepare a statement showing Piecemeal distribution of cash by using Proportionate Capital Method.

Q.3. M/s PM and M/s AV decided to amalgamate on the following terms and conditions on 1st April 2018 when their Balance sheets were as under: 15

Liabilities	M/s PM	M/s AV	Assets	M/s PM	M/s AV
Capital Account:			Land and Building	1,50,000	-
Prashant	2,59,200	-	Plant	94,800	1,45,800
Manesh	1,90,800	-	Investments	75,000	-
Amit	-	3,36,900	Inventories	1,02,300	1,48,500
Vijay	-	1,26,600	Debtors	1,20,000	1,50,000
Creditors	82,500	46,500	Cash at Bank	27,900	65,700
Bank Loan	37,500	-			
	5,70,000	5,10,000		5,70,000	5,10,000

Following are the terms and conditions of amalgamation:

1. In case of M/s PM

- Goodwill was taken at Rs.1,80,000.
- Prashant took over the Bank Loan.
- Investments were taken over by the new firm at an agreed value of Rs.90,000.
- Land and building was taken over at Rs.2,70,000.
- Inventories to be valued at Rs.97,800.
- 5% provision to be created on Debtors.

2. In case of M/s AV

- Goodwill was taken at Rs. 1,50,000.
- Inventories to be valued at Rs.1,26,000.
- 4% provision to be created on Debtors.

Other assets and liabilities of both the firms were taken at book values.

3. It was further decided that the total capital of the new firm shall be Rs. 13,77,000, in the equal ratio.

You are required to :

- Calculate the Purchase Consideration.
- Prepare Balance Sheet after Amalgamation of the Firms.

OR

Q.3. Julie and Lilly are partners who share profits and losses in the ratio of 2:3 in the business. In the similar type of business Sona and Mona are partners who share profits and losses in the ratio of 3:2. It was agreed on 1st April 2018, the firms are to be amalgamated into M/s JLSM & Co. as on 31st March 2018, the Balance Sheets of their firms were as under: 15

Liabilities	M/s JL	M/s SM	Assets	M/s JL	M/s SM
Capital Account:			Land	1,95,000	2,52,000
Julie	2,40,000	-	Furniture	1,14,000	91,500
Lily	3,60,000	-	Vehicle	75,000	81,750
Sona	-	2,10,000	Stocks	1,49,700	1,98,000
Mona	-	2,10,000	Investments	42,000	-
Creditors	1,50,000	2,50,500	Debtors	1,57,500	1,56,750
Bills Payable	-	1,09,500	Banks	16,800	-
	<u>7,50,000</u>	<u>7,80,000</u>		<u>7,50,000</u>	<u>7,80,000</u>

The new firm take over the old firm's assets as under:

Particulars	M/s JL	M/s SM
Stocks	1,35,000	1,95,000
Vehicles	60,000	60,000
Furniture	1,05,000	84,000
Land	3,75,000	4,95,000
Goodwill	1,20,000	90,000

Julie to take over Investments for Rs. 36,000. Other Assets and liabilities at book values.

You are required to :

- Calculate the Purchase Consideration.
- Prepare necessary ledger Accounts in the books of M/s JL.

Q.4. Me and Too were in the partnership sharing profits and losses in the ratio of 2/3 and 1/3. Their Balance Sheet as on 31st March 2018 was as under: 15

Liabilities	Rs.	Assets	Rs.
Creditors	1,80,000	Bank	42,000
Secured Loan (Secured against Property)	60,000	Debtors	1,56,000
Capital Account:		Stock	96,000
Me	1,20,000	Machinery	30,000
Too	<u>60,000</u>	Property	96,000
	<u>4,20,000</u>		<u>4,20,000</u>

The partners decided to convert their business into Private Limited Company. The company took over all the assets and liabilities except property. The purchase consideration was Rs.3,60,000, payable as under:

Rs. 72,000 In cash

Rs. 1,44,000 in Debentures and

Rs. 1,44,000 in Equity shares of Rs. 10 each.

Secured loan has been paid and partners agreed to share the debentures and shares in the proportion to their final capital.

You are required to prepare Realisation A/c, Private Limited Company A/c, Equity Shares In Pvt. Ltd A/c, Debentures in Pvt. Ltd. A/c, Cash A/c and Partners Capital A/c in the books of firm.

OR

Q.4. Mohini and Aditya were in partnership sharing profits and losses in the ratio of 3:2. The following is the Balance Sheet of the firm as on 31st March 2018. 15

Liabilities	Rs.	Assets	Rs.
Partner's Capital A/c:		Land and Building	3,00,000
Mohini	7,20,000	Plant and Machinery	6,30,000
Aditya	6,54,000	Furniture	3,00,000
Bills Payable	1,05,000	Stocks	1,95,000
Creditors	75,000	Debtors	75,000
Loan from Aditya	1,20,000	Cash	84,000
		Goodwill	90,000
	16,74,000		16,74,000

On 1st April 2018, a new company Chai Ltd., was formed to take over the business of the firm on the following conditions:

1. The company will take over loan from Aditya to the extent of Rs.96,000.
2. Assets are taken over at: Goodwill Rs. 1,50,000; Land and Building Rs.5,04,000; Plant and machinery Rs.7,80,000; Furniture at 10% depreciated value; Rs.15,000 of the debtors to be treated as bad and on the balance 5% provision is to be created as doubtful.; cash balance to be taken over in full, after settlement of balance Aditya's loan.
3. The purchase consideration is to be satisfied by issuing 60,000 equity shares of Rs.10 each at a premium of Rs.2 per share. Rs.4,50,000 by issuing 9% Preference shares of Rs.100 each at par and the balance in the form of 7% Debentures of Rs. 100 each at par.

You are require to:

- a) Calculate Purchase Consideration.
- b) Prepare the Balance Sheet after conversion in the books of Chai ltd.

Q.5. From the following trial balance of Dharmendra and Hema, you are require to prepare Trading and Profit and Loss Account for the year ended 31st March 2018 and Balance Sheet as on that date after adjustments given below: 15

Trial Balance as on 31st March 2018

Particulars	Rs.	Particulars	Rs.
Stock (01.04.2017)	1,05,000	Sales	9,90,000
Salaries and wages	27,600	Discount	14,400
Cash	30,000	Creditors	60,000
Purchases	6,75,600	Bank overdraft	30,000
Sundry expenses	25,800	Interest on Investments	21,600
Productive wages	42,000	Capital Account:	
Bills Receivable	24,000	Dharmendra	1,80,000
Law Charges	9,000	Hema	1,20,000
Bad debts	3,000		
Works expenses	18,000		
Commission	9,000		
Investments	60,000		
Debtors	1,20,000		
Trade Mark	24,000		
Tools and Equipment	18,000		
Furniture	36,000		
Goodwill	39,000		
Building	1,50,000		
	14,16,000		14,16,000

Adjustments:

1. The closing stock Rs.1,20,000
2. Depreciate Building at 10% p.a. and Furniture at 10% p.a.
3. Unpaid salaries and wages Rs.2,400 and printing bill Rs.3,600.
4. Uninsured goods worth Rs. 30,000 were loss by fire.
5. Partners share profits and losses in their capital ratio.

OR

Q.5. Central and western were in partnership sharing profits and losses in the ratio of 3:2. From 1st April 2017, they admitted Harbour into partnership giving him 1/5 share in profits. He brought Rs.1,20,000 of which Rs.15,000 was considered as share of goodwill and the balance as his share of capital. You are given:

15

Trail balance as on 31st March 2018

Particulars	Rs.	Particulars	Rs.
Drawings:		Rent payable	11,100
Central	48,000	Outstanding wages	32,400
Western	42,000	Sales	31,68,000
Harbour	30,000	Purchase return	31,800
Purchases	19,95,000	Reserve for Doubtful Debts	14,400
Sales return	48,000	Creditors	3,61,200

Debtors	4,83,000	Bills payable	90,750
Opening stock	3,26,700	Dividend	9,900
Wages	2,41,800	Capital:	
Salaries	1,05,000	Central	1,80,000
Buildings	90,000	Western	1,00,500
Patents	84,000	Cash paid by Harbour (as on 01.04.2017)	1,20,000
Postage and telegram	38,700		
Power and Fuel	22,500		
General Expenses	39,750		
Rent, rates and Taxes	42,000		
Bad Debts	6,300		
Investments	1,95,000		
Prepaid Insurance	6,000		
Cash and Bank	70,800		
Bills Receivable	2,05,500		
	41,20,050		41,20,050

Adjustments:

1. Closing stock was valued at Rs.1,95,000
2. Goods costing Rs. 12,000 have been stolen but not entered in the books.
3. Write off 20% of Patents.
4. Create provision for doubtful debts @5% of the debtors.
5. Depreciate building @10% p.a.

Prepare Trading and Profit and Loss Account and Balance Sheet as on 31st March 2018.

- Q.6. A) Explain the meaning of Purchase Consideration and its different types. 10
 B) Explain the benefits of conversion of firm into company. 10

OR

- Q.6. Write Short note (Any 4) 20
- a) Excess Capital Statement.
 - b) Admission of Partner.
 - c) Conversion of firm into company.
 - d) Net Assets method of Purchase Consideration.
 - e) Amalgamation of firms.
 - f) Preferential creditors.

[Time: Three Hours]

[Marks:100]

Please check whether you have got the right question paper.

N.B: 1. All questions are compulsory subject to internal choice.

Q. 1 Attempt Any Two from the following:

- a) Explain the concept of 'Company' as per Indian Companies Act 2013. Write a note on advantages and disadvantages of Incorporation. (10)
- b) Discuss the advantages and disadvantages of 'Private company' and 'Public Company'. (10)
- c) Discuss the 'Doctrine of Ultra Vires'. (10)
- d) Discuss the concept and types of Prospectus in detail. (10)

Q. 2 Attempt Any Two from the following:

- a) Who can become a 'Member' of a company? Write a note on 'Termination of Membership'. (10)
- b) Explain the concept of 'Director Identification Number'. Write a note on Appointment of Directors. (10)
- c) Discuss the Rights and Liabilities of Members of a company as per the Companies Act. (10)
- d) Write a note on – (10)
 - i) Board of Directors Meeting
 - ii) Annual General Meeting

Q. 3 Attempt Any Two from the following:

- a) Explain the Concept of Partnership. Discuss in detail the Rights and Duties of a Partner. (10)
- b) Write a note on Dissolution of Partnership. (10)
- c) Discuss the characteristics of a 'Limited Liability Partnership'. (10)
- d) Distinguish between Limited Liability Partnership and Partnership. (10)

Q. 4 Attempt Any Two from the following:

- a) Explain the meaning of following terms as per Consumer Protection Law (10)
 - i) Consumer ii) Defects and Deficiency
- b) Write a detailed note on the 'Three Tier Machinery' for Consumer Redressal. (10)
- c) Explain the concept of 'Abuse of Dominant Position' as per Competition Act 2002. (10)
- d) Discuss the Composition of the Competition Commission of India. Write the qualifications and disqualifications of the chairperson of the Competition Commission of India. (10)

Q. 5 Attempt Any Two from the following:

- a) Explain the concept and nature of Intellectual Property Rights in India. (10)
- b) Explain the Concept of 'Patent'. Write a note on the 'grant of patent.' (10)
- c) Write a note on protecting the 'Copyrights' of a person as per IPR laws. What do you understand by 'Fair Use'? (10)
- d) Discuss the concept of 'Trade marks' and 'Passing off.' Discuss various functions of Trade Marks. (10)

Marks:

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Sem III

- N.B. 1. All questions are compulsory
2. Figures to the right indicate full marks

1. (A) Select the most appropriate answer from the options given below (Any Ten) (10)

- 1) _____ is not a part of advertising.
a) Posters b) Commercials
c) Propaganda d) none of these
- 2) _____ advertising is used by Flipkart.
a) Competitive b) Primary
c) Local d) International
- 3) _____ is the most important benefit of advertising to consumers.
a) Builds brand image b) Increases market share
c) Maintains standard quality of brand d) None of these
- 4) _____ agency offers services on a piecemeal basis.
a) In-house b) Creative boutique
c) Modular d) Mega
- 5) _____ system of agency compensation includes out of pocket expenses.
a) Bonus b) Incentive
c) Commission d) Cost-Plus
- 6) Advertising _____ the price of the product in the long run.
a) Increases b) Decreases
c) Stabilizes d) None of these
- 7) Pro Bono advertising deals with _____ issues.
a) Social b) Political
c) Religious d) Technical
- 8) Brand _____ refers to customers' ability to recall and recognize the brand under different conditions.
a) Awareness b) Loyalty
c) Fatigue d) Personality
- 9) Promotion of biodegradable packaging can be done through _____ advertising.
a) Product b) Institutional
c) Rural d) Green
- 10) _____ is a famous Global advertising agency.
a) McCann b) B. Dattaram
c) Royal d) Unilever
- 11) _____ department links all the work done at an advertising agency.
a) Client Servicing b) Production
c) Artworks d) Traffic
- 12) _____ is a term used to describe an advertising agency losing its clients to competitors.
a) Competitive Pitching b) Client Turnover
c) Creative Pitching d) All of these

(B) State whether the following statements are true OR false: (Any Ten) (10)

- 1) IMC includes sponsorships.
- 2) Advertising is a form of person to person communication.
- 3) National advertising promotes branded products.
- 4) Interactive advertising agencies specialize in social media campaigns on Twitter and YouTube.
- 5) Only accredited agencies get credit facility from media.
- 6) Generic advertising is also called as primary advertising.
- 7) All advertisements directed at children are unethical.
- 8) Computer literacy is essential for a career in animations used in advertising.
- 9) Brand loyalty is a consumer's commitment to repurchase or continue use of the particular brand.
- 10) An automobile company advertising green fuel for supporting environmental issues can be called advocacy advertisement.
- 11) Advertising campaign using brand ambassador Amitabh Bachchan helped Cadbury's brand crisis during the worm controversy.
- 12) Government authorities do not use advertising.

2. Answer ANY TWO of the following: (15)

- a) What is Integrated Marketing Communication (IMC)? Examine its features.
- b) Explain the concept of advertising. What are the benefits of advertising to consumers?
- c) Discuss the classification of advertising based on media.

3. Answer ANY TWO of the following: (15)

- a) Define advertising agency and explain its features.
- b) Explain the ways in which advertising agencies are compensated for their services.
- c) Describe the skills required for a career in advertising.

4. Answer ANY TWO of the following: (15)

- a) Write in brief about the economic aspects of advertising.
- b) Explain the impact of advertising on Indian culture.
- c) Describe the role of ASCI in regulating advertising in India.

5. Answer ANY TWO of the following: (15)

- a) Explain the communication process of advertising.
- b) Discuss the features of rural advertising.
- c) Describe the recent trends of advertising spend.

6. Write short notes on ANY FOUR of the following: (20)

- a) Features of advertising
- b) DAVP
- c) Five unethical practices in advertising
- d) Creative Pitch
- e) Managing brand crisis
- f) Features of Green advertising

Handwritten marks and scribbles at the bottom right of the page, including a large 'X' and several circles.

Q.P. Code : 05759

(REVISED COURSE - OLD PATTERN)

[For Regular students]

(2½ Hours)

[Total Marks : 80

[For IDOL Students]

(3 Hours)

[Total Marks : 100

- N.B. : (1) The Revised Course (Old Pattern) is Applicable to the Regular College Student enrolled during the Academic Year 2006-07 to Academic Year 2010-11. They shall attempt Section-I and Section-II carrying 80 Marks. The duration of the paper is 2½ hours for such students. (Section-III shall not be attempted by such students). The Revised Course (Old Pattern) is also applicable to the Regular Students Enrolled during the Academic Year 2005-06 or earlier and all the IDOL students. They shall attempt Section I, II and III for 100 marks. The duration of the paper is 3 hours for such students.
- (2) Question No.1 and Question No.2 are Compulsory. Attempt any one question from Question No.3 to 5 from Section I.
- (3) All questions in Section - II and Section - III are Compulsory.
- (4) Figures to the right indicate full marks.
- (5) Answer to all the sections shall be written in the same Answer Book.

Section - I

1. Mr. P.K. Lad (who is handicapped) Proprietor of SP & Co. provides you the following information for the previous year ended 31st March, 2016 : 16
- Profit and Loss Account for the year ended 31st March, 2016**

Particulars	₹	Particulars	₹
To Salaries	30,000	By Gross Profit b/d	8,88,888
To Wealth Tax	20,500	By Commission received	50,600
To VAT	1,50,050	By Dividend from foreign Company	60,100
To Income Tax	60,006	By Income Tax refund	40,012
To Rent	1,20,000	By Dividend received from Indian Company	35,400
To General Expenses	80,000		
To Interest	40,000		
To Depreciation	75,000		
To General Expenses	35,950		
To Reserve for Bad and Doubtful Debts	19,050		
To Net Profit	4,44,444		
Total	10,75,000	Total	10,75,000

TURN OVER

Q.P. Code : 05759

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Additional Information :

- (1) Depreciation as per Income Tax Rules ₹80,000.
- (2) 50% of the rent is paid for his residential house.
- (3) Interest ₹40,000 paid on loan for Bank of Maharashtra for higher education of his son.

You are required to compute his taxable income for the Assessment Year 2016-17.

2. (a) Re-write the following sentences by selecting the appropriate option :

6

- (1) If a business is commenced on 1st August, 2016, the first previous year will end on _____.
(a) 31st March, 2017 (b) 31st December, 2016 (c) 31st March, 2018
- (2) A House Property is considered as long term capital asset, if it is held for at least _____.
(a) 12 months (b) 24 months (c) 36 months
- (3) Uncommuted Pension received by government employee is _____.
(a) Fully Exempt (b) Partly Exempt (c) Fully Taxable
- (4) Salary received by a Member of Parliament is taxable under the head income from _____.
(a) Salaries (b) Business (c) Other sources
- (5) Gift of ₹ 52,000 received from a friend is taxable to the extent of _____.
(a) ₹2,000 (b) ₹50,000 (c) ₹52,000
- (6) An _____ company is always resident in India.
(a) Industrial (b) Indian (c) Individual

(b) Match the columns and rewrite it again :

6

Column A	Column B
• Income Tax Act	• Palghar Municipal Corporation
• Local Authority	• Cash payment allowed
• Financial year	• 30% of Net Annual Value
• Value of Rent free accommodation	• Previous Year
• Standard deduction U/s 24	• Perquisite
• Preventive health check up	• 1 st April, 1961

TURN OVER

Q.P. Code : 05759

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3. Pravin is employed with B Mart as Manager. He has provided following information about his income earned during the previous year 31st March, 2016 : 12

- (1) Basic Salary ₹1,00,000 p.m.
 - (2) Dearness Allowance : 115% of Basic Salary.
 - (3) House Rent Allowance received ₹ 3,000 p.m. (Exempt Rs.10,000)
 - (4) Entertainment Allowance ₹ 5,000.
 - (5) Professional Tax ₹ 2,500 per annum.
 - (6) Royalty received ₹ 3,50,000.
 - (7) Interest on Debentures ₹1,20,000.
 - (8) He invested ₹ 55,000 in Public Provident Fund.
 - (9) He paid medical insurance premium of ₹ 22,000 by cheque for himself.
- Compute his taxable income for the Assessment Year 2016-17.

4. Mr. Nandy provides following information of his income for the Previous Year ended on 31st March, 2016, You are required to compute the total income for Assessment Year 2016-17 : 12

Sr. No.	Particulars of owned house	House 'S' Self-occupied ₹	House 'P' Let out ₹
1	Fair Rent (per month)	35,000	30,000
2	Municipal Valuation (per month)	25,000	35,000
3	Rent Received (per month)	---	45,000
4	House 'P' was vacant for one month		
5	Municipal Tax :-		
	- Paid by tenant	---	10,000
	- Paid by owner	8,000	25,000
6	Interest on borrowing capital		
	- Paid during the year	---	50,000
	- Outstanding on 31 st March, 2016	---	1,50,000

Other Information :

He received ₹1,00,000 from sub-letting his office premises. He has paid rent of ₹60,000 for this premises.

TURN OVER

Q.P. Code : 05759

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5. Mr. Kaka Patil purchased a residential house on 01-01-1972 for ₹55,000. The Fair Market Value of this house on 01-04-1981 is ₹90,000. The cost incurred by him for carrying out various improvement to this house are as under : 12

Financial Year	Cost in ₹
1985-86	50,000
1994-95	2,20,000
2006-07	3,10,000

He sold this house on 31-12-2015 for ₹1,20,00,000 and paid brokerage of ₹5,000. You are required to compute his Income from Capital Gains for Assessment Year 2016-17.

The relevant Cost of Inflation Indices (C.I.I.) are as under :

Financial Year	C.I.I.	Financial Year	C.I.I.
1981-82	100	2006-07	519
1985-86	133	2015-16	1081
1994-95	259		

Section - II

6. (a) Determine the Point of Taxation in each of the following independent cases with reference to the Point of Taxation Rules, 2011 : 5

Cases	Date of Completion of Service	Date of Invoice	Date on which payment received
1	10-05-2016	05-06-2016	20-06-2016
2	10-05-2016	05-06-2016	25-05-2016
3	10-05-2016	05-06-2016	25-05-2016 (part) 20-06-2016 (remaining)
4	10-05-2016	05-06-2016	10-04-2016
5	10-05-2016	16-06-2016	20-06-2016

TURN OVER

Q.P. Code : 05759

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6.(b) Find out the Due Date of payment of service tax for the following persons :

5

Particulars	Service Tax payment for the Month
Mr. Bhagat	June 2016
Mr. Raju	May 2016
Reliance limited	April 2016
Bank of India	July 2016
Firm	October 2016

Note : All payments are through e-payment.

OR

6.(c) Choose the correct option and rewrite the statements :

5

- (1) Service tax is administered by _____.
- (a) Excise Department (b) Central Government
(c) State Government (d) Custom Department
- (2) Service tax came in to force w.e.f. _____.
- (a) 1st July 1994 (b) 1st June 1994
(c) 1st April 1994 (d) 1st July 1998
- (3) Service tax law extends to _____.
- (a) Whole of India except Jammu and Kashmir
(b) Whole of India
(c) Maharashtra
(d) Whole of Asia
- (4) Return of service tax has to be filed _____.
- (a) Monthly (b) Quarterly
(c) Half yearly (d) Yearly
- (5) Return of service tax has to be filed in _____.
- (a) Form ST-3 (b) Form ST-1
(c) Form ST-2 (d) Form ST-3A

TURN OVER

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6.(d) Match the columns :

5

Column 1	Column 2
(1) Service Tax payable if aggregate value	(a) Application for Registration
(2) Service provider requires to get registered if aggregate value	(b) is more than ₹ 10,00,000
(3) ST - 1	(c) is more than ₹ 9,00,000
(4) ST - 3A	(d) 0.5%
(5) Swatch Bharat Cess	(e) Half Yearly Return of Input service distributor

7. From the following information for April 2016, supplied by Mr. Jayesh, Compute his Taxable Value of Service and Service Tax payable for the month April 2016 (Ignore threshold limit and all amounts given excluding Service Tax) : 10

Particulars	Amount
(1) Cultivation of Ornamental flowers	1,25,000
(2) Sale of Tea on Commission basis	1,75,000
(3) Renting of vacant land for performing marriage ceremony	4,00,000
(4) Sale of Rice on commission basis	2,00,000
(5) Grading of Wheat according to its quality	60,000
(6) Rearing of Silk worms	80,000
(7) Services related to preparation of advertisement	3,00,000
(8) Packaging of pulses in Retail packs	5,00,000

Service Tax Rate @14.5%.

OR

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7. From the following information for June 2016, supplied by Mr. Manoj, compute his Taxable Value of Service and Service Tax payable for the month April 2016 (Ignore threshold limit and all amounts given excluding Service Tax): 10

Particulars	Amount
(1) Postal coaching receipts	50,000
(2) Distribution of Mutual Funds, Bonds	1,00,000
(3) Toll Receipts from Highway of Mumbai to Pune	2,00,000
(4) Receipts from running training centre in relation (hobby classes)	75,000
(5) Cosmetic surgery to improve looks	2,50,000
(6) Charges for preparation of advertisement	3,00,000
(7) Cleaning of Wheat	60,000
(8) Commission for acting as commission agent of agricultural produce	1,40,000

Service Tax Rate @14.5%.

8. Explain with reasons whether the following are 'Goods' as per the provisions of Maharashtra Value Added Tax Act, 2002 : 10
- Newspaper
 - Malaikulfi
 - Import license
 - Equity shares of M.Tech Ltd.
 - Residential flat used for business

OR

8. Choose the correct option & rewrite the statements as per Maharashtra value added Tax Act, 2002. 10

(1) A Non importer is liable to be registered under MVAT Act 2002 if

- The sales Turnover exceeds ₹ 10,00,000/-
- Taxable sales / purchases are at least ₹ 10,000/-
- Both the above a & b
- None of the above a & b

(2) Tax at nil rate _____.

- Schedule A
- Schedule B
- Schedule C
- Schedule D

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- (3) The rate of VAT depends up on _____
 (a) the buyer (b) the goods
 (c) the amount of sales (d) none of the above
- (4) Dealer as defined do not include _____
 (a) Agriculturalist (b) Importer
 (c) Manufacturer (d) Reseller
- (5) Tax Invoice is to be issued _____
 (a) only by an importer
 (b) only by a manufacturer
 (c) only by a registered dealer
 (d) by any dealer whether registered or unregistered
- (6) Taxable sales for the purpose of registration excludes _____
 (a) Sales under Schedule B (b) Interstate sales
 (c) Sales under Schedule A (d) Exports
- (7) Value Added Tax is a form of _____
 (a) Income Tax (b) Service Tax
 (c) Sales Tax (d) Entry Tax
- (8) Taxable sales includes _____
 (a) local tax (b) interstate sales
 (c) Exports (d) All the above
- (9) _____ includes service, trade, commerce or manufacture.
 (a) Profession (b) Consultancy
 (c) Business (d) All the above
- (10) Maharashtra Value Added Tax Act, 2002 became operative w.e.f.

 (a) 1st April, 2002 (b) 1st April 2005
 (c) 1st April, 2008 (d) 1st April, 2000

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9. M/s K & Co commenced business on 21st March 2016. From the following 10 particulars regarding purchases & sales transactions find out from which month they will be liable for registration & to pay tax as per the provisions of MVAT Act, 2002 :

Date 2016	Purchases			Sales	
	Out of State	With in State		Taxable	Taxfree
	Taxable	Taxable	Taxfee		
(₹)	(₹)	(₹)	(₹)	(₹)	
April	3,000	12,000	18,000	2,600	8,000
May	5,000	20,000	14,000	3,000	6,000
June	6,000	15,000	24,000	1,300	1,400
July	8,000	12,000	15,000	2,000	8,000
August	1,000	28,000	9,000	15,000	8,500
Sept.	9,000	2,000	3,000	12,000	14,000
Oct.	3,000	2,000	2,000	13,000	9,200
Nov.	2,000	16,000	13,000	8,000	5,600

OR

9. K Ltd provided you the following information. You are required to compute 10 their tax liability under the provisions of MVAT Act, 2002 for the month of January, 2017 :

Particulars	₹
(a) Sales within Maharashtra (Excluding VAT)	
Schedule E Goods	50,00,000
Schedule C Goods	20,00,000
(b) Purchases within Maharashtra (Excluding VAT)	
Schedule C Goods Raw Material	6,00,000
Schedule E Components	1,00,000
Schedule E Stationery	30,000
Schedule E Machinery	20,000
(c) Balance in VAT receivable / set off brought forward from earlier month	30,000
(d) Tax rate for Schedule C is 5% & Schedule E 12.5%	

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Section - III

10. Following is the income of Mr. Kailash for the previous year 2015-16 : 10
- Income earned in Mumbai received in London ₹ 1,25,000.
 - Bank Interest received in India ₹ 50,000.
 - Dividend from Foreign company ₹ 80,000 (60% of which received in India).
 - Mutual Fund Income received in India ₹ 25,000.
 - Income from business in France controlled from Delhi ₹ 6,00,000.
- Find out his Gross Total Income, if he is :
- Resident and Ordinarily Resident
 - Resident but not Ordinarily Resident
 - Non Resident in India

OR

10. Mr. Umesh Yadav an Indian Citizen and Professional Cricketer toured Kenya, Australia, South Africa, U.K. and West Indies on various dates. The details of departure and arrival to India are as under : 10

Country	Date of Departure	Date of Arrival
Kenya (for the first time)	01-02-2015	26-03-2015
Australia	10-04-2015	10-05-2015
South Africa	25-05-2015	14-07-2015
U.K.	31-08-2015	24-09-2015
West Indies	01-01-2016	26-03-2016

Determine the Residential Status of Mr. Umesh Yadav for the Assessment Year 2016-17.

11. State whether Yes or No with reasons (any five out of seven) : 10
- Mutual fund income is taxable as Income From Other Sources.
 - Gross Annual Value of one self occupied property is Nil.
 - Municipal Taxes are allowed as deduction on payment basis for computing Income from Let Out House Property.
 - Gratuity is exempt from tax maximum up to ₹ 10,00,000 to Non Government Employees.
 - Cost Inflation Index is used for determining long term Capital Gain.
 - Interest on Income Tax Refund is not an Income.
 - Medical Allowance received is fully taxable as Salary.

TURN OVER

Please check whether you have got the right question paper.

- N.B: 1. All questions are **compulsory**.
2. Figures to the **right** indicate **full marks**.

1. Answer **any two** of the following: 15
 - a) Define Marketing. Explain the functions of Marketing.
 - b) What is Strategic Marketing Management? How is it different from Traditional Marketing Management? Explain.
 - c) What is Ethics in Marketing? Explain the importance of Ethics in Marketing.
2. Answer **any two** of the following. 15
 - a) Define Marketing Research. Discuss the features of Marketing Research.
 - b) What is Consumer Behaviour? Describe the factors influencing Consumer Behaviour.
 - c) Explain the term Product Positioning. What is its significance in Marketing?
3. Answer **any two** of the following: 15
 - a) Explain the term Marketing Mix. What are the various elements of Marketing Mix.
 - b) What is Brand Extension? Discuss the advantages of Brand Extension.
 - c) What is Pricing? Explain the factors affecting Pricing decision.
4. Answer **any two** of the following: 15
 - a) Explain the meaning of Physical Distribution. What are the components of Logistics?
 - b) Explain the term Direct Marketing. What are the various forms of Direct Marketing?
 - c) What is Publicity? Explain the features of Publicity.
5. (A) Fill in the blanks by choosing the appropriate option given below. 5
 - i) Customer Relationship Management leads to _____.

a) Market segmentation	b) Brand loyalty
c) Product Positioning	d) None of these
 - ii) Marketing Decision Support System is a component of _____.

a) Marketing Research	b) Consumer Research
c) Marketing Information System	d) Consumer Behaviour
 - iii) Demography refers to study about different aspects of _____.

a) Population	b) Personality
c) Culture	d) Behaviour
 - iv) At the Introductory stage of the Product Life Cycle, the objective of Advertising is to _____.

a) Remind about the product	b) Clear Stock
c) Enhance Brand Equity	d) Create awareness
 - v) Advertising is _____ form of Promotion.

a) Paid	b) Unpaid
c) Positive	d) Negative

Turn Over

(B) State whether the following statements are **True** or **False**. 5

- i) According to Selling Concept of Marketing, customers will prefer products that are widely available.
- ii) Marketing Information System is a component Marketing Research.
- iii) Repeat purchase by a satisfied customer is called as Brand Equity.
- iv) Public Relations builds company's image.
- v) Life style is an element of Psychographic Segmentation.

(C) Match the following: 5

- | | |
|---------------------------------------|--|
| 1) Green Marketing | a) Product identification |
| 2) Customer Relationship Management | b) Use of various promotional tools |
| 3) Niche marketing | c) Marketing of products that are environment friendly |
| 4) Labelling | d) Brand Equity |
| 5) Integrated Marketing Communication | e) Targeting Specific Segment |
