

**KWT'S**  
**DIVEKAR COLLEGE OF COMMERCE AND**  
**PG (M.COM CENTRE), KARWAR**  
(Affiliated to Karnatak University, Dharwad)

Year 2019 - 2020

**INTERNAL ASSESSMENT**

Name of the Student : Bankalp S. Mayekar

Subject : Financial Accounting



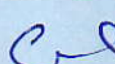


University Seat No : 

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Roll No. 

69
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**B.Com. I**

I.A. No.	Date	Invigilator's Signature	Maximum Marks	Marks Obtained	Signature of Examiner
I	28/8/19		20	20	
II	30/9/2019		20	20	
Total (I + II)			40	40	
Marks Reduced to = 10				10	

20

Q2  
Ans 2

Realisation A/c			
De		Cr	
Particulars	£	Particulars	£
To Debtors A/c	30,000	By Creditors A/c	20,000
To Bills Receivable A/c	15,000	By Bills payable	9,000
To Stock A/c	50,000	By cash A/c :-	
To machinery A/c	60,000	Debtors	56,000
To Furniture A/c	10,000	Stock	36,000
To Building A/c	1,50,000	Furniture	5,000
To cash A/c :-		Bills Receivable	10,000
Creditors	20,000	Machinery	52,000
Bills Payable	9,000	Building	1,16,000
	29,000		2,75,000
		By loss transferred to partners A/c	
		Gagan Pradhamesh Capital A/c	40,000
		Nadia Capital A/c	20,000
		Gagan Capital A/c	30,000
			90,000
	<u>3,94,000</u>		<u>3,94,000</u>

Solvent Partners A/c			
De		Cr	
Particulars	Pradhamesh	Particulars	Nadia
To Realisation A/c (Loss)	40,000	By balance b/d	2,09,000
	20,000	By Profit & Loss A/c	1,09,000
To Gagan deficiency A/c	60,000	By cash A/c (Loss on Realisation)	20,000
	30,000		40,000
			20,000
To cash A/c	2,14,000		
	1,07,000		
	<u>2,60,000</u>		<u>2,60,000</u>
			<u>1,30,000</u>

**Note**

Profit sharing Ratio of Prathamash & Madia.

Prathamash	2,00,000
Madia	2,00,000
	<u>4,00,000</u>
	1,10,000

Balance Capital balance  
Add: Profit & Loss A/c

Prathamash	2,00,000
Madia	2,00,000
	<u>4,00,000</u>
	1,10,000

Dr	Particulars	₹	₹
	Cash A/c		3,50,000
	To balance b/d	15,000	
	To Prathamash Capital A/c	40,000	
	To Madia Capital A/c	20,000	
	To Realisation A/c (Assets)	2,75,000	
	By Prathamash A/c		2,14,000
	By Madia A/c		1,07,000
			<u>3,50,000</u>
Cr			

10

Dr	Insolvent Partner A/c (Gagan)	₹	₹
	Particulars		
	To Realisation A/c (Loss)	30,000	
	By balance b/d	6,000	
	By Profit & Loss A/c	15,000	
			<u>21,000</u>
	By Prathamash A/c 6,000		9,000
	By Madia A/c 8,000		8,000
			<u>30,000</u>
Cr			

Ans 3 Seeman Coal Company Ltd.

Year	Minimum Rent	Short Working	Short Working Surplus	Short Working Reserve	Accumulated Payment
2012	50,000	14,000	-	-	50,000
2013	50,000	-	4,000	4,000	50,000
2014	50,000	20,000	-	-	50,000
2015	50,000	5,000	-	-	50,000
2016	50,000	-	10,000	10,000	49,000

Date	Particulars	Rs	Paise
	To Landlord A/c	36,000	
	By Receipt & Loss A/c	36,000	
	<b>Total</b>	<b>36,000</b>	
	To Landlord A/c	54,000	
	By Receipt & Loss A/c	54,000	
	<b>Total</b>	<b>54,000</b>	
	To Landlord A/c	30,000	
	By Receipt & Loss A/c	30,000	
	<b>Total</b>	<b>30,000</b>	
	To Landlord A/c	45,000	
	By Receipt & Loss A/c	45,000	
	<b>Total</b>	<b>45,000</b>	
	To Landlord A/c	66,000	
	By Receipt & Loss A/c	66,000	
	<b>Total</b>	<b>66,000</b>	



Q1)

Ans Calculation of purchase consideration

Particulars		₹
Agreed Value of assets taken over:-		
Building A/c	90,000	
Stock A/c	40,000	
Goodwill A/c	57,600	
Machinery A/c	41,200	
Debtors A/c	58,000	
		2,86,800
Less: Agreed Value of liabilities taken over:-		
Creditors A/c	41,600	
Bills payable A/c	16,000	57,600
Purchase consideration		2,29,200
Less: Equity Shares (20,000 x 10)		2,00,000
Balance <del>paid</del> in cash received		29,200

Dr Realisation A/c

Particulars	₹	Particulars	₹
TO Goodwill A/c	16,000	By Creditors	41,600
TO Buildings A/c	90,000	By Bills Payable	16,000
TO Machinery A/c	41,200	By Loan from Mrs Shrilaxmi	6400
TO Stock A/c	48,000	By Cash A/c (Investment sold)	8400
TO Debtors A/c	58,000	By Rishi & Co (Purchase consideration)	2,29,200
TO Investment A/c	9600		
TO Cash A/c (paid Mrs Shrilaxmi loan)	6400		
TO Profit transferred to Partners in Profit Sharing			
Shrilaxmi A/c 28267			
Ashwini A/c 14133	42,400		

Dr		Particulars		Cr	
Particulars	₹	Particulars	₹		
To Realisation A/c	2,29,200	By equity shares	2,00,000		
		(20,000 × 10)			
		By cash A/c	29,200		
		(Balance received)			
	<u>2,29,200</u>		<u>2,29,200</u>		

Dr

Equity shares A/c		Cr	
Particulars	₹	Particulars	₹
To Rilika & Co. Ltd	2,00,000	By Sheila's A/c	1,33,333
		By Ashwini's A/c	66,667
	<u>2,00,000</u>		<u>2,00,000</u>

Dr

Partners' Capital A/c		Cr	
Particulars	Sheila's A/c	Particulars	Ashwini's A/c
To equity shares A/c	1,33,333	By balance b/d	1,22,800
	66,667	By Realisation A/c	96,000
			28,267
			14,133
To cash A/c	17,734		
(Final Payment)	33,466		
	<u>1,51,067</u>		<u>1,51,067</u>
	<u>1,00,133</u>		<u>1,00,133</u>

Dr

Cash A/c		Cr	
Particulars	₹	Particulars	₹
To balance b/d	19,200	By Realisation (loan)	6400
To Realisation A/c (Investment)	8400	By Sheila's A/c	17,734
To Rilika & Co. Ltd	29,200	By Ashwini's A/c	33,466

### Q2 Royalty Payable Check

Year	Output	Royalty Rate	Short Cushing	Surplus	Short Cushing	Surplus
2011	30,000	1.20,000	1.80,000	6,000	-	1.80,000
2012	40,000	1.60,000	1.80,000	20,000	-	1.80,000
2013	50,000	2.00,000	1.80,000	20,000	-	1.80,000
2014	20,000	80,000	1.20,000	40,000	-	1.20,000
2015	60,000	2.40,000	1.80,000	60,000	140,000 (+20,000)	1.80,000

2014 Surplus =  $1,50,000 \times \frac{1}{2} = 1,20,000$   
 $+20$

Dr Royalty A/c

Date	Particulars	₹	Paise
31/12/11	To Land Lease A/c By Receipt & Lease	1,20,000	
		<u>1,20,000</u>	
31/12/12	To Land Lease A/c By Receipt & Lease	1,60,000	
		<u>1,60,000</u>	
31/12/13	To Land Lease A/c By Receipt & Lease	2,00,000	
		<u>2,00,000</u>	
31/12/14	To Land Lease A/c By Receipt & Lease	2,40,000	
		<u>2,40,000</u>	
31/12/15	To Land Lease A/c By Receipt & Lease	2,40,000	
		<u>2,40,000</u>	



Date	Particulars	₹	Paise
31/12/11	To Balance b/d	60,000	00
	By Balance c/d	60,000	00
31/12/12	To Balance b/d	60,000	00
	By Balance c/d	60,000	00
31/12/13	To Balance b/d	80,000	00
	By Land lease A/c	20,000	00
	By Balance c/d	60,000	00
31/12/14	To Balance b/d	60,000	00
	By Land lease A/c	40,000	00
	By Balance c/d	60,000	00
31/12/15	To Balance b/d	60,000	00
	By Land lease A/c	60,000	00

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Date	Particulars	₹	Paise
31/12/11	To Bank A/c	1,80,000	00
	By Royalty A/c	1,20,000	00
	By Interest A/c	60,000	00
31/12/11	To Bank A/c	1,80,000	00
	By Royalty A/c	1,80,000	00
31/12/12	To Bank A/c	1,80,000	00
	By Royalty A/c	1,60,000	00
	By Interest A/c	20,000	00
31/12/13	To Bank A/c	1,80,000	00
	By Royalty A/c	2,00,000	00
	By Interest A/c	1,80,000	00
31/12/14	To Bank A/c	1,20,000	00
	By Royalty A/c	80,000	00
	By Interest A/c	40,000	00
31/12/15	To Bank A/c	1,80,000	00
	By Royalty A/c	2,40,000	00
	By Interest A/c	1,20,000	00
	By Royalty A/c	2,40,000	00

Land lease A/c

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Year 2019 - 2020

**INTERNAL ASSESSMENT**

Name of the Student : Disha S. Nair

Subject : Business Law



University Seat No :

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Roll No.

17

**B.Com. III**

I.A. No.	Date	Invigilator's Signature	Maximum Marks	Marks Obtained	Signature of Examiner
I	02/03/2020		20	20	
II			20		
Total (I + II)			40		
Marks Reduced to = 10					

Q.1. Answer the following question

Q. Minor is the person who is below the age of 18 years. sometimes it is extended to 21 years by law. If the guardian for the minor is appointed by court or the property of minor lies in the hands of court.

The rules relating to minor agreement are:-

- Absolutely void.
- No estoppel.
- No restitution.
- No Ratification.
- Minor beneficiary.
- Minor as partner.
- Minor as agent.
- Minor as shareholder.
- Minor insolvency.

Absolutely void :-

As a minor should be below the age of 18 years. Any documents of agreement signed by the minor is void as he is not at the major age. so it denotes of becomes null. Therefore, it is stated as absolutely void.

No restitution :-

Minor cannot misappropriate his age to the law or use any misleading things regardingly it is null. so the

awarding and useful as the things are done in the eyes of law and there cannot be hidden or forbidden

### Minor as a partner:

Minor cannot be partner of any company as he is below the age of limit the partner of company has to have age limit of above 18 years. So, he is getting the company partnership is absolutely null and waste.

### Minor as an agent:

Minor can be an agent but he cannot act and perform certain duties of agent, apart from that he is absolutely called as a agent and has all the rights and duties agent's regarded and termed as void.

### Minor as shareholder:

A minor cannot purchase the shares of the firm as he is not liable with his age.

To purchase the shares of company he must be a major. Therefore, he isn't termed as a share holder.

### Minor's responsibility:

Minor cannot be consent as he hasn't participated in the terms of business transaction. He is not a insolvent partner is said to be insolvent when on his death or other

QII)

Answer the following questions.

1. Consideration means when a promisor, promisee or any other person wants to do something but is abstained from doing, or does something of a act but is ~~abstained~~ such an act is called as consideration.

The essentials of consideration are:-

- a. It must be move by desire of promisor.
- b. It may move from promisee or any other person.
- c. It need not be adequate to the promisee.
- d. It may be past, present or future.
- e. It may be ~~negative~~ or positive.
- f. It must be real and not illusory.
- g. It ~~need~~ must not be illegal, opposed to public policy.

It must be move by desire of promisor:-

consideration takes place between the promisor and promisee.

The consideration always takes place at the desire of promisor.

For eg: If a person sees a house burning and any other persons and redeems the fire, then it is not occurred due to the desire of promisor and he is not liable for any payment. It is an act done by person on his own basis.

It may move from promisee or any

to any other person as here the pay-  
ment is not liable to whom it is  
paid, so in such case the promisee  
will remain same but promisee may be  
any other person. So the consideration  
in this case may move from promisee  
to any other human.

It need not adequate to the promise:

Here, the things between promise  
or both the parties may not be adequate.  
It can be done accordingly to the  
desires and wish of every person so  
it stated as it need not be adequ-  
ate to the promise.

It may be past, present or future:

The consideration can be on any  
terms, old, present or upcoming which  
is stated as past present and future.  
So, the consideration need not be on  
particular term of date or any such  
source.

It may be positive or negative:

The essentials in consideration may  
be positive or negative accordingly. It  
need not be always positive or always  
negative.

It may tend to give positive or nega-  
tive response. Therefore it is stated  
as it may be positive or negative.

not imaginary. The consideration of thing must take place between the parties and not just written or stated for the purpose of stating. It should have some solid evidence towards it.

It must not be illegal, opposed to

public policy:

The consideration or activities between both the parties should be legal and being to law, if it becomes illegal it is held on by the public and opposed according to the public policy. So, the consideration should always be in a legal consent avoiding or followed as per all the rules and regulations of law.

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Year 2019 - 2020

**INTERNAL ASSESSMENT**

Name of the Student : SHRUTI. S. NAIK

Subject : ACCOUNTING THEORY





University Seat No : 

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Roll No. 

52
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**B.Com. III**

I.A. No.	Date	Invigilator's Signature	Maximum Marks	Marks Obtained	Signature of Examiner
I	29-08-19		20	20	
II	01-10-19	 11/10/19	20	20	
Total (I + II)			40	40	
Marks Reduced to = 10				10	



## A.1. Needs of Accounting Theory

- i) To justify the accounts - Accounting theory helps to justify the accounts by giving a clear picture of the accounting transactions.
- ii) To increase the knowledge of accounts - They accountants can gain a vast knowledge of accounts by studying the accounting theory.
- iii) To enhance comparability - The accountants can compare with the different published accounts and give conclusions.
- iv) It is flexible - Accounting is not like a rigid and tremendous theory. It can be changed and fit into any accounts.
- v) To innovate new methods - The study of accounting theory helps to introduce new methods if required. or if they face any problems in solving the accounting problems.
- vi) To provide true and fair view of the enterprise - Accounting helps the enterprise to produce the true and fair view of the enterprise by preparing the final accounts.
- vii) To prepare final accounts - Accounting theory provides the rules and regulations for preparing the final accounts.

1) It is a set of principles and procedures for maintaining accounts.

2) It is a secondary one.

3) It gives logical reasoning for development.

4) It is pragmatic in nature and its growth is regarded as the need to solve the accounting problems.

5) It is a science.

1) It is the application of set of principles and procedures.

2) It is the originator of accounting theory.

3) It gives logical explanation for accounting practice.

4) It changes according to the needs of the society.

5) It is an art.

B. 1. Glutier and Underdown developed the roots of accounting theory -

1) Decision Theory

2) Measurement Theory

3) Information Theory

1) Decision theory -

Decisions are required in every organisation. There are two types of decision they are descriptive and prescriptive. As a descriptive one they are the decisions that are made and as normative they are the decisions ought to be made.

Decisions are made for the future reference.

Information is required for the decision making. Decision making helps to solve the

- i) Observation of the objective.
- ii) Analysis of the objective.
- iii) Extracting the alternative.
- iv) Exploring the alternative.
- v) Ranking the alternative.

### Advantages:

- i) It solves the problems.
- ii) It acts as model for solving complicated problems.

### Disadvantages:

- i) Data is not reliable.
- ii) Decisions may be uncertain.

## 2) Measurement Theory -

It arises with the problem of measuring the objects.

Measurement theory is needed to measure the value of the objects or assets and ascertain a certain value to them.

As it is accounting, measurement is must for ascertain values and for preparing the accounts.

Difficulties faced while preparing acc in measurement theory are -

- i) What products must be taken?
- ii) What scale or standard must be taken?
- iii) What must be the dimensions?
- iv) What unit of measurement must be taken?

### Advantages -

- i) It is helpful in preparing accounts.
- ii) It measures the value of objects.
- iii) It measures the quality of money.

### Disadvantages -

- i) It doesnot remain stable.

Information is required at every level of accounting theory. Information serves as a purpose for decision making. It serves as a purpose of resource by men, Material, Machinery and Money. In Information, cost must be less than the benefits.

Information acts as a resource for decision making and also for the future.

There are two types of Information:

- i) Quantitative Information.
- ii) Non-Quantitative Information.

### Information

Quantitative

(in form of numbers)

Non-Quantitative

(in form of charts, graphs, symbols etc)

Non-Information based

Operational Information

Relational function

Management accounting.

Information based.

Employees  
Banks

Customers etc.

Advantages: Information can also be provided in the form of charts, graphs or symbols to represent the information graphically.

Advantages:

- i) Helps in decision making.
- ii) Information can be quantitative or qualitative.

Disadvantage:

- i) Information is not reliable.
- ii) Excessive information may lead to confusion.

B.3. There are two types of expenditure -  
Capital Expenditure and Revenue Expenditure.

### Capital Expenditure -

Capital Expenditure is that expenditure in which the services and benefits are not consumed in the same financial year that is the benefits and services are spread over a number of years.

Capital expenditure is an outflow of capital used to maintain, repair or acquire the asset so that it can be used over a number of years.

Examples: Purchase of machinery, building etc.

### Features:

- ① It is used to acquire an asset.
- ② It is non-recurring.
- ③ The asset is to be used and not sold.
- ④ It increases the productivity.
- ⑤ It is a long term effect.

### Revenue Expenditure -

Revenue Expenditure is not used to acquire any asset in the business.

Revenue expenditure is an expenditure in which the services and benefits are fully consumed in the same financial year. They are usually the expenses involved in maintaining the asset. They can be of two types direct output expenditure or indirect productive expenditure.

Revenue expenditure helps in maintaining the asset and for productivity.

Examples: Salary and wages, Rent, Advertisement etc.

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management accounting.

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Revenue expenditure helps in maintaining the asset and for productivity.

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Features:

- ① It is recurring expense.
- ② Revenue expenditure doesn't help for productivity of the business but maintains it.
- ③ It is a short-term effect.

Stores Ledger

LIFO

Date	Referen Number	Qty	Rate	Amount	Qty	Rate	Amount	Issues	Balance
------	----------------	-----	------	--------	-----	------	--------	--------	---------

1/3/15	-	5000	10	50000	-	-	-	-	50000
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5/3/15	-	-	-	-	2500	10	25000	25000	25000
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10/3/15	-	4000	8	32000	-	-	-	25000	32000
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15/3/15	-	-	-	-	3000	8	24000	24000	25000
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20/3/15	-	3000	6	18000	-	-	-	25000	8000
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25/3/15	-	-	-	-	18000	6	108000	108000	25000
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30/3/15	-	2000	4	8000	-	-	-	25000	4000
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31/3/15	-	-	-	-	2000	4	8000	8000	25000
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					2000	4	8000	8000	25000
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a) Value of closing inventory according to periodic inventory system -

Total Purchases (5000 + 4000 + 3000 + 2000)	14,000
Less: Total Issues <u>(2500 + 3000 + 3000 + 500 + 2000 + 500 + 1500)</u>	<u>13,000</u>
Closing Stock	<u>1,000</u>

$$\begin{aligned} \therefore \text{Closing Stock Value} &= 1000 \times 10 \\ &= \underline{\underline{10,000}} \end{aligned}$$

✓b

b) The closing stock value under LIFO method is devalued, because the purchase amount is more than the sales amount.

c) No, it is not advisable to continue LIFO method to satisfy the shareholders because in the market the value of the shares are decreasing and it may lead to lesser rate of dividend.

**KANARA WELFARE TRUST'S**  
**DIVEKAR COLLEGE OF COMMERCE**  
NAAC REACCREDITED - 'B' GRADE, CGPA - 2.76  
KARWAR

**ASSIGNMENT WORK BOOK**

Academic Year 2018 - 2019

Name : PAWAN S. SHETI

Class : B.COM II

Roll No.: 86

Subject: LAW AND BANKING

Assignment 1

Topics

A) \_\_\_\_\_

B) \_\_\_\_\_

Assignment 1

Topics

A) \_\_\_\_\_

B) \_\_\_\_\_

  
Signature of Lecturer

Principal

# ASSIGNMENT-1

## 2014 Case Study:

1. As a banker how do you deal in the following cases:-

a) A cheque dated 24 march 2014 is presented on 23<sup>rd</sup> march 2014

b) A customer at a bank has kept his valuable for safe custody can you exercise right of lien on valuable

c) An account payee crossed cheque is presented for payment over the counter

d) If a customer fails to maintain min balance

e) A customer fails to get warehouse as security for getting loan.

→ It is a predated cheque. Banker cannot honour the cheque before the date.

i) Banker cannot exercise right of lien. In this case cheque before the date, Banker & customer in relationship

ii) Banker cannot honor the cheque at the counter however Bank insist to the customer present through account.

iii) The Banker should change the tone for the maintaining minimum balance.

iv) Banker was not a dealer or seller of goods. So he cannot take a security to a loan for his warehouse

## case study (2015)

As a manager of the Bank, How do you deal in the following situation?

of A cheque dated 1-1-14 is presented for payment on 2-5-14

by A cheque dated 1-1-2015 is presented for written in payment on 30-3-15

of A cheque presented for payment is written in pencil

→ Cheque are presented for payment with reasonable

time i.e within 3 months from the date of issue

If the cheque is presented, others 3 months it is

called state cheque eg: cheque is issued 1-1-14

but not presented for payment up to 1-3-14 &

presented on 2-5-14 is called statute cheque

by while drawing the cheque, date has to be inserted by the drawer or his whether the cheque is probably dated. A cheque which is at dated or post dated should not be honoured before the due date

of A cheque must be an instrument in writing. The writings may be made either in pen or pencil or typewriter or it may be printed. forms generally for

writing cheque. Pencil is not allowed because it can be easily altered. There is certain Rules and regulations of RBI which must be followed.

### Case Study (2016)

As a Banker How do you deal in following situation of Amount written in words and figures of a cheque differs and presented for payment.

→ cheque should be dishonored. As the Banker does not accept the cheque. due to misjudgement and incorrect concept of writing the cheque in words and numeric form. It's customer's duty to present or properly accordingly matching with amount in words and figures. appropriately.

b) A mutilated cheque is presented for payment.

→ If the passing of cheque is visible then the cheque should be dishonoured if the passing of cheque is not visible then cheque can be honored in good faith.

c) A cheque is presented for payment but the customer has countermanded the payment.

→ When the customer has countermanded the payment then the Bank obey his orders and has to stop payment.

## Case study (2017)

### ASSIGNMENT - 2

#### Case study (2017)

Q. As a Banker How do you deal with the followings  
Give Reason.

a) A cheque dated Jan 1<sup>st</sup> 2017 is presented on April 5<sup>th</sup> 2017.

Ans. It is a outdated cheque and therefore it should not be paid.

ii) It must be returned unpaid with remarks cheque outdated.

iii) If he makes payment of this cheque, he/she not get any legal protection as it is ~~not a payment in due course~~.

b) A cheque dated 3<sup>rd</sup> May 2017 is presented on 2<sup>nd</sup> May 2017.

Ans. It is a post dated cheque and therefore it should not be honoured by the banker.

ii) It must be returned unpaid with remarks cheque postdated.

iii) If he makes payment of this cheque, he/she not get any legal protection it is ~~not a payment in due course~~.

Q. A customer of a Bank has kept his valuables for safe custody. Can you exercise a right of lien on valuable for the overdue debt of the customer?

Ans. When a banker accepts valuables for safe custody purpose, he becomes a bailee. As per law a bailee cannot exercise his right of lien over such valuables.

Q. One should make a note here that the banker can enjoy lien only when he acts as a banker.

Q. When his position changes he loses his right of lien.

Q. A cheque presented for payment is written in pencil. Hence it is an advise to the customer not to write the cheque in pencil. It is an established practice among the Bankers and to dishonor.

Bankers has certain rules and regulations. As far they are responsible for transfer of any Bills or cheque they consider to be duty of theirs to collaborate with perfect contemplation according to cheque other than it will be dishonored.

of An account payee crossed its payment cheque  
is presented for payment over the counter.

\* when the cheque is crossed its payment cannot  
be made at the bank counter. He needs to  
wait for the cheque on whose name the A/c payee  
is transferred. Only he has a write right to hold the  
particular Bill

\* Instead the proceeds of the cheque are credited  
to the customer's account and later he will be  
allowed to withdraw cash by using his  
own cheque. When ever the cheque is presented  
properly with the Banker's conditions. Only then  
the cheque is considered to be valid.

\* Thus bankers should not make payment of a  
crossed cheque over the counter.

\* The payment of crossed cheque is made only to  
the collecting Banker's counter.



## Case Study (2018)

As a manager of the Bank, How do you deal in the following situations?

→ a) A cheque dated 1-1-14 presented for payment on 2-5-14.

b) A cheque dated 1-4-15 presented for the payment on 30-3-15

c) A cheque presented for payment is written in pencil.

→ d) If it is stale cheque, Banker cannot honor the cheque, because it is more than 3 months.

A cheque are presented for payment with reasonable time is within 3 months from the date of issue

If the cheque is presented after 3 months. It is called stale cheque. Eg. cheque is issued

1-1-14 but not presented for payment up to 1-3-14 & presented on 2-5-14 is called stale cheque

e) It is post dated cheque. Banker cannot honor the cheque before the date. While drawing the cheque, dated has to be inserted by the drawers or his whaather the cheque is probably dated. A cheque which is not dated or post dated should

not be honored before the due date.

∴ It's not valid. According to rules the cheque should be written as per or any ink only. As a manager of the bank we cannot honor the cheque.

A cheque must be an instrument in writing. The writing may be made either in pen or pencil or typewriter or it may be printed forms. Generally for writing cheque, pencil is not allowed because it can be easily altered.

### Case study (2019)

As a Banker, How do you deal with following?  
→ A cheque dated Jan 2<sup>nd</sup> & 2017 is presented on April 5<sup>th</sup> 2017

→ No, this cheque has become stale. It should be dishonored. It is invalid cheque. Because the durability of the cheque valid is 3 months. Here in this example it has extend to 3 days of the date on cheque presented.

→ A cheque dated 3<sup>rd</sup> May 2017. It is presented on 5<sup>th</sup> May 2017

→ No, this cheque is not dated one. It should not be honored by banker until the date mentioned in the cheque comes (late wise risk he can pay)

Q. A customer at a Bank has kept his valuables for safety can you exercise a right at lien on valuables for the overdue debt at the customers

→ No, because in this situations there is bailor & bailor relationship between banker & customer

Q. A cheque presented for payment is written in pencil

→ No, since there is a scope for protracted alteration at cheque written in pencil, banker should not allow customers to write in a pencil. Such cheque is presented it is advisable to dishonors.

Q. A account payee crossed cheque is presented for payment over the counter.

→ No, Banker cannot honor crossed cheques over cross over, the counter. He should assist the customer to present ~~the cheque~~ for payment through account.

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**ASSIGNMENT WORK BOOK**

Academic Year 2019 - 20<sup>20</sup>

Name : Lochan S. Shinodkar

Class : B. com 1

Roll No.: 31

Subject: Financial Accounting II

Topics

Assignment 1

A) \_\_\_\_\_

B) \_\_\_\_\_

Topics

Assignment 1

A) \_\_\_\_\_

B) \_\_\_\_\_

Reenu  
Signature of Lecturer

Principal

# Assignment - 1

2014.

1. What do you mean by Consignment? (2015) (2019) ref

→ Consignment means one person sends the goods to other person to be sold on commission basis, on behalf of and at the risk of the sender of the goods.

2. Who is a Consignee? (2018) ref

→ Consignee is a person who receives the goods to be sold on Commission basis on behalf of and at the risk of the sender.

3. What is an account Sales? (2017) ref

→ The Consignee has to send periodically a statement called Account Sales to the Consignor. It contains the details as to the quantity of goods sold by consignee, gross sales proceeds, realised expenses incurred by him, the Commission payable to him and the net amount due to the consignor paid by Consignee.

4. What is hire - purchase system?

→ Hire purchase system means the acquisition of an asset agreeing to pay the cash price and interest thereon by the way of installment.

5. What is an installment purchase system? (2015), (2018), (2019)

→ Installment purchase system is a system of acquiring an asset by an installment purchaser from the installment seller who enters into an agreement under which the ownership in the asset passes to the purchaser immediately.

6. What is a Branch? (2019)

→ The manufacturer or business concerns with a view of increasing sales, open their own shops in the different places of the same city or in same country or in other countries. These shops are called as branches.

7. What is invoice price?

→ The price which is more than the cash price is known as invoice price.

$$\text{Invoice price} = \text{Cost Price} + \text{Loading}$$

8. What do you mean by Cash-in-transit? (2019), (2015)

→ Cash-in-transit means cash remitted by the branch to the head office on or before the closing date of accounts but the same has been actually received by the head office after the date.

9. What is a department?

→ A Business concern which deals differently classes of goods are rendered different types of services on the same building each class of goods on each type of services may be treated as a separate section or division of the business.

10. How do you allocate the following expenses.

- i) Bad debts
- ii) Rent

→ (i) Bad debts :- Sales ratio.  
 (ii) Rent :- Area occupied.

11. What are the types of insurance claims?

→ There are 3 types of insurance claims.

- 1) Claim against loss of the fixed assets by fire.
- 2) Claim against loss of the stock by fire.
- 3) Claim against loss of profit by dislocation of business by fire.

12. How claim of amount is calculated when average clause inserted in the policy?

→ 
$$\text{Claim Amount} = \frac{\text{Policy Amount}}{\text{Value of stock on hand}} \times \text{Actual value of stock lost.}$$

2015.

1. What are recurring expenses? Give two examples.

→ The recurring expenses are the expenses which occur quite often. They occur regularly at fixed intervals.  
Eg:- Godown rent, Salary, Advertisement etc.

2. What is an interest suspense account? When is it opened?

→ This account is opened under installment system. It is opened in both the books of installment purchase and installment vendor.

The interest of the whole period is calculated and adjusted to interest suspense account.

3. Why the hire purchase price is higher than the cash price? (2019)

→ Hire purchase price includes cash price and also interest to be paid by hire purchaser. So the hire purchase price is more than cash price.

4. What is down payment? (2019) rpf.

→ Down payment is an advance or initial payment made by the hire purchaser to the hire vendor at the time of signing the hire purchase agreement.



5. How do you close branch expenses account?

→ Branch Adjustment A/c — Dr.

To Branch expense A/c

6. Why goods are sent to Branch at invoice price?

→ The purpose of the head office to sell the goods at invoice price, when this type of transaction are made by head office, the branch will not come to know the exact profit made by him.

7. State 2 advantages of departmental accounts?

- 
- 1) To ascertain the trading result of the department very easily.
  - 2) Necessary steps to be taken are to improve the department very easily.

8. What is an insurance claim? (2018) (ref)

→ An Insurance claim is a claim from the insurance company it is a contract of indemnity under which consideration of insurance premium paid by business man.

What is Salvage value of stock? (2018) (2019) (ref)

→ Salvage stock means stock saved from fire. Some value of this stock is deducted from actual stock of value on the date of fire.

1. Who is a Consignor? (2019)
- A Consignor is a person who sends goods to other person to be sold on behalf and at his risk on the commission basis.
2. Give the journal entries for abnormal loss in consignment and also if partial loss is recovered from insurance company.
- 1) Abnormal loss  $\rightarrow$  Dr  
To Consignment A/c
- 2) Bank  $\rightarrow$  Dr  
To Abnormal loss  $\rightarrow$  Cr
3. What is a proforma invoice?
- Proforma invoice is a statement prepared by the consignor and sent to the consignee along with the goods which contains the details of goods sent i.e., quality, quantity, price and other necessary information.
4. Who is a hire-vendor?
- Hire Vendor is a person who sells an asset and delivers the possession of such goods to hire purchaser under hire purchase agreement.

5. Mention any 2 features of Hire Purchase System. (2019) ref

→ The 2 features of hire purchase System

1. Possession and ownership of goods.
2. Right to return goods.
3. Responsibility for risk
4. Hire purchase price to be paid.

6. What do you mean by independent branches?

→ Independent branches are the branches which keep a complete set of books of account and they also maintain the full system of accounting independently of head office.

7. How do you record goods in transit in the books of head office?

→ Goods in Transit A/c — Dr  
to Branch A/c.

8. What is departmental accounting?

→ Departmental accounting means, maintaining an account for each department to know which department making profit and which department is incurring losses.

9. State 2 objectives of departmental accounts?

- 1) To have comparative study of each department.
- 2) To optimise the profits of business concern.

10. Mention 2 needs of Insurance claim?

- 1) To cover loss against fire, accident, theft, flood etc.
- 2) To replace the fixed assets.

1. Mention the types of Commission on Consignment.
- 
1. Ordinary Commission.
  2. Del-Credo Commission.
  3. Over riding Commission.

2. Ascertain the cost price of goods from the following:  
 goods consigned at an invoice price of ₹ 2,00,000.  
 The invoice price was fixed at cost + 25% on cost.

→

Cost price of goods	Invoice price	2,00,000.
	less loading $(2,00,000 \times \frac{25}{125})$	40,000
		<u>1,60,000</u>

3. What is hire purchase price?
- Hire purchase price is more than the cash price of the goods. because hire purchase price include cash price + interest

4. Who is hire purchaser?
- The person who purchase the goods in hire purchase system is called hire purchaser.

5. What are the objectives of branch accounts? Any two.
- 
- 1) To ascertain the profitability of each branch separately.
  - 2) To ascertain the financial position of each branch separately.

6. Give the journal entry for the transfer of profit in branch account.

→ Branch A/c — Dr.  
To General Profit & loss A/c.

7. How do you allocate the following expenses.

→ (i) Carriage inward :- Purchase ratio

(ii) Net Carriage outward :- Sales ratio

8. What do you mean by normal loss? Give example.

→ Normal loss is a loss of goods due to normal and unavoidable cause. Example :- Evaporation, Dillage; Leakage, Breakage, Dusting.

9. 2018

1. What is dependent branches?

→ Dependent branches are those branches which do not maintain complete set of books of accounts and all their accounts are maintained by the head office. Material and Cash is also provided by the head office.

2. State any 2 objectives of branch accounts.

→ 1) To expand its present business.

2) To increase its sales.

3. What is non recurring expenses? Give example.  
→ Non recurring expenses are those expenses which may be either incurred by consignor or consignee on the total consignment till the goods reaches warehouse or godown or consignee.

Ex :- Unloading Charges, Parking charges etc.

4. What is goods-in-transit?

→ It means goods sent by head office to the branch on or before the closing date of accounts, but the same have been actually received by the branch after that date.

5. What is the journal entry for Cash-in-transit in the books of Head Office?

→ Cash in Transit A/c — Dr.

To Branch A/c

6. What is inter-departmental transfer?

→ Exchange of goods and services from one department to another is known as interdepartmental transfer.

The department which supplies goods treats as Sales. whereas the department which receives goods treats as purchase.

2019

1. What is del-Credere Commission?

→ Del Credere Commission is an extra additional Commission to the Commission. This Commission is calculated on the gross sales or it is stated that the same to be calculated on credit sales.

2. How do you close Branch expense account?

→ Branch expense account will be closed by transferring the balance to the Branch Adjustment account.

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**ASSIGNMENT WORK BOOK**

Academic Year 20<sup>19</sup> - 20<sup>20</sup>

Name : TEJASVI. U. PARIT

Class : B.COM II<sup>nd</sup> SEMESTER 'B' Division

Roll No.: 86

Subject: Financial Accounting - II<sup>nd</sup>

Assignment 1

Topics

A) \_\_\_\_\_

B) \_\_\_\_\_

Assignment 1

Topics

A) \_\_\_\_\_

B) \_\_\_\_\_

  
Signature of Lecturer

Principal



# 1<sup>st</sup> ASSIGNMENT

2014

1. What do you mean by Consignment

→ It means sending or forwarding goods to an agent to be sold on Commission Basis at the risk of Sender

2. Who is consignee

→ He is a person who receives the goods to be sold on Commission Basis & also known as middleman or agent

3. What is an Account Sales

→ It is a statement of A/c prepared & sent by consignee to consignor regularly it contains goods sold, advance paid, exp incurred, commission charged etc.

4. What is a hire purchase system

→ When the asset is acquired by paying the amt by way of installment it is known as hire purchase system

5. What is a Branch

→ With a view to increase their sales some business man open their own shop in different parts of the same city or in the same country these are called as branch.

6. What is invoice price

→ When the goods are sent by consignor at cost price then consignee will come to know the profit earned by consignee in order to keep the consignee in dark the goods are sent by consignor for more than C.P by adding certain percentage of loading such price is known as Invoice price.

7. What is department

→ Different shops are situated under single roof & profit is ascertained separately for each shop such single shop is called department

8. How do you allocate the following exp

Bad debts - sales ratio

Rent - area occupied

9. How claim of amt is calculated when avg clause inserted in the policy

→ Avg clause is inserted in policy agreement to discourage the shopkeeper from under insurance

Formula

$$\text{Claim amt} = \frac{\text{policy amt}}{\text{Stock on the date of fire}} \times \text{actual loss of stock}$$

10. What is installment purchase system

→ It is a system of acquiring an asset by an installment purchaser from the installment seller who enter into an agreement

11. What do you mean by cash in transit

→ It means cash remitted by the branch to the head office on or before the closing date of a/c but the same has been actually received by the head office after the date

12. What are types of insurance claim

→ claim for loss of stock by fire

claim for loss of fixed assets by fire

2016

1. Who is consignor

→ He is a person who sends goods at his risk to be sold on commission basis. He is also known as manufacturer, wholesaler, retailer or principal.

2. Give the J.E for abnormal loss in consignment & also if partial loss is recovered from insurance company.

→ Abnormal loss a/c ————— Dr  
To Consignment a/c

Bank a/c ————— Dr  
To abnormal loss a/c

3. What is proforma invoice

→ It is a statement prepared & sent by consignor to consignee on sending the goods. It contains quality, quantity, cost price, selling etc.

4. Who is hire vendor

→ He is a person who sells the assets on hire purchase basis.

5. Mention any 2 features of hire purchase system

→ 1. Purchase price is always more than cash price b'coz it includes interest.

2. Only asset is delivered & ownership is transferred after paying all the investment.

6. State any 2 objectives of departmental account

→ 1. Profit can be ascertained separately for each department.

2. Comparison can be made with each other.

3. Proper steps can be taken to improve the department under loss.

7. What do you mean by independent branches

→ In this type of branch, the head office allows the branch to trade independently. It means the branch is allowed to purchase goods in the open market also

8. What do you mean by departmental accounts

→ To ascertain the trading results of each department & also that of the business as a whole the a/c known as departmental trading & Profit & loss a/c is prepared

9. How do you record goods in transit in the books of H.O

→ Goods in the transit a/c ————— Dr  
To Branch a/c

10. What are the types of insurance claim

→ claim for loss of stock by fire  
claim for loss of fixed assets by fire

11. Mention any 2 needs of insurance claim

→ When the fire occurs in the business premises it destroys major part of the stock as well as fixed assets to stop this loss fire insurance policy is need to be taken

12. Why the memorandum trading a/c is prepared

→ After ascertaining the state of O/P on sales as applicable for the current year the next step is to ascertain the value of stock on hand as on the date of fire for this purpose memorandum trading a/c is prepared.

2015.

1. What do you mean by consignment

→ It means sending or forwarding goods to an agent to be sold on commission basis at the risk of sender.

2. What are recurring exp? Give 2 examples.

→ The exp incurred by the consignee after the goods reached in his godown are recurring exp  
Eg:- godown rent, selling exp

3. Why the higher hire purchase price is higher than the cash price

→ Hire purchase price is higher than the cash price because it includes interest.

4. What is down payment

→ It is the initial payment made on signing the agreement also known as cash down payment or advance.

5. What is installment purchase system

→ It is a system of acquiring asset from installment purchaser from the installment seller who enters into the agreement.

6. What do you mean by cash in transit

→ It means cash remitted to the branch by head office on or before the closing date of A/c but the same has been actually received by the head office after the date.

7. What is interest suspense a/c? when it is opened

-> For recording the installment transaction in their respective Books of Accounts the installment purchaser & the installment seller follow interest suspense Account

8. How do you close branch expenses account

-> It is closed by transferring the B/c to Branch adjustment a/c

9. Why goods are sent to Branch at Invoice price

-> To keep the consignee in dark about the extra profit earned by the consignor.

10. State any 2 advantages of Departmental a/c

-> 1. Profit can be ascertained separately for each department

2. Comparison can be made with each other

11. What is insurance claim

-> It is a contract of indemnity b/w insured & insurer in consideration of premium to reimburse the loss of stock by fire

12. What is salvaged value of stock

-> It is a value of stock saved from fire it should be deducted from closing stock.

based on the cost of the salvaged stock is that

2017

1. What is Account Sales

→ It is a statement of A/c prepared & sent by consignor to consignee regularly it contains goods sold, advance paid, exp incurred, Commission charged etc

2. mention the types of commission on consignment

→ Delivered Commission  
→ overriding Commission

3. What is hire purchase price

→ When the asset is acquired by paying the amt by way of installment it is known as hire purchase price

4. Who is hire purchaser

→ He is the person who buys the asset by paying amt in installment

5. What are the objectives of Branch a/c? any 2

→ 1. To ascertain the correct trading result & the progress of each branch

2. The nature & size of branches may differ from one another.

6. How do you allocate the following exp among the departments

→ 1. Carriage inward - purchase ratio

2. " outward - Sales ratio

7. State any 2 advantages of departmental accounts

→ 1. Profit can be ascertained separately for each department

2. Comparison can be made with each other

8. What do you mean by normal loss? Give examples  
→ The loss which depends on nature of goods which cannot be avoided is normal loss  
Eg:- decay, leakage, evaporation etc

9. How claim amt is calculated when average clause inserted in insurance policy (i.e write formula)  
→ It is inserted in the policy agreement to discourage the shopkeeper from under insurance  
formula -  $\text{claim amount} = \frac{\text{policy amt}}{\text{Stock on the date of fire}} \times \text{actual loss of Stock}$

10. Prepare a statement of fire claim from the following data:  
value of stock on the date of fire - 25000  
value of salvaged stock - 3000

→ Statement of fire claim  
stock on the date of fire 25000  
Less stock salvaged 3000  
Stock destroyed by fire 22000

11. Give the J.E for transfer of profit in Branch account  
Branch a/c Dr  
To General Profit & Loss a/c

12. Ascertain the cost price of goods from the following  
Goods consigned at an Invoice price of 2,00,000. The I.P was fixed at cost + 25% on cost

Loading is 25% on cost it means 20% on I.P  
i.e  $2,00,000 \times 20\%$   
Loading = 40000



2019

What do you mean by consignment

It means sending or forwarding the goods to an agent to be sold on commission basis at the risk of sender

Who is consignor

He is a person who sends goods at his risk to be sold on commission basis he is also known as manufacturer or wholesaler

What is del credere commission

It is a special commission allowed by consignor to consignee to bear the loss of bad debts

4. State any 2 features of hire purchase system

1. Purchase price is always more than cash price because it includes interest

2. Only asset is delivered & ownership is transferred after paying all the installments

5. Why hire purchase price is higher than the cash price

→ Because it includes interest in it

6. What is installment based purchase system

→ It is a system of acquiring an asset by an installment purchaser from the installment seller who enters into an agreement.

7. What is down payment

→ It is the initial payment made on signing the agreement

8. What is a Branch:
- With a view to increase the sales some Business man open their own shops in different parts of the same city or in the same country ~~and~~ these shops are known as Branch
9. How do you close branch expenses account
- It is closed by transferring the balance to Branch Adjustment account
10. What do you mean by cash in transit
- It means cash submitted by the branch to the head office on or before the closing date of Accounts but the same has been actually received by the head office after that date
11. What are the types of insurance claim
- claim for loss of stock by fire
  - claim for loss of fixed asset by fire
12. What is salvage value of stock
- It is value of stock saved from fire it should be deducted from closing stock

2018

1. Who is consignee  
→ He is the person who receives the goods to be sold on commission basis & also known as middleman or agent
2. What is normal loss? Give examples  
→ The loss which depends on nature of the goods which cannot be avoided is normal loss  
Eg: Dryage, leakage, evaporation etc
3. What is NRE? Give examples  
→ The exp incurred by consignor & consignee after the goods left the godown of the consignor till the goods reach the godown of the consignor  
Eg: Loading, transportation exp etc
4. What is salvaged value of stock  
→ It is value of stock saved from fire it should be deducted from closing stock
5. What is interdepartmental transfer  
→ It means goods or services transferred from one department to another the department which supplies the goods treats it as sales & the department which receives the goods treats it as purchase
6. What is Hire purchase system  
→ When the asset is acquired by paying the amount by way of installment it is known as hire purchase system

7. What is installment based purchase system  
It is the system of acquiring the assets by an installment purchaser from the installment seller who enters into an agreement

8. What is goods in transit  
→ Goods sent by the head office to the branch on or before the closing date of accounts

9. Give the J.E for cash in transit in the books of H.O  
→ Cash in transit a/c ————— Or  
    To Branch a/c

10. What is insurance claim  
→ It is a contract of indemnity bet<sup>w</sup> insured & the insurer in consideration of a premium to reimburse the loss of stock by fire

11. Write any 2 objectives of branch account  
→ To ascertain the correct trading result & the progress of each branch

12. The nature and size of branch may differ from one another

13. What is dependent branches.

→ These branches do not maintain the complete set of books of account & all their accounts are maintained by the head office

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**ASSIGNMENT WORK BOOK**

Academic Year 2019 - 2020

Name : Sumeda Balu Achari

Class : B Com III

Roll No.: 55

Subject: Cost Accounting

Assignment 1

Topics

A) \_\_\_\_\_

B) \_\_\_\_\_

Assignment 1

Topics

A) \_\_\_\_\_

B) \_\_\_\_\_

Megha  
Signature of Lecturer

Principal

1 Compute various stock levels from the following.

a) Monthly consumption 26,000 kgs to 40,000 kgs

b) R.O.Q 60,000 kgs

c) Lead time 2 to 4 weeks

1) ROL

$$\begin{aligned} \text{ROL} &= \text{Maximum consumption} \times \text{Max. delivery time} \\ &= 40,000 \times 4/4 \\ &= 40,000 \text{ units} \end{aligned}$$

2) Minimum Stock

$$\begin{aligned} \text{Min stock} &= \text{ROL} - (\text{Avg. consumption} \times \text{Avg. Delivery time}) \\ &= 40,000 - \left( \frac{26,000 + 40,000}{2} \times \frac{2 + 4}{2} \right) \\ &= 40,000 - (33,000 \times 3/4) \\ &= 40,000 - 24,750 \\ &= 15,250 \end{aligned}$$

3) Maximum stock

$$\begin{aligned} \text{Maximum stock} &= \text{ROL} + \text{ROQ} - (\text{Min cons.} \times \text{min. D.T}) \\ &= 40,000 + 60,000 - (20,000 \times 2/4) \\ &= 1,00,000 - 10,000 \\ &= 90,000 \text{ units} \end{aligned}$$

1) Average Stock

$$\begin{aligned}\text{Average stock} &= \frac{\text{Minimum stock} + \text{Maximum stock}}{2} \\ &= \frac{15,250 + 87,000}{2} \\ &= 51,125 \text{ Units}\end{aligned}$$

2. Calculate E.O.Q from the following.

Annual consumption                      600 units

Carrying cost                              20% of price

Ordering price                            Rs. 12 per order

Price per unit                              Rs. 20

$$\begin{aligned}\text{E.O.Q} &= \sqrt{\frac{2AO}{C}} \\ &= \sqrt{\frac{2 \times 600 \times 12}{4}} \\ &= 60 \text{ Units}\end{aligned}$$

$$\begin{aligned}C &= 20 \times 20\% \\ &= 4\end{aligned}$$

1 The stores ledger of Joy Co. Ltd recorded material X for the month of June 2016 as follows.

Date	Receipts			Balance		
	Quantity	Rate	Amt	Qty.	Rate	Amt.
June 1	-	-	-	1000	20	20,000
June 10	2000	20	40,000	1000	20	20,000
June 12	-	-	-	2000	20	40,000
June 12	-	-	-	1500	20	30,000
June 15	3000	40	1,20,000	1500	20	30,000
				3000	40	1,20,000
June 16	-	-	-	500	20	10,000
				3000	40	1,20,000
June 20	-	-	-	2000	40	80,000
June 25	4000	50	2,00,000	2000	40	80,000
				4000	50	2,00,000
June 28	-	-	-	3500	50	1,75,000

You are required to :

- Find which method is employed in stores ledger.
  - Prepare stores ledger as per the method systematically.
- a) Since materials are issued from first off at all times, it means FIFO method is employed in a factory.



Name of the material

ROL

Code No.

Min. level

Max. level

E.O.Q

Stores Ledger (FIFO method)

Date	Receipt				Issues				Balance		
	GRN	Qty	Rate	Amt	M/RN	Qty	Rate	Amt	Qty	Rate	Amt
1/6	-	-	-	-	-	-	-	-	1000	20	20,000
10/6	-	2000	20	40,000	-	-	-	-	1000	20	20,000
									2000	20	40,000
12/6	-	-	-	-	-	1000	20	20,000			
						500	20	10,000	1500	20	30,000
15/6	-	3000	40	120,000	-	-	-	-	1500	20	30,000
									3000	40	120,000
16/6	-	-	-	-	-	1000	20	20,000	500	20	10,000
									3000	40	120,000
20/6	-	-	-	-	-	500	20	10,000			
						1000	40	40,000	2000	40	80,000
25/6	-	4000	50	2,00,000	-	-	-	-	2000	40	80,000
									4000	50	2,00,000
28/6	-	-	-	-	-	2000	40	80,000			
						500	50	25,000	3500	50	1,75,000

2. Prajwal times manufactured and sold 3000 wall clocks during the year 2018. Following are the details:

Direct material	7,95,600
Direct wages	4,28,400
Factory overhead	2,14,200
Administrative overhead	1,43,800
Sales price per unit	612

For 2018 it is estimated that ;

- Each units need direct material of Rs 275
- Each units need direct wages of Rs 153
- Factory overhead recovered as a percentage of direct wages.
- Total administrative overhead are fixed as all levels.

Prepare a statement of cost to show profit per unit if the selling price is reduced by Rs 12 each & total output & sales of wall clocks in 2018 are 5000 units.

Give reasons for decrease in profit & suggest how profits can be increased.

Statement of cost & profit for the year 2017.

Output : 3000

Particulars	Total	Per unit
Direct material	7,95,600	285.0
Direct wages	4,28,400	142.80
<b>Prime cost I</b>	<b>12,24,000</b>	<b>408.80</b>
Add : Factory overhead	2,14,200	71.40
<b>Work cost II</b>	<b>14,38,200</b>	<b>479.40</b>
Add : Administrative overhead	1,43,820	47.94
<b>Total cost III</b>	<b>15,82,020</b>	<b>527.34</b>
	<u>2,53,980</u>	<u>84.66</u>
<b>Sales</b>	<b>18,36,000</b>	<b>612.00</b>

Estimated statement of cost & profit for the year 2018

Output : 5000

Particulars	Per unit	Total
Direct material	275	13,75,000
Direct wages	153	7,65,000
<b>Prime cost - I</b>	<b>428</b>	<b>21,40,000</b>
Add : Factory O.H	76.5	3,82,500
<b>Work cost - II</b>	<b>504.5</b>	<b>25,22,500</b>
Add : Administrative O.H	28.764	1,43,820
<b>Total cost</b>	<b>533.264</b>	<b>26,68,320</b>
Add : Profit	66.736	3,33,680
<b>Sales</b>	<b>600.000</b>	<b>30,00,000</b>

Note: Calculation of percentage of factory overhead to wages.

$$\text{Percentage} = \frac{\text{Factory O.H}}{\text{wages}} \times 100$$

$$= \frac{2,14,200}{4,28,400} \times 100$$

$$= 50\% \text{ of wages}$$

Profit for the year 2017 is 8466 but in the year 2018 profit is 66,736 it means profit is decrease by Rs 17,924.

Following are the reason,

- 1) Material cost is increased by Rs 10 (275 - 265)
- 2) Wage rate is increased by Rs 10.2 (153 - 142.80)
- 3) Factory O.H is increased by Rs 5%. (76.5 - 71.40)
- 4) Selling price decrease by Rs 12 (600 - 612)

Following are the suggestion to increase the profit in future,

- 1) Expenses should be controlled
- 2) Production should be increase
- 3) Unnecessuy expenses should be avoided
- 4) Proper advertisement should be undertaken to increase the profit.

## Case Study

1) From the following particulars relating to Shri. Ltd. work out earnings of a worker for a week under

- 1) Straight piece rate system.
- 2) Taylor's differential piece rate system.
- 3) Halsey's System
- 4) Rowan System

Std. time 20 minutes per unit

No. of working hours per week 48 hours.

Normal wage per hour Rs 45.

Actual output for the week 156 pieces

\* Differential piece rate to be applied

80% of piece rate for below std. 120% of piece rate at or above std.

Comment

- 1) Which wage plan is beneficial to workers point of view.
- 2) Which wage plan is desirable to employer point of view.

→ 1) Under straight piece rate system

$$\begin{aligned}\text{Earnings} &= \text{Units produce} \times \text{Rate per unit} \\ &= 156 \times 45 \\ &= \text{Rs } 2340\end{aligned}$$

2) Under Taylor system

$$\begin{aligned}\text{Earnings} &= \text{Units produced} \times \text{Rate per unit applicable} \\ &= 156 \times 18 \\ &= \text{Rs } 2808\end{aligned}$$

3) Under Halsey's Plan

$$\begin{aligned}\text{Earnings} &= TT \times R + \frac{1}{2}(TS \times R) \\ &= 48 \times 45 + \frac{1}{2}(4 \times 45) \\ &= 2160 + 90 \\ &= \text{Rs } 2250\end{aligned}$$

4) Under Rowan Plan

$$\begin{aligned}\text{Earnings} &= TT \times R + R \left( \frac{TT \times TS}{ST} \right) \\ &= 48 \times 45 + 45 \left( \frac{48 \times 4}{52} \right) \\ &= 2160 + 166.15 \\ &= \text{Rs } 2326.15\end{aligned}$$

Working notes :-

1) Standard Production

For 20 min : Std. production 1 unit

For 60 min : ?

$$\frac{60 \times 1}{20}$$

$$= 3 \text{ units.}$$

ie. For 1 hour : Std production 3 units

For 48 hours : ?

$$\frac{48 \times 3}{1}$$

$$= 144 \text{ units}$$

2) Standard piece rate

For 3 min : wage rate 45

for 1 " : ?

$$\frac{1 \times 45}{3}$$

$$= 15 \text{ per unit}$$

3) For above Std. piece rate

$$= 15 \times 120\% = \text{Rs } 18$$

4) Std time

for 1 unit : Std time 20 minutes

for 156 units : ?

$$\frac{156 \times 20}{1} \\ = 52 \text{ hr}$$

5) Time taken by worker = 48.

6) Time saved = 52 hr - 48 hr  
= 4 hr.

Comment :-

1) Taylor system is beneficially to workers because it gives higher wage to him.

2) Halsey's wage plan is beneficially to the employer because it gives lesser wage to the worker.



2) The information provided by Shivanand Comp Itel for the month of August 2017 for a week.

No. of hours worked 48 hrs

Normal wage rate per hr ₹ 60.

Std time per unit 30 min

Actual output by a worker in the week

Mohan - 90 units

Narayan - 100 units

Obama - 102 units

Pratap - 106 units

Queen - 106 units

Differential piece rate applicable.

80% of piece rate below std.

120% of piece rate at or above std.

Calculate total earnings of the workers

Mohan - Time wage system

Narayan - Piece wage system

Obama - Taylor system

Pratap - Halsey system

Queen - Rowan system.

Comment which method of wage payment is beneficiary to the worker & manager.

Calculation of earnings of the worker.

1) Mohan - Time wage system

$$\begin{aligned}\text{Earnings} &= \text{Time taken} \times \text{Rate per hour} \\ &= 48 \times 60 \\ &= \text{Rs } 2880\end{aligned}$$

2) Narayan - Piece wage system

$$\begin{aligned}\text{Earnings} &= \text{Units produced} \times \text{Rate per unit} \\ &= 100 \times 30 \\ &= \text{Rs } 3000\end{aligned}$$

3) Obama = Taylor

$$\begin{aligned}\text{Earnings} &= \text{Units produced} \times \text{Rate per unit applicable} \\ &= 102 \times 36 \\ &= \text{Rs } 3672\end{aligned}$$

4) Pratap - Halsey

$$\begin{aligned}\text{Earnings} &= PT \times R + \frac{1}{2} (TS \times R) \\ &= 48 \times 60 + \frac{1}{2} (5 \times 60) \\ &= 2880 + 150 \\ &= \text{Rs } 3030\end{aligned}$$

5) Queen - Rowan

$$\begin{aligned}\text{Earnings} &= TT \times R + R \left( \frac{TS \times TS}{ST} \right) \\ &= 48 \times 60 + 60 \left( \frac{48 \times 5}{53} \right) \\ &= 2880 + 271.70 \\ &= \text{Rs } 3151.70\end{aligned}$$

working notes

1) Std production

For 30 min : Std production 1 unit

For 60 min : ?

$$\frac{60 \times 1}{30} \\ = 2 \text{ units}$$

2) For 1 hour : Std production 2 units

For 48 hour : ?

$$\frac{48 \times 2}{1} \\ = 96 \text{ units}$$

3) Std. piece rate

For 2 units : wage rate 60

For 1 unit : ?

$$\frac{1 \times 60}{2} \\ = 30$$

3) Above std piece rate

$$= 30 \times 120\% = 36$$

4) Std time - Pratap & Queen

For 1 unit : Std time 30 min

For 106 " : ?

$$\frac{106 \times 30}{1} = \frac{3180 \text{ minutes}}{60 \text{ minutes}} \\ = 53 \text{ hr.}$$

5) Time taken by Pratap & Queen = 48 hrs

6) Time saved by Pratap & Queen =  $53 - 48$  hrs  
= 5 hrs

Comment :- Taylor system is beneficially to the worker because it gives higher wage & piece rate system is beneficial to the management because it gives lower wages to the worker.

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**ASSIGNMENT WORK BOOK**

Academic Year 2019 - 2020

Name : Suvarde Lanjekar

Class : B. Com III

Roll No.: 79

Subject: Computer Application In Business

Assignment 1

Topics

A) \_\_\_\_\_

B) \_\_\_\_\_

Assignment 1

Topics

A) \_\_\_\_\_

B) \_\_\_\_\_



Signature of Lecturer

Principal

# Assignment - II

Q1) Expand the following terms.

- Ans 1) RTGS - Real time Gross Settlement
- 2) NEFT - National Electronic Fund Transfer
- 3) EDI - Electronic Data Interchange
- 4) ECS - Electronic Clearing Services
- 5) ERP - Enterprise Resource Planning

Q2) Define E-Commerce & explain the types of E-Commerce.

Ans E-Commerce is described as buying & selling & exchange of products services & information using computer network that is internet. The definition of E-Commerce is not just buying & selling but also providing services to customers, collaborate with business partners & conducting E-transaction within an organisation.

## The types of E-Commerce

1) Business to Business (B2B) :- B2B refers to the business that is conducted between companies rather than between a company & individual consumers. It refers to the sales process, or steps that occur when one business sells a product or service to another business hence the name The B2B.

(2) Business to Consumer (B2C): It is an Internet & Electronic Commerce model that denotes a financial transaction or online sale between a business & consumer. B2C involves a service or product exchange from business to a consumer whereby merchants sell product to consumers.

(3) Customer to Customer (C2C): It is a marketing & distribution of a product or services with the 'specific' promotional strategy being for consumer to share their product or services with others as brand advocates based on the 'value' of the product.

(4) Customer to business (C2B): C2B is a business model where the end consumer creates products & services which are consumed by business & organization. It is diametrically opposite to the popular concept of B2C or business to consumer where the companies make good & services available to the end consumers.

(5) write a note on Cryptography & digital signature.

Ans Cryptography is a technique of protecting & securing the important information & maintaining its confidentiality. It is also used to protect the authentication & integrity of data. Authentication helps in proving a person's identity with different.

means like Password, Finger Prints, face recognition & a PINNO

(3) Digital Signature :- They are electronic equivalent of handwritten signature which authenticates a sender's identity which is difficult to forge. Cryptography to solve authentication. In indication problem. To create a digital signature, a sender first scans plain text message through a hash function which is nothing but a mathematical calculation that gives a message of particular value.

(4) Define the following :-

Ans (1) Data Integration :- It is a process of combining heterogeneous data sources into a single variable scheme to get an unified view of the data.

It is the combination of technical & business process used to combine data from different sources into a meaningful & valuable information.

(2) Hyperlink :- Coloured & underlined text or a graphic that a user clicks to go to a file or a web page on the world wide web.

(3) POS :- point of sale :- It is a computer terminal that is linked online to computerized customer information system that is particularly files in a bank.



Q magnetically coded plastic transaction card identify is the customer to the computer during the transaction. The customer A/c is debited & retailer A/c is credited by the computer.

(4) Debit card is a bank card used in cash transaction but which is not a credit card. In this transaction, the amount of a purchase is withdrawn from the available balance in the cardholder's account. If the available fund is insufficient, the transaction is not completed.

(5) Explain the different techniques of direct marketing.

Ans (1) mail order marketing is also known as catalog marketing. It is one of the well-established methods of marketing. It is catalogs are used for communication with the customer where they become aware of a product through the information furnished by markets & distanced by mail. Induced consumers can give the response by placing a mail order to the marketer.

(2) Direct mail marketing is a unsolicited mail which is also considered as junk mail which can generally be ignored by the people without reading. This technique is used by most of the company generally based on the mail to be sent to the consumers who have made purchase earlier. Here the marketer is usually a manufacturer hence it is called as direct mail marketing.

(3) Direct response marketing: It is done through different kinds of media or instruments like letters mail, telephone, radios, TV, Computer response, considered, or connected by the way. Contact Address phone no, toll free, telephone no, which is powerful tool for communicating as well as providing better services to consumers.

(4) Data base marketing: A well developed consumer database, is created with customer record by different company's. To inform & convince the customers about different products. It is not simple information like just the customer name, address or telephone no. other than this in a data base, there is a huge collection of information about the customer. Such as geography, demography, geography details, they have been buying, volumes of purchase etc.

(5) Telemarketing: It is a communication system where telephone specialist is the major instrument which is used by sales specialist to communicate with the customer. To communicate for conducting marketing & sales activity. This method is less expensive, it has certain advantages & disadvantages. Like it is low cost that is personal visit is not required. It is a two way communication, any time the person may be contacted.

(6) Teleshopping or home shopping: The marketer display the products to the customer on TV screens, demonstrate customer & to buy the product & services encourage the customer to make a buying decision.

## Assignment I

Q1) Expand DBMS & RDBMS.

Ans: DBMS - Data Base Management System  
RDBMS - Relational Data Base Management System.





Q2) What is SQL & Definition.

Ans: SQL is Data base computer language designed for Retrieval & management of data in RDBMS. It is a standard interactive programming for querying, modifying & managing DB's. The first or initial version called as SEQUEL which was developed at IBM in 1970 by Donald Chamberlin & Raymond Boye. Later in 1986 the language was formal as SQL by American national standard institute (ANSI).

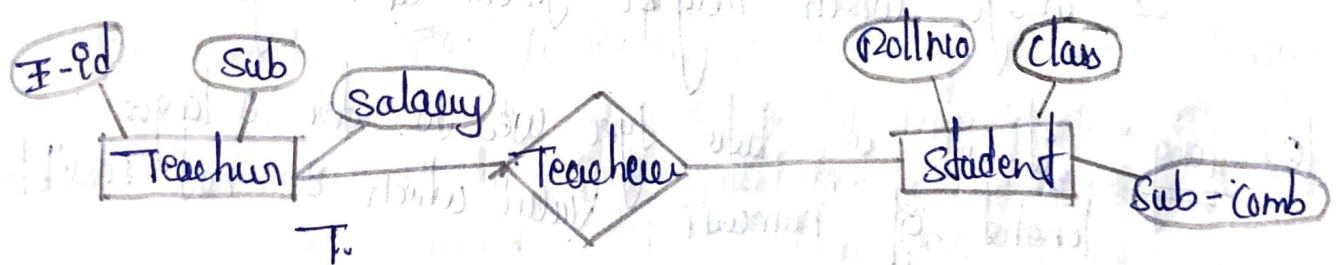
Q3) What is ER model?

Ans: It is based on Real world entity & its attributes & Relationship among them. It is much of form work for designing data base. They are simple to understand. They are easily transform into relational table. In Addition this model can be use by the data base designer & developer to communicate the design to the end user & implement it in specific DB management Software.

# ER models symbols

- 1)  - represents an entity or entity set.
- 2)  - represents attributes or properties of an entity.
- 3)  - Rhombus or diamond. represents relationship among entity set.
- 4)  - line represents the links between entities it's attributes or entity set.

Ex Draw an ER diagram to display a student data base.



4) mention the different data types in SQL

Ans: (1) Char - it is the data type used to store characters. Particularly of fixed length & specifically Alphabets & Symbols.

(2) Number - this data type allows the user to store all the types of numeric value including decimal no. the Max length of the no of digit allow is 38 (in combination)

(3) Varchar2: it is a data type which allows the user to store alph numeric added inside data with variable length. it's value is added inside size &.

(4) date data type: it allows the user to store date & time format.

(5) Blob: it is used to store binary data such as images which may be fixed up to bytes.

(6) long: it is a data type used to store a longer length of numeric value which is not possible by no data type.

(7) long blob: it is a data type which stores images up to few GB's.

Q) write the difference between DBMS & RDBMS

DBMS	RDBMS
<p>1) it is used for simple business application</p>	<p>1) it is used for complex application</p>
<p>2) DBMS does not impose any constraints or security with regards to data</p>	<p>2) it defines integrity constraints for all the purpose of data manipulation</p>
<p>3) it introduced in 1960</p>	<p>3) it introduced in 1970</p>
<p>4) DBMS solution manages small set of data</p>	<p>4) RDBMS solution manages large set of data</p>
<p>5) DBMS is used as a base model</p>	<p>5) RDBMS deemed as the next generation of DBMS</p>
<p>6) Client server concept is not present in DBMS</p>	<p>6) Client server architecture is present where a client sends the request to the server &amp; the server response to that request</p>
<p>7) Normalisation process is not present in DBMS</p>	<p>7) Normalisation process is present to check the consistency of data base tables</p>

(8) Data redundancy is common in DBMS

(9) Ex: Microsoft Access, Foxpro

(10) In RDBMS, there are specific keys & indexes used in the table to avoid redundancy.

(11) Ex: My SQL, SQL Server, Oracle

(12) Create student information 'Data base' with two different table table they are student master & student marks the files will be

Exam no  
Student class  
Address

Student marks  
Exam no  
Class  
marks

(a) Insert two records in each table

(b) Display all the details of both the tables

(1) Create table 'Student - master'

(Exam no, Varchar 2 (10), Name Char(15), Address Varchar 2 (25));

(2) Create table stud - marks

(Exam - no, Varchar 2 (10), class Varchar 2 (5), marks number (4));

Insert into student - master

(Exam no, Name, Address)

Value: ('171230371', 'Pashani', 'majali')

Insert into student - master

(Exam no, Name, Address)

Value ('171230371', 'Pashani', 'majali');

Insert into student - marks

(Exam no, class, marks)

Value ('171230371', 'B.com', '100');

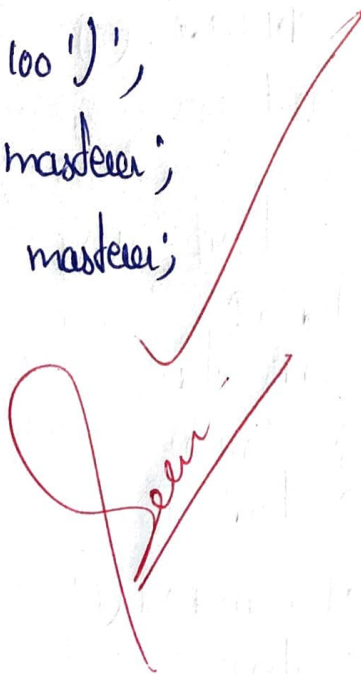
Insert into stud - marks

(Exam no - class, marks)

Value ('171230371', 'B.com', '100');

select \* from stud - master;

select \* from stud - master;





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**ASSIGNMENT WORK BOOK**

Academic Year 2019 - 2020

Name : Sandesh R. Nayak  
Class : B. Com III Yr (5<sup>th</sup> Sem)  
Roll No. : 47  
Subject : Financial Services.

Assignment 1

Topics

A) \_\_\_\_\_  
B) \_\_\_\_\_

Assignment 1

Topics

A) \_\_\_\_\_  
B) \_\_\_\_\_

Signature of Lecturer

Principal

1. Explain the development stage of Mutual Funds and Venture Capital financing?

Ans: Development of Mutual Funds:-

Mutual funds was first started in England in 19<sup>th</sup> Cen. Then started in U.S. during 1900.

In India, the first mutual fund started in 1964 by UTI with objective of mobilising the savings of small investors for productive investment. These schemes offer safe, regular and Cap. appreciation on the schemes.

The government of India has amended Banking regulation Act in 1987 and permitted the commercial bank to launch the mutual funds in India in 1987. Canara Bank found CAN Bank mutual fund for the purpose of raising the money for housing investment. They started two close ended schemes that is an CANSTOCK and CANSHARE in 1987 to raise ₹50 Cr. The objective is to secure regular income and growth. The scheme has given minimum int. rate of 12.5%.

Indian tax estb. mutual funds in 1980 and floated schemes like Swarna Pushpa, Indjyoti and Swarnajyothi and assured a minimum return of 12.5%.

GIC has set up mutual funds in 1990. It has launched the schemes like GICSA and assured a return of 13 to 14% over a period of ten years.

Govt. of India allowed private sector to start M.F. industries on 14th Feb 1992 with the permission of SEBI in Nov. 1999.

The mutual funds needed to be setup by money marked m.f. under SEBI regulat act in 1996 and there by provide guideli for registration, management, constitution and undertaking the schemes of M.F. in India.

During 2011-12 (up to 30th Nov 11) m.f. mob 1,30,30 cr from market indicating increase of 2.91% as compared to earlier yo.

Out of this UTI has mobilise ₹ 5323 cr Public Sectors ₹ 3,035 cr and private sector

₹ 31980 cr (Source :- SEBI and economic Survey 2011-12).

## Development Stage Of Venture Capital :-

Venture Cap. assist and make invest in the sectors like Bio-Technology, medicine, Services, communication Services, electric computer health care, retailing and Business Software.

Venture capital financing was first started in USA during 1950. in later course it started in Europe, UK, Japan, during the year 1960-70, it was started in India by IFCI (Industrial finance and co-operation of India) in 1975 by estb. Risk Capital Foundation (RCF).

In 1976 govt. created technical dev. fund in the ministry of Industry with the assistance of world Bank. The main intension was provide BCF for the modernisation of industry. In 1986 the govt. of India set up venture Cap. fund to encourage the enterprise based on indigenous technology and the upgradation of existing technology.

SBI and Canara Bank have entered into the Bus. of Venture Cap. by capturing the Cap. market. They have invested in the equity shares of new companies.

The ICICI have also entered the field of venture capital by estb. venture corp. fund for assisting small and medium enterprise by providing initial equity capital. Thus the venture capital and its providers in India can be divided into the following categories :-

1. Specialised financial institutions and their financing scheme. Ex:- IFCI, IDBI, ICICI, etc.

2. Funds promoted by state level institutions. Ex:- KSF, NPIDC, GVFC.

3. Funds promoted by public sector banks. Ex:- Comara Bank, SBI Venture Capital fund.

4. Private agencies like credit capital ventu fund, Indian Investment fund. etc.

5. Oversea Venture Corp. fund. Ex:- IL&FC, NIKKO Securities etc.

Explain Economic reasons responsible for development of financial services.

Financial sector development in developing countries and emerging markets is

part of put sector development strategy to estimate economic growth & reduce poverty.

The financial sector is the set of institutions, instruments and markets. It also

includes the legal & regulatory framework that permit transaction to be made through the

extension of credit.

This process of reducing cost of acquiring info, enforcing contracts and evening transactions result in the emergence of financial contract, intermediaries and market.

The 3 key factors of financial sys. are: 1. Info. products events about possible investment and cap. allocation.

2. Mentoring investments and capital allocating the excessive of corporate governance after primary

Facilitation of the trading, diversification and management of risk

iv. mobilisation and pooling of Savings.

v. Promoting the exchange of goods and services

When Financial Sector development takes place  
when financial instruments, market and  
intermediaries work ~~together~~ to reduce the  
cost of info. enforcement & transaction.

2 MARKS

a.

Ans:-

what are the Fund based Financial Services  
These Services are those which  
intend to provide fund, finance or Capital  
directly or indirectly.

b.

Ans:-

what is Cross-border lease?  
Cross-border lease is a leasing  
arrangement where lessor and lessee are  
intended in different countries. This  
includes generally Export Leasing.

c.

Ans:-

what is Rematerialization?  
It is process of converting the  
Securities help in physical form to an  
equivalent number in electronic form.

d.

Ans:-

what do you mean by "Close ended Scheme"  
It means any Scheme of M.F in  
which the period of maturity of the

e. what is Online trading?

Ans:

Online trading is act of placing buying and selling orders for financial securities currencies with use of internet.

f. what is Non-Recourse factoring?

Ans:

It is type of factoring where in the factor protects his clients firm against the risk of Bad Debts as he himself bears the loss arising from Bad Debts.

g. what is loan Syndication?

Ans:

It is process of involving a group of lenders to fund various portions of a loan for a single borrower.

h. what is differences between leasing & Installment

Ans:

Leasing  
a. It is type of rental.  
b. It has to transfer the asset to lessor

Installment  
a. It is sale  
b. ownership transfer to the user.

i. what is forfeiting?

Ans:

It is source of financing against receivable like factoring. It is a new Tech employed against the goods exported on medium term of term basis.



Q. 1.

Ans:

What is depository participant? They are intermediaries between the depository and the investors.

Q. 2.

Ans:

What is Portfolio Management?

It is the art of selecting right investment policy for the individuals in terms of minimum risk & max return.

State any 2 regulations of FSI?

! Indian Companies

!!! MRTP Act 1969

!!! SEBI Act 1992

2018  
2 marks

Q. 3.

Ans:

Define Financial Services:-

The services which facilitate financial transaction of individual and institutional investors resulting in their resource allocation.

What are fund board activities?

Fund board activities are those which intend to provide fund, finance or capital directly or indirectly.

Q. 4.

Ans:

What is meant by loan syndication? Process of involving group of lenders

d. what is meant by mutual fund?

Ans: A fund estb. in form of trust by a sponsor to raise money by the trustee, through sale of units to public.

e. Expand :-

Ans: NSDL → National Securities Depository Ltd  
CDSL → Central Depository Securities Ltd.

f. Define ~~operating~~ lease:-

Ans: Under this system, factor performs almost all services of collection of receivables, credit collection & insurance.

g. what is mean by depository services?

Ans: It is service where securities of share holder are held in the electronic form. These services are rendered by D.P.

h. what is ~~online~~ trading? (written)

i. what is factor?

Ans: It is agent as a banking or insurance company engaged in financing operation of certain companies or wholesaler or retailers

Q.

What is credit rating?

Ans:-

It is analysis of credit risk associated with a financial instrument or a financial entity. It is rating given to an extent to which financial status of entity are sound, in terms of borrower has been done in past.

*[Handwritten signature]*

I. Answer any 2 of the following.

1. Objectives of Investment

1) Risk

The Investment has one main object that it has the low Risk relating to the any other speculation.

2) Return

Return is also one main objectives of the Investment. The Investment having the more Return regarding comparison of speculation

3) Savings

savings is also one main objectives of the Investment. The Investment giving the idea for savings

4) Liquidity

2.

Investor

Speculation

1) The Investor is long term bases.

1) The speculation is short term bases. It's the monthly weekly will be changed

2) The Investor using owned funds

2) The speculation using Borrowed funds

3) The Investor having low Risk in the Risk Security

3) The speculation having High Risk

$$= 5.561 + 22.28$$

$$= \underline{27.84}$$

III.

2.9]

ejunen information

$$g_1 = 20\% = 0.20$$

$$g_2 = 7\% = 0.07$$

$$D_0 = 1$$

$$k = 9\% = 0.09$$

$$S_0 = V_1 + V_2$$

$$D_1 = D_0 (1+g)^1$$

$$D_1 = 1 (1+0.20)^1$$

$$= 1 (1.20)^1$$

$$= 1.20$$

$$D_2 = D_0 (1+g)^2$$

$$= 1 (1+0.20)^2$$

$$= 1 (1.20)^2$$

$$= 1.44$$

$$D_3 = D_0 (1+g)^3$$

$$= 1 (1+0.20)^3$$

$$= 1 (1.20)^3$$

$$= 1.728$$

$$D_4 = D_0 (1+g)^4$$

$$= 1 (1+0.20)^4$$

$$= 2.0736$$

$$D_5 = D_0 (1+g)^5$$

$$= 1 (1+0.20)^5$$

$$= 2.4883$$

$$\begin{aligned} D_6 &= D_0 (1+g)^n \\ &= 1 (1+0.20)^6 \\ &= 1 (1.20)^6 \\ &= 2.985 \end{aligned}$$

$$\begin{aligned} D_7 &= D_0 (1+g)^n \\ &= 1 (1+0.20)^7 \\ &= 3.583 \end{aligned}$$

$$\begin{aligned} D_8 &= D_0 (1+g)^n \\ &= 1 (1+0.20)^8 \\ &= 4.299 \end{aligned}$$

$$\begin{aligned} D_9 &= D_0 (1+g)^n \\ &= 1 (1+0.20)^9 \\ &= 5.159 \end{aligned}$$

$$\begin{aligned} D_{10} &= D_0 (1+g)^n \\ &= 1 (1+0.20)^{10} \\ &= 6.1917 \end{aligned}$$

$$\begin{aligned} D_{11} &= D_0 (1+g)^n \\ &= 1 (1+0.20)^{11} \\ &= 7.4300 \end{aligned}$$

$$\begin{aligned} D_{12} &= D_0 (1+g)^n \\ &= 1 (1+0.20)^{12} \\ &= 8.916 \end{aligned}$$

$$\begin{aligned} D_{13} &= D_0 (1+g)^n \\ &= 1 (1+0.20)^{13} \\ &= 10.699 \end{aligned}$$

$$\begin{aligned} D_{14} &= D_0 (1+g)^n \\ &= 1 (1+0.20)^{14} \end{aligned}$$



$$D_{15} = D_0 (1+g)^n$$

$$= 1 (1+0.20)^{15}$$

$$= 15.407$$

$$V_1 = \frac{D_1}{(1+k)^1} + \frac{D_2}{(1+k)^2} + \frac{D_3}{(1+k)^3} + \frac{D_4}{(1+k)^4} + \frac{D_5}{(1+k)^5} + \frac{D_6}{(1+k)^6} + \frac{D_7}{(1+k)^7} + \frac{D_8}{(1+k)^8}$$

$$+ \frac{D_9}{(1+k)^9} + \frac{D_{10}}{(1+k)^{10}} + \frac{D_{11}}{(1+k)^{11}} + \frac{D_{12}}{(1+k)^{12}} + \frac{D_{13}}{(1+k)^{13}} + \frac{D_{14}}{(1+k)^{14}} + \frac{D_{15}}{(1+k)^{15}}$$

$$= \frac{1.20}{(1+0.09)^1} + \frac{1.44}{(1+0.09)^2} + \frac{1.728}{(1+0.09)^3} + \frac{2.0736}{(1+0.09)^4} + \frac{2.488}{(1+0.09)^5} + \frac{2.985}{(1+0.09)^6}$$

$$+ \frac{3.583}{(1+0.09)^7} + \frac{4.299}{(1+0.09)^8} + \frac{5.159}{(1+0.09)^9} + \frac{6.191}{(1+0.09)^{10}} + \frac{7.430}{(1+0.09)^{11}} + \frac{8.91}{(1+0.09)^{12}} + \frac{10.69}{(1+0.09)^{13}}$$

$$= \frac{12.839}{(1+0.09)^{14}} + \frac{15.407}{(1+0.09)^{15}}$$

$$= \frac{1.20}{1.0902} + \frac{1.44}{1.18805} + \frac{1.728}{1.29578} + \frac{2.073}{1.41128} + \frac{2.488}{1.538} + \frac{2.985}{1.677} + \frac{3.583}{1.828}$$

$$+ \frac{4.299}{1.99} + \frac{5.159}{2.17} + \frac{6.191}{2.36} + \frac{7.430}{2.580} + \frac{8.91}{2.812} + \frac{10.69}{3.065} + \frac{12.839}{3.341} + \frac{15.407}{3.642}$$

$$= 1.10 + 1.21 + 1.334 + 1.469 + 1.617 + 1.779 + 1.960 + 2.16 + 2.37$$

$$+ 2.62 + 2.879 + 2.879 + 3.168 + 3.487 + 3.842 + 4.23$$

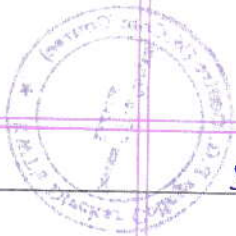
$$V_1 = 35.225$$

$$V_2 = \frac{D_0 (1+g)}{(k-g) (1+k)^n}$$

$$= \frac{15.407 (1-0.07)}{(0.09-0.07) (1+0.09)^{15}}$$

$$= 14.477$$

$$= 14.472$$



60.000

$100^{12} \times 1000 \times 1000$

$$S_0 = V_1 + V_2$$

$$= 35.225 + 198.85$$

$$= \underline{\underline{234.075}}$$

b)

$$D_1 + \frac{D_2}{(1+k)} + \frac{D_3}{(1+k)^2} + \dots + \frac{D_n + S_n}{(1+k)^n}$$

$$D_1 = 3.50$$

$$D_2 = 4.50$$

$$D_3 = 4.50$$

$$k = 12\% = 0.12$$

$$S_n = 85$$

$$= \frac{3.50}{(1+0.12)^1} + \frac{4.50}{(1+0.12)^2} + \frac{4.50}{(1+0.12)^3} + \dots + \frac{4.50 + 85}{(1+0.12)^n}$$

$$= \frac{3.50}{1.12} + \frac{4.50}{1.254} + \frac{4.50}{1.404} + \dots + \frac{89.5}{1.762}$$

$$= 3.125 + 3.588 + 3.205 + 50.79$$

60.708



Answer any two of the following:

Ans 1

- The IT industries of Karnataka are:
1. Paper Industry
  2. IT Industry
  3. Sugar Industry
  4. Cement Industry

Iron and steel industries - Karnataka with its rich resource is one of the pillars of iron ore and steel districts like Bellary, Chikna, Chitradurga and the new centres of iron ore deposited in the state. steel production capacity is 18 units per annum (million metric per ton) at present.

2. Paper industry - Paper industry is classified into writing and printing, Enam board and news print. Paper industry are engaged in soft industry from waste leaf. Industry with production capacity of 100 tons per day.

3. IT Industry [Information Technology] - Majority of IT industry is concentrated in Bangalore as it is referred as Silicon Valley of Karnataka. It stands fourth place in Technology clusters in the world.

Ans 3.

Cause and consequences of regional imbalance.

Regional imbalance is the disparity of

economic and development of two country or

regions due to when investment are

made to set up educational institution, health

care facilities, power sector etc. In india after

liberalization the role of private sector has

increased. The maximum share is gained by the

country which has adequate physical and

social infrastructure.

Cause

- a. Different in population
- b. Different in industrialization
- c. Different in source of natural resources.
- e. Policy of the government

Natural resource - it includes

Different in resource

Difference in location

Sugar industry - Sugar industry in Karnataka is abundant. Produced in the

state of Karnataka. Karnataka stands

fourth place in cultivation of sugarcane.

5. Cement industry - Cement industry in

Karnataka are the factor of growing industry

in india. Cement industry is in second

producer of cement in the world.

- a. Illiteracy
- b. immobility of labour
  1. geographical immobility of labour

4. political causes
  1. political instability

### Consequences

1. Migration - Migration from economic backward areas to economic strong holds cities are more prosperous as compared to rural areas, they are providing better quality of life & more success of economic
2. Social unrest - The difference in prosperity and development leads to friction between different sections of society causing social unrest.
3. Aggregation of the imbalance - Once an area is prosperous and better social development investment flows in neglecting less development regions.

### Section B

Ans 1.

Sources of finance are Sales tax, Lottery, registration fee, Excise tax, Entertainment tax - tax on Electricity etc.

Tax Revenue - it is dependent on central government to the state taxes are charged on Assets, tax on Sales, tax on goods etc.

Tax Revenue includes:

1. Tax on income - state government employer and business people they are also charged tax on different heads of income.

2. Tan on Property - State government also takes charge on all source of property they are: Land Revenue & Registration fee.

3. Tan on urban property - investor gives taxes to State government.

4. Registration and Stamps - Stamps and low stamps are being selling to different prices and on that State government charges tax.

5. Tan on Commodity - it includes Sales tax and Stock Excise tax they are the taxes on Commodity.

6. Excise tax - production of goods and services is excise tax. State government gives taxes. Eg: drugs, Medicals.

7. Sales tax - it is also known as Value added tax.

8. Other taxes - they are Electricity tax, Vehicle tax, Entertainment tax, Service tax.

## II Non Revenue

1. Forest Revenue - Forest tourism given State government charges low tax.

2. Irrigation Revenue - Agriculture is dependent on irrigation from sector agriculture production for irrigation government gives tax.

3. Interest receipts - they includes:

2. Tax on property - state government also tax changes on acquisition of property they are standard & uniform.

3. Tax on urban property - levied on houses in urban areas.

4. Registration and stamps - stamps are levied on documents and on registration of property. Stamp duty is levied on documents and on registration of property.

5. Tax on commodity - levied on goods and services.

6. Excise tax - levied on production of goods and services.

7. Sales tax - levied on sale of goods and services. It is also known as value added tax.

8. Other taxes - they are electricity tax, vehicle tax, entertainment tax, etc.

II Non Revenue  
1. Forest Revenue - levied on forest land.

2. Migration Revenue - levied on migration from one state to another.

3. Intoxicants - levied on sale of alcohol, etc. It includes...

*[Handwritten signature]*



4. Taxes, fine, fee and penalties - Government announces taxes on fine, penalties for different services who do not follow rules of the law they have to give pay fine & penalties.

5. grant is aid to government - union government give grant to central government it is the important source of finance to government.

# Strategic management

Roll No :- 16

Date :- 10/10/19

M.COM - 1<sup>st</sup> year  
I<sup>st</sup> Sem

Sub :- Strategic Management

I

1) Strategy mean it is a road map where the organisation is going to reach after a long period of year. The process of Strategy is to all focus on the Strategic intent that is vision, mission, objectives and goal.

2) Mission Statement is a statement for a short period of time. Here the statement says that where the orgais how to reach the organisational through a proper Strategic plan.

II

1) Explain the PEST analysis

→ The Environment Scanning analysis under two groups that is SWOT analysis and PEST analysis. Thus all this comes from Environmental analysis. This Environment basically influence on the outside factors that all such as raw materials, resources, finance, machines, laborers etc all the factors that influence the Environment

# Strategic management

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II

1) Explain the PEST analysis  
→ The Environment Scanning is analysis under two groups that is SWOT analysis and PEST analysis. Thus all this comes from Environment analysis. This Environment basically influence on the outside factors that all such as raw materials, resources, finance, machines, labours etc all the factors that influence the Environment

Thus the Environment is dynamic



The PEST analysis include such as

1) Political & legal analysis

2) Economic analysis

3) Socio. analysis

4) Technological analysis

1) Political & legal analysis

Political & legal analysis are the factors that influence them through the changes happens in the Environment. Such as like Tax, rules and regulation, payment interest rate etc and also the political factor is affecting through the parties that changes such as from BJP to Congress etc. Political factor is influence through some of the opportunities and threats. Such as plastic band etc.

Legal analysis also influence the Environment that it is good because it helps the society from having been practices of all the legal things in the society which will badly influence on the people who stay and also affect the human behaviour. It also helps from happening all the unwanted crimes.

Economic analysis has also influenced the environment through also the changes which takes place within the nation. period of time. Thus the changes happens in GDP the growth rate, interest rate, exchange, from VAT to GST labor payment, credit, also this influence the economic analysis can this rate of interest get changed it affects the people who are not paid the payment in a given period of labor to gain a good for these labor to gain their house such in getting the life style etc. and the changes in the government of goods & policy, and the introduction of new schemes and policies.

### 3) Socio analysis

Socio analysis also plays an every crucial role in the field of PEST analysis. Thus this socio analysis says that it is every important in the field of organization or in the field of business to know the dynamic changes that takes place. So therefore to know the all the dynamic changes and they found on the research update so they here the research and development should be done through the help of research and development we get to know all

to know what kind of strategies  
strategies to be done in such a  
way that how to achieve the  
organisational goal what are the action  
plans to be done how to set the  
project, and to set the budget.

#### 4) Technological analysis

This technological analysis also  
has the great importance in the field of  
Environmental Scanning. Thus this  
technological analysis says how to  
introduce the new product in the  
market and also how to upgrade  
the existing business. This technological  
analysis helps in innovating  
implementing the new ideas and  
new strategic plan how do come  
up with new technology that is  
machines and also to achieve the  
mission, mission and other goals & objectives

~~Conclusion:-~~

The model in case also answer

to the business can this says that the business can this says and the suppliers are for many than suppliers get power to bargain with the business.

5) Finally with current competitors. This is current competitors in the market of had heavy cut and also good demand.

\* The levels of strategic management

Strategic Intent

SWOT analysis

Strategic formulation

Strategic Implementation

Strategic Structures

Evaluation of Strategy

1) The Strategic Intent mainly focus on the question, mission, objectives and goal of the company how to work on the mission in order and how to collect the work to the

2) SWOT analysis  
In this environmental analysis focus on the opportunities and the threats of the organization or in that field of business / which happens during the course of business activities. It is organizational analysis focus on the strength and the weaknesses that happens in the field of business identifying the course of activity.

3) Strategic formulation takes place in operation, strategic, functional strategies or business strategy & comparative strategies.

4) Strategic implementation takes place when the new ideas and technology takes place

5) Strategic structure is to design the organization to achieve the mission of company

6) Evaluation is necessary to new the objects of performance in future

Corporate tax planning

508: CTP

Calculation of tax liability under Normal Provision

Amt	96000
	-
	<u>96000</u>
	38400
	<u>99840</u>
	-
	<u>99840</u>

Business income Amt 96000  
 Business income B 38400  
 (38400 x 50%)

Net: 96000

Net: 38400

Net: 99840

Net: 38400

Net: 99840

Calculation of tax liability under normal provision

Amt	980500
	-
	<u>980500</u>
	39220
	<u>1019720</u>

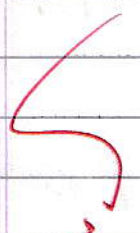
Particulars Amt  
 Book Profit 5300,000  
 Tax at 18.5% on B.P.  
 Add: surcharge  
 Add: cess 4%  
 Tax liability under normal provision

MAT Credit 5000000

tax liability (998400 - 1019720) = 21320

321320

The tax liability of the company under normal provision is 998400 and tax liability under MAT provision is 1019720. Hence it



Particulars	Amt
WDV on 1/4/10 [Plant A & B]	237000
add: purchase Plant C on 8/5/10	20000
	<u>257000</u>
Less: Sale value of plant	
Plant A 10000	
Plant B 15000	
Plant C <u>24000</u>	<u>49000</u>
Capital loss	<u><u>208000</u></u>

Conclusion: As all the assets have been sold by assessee there is WDV and assessee cannot claim for depreciation as there is capital loss of Rs. 208000

II

Answer any one of the following

→ 2.

Calculation of net income and tax liability of an ITC under normal provision

Particulars	Amt	Amt
Net profit as per P/L a/c		1456500
add: Disallowable expenses debited to P/L a/c		
• Income tax	360000	
• O/s custom duty	17500	
• Proposed dividend	60000	
• Dep [ $616000 + 270000 - 536000$ ]	<u>350000</u>	<u>787500</u>
		<u>2244000</u>
Less: Allowable expenses not credited to P/L a/c		-
add: Allowable income not credited to P/L a/c		-

Amount withdrawn from Reserve	200,000	
Amount withdrawn from Revaluation of Reserve	150,000	350,000
Business income		1,89,400
Less: BIF Business loss		1,48,000
Net Business income		41,400
Add: LTCG		60,000
		47,400
Less: Deduction u/s 8013 @ 30% (41,400 × 30%)		12,420
Taxable income		34,980

Calculation of tax liability under normal provision

Particulars	Income	Rate	Tax liability
LTCG	60,000	20.8%	12,480
Other income (34,980 - 60,000)	2,89,800	31.2%	90,418
Tax liability			1,02,898

Calculation of Book profit and tax liability under MAT provision

Particulars	Amt	Amt
Net profit as per P&A		14,56,500
Add: positive adjustments		
Income tax	36,000	
proposed dividend	60,000	
Depreciation	61,600	
Depreciation on entire Revaluation	27,000	
		1,30,600
		27,62,500



less: Adjustment from Reserves

20000	150000
20000	150000
61600	70000
1036000	1726500

Value is less [1000000 - 70000]

B/E Business loss or unabsorbed depreciation

Calculation of tax liability under MAT provision

Amount	1726500
	319403
	319403
	319403
	1276
	332179

Tan on B.P. at 18.5%

Book Profit: 1.72 @ 1726500

Tan liability under MAT provision

The company's tax liability is 102,898 and tax liability under normal provision is 3,32,179 is less than normal provision of MAT. The tax liability of a company is

normal provision is 3,32,179

I] Answer

2ansr Exchange risk means risk occur at the time of transferring or exchange of currencies from one country currency to another currency.

3ansr	Forward market	Future market.
9	1. It is an informal arrangement between forex dealers & customer.	1. Specilazation according to specimen of future exchange.
9	2. Forward contract have <sup>all</sup> currencies developed by different countries & also currencies of LDC's.	3. Limited small size or minimum number of currencies are developed.

II] Answer

2ansr Interest Rate Parity Theory:

The interest rate parity theory states the size of forward premium should be equal to size of interest rate of differential between two countries.

The rate of currencies between two countries & difference rate of interest should be equal.

The interest rate parity theory states the disparity exchange interest rate of two currencies & different interest rate should be equal.

The American dollars are cheaper

### a) Lagging & ledging

The exchange risk management includes an advance payment of money before selecting the currencies changes occurs in inflation rate.

Ledging option means the post payment paid to investor or banker during exchange of currency. The payment made by the forex dealer during the maturity of period. Forex dealer makes an advance payment on before delivery of goods in business. Ledging option impact the dealer due to change in interest rate after currency.

### b) Invoicing

While exchanging the currency, the dealer/investor must have a proper records to be maintain at time of making payment. Invoicing is the kind of receipt that have all the records about the business transaction. With the help of invoice, the payment are improving better due to records held in business. It is also the give complete information about the business.

### c) Netting & off setting

The foreign exchange risk occurs off setting due to the few information concern while making payment. Setting any financial rule due to inflation, the currency risk occurs when there is exchange of two countries currency. It leads the forex dealer mainly to ensure the margin rates in business. The netting of foreign risk that has certain impact on the currency developed in tools of management.

## 1. Forward Contract

It is an informal arrangement between forex dealers & customer. In forward contract, there are many maturity meant to be multiplied 30 times. The exchange rate of currency American \$ 1 million per contract.

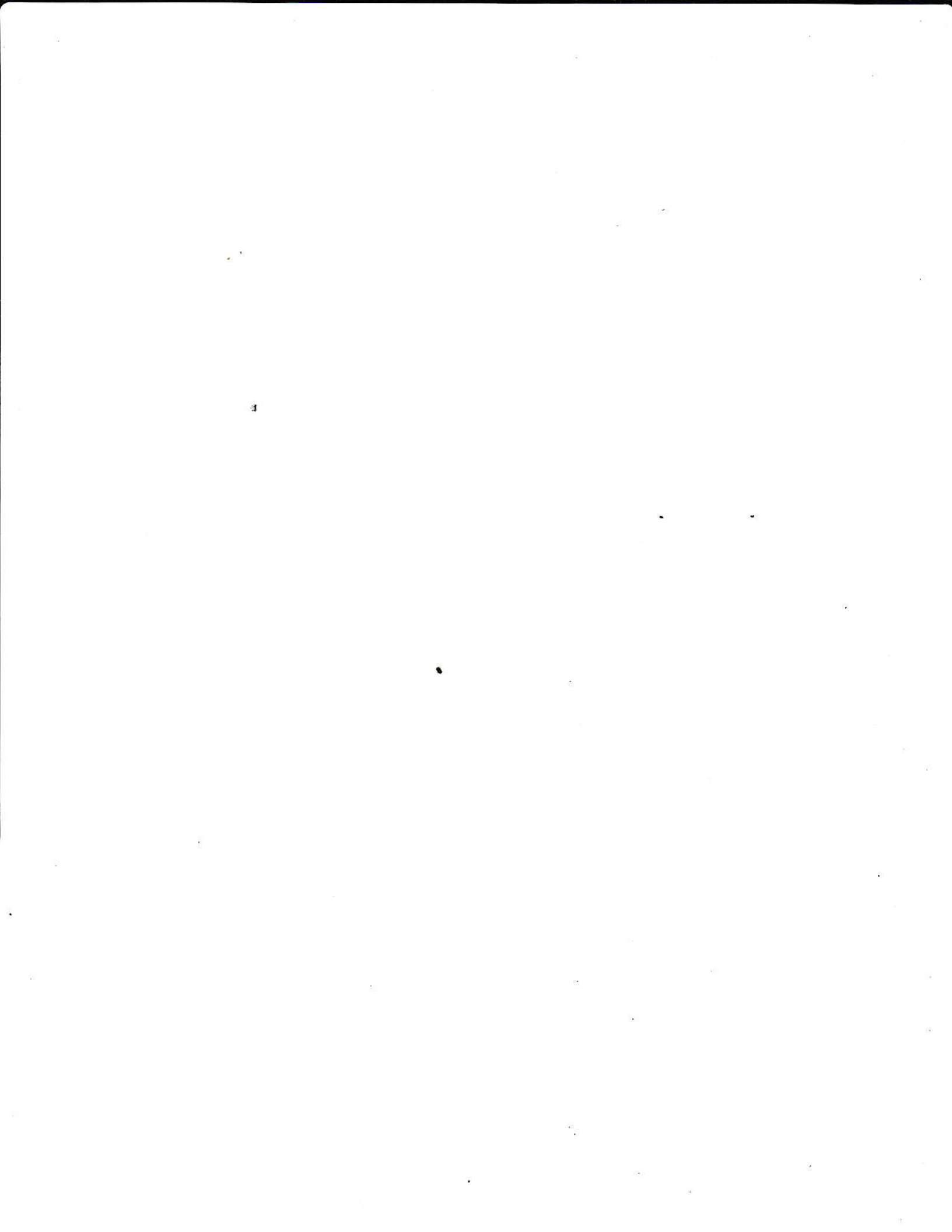
Here banker forward the customer in order to maintain minimum accounting balances. No delivery payment is made. Forward contract consists of many currencies & has developed exchange rate of different countries & also the currency of LDA currencies.

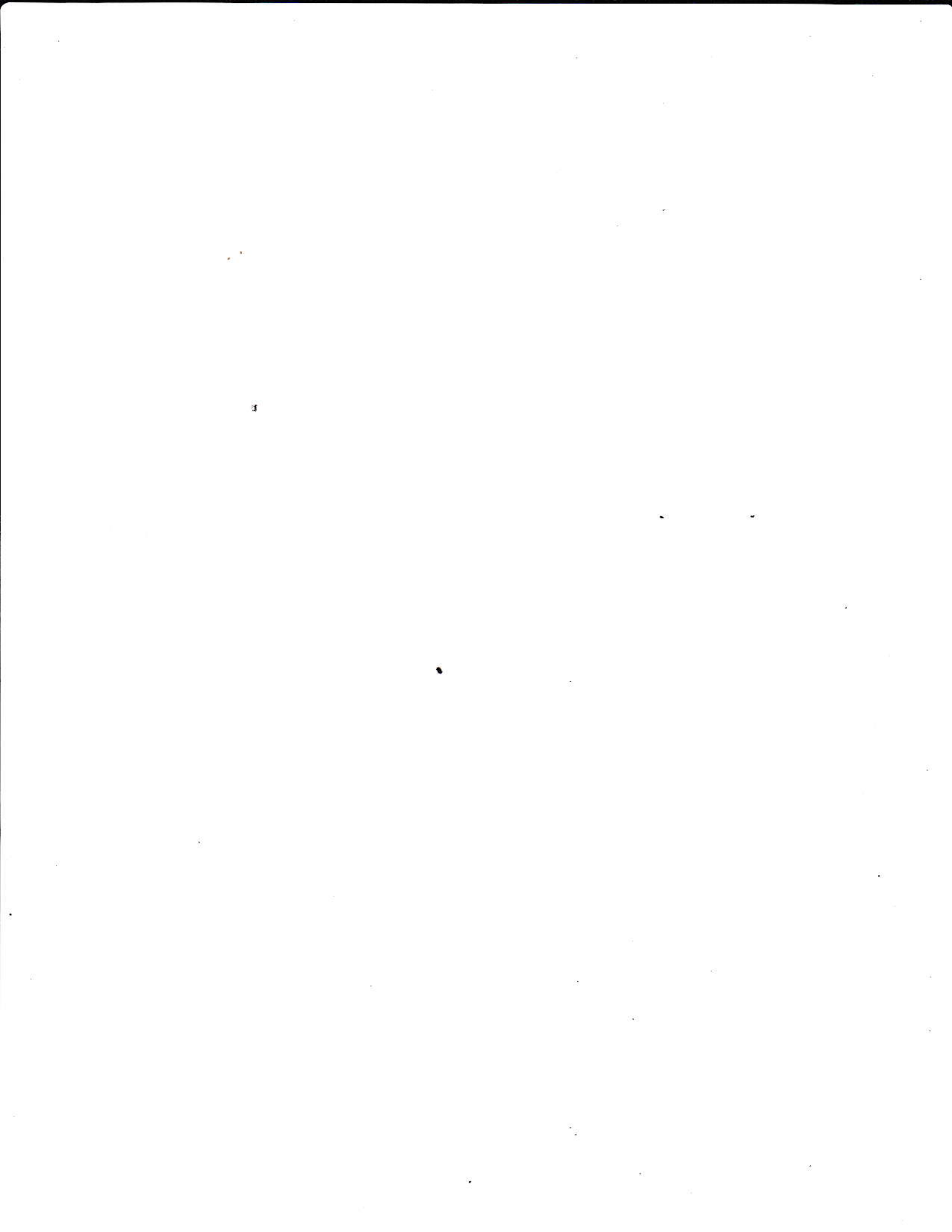
## 2. Currency future

The relative inflation rate of different currencies leads to interest rate of differential. The exchange rate of currency of 2 countries have same cash inflows & cash outflow.

The currency of country A > should be the currency of country B. The inflation rate decides the currency future rate. The difference in future rate while impact the purchaser and also the banker of business.

The currency future is not stable. It keeps on changing due to interest rate differential in countries. This will impact the rate of currency & compare the higher currency of country cost of investment will be attract in order to depreciate the currency.





**KWT'S**

**DIVEKAR COLLEGE OF COMMERCE AND P.G. (M.COM) CENTER**

**KARWAR**

**ASSIGNMENT ON:**

**ONEPLUS**

**SUBJECT:**

**MARKETING MANAGEMENT**

**SUBMITTED BY:**

**SHUBHAM R. NAIK**

**M.COM 1<sup>st</sup> YEAR**

**SUBMITTED TO:**

**KRISHNANAND MAHALE**

**H.O.D. IN M.COM DEPARTMENT**

*S. Prady*  
**STUDENT SIGNATURE**

*[Red Signature]*  
**LECTURER SIGNATURE**

**DATE:** *4/11/2019*

# Oneplus

## ***Introduction***

In February 2016, Carl Pei, co-founder of the Shenzhen-based technology start-up, OnePlus, announced that the company's new flagship smartphone OnePlus 3 would be launched by the end of the second quarter (June) of 2016. He said the company's fourth smartphone model with its new design would captivate young tech enthusiasts, much like its predecessors. Since its debut in 2013, OnePlus had grabbed the headlines for delivering smartphones with flagship specifications at significantly lower prices than that of its rivals. The co-founders of OnePlus Peter Lau (Lau) and Pei emphasized the "Never Settle" motto of OnePlus, which aimed at providing the best possible technology to users globally by creating elegantly designed devices with premium build quality and high performance hardware. The business model of OnePlus was built around razor-thin margins. The company employed an unconventional invite-only system that limited buyers to those who had received an invite from the company directly or from someone who had already purchased the device.

## ***History***

OnePlus was founded on 16 December 2013 by former Oppo vice-president Pete Lau and Carl Pei. According to the Chinese government's documentation, the only institutional stockholder in OnePlus is Oppo, Although Lau initially denied that OnePlus was a wholly owned subsidiary of



Oppo, upon release of the regulatory filings they admitted that they are owned by Oppo and are “in talks with other investors” (although nothing has been announced to date). The company's main goal was to design a smartphone that would balance high-end quality with a lower price than other phones in its class, believing that users would “Never Settle” for the lower-quality devices produced by other companies. Lau explained that “we will never be different just for the sake of being different. Everything done has to improve the actual user experience in day-to-day use.” He also showed aspirations of being the “Muji of the tech industry”, emphasizing its focus on high-quality products with simplistic, user-friendly designs.

Continuing Lau's association with the platform from the Oppo N1, OnePlus entered into an exclusive licensing agreement with Cyanogen Inc. to base its products' Android distribution upon a variant of the popular custom ROM Cyanogen Mod and use its trademarks outside of China. The company unveiled its first device, the OnePlus One, on 23 April 2014. In December 2014, alongside the release of the OnePlus One in India exclusively through Amazon, OnePlus also announced plans to establish a presence in the country, with plans to open 25 official walk-in service centers across India. OnePlus made its products available in Southeast Asia for the first time, partnering with Lazada Indonesia on 23 January 2015 and is expected to expand during this year throughout the region. In April 2014, OnePlus hired Han Han as the product ambassador in mainland China. On 9 March 2014 the company decided to expand its operations to all European countries except Switzerland (although OnePlus devices can be purchased in Switzerland via local online retailers), serving now 43 countries and regions all over the world. As of March 2016, OnePlus serves for the following countries and regions: Austria, Belgium, Bulgaria, Canada, Mainland China, Croatia, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, India, Ireland, Israel, Italy, Latvia, Lithuania, Luxembourg, Malta, Malaysia, Netherlands, Poland, Portugal, Romania, Saudi

**April 2014 OnePlus One**



**July 2015 OnePlus 2**



**October 2015 Oneplus X**



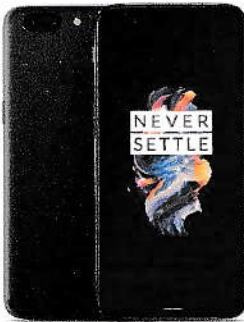
**June 2016 OnePlus 3**



**November OnePlus 3T**



**June 2017 OnePlus 5**



## November 2017 OnePlus 5T



## May 2018 OnePlus 6



## Oct 2018 OnePlus 6 T



**Oct 2018 OnePlus 6T McLaren Edition**



**May 14 OnePlus 7**



**May 14 OnePlus 7 Pro**



**Sep 26 OnePlus 7T**



**Oct 10 OnePlus 7T Pro**



## *Products – TVs*

### **OnePlus TV**

In September 2018 the company confirmed it plans to venture into the smart TVs market with the OnePlus TV. The new division will be headed by the company CEO Pete Lau. OnePlus has later specified that the OnePlus TV will run a version of Google's Android TV operating system and that it will cost less than competing televisions.

#### **Series**

OnePlus TV Q1

OnePlus TV Q1 Pro

### **Importance of branding**

Today when I see around me, I can find 3 out of 4 One Plus users. What made them so phenomenal over the years in the Indian and World Market? Let's try to discover the reasons for the unexpected rise of a new superstar. The Mobile markets today literally have dozens of smartphone brands, even more so in China, where the mobile market thrives on cheap components and knock off designs. That is why very few smartphone makers from that region ever gain international renown. At such times never heard Chinese startup named One Plus dared to challenge the status quo of the existing big names such as Oppo and Vivo. Some wonder if its execs were smoking something. It turned out it wasn't all hot air after all.

So let's try to find out what made this Shenzhen based smartphone brand that was first introduced in December 2014 in India, to become one of the most popular handset brands across the country. It's really interesting to know that One Plus is the most successful brand that has become big without spending a penny on traditional marketing initiatives. One Plus ventured with the 20th Century marketing strategy. For a very young and

small company, it's rather surprised at how it catapulted to fame. But being young and small meant it was free to be agile. It could change strategies more easily than multi-national corporations. They could experiment with the new trends in marketing. They embraced and exploited the speed and ferocity of social media. In an industry which houses 150-odd handset players, new brands are knocking down its doors almost every other day. Amid such competition, the brand has already sold a million devices in the country and claims that 85% of its users have switched from Apple, Samsung and Nexus phones.

## **A Digital Brand**

The most important aspect of the One Plus launching in India was to offer consumers a top end phone with great specs, design, quality and experience at an affordable price, which other brands were offering at an exorbitant price. They launched themselves as a Digital Brand in India. They refrain from the traditional marketing and started a new era of Digital Marketing. The brand then chose the digital platform and started investing in building a community. Within digital, One Plus has a sharp focus on social media. The brand is extremely active on social media and has created a strong Face book community of over a million users and a 1.5 lakh strong community on Twitter.

## **Leveraging Influencers**

The One Plus founders created a community for discussion, prior to their launch. Over a period of time, the community grew big and when the brand entered India, they leveraged it to create its footprint in the country. The early adopters of the brand started to like it and they became the brand ambassadors who invited other people for a great product that led to word-of-mouth awareness.

At present, the One Plus community is really strong, with over 800,000 members in the community globally and the brand regularly organizes offline and online meets for these enthusiasts to meet and discuss the technology. The purpose is to give the community a sense of purpose and thus create the Mouth-to-Mouth brand strategy. One Plus also partners with various other brands over time, to capture the influencing market such as Ola, Amazon, Drop box, Chroma, and others.



DIVAKAR COLLEGE OF COMMERCE  
P. G. (M. COM) CENTRE

KARWAR

SEMESTER DND

Exchange Rate Theories.

SUBJECT

Multi-national Business Finance.

PRESENTED BY

Mangesh. M. Desai

M. COM 3<sup>rd</sup> Sem

PRESENTED TO

Shubham Palekar

Lecturer in Commerce.

Mangesh  
Student Signature

Date:- 26-11-19

Shubham  
Lecturer Signature.

## Exchange Rate Theories

Exchange rate of a currency in comparison with other currencies is influenced by factors like Inflation rate, Balance of payment position apart from the demand and supply factor.

Following are some important theories:

1) Purchase Power Parity Theory (PPP Theory):-

This theory was developed by Gustav Cassel and it was published in 1918. It has two versions. (a) Absolute Version (b) Relative Version.

Money is medium of exchange. Goods and services are purchased for price. That is expressed in money. Purchase power parity theory is based on such purchase power of a currency. Goods in a country can be purchased in exchange of currency of that country. Rupee cannot buy goods in America but dollar cannot buy goods in India. If an Indian has to buy goods of America he has to pay in dollar, so an American to buy goods of India has to pay in Rupees. This necessitates exchange of dollar and rupees.

Gustav Cassel has based his theory of exchange rate based on such purchase power.

Relative version of PPP: Every country has its own purchase price for products in its currency. Exchange Rates between currencies are determined by respective purchasing power of such currency. This theory states the 'Law of one price'.

Eg:- A kg of wheat or Rice in India may cost Rs 50/- and in USA 1 Dollar. Based on this domestic price, exchange rate between US dollar and Indian Rupees can be determined that is 1 dollar is equal to Rupees fifty i.e. purchase price of Rice or wheat in respective countries.

b) Relative version of PPP: It is a refined and modified version of PPP. Exchange rate is determined by price level of commodities between two countries subjects to price level changes.

Limitations of PPP:

1) product specific: Exchange rate is determined by specific products that are consumable in both the countries.

2) Trade Restrictions: Theory assumes free trade, but in real practice trade is subject to restrictions like

Tariffs, quotas laid by respective countries in international trade.

3) Market Sentiment: Market and investors have faith and confidence in such currencies. Currencies like Dollar, Euro, pound Yen etc., have established market.

4) Policy of the Government: Business friendly economic policy and stable political system can give better image for a country and demand for its currencies.

5) Transportation cost: cost of transport is high in case of international business due to long distance between nations.

2) Fisher Effect:

International effect of Fisher theory says that capital flows to that country that offers a higher interest rate. Countries with higher inflation rate must depreciate their currency to attract more foreign investment.

To summarise international Fisher Effect says that currencies of country with a high inflation rate will depreciate more. They have to offer a higher interest rate to attract foreign investment. Otherwise their currency stands depreciated.

From theory has following assumptions:

- 1) Government Restrictions: In nearly every country and government will have its own rules and restrictions suggesting flow of foreign capital.
- 2) Different Interest Rates: Theory assumes that there is single interest rate for domestic as well as foreign investment. If a country may offer a higher interest rate on foreign investment to attract foreign capital.

3) Speculators Investors who are in speculative business are influenced by their speculative instincts and behavior.

### 3) Interest Rate Parity Theory (IRP):

This theory is based on covered interest arbitrage. It is based on comparison of spot and forward exchange rate between two currencies.

The theory says that such disparity in exchange rate in two different market or countries happens due to difference in interest rates. Dollar is cheaper in America may be due to lower interest rate in America, Rupee may be costly due to higher interest rate offered on Indian Rupee in India.

Limitations:

- 1) No transaction cost: Transfer of funds between the countries and currencies does not consider the transaction cost like commission, tax etc.
- 2) Restrictions on Exchange or convertibility: Full convertibility of currency is one more assumption. Government may not allow for free and unlimited convertibility.

3) Speculators: People and organizations who are in speculation business have their own estimations, calculations and judgments.

4) Developed Money Markets: The purveyors of covered interest arbitrage is technical and news experts. It requires adequate knowledge of market rates.

**KWT'S**  
**DIVEKAR COLLEGE OF COMMERCE AND P.G. (M.COM) CENTER**  
**KARWAR**

**ASSIGNMENT ON:**

Yamaha Motor Company

**SUBJECT:**

MARKETING MANAGEMENT

**SUBMITTED BY:**

KANISHKA S.BILIYE

M.COM 1<sup>st</sup> YEAR

**SUBMITTED TO:**

KRISHNANAND MAHALE

H.O.D. IN M.COM DEPARTMENT

*Kanishka S. Biliye*

**STUDENT SIGNATURE**

*Krishnanand Mahale*

**LECTURER SIGNATURE**

**DATE:** 4/11/2019

## **Introduction about**

### **India Yamaha Motor pvt ltd.**

Yamaha made its initial foray into India in 1985. Subsequently, it entered into a 50-50 joint venture with the escorts group in 1996. However in August 2001. Yamaha acquired its remaining stake as well, bringing the Indian operations under its complete control as a 100% subsidiary of Yamaha Moto co ltd, Japan.

Indian Yamaha motor operates from its state.of the art manufacturing units at Faridabad in Harayana and Surajpur in Uttarpradesh.and produces motorcycles both for domestic and export markets.With a strong work force of 2000 employees.Indian Yamaha Motor is highly customer-driven and has a country wide network of over 400 dealers

### **Core competencies**

We put customers first in everything we do.We take decisions keeping the customer in mind.



### 1) Challenging spirit

We strive for excellence in everything we do and in the quality of goods and services we provide, we work hard to achieve what we commit and achieve result faster than our competitors and we never give up.

2) We work cohesively with our colleagues as a multicultural team built on trust respect, understanding and mutual co-operation everyone contribution is equally important for our success.

3) We are honest, Sincere, open minded and transparent in our dealings, we actively listen to others and participate in healthy and Frank discussion to achieve the organizational goal.

### Product profile

Everyone can hold the throttle wide open up the straight ,it's how well everything works after you close the go-tube that will make the biggest difference to how competitive your lap is. With the R1's slipper clutch metering the amount of back torque, you get outstanding control and accuracy, and blisteringly fast corner entry. The slipper clutch enables changes in clutch plate pressure when torque force comes to bear on the crank from the rear wheel, and exemplifies what is most remarkable about the R1 engine-not only the amount of power, but the linearity and superb transitional characteristics of that power.

## 2) Stiff and flexible

As chassis loads continue to escalate it's only logical that the chassis itself should be a tuneable component. Our engineers have identified specific areas of the frame where stiffer is better, and others where flex provides the key to good handling. By tuning flex quotients of the main frame, rear arm and fork, Yamaha created an optimal rigidity balance for the new YZF-R1. As a result, chassis response to initial steering inputs is light and responsive while stability in high-speed turns is excellent, and overall handling qualities simply brilliant

## Engine

- 1) Engine type - liquid-cooled 4-stroke formal inclined parallel 4-cylinder, 4-valve DOHC.
- 2) Displacement - 998CC
- 3) Bore x stroke - 77.0 x 53.6mm.
- 4) Compression ratio - 12.7:1
- 5) Maximum power - 132.4 kW (180PS) @12,500rpm.
- 2) 139.0kW (189PS) @12,500 rpm

- 6) Maximum torque -1127 nm (11.5kg.m)@10,000.2) 1183 nm (12.1kg.m)@10,000rpm.
- 7) Starting system -electric.
- 8) lubrication-wet sump.
- 9) carburettor/Fuel supply -Fuel injection.
- 10) Clutch type -Wet multiple -discooil spring.
- 11) Ignition system -T.C.I
- 12) Primary/Secondary reduction ratio -3.042/3000
- 13) Transmission type -constant mesh, 6-speed.

### **Types of Yamaha bikes...**

1) Yamaha YZF R1F V3

Cost -1.40lkh -1.42lkh



2) Yamaha Mt-15

Cost -1.36lkh



3) Yamaha FZ-FI version 3.0

Cost -96,680



4) Yamaha YZF R3

Cost -3.51 lkh



5) Yamaha Rx 100

Cost -40,000



Logo of Yamaha



## Research methodology

- 1) To decide the objective and subjective of the rewards.
- 2) To determine the most suitable method of research.
- 3) To determine the most suitable method of research.
- 4) To decide the appropriate research instrument for data collection.
- 5) To conduct the field survey from data collection.
- 6) To prepare the research report

KWT'S  
DIVEKAR COLLEGE OF COMMERCE  
P.G. (M.COM) CENTRE, KARWAR

ASSIGNMENT ON :  
CORPORATE RESTRUCTURING

SUBMITTED By :

SRUTHI . M. NAIR.


M.COM II sem

Rollno: 26.

SUBMITTED To :

KRISHNANAND MAHALE

HOD of M.COM Dept

  
68/2/20  
LECTURER SIGN:

DATE: 6/02/2020

SIGN: Sruthi

1. Explain the meaning and importance of corporate restructuring?

The corporate restructuring is the process of making changes in the composition of a firm's one or more business portfolio in order to have a more profitable enterprise simply, recognising the structure of the organisation to fetch more profits from its operations or is best suited to the present situation.

### Importance of corporate restructuring.

1. Ensure the company has enough liquidity to operate during implementation of a complete restructuring.
2. Produce accurate working capital forecasts.
3. Provide open and clear lines of communication with creditors who mostly control the company's ability to raise the financing.
4. Detailed business plan and consideration
5. To expand the business or operations of the company.

6. To carry on the business of the company more economically or more efficiency.
7. To focus on its core strength.
8. Cost reduction by deriving the benefits of economies of scale.
9. To obtain tax advantage by merging a loss making company with a profit making company.
10. To have access to better technology.
11. To improve the debt equity ratio.
12. To have a better market share.
13. To overcome significant problems in a company.
14. To become ~~globally~~ competitive.
15. To eliminate competition between the companies.



2. Explain the corporate restructuring of public and private sector enterprise in India and also explain their effect?

Introduction of restructuring of public enterprises.

The public enterprises have made tremendous contributions to the development of the country, at time when the private sector almost infancy. In the last two decades private sector enterprises have tried to march forward and they were getting success in their operations. Introduction of liberalisation they need level playing field with them. They need immediate attention from the Government, covering organisation, financial personnel and marketing issues. Liberalisation, privatisation and globalisation, having changes the whole scenario of the working environment. The government of India has taken several initiatives to restructuring the PE's and result forth coming. are

Privatisation and globalisation has given private sector enterprises a broader framework for their operations.

However, in the engaged scenario public enterprises are facing severe constraints. In terms of quality or competence, the PEs are no was inferior to private sector companies. Efficiency is not dependent on ownership. There are efficient PEs as well as not so efficient ones. Just on there are successful private sector companies and not so successful ones. Just on there are successful private sector companies and not so successful ones.

Today the image of public sector is poor not because of lack of concerted efforts in communicating the achievement and activities of the public sector. There was been a company's from the private sector organisations for privatization of its PEs which has not been confronted effectively. There is need to improve communication system and to acquire better skills in order to convey right image of PEs

6. the safety nets available or could there be created?

7. How can PES to be spun around (or to be closed) attract workers support and cooperation.

8. Can some non reversible PES be handed over to be workers?

9. What are the priorities for reversible units?

10. What strategy can be adopted for the PES which cannot stand alone or are vulnerable units to be left alone to be forced to terminate sickness?

11. What about incipient sickness?

12. If reversible PES and the PES with incipients sickness are to be recovered where could be funding come from?

13. What impact will the closure of BFR have on the PES which are referred to it and others which may be referred.

will be forced to go commercial and respond to the market discipline.

### The privatization Movement.

The non towards privatization has gained momentum since 70's. The following are usually mentioned reasons.

1. The emergence of conservative government in principal industrial countries.

2. The emergence of multinationals entities.

3. Technological changes.

4. Emergence of local capital market and entrepreneurship.

5. Dissatisfaction with performance of public sector.

### Reasons for Indian Privatisation.

1. Crippling budget deficit.

2. Spectacular growth by economies of Korea, Taiwan, Malaysia in private sector.

3. Galloping cost of government intervention in industry & production difficulty.

4. Changes in China.

## Ways of Privatization.

- \* Disinvestment.
- \* Contracting.
- \* Franchising.
- \* Liquidation.
- \* Leasing.

## Effects of Restructuring.

Every restructuring process has both the positive and negative implications. The challenge before the organisation is to minimise the negative implications.

Implications of the restructuring. Exercise can be modified, however the effects can be at diverse levels.

## Stages of the effect of restructuring.

A, first level effects / specific effects restructuring from restructuring strategies:- These effects are firm specific. In this category portfolio, financial and organisational restructuring are included which help in increasing the market share and profitability of the company benefit from portfolio restructuring are short term financial restructuring helps

the firms to increase its controlling stake, thereby enhances the ability to generate low cost resources and penetrate market, while organizational restructuring makes the firm stronger to face competition and empower employee and renders cohesiveness to the group.

B; Second level effect - shareholders implications the second level effect of restructuring are the ones which affect the stakeholder, managers and employees of the firm. Restructuring brings value to the shareholders assuring the capital market to be efficient.

Effects of restructuring on management lead to a shift in power bases within the organization. They might view restructuring as an asset based or function based or process based organization and accordingly they will influence the financial decision. Effects of restructuring on employees is mixed. However effect of restructuring on people and people communities may resembles a wealth transfer.

Positive effects of restructuring.

1. Better work culture.
2. Personal growth and job satisfaction.
3. Profitability.
4. Increased customer satisfaction.
5. Cost effective
6. Competitive edge.
7. Efficient and effective operations.
8. Motivated employees.
9. Stability in financial structure.

Negative effects of restructuring.

- i. Fragmentation of skills based resources
- ii. Ethical on short term results rather long term.
- iii. Lack of change agents reduce the tempo and dynamism of restructuring.

K.W.I.S

DIVEKAR COLLEGE OF COMMERCE  
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KARWAR

ASSIGNMENT ON  
INFLATION ACCOUNTING

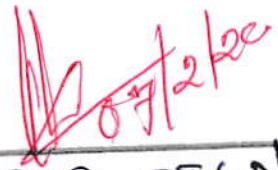
SUBJECT  
CONTEMPORARY ISSUES IN  
ACCOUNTING

SUBMITTED BY  
POOJA PADUVALEKAR  
M.COM II<sup>ND</sup> YEAR

SUBMITTED TO  
KRISHNANAND MAHALE  
LECTURAR IN COMMERCE

SP  
STUDENT SIGNATURE

DATE 07-02-2020

  
LECTARAR SIGNATURE



## \* Introduction :-

Financial statements are prepared with a view of presenting the financial position of the business on a particular date and displaying the result achieved during an accounting period. These statements according to existing accounting practice are prepared on historical cost (that is original or acquisition cost) on the assumption that the purchasing power of the money remains the same. But the assumption is not valid as the purchasing power of the rupee the basic measuring unit of accounting in India goes on accounting of changes upwards or downwards in price levels.

## \* Meaning :-

It is also called as accounting for changing prices. It is a system of accounting which regularly records all items in financial statement at their current values.

The inflation accounting recognise the decrease in the purchasing power of money day by day which result in inflation in the price of the commodities and also the result of profit or loss in the financial statement at the current prices.

## \* The objectives of Inflation Accounting :-

- 1] To improve the quality of information furnished in financial statements for decision making.
- 2] To give effect to the changes in purchasing power caused by inflation by measuring real income and expenses during an accounting period.
- 3] To provide a better basis for inter period comparison of financial statements.
- 4] To maintain operational efficiency of the business.
- 5] To ensure adequate funds for the replacement of various assets.

## \* Advantages of Accounting for the Price level changes :-

- 1] Inflation accounting helps to maintain the physical capital intact because sufficient funds are made available for replacement of fixed assets when they are worn out by changing depreciation on their current values.
- 2] Balance sheet exhibits a free and fair view of the financial position of the firm because assets are shown at their current values.

3] For managerial decision the actual and actual profit must be expressed in terms of the same purchasing power.

4] Inflation accounting helps in making better comparison of profitability of the two plants stop at different dates because current values and not historical costs of the plants will be taken for comparison purpose.

5] Financial ratio calculated on the basis of balance sheet and Profit and Loss account adjusted to current values would provide more meaningful information as compared to the ratios based on the historical costs.

6] A rate of return on capital employed adjusted to the current price index is more useful in the valuation of business by its owners, creditors and management.

\* Accounting changes :-

1] Changing depreciation on current values of fixed asset is not acceptable to Income tax authorities. So on useful purpose will be served by following accounting for changing rate. So far as income tax is concerned.

2] The many calculations are involved for adjusting accounting to changing rate and making financial statements comparable.

3] Changing depreciation is process of distributing of original cost of a fixed asset over its effective life so charging anything in excess over the effective life of asset is against the concept of depreciation.

4] Adjusting accounts to changing prices involves every process because price go on changing every day.

Retail Price Index (RPI) - 1/1/2011 - 800  
 RPI - 31/10/2011 - 300  
 Average for the year 2010  
 → Solution  
 Statement showing Net monetary results on account of price level changes.

Particulars	Amt	Amt
<p> <u>I</u> Monetary substitutes            Creditors - 15000            Loan - 20000            35,000 x 1.5            52500         </p>	52500	<p>           Average during the year            Creditors 20,000            Loan 20,000  <u>40,000</u>  <del>35,000</del>            5000 x 1.5            7500         </p>
<p> <u>II</u> Monetary substitutes as on 31/10/2011            Gain from monetary substitutes         </p>	<p>           58750            40,000            18750         </p>	<p> <u>II</u> Monetary Assets            Cash 5000            Bank 20,000            25,000 x 1.5            37500         </p>
18750	37500	

$$\text{Avg} = \frac{360}{300} = 1.2 //$$

$$\frac{1/4/2012}{360} = 1.5 //$$

working Note

← solution

Avg Order for the year 300

$$1/4/12 = 240$$

$$3/3/13 = 360$$

Q) You are required to work out the Net Inventory as at the company at 3/3/2013 regarding the following data -

$$\text{Avg} = \frac{300}{200} = 1.5$$

$$\frac{1/1/2011}{300} = 1.5$$

working Note

Less from Inventory Assets  
Net Inventory Cash

Less e-Monetary Asset as on 3/12/11

cash	10,000
Book debt	25,000
	35,000
	25,000
	10,000 x 1.25

10,000	10,000
50,000	50,000
35,000	35,000
15,000	15,000
	31,500

14350

15450

15450 -  
 34500  
 49950  
 0000

After Monetary loss  
 loss from monetary asset

Loss & Monetary liabilities as on 31/3/13

2.1 x 00000  
 00000  
 00000  
 00000 - 10000  
 00000 - 4000

Increased during the year

44000

0.1 x 00000  
 00000 - 35000  
 00000 - 3500

Monetary Assets II

09800

09800  
 62000  
 91800  
 4800

loss from monetary liabilities

Loss & Monetary liabilities as on 31/3/13

2.1 x 00000  
 40000 -  
 60,000  
 40000  
 20,000

Increased during the year 31/3/13

87000

0.1 x 00000  
 40000  
 18000

Monetary liabilities I

amt

amt

Particulars

of current cost accounting (CCA) :-

This method takes into consideration the changes in the value of money but does not consider changes in the value of individual items. The value of an item may be increased on the basis of general price index whose as the actual value of that item might decrease so in this method historic values of items are not taken into account.

Problem No 8-1

A firm purchased a machinery for a sum of Rs. 10 lakh on January 1, 2000. It had an expected life of 10 years without any scrap value and the firm's financial statements for the assets were as follows.

January 1 2016	100
January 1 2019	160
December 31 2019	145

You are required to value the machinery on January 1, 2019 and December 31, 2019 by applying the historical cost accounting system and current cost accounting system charging depreciation on straight line basis.



Plant fixtures of 60,000 installed on 1/1/14 depreciation was charged at 5% by building 10% by plant according to straight line method replacement cost indices are as follows.

Assets	Cost of	Depreciable	Net of
Land Building Plant	30,000	94,000	30,000
	80,000	96,000	56,000
	340,000	100,000	25,000

Problem No. 6-2  
 X Ltd had the following fixed assets on 31/12/2014.

Particular	January 1 2019	December 31 2019
Cost	Historical cost	Historical cost
	100,000	100,000
Depreciation (3-4 years)	3,000	48,000
	100,000	400,000
Cost	112,000	60,000
	105,000	105,000

The balance sheet as on 31<sup>st</sup> December 2019 as per format under CA would show the machinery at 100,000 as compared to 6 lakh and H/A the excess of 40,000 will be put to "depreciation cost - accounting reserve".

→ Statement showing the ... of machinery

you are required to show how the balance sheet items will be affected by the changes according to the method of valuation  
 Two items of balance sheet which will be affected under the CA system are fixed asset and current asset.

Fixed Assets

Assets	Land	Building	Plant
date of acquisition	1/1/07	1/1/07	31/12/07
	100	100	300
	250	200	200
	100	100	250

Assets	Land	Building	Plant & Machinery
Original cost	90,000	175,000	500,000
Depreciation on current cost	-	50,000	210,000
	90,000	125,000	290,000
	90,000	315,000	528,000

Current cost accounting assets

Particulars

Amount

Increase the cost fixed asset (191000-37000)  
 Less: Increase in depreciation (60000-10000)  
 Net effect (increase) (10000)

421000	140800	278000	26600	303800
--------	--------	--------	-------	--------



b) Loss on monetary items  
Cash received on share sold on June 30 = 88000  
loss of purchasing power @ 5%  
for restated cash from June 30 to December 31  $(88000 \times 5/100) = 44000$

f) Current cost of shares unsold on 31 Dec 84000  
less: Acquisition cost of share unsold 50,000  
unrealised holding gain 34000

g) Unrealised holding gain is current replacement cost of shares remained unsold upto 31<sup>st</sup> December minus acquisition cost of these shares as at December 31 purchasing power  $(84000 - 50,000 \times 1.1235) = 27825$

h) Capital constituted on January 1 registered to December 31<sup>st</sup> purchasing power  $(100,000 \times 1.1235) = 1,12,350$ .

i) Cost of unsold shares on January 1 for 50,000 restated to December 31 purchasing power  $(50,000 \times 1.1235) = 56,175$ .

4) Periodic Evaluation of kindred assets along with adoption of LIFO method of Inventory  
In 1938 last in first out (LIFO) method of Inventory valuation was permitted for limited class of tax payers in USA and in 1939 the LIFO Privilege was generalised for tax payers because of Price Inflation. As a result of this the LIFO method of Inventory valuation got the world wide general acceptance & it's made use of during Inflation.

From the following information restate the cost of sale according to HCA and CPP method presuming that the firm is using FIFO method for pricing its inventory.

Inventory on 1/1/2016 = 12000  
 Purchase during the year = 14000  
 Inventories on 31/12/2016 = 3400

In the above inflation has been given historical cost basis the price index in the beginning of 2016 was 100 which at the end of 2016 it was 190 the inventory on 31/12/16 consist of purchase made when the price index was 170 the purchase were made uniformly during the year

Solution

Particulars	Amt	CF	Amt CPP
Opening Stock	12000	$\frac{190}{100} = 1.9$	22800
Purchasing during the year	14000	$\frac{190}{100} = 1.9$	15540
	26000		38340
<u>Less</u> - closing Stock	3400	1.11	3774
	22600		34566

KWT's

DIVEKAR COLLEGE OF COMMERCE

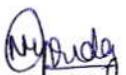
P.G (M.COM) CENTRE KARWAR

Assignment On :  
Tax planning with respect of Muga & De-muga

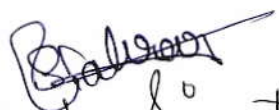
Subject :  
Corporate Tax planning

Submitted By :  
Namrata H. Pyada  
M.COM II<sup>nd</sup> year.

Submitted To :  
Shubham Talikar  
Lecturer in Commerce.

  
Student's Signature

Date : 4/10/2019.

  
Lecturer's Signature

Tax planning with respect to Mergers and Demergers

Divisions:

The term amalgamation or Merger or Demergers is not defined in the Companies act 1956 Chapter V of part VI of Companies act comprising sections 390 to 396 A. contains provisions regarding companies arrangement & Reconstructions.

In simple terms, a merger or amalgamation is an arrangement where by the assets of 2 or more companies become vested in one company (which may or may not be one of the original two companies).

De-merger is an arrangement whereby some part / undertaking of one company is transferred to another company which operates separately separate from the original company. Shareholders of the original company are usually given an equivalent stake of ownership in the new company.

Tax planning in case of Amalgamation / Merger:

1. Exemption from capital gains tax (Section 47 (vii)):  
Under this section of the Income tax act, Capital gain arising from the transfer of assets by the amalgamating company to the Indian amalgamated company will exempt from tax.

2. Under section 47 (viid): In case of amalgamation of foreign companies, transfer of shares held in Indian company by amalgamating company to amalgamated

3. Tax reliefs to the Shareholders of an amalgamating Company.

4. Section 72 A of the Income tax act 1961: Deals with the merger of the Sick Companies with healthy Companies and to take advantage of the carry forward of accumulated losses and unabsorbed depreciation of the amalgamating Company.

5. Unabsorbed expenditure on scientific research of the amalgamating Company will be allowed to be carried forward and set off in the hands of the amalgamated Company.

6. Treatment of Capital expenditure on family planning (U/s 36(1)(IV)): Such expenditure shall be allowed as deduction to the amalgamated Company in the same manner as would have been allowed to the amalgamating Company.

7. Treatment of bad debts (Section 36(1)(VII)): Such debts turn out to be bad. It shall be allowed as deducted to the amalgamated Company.

Provision Applicable Company in Case of De-merger:

1. Capital gains (Section 47(vi) and 47(vid)): Gains arising on transfer of a capital asset in a scheme of amalgamation / demerger to the amalgamated Company being Indian Company is exempt.



From the following information calculate the cost of goods sold under FIFO method. FIFO method full pricing it's inventory

the cost of goods sold under FIFO method during 2016 was 11000  
 purchases on 1/1/2016 2100  
 purchases on 31/12/16 5700

The GPI was 100 when the beginning inventory was acquired the ending inventory consist of purchase made when the GPI was 110 the GPI was at the end of 2016 was 180 The purchase were made during the year

Solution:-

Particulars	AMT	CR	AMT C/P
opening stock	2400	$\frac{180}{100} = 1.8$	4320
purchasing during the year	21000	$\frac{180}{100} = 1.0$	34200
closing stock	23400	$\frac{180}{100} = 1.8$	38550
	2400	$\frac{180}{100} = 1.8$	4320
	2400		4320