15/10/25

TM251214H

Reg. No :.....

Name :.....

MASTER'S DEGREE (C.S.S) EXAMINATION, OCTOBER 2025

2025 ADMISSIONS REGULAR

SEMESTER I - CORE COURSE (COMMERCE)

CO1C01TM25 - Specialised Accounting

Time : 3 Hours **Maximum Weight : 30**

Part A

Answer any 1 question from the bunch of CO1. Each question carries 1 Weight. **(1x1=1)**

1. Explain the effects of uncertainities on revenue recognition. [CO1,Understand]
2. XY Ltd carried plant in the Balance Sheet on 31 March 2020 @ Rs. 50,00,000. The value in use is Rs. 400,000. The net selling price is Rs. 300,000. Calculate impairement loss. [CO1,Apply]

Part A

Answer any 1 question from the bunch of CO2. Each question carries 1 weight. **(1x1=1)**

3. Distinguish between purchased goodwill and inherent goodwill [CO2,Understand]
4. Explain the circumstances which lead to valuation of shares. [CO2,Appl

Part A

Answer any 2 questions from the bunch of CO3. Each question carries 1 weight. **(1x2=2)**

5. Define External Reconstruction. [CO3,Apply]
6. Describe the Lump Sum method of calculation of Purchase Consideration with example. [CO3,Understand]
7. Describe Purchase Consideration. [CO3,Understand]

Part A

Answer any 2 questions from the bunch of CO4. Each question carries 1 weight. **(1x2=2)**

8. Describe NAV [CO4,Understand]
9. Explain the accounting treatment of investment of mutual funds [CO4,Understand]
10. Calculate the NAV of a mutual fund with a scheme size of Rs. 100 crore and face value per unit is Rs. 10. The investment in shares having a market value of 400 crore. [CO4,Understand]

Part A

Answer any 2 questions from the bunch of CO5. Each question carries 1 weight. **(1x2=2)**

11. Explain Artificial Intelligence. [CO5,Understand]
12. Summarise the challenges of blockchain technology. [CO5,Understand]
13. Describe the term lean accounting [CO5,Understand]

Part B

Answer any 2 questions from the bunch of CO3. Each question carries 2 weight. **(2x2=4)**

14. Following are the assets and liabilities of Beta Ltd as at 31st March 2024:
    Equity shares of Rs. 10 each Rs. 90,00,000
    12%Preference shares of Rs. 100 each Rs. 30,00,000
    General Reserve Rs. 29,40,000
    Statutory Reserve Rs. 3,75,000

Surplus Rs. 10,65,000
13% Debentures Rs. 7,50,000
Current Liabilities Rs. 29,70,000
Fixed assets Rs.1,41,90,000
Current assets Rs.59,10,000
On 1st April 2024 Alpha Ltd takes over Beta Ltd on the following terms:
a) Alpha Ltd will issue 10,50,000 equity shares of Rs. 10 each at par to the equity shareholders of Beta Ltd.
b) Alpha Ltd will issue 33,000 12% Preference shares of Rs. 100 each at par to the Preference shareholders of Beta Ltd.
Give journal entries in the books of Alpha Ltd.

[CO3,Apply]

15. Explain the conditions for satisfying amalgamation in the nature of Merger. [CO3,Apply]
16. Explain various methods of calculating purchase consideration. [CO3,Apply]

Part B

Answer any 2 questions from the bunch of CO4. Each question carries 2 weight. (2x2=4)

17. On Ist April, Birla Mutual Fund issued 20,00,000 units at Rs. 10/unit. The relevant initial expnses involved were Rs. 12,00,000. It invested the funds so raised in a portfolio of 18,50,0000. During the month of April, it disposed off some of the instruments costing Rs. 60,00,000 for Rs. 63,00,000 and used the money to purchases securities for 56,00,000. fund management expenses for the month of April were 8,00,000 of which 10% was in arrears. In April, the fund earned dividends amounting to Rs. 2,00,000 and it distributed 80% of the realizes earnings. On 30th April, the market value of the portfolio was Rs. 1,98,00,000. compute NAV of each unit. [CO4,Apply]
18. Differentiate between closed ended scheme and open ended scheme of mutual fund. [CO4,Understand]
19. Differentiate between banks and NBFCs [CO4,Analyse]

Part B

Answer any 2 questions from the bunch of CO5. Each question carries 2 weight. (2x2=4)

20. Enumerate different types of block chains. [CO5,Understand]
21. Express the concept of Green Accounting. [CO5,Understand]
22. Distinguish between Traditional Accounting and Forensic Accounting. [CO5,Understand]

Part C

Answer any 1 question from the bunch of CO1. Each question carries 5 weight. (5x1=5)

23. Discuss the Principles of Recognition of DTA and Explain the differences between permanent differences and timing differences. [CO1,Understand]
24. Explain the Special cases of Revenue Recognition Principles in Sale of goods and in rendering of services. [CO1,Understand]

Part C

Answer any 1 question from the bunch of CO2. Each question carries 5 weight. (5x1=5)

25.

1. Following are the balances obtained of two companies X Ltd. and Y Ltd as on 31st March 2023.

	X Ltd.	Y Ltd.		X Ltd.	Y Ltd.
Equity shares of Rs.10 each	15,00,000	10,00,000	Goodwill	2,00,000	1,00,000
Reserves	3,00,000	2,00,000	Net Tangible Asset	17,00,000	14,00,000
10% Debentures	6,00,000	4,00,000	Current assets	8,00,000	6,00,000
Creditors	3,00,000	5,00,000			
	27,00,000	21,00,000		27,0,000	21,00,000

Additional information:

a. Assets are revalued as follows:

Net tangible assets of XLtd. Rs.21,00,000 and Y Ltd. Rs.12,00,000 and Current assets of X Ltd. Rs.10,00,000 and Y Ltd Rs.4,00,000.

b. Average annual profit for the three years before charging debenture interest:

XLtd. Rs.4,50,000 and Y Ltd. Rs 3,10,000.

c. Goodwill is valued at four years' purchase of average super profits for three years. Average is to be calculated after adjustment of depreciation @ 10% on the amount of increase/ decrease on revaluation of fixed assets. In the case of Y Ltd., a claim of Rs.10,000, which was omitted, is to be adjusted against profit. Income tax is to be ignored.
d. The normal rate of return is taken at 15% on capital employed, which is based on the revaluation amount of tangible assets.

Ascertain the value of goodwill of X Ltd. and Y Ltd.

[CO2,Evaluate]

26.

1. The following financial position of a manufacturing company are available:

Share capital 30,000 shares of Rs.10 each Rs.3,00,000
Capital Reserve Rs. 60,000
P/L Account Rs. 26,000
Sundry creditors Rs. 71,000
Provision for taxation Rs.55,000
Land and Building less depreciation Rs.1,70,000
Plant and Machinery less depreciation Rs. 90,000
Goodwill Rs. 30,000
Stock Rs. 1,15,000
Debtors (less provision of Rs.3,000) Rs.95,000
Cash at Bank Rs. 12,000
You are required to value goodwill under:

a. 5 year's purchase of super profit method
b. Capitalisation of super profit method
c. Capitalisation of average profit method

For this purpose the following further details are available:

- Adequate provision has been made in the accounts for income tax and depreciation.
- Rate of tax may be taken at 50%.
- The average rate of dividend declared by the company for the past five years was 15%.
- The reasonable return on capital invested in the class of business done by the company is 12%.

[CO2,Analyse]