

Exam. Code: 217602  
Subject Code: 5554

M.Com. 2nd Semester (Batch 2021-23)  
CORPORATE FINANCIAL ACCOUNTING AND  
AUDITING

Paper—MC-201

Time Allowed—3 Hours] [Maximum Marks—100

Note :- Attempt FIVE questions in all, selecting at least ONE question from each Section. The fifth question may be attempted from any Section. All questions carry equal marks.

SECTION—A

1. What do you mean by the final accounts of a company ? Discuss the major contents and form of the balance sheet of a company.
2. What are the requirements of law for the calculation, ceiling and payment of managerial remuneration ?

SECTION—B

3. The average net profits expected of a firm in future are Rs. 68,000 per year and capital invested in the business by the firm is Rs. 3,50,000. The rate of interest expected from capital invested in this class of business is 12%. The remuneration of the partners is estimated to be Rs. 8,000 for the year. Calculate the value of goodwill on the basis of five years purchase of super profit.

4. Why is valuation of shares important ? Critically analyse the different approaches to valuation of shares.

#### SECTION—C

5. Who is C and AG and what role does it play in the country ? How and when is audit done by CAG ?
6. Who appoints the statutory auditor ? Discuss the duties and liabilities of a statutory auditor.

#### SECTION—D

7. What is the role of management audit ? Discuss the procedure for appointment and necessary qualifications for a management auditor.
8. Audit of functional areas in an organisation help in inducing efficiency and effectiveness. Do you agree ? Justify your answer with examples.