

SOMAIYA

VIDYAVIHAR UNIVERSITY

Dr. Shantilal K. Somaia School of Commerce and Business Studies

QUESTION PAPERS

BRANCH: Bachelor of Commerce (Accounting & Finance) Hons.	SEM: II
	MAR/APR-2023

Sr. No.	Subject	Available
1.	131U03C104 - Economics II (A)	
2.	131U03C104 - Economics II (B)	
3.	131U03C201 – Financial Accounting (Special Accounting Areas) II (A)	
4.	131U03C201 – Financial Accounting (Special Accounting Areas) II (B) , (C)	
5.	131U03N201 – Environmental Science (A) , (B)	
6.	131U03C202 – Cost & Management Accounting II	
7.	131U03C203 – Business Law I (A) , (B)	
8.	131U03C205 – Corporate Finance II (A)	
9.	131U03C205 – Corporate Finance II (B)	
10.	131U03C205 – Corporate Finance II (C)	
11.		
12.		
13.		
14.		
15.		



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February 2023

Examination: In Semester Examination (UG/PG Programme Programme)

Programme code: 02 & 03		Class: FY	Semester: II
Programme: BAF & BAF (HONS)			
Name of the Constituent College: S. K. Somaiya College (SKSC)		Name of the Department: Accounting & Finance	
Course Code: 131U02C104 & 131U03C104	Name of the Course: Economics - II		
Duration : 2 Hrs.	Maximum Marks : 60		
Instructions: 1) All questions are compulsory. 2) Figures to the right indicate full marks. 3) Mention the Proper Question Number. 4) Draw appropriate diagrams & also provide Suitable examples wherever necessary.			

Question No.		Max. Marks	CO
Q-1	<u>Answer the following Questions:</u>	(15)	
A	State the meaning of TP, AP & MP. Explain the relationship between all the three variables. Support your answer with its suitable diagram. (Schedule is not required)	(15)	1
	OR		
B	Elaborate on Price Discrimination in detail along with an example. Also mention its various types & its importance.	(15)	2
Q-2	<u>Answer the following Questions:</u>	(15)	
A.	Behavioral economics understands how and why people behave the way they do in the real world. Justify this statement with its meaning & features in detail.	(8)	3
B.	The key insight of neuroeconomics for the field of economics is that the brain is composed of multiple systems which interact. Justify & discuss neuroeconomics in detail.	(7)	3
	OR		
C.	List down all the three features of Prospect Theory. Discuss 'Isolation effect' in detail along with example & its advantages.	(8)	3
D.	Bounded rationality is the theory that consumers have limited rational decision making. Elaborate on the introduction of Bounded Rationality & explain the scientific reason behind bounded rationality & how can one avoid it.	(7)	3

<p><u>Q-3</u> A.</p> <p>B.</p>	<p><u>Answer the following Questions:</u> Define Welfare Economics? Explain the merits & demerits of same for a country/ Society when the country is not able to provide some better welfare programs.</p> <p style="text-align: center;">OR</p> <p>Discuss Economics of Crime? Explain the Traditional & Modern crimes along with few examples.</p>	<p>(15) (15)</p>	<p>4</p> <p>4</p>
<p><u>Q-4</u></p>	<p><u>Case Study:</u> <u>Answer the following questions based on the case study below given</u> In the United States, this question is particularly relevant to the <u>Supplemental Security Income program</u>, which provides cash assistance to the families of 1.2 million low-income children with disabilities and to 5.2 million low-income adults with disabilities (Social Security Administration, 2020). These children are disadvantaged in terms of both low income and disability. When children who receive SSI turn 18, they are re-evaluated to determine whether their medical condition meets the eligibility criteria for adult SSI. About 40% of children who receive SSI just before age 18 are removed from SSI as a result of this re-evaluation. Relative to those who stay on SSI in adulthood, these children lose nearly \$10,000 annually in SSI benefits in adulthood.</p> <p>Perhaps the most obvious channel through which SSI removal at age 18 could affect criminal justice involvement is the loss of SSI income in adulthood. Annual SSI benefits are nearly \$10,000 for adults with no earnings. We distinguish between an "indirect" income effect that operates through increased employment, and a direct" income effect that operates through the income loss itself. Regarding the indirect income effect Deshpande (2016) finds that SSI removal at 18 increases the likelihood of earning at full-time, full-year minimum wage levels (\$15,000/year) from 10 percent to 14 percent and increases average annual earnings from \$4,200 to \$5,000.</p>	<p>(15)</p>	<p>4</p>



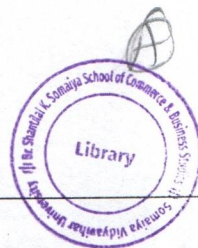
Higher employment and earnings levels could reduce criminal justice involvement either mechanically i.e., by occupying the time of youth who would otherwise or by building good habits that reduce the likelihood of spending (Heller, 2014). Randomized studies of ex-offenders from the 1970s and that welfare benefits increase recidivism, likely because they discourage work Of course, 86 percent of youth removed from SSI at age 18 still do not earn at self-sufficiency levels, so any indirect effects of employment are unlikely to apply to them.

To test for an indirect income effect, we estimate the effects of SSI removal on the joint outcomes of employment and crime. If reductions in crime are observed and concentrated among those who work in response to SSI removal, this would provide evidence in support of the indirect income effect.

- | | |
|--|-----|
| i. What is a welfare program initiated by any country? | (5) |
| ii. How is SSI Program benefitting the whole nation? | (5) |
| iii. So, if such welfare programs are advantageous, should they be open for all the masses?? If yes / no Justify | (5) |



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February 2023

Examination: In Semester Examination (UG/PG Programme Programme)

Programme code: 02 & 03		Class: FY	Semester: II
Programme: BAF & BAF (HONS)			
Name of the Constituent College: S. K. Somaiya College (SKSC)		Name of the Department: Accounting & Finance	
Course Code: 131U02C104 & 131U03C104		Name of the Course: Economics - II	
Duration : 2 Hrs.		Maximum Marks : 60	
Instructions: 1) All questions are compulsory. 2) Figures to the right indicate full marks. 3) Mention the Proper Question Number. 4) Draw appropriate diagrams & also provide Suitable examples wherever necessary.			

Question No.		Max. Marks	CO
Q-1	<u>Answer the following Questions:</u>	(15)	
A	State the meaning of the Law of Variable Proportion. Explain the various reasons for all the stages of this law. Support your answer with its suitable diagram. (Schedule is not required)	(15)	1
	OR		
B	Businesses may also apply Price Bundling pricing strategy to a variety of services in addition to items and products in today's era. Elaborate on this concept in detail along with examples. Mention its types & advantages in detail.	(15)	2
Q-2	<u>Answer the following Questions:</u>	(15)	
A.	Behavioral economics understands how and why people behave the way they do in the real world. Justify this statement with its meaning & various factors that influence human behaviour.	(8)	3
B.	State the meaning of Prospect Theory. List down all the three features of prospect theory. Discuss 'Uncertainty' in detail along with example & its advantages.	(7)	3
	OR		
C.	Bounded rationality is a topic that is lot discussed today & economists are realizing its importance more than they expected. Elaborate on the importance & significance of bounded rationality.	(8)	3
D.	Discuss the most recent topic – neuroeconomics in detail.	(7)	3

<p><u>Q-3</u></p> <p>A.</p> <p>B.</p> <p>C.</p> <p>D.</p>	<p><u>Answer the following Questions:</u></p> <p>State Welfare Economics? Explain the advantages of same for a country/ Society in detail.</p> <p>Discuss the concept of Economics of Crime? Explain the relationship between crime & various factors. Support your answers with suitable examples.</p> <p style="text-align: center;">OR</p> <p>Elaborate Economics of Crime & explain the various types of crimes?</p> <p>Define Welfare economics? What are the various factors affecting the welfare of human beings? Elaborate the points.</p>	<p>(15)</p> <p>(8)</p> <p>(7)</p> <p>(8)</p> <p>(7)</p>	<p>4</p> <p>4</p> <p>4</p> <p>4</p>
<p><u>Q-4</u></p>	<p><u>Case Study:</u></p> <p><u>Answer the following questions based on the case study below given</u></p> <p>Have you continued with a project long after you should have abandoned it? Persevered with a relationship even after the point of no return? Dragged yourself to an event in miserable weather just because you already bought the ticket with your hard-earned cash? These are all examples which occurs when someone chooses to do or continue something just because they have invested (unrecoverable) resources in it in the past.</p> <p>The effect is often attributed to well-known high-stakes decisions across various contexts. For example, the management at General Motors' reluctance to move away from once-winning strategies is said to have contributed to the firm's decline late in the last century. In aviation, throwing good money after bad is generally considered to have led to the massive investment by the British and French governments in the Concorde project (indeed, the sunk cost effect is still sometimes referred to as the Concorde Fallacy). And in the political sphere, examples such as the prolonged U.S. military campaigns in Vietnam and Iraq suggest that the effect can lead not only to financial ruin, but also to the loss of tens of thousands of lives.</p> <p>It is a core lesson in many business economics or decision-making classes that any unrecoverable costs sunk in the past are irrelevant when deciding what to do next. Decision-makers need to remember: when</p>	<p>(15)</p>	

sunk costs affect strategic decisions, there can be real consequences.

Testing Sunk Costs:

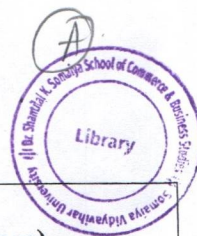
As the table shows, each of these 8 scenarios tests the susceptibility of participants taking the test to the sunk cost effect with respect to at least 1 category of cost – effort, time, money, emotion, or belief. In Scenarios that measure susceptibility to more than 1 kind of sunk cost. One category (marked with black dot) will typically be more important to the decision.

Scenarios	Resources (sunk costs)				
	● MAIN ● SECONDARY				
	Effort	Time	Money	Emotion	Belief
Making a Halloween cape	●	●			
Writing a wedding toast	●			●	
Painting your bedroom	●				
Terminating a project		●			
Changing your investment strategy			●		
Ending a relationship		●		●	
Deciding how to vote	●	●			●
Calculating a route	●	●			●

- Discuss the concept of Sunk cost fallacy in detail. (5)
- Elaborate the various factors related to the sunk cost fallacy. (5)
- Consider the above image for reference & pick any one example of your choice & explain in detail along with the respective resources being wasted for each activity. (5)



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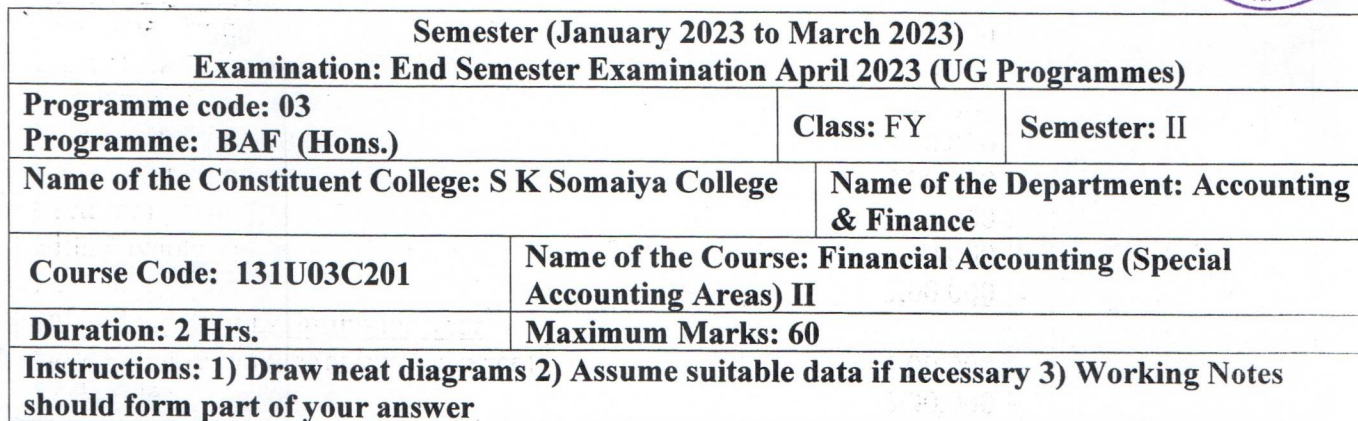


Semester (November 2022 to March 2023)

Examination: End Semester Examination March/April 2023 (UG Programmes)

Programme code:02 & 03 Programme: BAF & BAF(Hons)		Class: FY	Semester: II
Name of the Constituent College: S K Somaiya College		Name of the Department: Accounting & Finance	
Course Code: 131U02K201 & 131U03K201	Name of the Course: Computer Skill		
Duration: 2 Hrs.	Maximum Marks: 60		
Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary 3)			

Question No.		Max. Marks	CO attainment
Q.1	A) Explain the Table Tool in MS Word.	8	1
	B) Explain Page Setup in MS Excel.	7	3
	OR		
	C) Describe the types of Pointers in MS Excel.	10	3
Q.2	D) Explain Page Borders in MS Excel.	5	3
	A) Explain the types of Alignment in MS Excel.	8	3
	B) Describe the use of Text Box in MS Word.	7	1
	OR		
Q.3	C) Explain Mail Merge in MS Word.	10	1
	D) Explain the Datedif Formula in MS Excel.	5	4
	A) Describe the PowerPoint and write down their Use.	8	2
	B) Explain Vlookup Formula in MS Excel.	7	4
Q.4	OR		
	C) Explain the Review Tab of MS Word.	10	1
	D) Explain Wrap Text in MS Excel.	5	3
	Answer the following (list down the Steps)		
	A) Save the file in MS Word.	3	1
	B) Steps for opening MS PowerPoint in your computer.	3	2
	C) Apply Animation in MS PowerPoint.	3	2
	D) In MS Excel how to Merge the Cell.	3	3
	E) Apply Max Formula in MS Excel.	3	4



Question No.		Max. Marks	CO Attainment
Q.1	<p>A) On 1st January 2017, M/S KK & Sons purchased a laptop from Mohammad Ali for Hire Purchase price of Rs. 77,000. The cash price is Rs. 74,378. M/S KK & Sons immediately paid an amount of Rs. 16,000 through cheque and agreed to repay the rest in five yearly equal instalments of Rs. 15,400 each (inclusive interest). M/S KK & Sons charges depreciation @10% p.a. using WDV method on Laptop. You are required to pass journal entries in the books of M/S KK & Sons.</p> <p style="text-align: center;">OR</p> <p>B) M/S Dinesh & Co. of Mumbai consigned to Mr. Dattatraya of Nashik 1,000 sewing Machines costing Rs. 2,500 per sewing machine. They were invoiced at 20% above cost price. M/S Dinesh & Co. paid Rs. 3,000 on insurance, Rs. 7,000 on carriage and Rs. 10,000 for Miscellaneous expenses.</p> <p>On receiving the consignment Mr. Dattatraya accepted a bill for Rs. 15,00,000. M/S Dinesh & Co. discounted the bill for Rs. 14,75,000 and the discount was charged to consignment account.</p> <p>Mr. Dattatraya sent an account sales which shows as:</p> <ol style="list-style-type: none"> Cash sales of 600 Sewing Machines @ Rs. 3,500 each. Credit Sales of 300 Sewing Machines @ Rs. 4,000 each. Mr. Dattatraya paid for godown rent Rs. 6,000 and Selling expenses RS. 7,500. <p>Mr. Dattatraya remitted balance due by a draft after deducting expenses and commission @ 10% on sales and del credere commission @ 2 %.</p> <p>Show consignment account and Mr. Dattatraya Account in the books of Mr. Dinesh & Co.</p>	15	CO1
Q.2	<p>A) Madras Cafe has a branch at Chennai to which goods are invoiced at 25% profit on cost. All expenses of branch are to be paid by head office except petty cash expenses and branch remits all cash received to the head office. From the following particulars prepare Branch A/c and Debtors A/c in the</p>	15	CO3

books of Head Office for the year ended 31st March 2023.

Particulars	Amount in Rs.
<u>Opening Balances</u>	
Bank Overdraft	35,000
Cash at Bank	60,000
Investments	1,20,000
Land & building	10,00,000
Machinery	5,00,000
Creditors	25,000
Bills Payable	20,000
Furniture	3,00,000
<u>Other Transactions during the year</u>	
Goods sent to branch (at invoice price)	4,00,000
Cash Sales	16,00,000
Credit Sales	2,00,000
Goods returned by customer to Head Office	20,000
Discount allowed to debtors	10,000
Goods returned by debtors	5,000
Goods returned by branch to Head Office (at invoice price)	40,000
Cash received from debtors	2,00,000
<u>Closing Balances</u>	
Bank Overdraft	27,000
Cash at Bank	80,000
Investments	1,50,000
Land & building	10% Depreciation
Machinery	15% Depreciation
Creditors	18,000
Bills Payable	13,000
Furniture	5% Depreciation
<u>Other Expenses(cash sent to the branch)</u>	
Staff Salaries	1,32,000
Electricity	26,000
Rent	20,000

OR

B) J. S. Trading Company Nagpur, invoices goods to its Kanpur Branch at cost which sells on credit as well as for cash. From the following particulars prepare Branch Stock Account, Goods Sent to Branch A/C, Branch Debtors Account, Branch P&L Account. Cash is immediately remitted by Branch to Head Office. Expenses are paid by Head Office.

Particulars	Amount	Particulars	Amount
Stock at Branch on 1-1-2007	7,560	Debtors on 1st Jan, 2007	13,000
Goods from Head Office	35,500	Cash paid by customers	24,600
Goods returned by customers	300	Discount & Commission to customers	1,360
Total Sales	46,760	Bad Debts	300
Cash Sales	16,750	Rent, Rates and Taxes	300
Goods returned to Head Office	16,750	Salaries and Wages etc	3,650
Stock at Branch on 31 Dec. 2007	6,950		

Q.3

A) On 15th June 2022, the premises and stock of a firm was destroyed by fire but the accounting records were saved from which the following particulars are available :

Stock on 1.1.2021	Rs. 73,500
Stock on 31.12.2021	Rs. 81,900
Purchases for the year 2021	Rs. 3,98,000
Sales for the year 2021	Rs. 4,87,000
Purchases from 1.1.2022 to 15.6.2022	Rs. 1,62,000
Sales from 1.1.2022 to 15.6.2022	Rs. 2,31,200

The stock salvaged was Rs. 5,300. The fire insurance policy was in force for Rs.50,000. Show the amount of claim.

Additional Information:

1. Goods withdrawn by proprietor in May 2022 Rs. 1,000.
2. Purchases did not include amount of Rs.5,000 for which goods were received day preceeding fire but no entry was passed in books.
3. Sales include Rs.4,000 for which entry was passed but not dispatched till the date of fire.

OR

B) Following is the Trial Balance of Sahadev CHS Ltd. Prepare final Account in the Prescribe format as per applicable legal provisions for the year ended 31st March,2023.

Particulars	Dr. Rs.	Particulars	Cr. Rs.
1 share of MDC Co-op Bank	200	Collection from Members	6,87,250
1 share of MDCH Federation	200	Dividend	12
Accrued interest on FD	3,38,816	Income and Expenditure Account	6,19,038
Audit fees	2,000	Interest – Fixed Deposits	1,40,358
BEST Deposit	5,200	Interest - Saving Bank	3,654
BMC Deposit for water	10,982	Members Contribution for Building Fund	18,87,000
Cash in Bank	20,910	Security Deposits form Members	37,600
Cash in hand	2,328	Sinking Fund – Opening	6,93,548
Fixed Deposits	22,28,232	Statutory Reserve Fund – Opening	8,93,570
Furniture and fittings	6,416	Subscribed Capital:	
Land and Building	18,87,000	200 shares of Rs. 50 each	10,000
Property Taxes and Expenses	1,75,900		
Salaries	1,16,872		
Housekeeping charges	31,460		
Subscription to the Education Fund	4,800		
Water Charges	3,40,714		
	49,72,030		49,72,030

15

CO5

	<p>Adjustments:</p> <p>1. Details of collection from members</p> <table><tr><td>Property Taxes and Expenses</td><td>Rs. 3,84,850</td></tr><tr><td>Establishment Expenses</td><td>Rs. 2,59,200</td></tr><tr><td>Contribution to Sinking Fund</td><td>Rs. 43,200</td></tr><tr><td></td><td>Rs. 6,87,250</td></tr></table> <p>2. Authorised Capital: 3,000 Shares Of Rs. 50 Each</p> <p>3. Depreciation Furniture and Fixture @ 10%.</p> <p>4. Outstanding Water Charges Rs. 23,920.</p>	Property Taxes and Expenses	Rs. 3,84,850	Establishment Expenses	Rs. 2,59,200	Contribution to Sinking Fund	Rs. 43,200		Rs. 6,87,250		
Property Taxes and Expenses	Rs. 3,84,850										
Establishment Expenses	Rs. 2,59,200										
Contribution to Sinking Fund	Rs. 43,200										
	Rs. 6,87,250										
Q.4	<p>Solve the following. (3x5 Marks)</p> <p>A) Sikha Associates having Head office at Mumbai and Branch office at Pune. Head office invoiced goods to branch at 25% load on Invoice price. Provides following further details: Opening Stock at Branch Rs. 1,00,000 (IP); Goods Sent to Branch by H.O Rs. 2,00,000 (IP). Closing Stock at Branch Rs. 1,20,000 (IP), Goods returned by Branch Rs. 20,000 (Cost). Prepare Branch Stock and Brach Adjustment Account.</p> <p>B) Ms. Meena purchase Refrigerator from KK Electronics for Rs. 1,00,000 an amount of Rs. 20,000 is paid immediately and balance amount to be paid in 4 half yearly instalments of Rs. 20,000 each. KK electronics charge interest @ 10% p.a. Prepare table showing interest and instalment.</p> <p>C) Units dispatched by consignor to consignee 1200 at the cost of Rs.12 each. 800 units sold on credit at Rs.20 each. 300 units sold for cash at Rs.22 each. Expenses of consignor: Freight Rs.5,000, Insurance Rs.2,000. Expenses of Consignee: Unloading Charges: Rs.1,500. Go down Rent: Rs. 1,500. Calculate value of closing stock.</p>	15	<p>CO3</p> <p>CO1</p> <p>CO2</p>								



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Semester (January 2023 to April 2023)

Examination: End Semester Examination March/April 2023 (UG Programmes)

Programme code: 03

Programme: BAF (Hons.)

Class: FY

Semester: II

Name of the Constituent College: S K Somaiya College

Name of the Department: Accounting & Finance

Course Code: 131U03C201

Name of the Course: Financial Accounting (Special Accounting Areas) II

Duration: 2 Hrs.

Maximum Marks: 60

Instructions: 1) Draw neat diagrams 2) Assume suitable data if necessary 3) Working Notes should form part of your answer

Questi on No.		Max. Mark s	CO Attain ment																					
Q.1	<p>A) M/s Jolly LLB Transport company purchased a bus from Tata Motors on Hire Purchase System on 1st April 2017 paying Rs. 2,70,000 as down payment. Cash price was Rs. 15,30,000. M/s Jolly LLB transport company paid the balance in four instalments at the year-end 31st March including interest @10% p.a. on the unpaid amount, as follows</p> <table><tr><td>1st Instalment:- Rs. 5,76,000</td><td>2nd Instalment:- Rs. 4,41,000</td></tr><tr><td>3rd Instalment :- Rs. 3,15,000</td><td>4th Instalment :- Rs. 1,98,000</td></tr></table> <p>M/s Jolly LLB Transport Company charged depreciation on the bus @ 10% on diminishing balance method. Show Bus A/c and Tata Motors A/c in the books of M/s Jolly LLB Transport Company.</p> <p style="text-align: center;">OR</p> <p>B) On 1st January, 2022, Mr. Yogesh of Mumbai consigned 500 toys at the rate of Rs. 350 to Mr. Abeer of Agra and incurred following expenses on consignment: cartage Rs.500, freight Rs. 2,000 and Insurance Rs. 2500. The expenses incurred by Mr. Abeer were cartage Rs. 2500, unloading Rs. 1,000 and Rs.2500 for godown rent. On 31st December, 2022 an account sale was received from Abeer showing 450 toys were sold at Rs. 1000 per toy and 50 toys remained unsold. As per agreement 5% commission on sale will be payable to Abeer. Abeer settled the amount due by cheque. Prepare Consignment A/C and Consignee's A/C in the books of Consignor and Consignor's A/C in the books of Consignee.</p>	1 st Instalment:- Rs. 5,76,000	2 nd Instalment:- Rs. 4,41,000	3 rd Instalment :- Rs. 3,15,000	4 th Instalment :- Rs. 1,98,000	15	CO1																	
1 st Instalment:- Rs. 5,76,000	2 nd Instalment:- Rs. 4,41,000																							
3 rd Instalment :- Rs. 3,15,000	4 th Instalment :- Rs. 1,98,000																							
Q.2	<p>A) A head office in Mumbai has a branch at Ahmedabad to which goods are invoiced at 25% profit on cost. All expenses of branch are to be paid by head office except petty cash expenses and branch remits all cash received to the head office. From the following particulars prepare Branch A/c in the books of Head Office for the year ended 31st December 2022.</p> <table><tr><th>Particulars</th><th>Opening Balances</th><th>Closing Balances</th></tr><tr><td>Furniture</td><td>1,00,000</td><td>?</td></tr><tr><td>Plant & Machinery</td><td>2,50,000</td><td>?</td></tr><tr><td>Debtors</td><td>55,000</td><td>?</td></tr><tr><td>Bank Overdraft</td><td>30,000</td><td>23,000</td></tr><tr><td>Creditors</td><td>55,000</td><td>48,000</td></tr><tr><td>Cash in hand</td><td>10,000</td><td>12,000</td></tr></table>	Particulars	Opening Balances	Closing Balances	Furniture	1,00,000	?	Plant & Machinery	2,50,000	?	Debtors	55,000	?	Bank Overdraft	30,000	23,000	Creditors	55,000	48,000	Cash in hand	10,000	12,000	15	CO3
Particulars	Opening Balances	Closing Balances																						
Furniture	1,00,000	?																						
Plant & Machinery	2,50,000	?																						
Debtors	55,000	?																						
Bank Overdraft	30,000	23,000																						
Creditors	55,000	48,000																						
Cash in hand	10,000	12,000																						

	Branch Stock (Invoice Price)	75,000	1,25,000		
	Other details of the Branch are as follows				
	Goods sent to the Branch (at invoice price)		2,25,000		
	Goods returned by customer to the branch (at invoice price)		3,000		
	Cash Sales		1,35,000		
	Total Sales		2,10,500		
	Cash received from Debtors		55,000		
	Goods returned by branch to Head Office (at invoice price)		5,000		
	Discount allowed		1,500		
	Bad debts		1,000		
	<u>Expenses paid by branch (Cash sent by Head Office to Branch)</u>				
	Electricity		3,000		
	Xerox Charges		2,000		
	Printing & Stationary		1,000		
	Salaries of staff		20,000		
	Rent of premises		9,000		
	Provide depreciation on Plant and Machinery @20% p.a. and on Furniture @10% p.a.				
	OR				
	B) Delhi Soap Mills Ltd. has Branch at Agra. Goods are invoiced to Branch at cost plus 50%. Branch remit all cash received to the head office and all expenses are met by head office. Form the following particulars, prepare Branch Stock A/C, Branch Adjustment A/C, Branch Debtors A/C, Branch Cash Bank A/C, Goods sent to Branch A/C and Branch P&L A/C.				15
	Stock on the 1st April, 2022 (invoice price)		93,000		CO3
	Debtors on 1st April, 2022		68,000		
	Goods invoiced to Branch (cost)		3,40,000		
	Sales at Branches:				
	Cash Sales		2,50,000		
	Credit Sales		3,10,000		
	Cash collected from debtors		3,04,000		
	Goods returned by debtors		12,000		
	Goods returned by Branch to head office		1,500		
	Shortage of Stock		4,500		
	Discount allowed to customers		2,000		
	Expenses at Branch		54,000		
Q.3	A) Mrs. Ruby prepares accounts on 30 th Sept each year. But on 31 st December, 2022; fire destroyed the greater part of her stock. Following information were collected from her books.				15
		Rs.			CO4
	Stock as on 1-10-2022	29,700			
	Purchases from 1.10.22 to 31.12.22	75,000			
	Wages from 1.10.22 to 31.12.22	33,000			
	Sales from 1.10.22 to 31.12.22	1,40,000			
	The rate of gross profit margin was 33 1/3% on cost. Stock of the value of Rs.3,000 was salvaged. Insurance policy was for Rs.25,000. The claim was subject to average clause.				
	Additional information:				
	1. stock in the beginning was calculated 10% less than cost.				
	2. Wages include Rs.500 paid for installation of new plant.				
	3. Purchase include purchase of furniture Rs.5,000.				
	You are required to calculate claim for the loss of stock.				

OR

B) From the following Balances of 'Akshay Co-operative Consumers Society Ltd. Pune as on 31-3-2023, prepare the trading and profit and loss account for year ended on 31-3-2023 and Balance Sheet as on that date after considering the adjustments given.

Trial Balance

Particulars	Debit Rs.	Credit Rs.
Share Capital		1,60,000
Calls In Arrears	10,000	-
Reserve Fund	-	15,000
Common Goods Funds	-	5,000
Opening Stock of Consumer Goods	1,10,000	-
Furniture	48,000	-
Education Fund	-	8,000
Sundry Creditors	-	20,000
Sundry Debtors	30,000	-
Commission Payable	-	4,000
Salaries	71,000	-
Commission	17,400	-
Rent, Rates and Taxes	20,000	-
Postage	12,100	-
Land	9,000	-
Interest on investment	-	10,000
Equipment	20,000	-
Purchases	16,40,000	-
Investment	1,00,000	-
Sales	-	20,60,500
Cash in Hand	25,000	-
Cash at Bank	1,70,000	-
	22,82,500	22,82,500

Adjustments:

1. Outstanding rent payable on 31-03-2023 was Rs. 1000
2. Charge 5% Depreciation on furniture.
3. Closing Stock of consumers goods is valued at cost Rs. 1,40,000
4. Interest accrued on Investment Rs. 2000
5. Outstanding Salary on 31st March, 2023 was Rs. 2000 and Rs. 3000 paid in advance.

Q.4 Solve the following. (3x5 Marks)

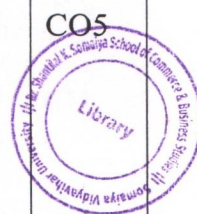
A) On 15 Feb 2019, fire occurred in the Godown of M/S Bad luck Ltd. destroying major part of stock. The books and records were salvaged from which following particulars were ascertained.

Stock on 31-12-2018 Rs.30,000
Purchase from 1-1-19 to 15-2-19 Rs.47,500
Sales for the above period Rs.1,00,000
Gross profit 20% on sales. Goods salvaged Rs.15,000
Calculate loss by fire.

B) Units dispatched by consignor to consignee 2000 at the cost of Rs.25 each. 1500 units sold on credit at Rs.30 each. 300 units sold for cash at Rs.28 each. Expenses of consignor: Freight Rs.10,000, Insurance Rs.4,000. Expenses of Consignee: Unloading Charges: Rs.3,000. Go down Rent: Rs.

15

CO5



15

CO4

CO2

	<p>1,500, Advertising: Rs.1,500. Calculate value of closing stock on consignment.</p> <p>C) A Ltd. purchased a machinery from B. Ltd. on the following terms: Cash price-Rs.79,250 Down payment-Rs.15,850 Balance to be paid in four annual instalment of Rs. 20,000 each including interest @ 10% p.a. Prepare table showing Interest and instalment payable.</p>		CO1
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SOMAIYA
VIDYAVIHAR UNIVERSITY

2023

(A)



Semester (January 2023 to April 2023)		
Examination: End Semester Examination April 2023 (UG Programmes)		
Programme code: 03	Class: FY	Semester: II
Programme: BAF (Hons.)		
Name of the Constituent College: S K Somaiya College	Name of the Department: Accounting & Finance	
Course Code: 131U03C201	Name of the Course: Financial Accounting (Special Accounting Areas) II	
Duration: 2 Hrs.	Maximum Marks: 60	
Instructions: 1) Draw neat diagrams 2) Assume suitable data if necessary 3) Working Notes should form part of your answer		

Questi on No.		Max. Marks	CO Attain ment														
Q.1	<p>A) On 1st April, 2017 M/s Vardhaman took a delivery of Furniture on Hire purchase system. Rs. 30,000 are payable on delivery and balance in five Instalment of Rs. 60,000 each payable annually on 31st March. The cash price of Furniture is Rs. 3,00,000.</p> <p>Furniture was to be depreciated at 10% p.a. on Reducing Balance Method.</p> <p>Prepare Table showing Interest Calculation and Furniture A/C and Hire vendor A/C in the books of M/s Vardhaman.</p> <p style="text-align: center;">OR</p> <p>B) A of Ahmedabad sent 50 cases of goods to B of Bhopal at Rs. 200 per case. Expense on consignment incurred by consignor amounted to Rs. 300. Bill for Rs. 8000 was accepted by B. A discounted bill for Rs. 7500. He is entitled to 5% commission and 7.5% Delcredere commission. In due course B sent an account sale to A giving following information:</p> <ol style="list-style-type: none">1. Sales proceeds of cases: Rs. 11,0002. Stock of unsold goods on hand: 10 cases3. Consignee's unloading expenses Rs. 120 <p>Pass journal entries in the books of consignor.</p>	15	CO1														
Q.2	<p>A) A head office in Kolkata has a branch at Ahmedabad to which goods are invoiced at 20% profit on cost. All expenses of branch are to be paid by head office except petty cash expenses and branch remits all cash received to the head office. From the following particulars prepare Branch A/c (at Invoice Price) and Debtors A/c in the books of Head Office for the year ended 31st December 2022.</p> <table><tr><th>Particulars</th><th>Amt (Rs.)</th></tr><tr><td>Balances as on 1/1/2022</td><td></td></tr><tr><td>Stock (Invoice Price)</td><td>6,00,000</td></tr><tr><td>Branch Debtors</td><td>5,82,000</td></tr><tr><td>Computer</td><td>10,80,000</td></tr><tr><td>Petty Cash</td><td>60,000</td></tr><tr><td>Furniture</td><td>1,20,000</td></tr></table>	Particulars	Amt (Rs.)	Balances as on 1/1/2022		Stock (Invoice Price)	6,00,000	Branch Debtors	5,82,000	Computer	10,80,000	Petty Cash	60,000	Furniture	1,20,000	15	CO3
Particulars	Amt (Rs.)																
Balances as on 1/1/2022																	
Stock (Invoice Price)	6,00,000																
Branch Debtors	5,82,000																
Computer	10,80,000																
Petty Cash	60,000																
Furniture	1,20,000																

Creditors	60,000
Bills Payable	55,000
Goods sent to Branch (Invoice Price)	33,60,000
Goods Returned from Debtors	1,22,400
Credit sales	10,80,000
Cash Sales	39,60,000
Cash received from Debtors	10,80,000
Goods returned to the Head office (Invoice Price)	1,44,000
Discount allowed to Debtors	28,800
Bad Debts	28,000
<u>Cheques sent to Branch for</u>	
Salaries	5,04,000
Rent and Taxes	2,16,000
Xerox charges	42,000
Showroom Expenses	1,22,400
Stationary	31,200
<u>Balance as on 31/12/2022</u>	
Stock (Invoice Price)	7,20,000
Branch Debtors	?
Computer	?
Petty Cash	75,000
Furniture	?
Creditors	45,000
Bills Payable	50,000

Provide depreciation on Computer @ 15% p.a. and on Furniture @ 10% p.a.

OR

B) A Head Office in Solapur has a Branch to which goods are sent at invoice price which is fixed at a profit of 20% on sale under the strict instructions of selling goods only at invoice price. Following are the particulars about the transactions:

Particulars	Amt. (Rs.)
Stock (at invoice price) on 1st April, 2022	5,000
Branch Debtors on 1st April, 2022	2,000
Goods sent to Branch	40,000
Total Sales	43,600
Cash Sales	32,600
Cash Received from Debtors	8,400
Goods Returned by Debtors	600
Cheque sent to Branch for:	
Rent	1,200
Salaries	3,600
Sundry Expenses	300
Discount allowed to Debtors	150
Bad Debts	250
Stock on 31st March, 2023 (at Invoice Price)	2,100

Prepare Branch Stock A/C, Branch Adjustment A/C, Branch Debtors A/C, Branch Cash Bank A/C, Goods sent to Branch A/C and Branch P&L A/C. the year ended 31st March, 2023.

15

CO3

Q.3

A) Fire occurred in the premises of ABC & Co. on 1st Sept, 2022 and stock of value of Rs. 36,000 was salvaged. The following information was available.

Particulars	Rs.
Purchases for the year ended 31.3.22	2,44,000
Sales for the year ended 31.3.22	3,60,000
Purchases from 1.4.22 to 1.9.22	2,94,000
Sales from 1.4.22 to 1.9.22	3,00,000
Stock on 31.3.21	68,000
Stock on 31.3.22	54,000

Further information is also given that the stock on 31st March 2009 was valued 90% of the cost. Fire insurance policy was in force for Rs. 1,26,000. Calculate amount of claim to be made to insurance company.

OR

B) From the following Trial Balance of Apna Consumers Co-operative Stores Ltd. Prepares Trading and Profit and Loss Account for the year ended 31st March, 2023 and balance Sheet as on that date considering the additional information.

Particulars	Dr. Rs.	Cr. Rs.
Share Capital (fully paid up)	-	1,50,000
Reserve Fund	-	20,000
Stock of Goods	1,10,000	-
Furniture	48,000	-
Education Loan	-	8,000
Creditors	-	20,000
Debtors	30,000	-
Commission Due	-	4,000
Salaries	50,000	-
Rent, Rates and Taxes	27,400	-
Postage and Stationery	22,100	-
Building	9,000	-
Interest on Investment	-	10,000
Equipment	20,000	-
Purchases	16,40,000	-
Investment	1,00,000	-
Sales	-	20,60,500
Commission	21,000	-
Cash in Hand	25,000	-
Cash at Bank	1,70,000	-
	22,72,500	22,72,500

Additional Information:

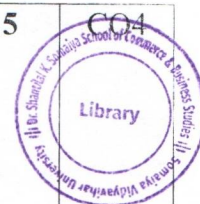
1. Godown Rent payable on 31st March, 2023 was Rs. 4000.
2. Depreciate Furniture @ 5% p.a.
3. Closing Stock of Goods valued at cost Rs. 1,40,000.
4. Interest accrued on Investment Rs. 2000.
5. Salary outstanding on 31st March, 2023 Rs. 5,000.
6. Transfer to Reserve Fund 25% of net profit.

Q.4

Solve the Following. (3X5 Marks)

A) Mr. Adwait purchase Home theatre from S.B. Electronics with a cash price of Rs. 2,50,000. He paid Rs. 50,000 immediate on the date of agreement and balance in 4 annual instalments of Rs. 70,000, Rs 65,000, Rs. 60,000 and Rs. 55,000 respectively. Prepare table showing Interest and instalment payable.

15



15

CO5

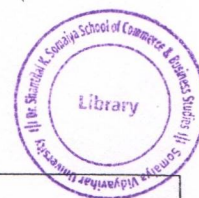
15

CO1

	<p>B) Units dispatched by consignor to consignee 1000 at the cost price Rs.10 each. 700 units sold on credit at Rs.20 each. 200 units sold for cash @ Rs.18 each. Expenses of consignor: Freight Rs.8,000, Insurance Rs.4,000. Expenses of Consignee: Unloading Charges: Rs.5,000. Go down Rent: Rs. 8,000 Advertising: Rs.1,500. Calculate value of closing stock.</p>		CO2
	<p>C) Heena Associates having Head office at Mumbai and Branch office at Pune. Head office invoiced goods to branch at cost plus 50%. Provides following further details: Opening Stock at Branch Rs. 90,000 (IP); Goods Sent to Branch by H.O Rs. 1,50,000 (Cost). Closing Stock at Branch Rs. 1,20,000 (IP), Goods returned by Branch Rs. 10,000 (Cost). Prepare Branch Stock and Branch Adjustment Account.</p>		CO3



SOMAIYA
VIDYAVIHAR UNIVERSITY



Semester (January 2023 to April 2023)		
Examination: End Semester Examination March/April 2023 (UG/PG Programmes)		
Programme code: 02/03/04	Class: FY	Semester: II
Programme: BAF/BAF(HONS)/BFM		
Name of the Constituent College: S K Somaiya College	Name of the Department: Accounting & Finance	
Course Code:131U02N201/131U03N201/131U04N201	Name of the Course: Environmental Science	
Duration: 2 Hrs.	Maximum Marks: 60	
Instructions: 1) Draw neat diagrams 2) Assume suitable data if necessary		

Question No.		Max. Marks	Co Attainment
Q.1	(A) Classify Natural resources and state the importance of Natural resources.	8	CO2
	(B) Explain the Structure and Function of Ecosystem.	7	CO1
	OR		
	(C) Write a note on Environmental Impact Assessment.	8	CO3
Q.2	(D) State the pros and cons of organic farming.	7	CO4
	(A) Discuss the environmental problems associated with tertiary sector.	15	CO3
	OR		
	(B) Write a note on Eco-tourism.	8	CO4
Q.3	(C) Suggest energy-saving measures.	7	CO2
	(A) State the various impacts of deforestation.	8	CO2
	(B) Enumerate the direct value of biodiversity with examples.	7	CO1
	OR		
Q.4	(C) Discuss the types of economic activities with example.	8	CO3
	(D) Explain carbon trading.	7	CO3
	CASE STUDY: (3marks each)	15	CO1
	We are an integral part of the environment. Changes in the environment affect us and our activities change the environment around us Ozone (O ₃) is a molecule formed by three atoms of oxygen. While O ₂ , which we normally refer to as oxygen, is essential for all aerobic forms of life. Ozone is a deadly poison. However, at the higher levels of the atmosphere, ozone performs an essential function. It shields the surface of the earth from ultraviolet (UV) radiation from the Sun.		
	Question:		
	a. Explain the formation of ozone layer.		
	b. State the causes of ozone depletion.		
	c. Enumerate the difference between ozone and oxygen we breathe.		
	d. State the significance of ozone layer in earth atmosphere.		
	e. Identify any two possible solutions to reduce depletion of ozone layer to save mother earth.		



SOMAIYA
VIDYAVIHAR UNIVERSITY



Semester (January 2023 to April 2023)		
Examination: End Semester Examination March/April 2023 (UG/PG Programmes)		
Programme code: 02/03/04 Programme: BAF/BAF(HONS)/BFM	Class: FY	Semester: II
Name of the Constituent College: S K Somaiya College	Name of the Department: Accounting & Finance	
Course Code:131U02N201/131U03N201/131U04N201	Name of the Course: Environmental Science	
Duration: 2 Hrs.	Maximum Marks: 60	
Instructions: 1) Draw neat diagrams		

Question No.		Max. Marks	Co Attainment
Q.1	(A) Define environment and explain its structure in detail. (B) Explain the levels of biodiversity. OR (C) Explain in detail green marketing with examples. (D) State the pros and cons of eco-friendly packing.	8 7 8 7	CO1 CO1 CO4 CO4
Q.2	(A) Explain Carbon bank & Kyoto protocol. (B) Suggest ways to conserve forests. OR (C) Identify the advantages and disadvantages of wind energy. (D) Difference between renewable and non-renewable resources.	8 7 8 7	CO3 CO2 CO4 CO2
Q.3	(A) Discuss the environmental problems associated with primary sector. OR (B) Write in detail about various measures of water conservation. (C) Explain the energy flow with the help of biomass pyramid.	15 8 7	CO3 CO2 CO1
Q.4	CASE STUDY: (3marks each) The greenhouse effect is a naturally occurring phenomenon that is responsible for heating earth's surface and atmosphere. Earth's surface emits heat in the form of infrared radiation, but most of it is absorbed by certain gases, called greenhouse gases, leading to global warming. Question: Based on the above case study comment on the following 1. Contribution of GHG to Global Warming. 2. Effect of Greenhouse on the Earth's Climate. 3. The potential impacts of global warming caused by the greenhouse effect.	15	

	4. Reduction of Green House Effect. 5. Describe your concerns on global warming.		
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Examination: End Semester Examination April 2023 (UG Programmes)		
Programme code: 03 Programme: Accounting and Finance		Class: FY (Hons) Semester: II
Name of the Constituent College: S. K. Somaiya College		Name of the Department: Accounting and Finance
Course Code: 131U03C202	Name of the Course: Cost and Management Accounting II	
Duration: 2 Hrs.	Maximum Marks : 60	
Instructions: 1) Q.No 1 to Q.No 3 are compulsory with Internal Choice. 2) Q.4. is compulsory. 3) Each Questions carries 15 marks. 4) Figures to the right indicate marks assigned to the questions. 5) Working notes should form part of your answer.		

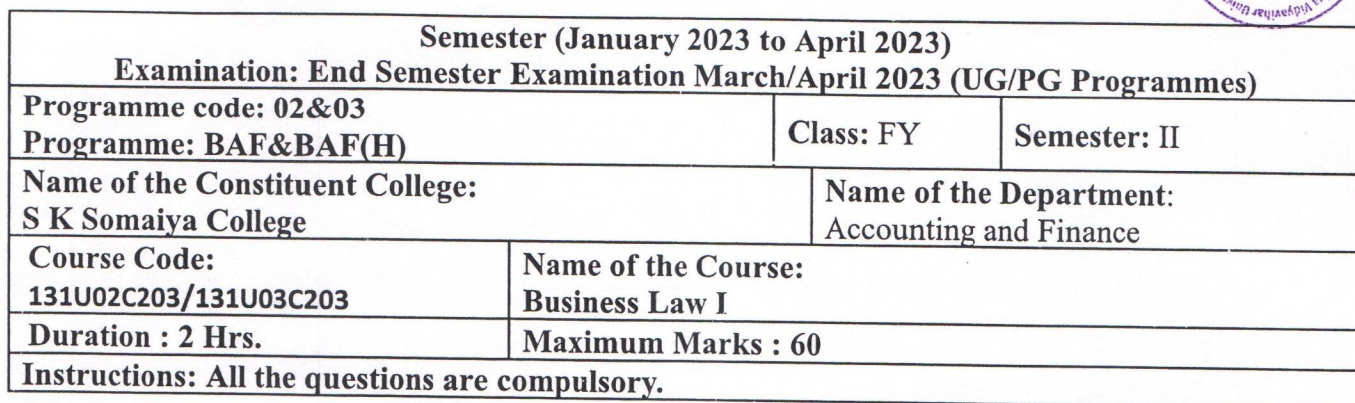
Question No.		Max. Marks	Co Attainment																
Q.1.	<p>Azad Ltd furnishes you the following information for the year ended 31st March, 2023.</p> <table><tr><td>Production and sales</td><td>10000 units</td></tr><tr><td>Sales</td><td>₹ 8,50,000</td></tr><tr><td>Direct Wages</td><td>₹ 1,80,000</td></tr><tr><td>Direct Materials</td><td>₹ 2,20,000</td></tr><tr><td>Factory Overheads</td><td>₹ 1,50,000</td></tr><tr><td>Administration overheads</td><td>₹ 70,000</td></tr><tr><td>Sales Overheads</td><td>₹ 60,000</td></tr></table> <p>On account of intense completion following changes are estimated in the subsequent year:-</p> <p>a) Production and sales activity will be increased by 5,000 units.</p> <p>b) Materials rate will be lower by 25%. However, there will be increase in consumption by 20% due to quality difference.</p> <p>c) Direct wages cost would be reduced by 20% due to automation.</p> <p>d) Out of the above factory overhead, ₹ 30,000 are fixed nature. The remaining factory expenses are</p> <p>e) Variable in proportion to the number of units Produced.</p> <p>f) Total Administration overheads will be lower by 40%.</p> <p>g) Sales overheads per unit would be remain same.</p> <p>h) Sales price per unit would be lower by 20%.</p> <p>Prepare a Statement of cost for both the years ending 31st March, 2023 and 31st March, 2024 showing Maximum details of cost.</p>	Production and sales	10000 units	Sales	₹ 8,50,000	Direct Wages	₹ 1,80,000	Direct Materials	₹ 2,20,000	Factory Overheads	₹ 1,50,000	Administration overheads	₹ 70,000	Sales Overheads	₹ 60,000	(15)	CO1		
Production and sales	10000 units																		
Sales	₹ 8,50,000																		
Direct Wages	₹ 1,80,000																		
Direct Materials	₹ 2,20,000																		
Factory Overheads	₹ 1,50,000																		
Administration overheads	₹ 70,000																		
Sales Overheads	₹ 60,000																		
	OR																		
Q.1.B]	<p>Solar manufacturing company submits the following information on 31st March, 2022.</p> <table><tr><td></td><td>₹</td></tr><tr><td>Sales for the year</td><td>2,75,000</td></tr><tr><td>Inventories at the beginning of the year were:-</td><td></td></tr><tr><td>Finished Goods</td><td>7,000</td></tr><tr><td>Work in progress</td><td>4,000</td></tr><tr><td>Purchases of raw material for the year</td><td>1,10,000</td></tr><tr><td>Raw material at the beginning of the year</td><td>3,000</td></tr><tr><td>Raw material at the end of the year</td><td>4,000</td></tr></table>		₹	Sales for the year	2,75,000	Inventories at the beginning of the year were:-		Finished Goods	7,000	Work in progress	4,000	Purchases of raw material for the year	1,10,000	Raw material at the beginning of the year	3,000	Raw material at the end of the year	4,000	(15)	CO1
	₹																		
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Purchases of raw material for the year	1,10,000																		
Raw material at the beginning of the year	3,000																		
Raw material at the end of the year	4,000																		

	<div>Direct labour95,000</div> <div>Factory overhead was 60% of direct labour</div> <div>Inventories at the end of the year were:-</div> <div>Work in progress6,000</div> <div>Finished goods8,000</div> <div>Other expenses:-</div> <div>Selling expenses10% of sales</div> <div>Administration expenses8% of sales</div> <div>You are required to prepared Cost Sheet for the year ended on 31st March, 2022.</div>																																						
Q.2. A]	<div>Following is the Balance Sheet of M/s Anjali and Co. for the year ended on 31.3.2022</div> <table><tr><th>Liabilities</th><th>Amt ₹</th><th>Asset</th><th>Amt ₹</th></tr><tr><td>Equity Share Capital of Rs. 10 each</td><td>2,32,570</td><td>Fixed Assets</td><td>2,68,210</td></tr><tr><td>8% Preference Shares</td><td>1,00,000</td><td>Stock</td><td>68,690</td></tr><tr><td>General Reserve</td><td>61,560</td><td>Debtors</td><td>1,92,500</td></tr><tr><td>Profit & Loss A/c</td><td>62,280</td><td>Prepaid Expenses</td><td>4,150</td></tr><tr><td>8% Debentures</td><td>92,500</td><td>Cash Balance</td><td>1,04,360</td></tr><tr><td>Sundry Creditors</td><td>53,370</td><td></td><td></td></tr><tr><td>Bank Overdraft</td><td>35,630</td><td></td><td></td></tr><tr><td></td><td>6,37,910</td><td></td><td>6,37,910</td></tr></table> <div>Additional Information:</div> <div>a) EBIT = ₹ 1,34,400 and</div> <div>b) Tax rate is 50%</div> <div>Evaluate the position of company based on following ratios:</div> <div>1) Return on Capital Employed</div> <div>2) Current Ratio</div> <div>3) Acid Test Ratio</div> <div>4) Capital Gearing Ratio</div> <div>5) Return on Proprietors Fund.</div>	Liabilities	Amt ₹	Asset	Amt ₹	Equity Share Capital of Rs. 10 each	2,32,570	Fixed Assets	2,68,210	8% Preference Shares	1,00,000	Stock	68,690	General Reserve	61,560	Debtors	1,92,500	Profit & Loss A/c	62,280	Prepaid Expenses	4,150	8% Debentures	92,500	Cash Balance	1,04,360	Sundry Creditors	53,370			Bank Overdraft	35,630				6,37,910		6,37,910	(15)	CO3
Liabilities	Amt ₹	Asset	Amt ₹																																				
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	6,37,910		6,37,910																																				
	OR																																						
Q.2. B]	<div>A factory produces 42,000 units during the year and sells them @ ₹ 100 per unit. Cost structure of a product is as follows:</div> <table><tr><td>Raw Material</td><td>55%</td></tr><tr><td>Labour</td><td>18%</td></tr><tr><td>Overhead</td><td>17%</td></tr><tr><td>Cost</td><td>90%</td></tr><tr><td>Profit</td><td>10%</td></tr><tr><td>Selling Price</td><td>100%</td></tr></table> <div>The following additional information is available:</div> <div>a) The activities of purchasing, producing, and selling are spread evenly throughout the year.</div> <div>b) Raw material equivalent to 1 ½ month supply is in store.</div> <div>c) The production process takes 15 days.</div> <div>d) Finished goods equal to 1 month's production are carried in stock.</div> <div>e) Debtors get 1-month credit.</div> <div>f) Creditors allow 2 months credit.</div> <div>g) Time lag in payment of wages and overheads is 1 month.</div> <div>h) Cash and bank balance is to be maintained at 15% of the working capital.</div> <div>i) 25% of purchases are for cash.</div> <div>Draw a forecast working capital statement</div>	Raw Material	55%	Labour	18%	Overhead	17%	Cost	90%	Profit	10%	Selling Price	100%	(15)	CO4																								
Raw Material	55%																																						
Labour	18%																																						
Overhead	17%																																						
Cost	90%																																						
Profit	10%																																						
Selling Price	100%																																						



Q.3.A]	<p>Following is the Profit and Loss Account of M/s DCW Ltd for the year ended on 31.3.22</p> <table border="1"> <thead> <tr> <th>Particulars</th><th>Amt ₹</th><th>Particulars</th><th>Amt ₹</th></tr> </thead> <tbody> <tr> <td>To Opening Stock</td><td>2,75,000</td><td>By Sales</td><td>20,00,000</td></tr> <tr> <td>To Purchases</td><td>8,50,000</td><td>By Closing Stock</td><td>3,25,000</td></tr> <tr> <td>To Wages</td><td>2,60,000</td><td></td><td></td></tr> <tr> <td>To Overheads</td><td>1,40,000</td><td></td><td></td></tr> <tr> <td>To Gross Profit c/d</td><td>8,00,000</td><td></td><td></td></tr> <tr> <td></td><td>23,25,000</td><td></td><td>23,25,000</td></tr> <tr> <td>To Salaries & Wages</td><td>1,20,000</td><td>By Gross Profit</td><td>8,00,000</td></tr> <tr> <td>To Audit Fees</td><td>20,000</td><td></td><td></td></tr> <tr> <td>To Repair to Furniture</td><td>60,000</td><td></td><td></td></tr> <tr> <td>To Advertisement</td><td>75,000</td><td></td><td></td></tr> <tr> <td>To Sales Commission</td><td>35,000</td><td></td><td></td></tr> <tr> <td>To Catalogue Printing</td><td>25,000</td><td></td><td></td></tr> <tr> <td>To Interest on Debenture</td><td>80,000</td><td></td><td></td></tr> <tr> <td>To Bank Charges</td><td>5,000</td><td></td><td></td></tr> <tr> <td>To Net Profit c/d</td><td>3,80,000</td><td></td><td></td></tr> <tr> <td></td><td>8,00,000</td><td></td><td>8,00,000</td></tr> </tbody> </table> <p>Additional Information: Company pays tax @ 30%. At the end of the year Company shows a Balance in Creditors ₹ 1,00,000 and Bills payable ₹ 70,000 You are required to Calculate: a) Gross profit Ratio, b) Stock Turnover Ratio, c) Creditors Turnover Ratio and Payment period assume 360 days in a year, d) Net Profit Ratio, e) Operating Ratio.</p>	Particulars	Amt ₹	Particulars	Amt ₹	To Opening Stock	2,75,000	By Sales	20,00,000	To Purchases	8,50,000	By Closing Stock	3,25,000	To Wages	2,60,000			To Overheads	1,40,000			To Gross Profit c/d	8,00,000				23,25,000		23,25,000	To Salaries & Wages	1,20,000	By Gross Profit	8,00,000	To Audit Fees	20,000			To Repair to Furniture	60,000			To Advertisement	75,000			To Sales Commission	35,000			To Catalogue Printing	25,000			To Interest on Debenture	80,000			To Bank Charges	5,000			To Net Profit c/d	3,80,000				8,00,000		8,00,000	(15)	CO3
Particulars	Amt ₹	Particulars	Amt ₹																																																																				
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	OR																																																																						
Q.3.B]	<p>M/s Mysore Petro Ltd. showed a Net loss of ₹ 2,08,000 as per their financial accounts for the year ended 31st March, 2023. The following information was revealed as a result of the scrutiny of the figures of both the sets of books.</p> <p>(a) Factory overhead under recovered ₹ 3,000 (b) Administration overhead over recovered ₹ 2,000 (c) Depreciation charged in financial books ₹ 60,000 (d) Depreciation recovered in costs ₹ 65,000 (e) Interest on investment not included in costs ₹ 10,000 (f) Income-tax provided ₹ 60,000 (g) Transfer fee (in financial Books) ₹ 1,000 (h) Stores adjustment (credit in financial books) ₹ 1,000</p> <p>Prepare Reconciliation Statement for the above period.</p>	(15)	CO2																																																																				
Q.4.	Attempt the Following (3 marks each)	(15)																																																																					
(a)	The current Assets of M/s X Ltd are ₹ 4,50,000 and Current Liabilities are of ₹ 1,50,000. The company made a payment of ₹ 30,000 to its creditor. Will it affect the current ratio of the company, if yes calculate new current ratio	(03)	CO3																																																																				
(b)	Total Purchases of AD Ltd during the year 21-22 are ₹ 12,00,000 of which 1/6 th are cash purchases. On 31.3.2021 its Creditors are of ₹ 1,20,000 and Bills	(03)	CO3																																																																				

	Payable ₹80,000. On 31.3.2022, they are ₹ 1,35,000 and ₹ 65,000 respectively. Find out Creditors Turnover Ratio																							
(c)	Explain the meaning of Working capital and what do you understand by Gross Working Capital and Net Working Capital	(03)	CO4																					
(d)	Opening Stock of Finished goods 2,000 Units @ ₹ 3 Closing Stock of Finished Goods 3,000 units @ ₹ 5 Units Sold 12,000 units @ ₹ 20 Find Units produced and their Cost per unit.	(03)	CO1																					
(e)	The following information is prepared for you from the costing and Financial Department of a Manufacturing company. You are required to Prepare a Statement reconciling the profit as per cost Record with the profit as per financial records. <table><tr><td></td><td>As per Cost A/c Record ₹</td><td>As per Financial A/c record ₹</td></tr><tr><td>Stores Consumed</td><td>2,00,000</td><td>2,02,000</td></tr><tr><td>Works on cost</td><td>75,000</td><td>-</td></tr><tr><td>Work Expenses</td><td>-</td><td>80,500</td></tr><tr><td>Office on Cost</td><td>42,700</td><td>-</td></tr><tr><td>Office Expenses</td><td>-</td><td>37,000</td></tr><tr><td>Net profit</td><td>97,500</td><td>95,700</td></tr></table>		As per Cost A/c Record ₹	As per Financial A/c record ₹	Stores Consumed	2,00,000	2,02,000	Works on cost	75,000	-	Work Expenses	-	80,500	Office on Cost	42,700	-	Office Expenses	-	37,000	Net profit	97,500	95,700	(03)	CO2
	As per Cost A/c Record ₹	As per Financial A/c record ₹																						
Stores Consumed	2,00,000	2,02,000																						
Works on cost	75,000	-																						
Work Expenses	-	80,500																						
Office on Cost	42,700	-																						
Office Expenses	-	37,000																						
Net profit	97,500	95,700																						



Question No.		Max. Marks	Co Attainment
Q.1	<p>(A) There is a very thin line between the Fraud and Misrepresentation. The Intention of the party is determining whether the act was done through Fraud or Misrepresentation. Explain all the acts that can be constituted as Fraud. Also Explain any three points of difference between Fraud and Misrepresentation. (8)</p> <p>(B) Elaborate the features of Offer. (7)</p> <p style="text-align: center;">OR</p> <p>(C) Mr. Ashok is a philanthropist. During the start of the academic year, he distributed the study materials to the students. For which he didn't charge any price from the students. Is this a valid contract? Comment on this by stating all types of Contracts. (15)</p>	15	CO1 CO1 CO1
Q.2	<p>(A) Ms. Nargis is an actress. She has very heavy dresses and jewelry in her possession. During one on the shoot of a Web series she is required to wear a dress which has embroidery of real gold. For alteration of that dress, she gave it to a tailor. As a Law learner Explain which type of special contract is it? Also explain what the Tailor will be called as? And explain his Duties. (8)</p> <p>(B) Enumerate the provision of Condition. (7)</p> <p style="text-align: center;">OR</p>	15	CO2 CO2

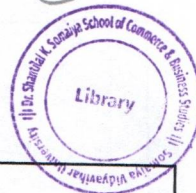
	<p>(C) Shiva needs a loan. When he inquired with the Bank, the Bank after scrutinizing all his financial status, asked Shiva to provide a name of a person who can pay the loan in case Shiva makes any default in payment of loan. Mr. Guru becomes the surety for Shiva. Explain in detail the Contract of Surety with proper examples. (15)</p>		CO2
Q.3	<p>(A) Every day we all are consumers, as we purchase some goods, or we hire some services. The consumers are required to file a case in Civil court before the enactment of Consumer Protection Act. Explain why in your opinion there was a need for the Consumer Protection Act and explain the National Consumer Dispute Redressal Commission. (8)</p> <p>(B) Enumerate the features of Promissory Note with a specimen of Promissory Note. (7)</p> <p style="text-align: center;">OR</p> <p>(C) The maxim 'Caveat Emptor' says Buyer be aware. In most of the situations this maxim is correct. But it's not always possible for the consumer to be aware. Many times, the seller is also under duty. Explain the six rights available to the consumer. Also explain the duties of consumer under CPA. (15)</p>	15	CO4 CO3 CO4
Q.4	<p>Mr. Tom and Mr. Jerry visited Mumbai. They decided to do lots of shopping. On suggestion of their Friend Harry, they purchase a mobile phone from the 'Chor market'. As they were hungry, they visited the mall where they asked for food which was available immediately. In the mall they again made some purchases, but as they were short of cash, they issued a cheque which was blank.</p> <p>When they returned from their trip, they found that the mobile was not working. They also received a call from their bank that their whole amount from the bank has been withdrawn by an unknown person.</p> <p>Explain the below mentioned question on basis of the above case:</p>	15	



	(A) Whether Mr. Tom and Mr. Jerry can file a case relating to a mobile purchase from 'Chor Market', take reference of difference between Agreement and Contract. (5)		CO1
	(B) Mr. Tom and Mr. Jerry ordered for Present food (immediately available), Explain other the Types of Good. (5)		CO2
	(C) Blank cheque is the riskiest cheque, explain all other types of Cheque which are secure than Blank Cheque. (5)		CO3



SOMAIYA
VIDYAVIHAR UNIVERSITY



Semester (January 2023 to April 2023)		
Examination: End Semester Examination March/April 2023 (UG/PG Programmes)		
Programme code: 02&03	Class: FY	Semester: II
Programme: BAF&BAF(H)		
Name of the Constituent College: S K Somaiya College	Name of the Department: Accounting and Finance	
Course Code: 131U02C203/ 131U03C203	Name of the Course: Business Law I	
Duration : 2 Hrs.	Maximum Marks: 60	
Instructions: All the questions are compulsory.		

Question No.		Max. Marks	Co Attainment
Q.1	<p>(A) Mr. Black is selling his car. In the offer to sale the car, he mentioned that the acceptor should accept the offer within 15 days. Qualified offers are allowed. Comment if Acceptance can be qualified (with conditions)? Explain all legal rules relating to Acceptance. (8)</p> <p>(B) Explain the concept of Coercion. (7)</p> <p>OR</p> <p>(C) The Balaji Partnership Firm is running a stationery store. The Partnership has four partners Kabir, Rahul, Raj, and Tina. In the year 2022, Kabir decides to retire from the partnership. But he took consent of all other partners to add his son Shiva as partner in Balaji Partnership Firm. Shiva is a minor boy aged 17 years. Whether a minor person can join as partner in partnership. Write a detailed note on Capacity of parties to Contract. (15)</p>	15	CO1 CO1 CO1
Q.2	<p>(A) A Netaji Tour company organized a tour of Char Dham Yatra. The tour got a very good response. 40 tourists made bookings for the Yatra. When the bus of yatra was going though the ghats, there was a major accident of the bus in which 15 tourists got injured. The Tour company paid those tourist compensation of Rs. 1,00,000/- each. Explain which type of special contract is this with all its provisions. (8)</p>	15	CO2 CO2

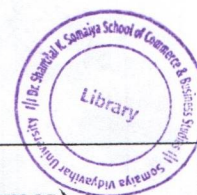
	<p>(B) Elaborate the Rights and Liabilities of Guarantor. (7)</p> <p>OR</p> <p>(C) Mr. Yogi, a resident of Himachal Pradesh, is going with his family on a foreign tour. While going on tour he kept his horse with his neighbor. After three months, when he returned back from a foreign tour, he got to know that his horse delivered a calf. As law a student assist Mr. Yogi and explain to him about his right with all detailed provisions under the Contract of Bailment. (15)</p>		CO2
Q.3	<p>(A) Write a note to explain the difference points between Promissory Note, Bills of Exchange, and Cheque. (8)</p> <p>(B) Elaborate the different types of Bills of Exchange (BOE). Also draw specimen of BOE. (7)</p> <p>OR</p> <p>(C) Before the Consumer Protect Act (CPA) 1986, cases relating to consumer disputes were filed in the Civil Court. Explain in your opinion how the CPA is important by writing its objectives. Also write a note on the Redressal Forums under CPA. (15)</p>	15	CO 3 CO3 CO4
Q.4	<p>Mrs. Iyer is a 65-year-old lady. One day when she was not well, she visited one of the hospitals in her area. The doctor asked her to do lots of tests. Based on the test the doctor recommended Mrs. Iyer to get hospitalized. Mrs. Iyer was hospitalized for 8 days. During the hospitalization Mr. Iyer (husband of Mrs. Iyer) purchased medicines from a medical store costing Rs. 20,000/-. When checked with the doctor, the doctor said these medicines are not correct. But the Medical store refused to refund Rs.20,000/- to Mr. Iyer. When Mrs. Iyer was about to be discharged from hospital, one of her family friends told her that she had viral fever for which she was unnecessarily advised for hospitalization.</p> <p>Based on the above case answer the following questions:</p> <p>(A) Whether the consent of Mrs. Iyer is free consent? (5)</p> <p>(B) Whether the Medical store is in under implied condition, explain with suitable reason. (5)</p>	15	CO1 CO2

	(C) Mrs. Iyer wants to file a case. In which court she can file a case? (5)		CO4
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Semester (January 2023 to April 2023)		
Examination: End Semester Examination March/April 2023 (UG Programmes)		
Programme code: 03 Programme: BAF (Hons.)	Class: FYBAF (H)	Semester: II
Name of the Constituent College: S K Somaiya College	Name of the Department: Accounting & Finance	
Course Code: 131U03C205	Name of the Course: Corporate Finance II	
Duration: 2 Hrs.	Maximum Marks: 60	
Instructions: 1) Draw neat diagrams 2) Assume suitable data if necessary 3) 2) Working notes should form part of your answer		

Questi on No.		Max. Marks	CO Attain ment																																	
Q.1	A) A choice is to be made between two competing projects which require an equal investment of Rs. 50,000. Life of the project is 6 years with no scrap value at the end. Expected net cash inflows are as under: <table><tr><th>Year</th><th>Project I (Rs.)</th><th>Project II (Rs.)</th></tr><tr><td>1</td><td>25,000</td><td>10,000</td></tr><tr><td>2</td><td>15,000</td><td>12,000</td></tr><tr><td>3</td><td>10,000</td><td>18,000</td></tr><tr><td>4</td><td>NIL</td><td>25,000</td></tr><tr><td>5</td><td>12,000</td><td>8,000</td></tr><tr><td>6</td><td>6,000</td><td>4,000</td></tr><tr><td>Tax Rate</td><td>50%</td><td>40%</td></tr></table> Calculate (a) Pay back period (b) ARR	Year	Project I (Rs.)	Project II (Rs.)	1	25,000	10,000	2	15,000	12,000	3	10,000	18,000	4	NIL	25,000	5	12,000	8,000	6	6,000	4,000	Tax Rate	50%	40%	15	CO1									
	Year	Project I (Rs.)	Project II (Rs.)																																	
1	25,000	10,000																																		
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6	6,000	4,000																																		
Tax Rate	50%	40%																																		
	<p style="text-align: center;">OR</p> <p>B) Maharaja Pvt. Ltd. is planning an investment in new project. The investment budget of the company is Rs. 30,00,000. The company has following investment alternatives: (15)</p> <table><tr><th>Particulars</th><th>Project A</th><th>Project B</th></tr><tr><td>Investment</td><td>Rs. 30,00,000</td><td>Rs. 30,00,000</td></tr><tr><td>Useful Life</td><td>5 Years</td><td>6 Years</td></tr><tr><td>Cost of Capital (Discounting Factor)</td><td>12%</td><td>12%</td></tr><tr><td>Cash inflow at the end of the year:</td><td>(Rs.)</td><td>(Rs.)</td></tr><tr><td>1</td><td>7,00,000</td><td>8,00,000</td></tr><tr><td>2</td><td>10,00,000</td><td>8,00,000</td></tr><tr><td>3</td><td>9,00,000</td><td>8,00,000</td></tr><tr><td>4</td><td>8,00,000</td><td>8,00,000</td></tr><tr><td>5</td><td>4,00,000</td><td>6,00,000</td></tr><tr><td>6</td><td>Nil</td><td>2,00,000</td></tr></table> <p>Find which project the company should select based on (a) Profitability Index(b) Net Present Value Method.</p>	Particulars	Project A	Project B	Investment	Rs. 30,00,000	Rs. 30,00,000	Useful Life	5 Years	6 Years	Cost of Capital (Discounting Factor)	12%	12%	Cash inflow at the end of the year:	(Rs.)	(Rs.)	1	7,00,000	8,00,000	2	10,00,000	8,00,000	3	9,00,000	8,00,000	4	8,00,000	8,00,000	5	4,00,000	6,00,000	6	Nil	2,00,000	15	CO1
Particulars	Project A	Project B																																		
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4	8,00,000	8,00,000																																		
5	4,00,000	6,00,000																																		
6	Nil	2,00,000																																		

Q.2

A) Following details are furnished by Orange Ltd.

Actuals for last year

Product	October	November	December
P	200 Units @ Rs. 50	900 units @ Rs. 52	700 units @ Rs. 55
Q	600 Units @ Rs. 72	500 Units @ Rs. 70	900 units @ Rs. 68
R	1,400 Units @ Rs. 9	1,800 Units @ Rs. 12	1,000 units @ Rs. 21

Based on the discussion with the product Managers it was received that the price of the product P to be retained the same in the following year: that of product Q to be increased by Rs. 2 per unit in all the months and that of Product R to be reduced by Rs. 1 per Unit in all the months and that of Product R to be reduced by Rs. 1 per unit in all the months. This would result in change in the sales units as indicated below in the following year:

Product	October	November	December
P	+30%	-5%	+20%
Q	No Change	+10%	+25%
R	+20%	+15%	-10%

Prepare Sales Budget from above details for the Current year.

OR

B) From the following prepare Cash Budget for the period from 1st March to 31st August, 2022; When the opening Cash Balance was Rs. 40,000.

Month	Sales	Selling Expenses	Purchases	Wages	Factory Expenses	Administrative Expenses
January	3,40,000	14,000	1,60,000	30,000	20,000	10,000
February	3,20,000	15,000	1,68,000	32,000	22,000	11,000
March	5,64,000	13,000	1,66,000	3,36,000	16,000	9,000
April	3,10,000	13,600	1,66,000	24,000	21,000	9,400
May	3,30,000	14,800	1,52,000	36,000	24,000	10,800
June	4,00,000	14,000	1,36,000	32,000	19,200	11,400
July	3,60,000	12,000	34,000	34,000	16,000	10,000
August	4,40,000	11,000	1,16,000	33,000	19,200	10,000

1. Period of Credit allowed by Suppliers 2 months and to Customers 1 Months.

2. Lag in Payment of:

Wages	1 Month
Factory Expenses	Half Month
Administration Expenses	1 Month
Selling Expenses	1 Month

3. Machinery Purchase for Rs. 1,00,000 in March payable on delivery in April.

4. Building purchased in April Rs. 3,00,000 payables in two equal instalments in May and July.

5. Commission of 3% on sales payable two Months after sales.

Q.3

A) Capital Structure of IPCA Ltd. is as under:

40,00,000 equity shares of Rs. 10 each= Rs. 400 Lakhs

50,000 12% preference shares of Rs. 250 each= 125 Lakhs

50,000 10% debentures of Rs.500 each= Rs. 250 Lakhs

15

CO2

15

CO2

15

CO3



10% term loan from bank= Rs. 225 Lakhs

The company's Profit and Loss Account for the year showed a balance PAT of Rs. 135 Lakhs. The company is in the 40% tax bracket. Treasury bonds carry 6.5% interest and beta factor for the company is 1.5. The long run market rate of return is 16.5%. Calculate EVA. Also calculate MVA if market price of one share is Rs. 35.

OR

B) Explain the term 'Merger' with example. List its Disadvantages.

AND

C) What is Non-Performing Assets?

(c) Exchange ratio Based on Market price (d) Exchange ratio Based on EPS

(e) post merger EPS

10

CO4

05

CO4

Q.4

Solve the following (3x5 Marks)

15

A) Shri Tara Ltd. is considering to acquire Shri Mala Ltd. From the following particulars calculate (a) EPS for both the companies (b) P/E Ratio for both the companies.

Particulars	Shri Tara Ltd.	Shri Mala Ltd.
EAT (Rs.)	16,00,000	4,00,000
No. of Equity Shares	2,00,000	1,00,000
Market Price Per Share (Rs.)	Rs. 100	Rs. 60

B) Capital Structure of a company:

Equity Share Capital (Rs. 10 per share): Rs. 12,50,000

Retained Earnings: Rs. 10,00,000

Earning Per Share: Rs. 12.8

P/E Ratio: 4.25

Calculate Market Value Added.

C) XYZ Ltd.'s expected profit before tax for the forth coming 4 years is as follows:

Year 1	Year 2	Year 3	Year 4
Rs. 5,000	Rs. 15,000	Rs. 35,000	Rs. 45,000

Interest Payable each year is Rs. 5,000. Depreciation per year is Rs. 3,000.

Tax rate is 30%. Calculate Annual Cash inflows.

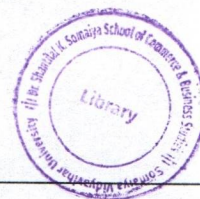
CO4

CO3

CO1



SOMAIYA
VIDYAVIHAR UNIVERSITY



Semester (January 2023 to April 2023)		
Examination: End Semester Examination March/April 2023 (UG Programmes)		
Programme code: 03	Class:	Semester: II
Programme: BAF (Hons.)	FYBAF (H)	
Name of the Constituent College: S K Somaiya College	Name of the Department: Accounting & Finance	
Course Code: 131U03C205	Name of the Course: Corporate Finance II	
Duration: 2 Hrs.	Maximum Marks: 60	
Instructions: 1) Draw neat diagrams 2) Assume suitable data if necessary 3) Working notes should form part of your answer		

Questi on No.		Max. Marks	CO attain ment																																				
Q.1	A) TVS is considering the purchase of a machine. Two machines X and Y are available. From the following information suggest which of the two is recommended under: (a) Accounting Rate of Return (b) Pay back period	15	CO1																																				
	<table><tr><th>Particulars</th><th>Machine X</th><th>Machine Y</th></tr><tr><td>Cost of Machine (Rs.)</td><td>4,00,000</td><td>5,60,000</td></tr><tr><td>Working life</td><td>5 years</td><td>7 years</td></tr><tr><td>Tax rate</td><td>40%</td><td>50%</td></tr><tr><td>Earnings before tax and depreciation at the end of the year:</td><td>Rs.</td><td>Rs.</td></tr><tr><td>1</td><td>1,00,000</td><td>1,00,000</td></tr><tr><td>2</td><td>1,00,000</td><td>1,60,000</td></tr><tr><td>3</td><td>1,50,000</td><td>1,60,000</td></tr><tr><td>4</td><td>1,20,000</td><td>1,20,000</td></tr><tr><td>5</td><td>1,00,000</td><td>1,00,000</td></tr><tr><td>6</td><td>-</td><td>1,00,000</td></tr><tr><td>7</td><td>-</td><td>1,00,000</td></tr></table>			Particulars	Machine X	Machine Y	Cost of Machine (Rs.)	4,00,000	5,60,000	Working life	5 years	7 years	Tax rate	40%	50%	Earnings before tax and depreciation at the end of the year:	Rs.	Rs.	1	1,00,000	1,00,000	2	1,00,000	1,60,000	3	1,50,000	1,60,000	4	1,20,000	1,20,000	5	1,00,000	1,00,000	6	-	1,00,000	7	-	1,00,000
	Particulars			Machine X	Machine Y																																		
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7	-	1,00,000																																					
OR																																							
B) Calculate IRR for the following projects Using 8% and 10% discounting rate.	10	CO1																																					
<table><tr><th></th><th>Project X (Rs.)</th></tr><tr><td>Initial Cost</td><td>6,00,000</td></tr><tr><td>Cash inflows at the end of the year:</td><td></td></tr><tr><td>1</td><td>30,000</td></tr><tr><td>2</td><td>1,20,000</td></tr><tr><td>3</td><td>1,80,000</td></tr><tr><td>4</td><td>2,40,000</td></tr><tr><td>5</td><td>3,00,000</td></tr></table>				Project X (Rs.)	Initial Cost	6,00,000	Cash inflows at the end of the year:		1	30,000	2	1,20,000	3	1,80,000	4	2,40,000	5	3,00,000																					
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5	3,00,000																																						
AND																																							
C) Calculate NPV of the project if cost of capital is 12%.	05	CO1																																					
<table><tr><th></th><th>Project Y (Rs.)</th></tr><tr><td>Initial Cost</td><td>6,60,000</td></tr><tr><td>Cash inflows at the end of the year:</td><td></td></tr><tr><td>1</td><td>3,60,000</td></tr></table>				Project Y (Rs.)	Initial Cost	6,60,000	Cash inflows at the end of the year:		1	3,60,000																													
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Cash inflows at the end of the year:																																							
1	3,60,000																																						

	2	2,40,000					
	3	1,80,000					
	4	1,20,000					
Q.2	A) Prepare Cash Budget of Sunil Gavaskar Ltd. For the months of April, May and June, 2022					15	CO2
	Months	Sales	Purchases	Wages	Expenses		
	January	1,60,000	90,000	40,000	10,000		
	February	1,60,000	80,000	36,000	12,000		
	March	1,50,000	84,000	44,000	12,000		
	April	1,80,000	1,00,000	48,000	14,000		
	May	1,70,000	90,000	40,000	12,000		
	June	1,60,000	70,000	36,000	10,000		
	You are informed that:						
	1. 50% of the purchases and sales are on Cash.						
	2. The average collection period of the company is ½ month and credit purchases are paid off regularly after 1 month.						
	3. Time lag in payment in wages is half Month.						
	4. Rent of Rs. 1000 is payable every month.						
	5. Cash and Bank balance as on 31 st March, 2022 was Rs. 3,00,000.						
	6. Dividend Received in May Rs. 36,000.						
	7. Professional fees to be paid in June Rs. 1,500.						
	8. Expenses are Paid in Same Month.						
	OR						
	B) KBC Manufacturing Company produces 7,500 units by utilizing it's 75% capacity, supplies you the following cost information:					15	CO2
	Cost information at 75%. Capacity utilisation (7,500 units)						
	Particulars	Amount					
	Direct Materials	7,50,000					
	Direct Labour	6,00,000					
	Direct Expenses	3,00,000					
	Factory Overheads	4,50,000					
	Office Overheads	3,00,000					
	Selling Overheads	1,50,000					
	Additional information						
	1. Direct Material, direct Labour, Direct expenses are variable cost.						
	2. Factory overheads per unit increase by 10% if capacity utilisation goes down below the 75% and decreased by 10% if capacity utilisation goes up above the 75%.						
	3. office overheads are fixed overheads.						
	4. Selling overheads per unit increase by 20%, if capacity utilisation goes down below 75% and decrease by 20%, if capacity utilization goes up above the 75%.						
	5. It is the policy of the company to charge Profit at 25% on cost.						
	You are required to prepare a flexible budget at 50%, 80% and 100% capacity utilisation.						
Q.3	A) The income statement and Balance sheet of Revathi Company Ltd. is given below:					15	CO3
	Income Statement						
	Particulars	Rs. (in Lakh)	Rs. (in Lakh)				
	Sales	5,000					
	Interest on investments	100					
	Profit on sale of old Assets	50					

Total Income		5,150
Less:		
Manufacturing Cost	1800	
Administrative Cost	600	
Selling and Distribution cost	500	
Depreciation	300	
Loss on sale of Building	50	3,250
EBIT		1900
Less: Interest		200
EBT		1700
Less: Tax (30%)		510
PAT		1190
EPS (1190 lakh/50 lakh)		Rs. 23.8
P/E Ratio		4.25

Balance Sheet

Liabilities	Rs. (in Lakhs)	Assets	Rs. (in Lakhs)
Equity Capital	500	Land & Building	800
Reserves	400	Machinery	700
Long term borrowings	600	Stock	100
Creditors	150	Debtors	120
Provisions	130	Cash and Bank	60
Total	1780	Total	1780

The cost of equity and debt is 15% and 11% respectively. The company pays 30% corporate tax.
You are required to calculate EVA and MVA.

OR

B) What is acquisition? What are its limitations?

AND

C) Explain the term Amalgamation in relation to Companies.

Q.4

Solve the Following. (3x5 Marks)

A) Shriram Ltd. is considering to acquire Shridhar Ltd. From the following particulars calculate (a) Exchange ratio Based on Market price (b) Exchange ratio Based on EPS

Particulars	Shri Ram Ltd.	Shridhar Ltd.
EAT (Rs.)	8,00,000	2,00,000
No. of Equity Shares	4,00,000	2,00,000
Market Price Per Share (Rs.)	Rs. 50	Rs. 16

B) Calculate Payback period of a project requiring initial investment of Rs. 3,00,000. Salvage at the end of its life of 5 years is Rs. 40,000. Project is expected to earn Net profit after tax of Rs. 50,000 per year.

C) Prepare sales budget from the following data.

	Product P	Product Q	Product R
Sales (units)	18,000	10,000	12,000
Selling price per unit (Rs.)	8	10	12
Expected increase in sale quantity	5%	10%	15%
Expected increase in selling price (Rs.)	2	3	4



Semester (January 2023 to April 2023)		
Examination: End Semester Examination March/April 2023 (UG Programmes)		
Programme code: 03	Class:	Semester: II
Programme: BAF (Hons.)	FYBAF (H)	
Name of the Constituent College: S K Somaiya College		Name of the Department: Accounting & Finance
Course Code: 131U03C205	Name of the Course: Corporate Finance II	
Duration: 2 Hrs.	Maximum Marks: 60	
Instructions: 1) Draw neat diagrams 2) Assume suitable data if necessary 3) Working notes should form part of your answer		

Questi on No.		Max. Marks	CO Attain ment																																																										
Q.1	<p>A) M/S Tejen & Co. has an investment opportunity costing Rs.4,00,000 with the following expected net cash flow.</p> <table><tr><th>Year</th><th>Net cash flow (Rs.)</th></tr><tr><td>1</td><td>70,000</td></tr><tr><td>2</td><td>70,000</td></tr><tr><td>3</td><td>70,000</td></tr><tr><td>4</td><td>70,000</td></tr><tr><td>5</td><td>70,000</td></tr><tr><td>6</td><td>80,000</td></tr><tr><td>7</td><td>1,00,000</td></tr><tr><td>8</td><td>1,50,000</td></tr><tr><td>9</td><td>1,00,000</td></tr><tr><td>10</td><td>40,000</td></tr></table> <p>Using 10% and 15% discounting factor determine Internal Rate of return for the project.</p> <p style="text-align: center;">OR</p> <p>B) RDX is considering purchase of a machine. Two machines P and Q are available. From the following information suggest which of the two is recommended under.</p> <p>(a) ARR (b) Payback Period</p> <table><tr><th>Particulars</th><th>P (Rs.)</th><th>Q (Rs.)</th></tr><tr><td>Cost</td><td>Rs. 4,00,000</td><td>Rs. 5,60,000</td></tr><tr><td>Life (Years)</td><td>5 years</td><td>7 years</td></tr><tr><td>Tax Rate</td><td>40%</td><td>50%</td></tr></table> <p>Earnings before tax and depreciation are as under:</p> <table><tr><th>Year</th><th>P (Rs.)</th><th>Q (Rs.)</th></tr><tr><td>1</td><td>1,00,000</td><td>1,00,000</td></tr><tr><td>2</td><td>1,00,000</td><td>1,60,000</td></tr><tr><td>3</td><td>1,50,000</td><td>1,60,000</td></tr><tr><td>4</td><td>1,20,000</td><td>1,20,000</td></tr><tr><td>5</td><td>1,00,000</td><td>1,00,000</td></tr><tr><td>6</td><td>-</td><td>1,00,000</td></tr><tr><td>7</td><td>-</td><td>1,00,000</td></tr></table>	Year	Net cash flow (Rs.)	1	70,000	2	70,000	3	70,000	4	70,000	5	70,000	6	80,000	7	1,00,000	8	1,50,000	9	1,00,000	10	40,000	Particulars	P (Rs.)	Q (Rs.)	Cost	Rs. 4,00,000	Rs. 5,60,000	Life (Years)	5 years	7 years	Tax Rate	40%	50%	Year	P (Rs.)	Q (Rs.)	1	1,00,000	1,00,000	2	1,00,000	1,60,000	3	1,50,000	1,60,000	4	1,20,000	1,20,000	5	1,00,000	1,00,000	6	-	1,00,000	7	-	1,00,000	15	CO1
Year	Net cash flow (Rs.)																																																												
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		15	CO1																																																										

Q.2 A) From the following details of Alpha Ltd. Prepare Sales budget for the Three month of next year. 15 CO2

Sales Data in units for the Current Year

Product	A	B	C
January	20,000	15,000	18,000
February	25,000	30,000	22,000
March	21,000	35,000	32,000
Selling price Per Unit	Rs.10	Rs. 15	Rs. 12

Expected increase in Sales quantity of products A and C will be 10% in each case.

Expected decrease in sales quantity of product B will be 20%.

Estimated rise in Selling price per unit all products will be 20%.

OR

B) Company ABC Ltd produces 10,000 units.

The Company's expenses to produce 1 Unit of the product is listed below:

Direct Material	Rs. 7
Direct Labour	Rs.5
Other Variable Expenses	Rs. 4.5
Administrative overheads	Rs. 6 (40% variable)
Selling overheads	Rs. 3 (75% variable)
Production overheads	Rs. 4 (20% Variable)
Purchase of Equipment	Rs. 30,000
Selling Price	Rs. 120

Prepare budget for 70%, 80% and 100% utilisation of the capacity if the details listed above is by 90% utilisation of installed capacity.

15 CO2

Q.3 A) The income statement and Balance sheet of Navratna Company Ltd. is given below: 15 CO3

Income Statement

Particulars	Rs. (in Lakh)	Rs. (in Lakh)
Sales	2,500	
Interest on investments	50	
Profit on sale of old Assets	25	
Total Income		2,575
Less:		
Manufacturing Cost	900	
Administrative Cost	300	
Selling and Distribution cost	250	
Depreciation	150	
Loss on sale of Building	25	1,625
EBIT		950
Less: Interest		100
EBT		850
Less: Tax (30%)		255
PAT		595
EPS (595 lakh/25 lakh)		Rs. 23.8
P/E Ratio		4.25

Balance Sheet

Liabilities	Rs. (in Lakhs)	Assets	Rs. (in Lakhs)
Equity Capital	250	Land & Building	400
Reserves	200	Machinery	350
Long term borrowings	300	Stock	50
Creditors	75	Debtors	60
Provisions	65	Cash and Bank	30
Total	890	Total	890

The cost of equity and debt is 15% and 11% respectively. The company pays 30% corporate tax.

You are required to calculate EVA and MVA.

OR

B) Calculate EVA from the following information of HFC Ltd.

Equity Share Capital- Rs. 700 crores

Retained Earnings- Rs. 100 crores

15% Debentures- Rs. 200 crores

Cost of Equity- 18%

Tax Rate- 35%

EBIT- Rs. 300 crores

AND

C) Define the term 'Corporate Restructuring'. What are the types of Corporate Restructuring.

08

CO3

07

CO4

Q.4

Solve the following. (3x5 Marks)

15

A) XYZ Ltd. is considering to acquire ABC Ltd. from the following particulars calculate Exchange ratio (a) Based on Market price (b) Based on EPS

Particulars	XYZ Ltd.	ABC Ltd.
EAT (Rs.)	4,00,000	1,00,000
No. of Equity Shares	2,00,000	1,00,000
Market Price Per Share (Rs.)	Rs. 25	Rs. 8

B) Capital Structure of a company:

Equity Share Capital (Rs. 10 per share): Rs. 50,00,000

Retained Earnings: Rs.40,00,000

Earning Per Share: Rs. 23.8

P/E Ratio: 2

Calculate Market Value Added

CO3

C) Calculate Payback period of a project requiring initial investment of Rs. 1,50,000. Salvage at the end of its life of 5 years is Rs. 20,000. Project is expected to earn Net profit after tax of Rs. 10,000 per year.

CO1