

# SOMAIYA

## VIDYAVIHAR UNIVERSITY

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

### QUESTION PAPERS

<b>BRANCH: Bachelor of Commerce</b> <b>(Accounting &amp; Finance)</b>	<b>SEM: II</b>
	<b>APR-2024</b>

Sr. No.	Subject	Available
1.	Corporate Finance II (A), (B)	
2.	Business Law I	
3.	Management Accounting (A), (B)	
4.	131U02C201 - Financial Accounting II (A)	
5.	131U02C201 - Financial Accounting II (B)	
6.	131U02C201 - Financial Accounting II (C), (D)	
7.		
8.		
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15.		



LIBRARY



**Semester (November 2023 to March 2024)**  
**Examination: End Semester Examination April 2024 (UG Programmes)**

**Programme code:** 02

**Programme:** Bachelor of Commerce in Accounting and Finance

**Class:** FY

**Semester:** II

**Name of the Constituent College:**  
S K Somaiya College

**Name of the Department:**  
Accounting and Finance

**Course Code:**

**Name of the Course:** Corporate Finance II

**Duration :** 2 hours

**Maximum Marks :** 30 marks

**Instructions:**

- 1) Answer any **THREE** questions out of the questions provided.
- 2) Use of a simple calculator is permitted.
- 3) Figures to the right indicate the marks assigned to the questions.
- 4) Working notes should form part of your answers.

Question No.	Answer any <b>THREE</b> out of the following:	Max. Marks	CO Attainment																								
Q1	<p>XYZ Ltd. is evaluating a project involving an outlay of Rs. 1,20,000 resulting in an annual cash inflow of:</p> <table><thead><tr><th>Year</th><th>Net Cash Inflows</th><th>Year</th><th>Net Cash Inflows</th></tr></thead><tbody><tr><td>1</td><td>21,000</td><td>6</td><td>24,000</td></tr><tr><td>2</td><td>21,000</td><td>7</td><td>30,000</td></tr><tr><td>3</td><td>21,000</td><td>8</td><td>45,000</td></tr><tr><td>4</td><td>21,000</td><td>9</td><td>30,000</td></tr><tr><td>5</td><td>21,000</td><td>10</td><td>12,000</td></tr></tbody></table> <p>a) Calculate the Net Present Value using 10% as the cost of capital b) Calculate the IRR of the project. (10 marks)</p>	Year	Net Cash Inflows	Year	Net Cash Inflows	1	21,000	6	24,000	2	21,000	7	30,000	3	21,000	8	45,000	4	21,000	9	30,000	5	21,000	10	12,000	10	CO 1
Year	Net Cash Inflows	Year	Net Cash Inflows																								
1	21,000	6	24,000																								
2	21,000	7	30,000																								
3	21,000	8	45,000																								
4	21,000	9	30,000																								
5	21,000	10	12,000																								
Q2	<p>Calculate the EVA of Jatayu Ltd based on the following information: (10 marks) Net profit after tax - Rs. 15 lakhs Tax rate - 30%</p>	10	CO 2																								

	Interest - Rs. 10 lakhs Invested capital - Rs. 95 lakhs of which 55% is debt Weighted average cost of capital is 13%.		
<b>Q3</b>	<p>Company X is contemplating the purchase of Company Y. Company X has 3,00,000 shares having a market price of Rs. 30 per share, while Company Y has 2,00,000 shares selling at Rs. 20 per share.</p> <p>The EPS are Rs. 4.00 and Rs. 2.25 for Company X and Y respectively. The Management of both companies are discussing two alternative proposals for exchange of shares as indicated below:</p> <p>(i) in proportion to the relative earnings per share of two companies.</p> <p>(i) 0.5 share of Company X for one share of Company Y (0.5: 1).</p> <p>You are required :</p> <p>(a) to calculate the Earnings per share (EPS) after merger under two alternatives; and</p> <p>(b) to show the impact of EPS for the shareholders of two companies under both the alternatives. <b>(10 marks)</b></p>	<b>10</b>	<b>CO 3</b>
<b>Q4</b>	<p>A. Explain the advantages of mergers and acquisitions. <b>(5 marks)</b></p> <p>B. Explain the meaning of MVA and its uses. <b>(5 marks)</b></p>	<b>10</b>	<b>CO 3</b>





**Semester (November 2023 to March 2024)**  
**Examination: End Semester Examination April 2024 (UG Programmes)**

<b>Programme code:</b> 02 <b>Programme:</b> Bachelor of Commerce in Accounting and Finance		<b>Class:</b> FY	<b>Semester:</b> II
<b>Name of the Constituent College:</b> S K Somaiya College		<b>Name of the Department:</b> Accounting and Finance	
<b>Course Code:</b>	<b>Name of the Course:</b> Corporate Finance II		
<b>Duration :</b> 2 hours	<b>Maximum Marks :</b> 30 marks		
<b>Instructions:</b> 1) Answer any <b>THREE</b> questions out of the questions provided. 2) Use of a simple calculator is permitted. 3) Figures to the right indicate the marks assigned to the questions. 4) Working notes should form part of your answers.			

Question No.		Max. Marks	CO Attainment															
Q1	A Ltd. is evaluating a project involving an outlay of Rs. 10,00,000 resulting in an annual cash flow of Rs. 250,000 in 6 years. Assuming the salvage value of the project is zero, determine the IRR of the project. (10 marks)	10	CO 1															
Q2	Calculate EVA from the following information: (10 marks) Equity Share Capital - Rs. 170 lakhs Reserves - Rs. 130 lakhs 10% Debentures - Rs. 400 lakhs Cost of Equity - 20% Financial leverage - 1.4 times Tax rate - 30%	10	CO 2															
Q3	A Ltd is considering a takeover of B Ltd. The details of the two companies are: <table><tr><td>Particulars</td><td>A Ltd</td><td>B Ltd</td></tr><tr><td>Earnings after tax (Rs.)</td><td>40,00,000</td><td>20,00,000</td></tr><tr><td>Number of equity shares</td><td>20,00,000</td><td>20,00,000</td></tr><tr><td>EPS (Rs.)</td><td>2</td><td>1</td></tr><tr><td>P/E ratio (times)</td><td>20</td><td>10</td></tr></table>	Particulars	A Ltd	B Ltd	Earnings after tax (Rs.)	40,00,000	20,00,000	Number of equity shares	20,00,000	20,00,000	EPS (Rs.)	2	1	P/E ratio (times)	20	10	10	CO 3
Particulars	A Ltd	B Ltd																
Earnings after tax (Rs.)	40,00,000	20,00,000																
Number of equity shares	20,00,000	20,00,000																
EPS (Rs.)	2	1																
P/E ratio (times)	20	10																



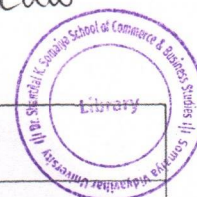
	<p>a) Calculate the market value of both the companies before the merger.</p> <p>b) The management of A Ltd estimates that the shareholders of B Ltd will accept an offer of one share of A Ltd for four shares of B Ltd. If there are no effects of synergy, calculate the market value of A Ltd post merger. Also determine whether the shareholders of A Ltd are better or worse off than they were before the merger. <b>(10 marks)</b></p>		
<b>Q4</b>	<p>A. Explain about any two Capital Budgeting techniques. <b>(5 marks)</b></p> <p>B. Explain the meaning of EVA and its uses. <b>(5 marks)</b></p>	<b>10</b>	<b>CO 1 and CO 2</b>



**SOMAIYA**  
VIDYAVIHAR UNIVERSITY

BAF-II

Law



**Semester April 2024**

**Examination: End Semester Examination April 2024 (UG Programmes)**

Programme code: 02		Class: FY	Semester: II
Programme:			
Name of the Constituent College: S.K. Somaiya College		Name of the Department Accounting and Finance	
Course Code:	Name of the Course: Business Law I		
Duration : 2 Hrs.	Maximum Marks: 60		
Instructions: All questions are compulsory.			

<b>Question No.</b>		<b>Max. Marks</b>	<b>Co Attainment</b>
<b>Q.1</b>	<p>Miss. Babita is a 16-year girl. After death of her father, she was admitted in Iyer and Jethalal Partnership firm. She was assigned some work in partnership, under which she entered into an agreement with Daya suppliers. According to that agreement she was required to fulfill the consignment of artificial flowers within 15 days. But she failed to complete that.</p> <p>As a Law student explain the following questions:</p> <p>(A) Whether Miss. Babita's admission in partnership is valid or not?</p> <p>(B) Artificial flowers are not considered as Goods, comment on this.</p> <p>(C) Explain the minor's agreement under Contract Act.</p>	<p>05</p> <p>05</p> <p>05</p>	<p>CO2</p> <p>CO3</p> <p>CO1</p>
<b>Q.2</b>	<p>(A) Elaborate Section 2(a) under Indian Contract act, 1872 relating to the features of Offer.</p> <p>(B) Mr. White 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.</p> <p style="text-align: center;"><b>OR</b></p> <p>(C) The Partnership Firm 'East and West Logistics' has been carrying their business for more than 10 years. In the year 2021 they received a consignment to send some Antique crafts to Paris. After the detailed enquiry by the firm, they got to know that the Antiques are illegally been smuggled. So, the Firm</p>	<p>07</p> <p>08</p> <p>15</p>	<p>CC 1</p> <p>CO1</p> <p>CO1</p>



	cancelled the Contract by giving reason as Void Agreement. As a Law student, comment on the above situation by explaining different situations where agreement stands void.		
Q.3	(A) Miss Farha is a Bollywood choreographer. Her two relatives started their dance academy in partnership. To get good business they approach Miss Farha to lend her name to the partnership firm. What Miss Farha's will be called as? Also explain some other types of Partners.	07	CO2
	(B) Elaborate the contents of Partnership Deed.	08	CO2
	<b>OR</b> (C) A Zodiac Partnership firm is running their Alcohol selling business for 10 years in the State of Gujrat. But recently some amendments made in the Laws according to which Alcohol selling was banned in Gujrat. Now they are required to dissolve their partnership firm. Whether this dissolution is voluntary? Explain this point with a detailed note on dissolution of Partnership Act under Section 39 of Indian Partnership Act, 1932.	15	CO2
Q.4	(A) Acura Cosmetics selling their products by telecommunication. The sellers provide the description of the products. Explain the condition as to the sale by description with a detailed example.	07	CO3
	(B) Elaborate the difference between Partnership and Company.	08	CO3
	<b>OR</b> (C) Ms. Manjulika is a trained dancer. To practice for her upcoming concert, she made a purchase of some dress and beauty products from 'Pearls stores'. She paid the price by issuing a cheque. In two days from the deposit of cheque by 'Pearls Stores' they received a message stating, the cheque is dishonored. What the 'Pearl Stores' will be called and what will be rights available to them?	15	CO3



Semester (Nov 2023 – March 2024)		
Examination: End Semester Examination April 24 (UG Programmes)		
Programme code: 03 Programme: Accounting & Finance	Class: FYBAF	Semester: II
Name of the Constituent College: S K Somaiya College	Name of the Department: Accounting & Finance	
Course Code:	Name of the Course: Management Accounting	
Duration : 2 Hrs.		Maximum Marks : 60
Instructions: 1) Use of Simple Calculator is allowed 2) Figures to the right indicate full marks		

Q. No.		Max. Mark	CO																																														
Q.1	<b>Attempt the following: (3 x 5 Marks)</b>	<b>(15)</b>	<b>1,2</b>																																														
A)	Company is having following Assets and liabilities for consecutive 3 years.																																																
	<table><tr><th rowspan="2">Particulars</th><th>2021</th><th>2022</th><th>2023</th><th>2021</th><th>2022</th><th>2023</th></tr><tr><th>Amt</th><th>Amt</th><th>Amt</th><th>%</th><th>%</th><th>%</th></tr><tr><td>Equity Share Capital</td><td>1,00,000</td><td>?</td><td>?</td><td>?</td><td>150%</td><td>150%</td></tr><tr><td>General Reserve</td><td>30,000</td><td>50,000</td><td>?</td><td>?</td><td>?</td><td>250%</td></tr><tr><td>Profit &amp; Loss Account</td><td>?</td><td>85,000</td><td></td><td>?</td><td>125%</td><td>175%</td></tr><tr><td>Land &amp; Building</td><td>80,000</td><td>1,00,000</td><td>1,00,000</td><td>?</td><td>?</td><td>?</td></tr><tr><td>Working Capital</td><td>35,000</td><td>43,750</td><td>?</td><td>?</td><td>?</td><td>180%</td></tr></table>			Particulars	2021	2022	2023	2021	2022	2023	Amt	Amt	Amt	%	%	%	Equity Share Capital	1,00,000	?	?	?	150%	150%	General Reserve	30,000	50,000	?	?	?	250%	Profit & Loss Account	?	85,000		?	125%	175%	Land & Building	80,000	1,00,000	1,00,000	?	?	?	Working Capital	35,000	43,750	?	?
Particulars	2021	2022	2023		2021	2022	2023																																										
	Amt	Amt	Amt	%	%	%																																											
Equity Share Capital	1,00,000	?	?	?	150%	150%																																											
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Profit & Loss Account	?	85,000		?	125%	175%																																											
Land & Building	80,000	1,00,000	1,00,000	?	?	?																																											
Working Capital	35,000	43,750	?	?	?	180%																																											
B)	Working Capital of the Company is Rs. 3,00,000 and Current Ratio is 3.5 : 1. Whereas liquid ratio is 3:1. If Bank Overdraft is 20,000 and there are no prepaid expenses. Find out the amount of Closing Stock.		<b>3,4</b>																																														
C)	From the following transactions, state the amount of increase or decrease cash and on account of which activity: a) Sale of Machinery of the WDV of Rs. 30,000 at Rs. 40,000 b) Purchase of Investments worth Rs. 1,00,000 (Market Value 1,10,000) c) Redemption of Preference share of Rs. 1,00,000 at 10% Premium d) Issue of debentures of Rs. 1,00,000 at 4% discount e) Increase in Debtors by Rs. 50,000		<b>5</b>																																														
Q.2	Following is the Balance Sheet of Sujal Ltd as on 31 <sup>st</sup> March 2022	<b>(15)</b>	<b>01</b>																																														
A)	<table><tr><th>Liabilities</th><th>Amount</th><th>Asset</th><th>Amount</th></tr><tr><td>Equity Share Capital</td><td>8,00,000</td><td>Land &amp; Building</td><td>10,00,000</td></tr><tr><td>8% Pref Share Capital</td><td>5,00,000</td><td>Plant &amp; Machinery</td><td>6,05,000</td></tr><tr><td>10% Debentures</td><td>3,50,000</td><td>Furniture &amp; Fixture</td><td>1,95,000</td></tr><tr><td>5% Bank Loan</td><td>5,05,000</td><td>Investments</td><td>4,00,000</td></tr><tr><td>7% Public Deposit</td><td>95,000</td><td>(Long Term)</td><td></td></tr><tr><td>General Reserve</td><td>80,000</td><td>Marketable Investment</td><td>78,250</td></tr><tr><td>Capital Reserve</td><td>75,000</td><td>Sundry Debtors</td><td>85,750</td></tr></table>			Liabilities	Amount	Asset	Amount	Equity Share Capital	8,00,000	Land & Building	10,00,000	8% Pref Share Capital	5,00,000	Plant & Machinery	6,05,000	10% Debentures	3,50,000	Furniture & Fixture	1,95,000	5% Bank Loan	5,05,000	Investments	4,00,000	7% Public Deposit	95,000	(Long Term)		General Reserve	80,000	Marketable Investment	78,250	Capital Reserve	75,000	Sundry Debtors	85,750														
Liabilities	Amount	Asset	Amount																																														
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7% Public Deposit	95,000	(Long Term)																																															
General Reserve	80,000	Marketable Investment	78,250																																														
Capital Reserve	75,000	Sundry Debtors	85,750																																														



Securities Premium	25,000	Bills Receivable	33,000
Sundry Creditors	55,000	Advance from Supplier	25,250
Bank Overdraft	35,500	Underwriting Commission	30,000
Bills Payable	45,250	Preliminary Expenses	?
O/s Expenses	9,250	Cash balance	?
	25,75,000		25,75,000

If Shareholders' Funds are 14,00,000, find out preliminary expenses and cash balance. Convert the balance sheet into vertical format.

**OR**

Q.2 B) Following is the Profit & Loss Account of Arnav Limited as on 31.3.2023 (15) 02

<i>Particulars</i>	<i>Amount</i>	<i>Particulars</i>	<i>Amount</i>
To Opening Stock	30,000	By Sales 5,25,000	
To Material 1,40,000		Less: Sales Return <u>25,000</u>	5,00,000
Less: Returns <u>20,000</u>	1,20,000	By Closing Stock	42,000
To Wages	30,000		
To Factory Expenses	42,000		
To Gross Profit	3,20,000		
	5,42,000		5,42,000
To Salaries	30,000	By Gross Profit	3,20,000
To Rent	9,000	By Profit on sale of	
To Bank Charges	5,000	investments	20,000
To Office Expenses	6,000		
To Sales Commission	15,000		
To Bad Debts	5,000		
To Directors Fees	8,000		
To Depreciation	18,000		
To Debenture Interest	8,000		
To Bank Interest	55,000		
To Travelling Expenses	6,000		
To Bank Commission	15,000		
To Insurance Charges	20,000		
To Catalogue Expenses	30,000		
To Net Profit c/d	1,10,000		
	3,40,000		3,40,000

Convert above profit and loss account into common size statement and offer your comment.

Q.3 A) Following is the Balance Sheet of M/s Mehra and Mehra as on 31.3.2023 (15) 03

<i>Liabilities</i>	<i>Amount</i>	<i>Asset</i>	<i>Amount</i>
Equity Share Capital	3,00,000	Land & Building	3,25,000
8% Pref Share Capital	1,00,000	Plant & Machinery	1,15,000
General Reserve	50,000	Goodwill	95,000



Capital Reserve	1,15,000	Investments	1,10,000
Securities Premium	35,000	Current Investment	18,250
8% Debentures	1,80,000	Sundry Debtors	25,750
11% Bank Loan	75,000	Bills Receivable	13,750
Sundry Creditors	25,000	Cash & Bank	30,000
Bank Overdraft	35,000	Closing Stock	1,70,000
Bills Payable	15,500	Preliminary Expenses	9,000
O/s Expenses	11,250	Advance Income Tax	30,000
	9,41,750		9,41,750

Additional Information:

Total Sales during the year is Rs. 30,00,000 at a gross margin of 25%. Opening stock is Rs. 2,05,000.

Calculate following ratios:

- |                      |                         |
|----------------------|-------------------------|
| a) Proprietary Ratio | e) Stock Turnover Ratio |
| b) Debt Equity Ratio |                         |
| c) Current Ratio     |                         |
| d) Acid Test Ratio   |                         |

OR

Q.3.  
B)

Following information is provided by Bharat Electricals limited for the year ended on 31.3.2022

(15) 03

<i>Particulars</i>	<i>Amount</i>
Sales	1,20,00,000
Opening Stock of Raw Material	10,00,000
Opening Stock of Finished Goods	5,00,000
Purchase of Raw Material	27,00,000
Purchase Return	2,00,000
Sales Return	20,00,000
Interest received on Fixed Deposit	5,00,000
Miscellaneous Income	4,00,000
Freight on Raw Material	30,000
Salaries and Wages	4,00,000
Bonus to employees	80,000
Directors' remuneration	8,00,000
Depreciation	9,00,000
Interest paid on Debentures	5,00,000
Interest on loan from Bank	2,00,000
Repairs and Maintenance	80,000
Insurance premium	30,000
Electricity charges	40,000
Rent rates and taxes.	20,000
Audit fees.	50,000
Advertisement expenses	1,20,000
Salesmen commission	10,000



	Convert above profit and loss account into vertical income statement and find out following ratios: a) Gross Profit Ratio b) Net Profit Ratio c) Operating Cost ratio																																																																				
Q.4. A)	<p>Ryan limited wants to take overdraft facility form their bank. For this purpose, they need to estimate their working capital requirement for the year 2021-22:</p> <p>Output during the year 52,000 units</p> <p>Raw Material Cost: Rs. 20 per unit</p> <p>Selling Price: Rs. 50 per unit (Profit 20% on Selling price)</p> <p>Labour and overheads are in the ratio of 3:2</p> <p>Following further information is given:</p> <ul style="list-style-type: none"><li>a) Raw material remains in stock for a period of 4 weeks</li><li>b) Processing period 2 weeks</li><li>c) Company maintain finished goods stock for 3 weeks</li><li>d) Out of total purchases 40% requirement is procured from Japan to whom 2 weeks advance payment is made. Remaining creditors allows 4 weeks credit</li><li>e) Credit period allowed to customers is 3 weeks</li><li>f) Company maintains cash balance of Rs.. 75,000</li><li>g) Time lag in payment of wages and overheads is 4 weeks.</li><li>h) Company wants to maintain 15% margin of safety on gross working capital</li></ul> <p style="text-align: center;"><b>OR</b></p>	(15)	04																																																																		
Q.4. B)	<p>Following are balance sheets of Nupun limited as on 31<sup>st</sup> March.</p> <table><tr><th>Liabilities</th><th>Amt</th><th>Amt</th><th>Asset</th><th>Amt</th><th>Amt</th></tr><tr><td>Equity Capital</td><td>2,50,000</td><td>3,00,000</td><td>Building</td><td>3,50,000</td><td>3,35,000</td></tr><tr><td>8% Pref Capital</td><td>1,50,000</td><td>1,00,000</td><td>Machinery</td><td>1,00,000</td><td>2,80,000</td></tr><tr><td>10% Debentures</td><td>2,00,000</td><td>2,50,000</td><td>Investment</td><td>2,70,000</td><td>2,00,000</td></tr><tr><td>Profit &amp; Loss Acc</td><td>50,000</td><td>90,000</td><td>S. Debtors</td><td>37,750</td><td>57,250</td></tr><tr><td>Capital Reserve</td><td>30,000</td><td>45,000</td><td>Bills Receivable</td><td>25,250</td><td>40,150</td></tr><tr><td>Provision for Tax</td><td>80,000</td><td>90,000</td><td>Cash Balance</td><td>10,000</td><td>20,100</td></tr><tr><td>Proposed Dividend</td><td>50,000</td><td>70,000</td><td>Bank Balance</td><td>55,000</td><td>37,500</td></tr><tr><td>Sundry Creditors</td><td>31,250</td><td>41,750</td><td>Preliminary Exp</td><td>22,000</td><td>20,000</td></tr><tr><td>Bills Payable</td><td>28,750</td><td>3,250</td><td></td><td></td><td></td></tr><tr><td></td><td>8,70,000</td><td>9,90,000</td><td></td><td>8,70,000</td><td>9,90,000</td></tr></table> <p>Following further information is provided:</p> <ul style="list-style-type: none"><li>a) Company charge Depreciation on Machinery @ 20% on Opening Balance</li><li>b) Profit on revaluation of Building is credited to Capital Reserve Account</li><li>c) Company redeems preference shares of Rs. 50,000 at 10% premium.</li></ul> <p>You are required to prepare cash flow statement as per AS 3 of the companies act 2013.</p>	Liabilities	Amt	Amt	Asset	Amt	Amt	Equity Capital	2,50,000	3,00,000	Building	3,50,000	3,35,000	8% Pref Capital	1,50,000	1,00,000	Machinery	1,00,000	2,80,000	10% Debentures	2,00,000	2,50,000	Investment	2,70,000	2,00,000	Profit & Loss Acc	50,000	90,000	S. Debtors	37,750	57,250	Capital Reserve	30,000	45,000	Bills Receivable	25,250	40,150	Provision for Tax	80,000	90,000	Cash Balance	10,000	20,100	Proposed Dividend	50,000	70,000	Bank Balance	55,000	37,500	Sundry Creditors	31,250	41,750	Preliminary Exp	22,000	20,000	Bills Payable	28,750	3,250					8,70,000	9,90,000		8,70,000	9,90,000	(15)	05
Liabilities	Amt	Amt	Asset	Amt	Amt																																																																
Equity Capital	2,50,000	3,00,000	Building	3,50,000	3,35,000																																																																
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10% Debentures	2,00,000	2,50,000	Investment	2,70,000	2,00,000																																																																
Profit & Loss Acc	50,000	90,000	S. Debtors	37,750	57,250																																																																
Capital Reserve	30,000	45,000	Bills Receivable	25,250	40,150																																																																
Provision for Tax	80,000	90,000	Cash Balance	10,000	20,100																																																																
Proposed Dividend	50,000	70,000	Bank Balance	55,000	37,500																																																																
Sundry Creditors	31,250	41,750	Preliminary Exp	22,000	20,000																																																																
Bills Payable	28,750	3,250																																																																			
	8,70,000	9,90,000		8,70,000	9,90,000																																																																





Semester (Nov 2023 – March 2024)		
Examination: End Semester Examination April 24 (UG Programmes)		
Programme code: 03 Programme: Accounting & Finance	Class: FYBAF	Semester: II
Name of the Constituent College: S K Somaiya College	Name of the Department: Accounting & Finance	
Course Code:	Name of the Course: Management Accounting	
Duration : 2 Hrs.		Maximum Marks: 60
Instructions: 1) Use of Simple Calculator is allowed 2) Figures to the right indicate full marks		

Q. No.		Max. Mark	CO																																								
Q.1	<b>Attempt the following (3 X 5 Marks)</b>	(15)	1,2																																								
A)	<p>Megabyte Ltd gives you following information regarding their Income Statement for the year ended on 31.3.2023.</p> <p style="text-align: center;"><b>Common Size Income Statement</b></p> <table border="1"> <thead> <tr> <th></th><th>Particulars</th><th>Amount</th><th>%</th></tr> </thead> <tbody> <tr> <td></td><td>Gross Sales</td><td>?</td><td>?</td></tr> <tr> <td>Less:</td><td>Sales Return</td><td>?</td><td>5%</td></tr> <tr> <td></td><td>Net Sales</td><td>21,00,000</td><td>?</td></tr> <tr> <td>Less:</td><td>Cost of Goods Sold</td><td>?</td><td>?</td></tr> <tr> <td></td><td>Gross Profit</td><td>?</td><td>35%</td></tr> <tr> <td>Less:</td><td>Operating Expenses</td><td>?</td><td>20%</td></tr> <tr> <td></td><td>Operating Net Profit</td><td>?</td><td>?</td></tr> <tr> <td>Add:</td><td>Non-Operating Incomes</td><td>?</td><td>2%</td></tr> <tr> <td></td><td>Net Profit</td><td>?</td><td>?</td></tr> </tbody> </table>		Particulars	Amount	%		Gross Sales	?	?	Less:	Sales Return	?	5%		Net Sales	21,00,000	?	Less:	Cost of Goods Sold	?	?		Gross Profit	?	35%	Less:	Operating Expenses	?	20%		Operating Net Profit	?	?	Add:	Non-Operating Incomes	?	2%		Net Profit	?	?		
	Particulars	Amount	%																																								
	Gross Sales	?	?																																								
Less:	Sales Return	?	5%																																								
	Net Sales	21,00,000	?																																								
Less:	Cost of Goods Sold	?	?																																								
	Gross Profit	?	35%																																								
Less:	Operating Expenses	?	20%																																								
	Operating Net Profit	?	?																																								
Add:	Non-Operating Incomes	?	2%																																								
	Net Profit	?	?																																								
B)	<p>The following information is provided by Miracles Limited for the year ended on 31.3.2023.</p> <p>The stock turnover ratio of the company is 8 times and opening stock is 50,000 more than closing stock. Total Sale of the company is 8,00,000 of which 30% is cash sales. The company maintains its gross profit at 20%. Opening and Closing sundry Debtors are 1,70,000 and 1,10,000 respectively.</p> <p>Find out Debtors Turnover ratio and Closing Stock of the company.</p>		3,4																																								
C)	<p>From the following transactions, state the amount of increase or decrease cash and on account of which activity:</p> <ol style="list-style-type: none"> <li>Decrease in Creditors by Rs. 30,000</li> <li>Increase in Bills Receivable by Rs. 50,000</li> <li>Investment costing Rs. 50,000 sold at Rs. 45,000</li> <li>Land worth Rs. 1,00,000 is revalued at Rs. 1,40,000</li> <li>Debentures of Rs. 3,00,000 are redeemed at 5% Premium.</li> </ol>		5																																								



Q.2

Following is the Balance Sheet of Sujal Ltd as on 31<sup>st</sup> March 2022

(15)

01

A)

<i>Liabilities</i>	<i>Amount</i>	<i>Asset</i>	<i>Amount</i>
Equity Share Capital	1,50,000	Land & Building	2,10,000
10% Debentures	80,000	Plant & Machinery	90,000
5% Bank Loan	1,05,000	Goodwill	20,000
General Reserve	25,500	Investments	45,000
Profit & Loss Account	35,500	Sundry Debtors	22,500
Share Premium	15,250	Bills Receivable	33,750
Sundry Creditors	18,750	Cash & Bank	8,500
Bills Payable	11,850	Share Issue Expenses	9,000
O/s Expenses	8,150	Preliminary Expenses	11,250
	4,50,000		4,50,000

Convert the above balance sheet into vertical form and then into common size statement. Offer your comment.

OR

Q.2

B)

Following is the Profit & Loss Accounts of Orient green Ltd for the year ended on 31<sup>st</sup> March,

(15)

02

<i>Particulars</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
	<i>Amt</i>	<i>Amt</i>	<i>Amt</i>	<i>%</i>	<i>%</i>	<i>%</i>
Sales	3,09,000	?	?	?	122	155
(-) Sales Return	?	16,980	28,950	?	?	?
Net Sales	3,00,000	?	?	?	?	?
(-) Cost of Goods	1,00,000	?	?	?	160	200
Gross Profit	?	?	?	?	?	?
(-) Operating Exp.	50,000	?	?	?	120	180
Operating Net Profit	?	?	?	?	?	?
(-) Non-Op Exp	20,000	40,000	60,000	?	?	?
Net Profit	?	?	?	?	?	?

Complete the above statement.

Q.3

A)

Following is the Balance Sheet of M/s Mehra and Mehra as on 31.3.2022 & 23

(15)

03

<i>Liabilities</i>	<i>2022</i>	<i>2023</i>	<i>Assets</i>	<i>2022</i>	<i>2023</i>
Equity Share Cap	1,25,000	1,50,000	Building	90,000	1,30,000
Pref Capital	50,000	50,000	Machinery	50,000	45,000
General Reserves	30,000	50,000	Inventory	30,000	25,000
Profit & Loss Acc	35,000	60,000	S. Debtors	50,000	80,000
Sundry Creditors	20,000	35,000	Bills Receivable	20,000	30,000
Bills Payable	15,000	20,000	Bank Balance	25,000	55,000
O/s Expenses	5,000	10,000	Preliminary Exp	15,000	10,000
	2,80,000	3,75,000		2,80,000	3,75,000





Additional Information:

Sales for the year are Rs. 10,00,000 and Gross profit is 25% of the sales.

Find out:

a) Proprietary Ratio	b) Stock Turnover Ratio
c) Debtors Turnover Ratio	d) Debtors Collection Period
e) Creditors Turnover Ratio	f) Creditors Payment Period

OR

**Q.3.** Following are the extracts of Balance sheet and Profit & Loss Account of Jaguar Limited as on 31.3.2022.

(15) 03

Balance Sheet Extracts		Profit & Loss Account Extract	
Particulars	Amount	Particulars	Amount
Equity Capital	1,50,000	Cash Sales	1,20,000
8% Preference Capital	50,000	Credit Sales	7,85,000
Reserves	38,500	Sales Returns	5,000
Current Liabilities	52,000	Cost of Sales	50%
Fictitious Assets	3,500	Net Profit After Tax	20%
Current Assets	98,000		

Current liabilities include Bank Overdraft Rs. 12,000 and Current Assets Includes Stock worth Rs. 25,000 and Bank Overdraft of Rs. 13,000

Calculate: 1) Stock Turnover Ratio 2) Acid Test Ratio 3) Capital Gearing Ratio 4) Return on Equity 5) Gross Profit Ratio 6) Debtors Collection period if average debtors are 1,30,000. Assume 360 days in a year.

**Q.4.** Umbrell Ltd wants to finance its day to day activities and is in requirement of working capital. They provide following details:

(15) 04

A) Raw Material – Rs. 70 per unit, Wages – Rs. 30 per unit, Overheads – Rs. 20 per unit. They want to maintain profit @ 20% of selling price.

The company's installed capacity is 1,20,000 units of which 70% is utilized during the year. Following further information is provided:

- It is the practice of the company to maintain 1 month's raw material in stock.
- The processing period takes 2 months. Full material is issued for the purpose of production, work completed in respect of wages and overheads is 60% and 40% respectively.
- Stock of finished goods is maintained at 1.5 months production.
- Wages are paid after every 15 days.
- Overheads are paid 1 month in advance.
- 30% of sales is to the customers in Malasia against 2 months advance and remaining to the local customers against 2 months credit.
- 50% of the raw material is procured from the supplier in Australia by making 1 month advance payment. Remaining creditors extend credit of 1.5 months.
- Cash and bank balance may be assumed at Rs. 1,50,000



Q.4.  
B)

Following are balance sheets of Nupun limited as on 31<sup>st</sup> March.

(15)

05

<i>Liabilities</i>	<i>Amt</i>	<i>Amt</i>	<i>Asset</i>	<i>Amt</i>	<i>Amt</i>
Equity Capital	2,50,000	3,00,000	Building	3,50,000	3,35,000
8% Pref Capital	1,50,000	1,00,000	Machinery	1,00,000	2,80,000
10% Debentures	2,00,000	2,50,000	Investment	2,70,000	2,00,000
Profit & Loss Acc	50,000	90,000	S. Debtors	37,750	57,250
Capital Reserve	30,000	45,000	Bills Receivable	25,250	40,150
Provision for Tax	80,000	90,000	Cash Balance	10,000	20,100
Proposed Dividend	50,000	70,000	Bank Balance	55,000	37,500
Sundry Creditors	31,250	41,750	Preliminary Exp	22,000	20,000
Bills Payable	28,750	3,250			
	8,70,000	9,90,000		8,70,000	9,90,000

Following further information is provided:

- Company charge Depreciation on Machinery @ 20% on Opening Balance
- Profit on revaluation of Building is credited to Capital Reserve Account
- Company redeems preference shares of Rs. 50,000 at 10% premium.

You are required to prepare cash flow statement as per AS 3 of the companies act 2013.

BAF-II  
FA-II



**SOMAIYA**  
VIDYAVIHAR UNIVERSITY



<b>Semester (November 2023 to March 2024)</b>			
<b>Examination: End Semester Examination April 2024 (UG/PG Programmes)</b>			
<b>Programme code: 03</b>		<b>Class:</b>	<b>Semester: II</b>
<b>Programme: Accounting and Finance</b>		<b>F.Y.B.A.F.</b>	
<b>Name of the Constituent College:</b> S K SOMAIYA COLLEGE		<b>Name of the Department :</b> Accounting and Finance	
<b>Course Code:</b>		<b>Name of the Course: Financial Accounting -II</b>	
<b>Duration : 2 Hrs.</b>		<b>Maximum Marks : 60</b>	
<b>Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary 3)All Working notes form part of the answers.</b>			

Question No.		Max. Marks	Co Attainment																																								
Q.1	<p>a) Goods of value Rs 1,00,000 were insured for Rs 90,000. A fire broke out and destroyed all the goods with no salvage value. How much amount can be claimed ? will your answer differ if the goods are insured for Rs 1,20,000?</p> <p>b) A consignor sent 1000 kg of sugar to the consignee costing Rs 25 per kg. Consignor also incurred Rs 500 for loading charges and Rs 500 for insurance of the goods sent to consignee. Consignee received the sugar after paying unloading charges Rs 300. He sold 900 kg sugar and remaining 100kg sugar remain unsold. You are required to help the consignor in valuation of 100kg sugar lying with the consignee.</p> <p>c) Discuss the order of payment of the external liabilities in case of piecemeal distribution of dissolution of firm.</p>	<p>(05)</p> <p>(05)</p> <p>(05)</p>	01,03,04																																								
Q.2A.	<p>Madhav, Anup and Parag are Partner sharing profit and Losses in the profit of <math>\frac{1}{2}</math>, <math>\frac{1}{3}</math> and <math>\frac{1}{6}</math> respectively. Their partnership was dissolved on 30<sup>th</sup> June, 2019 on which date their balance sheet was under:-</p> <table border="1" style="width:100%; border-collapse: collapse; margin-top: 10px;"> <tr> <th>Liabilities</th><th>₹</th><th>Assets</th><th>₹</th></tr> <tr> <td>Capitals :</td><td></td><td>Cash</td><td>8,000</td></tr> <tr> <td>Mr. Madhav</td><td>39,000</td><td>Debtors</td><td>84,000</td></tr> <tr> <td>Mr. Anup</td><td>20,000</td><td>Stock</td><td>31,000</td></tr> <tr> <td>Mr. Parag</td><td>4,000</td><td></td><td></td></tr> <tr> <td>Loans</td><td></td><td></td><td></td></tr> <tr> <td>Mr. Madhav</td><td>12,000</td><td></td><td></td></tr> <tr> <td>Mr. Anup</td><td>8,000</td><td></td><td></td></tr> <tr> <td>Creditors</td><td>40,000</td><td></td><td></td></tr> <tr> <td></td><td>1,23,000</td><td></td><td>1,23,000</td></tr> </table>	Liabilities	₹	Assets	₹	Capitals :		Cash	8,000	Mr. Madhav	39,000	Debtors	84,000	Mr. Anup	20,000	Stock	31,000	Mr. Parag	4,000			Loans				Mr. Madhav	12,000			Mr. Anup	8,000			Creditors	40,000				1,23,000		1,23,000	(15)	04
Liabilities	₹	Assets	₹																																								
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Mr. Anup	8,000																																										
Creditors	40,000																																										
	1,23,000		1,23,000																																								



It was agreed that cash should be immediately utilized and thereafter the net realization should be distributed in their due order at the end of each month by following excess capital method.

The Net Realization were as under:-

15 <sup>th</sup> July, 2019	22,000
20 <sup>th</sup> August, 2019	21,000
6 <sup>th</sup> September, 2019	32,000
17 <sup>th</sup> October, 2019	21,200
30 <sup>th</sup> November, 2019	9,000

Prepare necessary Statement of distribution. All your working should form part of your answer.

**OR**

Q.2.B.

From the following Balance Sheet of M/s Ideal Store with Sunil, Anil and Neel as partners sharing profits and losses in the ratio of 5:3:2. Their Balance Sheet on the date of dissolution was as follows:

(15)

04

Liabilities	Rs	Assets	Rs
Partners Capital A/c:		Fixed Assets	80,000
Sunil	38,800	Current Assets	60,000
Anil	20,400	Cash in hand	9,600
Neel	26,000		
General Reserve	19,200		
Sunil's loan	21,200		
Sundry Creditors	24,000		
	1,49,600		1,49,600

(i) Realisation expenses were estimated at ` 4,000.

(ii) The Assets were realised as under:

First Installment	61,280
Second Installment	28,720
Third Installment	21,000

(iii) Actual realisation expenses were ` 3,000 only.

Prepare a statement showing piecemeal distribution of cash by adopting Excess Capital Method

Q.3A.

Sanjog Ltd. Badlapur, a Trading company has a Branch at Virar. All purchases are made by H.O. and goods sent to the Branch are invoiced at selling price which is 20% above cost sales at Branch are on credit items. Branch expenses are paid by H.O. and all cash received by the Branch is remitted to H.O. All Branch transactions are recored in the head office books. Following information is given to you.

(15)

02





Branch stock (at cost to Branch) on 1-1-2007	46,800
Branch Debtors on 1-1-2007	33,475
Transactions during the year 2007 were	
Goods sent to Branch at invoice price	4,21,980
Returns from Branch to H.O. at invoice price	8,346
Branch Sales	4,39,140
Return from customers to Branch	4,602
Cash received from Branch Debtors	4,27,024
Discount allowed to Branch Debtors	18,395
Branch expenses paid	52,351

Branch stock at 31st December, 2007 (at invoice price) was Rs. 25,506 and expenses outstanding on that date were Rs. 650. You are required to show Branch Account, Branch Debtors Account, Branch Expense Account and Branch Profit and Loss Account in the ledger of Head Office for the year to 31st December, 2007.

OR

Q.3.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 instruction of selling goods only at invoice price. Following are the particulars about the Branch transactions:

(15)

02

Particulars	Rs
Stock (at invoice price) on 1 <sup>st</sup> July, 2007	5,000
Branch Debtors on 1 <sup>st</sup> July 2007	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 31 <sup>st</sup> December, 2007 (at Invoice Price)	2,100

Calculate Profit made by the Branch Accounts are to be opened on Stock and Debtors System.

Q.4.A.

A. Nasik Cycle Co. Ltd., Nasik, despatched 100 cycles costing Rs. 960 each to Rajendra Cycle Mart, Igatpuri. Consignor drew

(15)

01



a bill on consignee for Rs. 50,000. Consignee was allowed a commission at 4% and a del credere commission at 1% on sale proceeds. Rajendra Cycle Mart sent an account sales, stating that 80% of the cycles were sold for Rs. 1,26,000 on credit.

Nasik Cycle Co. incurred the following expenses on consignment: Cartage Rs. 1,200; Freight Rs. 1,600 and Insurance Rs. 1,000.

Rajendra Cycle Mart incurred the following expenses: Warehouse Expenses Rs. 500; Sales Expenses Rs. 500 and Advertisement Rs. 4,000. Consignee remitted the balance due by bank draft.

Prepare Consignment Account in the books of Consignor and Consignor's Account in the books of Consignee.

OR

Q.4.B.

The Godown of Sco was destroyed by fire on 15.4.15. From the following figures, ascertain the value of goods destroyed by fire and the amount to be claimed assuming the goods are fully insured.

(15)

03

Particulars	₹
Stock as on 1.1.2014	720
Purchases less Returns:	
From 1.1.10 to 31.12.14	2,800
From 1.1.15 to 15.4.15	2,920
Sales Less Returns:	
From 1.1.14 to 31.12.14	4,000
From 1.1.15 to 15.4.15	3,200
Stock as on 31.12.14	480
Cost price of goods salvaged	240

1) Cost price of goods taken by the proprietor for personal use & not recorded in the books from 1.1.15 to 15.4.15 Rs 320.

2) The stocks are valued at cost less 20%.



Semester (January 2024 to April 2024) (old syllabus)		
Examination: End Semester Examination March/April 2024 (UG Programmes) ATK		
Programme code:02	Class: FY	Semester: II
Programme: Accounting and Finance		
Name of the Constituent College:	Name of the Department Accounting and Finance	
Course Code: 131U02C201	Name of the Course: Financial Accounting – II	
Duration : 2 Hrs.	Maximum Marks : 60	
Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary 3) use simple calculator		

Question No.		Max. Mark												
Q.1	<p>A) Nishant purchased a Machinery on hire-purchase system from Mechanic Ltd. On 1<sup>st</sup> January 2020; for Rs. 15,60,000. He paid Rs. 1,20,000 on signing the agreement and thereafter four half yearly instalment of Rs. 3,60,000 each on 30<sup>th</sup> June and 31<sup>st</sup> December every year. The cash value of the Truck was Rs. 12,60,000. Ashoka Ltd charged interest @ 20% p.a. on a half-yearly basis.</p> <p>Prepare ledger accounts in the Books of Mechanic Ltd from 1.1.2020 to 31.12.2021 and Nishant Account in their Balance sheet on 31<sup>st</sup> December 2021.</p> <p style="text-align: center;"><b>OR</b></p> <p>B) Beta Ltd took a Iron and ore mine on a lease at a Royalty of Rs. 12/- per ton of coal extracted, with a minimum rent of Rs. 2,40,000 p.a. subject to the right to recoupment in the next 3 years. In the event of Strike , minimum rent be reduced proportionately to the period of strike. Following are the details of coal extracted:</p> <table><tr><th>Year</th><th>1</th><th>2</th><th>3</th><th>4</th><th>5</th></tr><tr><td>Production in Tonne</td><td>60,000</td><td>70,000</td><td>1,00,000</td><td>80,000</td><td>90,000</td></tr></table> <p>During the year 2020 there was lockdown for 2 months.</p> <p>Prepare Royalty Analysis Table and Pass necessary Journal Entries.</p>	Year	1	2	3	4	5	Production in Tonne	60,000	70,000	1,00,000	80,000	90,000	(15)
Year	1	2	3	4	5									
Production in Tonne	60,000	70,000	1,00,000	80,000	90,000									
Q.2	<p>A) On 1<sup>st</sup> January, 2021, 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 31<sup>st</sup> December, 2021 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> <p style="text-align: center;"><b>OR</b></p> <p>B) Mrs. Ruby prepares accounts on 30<sup>th</sup> Sept each year. But on 31<sup>st</sup> December, 2022; fire destroyed the greater part of her stock. Following information were collected from her books.</p>	(15)												



	Rs.
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.

- Q.3 A) Head office in Thane has a branch at Calcutta 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 31<sup>st</sup> March 2023. (15)

Particulars	Opening Balances	Closing Balances
Furniture	1,50,000	?
Plant & Machinery	3,75,000	?
Debtors	1,50,000	1,87,500
Bank Overdraft	45,000	34,500
Creditors	82,500	72,000
Cash at Bank	49,500	61,500

Other details of the Branch are as follows

Opening Stock (at invoice price)	7,50,000
Goods sent to the Branch (at invoice price)	6,60,000
Goods returned by customer to Head Office directly	22,500
Goods returned by customer to the branch (at invoice price)	37,500
Cash Sales	12,00,000
Credit Sales	6,30,000
Goods lost by fire	7,500
Goods returned by branch to Head Office (at invoice price)	3,00,000
Goods lost by theft	4,500
<u>Expenses paid by branch (Cash sent by Head Office to Branch)</u>	
Electricity	19,500
Xerox Charges	13,500
Printing & Stationary	9,000
Salaries of staff	1,44,000
Rent of premises	45,000

Provide depreciation on Plant and Machinery @20% p.a. and on Furniture @10% p.a.

OR

B) The following are the details of "Manipur" Branch for the year 2022

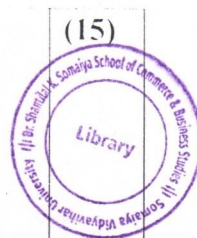
Particulars	Amount	Particulars	Amount
Opening Stock	12,000	Salaries	4,000
Opening Petty Cash	1,000	Rent	3,000
Opening Debtors	16,000	Closing Stock	16,000
Goods Sent to Branch	48,000	Cash sent to Branch	4,400
Goods return by Branch	1,600	Discount allowed.	200
Remittances from Branch	1,34,000	Bad debts	300
Returns from Debtors	8,000	Commission paid.	1,500
Collection from Debtors	1,36,000	Closing petty cash	900
	6,000	Closing Debtors	18,000
Cash sales			

You are requested to prepare Branch Stock Account, Branch Debtors Account, Branch Expenses Account, and Branch Profit & Loss A/c

Q.4 Attempt the following: (3 X 5 Marks)

- 1) Distinguish between Hire Purchase System from Instalment Selling system?
- 2) A Company leased a colliery on 1st January, 2007 at a minimum rent of 20,000 merging into a royalty of rs.1.50 per ton with power to recoup short workings over the first four years was 9,000 tons , 12,000 tons , 16,000 tons , 20,000 tons respectively. Prepare table showing Short working, surplus and short working recouped.
- 3) Draw the chart showing types of branches and differentiate between branch accounts and Departmental Accounts.

(15)







Semester (January 2024 to April 2024) (old syllabus)

Examination: End Semester Examination March/April 2024 (UG Programmes) ATKT

Programme code:03		Class: FY	Semester: II
Programme: Accounting and Finance			
Name of the Constituent College:		Name of the Department Accounting and Finance	
Course Code: 131U03C201	Name of the Course: Financial Accounting – II		
Duration : 2 Hrs.	Maximum Marks : 60		
Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary 3) use simple calculator			

Question No.		Max. Mark																									
Q.1	<p>A) Nishant purchased a Machinery on hire-purchase system from Mechanic Ltd. On 1<sup>st</sup> January 2020; for Rs. 15,60,000. He paid Rs. 1,20,000 on signing the agreement and thereafter four half yearly instalment of Rs. 3,60,000 each on 30<sup>th</sup> June and 31<sup>st</sup> December every year. The cash value of the Truck was Rs. 12,60,000. Ashoka Ltd charged interest @ 20% p.a. on a half-yearly basis.</p> <p>Prepare ledger accounts in the Books of Mechanic Ltd from 1.1.2020 to 31.12.2021 and Nishant Account in their Balance sheet on 31<sup>st</sup> December 2021.</p> <p style="text-align: center;"><b>OR</b></p> <p>B) On 1<sup>st</sup> 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 31<sup>st</sup> 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>	(15)																									
Q.2	<p>A) Head office in Thane has a branch at Calcutta 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 <b>Branch A/c</b> in the books of Head Office for the year ended 31<sup>st</sup> March 2023.</p> <table border="1"><thead><tr><th>Particulars</th><th>Opening Balances</th><th>Closing Balances</th></tr></thead><tbody><tr><td>Furniture</td><td>1,50,000</td><td>?</td></tr><tr><td>Plant &amp; Machinery</td><td>3,75,000</td><td>?</td></tr><tr><td>Debtors</td><td>1,50,000</td><td>1,87,500</td></tr><tr><td>Bank Overdraft</td><td>45,000</td><td>34,500</td></tr><tr><td>Creditors</td><td>82,500</td><td>72,000</td></tr><tr><td>Cash at Bank</td><td>49,500</td><td>61,500</td></tr></tbody></table> <p>Other details of the Branch are as follows</p> <table border="1"><tbody><tr><td>Opening Stock (at invoice price)</td><td>7,50,000</td></tr><tr><td>Goods sent to the Branch (at invoice price)</td><td>6,60,000</td></tr></tbody></table>	Particulars	Opening Balances	Closing Balances	Furniture	1,50,000	?	Plant & Machinery	3,75,000	?	Debtors	1,50,000	1,87,500	Bank Overdraft	45,000	34,500	Creditors	82,500	72,000	Cash at Bank	49,500	61,500	Opening Stock (at invoice price)	7,50,000	Goods sent to the Branch (at invoice price)	6,60,000	(15)
Particulars	Opening Balances	Closing Balances																									
Furniture	1,50,000	?																									
Plant & Machinery	3,75,000	?																									
Debtors	1,50,000	1,87,500																									
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Opening Stock (at invoice price)	7,50,000																										
Goods sent to the Branch (at invoice price)	6,60,000																										



Goods returned by customer to Head Office directly	22,500
Goods returned by customer to the branch (at invoice price)	37,500
Cash Sales	12,00,000
Credit Sales	6,30,000
Goods lost by fire	7,500
Goods returned by branch to Head Office (at invoice price)	3,00,000
Goods lost by theft	4,500
<u>Expenses paid by branch (Cash sent by Head Office to Branch)</u>	
Electricity	19,500
Xerox Charges	13,500
Printing & Stationary	9,000
Salaries of staff	1,44,000
Rent of premises	45,000

Provide depreciation on Plant and Machinery @20% p.a. and on Furniture @10% p.a.

OR

B) The following are the details of "Manipur" Branch for the year 2022

(15)

Particulars	Amount	Particulars	Amount
Opening Stock	12,000	Salaries	4,000
Opening Petty Cash	1,000	Rent	3,000
Opening Debtors	16,000	Closing Stock	16,000
Goods Sent to Branch	48,000	Cash sent to Branch	4,400
Goods return by Branch	1,600	Discount allowed.	200
Remittances from Branch	1,34,000	Bad debts	300
Returns from Debtors	8,000	Commission paid.	1,500
Collection from Debtors	1,36,000	Closing petty cash	900
	6,000	Closing Debtors	18,000
Cash sales			

You are requested to prepare Branch Stock Account, Branch Debtors Account, Branch Expenses Account, and Branch Profit & Loss A/c

Q.3

A) Mrs. Ruby prepares accounts on 30<sup>th</sup> Sept each year. But on 31st December, 2022; fire destroyed the greater part of her stock. Following information were collected from her books.

(15)

	Rs.
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 Trial Balance of Apna Consumers Co-operative Stores Ltd. Prepares Trading and Profit and Loss Account for the year ended 31<sup>st</sup> March, 2023 and balance Sheet as on that date considering the additional information.

(15)

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 31<sup>st</sup> 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 31<sup>st</sup> March, 2023 Rs. 5,000.
6. Transfer to Reserve Fund 25% of net profit.

Q.4 Attempt the following: (3 X 5 Marks)

(15)

- 1) Distinguish between Hire Purchase System from Instalment Selling system?
- 2) Units dispatched by consignor to consignee 2000 at the cost of Rs.25each. 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. 1,500, Advertising: Rs.1,500. Calculate value of closing stock on consignment.
- 3) Draw the chart showing types of branches and differentiate between branch accounts and Departmental Accounts.





**SOMAIYA**  
VIDYAVIHAR UNIVERSITY



Semester (November 2023 to March 2024)		
Examination: End Semester Examination April 2024 (UG/PG Programmes)		
Programme code: 03	Class:	Semester: II
Programme: Accounting and Finance	F.Y.B.A.F.	
Name of the Constituent College: S K SOMAIYA COLLEGE	Name of the Department :Accounting and Finance	
Course Code:	Name of the Course: Financial Accounting -II	
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	<p>a) A fire broke out on 1<sup>st</sup> march 2023 in the premises of GST Ltd. On the date of the fire their was a stock of Rs 1,20,000 in the godown. The fire destroyed the goods completely leaving only goods worth Rs 8,400 as salvage. The godown stock was insured for Rs 90,000. Hence the insurance company refused to pay full claim. Is the decision of the insurance company valid. How much amount canbe claimed by GST Ltd.</p> <p>b) Ganga of Gangapur sent goods worth Rs 1,20,000 to Jamuna of Agra on 1<sup>st</sup> April 2022. On the same day Ganga spent Rs 1200 in insurance and Rs 3,000 on the loading and freight charges of the goods. Jamuna received the goods on 10<sup>th</sup> April and paid Rs1800 for unloading charges and Rs 2000 for storage . you are required to value the stock of goods with the consignee assuming half of the goods are unsold.</p> <p>c) P,Q and R are equal partners in a partnership firm with capital of Rs 30000 each. Then determine the excess capital of each partner and order of payment to the partners.</p>	<p>(05)</p> <p>(05)</p> <p>(05)</p>	01,03,04														
Q.2.A.	<p>A Company having Head Offices at Mumbai, has a branch in Nagpur to which goods are invoiced at cast plus 20 per cent. From the following particluars prepare a Branch Account in the books of Head Office:</p> <table><tr><th>Particluars</th><th>Rs.</th></tr><tr><td>Opening Balance:</td><td></td></tr><tr><td>Stock (Invoice price)</td><td>60,000</td></tr><tr><td>Debtors</td><td>40,000</td></tr><tr><td>Petty Cash</td><td>320</td></tr><tr><td>Goods sent to Branch (Cost)</td><td>1,60,000</td></tr><tr><td>Goods returned by Branch (Invoice</td><td>3,000</td></tr></table>	Particluars	Rs.	Opening Balance:		Stock (Invoice price)	60,000	Debtors	40,000	Petty Cash	320	Goods sent to Branch (Cost)	1,60,000	Goods returned by Branch (Invoice	3,000	(15)	02
Particluars	Rs.																
Opening Balance:																	
Stock (Invoice price)	60,000																
Debtors	40,000																
Petty Cash	320																
Goods sent to Branch (Cost)	1,60,000																
Goods returned by Branch (Invoice	3,000																



price)	
Total sales	2,48,000
Cash sales	1,04,000
Cash received from Debtors	1,36,000
Discount received by Debtors	4,000
Cash remitted to Branch for expenses	32,000
Closing Balance:	
Stock (Invoice Price)	48,000
Petty cash	400
Liabilities for expenses	1,000

OR

Q.2.B.

Electra Ltd. has a Branch at Borivli. All Purchases are by the HO in Pune and Goods for the Borivli Branch are delivered direct and charged out at Selling Price being cost plus 50%. All Cash is received by the Branch out of an Imprest Account reimbursed by the Pune Office, monthly. The Branch keeps Sales Ledger and the necessary Subsidiary Books, otherwise all Branch Transactions are recorded in the books of HO. On 1-4-2007, Stock at the Branch at Sale Price amounted to Rs. 39,750 and Debtors Rs. 5,820 During the year ended Mar. 31<sup>st</sup> 2008 the following transactions took place Branch.

Authorised reduction in the Sale Price	1,050
Discount Allowed to Debtors	1,160
Cash received from Debtors	38,260
Cash Sales	43,400
Credit Sales Less Returns	40,420
Debtors written off as irrecoverable	430
Goods received by Branch at Selling Price	1,02,900
Goods returned to HO at Selling price	1,680

Consignment of Goods dispatched to the Branch in March 2008 with Selling Price Rs. 1,540 was not received by the Branch until April 12, 2008, and has not been included in its figure. On March 31<sup>st</sup> 2008 stock at Sale Price was Rs. 53,600. You are required to write up Branch Stock A/c Branch Debtors in the HO Books.

(15)

02

Q.3.A.

M & Co., Ceylon, consigned goods to R & Co., Chennai, of the value of Rs. 5,000 and invoiced the same proforma at

(15)

01



20% above cost. They paid thereon Rs. 120 for Freight Cartage and Rs. 80 for Insurance. They drew on R & Co. for Rs. 2,000 as advance against the consignment and sold the bill for Rs 1950. The consignee informed that  $\frac{3}{4}$  of the goods were sold for Rs. 5,200 and R & Co.'s expenses amounted to Rs. 175 and their commission to Rs. 300. The unsold stock was valued at cost and two month's draft was received from R & Co. in settlement of account to date. Show the transactions in the books of both the parties

OR

Q.3.B.

A fire occurred on April 15, 2015, and destroyed the business premises of X & Co. The books of accounts and Stock amounting to ₹ 1,80,000 were saved and the following information was rendered available from the books:

(15)

03

Particulars	Sales (₹)	Gross Profit (₹)
Year ending December 31, 2010	86,00,000	21,50,000
Year ending December 31, 2011	71,00,000	21,30,000
Year ending December 31, 2012	60,00,000	20,00,000
Year ending December 31, 2013	55,00,000	18,70,000
Year ending December 31, 2014	48,00,000	16,00,000

The stock on December 31, 2014, was valued at ₹ 9,70,000. The Purchases, sales and production wages from January 1, 2015 to April 14, 2015 were ascertained at ₹ 7,50,000, ₹ 15,90,000 and ₹ 3,00,000 respectively. You are to prepare a statement in support of your claim against the Insurance Company together with any comments you may feel necessary to make.

Q.4.A.

From the following Balance Sheet of M/s Aruna Limited with R, L, M as partners sharing profits and losses in the ratio of 5 : 3 : 2. Their Balance Sheet on the date of dissolution was as follows:

(15)

04



Liabilities	₹	Assets	₹
Partners' Capital :		Fixed Assets	80,000
R	38,800	Current Assets	60,000
L	20,400	Cash in Hand	9,600
M	26,000		
General Reserve	19,200		
R's Loan	21,200		
Sundry Creditors	24,000		
	1,49,600		1,49,600

1) Realisation expenses were estimated at ₹ 4,000.

2) The assets were realised as under : First installment ₹ 61,280

3) Second installment ₹ 28,720 Third installment ₹ 20,000

4) Actual realisation expenses were ₹ 3,000 only.

Prepare a statement showing a piecemeal distribution of cash by adopting Excess Capital Method

**OR**

Q.4.B.

A, B, C are partners sharing profits and losses in the ratio of 4 : 2 : 1. They decided to dissolve the partnership as on 31st March, 2014 when their Balance Sheet was as follows :

**Balance Sheet**

Liabilities	Rs	Assets	Rs
Creditors	11,600	Cash in hand	340
General Reserve	18,900	Investment	30,000
Bank Overdraft	32,500	Stock	1,28,300
Capital:		Debtors	45,400
A	80,000	Machinery	32,600
B	1,60,000	Furniture	4,900
C	1,30,000	Building	1,91,460
	4,33,000		4,33,000

All creditors have to be paid off. Rs. 2,400 have to be provided for realization expenses. Thereafter, all cash received should be distributed among the partners.

The amounts were realized as follows:

1st Instalment Rs 30,000.

2nd Instalment Rs 36,000.

3rd Instalment Rs 2,10,000.

4th Instalment Rs 92,000.

The actual realization expenses were Rs 1,200.

Prepare a statement showing distribution of cash as per Excess Capital Method.

(15)

04