

# 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: III</b>
	<b>OCT/NOV-2023</b>

Sr. No.	Subject	Available
1.	Direct Taxation (A)	
2.	Direct Taxation (B)	
3.	Statistical Techniques (A), (B)	
4.	131U02V301 – Auditing Techniques (A)	
5.	131U02V301 – Auditing Techniques (B), (C)	
6.	131U02V302 – Financial Management I (A)	
7.	131U02V302 – Financial Management I (B), (C)	
8.	131U02C303 – Direct Tax I	
9.	Financial Management I (C)	
10.	corporate Accounting	
11.		
12.		
13.		
14.		
15.		



LIBRARY



**SOMAIYA**  
VIDYAVIHAR UNIVERSITY

(B)

Semester (July 2023 to October 2023)

Examination: End Semester Examination October/November 2023 (UG/PG Programmes)

Programme code:

Programme: ACCOUNTING AND FINANCE

Class: SY

Semester: III

Name of the Constituent College: S K SOMAIYA

Name of the Department :  
ACCOUNTING & FINANCE

Course Code:

Name of the Course: DIRECT TAXATION

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.	Nandita, an individual resident retired employee of the Prasar Bharati aged 58 years, is a well-known dramatist deriving income of Rs. 1,10,000 from theatrical works played abroad. Tax of Rs. 11,000 was deducted in the country where the plays were performed. India does not have any Double Tax Avoidance Agreement under section 90 of the Income-tax Act, 1961, with that country. Her income in India amounted to Rs. 5,10,000. In view of tax planning, she has deposited Rs. 70,000 in Public Provident Fund and paid contribution to approved Pension Fund of LIC Rs. 32,000. She also contributed Rs. 18,000 to medical insurance premium.. Compute the tax liability of Nandita.	(07)	CO6
Q.1.B.	Mr. Sharma has four minor children consisting 2 daughters and 2 sons. The annual income of 2 daughters were ₹ 9,000 and ₹ 4,500 and of sons were ₹ 6,200 and ₹ 4,300, respectively. The daughter who has income of ₹ 4,500 was suffering from a disability specified under section 80U. Compute the amount of income earned by minor children to be clubbed in hands of Mr. Sharma.	(08)	CO1
	<b>OR</b>		
Q.1.C.	Calculate the Advance Tax Instalments payable by Mr. Arjun Saxena during the financial year 2022-23 from the following information. a) Taxable Business Income Rs. 3,85,000 b) Long Term Capital Gain Rs. 20,000 on 01.12.2022 c) T.D.S. deducted from Business Income Rs. 30,000	(8)	CO4
Q.1.D.	Find out the T.D.S. applicability and amount of tax to be deducted if any in following cases:	(7)	CO5



	<p>a) Mr. Yash is the owner of 11 heavy goods carriage vehicles and provides transport/Logistic services to Aksha Ltd worth Rs. 3,50,000. Will your answer differ if he is the owner of 7 heavy vehicles?</p> <p>b) Mr. Umesh is liable for Tax Audit u/s 44AB. He paid following amounts to Mr. Yogesh:</p> <ul style="list-style-type: none"> <li>- Rent for use of Commercial Building Rs. 42,000 from 1.6.2022</li> <li>- Rent for use of Machinery Rs. 30,000 from 1.6.2022</li> </ul> <p>Find out the amount of T.D.S. to be deducted and justify your answer.</p>		
Q.2.A	Explain the provisions for mandatory filing of return under section 139(1) of the income tax act 1961?	(7)	C04
Q.2.B.	<p>Indicate whether the following acts can be considered as tax evasion/tax avoidance or otherwise: Justify answer with appropriate reasoning:</p> <p>a) Samarth deposits Rs. 65,000 in the term deposit of 5 years with the Post Office to avail tax deduction under section 80C. Assuming Mr. Samarth does not opt for concessional tax regime u/s 115BAC of the Income tax Act, 1961.</p> <p>b) Sushil is using a motor car for his personal purposes, but charges as business expenditure.</p> <p>c) PQR industries Ltd installed an air-conditioner costing Rs. 75,000 at the residence of a director as per terms of his appointment but treats it as fitted in quality control section in the factory. This is with the objective to treat it as plant for the purpose of computing depreciation.</p> <p>d) R. Ltd issues a credit note for Rs.90,000 for brokerage payable to Suresh who is son of R, managing director of the company. The purpose is to increase his total income from Rs.1,60,000 to Rs.2,50,000 and reduce its income correspondingly.</p> <p style="text-align: center;"><b>OR</b></p>	(8)	C07
Q.2.C.	<p>Following are the details of Partnership firm Provided by M/s Vivo and co for the Financial year 2022-23</p> <ul style="list-style-type: none"> <li>a) Net Loss Rs. 1,00,000 after allowing following expenses:</li> <li>b) Salary to Working Partners Mr. Ajay 50,000 Mr. Vijay 60,000</li> <li>c) Interest on Capital @ 18% Rs. 9,000 to Ajay and Rs. 72,00 to Vijay</li> <li>d) Donation to Orphanage House Rs. 10,000</li> </ul> <p>Calculate taxable income of the firm and allowable salary of partners assuming both the partners are working partners.</p>	(8)	C03

Q.2.D.	<p>Mr. Akhilesh is having income from salary Rs. 40,000 p.m. and Mrs. Akhilesh is having salary of Rs. 30,000 p.m. Mr. Akhilesh also earns Interest on Fixed Deposit worth Rs. 80,000 during the year and Mrs. Akhilesh Earns Income from Investment in Government certificate Rs. 95,000. Income of Minor sons/daughters of Mr and Mrs. Akhilesh are as follows:</p> <ul style="list-style-type: none"><li>i. Minor daughter earns Rs. 25,000 on fixed deposit (Amount deposited by her father)</li><li>ii. Income earn by Mst. Vihan Rs. 1,20,000 by playing chess tournaments at national level</li></ul> <p>Explain with reason clubbing provisions and taxable income of Mr. and Mrs. Akhilesh for the Assessment Year 2023-24</p>	(7)	CO1
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Q.3.A.	<p>R, a resident individual – submits the following information relevant for the previous year ending on 31.3.2023:</p> <p style="text-align: center;">₹</p> <table><tr><td>(a)</td><td>Income from salary (computed)</td><td>+ 72,000</td></tr><tr><td>(b)</td><td>Interest on securities</td><td>+ 12,000</td></tr><tr><td>(c)</td><td>Income from House Property</td><td></td></tr><tr><td></td><td>House No. 1</td><td>+ 22,000</td></tr><tr><td></td><td>House No. 2</td><td>– 60,000</td></tr><tr><td></td><td>House No. 3</td><td>– 10,000</td></tr><tr><td>(d)</td><td>Profit and Gains from Business :</td><td></td></tr><tr><td></td><td>Business No. 1</td><td>+ 26,000</td></tr><tr><td></td><td>Business No. 2</td><td>– 22,000</td></tr><tr><td></td><td>Business No. 3 (speculative)</td><td>– 74,000</td></tr><tr><td></td><td>Business No. 4 (speculative)</td><td>+ 46,000</td></tr><tr><td>(e)</td><td>Capital gains :</td><td></td></tr><tr><td></td><td>Short – term capital gain (computed)</td><td>– 70,000</td></tr><tr><td></td><td>Long – term capital gain (computed)</td><td>+ 64,000</td></tr><tr><td>(f)</td><td>Income from card games and betting (gross)</td><td>+ 70,000</td></tr><tr><td></td><td>Loss from maintenance of horse races</td><td>– 56,000</td></tr><tr><td></td><td>Income from owning &amp; maintaining horse races</td><td>+ 30,000</td></tr></table> <p>Determine the total income of R for the AY 2023-24.</p>	(a)	Income from salary (computed)	+ 72,000	(b)	Interest on securities	+ 12,000	(c)	Income from House Property			House No. 1	+ 22,000		House No. 2	– 60,000		House No. 3	– 10,000	(d)	Profit and Gains from Business :			Business No. 1	+ 26,000		Business No. 2	– 22,000		Business No. 3 (speculative)	– 74,000		Business No. 4 (speculative)	+ 46,000	(e)	Capital gains :			Short – term capital gain (computed)	– 70,000		Long – term capital gain (computed)	+ 64,000	(f)	Income from card games and betting (gross)	+ 70,000		Loss from maintenance of horse races	– 56,000		Income from owning & maintaining horse races	+ 30,000	(15)	C02
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OR



Q.3.B.	<p>Mr. Chirag is employed with Coforge Ltd. During the year 2022-23 he is in the receipts of following amounts:</p> <ul style="list-style-type: none"><li>a) Basic Salary Rs. 40,000 p.m.</li><li>b) Dearness Allowance 45%</li><li>c) Interest Paid on loan for Self-Occupied House Property Rs. 35,000</li><li>d) Interest received on Saving Bank with State Bank Rs. 4,500</li></ul> <p>Employer deducted Rs. 55,000 during the year towards RPF and 25,000 LIC Premium. He paid Mediclaim insurance for self and family Rs. 30,000 in cash. Calculate tax liability and T.D.S to be deducted by employer on monthly basis.</p>	(08)	C05										
Q.3.C.	<p>Mr. Lankesh is liable to pay income tax of Rs. 2,00,000. He paid following amounts towards advance tax on different due dates during the year 2022-23</p> <table><tr><th>Paid on</th><th>Amount paid</th></tr><tr><td>15-06-2022</td><td>30,000</td></tr><tr><td>15-09-2022</td><td>60,000</td></tr><tr><td>15-12-2022</td><td>60,000</td></tr><tr><td>15-03-2023</td><td>50,000</td></tr></table> <p>Tax assessed by the Income tax officer after filing Income Tax return is Rs. 2,30,000. Mr. Lankesh is not liable for tax audit u/s 44AB and he filed his income tax return in time on the due date i.e. on 15.7.2023. Calculate Interest payable by Mr. Lankesh u/s 234A, 234B and 234C Under Income Tax Act, 1961 for the Previous Year 2022-23 (A.Y. 23-24).</p>	Paid on	Amount paid	15-06-2022	30,000	15-09-2022	60,000	15-12-2022	60,000	15-03-2023	50,000	(7)	C04
Paid on	Amount paid												
15-06-2022	30,000												
15-09-2022	60,000												
15-12-2022	60,000												
15-03-2023	50,000												
Q.4	<p><b>Answer the following :[ 5 X 3marks each]</b></p> <ul style="list-style-type: none"><li>a) Jaya wants to file her return on 31st october assuming she has salary from a partnership firm where tax audit is compulsory. Is her contention valid? If not what is the correct due date for her to file the return?</li><li>b) Pravin Bharucha has a short term capital loss of Rs 9,00,000 which he wants to set off against house property income of Rs 8,00,000. can he do so? How can he carry forward the loss and for how many years?</li><li>c) Mr. Manto an Indian citizen gifted Rs. 20 lacs to her wife on 1-4-2022. she started a new business with the said amount and earned Rs 4,00,000 in the previous year 2022-23. Who is liable to pay tax on the said income? will clubbing provisions apply on income earned on Rs 4,00,000 in next assessment year?</li></ul>	15	CO1										

- d) Mr. Sumit carried out business of computer accessories and opted presumptive taxation for the year 2022-23. His turnover of business is Rs. 95,000 of which cash receipts are of Rs. 82,000 lakhs and remaining are digital payments accepted by him. Calculate taxable income and tax liability with due date for payment of Advance Tax.
- e) Mr. A and Mr. B are partners in a partnership firm. A is a working Partner and B is Financing Partner. Mr. A is entitled to receive the salary of Rs. 10,000 p.m. and Mr. B is entitled to a commission of Rs. 50,000 p.a. Both the partners are entitled for Interest on Capital @ 20% Rs. 20,000. If the net profit of the Firm is Rs. 4,00,000 calculate book profit.

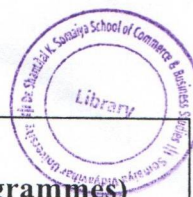






**SOMAIYA**  
VIDYAVIHAR UNIVERSITY

A



**Semester (July 2023 to October 2023)**

**Examination: End Semester Examination October/November 2023 (UG/PG Programmes)**

<b>Programme code:</b> <b>Programme: ACCOUNTING AND FINANCE</b>		<b>Class: SY</b>	<b>Semester: III</b>
<b>Name of the Constituent College: S K SOMAIYA</b>		<b>Name of the Department : ACCOUNTING &amp; FINANCE</b>	
<b>Course Code:</b>	<b>Name of the Course: DIRECT TAXATION</b>		
<b>Duration : 2 Hrs.</b>	<b>Maximum Marks : 60</b>		
<b>Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary 3)</b>			

<b>Question No.</b>		<b>Max. Marks</b>	<b>Co Attainment</b>
Q.1.A.	Determine the Net taxable income of Mr. Raina for the assessment year 2023-24 from following details: Income from house property Rs. 10,20,000 Income from other sources Rs. 1,20,000 Brought forward business losses Business A (speculative) Rs. 20,000 He also had a business of real estate development which was shut down due to huge losses suffered by him to the tune of Rs. 4,00,000 in the previous year 2021-22. During the year he contributed Rs. 40,000 towards life insurance premium and Rs. 32,000 towards Mediciclaim insurance premium.	(7)	CO2
Q.1.B.	Mr. Virat has suffered short term capital gains of Rs. 1,20,000 from selling some shares . He also had long term capital gains of Rs. 1,67,000. During the year he earned professional income of Rs. 10,00,000 and a speculative business gain of Rs 1,80,000 and income from other source to the tune of Rs. 46,000.He also had brought forward business loss of Rs. 12,00,000 Determine how the losses shall be set off and which losses can be carried forward and for how many years? <b>OR</b>	(8)	CO2
Q.1.C.	Net Loss of Miracles and co as on 31.3.2023 is Rs. 4,55,000 after allowing following expenses: a) Salary to Yatish Rs. 15,000 p.m. b) Commission to Aatish @ 10% on Sales orders grab by him for the business of partnership worth Rs. 3,00,000. c) Bonus paid to Mr. Jyotish Rs. 2,000 p.m. (Not working Partner)	(8)	CO3

	<p>d) Interest on Capital to partners @ 10% p.a. capital contributed is as follows on 1.4.2022 : Yatish Rs. 3,00,000; Aatish Rs. 5,00,000 and Jyotish Rs. 2,00,000. Determine the amount of book profit and allowable salary to partners u/s 40(b). calculate tax payable by the partnership firm.</p>		
Q.1.D.	<p>The share holding of Mr. Naitik and Mrs. Naitik in S.K.Ltd is given below:</p> <ol style="list-style-type: none"> <li>1. Shareholding of Mr. Naitik 7%</li> <li>2. Shareholding of Mrs. Naitik 9%</li> <li>3. Shareholding of Mr. Naman, Brother of Mr. Naitik 8%</li> <li>4. Shareholding of Mr. Narayan, Father of Mrs. Naitik 5%</li> </ol> <p>Mr. Naitik and Mrs. Naitik are employed with S.K.Ltd. none of them hold technical qualification. Mr. Naitik gets salary @ 25,000 p.m. and Mrs. Naitik gets salary @ Rs. 20,000 p.m. Discuss the clubbing provision and justify your answer.</p>	(7)	CO1
Q.2.A.	Discuss the Tax Return Preparers scheme under section 139B of the income tax Act 1961.	(5)	CO4
Q.2.B.	<p>Mr Goutam, out of his own funds, had taken a FDR for ₹ 1,00,000 bearing interest @ 10% p.a. payable half- yearly in the name of his wife Latika. The interest earned for the year 2022-23 of ₹ 10,000, was invested by Mrs Latika in the business of packed spices which resulted in a net profit of ₹ 55,000 for the year ended 31st March 2023. How shall the interest on FDR and income from business be taxed for the AY 2023-24? Justify answer with appropriate explanation.</p> <p style="text-align: center;"><b>OR</b></p>	(10)	CO1
Q.2.C.	<p>Ms. Kumkum, aged 45 years, provides you following details of her salary and other income for the financial year 2022-23</p> <ol style="list-style-type: none"> <li>a) Salary per month Rs. 50,000</li> <li>b) Dearness allowance 60% of Basic</li> <li>c) Interest paid on Self occupied property Rs. 65,500</li> <li>d) Interest on Saving Account with ICICI Bank Rs. 7,300 and with Dena Bank Rs. 4,100</li> <li>e) Interest on Fixed Deposit with Shriram Transport Rs. 30,000</li> <li>f) She invested Rs. 40,000 in PPF and 30,000 in NSC</li> <li>g) She paid Medical insurance premium of Rs. 20,000 in cash.</li> </ol> <p>Determine her tax liability and TDS u/s 192 to be deducted by employer per month.</p>	(8)	CO5



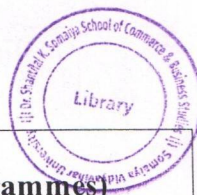
Q.2.D.	Malhar and co a Partnership firm provides you following details of their business income and other income for the Previous Year 2022-23 a) Business Income Rs. 3,00,000 b) Rent received from Let out Property Rs. 15,000 p.m. c) Long Term Capital Gain Rs. 50,000 Calculate tax liability. Is he liable to pay advance tax instalments, if yes, give the schedule of advance tax payments for P.Y. 2022-23.	(7)	CO4										
Q.3. A	Specify with the reason, whether the following acts can be considered as tax planning or tax management or tax evasion or tax avoidance. Justify the answer.  a) Mr. P deposit Rs.1 lakh in PPF account so as to reduce his total income from Rs. 6 lakh to Rs. 5 lakh” assuming Mr. P does not opt for concessional tax regime u/s 115BAC of the Income tax Act, 1961.  b) To reduce tax payable, Mr. Kunal Sharma, a resident individual, paid Rs. 55,000 as life insurance premium on the policy of his minor son. Assuming Mr. Kunal does not opt for concessional tax regime u/s 115BAC of the Income tax Act, 1961.  c) Company claiming depreciation on the motor car which is being used by director for personal purposes.	(10)	CO7										
Q.3.B.	Distinguish between Tax evasion and tax avoidance.  OR	(5)	CO7										
Q.3.C.	Total tax liability determined by Chartered Accountant of Ms. Nehal is Rs. 85,000. Accordingly, she paid following amounts by way of advance tax : <table><tr><td>Due Date</td><td>Tax paid</td></tr><tr><td>Up to 15-06-2022</td><td>12,750</td></tr><tr><td>Up to 15-09-2022</td><td>---</td></tr><tr><td>Up to 15-12-2022</td><td>65,000</td></tr><tr><td>Up to 15-03-2023</td><td>85,000</td></tr></table> On scrutiny of Income Tax return, Income tax office assessed the tax liability for the previous year 2022-23 at Rs. 1,05,000 which is accepted by Mr. Nehal. She paid the differential amount on 2 <sup>nd</sup>	Due Date	Tax paid	Up to 15-06-2022	12,750	Up to 15-09-2022	---	Up to 15-12-2022	65,000	Up to 15-03-2023	85,000	(7)	CO4
Due Date	Tax paid												
Up to 15-06-2022	12,750												
Up to 15-09-2022	---												
Up to 15-12-2022	65,000												
Up to 15-03-2023	85,000												

Q.3.D.	<p>December, 2023. Return is filed by her on due date. Find out the amount of interest payable under section 234A, 234B and 234C of Income Tax Act, 1961.</p> <p>State the Applicability of TDS in following cases:</p> <ol style="list-style-type: none"> <li>Mr. Madhur is a transporter who owns 8 goods carriage heavy vehicles throughout the previous year 2022-23 and furnishes the declaration and PAN to M/s ITC who paid Rs. 2,00,000 against transport service provided by Mr. Madhur</li> <li>Ms. Mitali provides professional services. She received professional fees of Rs. 65,000 from Mr. Arun for technical services. Arun is engaged in a business of stationery not liable for tax audit u/s 44AB. She is also in receipt of professional fees of Rs. 1,00,000 from Ajanta Ltd. During the financial year 2022-23. Discuss the TDS implication in above case. Justify your answer.</li> </ol>	(8)	CO5
Q.4	<p><b>Answer the following :[ 5 X 3marks each]</b></p> <ol style="list-style-type: none"> <li>Mr. Roy an Indian citizen has been working with a multinational company in Japan from last 1 year. During the year he earned salary income of Rs. 5,00,000 on which the company charged tax of Rs 28,000 in Japan. Now that Japan has a double taxation avoidance agreement with Indian government please guide how the said income shall be taxable in India.</li> <li>Miss Meghna earned salary income of Rs 120000 during the previous year 2022-23. She also suffered a business loss of Rs 2,00,000 during the previous year. Decide how to set off the business loss and can the loss be carried forward? If yes, discuss for how many years it can be carried forward?</li> <li>Sunita is a partner in a partnership firm for whom tax audit is compulsory under relevant provisions of income tax act . she claims that she can file her return till 31<sup>st</sup> October instead of 31<sup>st</sup> July. Is her contention valid ? Will your answer differ if tax audit is not compulsory for her partnership firm?</li> <li>Mr. Manas has taxable salary income of Rs. 8,50,000. He is not in receipt of any other income. Determine his tax liability and TDS to be deducted by the employer on monthly basis u/s 192.</li> <li>Partnership firm earns Net Profit of Rs. 80,000 before allowing salary and interest on capital to its partners Ajay and Vijay:Rs. 60,000 Each and Interest on Capital @ 10% Rs. 5,000 each. Find out Book Profit and allowable salary U/s 40(b).</li> </ol>	15	CO1





**SOMAIYA**  
VIDYAVIHAR UNIVERSITY



**Semester (July 2023 to October 2023)**

**Examination: End Semester Examination October/November 2023 (UG Programmes)**

<b>Programme code: 02</b> <b>Programme: SY BAF</b>	<b>Class: SY</b>	<b>Semester: III</b>
<b>Name of the Constituent College: S.K Somaiya college</b>	<b>Name of the Department : Accounting and Finance</b>	
<b>Course Code:</b>	<b>Name of the Course: Statistical Techniques</b>	
<b>Duration : 2 Hrs.</b>	<b>Maximum Marks : 60</b>	
<b>Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary</b>		

Question	Answer the following	Max. Marks	Co Attainment																		
Q 1	[A] If the Mean and Variance of Binomial Distribution are 8 and 4 Respectively. Find probability i) only 2 ii) 3 or 4	(7)	Co 1																		
	[B] Find Three Yearly Moving Averages for the Following Time Series of a Company	(8)	Co 2																		
	<table><tr><th>Year</th><th>Export</th></tr><tr><td>2000</td><td>46</td></tr><tr><td>2001</td><td>53</td></tr><tr><td>2002</td><td>72</td></tr><tr><td>2003</td><td>57</td></tr><tr><td>2004</td><td>62</td></tr><tr><td>2005</td><td>78</td></tr><tr><td>2006</td><td>60</td></tr><tr><td>2007</td><td>85</td></tr></table>	Year	Export	2000	46	2001	53	2002	72	2003	57	2004	62	2005	78	2006	60	2007	85		
	Year	Export																			
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2001	53																				
2002	72																				
2003	57																				
2004	62																				
2005	78																				
2006	60																				
2007	85																				
OR																					
	[C ]Using Least Square Method, Find the Trend Values. Also find trend for 2006	(7)	Co 2																		
	<table><tr><th>Year</th><th>Assets</th></tr><tr><td>2000</td><td>105</td></tr><tr><td>2001</td><td>118</td></tr><tr><td>2002</td><td>125</td></tr><tr><td>2003</td><td>130</td></tr><tr><td>2004</td><td>150</td></tr><tr><td>2005</td><td>172</td></tr></table>	Year	Assets	2000	105	2001	118	2002	125	2003	130	2004	150	2005	172						
Year	Assets																				
2000	105																				
2001	118																				
2002	125																				
2003	130																				
2004	150																				
2005	172																				
	[D] Find The Maximum Likelihood Estimator Of Binomial Distribution	(8)	Co 2																		
Q 2	[A] Find Pearsons Coefficient Of Correlation For The	(7)	Co 3																		

Following Data

Marks in English	Marks in Economics
10	8
2	4
5	4
7	8
9	5
4	3
8	7

[B] Find the Rank Correlation Coefficient for the Following Data

X	Y
64	47
72	43
70	29
85	47
64	25
90	52
60	47
85	50
89	51
54	20

OR

[C] Given The following Data, Find the Two Regression Equations and Estimate Y when X=40. Also Estimate X when Y=35

	X	Y
Mean	43	37
S.d	3.1	2.8
R	0.65	

[D] Find the Mean Of X and Y and Also Coefficient of Correlation If The Regression Equations of Y on X is  $X+3Y-88=0$  and That of X on Y is  $2X+Y-71=0$

Q 3

[A] If  $r_{12}=0.86$   $r_{13}=0.65$   $r_{23}=0.72$  Find the Partial Correlation Coefficient  $r_{12.3}$  and Multiple Correlation  $R_{1.23}$

[B] Sample Of Two Different Types Of Bulbs were Tested For Length Of Life and Following

(8)

Co 3

(7)

Co 3

(8)

Co 3

(7)

Co 4

(8)

Co 4





Data were Obtained

	Type 1	Type 2
Sample Size	8	7
Sample Mean	1234hrs	1136hrs
Sample S.D	36hrs	40hrs

Is The Difference in The Means Significant At 5% l.o.s  
OR

[C] Test The Effectiveness Of Vaccination in preventing The Attack from Smallpox test your results with the help of chi-square at 5% l.o.s

	Attacked	Not Attacked	Total
Vaccinated	31	469	500
Not vaccinated	185	1315	1500
Total	216	1784	2000

[D] Set up an analysis of variance table for the following per acre production data for three varieties of wheat each grown on 4 plots and state if the variety differences are significant

The variety of wheat

Plot of land	A	B	C
1	6	5	5
2	7	5	4
3	3	3	3
4	8	7	4

(7)

Co 4

(8)

Co 4

Q 4

[A] Find 3 Yearly Moving Average

Year	Production
1999	37
2000	45
2001	52
2002	42
2003	58
2004	63
2005	50
2006	60

(5)

Co 1

[B] Find MLE Of Exponential Distribution

(5)

Co 2

[C] Determine Seasonal indices			
Year	I	II	III
2002	47	56	49
2003	45	59	50
2004	46	63	52
2005	45	61	50
2006	49	64	51
			40

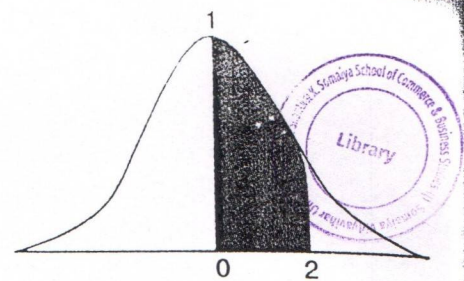
(5)

Co 3



Table 1: Area Under Normal Curve

An entry in the table is the proportion under the entire curve which is between  $z = 0$  and a positive value of  $z$ . Areas for negative values for  $z$  are obtained by symmetry.



Areas of a standard normal distribution

$z$	.0	.01	.02	.03	.04	.05	.06	.07	.08	.09
.0	.0000	.0040	.0080	.0120	.0160	.0199	.0239	.0279	.0319	.0359
.1	.0398	.0438	.0478	.0517	.0557	.0596	.0636	.0675	.0714	.0753
.2	.0793	.0832	.0871	.0910	.0948	.0987	.1026	.1064	.1103	.1141
.3	.1179	.1217	.1255	.1293	.1331	.1368	.1406	.1443	.1480	.1517
.4	.1554	.1591	.1628	.1664	.1700	.1736	.1772	.1808	.1844	.1879
.5	.1915	.1950	.1985	.2019	.2054	.2088	.2123	.2157	.2190	.2224
.6	.2257	.2291	.2324	.2357	.2389	.2422	.2454	.2486	.2517	.2549
.7	.2580	.2611	.2642	.2673	.2703	.2734	.2764	.2794	.2823	.2852
.8	.2881	.2910	.2939	.2967	.2995	.3023	.3051	.3078	.3106	.3133
.9	.3159	.3186	.3212	.3238	.3264	.3289	.3315	.3340	.3365	.3389
1.0	.3413	.3438	.3461	.3485	.3508	.3531	.3554	.3577	.3599	.3621
1.1	.3643	.3665	.3686	.3708	.3729	.3749	.3770	.3790	.3810	.3830
1.2	.3849	.3869	.3888	.3907	.3925	.3944	.3962	.3980	.3997	.4015
1.3	.4032	.4049	.4066	.4082	.4099	.4115	.4131	.4147	.4162	.4177
1.4	.4192	.4207	.4222	.4236	.4251	.4265	.4279	.4292	.4306	.4319
1.5	.4332	.4345	.4357	.4370	.4382	.4394	.4406	.4418	.4429	.4441
1.6	.4452	.4463	.4474	.4484	.4495	.4505	.4515	.4525	.4535	.4545
1.7	.4554	.4564	.4573	.4582	.4591	.4599	.4608	.4616	.4625	.4633
1.8	.4641	.4649	.4656	.4664	.4671	.4678	.4686	.4693	.4699	.4706
1.9	.4713	.4719	.4726	.4732	.4738	.4744	.4750	.4756	.4761	.4767
2.0	.4772	.4778	.4783	.4788	.4793	.4798	.4803	.4808	.4812	.4817
2.1	.4821	.4826	.4830	.4834	.4838	.4842	.4846	.4850	.4854	.4857
2.2	.4861	.4864	.4868	.4871	.4875	.4878	.4881	.4884	.4887	.4890
2.3	.4893	.4896	.4898	.4901	.4904	.4906	.4909	.4911	.4913	.4916
2.4	.4918	.4920	.4922	.4925	.4927	.4929	.4931	.4932	.4934	.4936
2.5	.4938	.4940	.4941	.4943	.4945	.4946	.4948	.4949	.4951	.4952
2.6	.4953	.4955	.4956	.4957	.4959	.4960	.4961	.4962	.4963	.4964
2.7	.4965	.4966	.4967	.4968	.4969	.4970	.4971	.4972	.4973	.4974
2.8	.4974	.4975	.4976	.4977	.4977	.4978	.4979	.4979	.4980	.4981
2.9	.4981	.4982	.4982	.4983	.4984	.4984	.4985	.4985	.4986	.4986
3.0	.4987	.4987	.4987	.4988	.4988	.4989	.4989	.4989	.4990	.4990



Table 2: Critical Values of Student's *t*-Distribution

d.f.	Level of significance for two-tailed test					d.f.
	0.20	0.10	0.05	0.02	0.01	
	Level of significance for one-tailed test					
	0.10	0.05	0.025	0.01	0.005	
1	3.078	6.314	12.706	31.821	63.657	1
2	1.886	2.920	4.303	6.965	9.925	2
3	1.638	2.353	3.182	4.541	5.841	3
4	1.533	2.132	2.776	3.747	4.604	4
5	1.476	2.015	2.571	3.365	4.032	5
6	1.440	1.943	2.447	3.143	3.707	6
7	1.415	1.895	2.365	2.998	3.499	7
8	1.397	1.860	2.306	2.896	3.355	8
9	1.383	1.833	2.262	2.821	3.250	9
10	1.372	1.812	2.228	2.764	3.169	10
11	1.363	1.796	2.201	2.718	3.106	11
12	1.356	1.782	2.179	2.681	3.055	12
13	1.350	1.771	2.160	2.650	3.012	13
14	1.345	1.761	2.145	2.624	2.977	14
15	1.341	1.753	2.131	2.602	2.947	15
16	1.337	1.746	2.120	2.583	2.921	16
17	1.333	1.740	2.110	2.567	2.898	17
18	1.330	1.734	2.101	2.552	2.878	18
19	1.328	1.729	2.093	2.539	2.861	19
20	1.325	1.725	2.086	2.528	2.845	20
21	1.323	1.721	2.080	2.518	2.831	21
22	1.321	1.717	2.074	2.508	2.819	22
23	1.319	1.714	2.069	2.500	2.807	23
24	1.318	1.711	2.064	2.492	2.797	24
25	1.316	1.708	2.060	2.485	2.787	25
26	1.315	1.706	2.056	2.479	2.779	26
27	1.314	1.703	2.052	2.473	2.771	27
28	1.313	1.701	2.048	2.467	2.763	28
29	1.311	1.699	2.045	2.462	2.756	29
Infinity	1.282	1.645	1.960	2.326	2.576	Infinity



Table 3: Critical Values of  $\chi^2$ 

Degrees of freedom	Probability under $H_0$ that of $\chi^2 >$ Chi square							$v_2$
	.99	.95	.50	.10	.05	.02	.01	
1	.000157	.00393	.455	2.706	3.841	5.412	6.635	1
2	.0201	.103	1.386	4.605	5.991	7.824	9.210	2
3	.115	.352	2.366	6.251	7.815	9.837	11.341	3
4	.297	.711	3.357	7.779	9.488	11.668	13.277	4
5	.554	1.145	4.351	9.236	11.070	13.388	15.086	5
6	.872	1.635	5.348	10.645	12.592	15.033	16.812	6
7	1.239	2.167	6.346	12.017	14.067	16.622	18.475	7
8	1.646	2.733	7.344	13.362	15.507	18.168	20.090	8
9	2.088	3.325	8.343	14.684	16.919	19.679	21.666	9
10	2.558	3.940	9.342	15.987	18.307	21.161	23.209	10
11	3.053	4.575	10.341	17.275	19.675	22.618	24.725	11
12	3.571	5.226	11.340	18.549	21.026	24.054	26.217	12
13	4.107	5.892	12.340	19.812	22.362	25.472	27.688	13
14	4.660	6.571	13.339	21.064	23.685	26.873	29.141	14
15	4.229	7.261	14.339	22.307	24.996	28.259	30.578	15
16	5.812	7.962	15.338	23.542	26.296	29.633	32.000	16
17	6.408	8.672	16.338	24.769	27.587	30.995	33.409	17
18	7.015	9.390	17.338	25.989	28.869	32.346	34.805	18
19	7.633	10.117	18.338	27.204	30.144	33.687	36.191	19
20	8.260	10.851	19.337	28.412	31.410	35.020	37.566	20
21	8.897	11.591	20.337	29.615	32.671	36.343	38.932	21
22	9.542	12.338	21.337	30.813	33.924	37.659	40.289	22
23	10.196	13.091	22.337	32.007	35.172	38.968	41.638	23
24	10.856	13.848	23.337	32.196	36.415	40.270	42.980	24
25	11.524	14.611	24.337	34.382	37.652	41.566	44.314	25
26	12.198	15.379	25.33*	35.563	38.885	41.856	45.642	26
27	12.879	16.151	26.336	36.741	40.113	44.140	46.963	27
28	13.565	16.928	27.336	37.916	41.337	45.419	48.278	28
29	14.256	17.708	28.336	39.087	42.557	46.693	49.588	29
30	14.953	18.493	29.336	40.256	43.773	47.962	50.892	30
								40
								60
								120
								$\infty$

Note: For degrees of freedom greater than 30, the quantity  $\sqrt{2\chi^2 - \sqrt{2d.f. - 1}}$  may be used as a normal variate with unit variance i.e.,  $z_\alpha = \sqrt{2\chi^2 - \sqrt{2d.f. - 1}}$ .

 $v_1 = \text{Deg}$  $v_2 = \text{Deg}$



Table 4(a): Critical Values of F-Distribution (at 5 per cent)

	1	2	3	4	5	6	8	12	24	$\infty$
1	161.4	199.5	215.7	224.6	230.2	234.0	238.9	243.9	249.1	243.3
2	18.51	19.00	19.16	19.25	19.30	19.33	19.37	19.41	19.45	19.50
3	10.13	9.55	9.28	9.12	9.01	8.94	8.85	8.74	8.64	8.53
4	7.71	6.94	6.59	6.39	6.26	6.16	6.04	5.91	5.77	5.63
5	6.61	5.79	5.41	5.19	5.05	4.95	4.82	4.68	4.53	4.36
6	5.99	5.14	4.76	4.53	4.39	4.28	4.15	4.00	3.84	3.67
7	5.59	4.74	4.35	4.12	3.97	3.87	3.73	3.57	3.41	3.23
8	5.32	4.46	4.07	3.84	3.69	3.58	3.44	3.28	3.12	2.93
9	5.12	4.26	3.86	3.63	3.48	3.37	3.23	3.07	2.90	2.71
10	4.96	4.10	3.71	3.48	3.33	3.22	3.07	2.91	2.74	2.54
11	4.84	3.98	3.59	3.36	3.20	3.09	2.95	2.79	2.61	2.40
12	4.75	3.88	3.49	3.26	3.11	3.00	2.85	2.69	2.51	2.30
13	4.67	3.80	3.41	3.18	3.02	2.92	2.77	2.60	2.42	2.21
14	4.60	3.74	3.34	3.11	2.96	2.85	2.70	2.53	2.35	2.13
15	4.54	3.68	3.29	3.06	2.90	2.79	2.64	2.48	2.29	2.07
16	4.49	3.63	3.24	3.01	2.85	2.74	2.59	2.42	2.24	2.01
17	4.45	3.59	3.20	2.96	2.81	2.70	2.55	2.38	2.19	1.96
18	4.41	3.55	3.16	2.93	2.77	2.66	2.51	2.34	2.15	1.92
19	4.38	3.52	3.13	2.90	2.74	2.63	2.48	2.31	2.11	1.88
20	4.35	3.49	3.10	2.87	2.71	2.60	2.45	2.28	2.08	1.84
21	4.32	3.47	3.07	2.84	2.68	2.57	2.42	2.25	2.05	1.81
22	4.30	3.44	3.05	2.82	2.66	2.55	2.40	2.23	2.03	1.78
23	4.28	3.42	3.03	2.80	2.64	2.53	2.38	2.20	2.01	1.76
24	4.26	3.40	3.01	2.78	2.62	2.51	2.36	2.18	1.98	1.73
25	4.24	3.38	2.99	2.76	2.60	2.49	2.34	2.16	1.96	1.71
26	4.22	3.37	2.98	2.74	2.59	2.47	2.32	2.15	1.95	1.69
27	4.21	3.35	2.96	2.73	2.57	2.46	2.31	2.13	1.93	1.67
28	4.20	3.34	2.95	2.71	2.56	2.45	2.29	2.12	1.91	1.65
29	4.18	3.33	2.93	2.70	2.54	2.43	2.28	2.10	1.90	1.64
30	4.17	3.32	2.92	2.69	2.53	2.42	2.27	2.09	1.89	1.62
40	4.08	3.23	2.84	2.61	2.45	2.34	2.18	2.00	1.79	1.51
60	4.00	3.15	2.76	2.52	2.37	2.25	2.10	1.92	1.70	1.39
120	3.92	3.07	2.68	2.45	2.29	2.17	2.02	1.83	1.61	1.25
$\infty$	3.84	2.99	2.60	2.37	2.21	2.10	1.94	1.75	1.52	1.00

$v_1$  = Degrees of freedom for greater variance.

$v_2$  = Degrees of freedom for smaller variance.





**SOMAIYA**  
VIDYAVIHAR UNIVERSITY



Semester (July 2023 to October 2023)		
Examination: End Semester Examination October/November 2023 (UG Programmes)		
Programme code:02 Programme: SY BAF	Class: SY	Semester: III
Name of the Constituent College: S.K Somaiya college	Name of the Department : Accounting and finance	
Course Code:	Name of the Course: Statistical Techniques	
Duration : 2 Hrs.	Maximum Marks : 60	
Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary		

Question No.	Solve the following	Max. Marks	Co Attainment																				
Q.1	[A] A firm has 300 accounts which are normally distributed with mean of 10000 and standard deviation of 1000 find i) the number of accounts with amounts lying between 8000 and 11000 ii) the number of accounts with an amounts of 7500 or less	(7)	Co 1																				
	[B] Use Method of Least Square To Find	(8)	Co 2																				
	<table><tr><th>Year</th><th>Production</th></tr><tr><td>1995</td><td>80</td></tr><tr><td>1996</td><td>90</td></tr><tr><td>1997</td><td>92</td></tr><tr><td>1998</td><td>83</td></tr><tr><td>1999</td><td>94</td></tr><tr><td>2000</td><td>99</td></tr><tr><td>2001</td><td>92</td></tr><tr><td>2002</td><td>102</td></tr></table>	Year	Production	1995	80	1996	90	1997	92	1998	83	1999	94	2000	99	2001	92	2002	102				
	Year	Production																					
	1995	80																					
1996	90																						
1997	92																						
1998	83																						
1999	94																						
2000	99																						
2001	92																						
2002	102																						
OR																							
[C] Calculate Seasonal Indices for the following data Expenditure (in lakhs of Rs)	(7)	Co 2																					
	<table><tr><th>Year</th><th>I</th><th>II</th><th>III</th><th>IV</th></tr><tr><td>2003</td><td>55</td><td>53</td><td>57</td><td>51</td></tr><tr><td>2004</td><td>56</td><td>55</td><td>60</td><td>53</td></tr><tr><td>2005</td><td>57</td><td>56</td><td>61</td><td>54</td></tr></table>	Year	I	II	III	IV	2003	55	53	57	51	2004	56	55	60	53	2005	57	56	61	54		
Year	I	II	III	IV																			
2003	55	53	57	51																			
2004	56	55	60	53																			
2005	57	56	61	54																			
[D] Find MLE Of Normal Distribution	(8)	Co 2																					
Q.2	[A] Find Karl-Pearsons Coefficient of Correlation for	(7)	Co 3																				

the following data

X	10	2	5	7	9	4	8
Y	8	4	4	8	5	3	7

[B] For the following data of (X) marks in test (Y) marks in dancing competition, calculate rank correlation coefficient

X	67	42	53	67	62	60	54	67
Y	78	80	78	73	75	68	63	75

OR

[C] For a Bivariate Distribution, the following results are obtained

Mean of  $x=65$ , mean of  $y=53$ , s.d of  $x=4.7$ , s.d of  $y=5.2$  and  $r=-0.78$

I) Estimate  $y$  when  $x=63$

II) Estimate  $x$  when  $y=50$

[D] The Regression Equation of  $Y$  on  $X$  IS  $2X-3Y+14=0$  and That of  $X$  on  $Y$  is  $3X-Y-42=0$  Find the Mean of  $X$  and  $Y$ , Correlation Coefficient

(8)

Co 3

(7)

Co 3

(8)

Co 3

Q.3

[A] If  $r_{12}=0.86$   $r_{13}=0.65$   $r_{23}=0.72$  Find the Partial Correlation Coefficient  $r_{12.3}$  and Multiple Correlation  $R_{1.23}$

(7)

Co 4

[B] Sample of sales in similar shops in two towns are taken for a new product with the following results

Town	Mean sales	Variance	Size of sample
A	57	5.3	5
B	61	4.8	7

Is there any evidence of difference in sales in the two towns? Use 5% l.o.s

OR

[C] Two Research Workers Classified some people in income groups on the basis of sampling studies

Income Groups

Investigator	Poor	Middle	Rich	Total
A	160	30	10	200
B	140	120	40	300
Total	300	150	50	500

Show that the Sampling Technique one Research worker is Significant at 5% l.o.s

(8)

Co 4

(7)

Co 4



[D] A Certain Manure was used on four plots of lands A,B,C,D Four beds were prepared in each plot and the manure used. The output of crop in the beds of plots A,B,C and D is given below

Output on Plots

A	B	C	D
8	9	3	3
12	4	8	7
1	7	2	8
3	1	5	2

Find Out whether the Difference In The Means of the Production of Crops of the Plots is Significant or not at 5% l.o.s

(8)

Co 4



Q.4

[A] If  $r_{12}=0.89$   $r_{13}=0.75$   $r_{23}=0.78$  Find Multiple Correlation  $R_{1.23}$

(5)

Co 4

[B] Find Three Yearly Moving Averages for the Following Time Series of a Company

(5)

Co 3

Year	Export
2000	46
2001	53
2002	72
2003	57
2004	62
2005	78
2006	60
2007	85

[C] A biased coin toss 3 out of 5 times. Find probability that in next 7 throws it shows head i) 4 times ii) at least 5 times

(5)

Co 1



**SOMAIYA**  
VIDYAVIHAR UNIVERSITY



Semester (July 2023 to October 2023)		
Examination: End Semester Examination October/November 2023 (UG Programmes)		
Programme code: 02 Programme: BAF	Class: SY	Semester: III
Name of the Constituent College: S K Somaiya College	Name of the Department: Accounting and Finance	
Course Code: 131U02V301	Name of the Course: Auditing Techniques	
Duration : 2 Hr.	Maximum Marks : 60	
Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary 3) All Questions are compulsory		

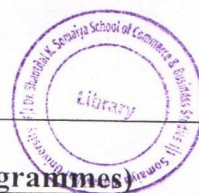
Question No.		Max. Marks	Co Attainment
Q.1	A. Explain the terms Errors and Frauds. Illustrate various types of errors and frauds.	15	CO1
	<b>OR</b> B. Describe overall audit approach and methods of work as a part of audit work methodology.	15	CO2
Q.2	A. Define Internal Control as per SA 315. State its objectives and advantages. Summarize auditor's duty with respect to Review of Internal control.	15	CO3
	<b>OR</b> B. Determine internal Control samples for Salaries and wages.	15	CO3
Q.3	A. Define Internal audit. Summarize basic principles of establishing internal audit. Distinguish between Internal Audit and Internal Check.	15	CO4
	<b>OR</b> C. List reasons and circumstances for errors and frauds.	7	CO1
	<b>AND</b> D. Summarize provisions of standard on auditing with respect to auditor's lien on working papers.	8	CO2
Q.4	<b>CASE STUDIES (3 Marks each)</b>  A. Auditor while examining books of accounts failed to check stock and believed on the certificate of company official. Later on discrepancies were found in the valuation of stock. Will auditor be held guilty?  B. While conducting the examination, suspicion arose to auditor as a result of certain actions of the employees of the company. What is his duty in such a situation?  C. Mr. A is a newly qualified Chartered accountant. He wants to know about factors to be considered while applying test check. Kindly guide him with this regard.  D. Statutory auditor of Micro Ltd. is of the opinion that Internal auditor of the company should be practicing Chartered Accountant. Is his view correct? Justify your answer stating relevant provisions of the		CO1  CO1  CO3  CO4



	Companies Act.		
	E. The director Finance of KK Ltd. informed their newly appointed statutory auditor that they have a sound internal control system implemented by a re known professional firm, and he is satisfied with its effectiveness and functioning. Therefore statutory auditor should concentrate on verifying routine books and Financial Statement. Comment.		CO3



**SOMAIYA**  
VIDYAVIHAR UNIVERSITY



**Semester (July 2023 to October 2023)**

**Examination: End Semester Examination October/November 2023 (UG Programmes)**

<b>Programme code:</b> 02 <b>Programme:</b> BAF		<b>Class:</b> SY	<b>Semester:</b> III
<b>Name of the Constituent College:</b> S K Somaiya College		<b>Name of the Department:</b> Accounting and Finance	
<b>Course Code:</b> 131U02V301	<b>Name of the Course:</b> Auditing Techniques		
<b>Duration : 2 Hr.</b>	<b>Maximum Marks : 60</b>		
<b>Instructions:</b> 1)Draw neat diagrams 2)Assume suitable data if necessary 3) All Questions are compulsory			

Question No.		Max. Marks	Co Attainment
Q.1	A. Define Audit. Summarize basic principles governing Audit. <b>OR</b>	15	CO1
	B. Summarize the meaning and advantages of audit program. As an Auditor how will you overcome the disadvantages of audit program?	15	CO2
Q.2	A. Distinguish between Test checking and routine checking. As an auditor what precautions will you take while adopting test checking? <b>OR</b>	15	CO3
	B. Define Sampling as per SA 530. Outline various sample selection methods. List reasons for applying sampling technique	15	CO3
Q.3	A. Explain the objectives of Internal Audit. Outline the provisions of the Companies Act 2013 with respect to the appointment of Internal Auditor. <b>OR</b>	15	CO4
	B. Distinguish between Auditing and Investigation. <b>AND</b>	10	CO1
	C. Define audit documentation. List factors that affect form and content of audit documentation.	5	CO2
Q.4	<b>CASE STUDIES (3 Marks each)</b>  A. Auditor had not considered the provisions of Article of Association of the company during examination. It was found that the audited balance sheet was not drawn up properly. Will the auditor be held guilty? Justify.  B. DEF & Co. chartered Accountants successfully carried out the audit of Shree Garments. After the completion of the audit, material miss-statement were found in the financial statements which were not noticed and reported by the auditor. Management alleges that it is a failure on the part of auditor. Comment.  C. Auditor of Y Ltd. at the time of evaluation of sampling result found that audit sampling has not provided reasonable basis for conclusion about population. Guide him with respect to further steps to be taken.  D. CEO of a public limited company seeks your advice as to the	15	CO1  CO2  CO3  CO4



requirement of appointment of Internal auditor. Kindly guide CEO regarding provisions of Companies Act in this regard.

E. A senior assistant of X & Co. Chartered Accountant drew up his audit program, without evaluating internal controls of T Ltd on the plea that internal controls were developed by the CFO of T Ltd. who is chartered accountant and he has written few books on internal control. Is his view correct? Comment.

CO3



**SOMAIYA**  
VIDYAVIHAR UNIVERSITY



**Semester (July 2023 to October 2023)**

**Examination: End Semester Examination October/November 2023 (UG Programme)**

**Programme code: 02**

**Programme: BAF**

**Class: SY**

**Semester: III**

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

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

**Course Code: 131U02V301**

**Name of the Course: Auditing Techniques**

**Duration : 2 Hr.**

**Maximum Marks : 60**

**Instructions: 1) Draw neat diagrams 2) Assume suitable data if necessary 3) All Questions are compulsory**

Question No.		Max. Marks	Co Attainment
Q.1	A. Demonstrate the meaning and advantages of Balance sheet audit, Interim Audit and Continuous audit. OR B. Explain the meaning of Audit file. Outline the contents of permanent and current audit file.	15 15	CO1 CO2
Q.2	A. Determine internal Control samples for Sales and Debtors. OR B. List limitations of Internal control. How Internal check is different from Internal control and Test check?	15 15	CO3 CO3
Q.3	A. Define Internal Audit. How will an external auditor evaluate the internal audit function of an entity? Distinguish between Internal Audit and External Audit. OR B. Summarize the contents of audit notebook with respect to general and current information. AND C. Explain auditor's duties with respect to errors and frauds.	15 10 5	CO4 CO2 CO1
4	<b>CASE STUDIES (3 Marks Each)</b>  A. The auditor submitted a detailed separate report to directors on certain deficiencies. He had neither discussed the position to the shareholders nor made reference to such report to shareholders. Is auditors act justified?  B. Shyam is a new article trainee and is on his first audit assignment. He is unaware about methods of work to be applied for systematic and efficient conduct of audit. You are required to guide him as senior audit staff.  C. Auditor GR & Associates, appointed for PNG Ltd. thinks that understanding internal control will not help them in any manner in relation to audit planning and execution. Is his view correct? Comment.  D. CEO of a private limited company seeks your advice as to the	15	CO1 CO2 CO3 CO4



	requirement of appointment of Internal auditor. Kindly guide the CEO regarding the provisions of Companies Act in this regard.		
	E. Raghav is a new article trainee in the audit firm. He is unaware of factors that affect sample size while selection of transactions for examination. You as a senior audit staff is required to guide him.		CO3



**SOMAIYA**  
VIDYAVIHAR UNIVERSITY



**Semester End - October 2023**

**Examination: End Semester Examination October/November 2023 (UG - Programmes)**

**Programme code:** 02 4 0 3

**Programme:** Accounting and Finance

**Class:** SY

**Semester:** III

**Name of the Constituent College:**

S K Somaiya College, Somaiya Vidyavihar University

**Name of the Department:**

Accounting and Finance

**Course Code:**

131U02V301 & 131U03V301

**Name of the Course :** Financial Management - I

**Duration :** 2 Hrs.

**Maximum Marks :** 60

**Instructions:**

1) Figures to the right indicate full marks for each question.

Q. No.		Max. Marks	Co Attainment																								
O.1.	<p>The following information is available relating to Riya Limited and Siya Limited.</p> <table><tr><th>Particulars</th><th>Riya Ltd (₹)</th><th>Siya Ltd (₹)</th></tr><tr><td>Equity Share Capital (₹ 10 face value)</td><td>400</td><td>500</td></tr><tr><td>15% Preference Share Capital</td><td>160</td><td>200</td></tr><tr><td>Profit After tax</td><td>100</td><td>140</td></tr><tr><td>Proposed Dividend</td><td>70</td><td>80</td></tr><tr><td>Market Price per share</td><td>₹ 400</td><td>₹ 560</td></tr><tr><td>Current Assets</td><td>160</td><td>180</td></tr><tr><td>Current Liabilities</td><td>80</td><td>90</td></tr></table> <p><b>Calculate:</b></p> <p>(a) Earnings per share (b) Price Earnings Ratio (c) Dividend Payout Ratio (d) Return on Equity Shares (e) Current Ratio</p> <p>Also advice to the investor, which is good for investing.</p>	Particulars	Riya Ltd (₹)	Siya Ltd (₹)	Equity Share Capital (₹ 10 face value)	400	500	15% Preference Share Capital	160	200	Profit After tax	100	140	Proposed Dividend	70	80	Market Price per share	₹ 400	₹ 560	Current Assets	160	180	Current Liabilities	80	90	(15)	CO1
Particulars	Riya Ltd (₹)	Siya Ltd (₹)																									
Equity Share Capital (₹ 10 face value)	400	500																									
15% Preference Share Capital	160	200																									
Profit After tax	100	140																									
Proposed Dividend	70	80																									
Market Price per share	₹ 400	₹ 560																									
Current Assets	160	180																									
Current Liabilities	80	90																									
	OR																										
Q.1.	a) what are the factors involved in the valuation of bonds?	(08)	CO2																								
	b) Explain Dow's theory of technical analysis.	(07)	CO1																								
Q.2.	a) What is the YTM of each bond? Which bond would you recommend for investment?	(08)	CO2																								
	<table><tr><th>Bond</th><th>Coupon Rate</th><th>Maturity</th><th>Price / ₹ 100 par value</th></tr><tr><td>Bond X</td><td>11%</td><td>10 years</td><td>Rs.76</td></tr><tr><td>Bond Y</td><td>12%</td><td>7 years</td><td>Rs.69</td></tr></table>	Bond	Coupon Rate	Maturity	Price / ₹ 100 par value	Bond X	11%	10 years	Rs.76	Bond Y	12%	7 years	Rs.69														
Bond	Coupon Rate	Maturity	Price / ₹ 100 par value																								
Bond X	11%	10 years	Rs.76																								
Bond Y	12%	7 years	Rs.69																								
	b) A bond of ₹ 100 face value carrying an interest rate of 12 percent is redeemable after 6 years at par if the required rate of return is 15%. What is the present value of the Bond and should the investor buy the bond if the current market price of the bond is ₹ 90?	(07)	CO2																								
	OR																										
Q.2.	c) Sun Ltd has a rate of return of 15% and its earnings per share is ₹ 80. calculate the Market Price per share using the Gordon Model in each of the following cases:	(08)	CO3																								
	<table><tr><th>Sr. No</th><th>Dividend Payout (%)</th><th>Cost of Capital (%)</th></tr><tr><td>1</td><td>60%</td><td>14%</td></tr><tr><td>2</td><td>80%</td><td>16%</td></tr><tr><td>3</td><td>75%</td><td>15%</td></tr></table>	Sr. No	Dividend Payout (%)	Cost of Capital (%)	1	60%	14%	2	80%	16%	3	75%	15%														
Sr. No	Dividend Payout (%)	Cost of Capital (%)																									
1	60%	14%																									
2	80%	16%																									
3	75%	15%																									
	d) what would be the intrinsic value of the share on the basis of the	(07)	CO3																								



	following data? Last dividend ( $D_0$ ) ₹ 2 Growth rate in dividend for next two years 12% The growth rate in dividends after that 7% The required rate of return is 15%																										
Q.3.	a) The following are the details of Alpha and Beta Ltd: <table><tr><td></td><td>Alpha Ltd</td><td>Beta Ltd</td></tr><tr><td>Internal Rate of Return</td><td>15%</td><td>5%</td></tr><tr><td>Cost of Equity Capital</td><td>10%</td><td>10%</td></tr><tr><td>Earning per share</td><td>Rs.9</td><td>Rs.9</td></tr></table> <p>Calculate the Value of Equity Shares of each of these companies as per Walter Model when the Dividend Payout Ratio is i) 25%, ii) 50% and iii) 75%</p>		Alpha Ltd	Beta Ltd	Internal Rate of Return	15%	5%	Cost of Equity Capital	10%	10%	Earning per share	Rs.9	Rs.9	(08)	CO3												
	Alpha Ltd	Beta Ltd																									
Internal Rate of Return	15%	5%																									
Cost of Equity Capital	10%	10%																									
Earning per share	Rs.9	Rs.9																									
	b) Explain the Objectives of Portfolio Management.	(07)	CO4																								
	OR																										
Q.3.	c) Discuss the process of Portfolio Management.	(08)	CO4																								
	d) A Ltd. has paid a dividend @ 10% in the last year. The paid-up equity capital of the company is ₹ 6,00,000 and the preference share capital of ₹ 1,00,000. Net operating profit is ₹ 4,00,000. The tax rate is 50%. The company expects a growth rate of 3%. Compute the value of equity shares using: 1) Dividend Approach      2) Dividend Growth Approach 3) Earning Approach	(07)	CO3																								
Q.4.	Conceptual Questions (any 3 out of 5)	(15)																									
	a) The following is the data relating to Trust Ltd for 2021,2022 & 2023. <table><tr><td>Particulars</td><td>2021 ₹</td><td>2022 ₹</td><td>2023 ₹</td></tr><tr><td>Net Profit</td><td>5,000</td><td>4,000</td><td>6,000</td></tr><tr><td>Sales</td><td>1,25,000</td><td>90,000</td><td>50,000</td></tr><tr><td>COGS</td><td>75,000</td><td>60,000</td><td>40,000</td></tr><tr><td>Opening Stock</td><td>2,000</td><td>4,000</td><td>5,000</td></tr><tr><td>Closing Stock</td><td>1,800</td><td>2,000</td><td>7,000</td></tr></table> <p>Calculate (a) Net Profit Ratio (b) Stock turnover ratio</p>	Particulars	2021 ₹	2022 ₹	2023 ₹	Net Profit	5,000	4,000	6,000	Sales	1,25,000	90,000	50,000	COGS	75,000	60,000	40,000	Opening Stock	2,000	4,000	5,000	Closing Stock	1,800	2,000	7,000		CO1
Particulars	2021 ₹	2022 ₹	2023 ₹																								
Net Profit	5,000	4,000	6,000																								
Sales	1,25,000	90,000	50,000																								
COGS	75,000	60,000	40,000																								
Opening Stock	2,000	4,000	5,000																								
Closing Stock	1,800	2,000	7,000																								
	b) A Debenture of ₹ 1,000 face value, carrying an interest rate of 15 percent is redeemable after 5 years at par, if the required rate of return is 10%. What is the present value of the Bond?		CO2																								
	c) A Ltd paid a dividend of ₹ 3 per share in the last year. The dividend is expected to grow at a constant rate of 5% in the future. If the required rate of return is 10%. What would be the Intrinsic value of that share?		CO3																								
	d) Gaurang Ltd provides you with the following information for you to value share based on Gordon's Model. It distributes 10% dividend with the growth rate of 5%. It has paid up capital of ₹ 1 lakh equity share of ₹ 10 each. The expected rate of return on its equity capital is expected at 16%		CO3																								
	e) An investor expects to receive the following cash flow from a share: <table><tr><td>Year</td><td>Cash Flow</td></tr><tr><td>1</td><td>₹ 30</td></tr><tr><td>2</td><td>₹ 40</td></tr><tr><td>3</td><td>₹ 50</td></tr><tr><td>4</td><td>₹ 40</td></tr></table> <p>Evaluate the value of the share if the discount rate is 10% and its current market price is ₹ 100</p>	Year	Cash Flow	1	₹ 30	2	₹ 40	3	₹ 50	4	₹ 40		CO1														
Year	Cash Flow																										
1	₹ 30																										
2	₹ 40																										
3	₹ 50																										
4	₹ 40																										





**Semester End - October 2023**

**Examination: End Semester Examination October/November 2023 (UG - Programmes)**

<b>Programme code:</b> 02		<b>Class:</b> SY	<b>Semester:</b> III
<b>Programme:</b> Accounting and Finance			
<b>Name of the Constituent College:</b> S K Somaiya College, Somaiya Vidyavihar University		<b>Name of the Department:</b> Accounting and Finance	
<b>Course Code:</b> 131U02V301 & 131U03V301	<b>Name of the Course :</b> Financial Management - I		
<b>Duration : 2 Hrs.</b>	<b>Maximum Marks : 60</b>		
<b>Instructions:</b> 1) Figures to the right indicate full marks for each question.			

Q.No.		Max. Marks	Co Attainment																												
Q.1.	<p>Following is the Balance sheet of Music Ltd as on 31<sup>st</sup> March, 2023</p> <table> <tr> <th>Liabilities</th><th>₹</th><th>Assets</th><th>₹</th></tr> <tr> <td>Share Capital</td><td>8,00,000</td><td>Fixed Assets</td><td>10,00,000</td></tr> <tr> <td>(Face Value of ₹ 10)</td><td></td><td>Current Assets</td><td>3,60,000</td></tr> <tr> <td>Reserve and Surplus</td><td>2,00,000</td><td></td><td></td></tr> <tr> <td>8% Debenture</td><td>2,00,000</td><td></td><td></td></tr> <tr> <td>Creditors</td><td>1,60,000</td><td></td><td></td></tr> <tr> <td></td><td>13,60,000</td><td></td><td>13,60,000</td></tr> </table> <p>Additional Information:            1) Net Operating Profit before tax is ₹ 2,80,000.            2) Assume Tax Rate at 50%.            3) Dividend Declared ₹ 1,20,000.            Calculate:            (a) Earning Per shares (b) Return on Capital Employed            (c) Return on Shareholder fund (d) Debt Equity Ratio            (e) Dividend Yield Ratio</p>	Liabilities	₹	Assets	₹	Share Capital	8,00,000	Fixed Assets	10,00,000	(Face Value of ₹ 10)		Current Assets	3,60,000	Reserve and Surplus	2,00,000			8% Debenture	2,00,000			Creditors	1,60,000				13,60,000		13,60,000	(15)	CO1
Liabilities	₹	Assets	₹																												
Share Capital	8,00,000	Fixed Assets	10,00,000																												
(Face Value of ₹ 10)		Current Assets	3,60,000																												
Reserve and Surplus	2,00,000																														
8% Debenture	2,00,000																														
Creditors	1,60,000																														
	13,60,000		13,60,000																												
	<b>OR</b>																														
Q.1.	a) Distinguish between: Technical Analysis and Fundamental Analysis.	(08)	CO1																												
	b) Explain the various types of Bond Risk.	(07)	CO2																												
Q.2.	a) Calculate the duration of Bond from the following details: Face value = ₹ 1,000 Coupon Rate (Payable annually) = 13% Years to Maturity = 5 years Redemption value = ₹ 1,000 Current Market Price = ₹ 1,036 Yield to Maturity = 12%	(08)	CO2																												
	b) What is YTM of each Bond? Which Bond would you recommend for Investment? <table> <tr> <th></th><th>Coupon Rate</th><th>Maturity</th><th>Price / ₹ 100 par Value</th></tr> <tr> <td>Bond A</td><td>12%</td><td>10 Years</td><td>Rs.70</td></tr> <tr> <td>Bond B</td><td>10%</td><td>6 Years</td><td>Rs.60</td></tr> </table>		Coupon Rate	Maturity	Price / ₹ 100 par Value	Bond A	12%	10 Years	Rs.70	Bond B	10%	6 Years	Rs.60	(07)	CO2																
	Coupon Rate	Maturity	Price / ₹ 100 par Value																												
Bond A	12%	10 Years	Rs.70																												
Bond B	10%	6 Years	Rs.60																												
	<b>OR</b>																														
Q.2.	c) What would be the intrinsic value of the share on the basis of the following data? Last dividend (D <sub>0</sub> ) ₹ 5 Growth rate in dividend for first two years 10% Growth rate in dividends thereafter 8 %	(08)	CO3																												



	The required rate of return 20% .																										
	d) Explain the various factors involved in the valuation of a Bond.	(07)	CO2																								
Q.3.	a) The following data related to Suraj Ltd Rate of return = 15% Earnings per share = ₹ 80 Find MPS in the following cases using Gordon Model – <table><tr><td>Sr. No</td><td>Dividend Payout Ratio</td><td>Cost of Capital (%)</td></tr><tr><td>1</td><td>50%</td><td>12%</td></tr><tr><td>2</td><td>60%</td><td>18%</td></tr></table>	Sr. No	Dividend Payout Ratio	Cost of Capital (%)	1	50%	12%	2	60%	18%	(08)	CO3															
Sr. No	Dividend Payout Ratio	Cost of Capital (%)																									
1	50%	12%																									
2	60%	18%																									
	b) Raza Ltd. has capital of ₹100000 in equity shares of ₹10 each. The shares are currently quoted at par. The company proposes declaration of dividend of ₹ 10 per share at the end of financial year. The capitalization rate for the same class of company is 12%. Assuming that the company pays dividend and has net profits of ₹ 5,00,000 and makes new investment of ₹ 10,00,000 during the project. 1) Calculate market price per share if dividend is declared and if it is not declared. 2) How many equity share are to be issued under both the options. Use M.M. Model	(07)	CO3																								
	OR																										
Q.3.	c) Explain the various component of portfolio management.	(08)	CO4																								
	d) Discuss the element of portfolio management.	(07)	CO4																								
Q.4.	Conceptual Questions (any 3 out of 5)	(15)																									
	a) The following is the data relating to Clear Ltd for 2021,2022 & 2023. <table><tr><td>Particulars</td><td>2021 ₹</td><td>2022 ₹</td><td>2023 ₹</td></tr><tr><td>Stock</td><td>50,000</td><td>40,000</td><td>60,000</td></tr><tr><td>Debtors</td><td>1,25,000</td><td>60,000</td><td>50,000</td></tr><tr><td>Cash</td><td>25,000</td><td>50,000</td><td>40,000</td></tr><tr><td>Creditors</td><td>20,000</td><td>40,000</td><td>35,000</td></tr><tr><td>Bank overdraft</td><td>18,000</td><td>20,000</td><td>-</td></tr></table> Calculate (a) Current Ratio (b) Quick Ratio	Particulars	2021 ₹	2022 ₹	2023 ₹	Stock	50,000	40,000	60,000	Debtors	1,25,000	60,000	50,000	Cash	25,000	50,000	40,000	Creditors	20,000	40,000	35,000	Bank overdraft	18,000	20,000	-		CO1
Particulars	2021 ₹	2022 ₹	2023 ₹																								
Stock	50,000	40,000	60,000																								
Debtors	1,25,000	60,000	50,000																								
Cash	25,000	50,000	40,000																								
Creditors	20,000	40,000	35,000																								
Bank overdraft	18,000	20,000	-																								
	b) A government bond of ₹ 1,000 face value, carrying an interest rate of 10 percent is redeemable after 5 years at a premium of 10 % if the required rate of return is 12%. What is the present value of the Bond?		CO2																								
	c) Niraj Pvt Ltd Paid ₹ 5.00 as a dividend per share on its equity shares for the last year. Dividends are expected to grow at 10% per year for an indefinite future. (a) What is its expected rate of return if its current market price is ₹ 50? (b) If the required return is 12%, what would be the value of stock? (c) Is it worth investing in the share?		CO3																								
	d) Rakesh Ltd provides you with the following information for you to value share based on Gordon’s Model. It distributes 12% dividend with the growth rate of 7%. It has paid up capital of ₹ 1 lakh equity share of ₹ 10 each. The expected rate of return on its equity capital is expected at 20%		CO3																								
	e) The Standard ratios of industries and ratios of Y Co are given below. Give your comments on the performance of the company: <table><tr><td></td><td>Standard Ratio</td><td>Y Co</td></tr><tr><td>Net Profit ratio</td><td>3%</td><td>5%</td></tr><tr><td>Capital Gearing Ratio</td><td>1.00</td><td>1.50</td></tr><tr><td>Liquidity Ratio</td><td>1.00</td><td>2.00</td></tr><tr><td>Proprietary Ratio</td><td>60% to 70%</td><td>65%</td></tr><tr><td>Creditor Turnover Ratio</td><td>1 month</td><td>1.5 month</td></tr></table>		Standard Ratio	Y Co	Net Profit ratio	3%	5%	Capital Gearing Ratio	1.00	1.50	Liquidity Ratio	1.00	2.00	Proprietary Ratio	60% to 70%	65%	Creditor Turnover Ratio	1 month	1.5 month		CO1						
	Standard Ratio	Y Co																									
Net Profit ratio	3%	5%																									
Capital Gearing Ratio	1.00	1.50																									
Liquidity Ratio	1.00	2.00																									
Proprietary Ratio	60% to 70%	65%																									
Creditor Turnover Ratio	1 month	1.5 month																									





**SOMAIYA**  
VIDYAVIHAR UNIVERSITY



**October 2022**

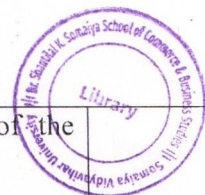
**Examination: End Semester Examination October 2022 (UG Programmes)**

<b>Programme code:</b>		<b>Class: SYBAF</b>	<b>Semester: III</b>
<b>Programme: Accounting and Finance : 02</b>			
<b>Name of the Constituent College:</b>		<b>Name of the Department A&amp;F</b>	
<b>S K Somaiya College, Somaiya Vidyavihar University</b>			
<b>Course Code: 131U02V302</b>	<b>Name of the Course: Financial Management -I</b>		
<b>Duration : 2 Hrs.</b>	<b>Maximum Marks : 60</b>		
<b>Instructions:</b>			
1) All Questions carries equal marks			
2) Figures to the right indicate full marks			

Question No		Max. Marks																		
Q.1	A] Following information is available relating to Sumit Ltd and Amit Ltd	8 Marks																		
	<table><tr><th>Particulars</th><th>Sumit Ltd</th><th>Amit Ltd</th></tr><tr><td>Equity Share Capital (Rs.10 face value)</td><td>400</td><td>500</td></tr><tr><td>12% Preference Share</td><td>160</td><td>200</td></tr><tr><td>Profit after tax</td><td>100</td><td>140</td></tr><tr><td>Proposed Dividend</td><td>70</td><td>80</td></tr><tr><td>Market Price per shares</td><td>100 Rs</td><td>140 Rs</td></tr></table>	Particulars	Sumit Ltd	Amit Ltd	Equity Share Capital (Rs.10 face value)	400	500	12% Preference Share	160	200	Profit after tax	100	140	Proposed Dividend	70	80	Market Price per shares	100 Rs	140 Rs	
	Particulars	Sumit Ltd	Amit Ltd																	
	Equity Share Capital (Rs.10 face value)	400	500																	
	12% Preference Share	160	200																	
	Profit after tax	100	140																	
	Proposed Dividend	70	80																	
	Market Price per shares	100 Rs	140 Rs																	
	<b>Calculate: -</b>																			
	(1) Earnings per share, (2) P/E Ratio, (3) Dividend pay-out ratio and																			
(4) Return on Equity Shares.																				
As an analyst inform the investor which of the two companies are worth investing																				
B] Compute the following ratio and briefly comment on them.																				
(1) Dividend Yield      (2) EPS              (3) P/E ratio																				
The Capital Structure of SRL Ltd consist of –																				
<table><tr><th>Particulars</th><th>Amount</th></tr><tr><td>10% Preference Share (Rs.10 each)</td><td>60,00,000</td></tr><tr><td>Equity Shares (Rs.10 each)</td><td>20,00,000</td></tr><tr><td>15% Debentures</td><td>20,00,000</td></tr><tr><td>Net profit before tax</td><td>16,00,000</td></tr><tr><td>Tax rate</td><td>40%</td></tr><tr><td>Market Price per share</td><td>Rs.22</td></tr></table>	Particulars	Amount	10% Preference Share (Rs.10 each)	60,00,000	Equity Shares (Rs.10 each)	20,00,000	15% Debentures	20,00,000	Net profit before tax	16,00,000	Tax rate	40%	Market Price per share	Rs.22						
Particulars	Amount																			
10% Preference Share (Rs.10 each)	60,00,000																			
Equity Shares (Rs.10 each)	20,00,000																			
15% Debentures	20,00,000																			
Net profit before tax	16,00,000																			
Tax rate	40%																			
Market Price per share	Rs.22																			
	<b>OR</b>																			
	P] Distinguish Between Financial Analysis and Technical Analysis.	8 Marks																		
	Q] Explain in detail the Steps of Industry Life Cycle?	7 Marks																		
Q.2	A] You are required an investment in one of the following Bonds:- <table><tr><td></td><td>Coupon Rate</td><td>Maturity</td><td>Price Rs.100 par value</td></tr><tr><td>Bond X</td><td>12%</td><td>10 yrs</td><td>Rs 85</td></tr><tr><td>Bond Y</td><td>13%</td><td>8 yrs</td><td>Rs 69</td></tr></table> Recommend which bond should be purchased. Will your answer change if the required rate of return is 20%.		Coupon Rate	Maturity	Price Rs.100 par value	Bond X	12%	10 yrs	Rs 85	Bond Y	13%	8 yrs	Rs 69	8 Marks						
	Coupon Rate	Maturity	Price Rs.100 par value																	
Bond X	12%	10 yrs	Rs 85																	
Bond Y	13%	8 yrs	Rs 69																	



	<p>B] Ms Neena is Studying in BMS of Mumbai University. She has offered Finance as her Specialization in her Internship with Parekh Finance Ltd. She is asked to study the effect of YTM on two of Bonds Viz 3 years 12% Rs.1,000 Bond and a 5-year Rs.1,000, Zero Coupon bond. Analysis is to be done for different YTM of 6%, 7% and 8% respectively. She asked to show the effects of changes in YTM on duration of Bond.</p> <p style="text-align: center;"><b>OR</b></p> <p>P] What is Bond? Explain the factors involved in Valuation of Bonds?</p> <p>Q] Write a Note on Types of Bond Risk?</p>	<p>7 Marks</p> <p>8 Marks</p> <p>7 Marks</p>												
Q.3	<p>A] Mr. Santosh wishes to invest in the shares of P Ltd whose expected dividend in the first year is Rs.5. In the past the company dividend per share has grown at an average rate of about 6% per annum. Mr. Santosh expects that the dividend will grow at the same rate in future. The required rate of return on the share is 20% per annum. The market price of the share is Rs.18. Advise Mr. Santosh, whether he should buy the shares?</p> <p>B] Briefly state the Objectives of Portfolio Management?</p> <p style="text-align: center;"><b>OR</b></p> <p>P] The following information is given for AB Ltd</p> <table><tr><td>Particulars</td><td>Rs</td></tr><tr><td>Earning Per shares</td><td>Rs 15</td></tr><tr><td>Dividend per share</td><td>Rs 4</td></tr><tr><td>Cost of capital</td><td>16%</td></tr><tr><td>Internal Rate of return</td><td>20%</td></tr><tr><td>Growth in dividend</td><td>10%</td></tr></table> <p>Calculate the market price per share using:- a) Walters Model.                      b) Gordon's Model.</p> <p>Q] What are the different factors affecting Investment Decision</p>	Particulars	Rs	Earning Per shares	Rs 15	Dividend per share	Rs 4	Cost of capital	16%	Internal Rate of return	20%	Growth in dividend	10%	<p>10 Marks</p> <p>5 Marks</p> <p>10 Marks</p> <p>5 Marks</p>
Particulars	Rs													
Earning Per shares	Rs 15													
Dividend per share	Rs 4													
Cost of capital	16%													
Internal Rate of return	20%													
Growth in dividend	10%													
Q.4	<p><b>A. State the following statements are True or False:</b></p> <ol style="list-style-type: none"><li>1) Fundamental analysis is a systematic study of a company, the industry, and the economy.</li><li>2) The investor must also study the following non-financial factors of a company before deciding whether to buy or sell or hold its shares.</li><li>3) Price level and inflation affect the economy of the country.</li><li>4) Technical analysis deals with the force of demand and supply of shares in the share market.</li><li>5) The ideal method for valuation of shares is yield basis.</li><li>6) Dividend decision depends on the profitable position of the business concern.</li><li>7) The basic objective of portfolio management is to maximize yield and minimize risk.</li><li>8) The dividend discount model defines the intrinsic value of a shares at the present value of future dividend.</li></ol> <p><b>B] Fill in the Blanks</b></p>	<p>8 Marks</p> <p>7 Marks</p>												

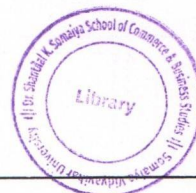


	<ol style="list-style-type: none"><li>1) Financial analysis is a detailed study of the _____ statements of the company.</li><li>2) In _____ stage, poor performers start winding up their businesses.</li><li>3) Share Market prices move in _____.</li><li>4) A _____ is identified as a narrow movement of the market either after an uptrend or a down trend.</li><li>5) The _____ date of the bond is the date on which the bond is repaid.</li><li>6) Price-earnings ratio is the relation between _____ and earnings per share.</li><li>7) _____ is the important aspect of portfolio revision.</li></ol>	
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**SOMAIYA**  
VIDYAVIHAR UNIVERSITY



2

<b>Semester (July 2023 to October 2023)</b> <b>Examination: End Semester Examination October/November 2023 (UG Programmes)</b>			
<b>Programme code: 02 and 03</b> <b>Programme: BAF and BAF Hons</b>		<b>Class: SY</b>	<b>Semester: III</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> 131U02C303 and 131U03C303		<b>Name of the Course:</b> Direct Tax I	
<b>Duration : 2 Hrs.</b>		<b>Maximum Marks : 60</b>	
<b>Instructions:</b> 1) All questions are compulsory. 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	<p>Mr. X owns a residential house property. It has two equal residential units - Unit 1 and Unit 2. While Unit I is self-occupied by X for his residential purpose, Unit 2 is let out (rent being Rs. 6,000 per month, rent of 2 months could not be recovered). Municipal value of the property is Rs. 1,30, 000, standard rent is Rs. 1,25,000 and fair rent is Rs. 1,40,000.</p> <p>Municipal tax is imposed @ 12 per cent which is paid by X. Other expenses for the previous year 2022-23 being repairs: Rs. 250, insurance: Rs. 600, interest on capital (borrowed during 1998) for constructing the property: Rs. 63,000. Find the income of X for the assessment year 2023-24 on the assumption that income of and from other sources is Rs. 1,80,000. <b>(10 marks)</b></p>	15	01, 02, 04				
Q1 B	<p>Compute the income-tax liability for AY 2023-24 for Mr. Ram (age is 32 years and Indian resident) where his net taxable income is Rs. 3,05,000. Ignore the provisions of section 115BAC of the Income-tax Act, 1961 relating to alternative tax regime. <b>(5 marks)</b></p>						
	<b>OR</b>						
Q1	<p>On 30 July, 2022, Mr. X (33 years) sells the following assets:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; height: 20px;"></td> <td style="width: 25%; text-align: center;">Preference</td> <td style="width: 25%; text-align: center;">Preference</td> <td style="width: 25%; text-align: center;">Shares in C</td> </tr> </table>		Preference	Preference	Shares in C	15	01 ,02 04
	Preference	Preference	Shares in C				



	shares of A Ltd. (listed)	shares of B Ltd. (listed)	Ltd, a private company
Sale consideration	Rs. 500,000	Rs. 1,225,000	Rs. 689,000
Cost of acquisition	Rs. 75,000	Rs. 400,000	Rs. 80,000
Date of acquisition	10 May 2022	6 June 2003	6 April 2006

Income from other sources is Rs. 886,000. Mr. X deposits Rs. 150,000 in public provident fund. Calculate the net income and the income-tax liability for assessment year 2023-24. Ignore the provisions of section 115BAC of the Income-tax Act, 1961 relating to alternative tax regime.

Q2 A

The following is the Profit and Loss Account of Mr. Soham for the year ended 31st March, 2023. You are required to ascertain his Net Total Income chargeable and tax liability under old and new tax regime for the assessment year 2023-24.

15

01,02,0  
4

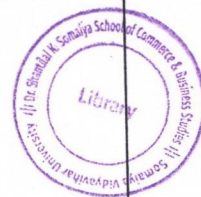
Profit and Loss A/c for the year ended 31st March, 2023

Particulars	Rs.	Particulars	Rs.
To Salaries	62,000	By Gross Profit	3,19,000
To Conveyance & Traveling	12,355	By Dividend from Indian Companies	1,20,000
To Printing	14,645	By Gift from friends	28,000
To General Expenses	13,000		
To Reserve for Bad Debts	12,500		
To Interest on Capital	23,000		
To Depreciation	35,500		
To Life Insurance Premium for own life	17,000		
To Advertisement	25,000		
To Donation paid	30,000		
To Gifts to Staff	14,000		
To Net Profit	2,08,000		
	<b>4,67,000</b>		<b>4,67,000</b>

Other information:

- Depreciation as per Income tax Act Rs. 38,000.
- It has been mentioned that salary of 24,000 has been paid to





son of Mr. Soham. He served as a clerk Salary has been considered reasonable.  
iii. He incurred Rs. 30,000 for maintenance of his dependent handicapped brother.

OR

Q2 B

Dr. Anurag is employed with Karnawati Hospital as a full time Doctor. Following are details of his income for the year ended 31st March, 2023.

1. Basic Salary Rs. 40,000 per month.
2. D.A. @ 25% Of Basic.
3. H.R.A Rs. 1,10,000 (Exempt u/s 10(13A) Rs. 75,000
4. He is provided conveyance facility for journey from his residence to hospital and back costing the hospital Rs. 25,000.
5. Entertainment allowance Rs. 1,000 p.m.
6. Arrears of salary Rs. 20,000.
7. Professional Tax deducted by hospital Rs. 2,400.
8. He was selected as the best surgeon by the State Government and was awarded "The Vidyasagar" award instituted in Public interest Rs.20,000.
9. He was owing a surgical equipment which was given on hire to Dr. Manoj. Hire charges received by him were Rs. 65,000. The expenses on maintenance amounted to Rs. 10,500 and allowable depreciation Rs. 12,500.
10. He received honorarium for presenting papers in various seminars Rs. 8,000
11. He paid Rs. 26,000 by cash to LIC for pension fund.
12. Interest received on FD with bank of Baroda Rs. 20,000
13. He paid by cheque for medical insurance as follows:
  - For self 14,500
  - For Wife 8,800
  - Dependent Children 6,900

Compute his net taxable income and tax liability for the assessment year 2023-24.

15

01,02,04

Q3

Mr. Akhil (age 56) is partially blind (72% disability). He gives you the following information for the previous year 2022-23:

15

01 to 04

Particulars	House 1 (self occupied)	House 2 (let out property)
Fair Rent (per month)	35,000	35,000
Rent Received (per month)	Nil	40,000
Municipal Taxes		

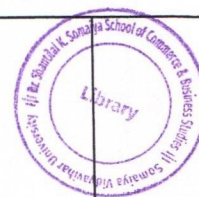
	<table><tr><td>(a) Actually paid</td><td>10,000</td><td>10,000</td></tr><tr><td>(b) Outstanding as on 31-3-2023</td><td>5,000</td><td>5,000</td></tr><tr><td>Maintenance Charges</td><td>9,000</td><td>9,000</td></tr><tr><td>Interest of Housing Loan (Loan taken after 1-4-1999)</td><td></td><td></td></tr><tr><td>(a) Paid during the year</td><td>40,000</td><td>46,000</td></tr><tr><td>(b) Outstanding as on 31-3-2023</td><td>8,000</td><td>Nil</td></tr></table>	(a) Actually paid	10,000	10,000	(b) Outstanding as on 31-3-2023	5,000	5,000	Maintenance Charges	9,000	9,000	Interest of Housing Loan (Loan taken after 1-4-1999)			(a) Paid during the year	40,000	46,000	(b) Outstanding as on 31-3-2023	8,000	Nil		
(a) Actually paid	10,000	10,000																			
(b) Outstanding as on 31-3-2023	5,000	5,000																			
Maintenance Charges	9,000	9,000																			
Interest of Housing Loan (Loan taken after 1-4-1999)																					
(a) Paid during the year	40,000	46,000																			
(b) Outstanding as on 31-3-2023	8,000	Nil																			
	<p>Other Information :</p> <p>a) Interest received from Saving Bank A/c - Rs. 15,000</p> <p>b) Interest accrued on Kisan Vikas Patra - Rs. 5,000</p> <p>c) Winning from lotteries (TDS Rs. 20,000) Net - Rs. 30,000</p> <p>Compute the Taxable Income of Mr. Akhil for the assessment year 2023-24.</p>																				
	OR																				
Q3 A	Explain the provision of deduction under section 80 C and 80 DD in detail. (10 Marks)	15	01,04																		
Q3 B	Mr. Sanjay, employed with a company in Nashik, has taken up accommodation on rent for which he pays Rs.25,000 per month during the Financial Year (FY) 2021-22. He receives a basic salary of Rs.35,000 monthly and DA of Rs.20,000, which forms a part of the salary. He also gets an House rent allowance of Rs.2 lakh from his employer during the year. Compute amount of House rent allowance exempted and taxable. (5 marks)																				
Q4	<p>Answer the following: (5 marks each)</p> <p>a) Mr. Akash has let out a building to Mr. Arun at a rent of Rs. 2,00,000 per month and has paid municipal taxes of Rs. 100,000. Mr. Arun sub-let 50% of the property to Mr. Shyam at a rent of Rs. 80,000 per month. Compute the income of Mr. Akash and Mr. Arun. (5 marks)</p> <p>b) Mr. Jamvant is a non government employee and covered by the payment of Gratuity Act 1972. He retires on 30th June 2022 and receives Rs. 14,00,000 as gratuity after a service of 33 years and 8 months. His salary (including D.A.) at the time of retirement was Rs. 50.000 per month. Determine the amount of gratuity taxable and exempt for the Assessment year 2023-24. (5 marks)</p>	15	02, 03,04																		



- c) The gross total income of Mr. X for the A.Y.2023-24 is Rs. 5,00,000. He has made the following investments/ payments during the FY 2022-23 –

Particulars	Rs.
Contribution to Provident fund	20,000
Payment of tuition fees for his daughter and son	25,000
LIC premium for self (sum assured Rs. 4,00,000)	45000
Repayment of housing loan taken from HDFC	45,000
Contribution to approved pension fund of LIC	105,000

Compute the eligible deduction under Chapter VI-A for the AY 2023-24. **(5 marks)**





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(B)



Semester End - October 2023		
Examination: End Semester Examination October/November 2023 (UG - Programmes)		
Programme code: 02 & 03	Class: SY	Semester: III
Programme: Accounting and Finance		
Name of the Constituent College: S K Somaiya College, Somaiya Vidyavihar University		Name of the Department: Accounting and Finance
Course Code: 131U02V301 & 131U03V301	Name of the Course: Financial Management - I	
Duration: 2 Hrs.	Maximum Marks: 60	
Instructions:		
1) Figures to the right indicate full marks for each question.		

Question No.		Max. Marks	Co Attainment																		
Q.1.	<div>The following information is available relating to Ramakant Limited and Gauri Limited.</div> <table><tr><th>Particulars</th><th>Ramakant Ltd (₹)</th><th>Gauri Ltd (₹)</th></tr><tr><td>Equity Share Capital (Rs.100 face value)</td><td>40,00,000</td><td>50,00,000</td></tr><tr><td>10% Preference Share Capital</td><td>16,00,000</td><td>20,00,000</td></tr><tr><td>Profit After tax</td><td>10,00,000</td><td>14,00,000</td></tr><tr><td>Proposed Dividend</td><td>7,00,000</td><td>8,00,000</td></tr><tr><td>Market Price per share</td><td>₹ 140 per share</td><td>₹ 156 per share</td></tr></table> <div>Calculate:<div><div>(a) Earnings per share</div><div>(b) Price Earnings Ratio</div><div>(c) Dividend Payout Ratio</div><div>(d) Return on Equity Shares</div><div>(e) Dividend Yield Ratio</div></div>Also advice to the investor, which is good for investing.</div>	Particulars	Ramakant Ltd (₹)	Gauri Ltd (₹)	Equity Share Capital (Rs.100 face value)	40,00,000	50,00,000	10% Preference Share Capital	16,00,000	20,00,000	Profit After tax	10,00,000	14,00,000	Proposed Dividend	7,00,000	8,00,000	Market Price per share	₹ 140 per share	₹ 156 per share	(15)	CO1
Particulars	Ramakant Ltd (₹)	Gauri Ltd (₹)																			
Equity Share Capital (Rs.100 face value)	40,00,000	50,00,000																			
10% Preference Share Capital	16,00,000	20,00,000																			
Profit After tax	10,00,000	14,00,000																			
Proposed Dividend	7,00,000	8,00,000																			
Market Price per share	₹ 140 per share	₹ 156 per share																			
	OR																				
Q.1.	a) What do you mean by technical Analysis? Explain the various charting techniques of technical analysis.	(08)	CO1																		
	b) Discuss various types of Bond Risk.	(07)	CO2																		
Q.2.	a) A Bond of ₹ 1000 has a coupon rate of 8% per annum and Maturity period of 3 years. The bond is currently selling at ₹ 910. What is the yield to Maturity in the investment of this bond.	(08)	CO2																		
	b) Calculate the duration of the Bond from the following details. <div>Face Value = ₹ 1000</div> <div>Coupon Rate = 10 % p.a.</div> <div>Years to Maturity = 5 Years</div> <div>Redemption Value = ₹ 1,000</div> <div>Current Market Price = ₹ 1036</div> <div>Yield to maturity= 12%</div>	(07)	CO2																		
	OR																				
Q.2.	c) Discuss the factors affecting investing decisions.	(08)	CO4																		
	d) Explain the various phases of Portfolio Management.	(07)	CO4																		
Q.3.	a) The following information pertains to CNG Ltd. <table><tr><td></td><td>₹</td></tr><tr><td>Total Earnings</td><td>60,000</td></tr><tr><td>Dividend payout ratio</td><td>50%</td></tr><tr><td>No. of shares outstanding</td><td>3,000</td></tr></table>		₹	Total Earnings	60,000	Dividend payout ratio	50%	No. of shares outstanding	3,000	(08)	CO3										
	₹																				
Total Earnings	60,000																				
Dividend payout ratio	50%																				
No. of shares outstanding	3,000																				

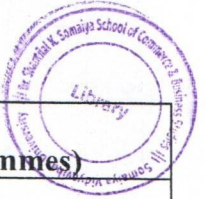


	<table><tr><td>P/E Ratio</td><td>8 times</td></tr><tr><td>Rate of return on investment</td><td>15%</td></tr></table>	P/E Ratio	8 times	Rate of return on investment	15%																		
P/E Ratio	8 times																						
Rate of return on investment	15%																						
	1) What should be the market value of the share as per Walter's Model? 2) What is the optimum dividend payout ratio as per Walter's Model? 3) What will be the market value per share at optimum payout ratio as per Walter's Model?																						
	b) What would be the intrinsic value of the share on the basis of the following data? Last dividend (D <sub>0</sub> ) Rs.4 Growth rate in dividend for next two years 10% Growth rate in dividends thereafter 5% The required rate of return 20%	(07)	CO3																				
	OR																						
Q.3.	c) Ghajini Ltd. Currently has 10,00,000 equity shares outstanding. Current market price per share is ₹ 100. the net income for the current year is ₹ 3,00,00,000 and investment budget is ₹ 4,00,00,000. Cost of equity is 10%. The company is contemplating declaration of dividends @ ₹ 5 per share. Assuming MM approach. 1) Calculate market price per share if dividend is declared and if it is not declared. 2) How many equity shares are to be issued under both the options	(08)	CO3																				
	d) Explain the objectives of Portfolio Management.	(07)	CO4																				
Q.4.	Conceptual Questions (any 3 out of 5)	(15)																					
	a) The following is the data relating to Clear Ltd for 2018,2019 & 2020. <table><tr><td>Particulars</td><td>2018 ₹</td><td>2019 ₹</td><td>2020 ₹</td></tr><tr><td>Sales</td><td>60</td><td>63</td><td>65.50</td></tr><tr><td>Cost of Goods Sold</td><td>54</td><td>56</td><td>58.00</td></tr><tr><td>Profit</td><td>06</td><td>07</td><td>7.50</td></tr><tr><td>Capital</td><td>40</td><td>44</td><td>45.00</td></tr></table> Calculate – (a) Return on Sales (b) Capital Turnover (c) Return on Investment	Particulars	2018 ₹	2019 ₹	2020 ₹	Sales	60	63	65.50	Cost of Goods Sold	54	56	58.00	Profit	06	07	7.50	Capital	40	44	45.00		CO1
Particulars	2018 ₹	2019 ₹	2020 ₹																				
Sales	60	63	65.50																				
Cost of Goods Sold	54	56	58.00																				
Profit	06	07	7.50																				
Capital	40	44	45.00																				
	b) A bond of ₹ 1,000 face value, carrying an interest rate of 14 percent is redeemable after 6 years at a premium of 5 % if the required rate of return is 15%. What is the present value of the Bond?		CO2																				
	c) BAES Paid ₹ 2.50 as a dividend per share on its equity shares for the last year. Dividends are expected to grow at 10% per year for an indefinite future. (a) What is its expected rate of return if its current market price is ₹ 20? (b) If the required return is 12%, what would be the value of stock? (c) Is it worth investing in the share?		CO3																				
	d) Sahil Ltd provides you with the following information for you to value share based on Gordon's Model. It distributes 10% dividend with the growth rate of 5%. It has paid up capital of ₹ 1 lakh equity share of ₹ 10 each. The expected rate of return on its equity capital is expected at 15%		CO3																				
	e) The Standard ratios of industries and ratios of X Co are given below. Give your comments on the performance of the company: <table><tr><td></td><td>Standard Ratio</td><td>X Co</td></tr><tr><td>Net Profit ratio</td><td>3%</td><td>2%</td></tr><tr><td>Current ratio</td><td>2.00</td><td>3.00</td></tr><tr><td>Liquidity Ratio</td><td>1.50</td><td>2.50</td></tr><tr><td>Proprietary Ratio</td><td>0.75</td><td>0.60</td></tr><tr><td>Debtors Turnover Ratio</td><td>1 month</td><td>1.5 month</td></tr></table>		Standard Ratio	X Co	Net Profit ratio	3%	2%	Current ratio	2.00	3.00	Liquidity Ratio	1.50	2.50	Proprietary Ratio	0.75	0.60	Debtors Turnover Ratio	1 month	1.5 month		CO1		
	Standard Ratio	X Co																					
Net Profit ratio	3%	2%																					
Current ratio	2.00	3.00																					
Liquidity Ratio	1.50	2.50																					
Proprietary Ratio	0.75	0.60																					
Debtors Turnover Ratio	1 month	1.5 month																					





**SOMAIYA**  
VIDYAVIHAR UNIVERSITY



Semester III July 2023 October 2023)		
Examination: End Semester Examination October/November 2023 (UG Programmes)		
Programme code:	Class:	Semester: III
Programme: ACCOUNTING AND FINANCE	S.Y.B.A.F.	
Name of the Constituent College: S K SOMAIYA	Name of the Department : ACCOUNTING & FINANCE	
Course Code:	Name of the Course: CORPORATE ACCOUNTING	
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.	<p>Mac Ltd. invited applications for 20,000 Equity shares of Rs. 10 each at a premium of Rs. 2 per share, payable Rs. 3 on application, Rs.7 on allotment including premium and the balance on first and final call. Applications for 25,000 shares were received. It was decided:</p> <p>a) To refuse allotment to the applicants for 1,000 shares.  b) To allot in full to applicants for 4,000 shares.  c) To allot the balance of available shares in pro-rata among the other applicants, and  d) To utilize excess application moneys in part payment of allotment moneys.</p> <p>Mr. X holding 200 shares to whom full allotment was made failed to pay the amount due on call only. These shares were forfeited.</p> <p>All shares of Mr. X were re-issued at Rs. 8 per share to Kunal. Show the journal entries in the books of Mac Ltd.</p>	(15)	CO1
Q.1.B.	<p style="text-align: center;"><b>OR</b></p> <p>The Max Ltd issued 12,000 Equity shares of Rs.15 each at par. The amount is payable as under:-</p> <p>On application                      Rs.3 per share.  On Allotment                          Rs.7 per share.  On First call                          Rs.3 per share and  On second Call                      Rs.2 per share.</p> <p>The company received applications for 20,000 shares. The directors rejected applications for 5000 shares and allotted shares on pro rata basis to the remaining applicants. 120 shares were allotted to Virat who failed to pay first call and second call. 240 shares were allotted to Rohit who failed to pay second call. All shares of virat and Rohit were forfeited. Journalize the above transaction in the books of Max Ltd.</p>	(15)	CO1
Q.2.A	<p>A company issued 20,000 shares of Rs.100 each. The whole issue was fully underwritten by A, B and C as follows:  A: 12,000 shares, B 4,000 shares, C 4,000 shares .</p>	(05)	C04



In addition to the above underwriting, there was firm underwriting as follows:-

1,000 shares, B 1,000 shares, C 1,000 shares.

The total subscription excluding firm underwriting, but including marked applications were for 15,000 shares. The marked applications were as follows:

2,000 shares, B 4,000 shares, C 1,000 shares.

Determine the liabilities of individual underwriters when credit for firm underwriting is not given to underwriters.

Q.2.B.

Pass Journal entries for the following foreign transaction in the books of "Jemima Ltd" for year ended 31<sup>st</sup> March 2022 :

on 1<sup>st</sup> January 2022 Jemima Ltd, an importer, purchased \$ 40,000 worth goods from Mehta Trading Company of USA. The payment was made as under: -

On 15<sup>th</sup> January 2022 - \$ 10,000

On 15<sup>th</sup> February 2022 - \$ 10,000

On 15<sup>th</sup> March 2022 - \$ 12,500

On 15<sup>th</sup> April 2022 - \$ 7,500

Books of accounts are closed on 31<sup>st</sup> March every year. The exchange rate of \$ 1 was as follow:

1<sup>st</sup> January 2022 Rs. 68.50

15<sup>th</sup> January 2022 Rs.69.25

15<sup>th</sup> February 2022 Rs. 68.00

15<sup>th</sup> March 2022 Rs 68.35

31<sup>st</sup> March 2022 Rs.68.75

15<sup>th</sup> April 2022 Rs.68.60

OR

Q.2.C.

Inna, Mina and Dika were in Partnership sharing Profit and Losses in the ratio of 1/2, 1/3 and 1/6 respectively. Their firm dissolved as on 31<sup>st</sup> December 2018 on which date the Balance sheet of the firm was as under:

Liabilities	Rs.	Assets	Rs.
Partners' Capital		Cash	4,000
Inna	15,000	Debtors	40,000
Mina	8,000	Debtors	16,000
Dika	1,000		
General Reserve	6,000		
Inna's Loan	6,000		
Mina's Loan	4,000		
Sundry Creditors	20,000		
	60,000		60,000

It was agreed that the net realization should be distributed in their due order at the end of each fortnight. The realization and expenses were as under:-

	Debtors (Rs)	Stock(Rs)	Expenses (Rs)
15 <sup>th</sup> January, 2019	15,000	9,000	1,000
31 <sup>st</sup> January, 2019	21,000	1,000	500
15 <sup>th</sup> February, 2019	17,000	17,000	1,000
28 <sup>th</sup> February, 2019	21,000	1,000	400

(10)

CO5

(15)

C02



15 <sup>th</sup> March, 2019	10,100	7,000	600
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Stock was completely disposed of, and the remaining debtors were to be taken over by Dika at an agreed amount of Rs.1000. Show the statement of distribution of cash following Highest Relative Capital Method.



Q.3.A.

Surya, Kumar and Yadav were in a partnership sharing profit and Losses in the ratio of 4:3:1 respectively. On 31.03.2022 they decided to convert their firm into a limited company named SKY Ltd. Their Position as on 31.03.2022 was as under:-

(15)

C03

Liabilities	Amount	Assets	Amount
Loan	11,000	Land & Building	36,000
Sundry Creditors	48,000	Plant & Machinery	20,000
Capital:-		Debtors	38,000
Surya	34,000	Stock	30,000
Kumar	34,000	Cash at Bank	20,000
Yadav	17,000		
	1,44,000		1,44,000

The company agreed to take over the following assets at the value as under:-

Building	Rs.50,000
Stock	Rs.27,000
Machinery	Rs.18,000
Goodwill	Rs.10,000
Debtors	Rs.30,000

Purchase Consideration Rs.60,000 was paid in fully paid equity shares of Rs.10 each and balance in cash. The Expenses of dissolution amounted to Rs.500. Shares were distributed in the ratio of final capital balance. You are required to close the books of accounts of firm by preparing necessary ledger A/c.

OR

Q.3.B.

A, B & C were partners carrying partnership business and sharing profit and losses in the ratio of 1:2:3 respectively. On 31<sup>st</sup> March 2019, their balance sheet was as under:-

(15)

C03

Liabilities	Amount	Assets	Amount
Capital:-		Building	20,000
A	10,000	Machinery	30,000
B	20,000	Car	5,000
C	30,000	Stock	15,000
B's Loan	20,000	Debtors	20,000
Creditors	15,000	Bank Balance	9,000
Bills Payable	5,000	Investment	1,000
	1,00,000		1,00,000

On 31-03-2019 a new company named "Jack Ltd" was formed and it took over the business at the following terms and conditions:-

- 1) All assets (except cash and investment) and all the liabilities (except B's Loan) to be taken over by the company for which all assets are taken at book value except the following:-



	<p>Building Rs.27,000  Stock Rs.14,000  Goodwill Rs.30,000</p> <p>2) B's Loans will be settled by taking over the firm's cash and Investment at book value and for the balance amount he will be given 8% debentures in Jack Ltd.</p> <p>3) Balance of purchase consideration will be received in the form of equity shares of the company which are to be distributed appropriately amongst partners.</p> <p>Prepare ledger accounts to close the books of the firm.</p>		
Q.4.	<p><b>Answer the following :[ 5 X 3marks each]</b></p> <p>a) Partners X and Y from ABC &amp; Co have cash available of Rs 10,000 whereas they have to pay unsecured creditors worth Rs 12000 and unsecured bank loans of Rs 8000 simultaneously. They seek your help in deciding how to distribute the cash among both . show your calculations with explanation.</p> <p>b) XYZ ltd made a public issue of 60,000 underwritten by Mr. Mehta to the extent of 75% only. If the total applications are 40000 from public including marked application, what shall be liability of the underwriter Mr. Mehta?</p> <p>c) Hamam Ltd exported goods of 10000\$ on 5<sup>th</sup> June 2023 when the exchange rate was 60.00 Rs. On 31<sup>st</sup> July 2023 the exchange rate changed to 61.00 Rs per dollar when the payment was received from the buyer. Discuss the accounting treatment for same and how it shall impact the profits of the company?</p> <p>d) Soniya Ltd was incorporated to take over business of Rimjhim and Co on 1<sup>st</sup> April 2022. On the same day the company agreed to take over the firm for a total consideration of Rs 1,20,000 out of which 1/3<sup>rd</sup> was paid in cash and balance in equity shares of Rs. 10 each. Calculate the purchase consideration to be paid to firm by net payment method.</p> <p>e) PQR &amp; Co has 3 partners sharing profits and losses equally . All three partners have equal capital . The firm undergoes dissolution on piecemeal basis . An argument broke out among partners regarding how to distribute cash among the partners. They ask you to guide what method should they follow and how cash will be distributed among the partners? Assume all external liabilities are already paid off.</p>	(15)	CO1 CO2 CO3 CO4 CO5