SOMAIYA
VIDYAVIHAR UNIVERSITY
Dr. Shantilal K. Somaiya School of Commerce and Business Studies

QUESTION PAPERS

BRANCH: Bachelor of Commerce (Accounting & Finance)	**SEM: VI**
	APR-2025

Sr. No.	Subject	Available
1.	131U02V601 – Financial Management III	
2.	131U02C601 – advanced Accounting	
3.	131U02C602 – Advanced Costing Techniques	
4.	131U03C603 – Indirect Taxation	
5.	131U02V604 – Financial Analysis & Business Valuation	
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April 2025 Examination: End Semester Examination (UG/PG Programmes)		
Programme code: 02 **Programme: BAF**	**Class:** TY	**Semester:** VI
Name of the Constituent College: S K Somaiya	**Name of the Department:** Accounting and Finance	
Course Code: 131U02V601	**Name of the Course: Financial Management III**	
Duration: 2 Hr.	**Maximum Marks: 60**	
Instructions: 1) Draw neat diagrams 2) Assume suitable data if necessary 3) Use of simple calculator is allowed		

Question No.			Max. Marks	CO
Q1	A	Financial Details of Orion Ltd. for 2022, 2023, and 2024: (see table below) **Required:** 1. Calculate the Market Value Added (MVA) for Orion Ltd. for 2022, 2023, and 2024. 2. Compare the results to analyze whether the company has improved its shareholder value creation over the three years.		
		OR		
	B	XYZ Limited uses EVA method to measure divisional profit performance of its three divisions – X, Y and Z. Company charges each division a 5% return on its average current assets and a 10% return on its average fixed assets. The financial statistics for the year 2024 are given as below: (see table below) Required for the year 2024: 1. Compute budgeted ROI and actual ROI for each division. 2. Calculate budgeted EVA for each division. 3. Calculate actual EVA for each division.	15	CO1

Q1 A:

Particulars	2022	2023	2024
Number of shares issued	80,000	20,000	40,000
Face value per share	Rs. 50	Rs. 12.5	Rs. 25
Retained earnings	Rs. 14,00,000	Rs. 5,25,000	Rs. 28,00,000
Current market price/share	Rs. 180	Rs. 55	Rs. 300

Q1 B:

Particulars	Division		
	X	Y	Z
Budgeted Profits	180	110	100
Budgeted Current Assets	300	400	600
Budgeted Fixed Assets	800	800	1000
Actual Data:			
Profits	170	130	100
Current Assets	180	360	700
Fixed Assets	800	900	1100

Q 2		M Co. Ltd. is studying the possible acquisition of N Co Ltd. by the way of merger. The following details are available in respect of both the companies: -	15	CO2

Particulars	M Co. Ltd.	N Co. Ltd.
Earnings After Tax (Rs.)	80,00,000	24,00,000
Number of Equity Shares	16,00,000	4,00,000
Market Value Per Share (Rs.)	200	160

a) If the merger goes through by exchange of equity shares and the exchange is based on the current market price, what will the new earnings per share for M Co. Ltd be?

b) N Co. Ltd. wants to ensure that the earnings available to its shareholders will not be diminished by merger. What should be the exchange ratio in that case? Determine the new earnings per share for M Co. Ltd.

c) Suggest which exchange ratio be beneficial for the shareholders of N Co. Ltd.

OR

	B	Following is the Balance Sheet of Swastik Limited:	15	CO2

Liabilities	Rs	Assets	Rs
8,000 Equity Shares (Rs. 100)	8,00,000	Goodwill	1,20,000
9% Debentures	3,00,000	Land and Building	4,30,000
Sundry Suppliers	80,000	Patents and Copyrights	50,000
		Computers and Software	3,70,000
		Stock	80,000
		Debtors	45,000
		Cash	1,000
		Profit/Loss A/c	84,000
	11,80,000		**11,80,000**

The following Scheme of reconstruction was sanctioned:

1) The equity shares be reduced by Rs. 50 each.

2) Debenture holders' total claim will be reduced to Rs. 1,80,000.

3) Sundry creditors have agreed to reduce their claim by Rs. 16,000.

4) Out of the balance available, the company decided to write off Goodwill, Profit/Loss A/c and Patents completely while Computers and Software by Rs. 2,25,000.

Prepare Capital Reduction Account to implement the above scheme and draft the final Balance Sheet after reconstruction.

Q 3	A	Aakash Limited is faced with a decision to purchase or lease a machine costing Rs. 20,00,000. The effective life of the machine is 5 years. It will borrow Rs. 20,00,000 from bankers at 10% interest p.a. The principal amount of loan will be paid in 5 equal annual installments. The bike will be sold at the end of 5th year for Rs. 2,00,000.	15	CO3

		Additional Information: 1) Machine will be fully depreciated over its effective life. 2) Tax rate is 30% and cost of capital (after tax) is 8%. 3) Lease rental will be payable at the end of the year. Find out which option is better for the company -Leasing or Buying.		
		OR		
	B	The turnover of Moonlight Ltd. is Rs. 240 lakhs out of which 80% is on credit. Debtors are allowed 1 month to clear off the dues. A factor is willing to advance 90% of the bills raised on credit for a fees of 2% a month plus commission of 5%. Moonlight, as a result of this arrangement, is likely to save Rs. 1,00,000 p.a. in management cost and avoid bad debts @1% on credit sales. A bank has come forward to make an advance equal to 90% of debts @interest rate of 18% p.a. Its processing fees is 2% on debts. Should Moonlight Limited accept factoring offer from the bank?	**08**	**CO4**
	C	A manufacturing firm has total sales of Rs. 80,00,000 and its average collection period is 90 days. The past experience indicates that bad debts are around 1.5% of credit sales. The firm spends Rs. 1,25,000 on administration of its sales. A factor is prepared to buy a firm's receivable by charging 2% commission. A factor will pay advance receivables at an interest rate of 18% after keeping 10% as reserve. Should the company go for factoring? Comment on above.	**07**	**CO4**
Q 4	**Attempt the following questions:**			
	A	Illustrate in brief any 3 sources of Working Capital Financing.	**03**	**C04**
	B	Cost of Machine = Rs. 1,58,000 Rate of Interest = 10% Installment Period = 3 Years Amount of Installment = Rs. 60,000 Prepare a table to show analysis of payment and calculation of Interest.	**03**	**C03**
	C	List down any 3 advantages of Economic Value Added.	**03**	**C01**
	D	Describe the meaning of synergy with an appropriate example.	**03**	**C02**
	E	A commercial paper with a face value of Rs. 40,00,000 and issue price of Rs. 36,00,000 with 120 days of maturity. Calculate the Yield of the commercial paper.	**03**	**C04**

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April - 2025 Examination: End Semester Examination April 2025 (UG Programmes)		
Programme code: 02. **Programme: BAF**	**Class:** TY	**Semester:** VI
Name of the Constituent College: S.K. SOMAIYA	**Name of the Department** Accounting & Finance	
Course Code: 131U02C601	**Name of the Course: Advanced Accounting**	
Duration: 2 Hrs.	**Maximum Marks: 60**	
Instructions: 1) All questions are compulsory. 2) Figures to the right indicate full marks. 3) Use of simple calculator is allowed.		

Q. No.		Max. Marks	CO
Q.1.	From the following trial balance and additional information Prepare a Final Account of Union Bank Ltd. As on 31st March 2025.	15	01

DR.	₹	CR.	₹
Money at call & short notice	5,00,000	10,000 Equity shares of ₹ 100 each	10,00,000
Cash in Hand	4,50,000	Statutory Reserve	5,00,000
Cash at bank	5,50,000	Current Account	3,00,000
Investments	3,25,000	Saving Account	4,00,000
Secured Loan	5,50,000	Fixed Deposits	2,25,000
Cash Credits	2,62,500	Borrowings	2,62,500
Premises	2,12,500	Interest & Discount	3,75,000
Furniture	37,500	Commission, Brokerage	48,750
Rent	1,875		
Interest Paid on Deposits	1,12,500		
Salary	50,000		
Interest on Borrowings	18,750		
Audit Fees	5,500		
Other Assets	25,000		
Depreciation	4,875		
Printing & Stationery	3,375		
Other Expenses	1,875		
	31,11,250		**31,11,250**

Other Information:-

i. Provide ₹ 5,000 for doubtful debts.
ii. Provide ₹ 10,000 for tax.
iii. Rebate on Bills Discounted ₹ 6,250.

OR

Q.1.	From the following information prepare Profit & Loss a/c of SBI Bank Ltd. As on 31-3-25;-	15	01

PARTICULARS	₹
Interest On Fixed Deposits	2,00,000
Profit on sale of Investments	80,000
Interest on Saving Deposits	4,00,000
Loss on sale of Fixed Assets	20,000
Commission & Brokerage [cr.]	50,000
Dividend Received	10,000
Interest & Discount	15,00,000
Interest on Investments	40,000
Salaries	1,02,000
Salary to General Manager	48,000
Directors Fees	10,000
Rent & Rates	40,000
General Expenses	6,000
Stationery & Printing	10,000
Audit Fees	4,000

Additional Information: -

1. Rebate on bills discounted for unexpired term amounted to ₹ 10,000.
2. Create provision for taxation for ₹ 2,00,000.
3. Provide for doubtful debts for ₹ 60,000.
4. ₹ 15,000 to be transferred to General Reserve.

Q.2	From the following information taken from the books of India Assurance Company Prepare final account for the year ended 31st March 2025: -	15	02

PARTICULARS	₹ in Lakhs	PARTICULARS	₹ in Lakhs
Share Capital	9.00	Cash	2.82
Profit & Loss a/c [Cr.]	0.75	Creditors	0.22
Re insurance premium	1.12	Commission on Direct Business	3.00
Claims recovered from reinsurance	0.25	Commission on reinsurance accepted	0.60
Commission on reinsurance ceded	0.48	Outstanding premium	0.22
Advance Tax paid	2.50	Claims intimated but not paid [1/4/24]	0.60
Fire Fund as on 1/4/2024	9.30	Expenses of management	4.30
General Reserve	4.50	Audit fees	0.36
Investments	36.00	Rent paid	0.24
Premiums	27.00	Income from Investment	1.53
Claims Paid	6.00		

Adjustments: -

a. Income Tax to be provided at 35 %.
b. Claims intimated but not paid on 31/3/24 ₹1,00,000.
c. Expenses of management include legal expenses of ₹ 36,000 relating to claims.
d. Transfer ₹ 2,00,000 to General Reserve.

OR

Q.2. From the following Trial Balance as on 31st March 25 — 15 — 05

Prepare Final accounts in the prescribed format as per applicable legal provisions

MOKSH CHS LTD. TRIAL BALANCE

PARTICULARS	₹	PARTICULARS	₹
Land & Building	1,94,06,425	Collection for sinking fund	59,827
MSEB Deposit	21,245	Advance from members	22,514
Nonagricultural tax	29,913	Collection for establishment expenses	6,54,600
Property taxes	1,63,724	Collection for property expenses	6,31,602
Repairs & Maintenance	5,80,180	Entrance fees	2,350
Salaries	2,23,176	Income & Expenditure a/c	2,28,583
Subscription to Education fund	288	Interest on FD	1,26,371
TMC deposit for water	44,450	Interest on saving bank	37,655
Water charges	1,84,320	Members contribution for building	1,94,06,425
1 share of MDC co-op. Bank	500	Outstanding expenses	1,73,645
Accounting charges	12,819	Sale of scrap	24,501
Audit fees	3,456	Security deposit	1,25,056
Cash in bank	3,22,347	Sinking fund opening	6,77,755
Cash on hand	1,166	Statutory reserve opening	24,63,376
Dues from members	5,03,497	Subscribed capital: - 480 shares ₹ 50 each	24,000
Electricity charges	3,04,414	Transfer fees	50,000
Equipments	67,906		
Fixed deposits	20,92,632		
Fixed deposit – Sinking fund	7,00,000		
Housekeeping	45,802		
	2,47,08,260		**2,47,08,260**

Adjustments: -

a. Prepaid electricity charges ₹ 19,353.
b. Accrued Interest on FD ₹ 21,515.
c. Depreciation on Equipment at 10%.
d. Accrued interest on Sinking Fund FD ₹ 41,894.

Q.3. — 15 — 04

BALANCE SHEET OF MAU LTD.

LIABILITIES	₹	ASSETS	₹
45,000 Equity shares of ₹10 each	4,50,000	Goodwill	1,00,000
750, 10% Preference shares	75,000	Building	4,95,000
Profit & Loss Account	3,00,000	Machinery	2,70,000
10 % Debentures	3,00,000	Debtors	4,50,000
Bank Loan	75,000	Cash	1,80,000
Creditors	1,80,000	Bills Receivables	60,000
Bills Payable	1,95,000	Preliminary Expenses	20,000
	15,75,000		**15,75,000**

a. Profits for previous years before tax: -
2021 - ₹ 2,70,000, 2022 - ₹ 3,90,000, 2023 - ₹ 1,05,000, 2024 - ₹ 6,15,000.
b. In the year 2023 loss of ₹ 60,000 was recorded due to fire.
c. In the year 2024 profit of ₹ 1,20,000 was earned from the non-trading activity.
d. In future expenses of ₹ 15,000 to be incurred for rent.
e. Building & Machinery were revalued at ₹ 6,15,000 & ₹ 3,45,000.
f. Debtors include bad debts of ₹ 30,000.
g. Transfer to general reserve was provided at 5%.
h. Normal Rate of Return is 10% & Tax rate is 30%.
Find out the value of Equity shares by:-
Intrinsic value method, Yield method & Fair value method.
For valuation of shares consider Goodwill as 3 years purchase of super profit.

OR

Q.3. **A**. As on 1st April 2019 Prapti Ltd. as NBFC – ND – SI, entered into a Hire Purchase transaction for sale of some Machines, the total Cash Price of Machines amounted to ₹ 80 Lakhs & the Hire Purchase price was ₹ 100 lakhs. The down payment was ₹ 20 lakhs was received on the date of sale and the balance was to be received in 5 equal instalments. The first instalment was duly collected on 31st March 2020. However, the hire purchaser failed to pay the instalment on 31st March 2021. 10 03
The company was finalizing its accounts on 15th July 2021 & wants your advice & calculations on the following: -

a. Calculate basic provision.
b. Calculate the Net Book Value of Assets as on 31st March 2021 as per the prudential norms applicable. Assume the depreciation @ 20 % p.a. & that the rate of interest applicable is 10.42 %.
c. Calculate the additional provision if required to be made as per the prudential norms applicable.

B. OM Finance Ltd. a non-banking financial company, gives the following details from its Balance Sheet for the year ended 31st March 2025. You are required to calculate the Net Owned Funds as per the RBI requirements for NBFCs 05 03

PARTICULARS	₹ [In Lakhs]
Paid up Equity Capital	600
Paid up convertible preference capital	400
Non-convertible preference share capital	500
General Reserve	700
Profit & Loss A/c [Dr. Bal.]	150
Revaluation Reserve	100
Capital Reserve [Not realizing cash]	50
Deferred Revenue Expenses	50
Goodwill	120
Cash & Bank balance	150
Investments in shares of subsidiaries & group companies	120
Investments in Debentures of the same group company	180

Q.4.	Answer the following: - [5 MARKS EACH]	15	

A. The following information is available in the books of Dena Bank Ltd.as on 31st MARCH 2025 — 01

Bills Discounted ₹ 50,50,500.
Rebate on Bills Discounted as on [1-4-24] ₹ 3,25,000.
Discount received ₹ 10,75,000.

Value of bill ₹	Due Date	Rate of Discount
15,00,000	08-06-2025	8%
25,00,000	15-07-2025	10%
10,50,500	25-08-2025	12%

Calculate the amount of rebate & pass necessary Journal Entries.

B. SHIVA Ltd. is an NBFC providing Hire Purchase Solutions for acquiring consumer durables. The following information is extracted from its books for the yearended 31st March 2025: — 03

ASSET FUNDED	Interest overdue but recognized		Net Book Value outstanding
	Period Overdue	Interest [₹ in Lakhs]	[₹ in Lakhs]
Computers	Up to 12 months	960	40,812
T.V.	20 months	205	4,950
Washing Machines	32 months	104.20	2,530
Refrigerators	45 months	53.50	1,328
Air Conditioners	52 months	13.85	305

You are required to calculate amount of provision to be made.

C. From the following information prepare schedule of Fixed Assets as on 31st March 2025, related to final account of general insurance company. — 02

Assets	Cost	Provision for Dep.
	₹	[as on 1st April 2024]
Goodwill	2,30,000	NIL
Building	4,00,000	30,000
Office Equipment's	30,000	7,000
Motor Car	70,000	25,200
Machinery	5,00,000	1,28,000

Provide depreciation on W.D.V. of the assets at the following rate: -

ASSETS	RATE
BUILDING	5%
MACHINERY	20%
MOTOR CARS	20%
OFFICE EQUIPMENTS	10%

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April 2025 Examination: End Semester Examination (UG/PG Programmes)		
Programme code: 02 **Programme: BAF**	**Class:** TY	**Semester:** VI
Name of the Constituent College: S K Somaiya	**Name of the Department:** Accounting and Finance	
Course Code: 131U02C602	**Name of the Course:** Advanced Costing Techniques	
Duration : 2 Hr.	**Maximum Marks : 60**	
Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary 3) Working notes should form part of your answer		

Question No.		Max. Marks	CO
Q1	**A.** From the following information calculate: P/V ratio, Fixed Cost, BEP, Margin of Safety, Sales at profit of Rs. 3,00,000	08	CO2

Year	Sales	Total Cost
I	17,20,000	16,76,800
II	21,52,000	20,22,400

AND

B. Selling price Rs. 30 per unit, Marginal Cost Rs. 10 per unit, Fixed cost Rs. 1,00,000. (07, CO2)
Draw BEP chart and indicate: BEP, Fixed cost line, Sales Line, Margin of Safety, Area of loss/Area of Profit, Angle of incidence.

OR

C. Kochar Ltd currently at 80% capacity has the following particulars : (15, CO3)

Particulars	Rs.
Sales	48,00,000
Direct Material	15,00,000
Direct Labour	6,00,000
Variable Overheads	3,00,000
Fixed Overheads	19,00,000

An Export order has been received that would utilize half (50%) the capacity of the factory . The order cannot be split .i.e. to be taken in full & this is to be executed at 10% below the normal domestic price OR reject totally. The alternatives available to the Management of the company are :
i) Reject the export order and continue with the domestic sales only (as at present level of sales), or
ii) Accept the order, split the capacity (100%) between the overseas & domestic sales and turn away excess domestic demand; or
iii) Increase the capacity to accept the export order and maintain the present domestic sales by:

a. Buying an equipment that will increase capacity by 10%. This will result in an increase of Rs.1,50,000 in fixed costs; and

b. Work overtime to meet balance of required capacity. In that case labour will be paid at two times the normal wage rate.

You are required to prepare a comparative statement of profitability and suggest the best alternative.

Q 2 | 15 | CO 4

A. The following standard have been set to manufacture a product.

Direct Material:
2 units of A @ Rs. 4 per unit
3 units of B @ Rs. 3 per unit
15 units of C @ Rs. 1 per unit

Direct Labour: 3 hours @ Rs. 8 per hour

The company manufactured and sold 6,000 units of the product during the year.
Direct material costs were as follows:
12,500 units of A at Rs. 4.40 per unit
18,000 units of B at Rs. 2.80 per unit
88,500 units of C at Rs. 1.20 per unit

The company worked 17,500 direct labour hours during the year. For 2,500 of these hours, the company paid at Rs. 12 per hour while for the remaining, the wages were paid at standard rate.

CALCULATE
(i) Material Cost, Materials price variance & Usage variance
(ii) Labour cost, Labour rate & Efficiency variances.

OR

B. From the following data compute Variable Overhead Variances & Fixed Overhead Variances: | 15 | CO 4

Particulars	Budgeted	Actual
Production (in Units)	4000	3600
Man Hours to produce above	80000	70000
Variable Overheads (Rs.)	200000	183000
Fixed Overheads (Rs.)	400000	420000

Q 3 | 15 | CO 1

A. Following are budgeted expenses for production of 10000 units of Electrical Automatic Irons

Particulars	Per unit
Direct Material	80
Direct Labour	50
variable Overheads	25
Fixed Ovhds (Rs.170000)	17
Variable expenses(Direct)	5

Selling Expenses (10% Fixed)	15
Admin exp. (Rs.60000 rigid for all levels of production)	6
Distribution Exp (20% Fixed)	5
Selling price is Rs.325	

Prepare Flexible budget for production of 6000, 7000 & 8000 units.

OR

B. AB Ltd. is following Activity based costing. Budgeted overheads, cost drivers and volume are as follows: 15 CO 5

Activity Cost Pool	Amt	Cost Driver	Volume
Material Procurement	1,84,2000	No. of orders	1200
Material handling	85,0000	No. of movements	1240
Maintenance	24,56,000	Maintenance hours	17,550
Set up	9,12,000	No. of set ups	1450
Quality Control	4,42,000	No. of inspection	1820

The company has produced a batch of 7,600 units, its material cost was Rs. 24,62,000 and wages Rs. 4,68,500. Usage activities of the said batch are as follows:

Material orders: 56

Material movements: 84

Maintenance hours: 1,420 hours

Set-ups: 60

No. of inspections: 18

Required: (i) CALCULATE cost driver rates. (ii) CALCULATE the total and unit cost for the batch.

Q 4

A. Zed Ltd provides following Sales Mix , which is optimal Sales Mix : 03 CO 3

Mix I- 250 units of A & 250 units of B ;Mix II- 200 Units of A & 300 Units of B OR Mix III- 300 Units of A & 200 Units of B wherein contribution per unit of A is Rs.5 and that of B is Rs.6 . Overall Fixed cost being Rs. 1500.

B. If Sales is Rs.25,00,000, Contribution is Rs.10,00,000 and Fixed cost is Rs.4,00,000, What will be Margin of Safety? 03 CO 2

C. Modern Toys dealing in Toy Train & Toy Monkey provides you following data: 03 CO 4

	Budgeted Quantity	Budgeted Price per unit	Actual Quantity	Actual Price per Unit
Toy Train	900	50	1000	55

	Toy Monkey	1100	75	1300	78		

Compute Sales Mix Variance.

D. Explain the concept of Uniform Costing. 03 CO 5

E. Wages for the month of Dec, Jan and Feb are Rs. 10,000; Rs. 15,000 and Rs.20,000 respectively. Lag in payment is half month. What will be wages payment for the month of Jan and Feb? 03 CO 1

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April 2025 Examination: End Semester Examination (UG/PG Programmes)		
Programme code:03 **Programme: Accounting and Finance**	**Class:** TY	**Semester:** VI
Name of the Constituent College: S K Somaiya	**Name of the Department** : Accounting & Finance	
Course Code: 131U03C603	**Name of the Course:** Indirect Taxation	
Duration : 2 Hr.	**Maximum Marks :** 60	
Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary		

Question No.		Max. Marks	CO
Q.1. A	Rohit Traders availed input services from Jack Sparrow Ltd on 1/7/2024. However the provider of services issued the tax invoice on 7/7/2024. The accountant of Rohit Traders availed the ITC on 15/7/2024. The payment for same invoice was made on15/3/2025. Based on the above circumstances answer the following : a) Can the accountant claim the ITC in July 2024? b) When can the ITC be claimed if not in July 2024? c) Will your answer change if payment of invoice was made on 15/9/2024 instead of 15/3/2025?	(07)	01
Q.1. B.	Mr. Shahrookh has provided information regarding input tax credit related to inward supplies for the month of March 2024: a) Pick up and drop facility for employees Rs 15,000 b) Whitewashing the old building during repairs and renovations Rs 60,000 c) Audit Fees for services availed of auditor Rs. 45,000 d) Professional fees paid to Mr. Verme for accounting services availed Rs 45,000 e) Goods purchased for providing output services Rs 70,000 f) Purchase of plant and machinery Rs 25,000 g) Input tax credit on raw material used for construction of new building Rs 47,200 h) Repairs to plant and machinery Rs. 21,000 (No tax invoice issued) Determine the input tax credit available for the month along with the proper reasoning under section 17	(08)	01
	OR		
Q.1.C.	RK Ltd a registered dealer from Pune wants to determine the GST payable by them for the month of December 2024- a) Opening balance in the electronic credit ledger Rs 45,000 in IGST and Rs 32,000 in CGST and Rs 28,000 in SGST. b) Outward supplies to Shree Traders of Mumbai Rs 8, 50,000 (GST 12%)	(15)	01

	c) Outward supplies to Rattan Traders of Nalasopara Rs 5, 32,000(GST 18%) d) Outward supplies to Mishra Traders , Agra , Uttar Pradesh Rs 4,00,000 [18% GST] e) Inward supplies during the month were as under : Manali Traders of Pune Rs 7, 50,000 (GST 18%) D K Mart of Ulhasnagar Rs 2, 50,000 (GST 28%) Sonar Traders of Kalyan Rs 1, 50,000 (GST 12%) Munira Enterprises of Delhi Rs 12, 50,000 (GST 18%) Saakshi Traders of Kanpur Rs 5, 00,000 (GST 12%) Assume excess IGST is first applied for CGST and then SGST.		
Q.2. A.	Amar an IT Professional and person of Indian origin is residing in Denmark from last 14 months. He wishes to bring a used microwave oven costing Rs 1, 24,200 with him during his visit to India. He had purchased the oven in Denmark 6 months back. He is not familiar with the customs provisions hence asks you to advice whether he can bring the oven to India in used condition assuming he came for a 1 month visit to India? Will your answer change if he comes back for permanent stay in India? Give your answer with proper justification of the relevant provisions.	(08)	03
Q.2. B.	Name any 7 products that can be allowed to be brought in India under baggage duty free and covered under the General Free allowance.	(07)	03
	OR		
Q.2. C.	Mr. Niles pawar imported goods manufactured in Germany from a German vendor Su Ki Ltd on 10/8/2024. The details of the goods are as under : a) FOB value of goods 3,40,000 Euro b) Charges from Vendors factory to the nearest port 14,000 Euro c) Insurance paid to Insurer ICICI Ltd ₹ 90,000 d) Designing charges paid to Consultancy firm in Japan 10,000 Euro e) ₹ 13, 50,000 was paid in India for development of the goods in India. f) XYZ Industries had incurred road transport cost from Mumbai port to their factory in Madhya Pradesh ₹ 1,20,000 g) The CBIC had notified exchange rate of 1Euro = ₹ 81.50. The interbank rate was 1Euro = ₹ 80.55 h) Payment to the Bank was based on exchange rate 1 Euro= ₹ 78.50 i) The commission payable to the agent in India was 5% of FOB cost of the equipment in Indian Rupees. Compute assessable value and the Custom duty payable @ 40% keeping in mind the customs provisions. Ignore surcharge for calculations.	(10)	02
Q.2.D.	Mr. Shah an Indian businessman left India on 1st April 2024 to explore new business opportunity in Europe. His wife joined him on 1st December 2024 for a leisure trip. They returned to India on 20th may 2025 and brought back following items: a) Music system worth Rs 1,00,000	(05)	03

	b) Jewelry of 19grams valued at Rs. 56,000 and Gold chain for wife of Rs 120000 (24grams) c) There were goods in the nature of personal effect to the tune of Rs 100000 by Mr. Shah and Rs300000 by Mrs. Shah. Determine the dutiable baggage and the duty payable by each of them.		
Q.3. A.	Discuss Merchandise Exports from India scheme and Service Exports from India scheme.	(10)	04
Q...3.B.	How can one use the scrips earned under the reward schemes ?	(05)	04
	OR		
Q.3. C.	Discuss the Foreign Trade Policy structure in India and its organizational setup.	(07)	04
Q.3. D.	Discuss the exporters registration cum membership certificate and its benefits to the exporters.	(08)	04
Q.4. A	Answer the following concepts : a) Mr Shah has a laptop and a mobile which he has purchased from Dubai when he went there for a international trip of 3 months. He asks you for guidance regarding which channel he can enter at the airport? Will your answer change if he also carries 3 litres of liquor along with laptop and mobile phone? b) Rakesh residing in Canada is planning to gift a mobile phone to his sister Arpita in India.He accordingly sent an air parcel of an Iphone costing Rs 1,20,000 toIndia. His sister claims that she doesnot need to pay custom duty of 40% on the phone as one phone is exempt under GFA. Advice whether duty is payable or not with relevant provisions of the customs Act. c) Define goods under the customs act 1962. d) Give any one basic difference between Export oriented unit and Special Economic Zone. e) Under what circumstances licence of a private warehouse can be cancelled.	(15)	01 ,02, 03, 04

SOMAIYA
VIDYAVIHAR UNIVERSITY

<table>
<tr><td colspan="3">April 2025
Examination: End Semester Examination April 2025 (UG Programmes)</td></tr>
<tr><td>**Programme code:** 02
Programme: Accounting and Finance</td><td>**Class:** TYBAF</td><td>**Semester:** VI</td></tr>
<tr><td>**Name of the College:** S.K.Somaiya College</td><td colspan="2">**Name of the Department**: Accounting & Finance</td></tr>
<tr><td>**Course Code:** 131U02V604</td><td colspan="2">**Name of the Course:** Financial Analysis and Business Valuation</td></tr>
<tr><td>**Duration:** 2 Hrs.</td><td colspan="2">**Maximum Marks:** 60</td></tr>
<tr><td colspan="3">**Instructions:**
1) All Questions are Compulsory
2) Round off the figures upto 3 decimals.
3) Use of normal calculators and scientific calculators is allowed.</td></tr>
</table>

<table>
<tr><th>Question No.</th><th>Questions</th><th>Max. Marks</th><th>CO Attainment</th></tr>
<tr><td>Q.1 A)</td><td>Explain the process of Business Valuation.
AND</td><td>8</td><td>CO1</td></tr>
<tr><td>Q1 B)</td><td>Explain the different biases in Business Valuation.
OR</td><td>7</td><td>CO1</td></tr>
<tr><td>Q1 C)</td><td>A machine costs 3,00,000 and is expected to produce a cash flow of 80,000, 1,10,000, 1,00,000 1,25,000 and 1,50,000. The cost of capital is 12%. Determine if the machine needs to be bought.
AND</td><td>8</td><td>CO2</td></tr>
<tr><td>Q1 D)</td><td>S Ltd. Expects that a plant has become useless which is appearing in the books at a gross value of 150 lakhs. Company charges depreciation on SLM for a period of 10 years and estimated scrap value at 3%. At the end of 7th year, the plant has been assessed useless with net realizable value of 50,00,000. Calculate loss/ profit at the 7th year of the asset.</td><td>7</td><td>CO2</td></tr>
<tr><td>Q.2 A)</td><td>R Ltd. is expecting a growth rate in dividends of 12% in the first 2 years and 10% in 3rd and 4th year. Post that the growth rate is expected to stabilize at 6%. The dividend paid last year was 25 rupees. The company has a beta of 1, a risk-free return of 7% and a market return of 15%. Determine the Current value of equity shares using the 2 stage DDM (Dividend Discount Model).
OR</td><td>15</td><td>CO2</td></tr>
<tr><td>Q2 B)</td><td>The following information is provided for XYZ Ltd. (as of 31st March 2024): (All amounts in ₹)
<table><tr><th>Liabilities</th><th>Amount</th><th>Assets</th><th>Amount</th></tr><tr><td>Share Capital (5000 shares of 100 each)</td><td>500000</td><td>Fixed Assets</td><td>6,00,000</td></tr><tr><td>Reserves</td><td>100000</td><td>Current Assets</td><td>2,50000</td></tr><tr><td>10% Debentures</td><td>2,00,000</td><td>Goodwill</td><td>1,00,000</td></tr><tr><td>Creditors</td><td>1,00,000</td><td></td><td></td></tr><tr><td>Outstanding</td><td>50,000</td><td></td><td></td></tr></table></td><td>10</td><td>CO2</td></tr>
</table>

Expenses			
Total Liabilities	**9,50,000**	**Total Assets**	**9,50,000**

Additional Information:

1. Average Net Profits for the last 3years are as follows: 2022: ₹1,00,000, 2023: ₹80,000, 2024: ₹1,20,000
2. A fair return on capital employed (COE) in the business is 10%.
3. Fixed assets may be revalued at 6,60,000.

Calculate Value per share based on Yield value method.

AND

Q2 C) From the following information calculate Net cash flow of P and Q and comment on the same. — 5 — CO3

Company	Operating Cash Flow (₹ Crores)	Investing Cash Flow (₹ Crores)	Financing Cash Flow (₹ Crores)	Net Cash Flow (₹ Crores)
Company P	800	(-400)	300	?
Company Q	600	(-300)	(-200)	?

Q.3 A) Surya Ltd. Exchanged its old machinery to acquire new from its suppliers. Book value of old machine was 20,65,000. Supplier agreed to consider 80% of the value of old truck as the book value and asked for an additional cash amount of 15,40,000. What will be the cost of new machinery. IF market value of machine is 35,00,000 what will be the cost and loss or gain? — 5 — CO4

AND

Q3 B) Prepare Comparative statement of Profit and Loss from the following Statement in absolute and percentage terms and comment. — 10 — CO3

Particulars	2023	2024
Revenue	5,000	6,500
Cost of Goods Sold (COGS)	2,500	3,200
Gross Profit	2,500	1,800
Operating Expenses	1,200	1,600
Operating Profit (EBIT)	1,300	1,700
Interest Expense	200	250
rofit Before Tax (PBT)	1100	1450
Income Tax	330	435
Net Profit	770	1015

OR

Q3 C) XYZ Ltd. has provided the following financial data for two years: — 15 — CO4

Particulars	Year 1 (₹)	Year 2 (₹)
Revenue	12,00,000	15,00,000
Cost of Goods Sold (COGS)	6,50,000	7,50,000
Operating Expenses	2,20,000	2,40,000
Interest Expense	50,000	60,000
Taxes	30,000	50,000
Net Profit	1,20,000	1,40,000
Total Assets	8,00,000	9,00,000
Shareholder's Equity	6,00,000	6,50,000
No. of shares	50,000	50,000

From the Above information calculate Key Profitability matrix by calculating the following ratios: Operating profit margin, Net Profit margin, ROA, ROE, EPS for year 1 and 2. Comment on the same

Q.4 A)	Calculate P/E Ratio from the following information: EBIT is 20,00,000, Interest is 1,00,000, tax rate is 20%, No. of shares are 50,000, market capitalization is 10,00,000.	3	CO3
Q.4 B)	Explain Anchoring Bias and Confirmation Bias.	3	CO1
Q.4 C)	A project generates an annual cash flow of 2,00,000 for 3 years. If the discount rate is 10%. Determine the PV in years 1, 2 and 3.	3	CO2
Q.4 D)	A company has a sustainable growth rate of 15% and a dividend payout ratio is 30%. What should be the minimum ROE to achieve this growth rate?	3	CO2
Q.4 E)	Explain the principle of substitution and time value of money in business valuation.	3	CO1