

Marks : 75

2. Make suitable assumptions wherever necessary and state the assumptions made.
- 3. Answer to the same question must be written together.
4. Numbers to the right indicate marks.

(08)

- 66670

10. The bid price for USD/INR is 75.50 and the ask price is 76.00. If you buy USD 1,000 using INR, you will spend \_\_\_\_\_ INR.
- A) 76,000      B) 75,500      C) 75,000      D) 75,750

**Q1. B. Answer whether the below statements are true or false (Any seven) (07)**

1. In Forex, the quote currency is the second currency in a currency pair.
2. Futures contracts can only be traded on centralized exchanges.
3. Spot transactions typically settle within two business days.
4. All currencies in the Forex market are quoted against the US dollar.
5. The forward exchange rate is typically used for immediate transactions.
6. The bid price is the price at which a trader can sell a currency.
7. The term "hedging" refers to taking a position in a financial market to offset potential losses.
8. The Forex market is only accessible to large financial institutions.
9. The term "over-the-counter" (OTC) indicates that trading occurs through a centralized exchange.
10. The concept of "pips" is used to measure price movements in the Forex market.

Q2) (A) A one-month Nifty futures contract trades on the NSE. The cost of financing is 15% p.a. and the dividend yield on Nifty is 3% p.a. The spot value of Nifty is 24,350. What is the fair value of the futures contract using simple interest? (08)

Q2) (B) A 1-month call option with a strike price of Rs. 844 for shares of Sam Ltd. is available for a premium of Rs. 20. Find out the net payoff of the option holder given that the share price on the exercise day is (a) Rs. 834, (b) Rs. 844, (c) Rs. 856, (d) Rs. 866, or (e) Rs. 880 (07)

Q2) (C) Hedgers v/s Arbitrageurs in derivative markets. (08)

Q2) (D) What are the key features of a Futures Contract? (07)

Q3) (A) What are various type of margins in a futures contract? (07)

Q3) (B) Calculate time value and intrinsic value of the following stock options of P Ltd. (08)

Option	Strike price	Spot price	Premium charged
Put	1,408	1,320	108
Put	1,232	1,320	20
Call	1,408	1,320	28
Call	1,232	1,320	108

OR

Q.3. C)

Base currency	Variable currency	Bid rate	Ask rate
USD	INR	83.567	82.745
USD	CAD	1.394	1.412
GBP	INR	109.91	109.95
GBP	USD	1.305	1.456
USD	EUR	0.937	0.956

From the above information rates, Calculate Mid-rate, Spread, % Spread. (07)

Q.3. D)

Base currency	Variable currency	Bid rate	Ask rate
USD	INR	84.975	85.001
USD	CAD	1.567	1.573
GBP	INR	108.235	108.752
GBP	USD	1.297	1.388
USD	EUR	0.912	0.955

From the above information rates, Calculate inverse quotes.

(08)

Q.4. A) Calculate the rate of following currencies against Indian Rupee.

(07)

		BID	ASK
1 USD	=	INR 82.56	83.12
1 GBP	=	USD 1.305	1.450
1 EURO	=	USD 1.085	1.093
1 USD	=	JPY 152.285	153.891

Q.4. B) Form the following USD INR quotations, Calculate the outright forward quotes.

Explain whether it is a premium or discount.

(08)

Spot	1-month fwd	2 months fwd	6 months fwd
80.278 / 81.540	150 / 250	250 / 400	800 / 1050

OR

Q.4. C) Explain arbitrage in foreign exchange.

(07)

Q.4. D) Explain the difference between risk and exposure.

(08)

Q.5. A)

1) Explain the advantages and disadvantages of purchasing power parity.

(07)

2) Explain different types of forecasting exchange rate.

(08)

OR

Q.5. B] Short notes (Any 3 of 5)

(15)

- 1) Hedging
- 2) Spot and forward rates
- 3) LORO accounts
- 4) NOSTRO account
- 5) OTC market

TYBAF - Sem-V  
Nov - 2024

Duration: 2.5 Hrs.

Total Marks: 75

Note: 1) All questions are compulsory

2) All workings should form part of the answer

Q.1 (a) State Whether the following statements are True or False. (Any 8 ) (08)

1. It is possible to have normal loss and abnormal gain on the same process account in the same period.
2. Operating costing is suitable for industries which are rendering services.
3. Uniform costing is a financial practice that uses standardization to make comparisons across an industry or among the branches of a large business.
4. Machine setup is done every time a new batch is to be made, regardless of batch size
5. Activity-based costing (ABC) is a system you can use to find production costs.
6. In a Non-integrated System, WIP control account is debited when the product is sold.
7. In case of service industry, the closing stock of work-in-progress is valued at overhead cost.
8. Normal loss is treated as abnormal loss while calculating normal cost per unit.
9. Equivalent units of production is a method used to calculate the amount of work done on fully completed units during a production period.
10. Cost drivers are not the expenses or resources that you incur to run your business.

Q. 1. (b) Multiple Choice Questions: (Any 7) (07)

- a. Equivalent production of 1,000 units, 60% complete (for labour) is \_\_\_\_\_  
i. 1,000 units    ii. 750 units    iii. 600 units    iv. 500 units
- b. Inter-firm comparison helps a firm in \_\_\_\_\_  
i. Ascertaining cost    ii. Allocating costs    iii. Controlling and reducing cost  
iv. apportionment of cost
- c. \_\_\_\_\_ is an accounting system that keeps cost and financial transactions in separate account books  
i. Integrated system    ii. Non-integrated accounting system    iii. Process costing  
iv. Operating costing
- d. Under integrated accounts, if material worth Rs. 20,000 are scrapped, then \_\_\_\_\_  
i. Stores Ledger Control A/c    ii. Work-in-progress account    iii. Costing Profit & Loss Account  
iv. Profit & Loss Account

e. In \_\_\_\_\_ costing, the cost of carrying a passenger for a kilometre and cost of carrying goods of one tonne is ascertained.

i. Hotel ii. Hospital iii. Transport iv. Process

f. Inter-firm comparison is one of the aims of \_\_\_\_\_

i) Uniform Costing

ii) Unit costing

iii) Standard Costing

iv) Marginal Costing

g. The term 'composite cost unit' is associated with:

i. Job costing ii. Batch costing iii. Operating costing iv. Process costing

h. Cost allocation bases in activity-based costing should be \_\_\_\_\_

i. Cost driver ii. Cost Pools iii. Activity centres iv. Resources

i. Operating costing system is more suitable to \_\_\_\_\_ industries

i. Product

ii. Construction

iii. Service

iv. Manufacturing

j. \_\_\_\_\_ is a cost accounting method that assigns indirect and overhead costs to products and services based on the activities that contribute to those costs

i. Service costing ii. Process Costing iii. Uniform Costing iv. Activity-based costing

Q.2 (a) Q. The following information relates to Process A :

(15)

i) Opening work in progress 12,000 units costing Rs. 1,36,800

Degree of completion :

Material 100% Rs. 72,000

Labour 60% Rs. 43,200

Overheads 60% Rs. 21,600

ii) Received during the month of September, 2024 from previous Process R 1,20,000 units at Rs. 5,13,000

iii) Expenses incurred in Process A during the month:

Materials Rs. 2,37,000

Labour Rs. 4,14,690

Overheads Rs. 2,07,360

iv) Closing Work in process: 9,000 units

Degree of completion:

Materials 100%

Labour & Overheads 50%

v) Units scrapped 12,000 units

Degree of completion :

Materials 100%

Labour & Overheads 80%

vi) Normal loss : 5% of current input

vii) Spoiled goods realised Rs. 1.50 per unit

viii) Completed 99,000 units are transferred to warehouse.

You are required to prepare :

i) Statement of equivalent units by FIFO Method

ii) Statement of cost per equivalent unit and total costs

iii) Process A Account

OR

(15)

2.(b) A certain product passes through three processes before it is completed. The output of each process is charged to the next process at a price calculated to give a profit of 20% on transfer price. The output of process C is charged to Finished Stock Account on a similar basis. There was no work in progress at the beginning and end of the year. Stock in each process have been valued at prime cost of the process. The following data are obtained at the end of the year of 31<sup>st</sup> March, 2024

Particulars	Process A Rs.	Process B Rs.	Process C Rs.
Direct Materials	56000	64000	96000
Direct Wages	72000	96000	124000
Production Overheads	48000	68800	86000
Stock on 31.03.2024	16000	28800	54000
Sales			

You are required to prepare :

- 1) Process Cost Accounts showing the profit in each process
- 2) Actual realised profit statement

Q. 3.(a) Pass Journal entries for the following transaction of Jiya Ltd for the month of May 2024 under Integrated system of Accounting.

(15)

	Rs.
Material purchased from Janvi & Co.(credit 75%)	3,00,000
Material issued to production	1,00,000
Wages paid to worker	50,000
Wages applied to factory	10,000

Factory overhead incurred(40% of wages paid to workers)	
Office overheads applied to cost of sales	30,000
Salesmen salaries paid	5,000
Salary paid to Lalit	25,000
Cost of goods produced	4,00,000
Material lost	15,000
Sales to HCC Ltd (20% on cash)	5,00,000

OR

3.(b) Coldplay Ltd operates separate cost accounting and financial accounting system. The following is the opening balance as on 1<sup>st</sup> August 2024 in the cost ledger (15)

Particulars	Dr (Rs)	Cr (Rs)
Stores ledger control A/c	1,80,000	
WIP Control A/c	1,20,000	
Finished Goods Control A/c	1,50,000	
Cost Ledger Control A/c		4,50,000
	4,50,000	4,50,000

Transactions for the month of August 2024 were as under :

1. Material purchased Rs. 1,00,000.
2. Wages paid – Direct 75,000 & Indirect Rs.25,000.
3. Factory Overheads incurred Rs.54,000.
4. Material issued to Factory Rs.45,000.
5. Finished goods at cost Rs.3,00,000.
6. Cost of goods sold Rs.2,60,000.
7. Material issued to Production Rs.1,50,000
8. Sales Rs.3,50,000.
9. Material damaged and written off to costing Profit & Loss A/c Rs.16,000.

You are required to prepare

1. Stores Ledger Control A/c.
2. WIP Control A/c.
3. Finished Goods Control A/c.
4. Costing Profit & loss A/c.
5. Cost ledger Control A/c.
6. Trial Balance as on 31<sup>th</sup> August 2024

Q4 (a) JSK Bank operated for years under the assumption that profitability can be increased by increasing Rupee volume. But that has not been the case . cost has revealed the following : (15)

Activity	Activity Cost	Activity Driver	Activity Capacity
Providing ATM Service	1,40,000	Number of Transaction	2,80,000
Computer Processing	14,00,000	Number of Computer Transaction	35,00,000
Issuing Statements	1120,000	Number of Statement	7,00,000
Customer Inquiries	5,04,000	Telephone minutes	8,40,000

The following annul information on three product was also made available:



Activity	Saving Accounts	Personal Loans	Credit Cards
Units of Product	42,000	7,000	14,000
ATM Transaction	2,52,000	0	28,000
Computer Transactions	2,80,000	2,80,000	4,20,000
Number of Statements	4,20,000	70,000	2,10,000
Telephone minutes	4,90,000	1,26,000	2,24,000

Required:-

- 1) Calculate rates for each activity.
- 2) Calculate the cost of each Product.

**OR**

4.(b) Ganesh Transport Co. owns a bus which runs between Mumbai to Shirdi and back, for 30 days in a month. The distance between Mumbai to Shirdi is 250 kms. The bus completes the trip from Mumbai to Shirdi and back on the same day. (15)

The following information is available :

Cost of bus Rs. 36,00,000

Depreciation Rate 20% p.a.

Salary of Driver Rs. 35,000 p.m.

Insurance Premium 1% p.a.

Salary of Cleaner Rs.9,000 p.m.

Salary of Conductor Rs.18,000 p.m.

Diesel consumption is 15 kms per litre of diesel and cost of diesel per litre is Rs.91.

Tax and license fees is Rs.1,20,000 p.a.

Oil and lubricants is Rs.50 per 25 kms.

Repairs and maintenance Rs.10,000 p.m.

Permit fees Rs. 24,000 p.m

Normal capacity of bus is 60 passengers.

The bus generally has 70% of its capacity occupied when it goes to Shirdi.

Calculate the fare to be charged if a profit at 20% is to be earned on takings.

Q5. (a) What is advantages of Uniform Costing ? (08)

(b) Distinguish between Normal and Abnormal loss. (07)

**OR**

(c) Write short notes on (Any 3) (15)

1. Wages Control Account.
2. Cost driver.
3. Inter-firm comparison.
4. Inter Process Profit.
5. Features of Service costing.



*TYB AF - Sem - IV*  
*NOV - 2024*

**Duration: 2 ½ Hours**

**Total Marks: 75**

- Note: 1. Question No. 1 is Compulsory.**  
**2. Question No. 2, 3, 4 and 5 have internal options.**  
**3. Each question carries 15 marks.**

**Q.1 A) Fill in the blanks with correct alternatives (Attempt any Eight)**

**(08)**

- 1) Endorsement are shown by a bank under \_\_\_\_\_.  
 (a) Deposits (b) Advances.  
 (c) Contingent Liabilities (d) Other Liabilities and Provisions.
- 2) Loss on revaluation of Assets is shown under \_\_\_\_\_ in Banking Company Final Accounts.  
 (a) Operating Expenses. (b) Provision and Contingencies.  
 (c) Appropriations. (d) Other Incomes.
- 3) Stock Exchange is regulated by \_\_\_\_\_.  
 (a) IRDA (b) NHB  
 (c) SEBI (d) Government
- 4) NBFC is a company which is engaged in the business of \_\_\_\_\_.  
 (a) Providing Loans & advances (b) Sale or Purchase of Goods and Services  
 (c) Accounts Activity (d) Agriculture Activity
- 5) Under General Insurance Business, Net Claims Paid Rs.15,00,000 . Opening & Closing Outstanding of claim are Rs.2,00,000 and Rs.3,00,000. Claims paid during the year would be \_\_\_\_\_.  
 (a) Rs. 20,00,000 (b) Rs. 16,00,000  
 (c) Rs. 10,00,000 (d) Rs. 14,00,000
- 6) Commission paid Rs.20,000, opening outstanding of commission Rs.2,000 & Closing Outstanding Rs.5,000. Net commission paid is Rs. \_\_\_\_\_.  
 (a) 22,000 (b) 17,000  
 (c) 23,000 (d) 18,000
- 7) Profit available to equity shareholders= Profit after tax minus \_\_\_\_\_.  
 (a) Interest (b) Equity Dividend  
 (c) Preference Share Capital (d) Debentures
- 8) Intrinsic Value Per Share = Rs. 120, Fair Value Per Share = Rs. 100, Yield Value Per Share will be \_\_\_\_\_.  
 (a) Rs. 80 (b) Rs.110  
 (c) Rs. 160 (d) Rs.170
- 9) Advertisement expenses under LLP final accounts are recorded under the heads of \_\_\_\_\_.  
 (a) Administration Expenses (b) Selling Expenses  
 (c) Finance Expenses (d) Personnel Expenses
- 10) \_\_\_\_\_ days notice to LLP for resignation by an auditor  
 (a) 11 (b) 12  
 (c) 13 (d) 14

**Q.1 B)** State whether the following statements are True or False (**Attempt any Seven**) (07)

1. Unclaimed Dividend is shown under Borrowings under Balance Sheet of Banking Company.
2. The Asset which ceases to generate income for the Bank is termed as Non-Performing Assets.
3. Claims recovered from reinsurers is added to claims paid under Schedule 2.
4. Outstanding Premium at the end of the year is shown under the head Advances and Other Assets under Final Accounts of Insurance Companies.
5. Venture Capital Fund Companies are regulated by SEBI.
6. AFC stands for Asset Finance Company.
7. NBFC cannot carry on any agricultural activity.
8. NBFC cannot carry on any purchase or sale of securities.
9. Goodwill has a realizable value.
10. The liability of partners in LLP is limited to their contribution.

**Q.2.A)** The following is the trial balance of SET Bank Ltd. Prepare Balance Sheet as on 31<sup>st</sup> March, 2024 (15)

Particulars	Dr. (Rs.)	Particulars	Cr. (Rs.)
Cash in Hand	25,000	Statutory Reserve	20,00,000
Cash with RBI	6,20,000	Profit & Loss on 31-3-2023	2,60,000
Cash Credit, Overdraft, and Loan	95,000	Share Capital of Rs 10 each	5,00,000
Advance Tax	50,000	Recurring Deposits	3,60,000
Fixed Assets (at cost)	3,40,000	Borrowings	40,000
Fixed Assets acquired in satisfaction of Claim	20,00,000	Branch Adjustment	20,000
Tax deducted at Source	25,000	Unclaimed Dividend	15,000
Bill discounted	20,000	Proposed Dividend	25,000
Investment in Government Securities	9,00,000	Unexpired Discount	30,000
Bonds	8,00,000	Unclaimed Interest	20,000
Silver	7,00,000	Bills Payable	15,000
Money at Call	50,000	Provision for Tax	75,000
Cash with Other Bank	5,00,000	Fixed Deposits	14,00,000
Unclaimed Interest	35,000	Current Accounts	5,00,000
		Saving Bank Deposits	9,00,000
<b>Total</b>	<b>61,60,000</b>	<b>Total</b>	<b>61,60,000</b>

Additional Information:

1. The Authorized Capital of a Bank is Rs.10,00,000.
2. Bills for Collection Rs.5,00,000.
3. Guarantees given on behalf of constituents of Rs.75,000.
4. Acceptance, Endorsement, and Other Obligations is Rs.3,00,000.

**OR**

**Q.2 B)** From the following particulars, prepare the Profit & Loss Account of the HNPC Bank Ltd. as of 31<sup>st</sup> March, 2024 in the prescribed form. (15)

Particulars	Rs.
Postage and telegrams	1,400
Printing and Advertisement	2,900
Director's and Audit fees	4,200
Interest on Savings Bank deposits	68,000

Sundry Charges	1,700
Interest on overdraft	54,000
Rent & Taxes	18,000
Commission on Letter of Credit	1,18,000
Interest on Cash Credit	2,23,000
Interest on current account	42,000
Interest on fixed deposits	2,75,000
Rebate on bills discounted	49,000
Establishment Charges	54,000
Interest on Loans	2,59,000
Share Capital	2,00,000
Profit on Sale of Investment	80,000
Commission, Exchange, and Brokerage	50,000
Income on Investment	75,000

The following further information is given:

- (1) Transfer 20% to Statutory Reserve.
- (2) Transfer 5% to Other Reserve
- (3) A Dividend @ 10% is proposed.
- (4) Profit & Loss A/c (Cr.) Rs.40,000
- (5) Provision for non-performing assets Rs.25,000

**Q.3 A)** Prepare Revenue Account in proper form for the year ended 31<sup>st</sup> March, 2024 from the following particulars related to Balaji General Insurance Co. for the year ended 2023-24:

(15)

Particulars	Related to Direct Business (Rs.)	Related to Reinsurance (Rs.)
<b>Premiums:</b>		
Amount received	40,00,000	3,60,000
Receivable at the beginning	5,60,000	46,000
Receivable at the end	4,10,000	54,000
Amount paid	--	6,30,000
Payable at the beginning	--	80,000
Payable at the end	--	94,000
<b>Claims:</b>		
Amount paid	32,00,000	3,20,000
Payable at the beginning	70,000	72,000
Payable at the end	3,80,000	68,000
Amount recovered	--	2,20,000
Receivable at the beginning	--	38,000
Receivable at the end	--	42,000
<b>Commission:</b>		
Amount paid	63,000	20,200
Amount received	--	44,400

Additional Information:

- (i) Interest, dividend and rent received - 45,000
- (ii) Management expenses including 25,000 related to legal expenses regarding claims - 2,00,000

- (iii) Provision for income tax existing at the beginning of the year was 3,45,000, the income-tax actually paid during the year 2,45,000 and the provision necessary at the year end 4,18,000.
- iv) The net premium income of the company during the year 2022 – 23 was Rs. 28,00,000 on which reserve for unexpired risk @ 50% and additional reserve @ 8% was created. This year, the balance to be carried forward is 50% of net premium on reserve for unexpired risk and 5% on additional reserve.

OR

**Q.3 B)** Raj and Ketan are partners sharing profits equally. From the following Trial Balance, prepare Trading and Profit & Loss A/c for the year ended 31<sup>st</sup> March, 2024 and the Balance Sheet as at that date of M/s RK after making the adjustments given below:

(15)

Particulars	Dr. Rs.	Cr. Rs.
Raj's Capital		16,00,000
Ketan's Capital		14,00,000
Land and Buildings	8,70,000	
Plant and Machinery	1,75,000	
Goodwill	12,00,000	
Raj's Drawings	1,00,000	
Ketan's Drawings	1,26,000	
Electricity Deposits	10,000	
Stock (1-4-2023)	2,70,000	
Wages	1,00,000	
Purchases	6,90,000	
Carriage Inward	6,000	
General Expenses	40,000	
Rent and Taxes	12,000	
Motor Car	30,000	
Carriage Outward	14,000	
Sales		8,40,000
Salaries	31,000	
Legal Charges	1,050	
Bad Debts written off	21,000	
Provision for Doubtful Debts		15,000
Printing and Stationery	20,000	
Debtors	1,98,000	
Creditors		75,000
Bank Current A/c	15,950	
	<b>39,30,000</b>	<b>39,30,000</b>

- Closing stock was 4,60,000.
- It is discovered that credit sales effected on 21-3-2024 to the value of 2,000 have not been entered in the books.
- Stock worth 30,000 un-insured has been destroyed by fire.
- Plant and Machinery worth 10,000 purchased on 31<sup>st</sup> March, 2024 has been inadvertently included in purchase.
- Wages include a sum of 5,000 spent at the time of installation of a new machinery valued Rs.40,000 on 30.09.2023
- The Motor Car was sold on 30-9-2023 for Rs.20,000, the amount being wrongly included in the sales. Depreciate Plant and Machinery at 10% p.a. and Motor Car

at 20% p.a. and Provision for Bad Debts to be increased to 20,000. Opening balance of Plant and Machinery as on 1-4-2023 was 1,35,000.

**Q.4 A) Summarized balance sheet of Nagarajan Ltd. as at 31<sup>st</sup> March, 2024**

**(15)**

Liabilities	Amount	Assets	Amount
15,000 Equity shares of Rs.100 each	15,00,000	Goodwill	1,20,000
Profit and loss account	10,00,000	Land and Building	14,00,000
Workman compensation fund	6,00,000	Plant and Machinery	5,00,000
Debentures	6,00,000	10% Investment (Non-Trade)	9,00,000
Creditors	4,60,000	Debtors	5,20,000
Other current liabilities	2,80,000	Stock	4,80,000
		Cash and Bank Balance	2,60,000
		Other Current Assets	2,20,000
		Share Issue Expenses	40,000
	<b>44,40,000</b>		<b>44,40,000</b>

Additional Information:

- In similar business normal return on capital is 10% (After Tax)
- Profit for last four years before tax are as follows:

Year	Profit (Rs.)
Year ending 31 <sup>st</sup> March, 2021	8,50,000
Year ending 31 <sup>st</sup> March, 2022	9,00,000
Year ending 31 <sup>st</sup> March, 2023	9,50,000
Year ending 31 <sup>st</sup> March, 2024	8,00,000

- An Average rate of 40% is payable as income tax.
- In the year 2021-22, there was a fire which resulted in a loss of Rs.1,00,000 and during the year 2022-23 the company had sold its furniture resulting into a profit of Rs.1,50,000.
- The changes expected from ensuring year are:
  - Increase Directors fees Rs.1,00,000 p.a
  - Reduction in Advertisement Expenses Rs.2,50,000 p.a
  - Increase in distribution expenses Rs.1,00,000 p.a
- All Current Assets (Excluding cash and bank) are to be valued at 120% of book value for valuation of goodwill.
- The market value of land and building is Rs.20,00,000 and plant and machinery is Rs.6,00,000.
- Liability under workmen compensation fund is expected at Rs.3,00,000

Calculate goodwill under capitalization by future maintainable profit method. Use simple average.

**OR**

**Q.4 B)** Balance Sheet of Virat Ltd as on 31<sup>st</sup> March, 2024 is below:

**(15)**

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
2,000 Equity shares of Rs.100 each fully paid up	2,00,000	Land & Building	70,000
200, 6% Preference Shares of Rs.100 each, fully paid up	20,000	Plant & Machinery	88,000
Reserve & Surplus	50,000	Investments	20,000
Debentures	20,000	Stock	36,000
Creditors	20,000	Sundry Debtors	24,000
		Bank Balance	53,000
		Cash on Hand	19,000
	<b>3,10,000</b>		<b>3,10,000</b>

You are informed that:

- Land and Building is valued at Rs.80,000
- Plant and Machinery is valued at Rs.80,000
- The profits for last five years were Rs.36,000, Rs.35,000, Rs.40,500, Rs.40,000 and Rs.38,500.
- The normal rate of return is 10% for all purpose.
- Company has practice to transfer to reserve 25% of net profit.
- Goodwill valued Rs.59,000.

You are required to find out:

- Intrinsic Value per share
- Yield Value Per share
- Fair Value Per Share

**Q.5 A)** (i) Distinguish between NBFC and Banks

**(08)**

(ii) What do you mean by Bank? Explain its functions?

**(07)**

**OR**

**Q.5 B)** Write Short Notes (Attempt any Three)

**(15)**

- Short Note on Asset Finance Company
- Re-insurance
- Short note on acceptances and endorsements under Banking company
- Features of Limited Liability Partnership
- Methods of valuation of Shares

TyBAF- Sem-V  
NOV-2024

(Duration – 2 ½ Hours)

Marks : 75

**Q.1A Rewrite the sentence after selecting correct alternative: (Any eight)**

**8M**

1. If a part of the issue of shares or debentures is underwritten, it is termed as \_\_\_\_\_.
  - a. Firm underwriting
  - b. Partial underwriting
  - c. Complete underwriting
  - d. Sole underwriting
2. KG Ltd. issued shares of ₹ 10 each at ₹ 9.50. The underwriting commission will be calculated on \_\_\_\_\_.
  - a. ₹ 10
  - b. ₹ 19.50
  - c. ₹ 0.50
  - d. ₹ 9.50
3. Zotero Ltd. is authorized to issue 7,00,000 number of equity shares. It had issued 4,00,000 equity shares. It has bought back 1,00,000 shares. As a result of this transaction, the no. of shares (i) in authorized share capital and (ii) in issued share capital will be \_\_\_\_\_.
  - a. 4,00,000 ; 7,00,000
  - b. 1,00,000 ; 4,00,000
  - c. 3,00,000 ; 1,00,000
  - d. 7,00,000 ; 3,00,000
4. Buyback must be completed within \_\_\_\_\_.
  - a. 12 months
  - b. 3 months
  - c. 6 months
  - d. 2 months
5. If the business of an existing company Zee Ltd. is taken over by an existing company Sugar Ltd., it is called \_\_\_\_\_.
  - a. Internal reconstruction
  - b. External reconstruction
  - c. Absorption
  - d. Amalgamation
6. Under payment method, purchase consideration for the amalgamation means \_\_\_\_\_.
  - a. Aggregate of shares and cash to shareholders
  - b. Aggregate of shares, cash and payment to debenture holders
  - c. Shares, cash and payment to debenture holders and expenses of liquidation
  - d. Payment to debenture holders only
7. The existing 1000 shares of ₹ 100 each are altered to 10,000 shares of ₹ 10 each. This is known as \_\_\_\_\_.
  - a. Consolidation
  - b. Sub-division
  - c. Conversion in stock
  - d. Surrender



8. Creditors accepting part payment of their claims, in a scheme of reconstruction, amounts to \_\_\_\_\_
  - a. Reduction of share capital
  - b. Alteration of share capital
  - c. Variation of shareholders right
  - d. Compromise/ arrangement
9. List C in statement of affairs gives the list of \_\_\_\_\_
  - a. Preferential Creditors
  - b. Debenture Holders
  - c. Unsecured Creditors
  - d. Secured Creditors
10. Liability for compensation under Workmen's Compensation Act is treated as \_\_\_\_\_
  - a. Secured creditor
  - b. Unsecured creditor
  - c. Preferential creditor
  - d. Overriding preferential creditor

**Q.1B State whether the given statements are True or False (Any Seven)**

**7M**

1. Net liability refers to the number of shares to be taken by each underwriters when the public has not subscribed for it.
2. When the benefit of firm underwriting is not given to individual underwriters, it is treated as unmarked applications.
3. Buy back of shares increases the Earning per share (EPS) of the company.
4. The maximum time interval between two buyback is 152 days.
5. Transferor company means a company which is amalgamated into another company.
6. Under external reconstruction, there is one liquidation and one formation of company.
7. Alteration of capital is required to be done by ordinary resolution.
8. The internal reconstruction scheme involves writing down the assets to their true values by reducing the capital and in some cases reducing the external liabilities.
9. Preferential creditors are to be paid after unsecured creditors.
10. Dividend declared but not paid are to be paid as unsecured debt in priority to any repayment of share capital.

**Q2A** Nirmal Limited took over Satyam Limited on 31<sup>st</sup> March, 2024. The summarised balance sheet of Satyam Limited Ltd. was as follows: **15M**

Liabilities	₹	Assets	₹
Equity shares of ₹10 each	10,00,000	Goodwill	60,000
5% Preference shares of ₹100 each	4,00,000	Land and Building	5,00,000
Creditors	1,00,000	Plant & Machinery	4,10,000
Bills Payables	60,000	Inventory	3,10,000
		Debtors	1,10,000
		Cash & Bank Balance	80,000
		Preliminary Expenses	35,000
		Profit and Loss A/c	55,000
	<b>15,60,000</b>		<b>15,60,000</b>

The business was taken over by Nirmal limited on the following terms and conditions:

- For every 10 Equity shares of Satyam Limited, Nirmal Ltd. issued 11 fully paid-up equity shares of ₹10 each and paid ₹15 in cash.
- Preference shareholders of Satyam Limited were paid equal number of 6% Preference shares of ₹100 each by Nirmal Limited at a premium of 8%.
- All assets and liabilities were taken over at book value except form cash and bank balance to extent of ₹14,000 which was left for meeting realisation expenses.

You are required to:

- Calculate purchase consideration
- Prepare necessary ledger account to close the books of Satyam Limited assuming acquisition is in nature of purchase.

**OR**

**Q.2.B** Following is the summarised balance sheet of Virat Ambe Ltd. as on 31.3.2024: **15M**

Liabilities	₹	Assets	₹
20,000 8%Preference shares of ₹100 each full paid	20,00,000	Goodwill	5,00,000
4,00,000 Equity shares of ₹10 each fully paid	40,00,000	Land & Building	24,00,000
8% Debenture of ₹100 each (Secured against Land & Building)	20,00,000	Plant and Machinery	22,00,000
Debenture interest due	80,000	Investments	2,40,000

Loan from Directors	4,00,000	Current Assets	17,00,000
Current liabilities	20,00,000	Profit and Loss account	34,40,000
	<b><u>1,04,80,000</u></b>		<b><u>1,04,80,000</u></b>

**Note:** (a) Claim for damage against the company pending in court of law amounted to ₹2,00,000 and (b) Arrears of Preference Dividend ₹1,40,000

Following scheme of Reconstruction was approved and implemented:

- 1) Preference shares were reduced to equal number of fully paid 8% Preference shares of ₹80 each.
- 2) Equity shares were reduced to equal number of fully paid equity shares of ₹2.5 each.
- 3) Preference shareholders waived half of the arrears of dividend and 28,000 equity shares of ₹2.5 each fully paid were issued to them in lieu of balance.
- 4) 8% Debenture holders took over part of the Land & building having book value of ₹7,20,000 at ₹10,00,000 in part satisfaction of their debts and 2,40,000 Equity shares of ₹2.5 each fully paid were issued to them for the balance amount.
- 5) Debenture holders waived their interest due on Debentures.
- 6) The claim for damages pending in the court of law were settled by issue of 24,000 Equity shares of ₹2.5 each fully paid.
- 7) Directors converted their loan into equity shares of ₹2.5 each fully paid
- 8) Profit and loss debit balance and intangible assets were written off.
- 9) The assets were revalued as under:  
Plant and Machinery ₹14,00,000  
Investments ₹2,00,000

You are required to pass necessary Journal Entries in the books of Virat Ambe Ltd.

**Q.3A** The summarized balance sheet of Neelkamal Ltd. as on 31<sup>st</sup> March, 2024 is as follows:

15M

Particulars	Amount (₹)
<b>Equity &amp; Liabilities</b>	
6,00,000 Equity shares of ₹10 each fully paid	60,00,000
Securities Premium	4,00,000
Profit and Loss account	20,00,000
13% Debentures	28,00,000
Creditors	10,00,000
<b>Total</b>	<b><u>1,22,00,000</u></b>

<b>Assets</b>	
Fixed Assets	67,00,000
Investments	25,00,000
Current Assets	30,00,000
Total	<u>1,22,00,000</u>

Ascertain the maximum number of equity shares the company can buy back at the maximum possible price under the law as on 31<sup>st</sup> March, 2024.

Assuming the buy-back is actually carried out, Record the Journal Entries in the books of Neelkamal Ltd. also prepare notes to account with respect to Share Capital and Reserve and Surplus as they would appear in notes to account forming part of the balance sheet of Neelkamal Ltd. as on 31<sup>st</sup> March, 2024. (Do not prepare Balance Sheet)

OR

**Q.3B** The summarized Balance Sheet of Shenoy Ltd. as on 31-03-2024, being the date of winding up is as under:

15M

Liabilities	₹	Assets	₹
10,000, 10% Cumulative Preference Shares of ₹ 100 each fully paid up	10,00,000	Plant & Machinery	10,40,000
		Furniture	15,60,000
10,000, Equity Shares of ₹ 100 each, ₹ 60 per share called and paid up	6,00,000	Stock in Trade	6,50,000
		Book Debts	20,50,000
10,000, Equity Shares of ₹ 100 each, ₹ 50 per share called and paid up	5,00,000	Profit & Loss A/c	11,00,000
Securities Premium	15,00,000		
10% Debentures	4,20,000		
Preferential Creditors	2,10,000		
Bank Overdraft	9,70,000		
Trade Creditors	12,00,000		
	<b>64,00,000</b>		<b>64,00,000</b>

Preference dividend was in arrears for three years.

By 31-03-2024, the assets realized were as follows:

Plant & Machinery                      ₹ 12,40,000

Stock in Trade                              ₹ 6,20,000

Furniture ₹ 14,20,000

Book Debts ₹ 13,20,000

Expenses of liquidation are ₹ 1,72,000. The remuneration of the liquidator is 2% of the realization of assets. Income tax payable on liquidation is ₹ 1,34,000.

Assuming that the final payments were made on 31-03-2024, Prepare the Liquidator's Statement of Account.

**Q4A** Dreamland Ltd. has authorised capital of ₹25,00,000 divided into 1,00,000 Equity shares of ₹25 each. The company issued for subscription 25,000 shares at a premium of ₹10 each. The entire issue was underwritten as follows: **15M**

Aman - 15000 shares (Firm underwriting - 2,500 shares)

Akash - 7,500 shares (Firm underwriting - 1,000 shares)

Akshay - 2,500 shares (Firm underwriting - 500 shares)

Out of the total issue, 22,500 shares including firm underwriting were subscribed.

The following were the marked application:

Aman – 8,000 shares

Akash - 5,000 shares

Akshay - 2,000 shares

Calculate the liability of each underwriter, when:

- Benefit of firm underwriting is given to underwriters
- Benefit of firm underwriting is not given to underwriters

**OR**

**Q4B** Following are the summary Balance Sheets of Hema Ltd. and Lata Ltd. as on 31-03-2024 **15M**

Liabilities	Hema Ltd. ₹	Lata Ltd. ₹	Assets	Hema Ltd. ₹	Lata Ltd. ₹
<b>Share Capital:</b>			<b>Fixed Assets:</b>		
Equity shares of ₹ 100 each fully paid	4,50,000	7,50,000	Goodwill	75,000	75,000
12%, Preference shares of ₹ 100 each fully paid	3,00,000	4,50,000	Land & Building	3,00,000	3,75,000

<b>Reserves &amp; Surplus:</b>			Plant & Machinery	2,25,000	3,00,000
General Reserves	37,500	45,000	Furniture	1,50,000	2,25,000
Revaluation Reserve	22,500	30,000	<b>Investments</b>	75,000	75,000
Export Profit Reserve	15,000	22,500	<b>Current Assets, Loans &amp; Advances</b>		
Profit & Loss A/c	7,500	15,000	Stock	1,50,000	2,25,000
<b>Secured Loans:</b>			Sundry Debtors	75,000	1,50,000
12% Debentures of ₹ 100 each	1,50,000	2,25,000	Bills Receivables	37,500	75,000
Term Loan	75,000	37,500	Bank	97,500	1,87,500
<b>Current Liabilities &amp; Provisions:</b>					
Sundry Creditors	1,12,500	90,000			
Bills Payables	15,000	22,500			
	<b>11,85,000</b>	<b>16,87,500</b>		<b>11,85,000</b>	<b>16,87,500</b>

Hemlata Ltd. was formed to take over the business of Hema Ltd. and Lata Ltd. with an authorized share capital of ₹ 25,00,000 consisting of 20,000 13% Preference shares of ₹ 100 each and 50,000 Equity shares of ₹ 10 each.

The terms of amalgamation are as follows:

1. 12% Preference shareholders of both the companies are issued equal number of 13% Preference Shares of Hemlata Ltd. at a price of ₹ 125 each.
2. Hemlata Ltd. will issue four Equity shares for every three Equity shares of Hema Ltd. and four Equity shares for every five Equity shares of Lata Ltd. The shares are to be issued at ₹ 35 each.
3. 12% Debenture holders of both the companies are discharged by Hemlata Ltd. by issuing such number of its 15% Debentures of ₹ 100 each so as to maintain the same amount of interest.
4. Hemlata Ltd. agree to take over all assets and liabilities at book values except the following:
  - a. Tangible fixed assets at 10% more than book value.
  - b. Investments and sundry debtors at 10% less than book value.
5. Export profit reserves are to be maintained for three more years.

**You are required to prepare:**

- i. Purchase Consideration of Hema Ltd. and Lata Ltd.
- ii. Give necessary Journal entries in the books of Hemlata Ltd.

- Q5A** Write the Distinguish between Buy-back of shares and Redemption of Preference shares. **8M**  
**Q5B** Explain the meaning and types of amalgamation. **7M**

**OR**

- Q5C** Write short notes on: (Any 3) **15M**
- i. Objectives of Buy-back of shares
  - ii. Marked application and Unmarked application
  - iii. Statutory Reserves under Amalgamation
  - iv. Alteration of Share Capital
  - v. Preferential Creditors
-



TYBAF-Sem-V  
HN-2024

Time: 2 1/2 Hours

Marks: 75

- N.B.:**
1. Q.1 is compulsory.
  2. Q.2 to Q.5 are compulsory with internal choice.
  3. All questions carry equal marks.
  4. Working notes should form part of your answer.
  5. Use of simple calculator is allowed.

**Q.1A) Select the correct option and complete the sentence. (Any 8)**

(8)

1. Top management of the company is involved in framing \_\_\_\_\_ strategy as it has long term impacts on the company's future.  
a) corporate b) business c) functional d) departmental
2. Which of the following methods of capital budgeting ignores the time value of money?  
a) Profitability Index b) Net Present Value (NPV) c) Internal Rate of Return (IRR) d) Payback period
3. The level of sales at which NPV is equal to \_\_\_\_\_ will be the financial break-even point.  
a) zero b) one c) two d) three
4. As per \_\_\_\_\_ approach, the cost of debt (kd) remains constant upto a certain level of leverage but rises thereafter at an increasing rate.  
a) Net Income b) Net Operating Income c) Modigliani-Miller d) Traditional
5. According to \_\_\_\_\_ the dividend policy is irrelevant.  
a) Walter's Model b) Gordon's Model c) Modigliani-Miller d) Graham and Dodd
6. Mutual fund is a \_\_\_\_\_ that pools together the funds of many investors to make investments in assets.  
a) company b) trust c) bank d) partnership firm
7. Mutual Funds are regulated by \_\_\_\_\_.  
a) RBI b) SEBI c) AMFI d) NISM
8. The possibility that a bond issuer will not be able to pay interest or principal amount when they are due is called \_\_\_\_\_.  
a) reinvestment risk b) liquidity risk c) legislative risk d) default risk
9. Customer evaluation is performed taking into consideration the \_\_\_\_\_ model.  
a) 2C's b) 3C's c) 4 C's d) 5C's
10. Receivables Management deals with \_\_\_\_\_.  
a) receipts of raw materials b) debtors collection c) creditor's management d) inventory management

**Q.1B) State whether the following statements are True or False (any seven)**

(7)

1. Business Strategy focuses on specific market segment or business unit (SBU).
2. The project with highest net present value shall be ranked first.
3. Capital rationing is used by companies to ensure that only the most feasible and profitable investments are made.
4. A decision tree is a diagram representing a decision problem as a series of decisions to be taken under conditions of uncertainty.
5. A mix of various long term finances used by a company is called capital structure.
6. Stable dividend policy has negative impact on the market price of shares.
7. A close – ended mutual fund is one that sells and repurchases units at all times.
8. Current yield is same as Yield to Maturity (YTM).
9. When credit period is increased, bad debt expenses decreases.
10. Mutual Fund schemes offer guaranteed returns to investors.

**Q.2 A) Blue Ocean Ltd is considering the following two machines for purchase:** (15)

Particulars	Year	Machine A	Machine B
Initial cash outflow ( Rs)	0	2,00,000	1,90,000
Expected life (years)		5	5
Salvage value at the end of year 5 (Rs)		0	10,000
Earnings before depreciation and taxes (Rs)	1	40,000	60,000
	2	50,000	50,000
	3	70,000	30,000
	4	80,000	70,000
	5	90,000	85,000

The required rate of return is 12%. The tax rate applicable to the company is 30%. Depreciation on Machines is charged on straight line method.

You are required to assist the company on selection of machine using:

a) Net Present Value (NPV) b) Profitability Index c) Discounted Payback method.

**OR**

**Q.2 B) Compassion Ltd. has Rs 10,00,000 available for capital budgeting purpose. The following projects and associated profitability indexes have been determined:** (8)

Project	Cost Rs	Profitability Index
1	3,00,000	1.20
2	1,50,000	0.90
3	3,50,000	1.20
4	4,50,000	1.18
5	2,00,000	1.20
6	4,00,000	1.05

Which all from the above investments should be undertaken? Assuming that the projects are indivisible, you are required to use NPV method to rank the projects. Assume that there is no alternative use of the money allocated for capital budgeting.

**Q.2 C) Peace Ltd is considering a new project with the following details:** (7)

Sr.No.	Particulars	Rs in crores
1	Initial capital cost	500
2	Sales p.a.	700
3	Variable cost p.a.	200
4	Fixed cost p.a.	120
5	Discount rate	8%

The life of the project is 3 years. **Compute NPV of the project.**

From the above given project details, **calculate the sensitivity of the (a)Project cost (b) Variable cost and (c) Sales. Indicate the most sensitive variable.**

**Q.3 A) Two companies Seeta Ltd and Geeta Ltd are identical in all respects except the degree of leverage. Seeta Ltd has 9% debt of Rs 7 lakhs, whereas Geeta Ltd has no debt. Both the companies are earning profits before tax of Rs 5 lakhs each. The equity capitalisation rate is 11% and the corporate tax rate is 30%. (8)**

**You are required to compute market value of the two companies (levered and unlevered) using Modigliani –Miller theory with Corporate Taxation.**

**Q.3 B)** Jolly Ltd is expecting an annual EBIT of Rs 8,00,000. The company has raised Rs 20,00,000 from 10% Debentures. The cost of equity capital or capitalisation rate is 18%. **You are required to calculate the total value of the company and overall cost of capital.** (7)

**OR**

**Q.3 C)** Following information is given for Joy Ltd (15)

Earnings per share	Rs 40
Dividend per share	Rs 8
Cost of Capital (ke)	17%
Internal Rate of Return (r)	22%

**You are required to calculate market price per share using:**

- Gordon's formula**
- Walter's formula**

**Q.4 A)** Sunder Mutual Fund provides you the following portfolio of its balanced advantage scheme as on 30<sup>th</sup> September, 2024. (15)

Portfolio holding	Cost in Rs lakhs
Listed equity shares of TCS Ltd (500 shares @ Rs 4,000)	20
Listed equity shares of SBI (3000 shares @ Rs 500)	15
Listed equity shares of HDFC Bank (500 shares @ Rs 1,000)	5
Dividend receivable on above shares	2
Bonds at cost of purchase	16
Interest receivable on bonds	2
Expenses payable	5
Cash at Bank accounts	3

**Additional information:**

- Number of units of Rs 10 face value each is 10,00,000.
  - The closing market price of the equity shares as on 30<sup>th</sup> September, 2024 are as under:  
 TCS Ltd      Rs 4,400  
 SBI            Rs 800  
 HDFC Bank   Rs 1,500
  - Value of Bonds have appreciated by 10% of purchase price as on 30<sup>th</sup> September, 2024.
- You are required to compute the Net Asset Value (NAV) per unit on 30<sup>th</sup> September, 2024.**

**OR**

**Q.4 B)** Corola Ltd is considering investment in one of the following Bonds. (8)

Bonds	Coupon	Maturity	Purchase price (face value Rs 100)
REC	6%	8 years	120
NHAI	7%	7 years	80

**Compute YTM of both the bonds and give your suggestion for selection of bond**

**Q.4 C)** Gambit Ltd.'s present sale is Rs 30,00,000 per annum with 20 days credit period. (7)  
Present variable cost is 70% of sales and total fixed cost is Rs 5,00,000 per annum. The company expects pre-tax return on investment @ 20%. To increase sales, the CFO of the company is contemplating to relax the credit policy. With increase in credit period, the sales are expected to increase as follow:

Credit Policy	Average collection period (Days)	Expected Annual Sales (Rs)
A	30	35,00,000
B	40	40,00,000

You are required to advise the CFO of the company regarding the best credit policy which should be adopted. Assume 360 days in a year.

**Q.5 A)** What are the three levels of strategy? Explain each of these with diagram and suitable examples. (8)

**Q.5 B)** Explain any seven factors determining Capital Structure of a company. (7)

OR

**Q.5 C)** Write Short Notes on the following. (Any three) (15)

1. Significance of dividend policy.
2. Decision Tree Analysis
3. Wealth maximization
4. Advantage of Mutual Fund
5. Discounted Payback Period

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TYBAF-Sem-V  
Nov-2024  
Max. Marks: 75

Duration: 2 ½ Hours

N.B. i) All questions are compulsory.

ii) Figures to the right indicate full marks.

Q.1.A. Fill in the blanks with suitable words out of those given in the brackets. (Any Eight) [08]

1. \_\_\_\_\_ is a process of identifying and satisfying consumers' needs and wants.  
(a. Marketing                      b. Management                      c. Advertising                      d. Selling)
2. The \_\_\_\_\_ is the stage of the product life cycle, where a company launches a new product for the first time in the market.  
(a. Decline stage                      b. Maturity stage                      c. Introduction Stage                      d. Growth Stage)
3. \_\_\_\_\_ is a component of IMC.  
(a. Research                      b. Survey                      c. Publicity                      d. Consumer)
4. \_\_\_\_\_ is the ratio of output to input.  
(a. Productivity                      b. Creativity                      c. Quality                      d. Routing)
5. In \_\_\_\_\_, the inventory items are classified as vital, essential and desirable.  
(a. FSN Classification                      b. HML Classification  
c. ABC Classification                      d. VED Classification)
6. \_\_\_\_\_ is deciding in advance relating to production activities.  
(a. Production Planning                      b. Human Resource Planning  
c. Project Planning                      d. Quality Planning)
7. \_\_\_\_\_ is the systematic description of an employee's job relevant strengths and weaknesses.  
(a. Motivation                      b. Training                      c. Performance Appraisal                      d. Selection)
8. Theory X assumes that people are \_\_\_\_\_.  
(a. responsible                      b. creative                      c. lazy                      d. active)
9. Future contract is highly \_\_\_\_\_ and legally enforceable. .  
(a. Standardised                      b. Non-Standardised                      c. Inappropriate                      d. Haphazard)
10. \_\_\_\_\_ of shares refers to conversion of physical share certificates into electronic certificates.  
(a. Publication                      b. Allotment                      c. Securitisation                      d. Dematerialisation)

Q.1.B. State whether the following statements are true or false. (Any Seven) [07]

1. Marketing is a continuous process.
2. The companies sponsor social events to improve their image.
3. Performance appraisal guides employees for self-development.
4. ISO 14000 is not Environment Friendly.
5. The 360 degree appraisal method is not broad and comprehensive.
6. Materials management increases materials cost.
7. Job enrichment involves providing more challenging tasks and responsibilities to employees.
8. Venture capital is not risky.
9. Depository Participant is the customer of the depository.
10. Leadership is an activity to lead, influence people to make them work for achievement of objectives.

- Q.2. A] State and explain the features of marketing. [08]  
B] Explain various strategies of pricing. [07]  
OR
- Q.2. C] Explain the various factors influencing distribution decisions. [08]  
D] Discuss the different promotion strategies. [07]
- Q.3. A] Explain scope of Production Management. [08]  
B] Briefly explain the importance of Total Quality Management to the organisation. [07]  
OR
- Q.3. C] Discuss various measures to increase productivity. [08]  
D] Mention steps in Production Planning and Control. [07]
- Q.4. A] Explain the nature of Human Resource Management. [08]  
B] Discuss process of Human Resource Planning. [07]  
OR
- Q.4. C] Discuss the factors affecting Motivation. [08]  
D] Explain the different styles of Leadership. [07]
- Q.5. A] Explain the functions of Financial Management. [08]  
B] What are the factors affecting Capital Structure? [07]  
OR
- Q.5. Write short notes on. (Any Three) [15]  
1. Maslow's Theory of Motivation  
2. Quality Circle  
3. Methods of Performance Appraisal  
4. Functions of Capital Market  
5. Product Life Cycle.
-

TIME: 2.5 Hours

- N.B**
- 1) All questions are compulsory.
  - 2) Figures to the right indicate full marks allotted to the question.
  - 3) Simple calculator is allowed.

**Q1 A) Rewrite the statement after choosing correct alternative from the options. (Any 8) [08]**

1. Alphabet 'S' under GST Stands for \_\_\_\_\_.  
 (a) Servicing (b) Service  
 (c) Services (d) Serviced
2. GST is levied in India on the basis of \_\_\_\_\_ principle.  
 (a) Origin (b) Destination  
 (c) Inception (d) None of the above
3. GST is currently being levied on \_\_\_\_\_.  
 (a) Alcoholic liquor for Human consumption (b) Tobacco  
 (c) Petroleum Products (d) All of above
4. Funeral, burial, crematorium or mortuary including transportation of the deceased shall be treated as \_\_\_\_\_.  
 (a) Supply of goods  
 (b) Supply of services  
 (c) Neither as a supply of goods nor a supply of services  
 (d) Either as a supply of goods or a supply of services
5. Place of supply in case of installation of elevator is \_\_\_\_\_.  
 (a) Where the movement of elevator commences from the supplier's place  
 (b) Where the delivery of elevator is taken  
 (c) Where the installation of elevator is made  
 (d) Where address of the recipient is mentioned in the invoice
6. Mr. A has started supplying goods & Services in the state of Rajasthan. He is required to obtain registration, if his aggregate turnover exceeds \_\_\_\_\_ during a financial year.  
 (a) Rs. 10 Lakh (b) Rs. 20 Lakh  
 (c) Rs. 30 Lakh (d) Rs. 40 Lakh
7. The term Goods under section 2(52) excludes \_\_\_\_\_.  
 (a) Actionable claims (b) Money and securities  
 (c) Grass and things attached to earth (d) Growing Crops
8. \_\_\_\_\_ means taking goods out of India to place outside India.  
 (a) Import of Goods (b) Export of Goods  
 (c) Intra state supply (d) Interstate supply
9. Renting of rooms where charges are \_\_\_\_\_ or more per day is taxable.  
 (a) Rs. 100 (b) Rs. 500  
 (c) Rs. 1,000 (d) Rs. 10,000
10. Aggregate Turnover does not include \_\_\_\_\_.  
 (a) Inward supply under RCM (b) Outward supply under RCM  
 (c) Fully Exempt Supply (d) Partially Exempt Supply



**B) Identify if the following statements are true or false. (Any 7)**

[07]

1. The Prime Minister is the Chairperson of the GST Council.
2. Person according to section 2(84) does not include local authority.
3. Services by an employee to the employer in the course of or in relation to his employment will be treated as supply of service under GST.
4. Supply of Goods within the state is called Interstate supply.
5. Composite supply is naturally bundled in conjunction with each other.
6. Person opting for composition levy shall mention the words "composition taxable person, not eligible to collect tax on supplies" at the top of the bill of supply issued by him.
7. Input Tax credit is blocked on Goods lost by fire.
8. Voluntary registration is not possible under GST.
9. Subsidies provided by the Central Government and State Government forms part of value of supply.
10. Time of supply of goods will remain same whether it is forward charge or reverse charge.

- Q2 A)** Ms. Anita Desai is a registered dealer in Karnataka. She provides the following details for the month of September, 2024. Calculate her Net Tax Liability under GST for September, 2024 (consider Rule 88A). Excess credit adjusted against CGST and SGST in the ratio of 50:50.

[15]

**Closing balance in Electronic Credit Ledger as on 31<sup>st</sup> August, 2024:**

IGST (₹): 10,000      CGST (₹): 30,000      SGST (₹): 50,000

**Transactions During November 2024:**

- Sold Goods at 12% GST to Rajeev in Karnataka: ₹2,50,000
- Sold Goods at 18% GST to Manish in Karnataka: ₹3,50,000
- Purchased Goods at 18% GST from Joshi in Delhi: ₹4,50,000
- Purchased Goods at 5% GST to Gupta in Surat, Gujarat: ₹2,50,000
- Provided Services at 28% GST to Suresh in Kerala: ₹4,50,000
- Provided Services at 12% GST from Alok, Karnataka: ₹1,20,000
- Availed Services at 12% GST from Murthy, Karnataka: ₹55,000
- Availed Services at 28% GST from Alok, Tamil Nadu: ₹4,50,000

**OR**

- B)** Excel Pvt. Ltd. is a registered supplier under GST. The following details pertain to their transactions for the month of September 2024:

[15]

**Opening Balance of ITC (as of 1st September 2024):**

CGST: ₹10,000      SGST: ₹10,000      IGST: ₹50,000

**Transaction during the month of September 2024**

- Goods purchased within the state for ₹ 59,000 including GST @18%
- Goods purchased from outside the state: ₹1,68,000 including GST @12%
- Goods purchased within the state for ₹ 50,000 excluding GST @18%
- Goods sold within the state: ₹3,54,000 including GST @18%
- Goods sold outside the state: ₹1,12,000 including GST @12%
- Goods sold within the state: ₹1,00,000 excluding GST @18%

**You are Required to calculate the Net Tax Liability for the month of September 2024.**

- Q3 A) X Ltd. has provided the following details concerning services rendered to Mr. Eklavya for an event they organized: [08]

Particulars	Amount (Rs.)
Service Charge (Including 28% GST)	10,24,000
<b>Other Expenses Charged separately:</b>	
Special equipment rental fee	30,000
Local Taxes Other than GST	15,000
Local event permit fee	10,000
<b>Subsidies:</b>	
Subsidy received from Local NGO	72,000
Subsidy received from a State Government	24,000

Determine the value of taxable services provided by X Ltd.

- B) Determine Time of Supply for services in case of normal supply. [07]

Sr. no.	Date of Provision of Services	Date of Invoice	Date of entry of payment	Date of debiting bank account
1	18-01-2024	15-11-2023	18-01-2024	17-01-2024
2	31-12-2023	21-12-2023	20-02-2024	15-02-2024
3	19-12-2023	22-12-2023	16-02-2024	15-02-2024
4	16-03-2024	20-03-2024	15-03-2024	21-03-2024
5	29-01-2024	30-03-2024	31-03-2024	30-03-2024
6	06-05-2024	07-05-2024	06-05-2024	05-05-2024
7	06-05-2024	08-06-2024	07-05-2024	05-05-2024

OR

- Q3 C) Find out the place of supply from the following information: [08]

1. A supplier in Karnataka ships goods worth Rs. 5,00,000 to a customer in Andhra Pradesh. The movement of goods terminates in Andhra Pradesh.
2. A supplier in Kerala delivers goods worth Rs. 2,50,000 to Tamil Nadu on behalf of a third-party/agent located in Karnataka.
3. ABC Pvt. Ltd., located in Bangalore, installs an internet leased line in its office and is charged Rs. 1,00,000 by XYZ Internet Services Ltd., a company based in Hyderabad.
4. Mr. X, a resident of Mumbai, consumes food worth Rs. 1,500 onboard a flight departing from Bangalore to Delhi.
5. Mr. A of Ahmedabad appoints an architect in Delhi for Rs. 2,00,000 to design a house in Kolkata.
6. Mr. Y, a resident of Delhi, avails personal grooming services worth Rs. 10,000 at a salon located in Mumbai.
7. Mr. X, residing in Mumbai, opens a bank account with ABC Bank Ltd., headquartered in Bangalore, and avails banking services for which he is charged Rs. 5,000 in service fees.
8. Mr. A, residing in Chennai, purchases a postpaid mobile connection from XYZ Telecom Ltd., a company based in Mumbai. His monthly bill amounts to Rs. 2,000.

- D) Determine Time of Supply of Goods in case of normal supply. Assuming that dealer has not opted for composition scheme. [07]

Sr. no.	Delivery of Goods to Customer	Date of Invoice	Date of receipt of payment
1	10-01-2024	05-01-2024	11-01-2024
2	15-02-2024	10-02-2024	20-02-2024
3	20-03-2024	18-03-2024	25-03-2024
4	30-04-2024	28-04-2024	29-04-2024
5	05-05-2024	01-05-2024	06-05-2024
6	12-06-2024	10-06-2024	15-06-2024
7	25-07-2024	20-07-2024	30-07-2024

- Q4) A) Calculate Input Tax Credit admissible to M/s Kaka Ltd. in respect of the following goods procured by it in the month of November 2023. [08]

Sr. no.	Particulars	Rs.
1.	Goods used in construction of 3 <sup>rd</sup> floor office building	30,000
2.	Raw Material used to Manufacture a product	80,000
3.	Goods stolen from the office	5,000
4.	Goods used for generation of electricity for captive consumption	25,000
5.	Accounting and Auditing Services	6,000
6.	Food and beverages purchased for the employees during office hours	4,000
7.	Inputs used in trial runs	15,000
8.	Hotel accommodation and conveyance facility to employees on vacation	9,000

- B) Mr. Guru registered under GST furnishes the following details with respect to the activities undertaken by them in the month of March, 2024: You are required to calculate the value of taxable supply. [07]

Sr. No.	Particulars	Rs.
1.	Receipts from supply of farm Labour	3,60,000
2.	Charges for warehousing of potato chips	80,000
3.	Rent received from letting of precincts of a temple for Marriage purpose (Per day rent Rs. 15,000)	2,00,000
4.	Health treatment receipt	1,80,000
5.	Cosmetic surgery to improve looks	70,000
6.	Receipt from running a coaching class	2,00,000

OR

- Q4) C) Ms. Reshma, a dealer engaged in supply of goods and has place of business at Nagaland (Special Category State) furnished the following information in the financial year 2023-24. [08]

Sr. No.	Particulars	Rs.
1.	Intra-State Goods Taxable @ 18% (Exclusive of GST.)	2,00,000
2.	Export of goods to Kenya	1,00,000
3.	Value of inward supplies under RCM	2,00,000
4.	Supply of Exempt Service	1,50,000
5.	Supply of Fully Exempt Goods	5,00,000

a) From which date Ms. Reshma would be liable for registration?

b) Whether your answer will be different if Ms. Reshma is a Non-Resident Taxable Person.

- D) Mr. Siddharth who supplies only goods, located in the state of Maharashtra provides you the following information for the month of September, 2024, calculate aggregate turnover under GST, comment whether Mr. Siddharth is liable for registration under GST, if yes, from which date [07]

Date	Taxable Purchase within state	Taxable purchase outside state	Taxable sales within state	Tax Free sales outside the state
02-04-2024	84,000	2,000	6,00,000	1,20,000
05-05-2024	20,000	-	35,000	1,70,000
10-06-2024	56,000	12,000	5,50,000	11,00,000
20-07-2024	3,26,000	15,000	1,80,000	12,45,000
25-08-2024	36,000	10,000	80,000	1,60,000

- Q5) A) What do you mean by Goods & Services Tax? Explain the Scope of GST in details. [08]  
B) Enumerate the persons liable for registration. [07]

OR

- Q5) C) Write a short note on the following. (Any three) [15]  
a) Forward Charge  
b) GST Network  
c) Value of Supply  
d) Bill of Supply  
e) Non Resident Taxable person

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