

G 310 DC1.6

Reg. No.

--	--	--	--	--	--	--

**St Aloysius College (Autonomous)
Mangaluru**

B.Com. Semester VI – Degree Examination

May -2024

ADVANCED FINANCIAL MANAGEMENT

Time: 2½ hrs.

Max Marks: 60

SECTION – A

Answer any FIVE of the following.

(5x2=10)

1. What is systematic risk?
2. What is purpose of integrated report?
3. What is Leverage buyouts?
4. What is uncertainty?
5. What is a stable dividend?
6. Tejasvi Ltd. earns ₹10 per share is capitalised at a rate of 10% and has a rate of return on investments of 18%. According to Walter's model what should be the price per share if dividend is ₹2.50.
7. A company issues 3,000, 8% irredeemable debentures of ₹100 each. The corporate tax rate is 40%. Find out the cost of debt after tax if debentures are issued at 10% premium.

SECTION – B

Answer any FOUR of the following.

(4x5=20)

8. The cost of equity shares of a company was 8% on its equity share capital of ₹2 lakh. Preference share capital amounted to ₹1.5 lakh with a cost at 12%. Redeemable debentures amounted to ₹4,00,000 with a cost at 7%. Calculate WACC
9. There are Two projects V and R. Each involve an investment of ₹ 50,000. Risk free cut off rate is 10%, suggest which project should be accepted by the management.

Year	Project V		Project R		PVF @10%
	Cash Inflow	Certainty coefficient	Cash inflow	Certainty coefficient	
1	35,000	0.7	21,000	0.8	0.909
2	22,000	0.9	31,000	0.7	0.826
3	22,000	0.8	21,000	0.6	0.751

10. From the following Information determine the market price of share using Gordon's Model.

**ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 603**

Total investment in assets	₹10,00,000
Number of shares	25,000
Cost of capital	14%
Payout ratio	60%
Total Earnings	₹4,00,000

11. Based on the Information given below calculate Premerger EPS for both companies and post-merger EPS of Acquiring company

Particulars	Rahul Ltd (Acquirer)	Bos Ltd. (Targete)
Exchange ratio	2:1	
Profit after Tax	10,00,000	8,00,000
Share capital	50,00,000 (₹10each)	10,00,000(₹ 5each)

Contd...2

12. Explain ethical issues in Financial Management.
13. Explain agency relationship and transaction cost theory.

SECTION – C**Answer any TWO of the following.****(2x15=30)**

14. There are three companies. T, C and S which are identical except that company T does not use any debt in its financing, while C uses ₹ 6,00,000 5% debentures and S uses ₹ 8,00,000 7% debentures in its financing. The companies have EBIT of ₹ 3,00,000. The equity capitalisation rate is 15%, 17.5% and 19% for company T, C and S respectively. Calculate the total value of each of the companies according to Net Income approach.
15. Calculate coefficient of variation of Project M and Project S and comment on the Risk position of the company from the following data

Possible Event	Project M		Project S	
	Cash Flow (₹)	Probability	Cash Flow (₹)	Probability
A	10,000	0.10	26,000	0.10
B	12,000	0.20	22,000	0.15
C	14,000	0.40	18,000	0.50
D	16,000	0.20	14,000	0.15
E	18,000	0.10	10,000	0.10

16. Pandya Ltd. wishes to takeover Rohit Ltd. the financial information of two companies are given below

Particulars	Pandya Ltd	Rohit Ltd
Equity Share capital (₹10 per share)	1,50,000	1,00,000
Share premium A/c	Nil	4,000
Profit and Loss A/c	42,000	2,000
Preference share capital	40,000	Nil
10% debentures	30,000	10,000
Total	2,62,000	1,16,000
Fixed Assets	1,82,000	86,000
Current Assets	80,000	30,000
Total	2,62,000	1,16,000
PAT	48,000	30,000
Market price per equity shares	48	52
P/E Ratio	12	10

What offer do you think Pandya Ltd. could make to Rohit Ltd. in terms of exchange ratio based on

ST ALOYSIUS COLLEGE LIBRARY**MANGALURU - 575 003**

- Net asset value
- EPS
- Market price

Which method would you prefer from Pandya's point of view

--	--	--	--	--	--	--	--

St Aloysius College (Autonomous)
Mangaluru
B.Com. Semester VI – Degree Examination
May - 2024
INCOME TAX LAW & PRACTICE - II

Time: 2 ½ Hours

Max Marks: 60

SECTION – A**Answer any FIVE of the following.****(5x2=10)**

1. What is meant by 'Transfer' of Capital Assets? Give an example.
2. Give the meaning of benamidar transaction as per I.T. act.
3. Mention the provisions of deductions U/S 80D & 80DD.
4. Mention the rules for set off and carry forward of losses under the head capital gain.
5. Give the provisions of exemptions u/s 54B
6. What is meant by Bond Washing Transactions?
7. State the meaning of tax credit and explain its treatment as per I.T. rules.

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 803

SECTION – B**Answer any FOUR of the following.****(4x5=20)**

8. Distinguish between STCG and LTCG, from transfer of movable assets and immovable assets.
9. Mr. Harish Purchased a residential house for ₹3,00,000 in August 2007. He sold this house for ₹15,00,000 in October 2023. Compute taxable capital Gains if he purchases 3 year bonds of NHAI, within six months for ₹ 2,75,000 and deposits ₹ 2,25,000 in CGA Scheme in March 2024. C.I.I: 2007-08: 129, 2020-2021:301, 2023-24:348.
10. In what circumstances is the income of one person treated as income of another?
11. The Gross Total Income of Rahul (aged 35 years) amounted to ₹ 8,32,000, which includes LTCG ₹ 2,00,000, accrued interest on NSC ₹ 40,000 and he donated ₹ 32,000 to charitable institutions (approved), paid ₹ 32,000 towards medical insurance premium including preventive medical bill of ₹ 7,000.
Compute Total Income and tax liability as per old tax regime.
12. Mr. Himanshu furnished the following particulars of his income:

1.Salary received (computed)	3,61,000
2.Interest on govt. securities	6,000
3.Business income (computed)	25,000
4.Share of profit from firm	6,000
5.Loss from speculation	4,000
6.Lottery income (net)	21,000
7.Gains from horse race (gross)	4,000
8.Loss in crossword puzzles	3,000
9.Loss from card games (Bridge)	4,800
10.Profit from card games (gross)	6,000
11.Short term capital loss (Shares)	5,000
12.Collection charges of lottery price	1,000

Compute the Gross Total Income.

Contd...2

13. Mr.Srinath (40 years) is employed by ABC CO.Ltd,.He submits the following particulars of his Income and expenditure for the P.Y. Compute his total income and tax liability under new tax regime.

1. Income from salary	₹ 10,00,000
2. Income from other sources	₹ 2,00,000
3. Own contribution to NPS	₹ 40,000
4. Own contribution to PPF	₹ 2,00,000
5. Deposit in notified annuity plan of LIC	₹ 5,000.
6. LTCG from listed shares	₹ 50,000

SECTION – C

Answer any TWO of the following.

(2x15=30)

14. Adithyanath (48 years) submits the following information relevant for the Assessment Year :

1. Business Income ₹ 3,00,000
2. Rent from House Property ₹ 80,000. Interest on housing loan ₹ 40,000.
3. Long-term Capital Gains ₹ 60,000.
4. Short-term Capital Gains u/s 111A ₹ 40,000.
5. Interest on Saving Bank Deposit ₹ 8,000.
6. Interest on Fixed Deposit ₹ 20,000.(Gross)
7. Income from units of Mutual Fund ₹ 6,000.
8. Share of Profit from Partnership Firms ₹ 6,900.
9. Income from Lottery (net) ₹ 42,000.

During the year he made the following payments:

- a) Medical insurance premium for self and family ₹ 28,800.
- b) Interest on Education loan ₹ 20,000.
- c) Engineering College tuition fee of his daughter aged 21 years ₹15,000.
- d) Life Insurance premium ₹ 30,000.
- e) ₹ 40,000 for the treatment of his mother (69 years) suffering from specified disease. ₹ 20,000 received from the insurance company.

During the year he made the following Donations:

- Swacch Bharath Abhiyan (Kosh) ₹ 10,000.
- Clean Ganga Fund ₹ 11,000.
- Prime Minister National Drought Relief Fund ₹ 12,000.
- Books donated to an approved college ₹ 8,000.
- Promotion of family planning ₹ 15,000.
- To a school (in cash) 12,000.
- Political party ₹ 20,000 in cheque.

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

Compute total income and tax liability for the Assessment Year, under old tax regime.

15. From the following particulars of Mr. Z compute income from other sources.
- Director's fee ₹ 5,000
 - Agricultural Income - lands in India ₹15,000 and lands in Nepal ₹18,000
 - Interest on
 - Bank FD ₹ 9,000
 - POSB a/c ₹ 600
 - Post Office monthly Income Scheme ₹ 12,000
 - Tax free RBI bonds ₹6,000
 - Debentures of 'X' Co Ltd ₹ 4,000
 - NSC ₹ 3,846
 - Dividend
 - From Indian Cos ₹ 5,000
 - From foreign Cos ₹ 23,400
 - Prize won in TV game show (net) ₹ 14,000
 - Lottery prize ₹ 5,000
 - Rent received from sub-letting 50% of the house ₹ 8,000. Rent paid for the entire house ₹ 10,000
 - Cost of lottery tickets purchased ₹ 300
 - Collection charges on dividend ₹ 600
 - Cash (gift) from brother ₹ 30,000
 - Gifts on the occasion of marriage ₹ 1,20,000
 - Other gifts ₹ 55,000
 - Gifts in the form of TV set ₹ 18,000
16. During the previous year ended 31st March, Mr. John (resident) sold the following assets

Particulars	Sale Proceeds (₹)
1. Agricultural land in Mysuru purchased in 2001 for ₹ 20,000 (FMV on 1.4.2001 (CII 100) being ₹ 30,000)	5,60,000
2. Furniture purchased on 1.5.2023 for ₹ 2,500 used for personal purposes.	3,800
3. Machinery purchased in 2013-14 (CII 220) for ₹ 50,000 (WDV on 1.4.2023 ₹ 35,000)	60,000
4. Jewellery purchased in 2006-07 (CII 122) for ₹ 50,000	4,50,000
5. One residential house purchased in 2008-09 (CII 137) costing ₹ 60,000	5,80,000

During the year he bought another house for his residence for ₹ 2,00,000. The CII for 2023-24 is 348. He invested ₹ 1,00,000 in a new agricultural land and ₹ 2,10,000 in bonds issued by Rural Electrification Corporation Ltd., Find the total amount of taxable Capital Gain.

G 310 DC 3.6

Reg. No. :

--	--	--	--	--	--

St Aloysius College (Autonomous)
Mangaluru
B.Com. Semester VI – Degree Examination
May - 2024
MANAGEMENT ACCOUNTING

Time: 2 ½ Hours

Max Marks: 60

SECTION – AAnswer any **FIVE** of the following:**(5x2=10)**

1. What is Management Accounting?
2. State any two functions of Management Accountant.
3. State any two limitations of Financial Statement Analysis
4. What are solvency ratios?
5. Give the meaning of cash flow from financing activities.
6. Compute Current Ratio: Current Assets = ₹ 40,000 and Current Liabilities = ₹ 20,000.
7. What is Khaizen Budgeting?

ST ALOYSIUS COLLEGE LIBRARY
 MANGALURU - 575 003

SECTION - BAnswer any **FOUR** of the following.**(4x5=20)**

8. Discuss the essentials of good financial statement.
9. Following information is extracted from the Statement of Profit and Loss of Narendra Ltd., for the years ended 31st March, 2023 and 2022. Prepare Comparative Statement of Profit and Loss.

Particulars	Note No.	31 st March, 2023 (₹)	31 st March, 2022 (₹)
Revenue from Operations		40,00,000	32,00,000
Employees Benefit Expenses		20,00,000	16,00,000
Depreciation and Amortization Expenses		50,000	40,000
Other Expenses		1,50,000	3,60,000

10. The following are the information of current assets and current liabilities furnished by Everest Traders:

	₹
Current assets	
Cash at bank	8,000
Sundry debtors	25,000
Stock	30,000
Trade Investments	1,000
Bills receivable	2,500
Prepaid expenses	500
Current liabilities	
Sundry creditors	10,000
Bills payable	7,500
Outstanding expenses	8,000

You are required to calculate current and Quick ratios.

Contd...2

11. The following information are supplied to you from books of M/S Shubha Electricals. You are required to calculate operating profit before working capital changes.

1. Depreciation on fixed asset ₹ 5,000
2. Profit on sale of building ₹ 10,000
3. Loss on sale of machinery ₹ 4,000
4. Proposed dividend ₹ 3,000
5. Dividend received on investment ₹ 5,000
6. Profit ₹ 1,56,000

12. From the following particulars prepare production budget of SLR Sales Corporation for the year ending 30-06-20

Products	Sales	Estimated Stock	
		01-07-20	30-06-21
A	1,50,000	14,000	15,000
B	1,00,000	5,000	4,500
C	70,000	8,000	8,000

13. Calculate the trend percentages from the following figures of X Ltd. Taking 2017 as the base and interpret them:

Year	Sales (₹ In Lakhs)	Stock (₹ In Lakhs)	Profit before tax (₹ In Lakhs)
2017	1,881	709	321
2018	2,340	781	435
2019	2,655	816	458
2020	3,021	944	527
2021	3,768	1,154	672

SECTION - C ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

Answer any **TWO** of the following.

(2x15=30)

14. From the following balance sheet of Sun Ltd., prepare cash flow statement for the year ending 31-3-21 together with the relevant ledger A/Cs:

Balance Sheet

Liabilities	As on 31-3-20	As on 31-3-21	Assets	As on 31-3-20	As on 31-3-21
Equity Share Capital	4,50,000	5,00,000	Goodwill	1,15,000	90,000
Profit & Loss Account	70,000	1,18,000	Land & Buildings	2,00,000	1,70,000
Creditors	97,000	1,33,000	Machinery	80,000	2,00,000
Bills Payable	20,000	16,000	Stock	77,000	1,09,000
Taxation Provision	40,000	50,000	Bills Receivable	20,000	30,000
			Debtors	1,60,000	2,00,000
			Bank Account	25,000	18,000
	6,77,000	8,17,000		6,77,000	8,17,000

Contd...3

Additional information:

1. Depreciation of ₹10,000 and ₹20,000 have been charged on machinery and land & buildings respectively.
 2. An interim dividend of ₹20,000 has been paid during current accounting year.
 3. ₹35,000 income tax was paid during the current accounting year.
15. The balance sheet of Subhash Ltd is given for the year 2022 and 2023 convert them into common size balance sheet and interpret the changes.

Particulars	Note No.	March 31, 2022 ₹	March 31, 2023 ₹
I. EQUITY AND LIABILITIES			
1. Share holders' Funds:			
a) Equity Share Capital:		1,46,800	1,91,000
b) Reserves and Surplus		22,000	30,000
Capital Reserve		50,000	70,000
2. Non-Current Liabilities:			
a) Long-term Borrowings:			
b) Long-term Provisions		-	-
3. Current Liabilities:			
Trade creditors		30,000	40,000
Bills payable		80,000	60,000
Bank overdraft		90,000	80,000
Provisions		28,000	20,000
Total Liabilities (1+2+3)		4,46,800	4,91,000
II. ASSETS			
1. Non-Current Assets			
a) Fixed Assets:			
i. Tangible Assets			
Buildings		1,80,000	2,00,000
Plant & machinery		40,000	55,000
Furniture		10,000	20,000
Freehold property		20,000	12,000
ii. Intangible Assets			
Goodwill		25,000	30,000
2. Current Assets			
a. Inventories		70,000	57,000
b. Trade Receivables		10,300	20,000
Sundry Debtors		30,000	35,000
c. Cash and Cash Equivalents			
Cash Balance		25,000	20,000
d. Other current assets:			
Investments (temporary)		36,500	42,000
Total Assets (1+ 2)		4,46,800	4,91,000

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

16. Explain the difference between Management Accounting and Financial Accounting.

(2021 batch onwards)

G 310DE1a.6/ G 310DE2a.6

Reg. No.

--	--	--	--	--	--	--	--

St Aloysius College (Autonomous)
Mangaluru
B.Com. Semester VI – Degree Examination
May -2024

INVESTMENT MANAGEMENT

Time: 2 ½ Hours

Max Marks: 60

Note: PV table will be provided.

SECTION – A

Answer any FIVE of the following.

(5x2=10)

1. State the Economic and Financial meaning of Investment.
2. What is a Portfolio?
3. Alpha and Beta co-efficients for two stocks are given below:

Stocks	Alpha	Beta
Himalaya Ltd	1.18	1.25
Vikas Ltd	1.25	0.95

Rank the two stocks using Jensen's performance measure.

4. What do you mean by Blue-Chip shares?
5. A bond has a face value of ₹ 1,000. It has a 10% coupon rate and a maturity period of 5 years. What would be the price of the bond, if the required rate of return is 8%?
6. State any two tools of technical analysis.
7. What is Random Walk Theory?

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 063

SECTION - B

Answer any FOUR of the following.

(4x5=20)

8. Distinguish between Investment and Speculation.
9. Why do Investors invest in Gold, Silver and Real Estate? Explain.
10. What do you mean by systematic Risk? Explain the types of systematic Risk.
11. The return on investment of two companies is given below. Using covariance, determine which company has a higher risk profile:

Year	Company X (ROI in %)	Company Y (ROI in %)
2011	13	16
2012	16	12
2013	14	18
2014	15	14
2015	12	15

Contd...2

12. A chemical company paid a dividend of ₹ 2.75 during the current year. Forecasts suggest that earnings and dividends of the company are likely to grow at the rate of 8% over the next five years and at the rate of 5% thereafter. Investors have traditionally required a rate return of 20% on these shares. What is the present value of the stock?
13. Explain the forms of market efficiency.

SECTION - C

Answer any TWO of the following.

(2x15=30)

14. Mr Aravind received ₹10,00,000 from his pension fund. He wants to invest in the stock market. The treasury bill rate is 5% and the market return variance is 10. The following table gives the details regarding the expected return, beta and residual variance of the individual security. What is the optimum portfolio assuming no short sales?

Security	Expected Return	Beta	σ_{ei}^2
A	15	1.0	30
B	12	1.5	20
C	11	2.0	40
D	8	0.8	10
E	9	1.0	20
F	14	1.5	10

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 083

15. The following information is provided regarding the performance of the funds namely Birla Advantage, Sundaram Growth and Sun F & C Value for a period of six months ending August 1999. The risk free rate of interest is assumed to be 9. Rank them with the help of Sharpe's Index and Treynor's index, discuss.

	R_p	σ_p	β
Birla Advantage	25.38	4	.23
Sundaram Growth	25.11	9.01	.56
Sun F & C Value	25.01	3.55	.59

16. Explain process of investment with suitable examples.

(2021 batch onwards)

G 310DE 1b.6/ G 310DE 2b.6

Reg. No. :

--	--	--	--	--	--

St Aloysius College (Autonomous)**Mangaluru****B.Com. Semester VI – Degree Examination****May - 2024****CUSTOMER RELATIONSHIP MANAGEMENT**

Time: 2 ½ Hours

Max Marks: 60

SECTION – A**Answer any FIVE of the following.****(5x2=10)**

1. What do you mean by customer relationship Management?
2. State any two features of CRM.
3. Give any two examples of CRM application.
4. What is campaign management?
5. State any four components of customer satisfaction.
6. What is customer profitability?
7. List down the stakeholders of CRM.

SECTION - B**Answer any FOUR of the following.****(4x5=20)**

8. Explain the different types of Customer Expectations.
9. Explain features of Sales Force Automation.
10. What are the issues in implementing a CRM system?
11. Explain the benefits of CRM software in service industry.
12. State the role of CRM in mass marketing.
13. What are the components of a CRM initiative?

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

SECTION – C**Answer any TWO of the following.****(2x15=30)**

14. Explain the various technologies used in CRM.
15. Briefly explain the various factors responsible for CRM growth.
16. Discuss the emergence of CRM practice and factors responsible for CRM growth.

(2021 batch onwards)

G 310.DE 1c.6/ G 310.DE 2c.6

Reg. No.

--	--	--	--	--	--	--	--

**St Aloysius College (Autonomous)
Mangaluru**

B.Com. Semester VI – Degree Examination

May -2024

CULTURAL DIVERSITY AT WORKPLACE

Time: 2 ½ Hours

Max Marks: 60

SECTION – A

Answer any FIVE of the following.

(5x2=10)

1. Define Diversity.
2. Give the meaning of the term identity.
3. What is fostering collaboration?
4. Define team work.
5. What is power?
6. What do you mean by culture?
7. What do you mean by gesture?

SECTION – B

Answer any FOUR of the following.

(4x5=20)

8. Explain cross cultural nonverbal communication.
9. What is the importance of cultural diversity? Illustrate.
10. What are our's and other's differences?
11. Write a note on types of discrimination.
12. Explain the ways to improve cross cultural communication.
13. Write a note on the concept of prejudice.

ST ALOYSIUS COLLEGE LIBRARY

MANGALURU - 575 003

SECTION – C

Answer any TWO of the following.

(2x15=30)

14. What are the barriers of communication? How to overcome those barriers?
15. Define diversity. Discuss its features and advantages
16. Explain various types of workplace culture.

(2021 batch onwards)

G 310 VO 1.6

Reg. No. :

--	--	--	--	--	--

St Aloysius College (Autonomous)**Mangaluru****B.Com. Semester VI – Degree Examination****May - 2024****BUSINESS TAXATION****Time: 2 ½ Hours****Max Marks: 60****SECTION – A****Answer any FIVE of the following.****(5x2=10)**

1. What do you mean by Tax Evasion?
2. State any four circumstances where quoting PAN is mandatory.
3. What incomes received by partners from the firm are taxable in the hands of individual partner under section 28.
4. Give the meaning of Best Judgment assessment.
5. Write a short note on Income Tax Authority's power to search and seizure.
6. How the following items will be treated in assessment of a partnership firm?
 - a. Interest on Capital paid to partner
 - b. Salary paid to non- working partner
7. What is Tax Planning?

SECTION - B**Answer any FOUR of the following.****(4x5=20)**

8. Explain in detail the general powers of Income tax authorities.
9. Briefly explain the method for calculation of Book Profit under section 115 JB of IT Act, with the format.
10. What are the advantages of Tax Planning?
11. From the following calculate Tax Liability of AOP and members of AOP.
 - i. Total Income of AOP ₹ 9,20,000
 - ii. Personal Income of members A-₹ 2,00,000, B-₹ 2,10,000, C-₹ 2,20,000.
12. Ashika Fertilizers Ltd is an Indian Company. Its income for the year ended 31-03-2024 was derived from the following sources. Compute Total Income of the company
 - a) Profit from Fertilizers Business Rs.15,00,000 after deducting amount of donation paid to Prime Minister's National Relief Fund ₹1,00,000
 - b) Dividend from an Indian Company (Gross) ₹1,60,000
 - c) Interest on Govt. Securities ₹ 20,000
 - d) LTCG from transfer of Building ₹ 3,80,000
 - e) Dividend from a foreign company ₹ 40,000

Contd...2

G 310 VO 1.6

13. Sneha and Neha are equal working partners in a firm. The Profit & Loss Account of the firm for the year ended 31st March, 2024 is given below :

Profit and Loss Account

	₹		₹
Interest on Capital @ 20%		Dividend	5,000
Sneha	6,000	Interest on drawings by Sneha	2,000
Neha	4,000	Net Loss	50,000
Commission to Neha	3,000		
Salary to Sneha	6,000		
Rent paid to Neha	10,000		
Office expenses	28,000		
	57,000		57,000

Compute the Book Profit /Loss of the firm, assuming firm fulfills the conditions of sec 184.

SECTION - C

Answer any TWO of the following.

(2x15=30)

14. X (26 yrs), Y (28 yrs) and Z (65 yrs) are the members of an AoP. The P & L A/C of the AoP for the previous year ended 31st March is given below:

Cost of goods sold	1,34,000	Sales	5,00,000
Interest on capital:		Interest on drawings:	
X	9,000	X	2,000
Y	27,000	Y	1,000
Z	35,000	Z	3,000
Salary:		Short term capital gains (on transfer of land)	2,10,000
Y	65,000		
Z	70,000		
Other expenses	60,000		
Net Profits	3,16,000		
Total	7,16,000	Total	7,16,000

Other Information:

- AOP gives a donation of ₹ 50,000 to a National Children's fund (not debited to the above P & L A/C) which is eligible for deduction u/s 80 G.
- Out of other expenses ₹26,000 are not deductible by virtue of section 43B.

Find the tax liability of AOP and members after considering following further information:

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

The profit-sharing ratio of X, Y & Z is 2:3:5. Their other incomes and savings are as follows:

	X	Y	Z
Interest on Securities	3,90,000	3,36,000	4,30,000
Medical Insurance Premium paid	6,000	2,000	3,000
Deposit in P.P.F. A/C	1,44,000	1,16,000	1,28,000

Contd...3

15. From the particulars submitted below, Find out the Total income, Book Profit and Tax Liability of Shine Co Ltd. (Turnover of the Co, is less than 400 cr)

Statement of Profit and Loss for the year ending 31-03-2024

Particulars		Note No	Amount
I.	Revenue from Operations		11,52,500
II.	Other income:		
	Transfer fees		300
	Income from agricultural lands		<u>1,000</u>
III.	Total Revenue (I + II)		<u>11,53,800</u>
IV.	Expenses:		
	Cost of materials consumed		4,75,200
	Changes in inventory		52,400
	Employee Benefit expenses:		
	Salaries and wages		45,500
	Finance Cost:		
	Interest on Loan		8,500
	Depreciation and amortization expenses		69,000
	Other Expenses:		
	Manufacturing expenses		2,59,000
	General Expenses		8,500
	Commission and brokerage		36,400
	Bad Debt		1,200
	Reserve for bad debts		19,500
	Provision for dividends		<u>30,000</u>
	Total Expenses		<u>10,05,200</u>
V.	Profit before Tax (III- IV)		1,48,600
VI.	Tax		<u>35,800</u>
VII.	Profit for the period (V- VI)		<u>1,12,800</u>

Additional information:

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

- General expenses include:
 - ₹ 1,000 as donation to a temple (approved)
 - ₹ 2,600 commission to broker for arranging a loan for the company
 - ₹ 2,000 paid to a director for a business trip to Hyderabad
- The actual bad debts amounted to ₹ 1,000, as per IT rules.
- Actual Depreciation ₹ 72,000 as per I.T. rules.
- B/F unabsorbed depreciation as per I.T. act ₹ 5,000 and as per books of a/c ₹ 7,000.
- B/F business loss as per I.T. act ₹ 10,000 and as per books of a/c ₹ 8,000.

Contd...4

G 310 VO 1.6

16. A, B and C are equal partners in a firm with A being a non-working partner. The Profit and Loss Account for the year ending 31-03-2024 is as under:

Particulars	Amount (₹)	Particulars	Amount (₹)
Rent	20,000	Gross profit	4,05,000
Office expenses	25,000	Discount	10,000
Salaries	1,00,000	Bad debts recovered (allowed earlier)	2,000
Advertisement	15,000	Bank interest	3,000
GST paid	30,000		
Charity & Donations	5,000		
Bad debts reserve	10,000		
Bad debts	15,000		
Sundry expenses	20,000		
Depreciation	25,000		
Interest on capital			
A	50,000		
B	25,000		
C	25,000		
Commission:			
A	15,000		
B	10,000		
C	5,000		
Net profit	25,000		
	4,20,000		4,20,000

Additional Information:

- Salaries include partner's salaries: B ₹15,000, C ₹.10,000.
- Bad debts admissible by the I.T department ₹12,500.
- Furniture purchased by A for personal use ₹10,000 has been debited to sundry expenses.
- Donation includes donation to political party ₹ 3,500, to a school ₹1,000 and subscription to trade association ₹ 500.
- Capital accounts of the partners at the beginning of the year 2023-24 were as follows:
 - A- ₹ 2,00,000
 - B- ₹ 1,00,000
 - C- ₹ 1,00,000
- Office Expenses include bonus to partners: A- ₹1,000, B- ₹ 2,500, C- ₹1,500.

Compute Total Income of tax liability of the firm. (Firm fulfills the conditions u/s 184).

(2021 BATCH)

G 320 DC1.6

Reg. No. :

--	--	--	--	--	--	--	--

St Aloysius College (Autonomous)**Mangaluru****B.Com.(International Finance) Semester VI – Degree Examination****May - 2024****ADVANCED FINANCIAL MANAGEMENT II****Time: 2½ Hours****Max Marks: 60****SECTION – A****Answer any FIVE of the following.****(5x2=10)**

- The expected net present value of a five-year project has been calculated at \$2.239 million based on a cost of capital of 10%. The annual standard deviation of the present value of after-tax cash flows is estimated to be \$400,000. What is the project's value at risk at the 95% confidence level?
- Aster Co has a bank loan with a 10% interest rate. It also has in issue 8% preference shares trading at nominal value and the cost of its ordinary shares is estimated to be 18%. Its current capital structure comprises 50% debt and an equal split between preference and ordinary shares. The corporate tax rate is 30%. What is the weighted average cost of capital of Aster Co?
- A UK company has a Greek subsidiary which is to purchase materials costing \$100,000. The NPV of the overseas cash flows is being calculated in euros, but you have not been provided with the euro/dollar exchange rate. Instead you have the following information:

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

\$/£1 1.90
€/£1 1.45

Required: Calculate the value of the purchase in euros.
- A project which involves an immediate investment of \$25,000 is expected to return \$16,000 for just two years. The cost of financing the project is 10% and positive cash flows are reinvested at 10%. The internal rate of return of this project is 18%. What is the modified internal rate of return of the project?
- An Australian firm has just bought some machinery from a US supplier for US\$250,000 with payment due in 3 months' time. Exchange rates are quoted as follows:

Spot rates: (US\$... to A\$1) 0.7785 – 0.7891
Three months' forward rates: 0.7764 – 0.7873

Required: Calculate the amount payable if a forward contract is used.
- A film studio has three new releases planned for the Christmas period but does not know which will be the biggest hit for allocating marketing resources. It thus decides to do a trial screening of each film in selected cinemas and allocates the marketing budget on the basis of the results. Required: Comment on this plan using real option theory.

Contd...2

7. Peel Co has identified 4 positive NPV projects, as follows:

Project	NPV (\$m)	Investment at T0 (\$m)
A	60	9
B	40	12
C	35	6
D	20	4

Peel Co can only raise \$12m of finance to invest at t0.

Required:

Advise the company which project(s) to accept if the projects are:

- (i) independent and divisible
- (ii) independent and indivisible
- (iii) mutually exclusive.

SECTION - B

Answer any **FOUR** of the following.

(4x5=20)

8. Money laundering is a process in which assets obtained or generated by criminal activity are moved or concealed to obscure their link with the crime. Explain what steps have been taken by global governments and other bodies to prevent international money laundering and terrorist financing.
9. **Nutourne Co is a company based in the USA**, supplying medical equipment to the USA and Europe. Nutourne Co's treasury department hedges foreign exchange risk on transactions using forward contracts and the money market hedge

ST ALOYSIUS COLLEGE LIBRARY

MAR 01 2008 11:15 AM

It is currently 30 November 20X8.

Nutourne Co's treasury department is **currently dealing with a sale to a Swiss customer of CHF12.3 million which has just been agreed**, where *the customer will pay for the equipment on 31 May 20X9.*

Exchange rates (quoted as US\$/CHF 1)

Spot	1.0292 – 1.0309
Three months forward	1.0322 – 1.0341
Six months forward	1.0356 – 1.0378

Annual interest rates available to Nutourne Co

	Investing rate	Borrowing rate
Switzerland	3.2%	4.4%
USA	4.6%	5.8%

Calculate the amount receivable in each of the case.

10. An online DVD and CD retailer is considering investing \$2m on improving its customer information and online ordering systems. The expectation is that this will enable the company to expand by extending its range of products. A decision will be made on the expansion in 1 year's time, when the directors have had chance to analyse customer behaviour and competitors' businesses in more detail, to assess whether the expansion is worthwhile.
- Preliminary estimates of the expansion programme have found that an investment of \$5m in 1 year's time will generate net receipts with a present value of \$4m in the years thereafter. The project's cash flows are expected to be quite volatile, with a standard deviation of 40%.
- The current risk free rate of interest is 5%.
- Advise the firm whether the initial investment in updating the systems is worthwhile.
11. Goldsmith Co, a mining company based in the fictitious country of Krownland, wishes to hedge 1 - year foreign exchange risk, which will arise on an investment in Chile. The investment is for 800m escudos and is expected to yield an amount of 1,000m escudos in 1 year time.
- Goldsmith cannot borrow escudos directly and is therefore considering two possible hedging techniques:
- Entering into a forward contract for the full 1000m escudos receivable.
 - Entering into a forex swap for the 800m escudos initial investment, and then a forward contract for the 200m escudos profit element.
- The currency spot rate is 28 escudos to the krown, and the bank has offered a forex swap at 22 "escudos/krown with Goldsmith making a net interest payment to the bank of 1% in krowns (assume at T1).
- ST ALOYSIUS COLLEGE LIBRARY**
MANGALURU - 575 003
- | Interest rates | Borrowing | Lending |
|----------------|-----------|---------|
| Krownland | 15% | 12% |
| Chile | N/A | 25% |
- A forward contract is available at a rate of 30 escudos per krown.
- Determine whether Goldsmith should hedge its exposure using a forward contract or a forex swap.
12. RGI Co wishes to invest \$12 million in 6 months' time for two months and considering the following hedging strategies.
- A 6 - 8 FRA quoted at 4%.
 - An IRG at 4% for a premium of 0.1%.
- Required: Determine the costs if in six months' time the market rate is: (a) 5% (b) 3% and comment.

13. Moondog Co is a company with a 20:80 debt:equity ratio. Using CAPM, its cost of equity has been calculated as 12%. It is considering raising some debt finance to change its gearing ratio to 25:75 debt to equity. The expected return to debt holders is 4% per year, and the rate of corporate tax is 30%. Calculate the theoretical cost of equity in Moondog Co after the refinancing.

SECTION – C

Answer any TWO of the following.

(2x15=30)

14. A company plans to invest \$7m in a new product. Net contribution over the next five years is expected to be \$4.2m per year in real terms. Marketing expenditure of \$1.4m per year will also be needed. Expenditure of \$1.3m per year will be required to replace existing assets which will now be used on the project but are getting to the end of their useful lives. This expenditure will be incurred at the start of each year.

Additional investment in working capital equivalent to 10% of contribution will need to be in place at the start of each year. Working capital will be released at the end of the project. The following forecasts are made of the rates of inflation each year for the next five years:

Contribution - 8%

Marketing - 3%

Assets - 4%

General prices - 4.7%

The real cost of capital of the company is 6%.

All cash flows are in real terms. Ignore tax.

Required: Forecast the free cash flows of the project and determine whether it is worthwhile using the NPV method.

15. A manufacturing company based in the United Kingdom is evaluating an investment project overseas – in REBMATT a politically stable country. It will cost an initial 5.0 million REBMATT dollars (RM\$) and it is expected to earn post-tax cash flows as follows:

Year	1	2	3	4
Cash flow RM\$'000	1,500	1,900	2,500	2,700

The following information is available:

- Real interest rates in the two countries are the same. They are expected to remain the same for the period of the project.
- The current spot rate is RM\$ 2 per £1 Sterling.
- The risk-free rate of interest in REBMATT is 7% and in the UK 9%.
- The company requires a sterling return from this project of 16%.

Calculate the £ Sterling net present value of the project using the standard method i.e., by discounting annual cash flows in £ Sterling.

16. Explain the role of the International Monetary Fund (IMF) and its significance to the activities of multinational companies.

(2021 Batch)

G 320 DC3.6

Reg. No. :

--	--	--	--	--	--	--	--

St Aloysius College (Autonomous)

Mangaluru

B.Com. (International Finance) Semester VI – Degree Examination

May - 2024

CORPORATE LAW AND GOVERNANCE

Time: 2¹/₂ Hours

Max Marks: 60

SECTION – A**Answer any FIVE of the following.****(5x2=10)**

1. Give any two characteristics of a Joint Stock Company.
2. What are the two statutory duties of a Director?
3. What is Lifting of Corporate Veil?
4. What is Shelf Prospectus?
5. Give two functions of NFRA.
6. What is corporate governance?
7. What is a Tribunal?

SECTION - B**Answer any FOUR of the following.****(4x5=20)**

8. Explain the doctrine of Indoor Management with reference to Royal British Bank Vs Turquand.
9. Write a short note on Corporate Ethics.
10. Under what circumstances the membership of a member can be terminated?
11. What are the provisions to appoint a Company Secretary?
12. Give the role of a liquidator in winding up of a company.
13. Explain the clauses of Memorandum of Association.

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

SECTION – C**Answer any TWO of the following.****(2x15=30)**

14. Explain the modes of acquiring membership of a company.
15. Describe the contents of the Prospectus.
16. Discuss the requisites of a valid company meeting.

(2021 Batch)

G 320 DE1.6

Reg. No. :

--	--	--	--	--	--	--	--

St Aloysius College (Autonomous)

Mangaluru

B.Com. (International Finance) Semester VI – Degree Examination

May - 2024

ADVANCED AUDIT AND ASSURANCE II

Time: 2½ hrs.

Max Marks: 60

SECTION – A**Answer any FIVE of the following.****(5x2=10)**

1. Write the meaning of Appropriate Evidence.
2. What are Non-Adjusting Events Give one Example.
3. When does the auditors need to modify their opinion?
4. Define Direct Engagement.
5. What is Prospective Financial Information (PFI)?
6. What is Forensic Audit?
7. Define Disclaimer of Opinion.

SECTION - B**Answer any FOUR of the following.****(4x5=20)**

8. What does ISA 230 require in Relation to an audit Documentation?
9. What steps can auditors take to address events occurring after the issuance of financial statements that may affect those statements?
10. What are the auditors responsibilities and actions if the management impose a scope limitation after the audit has been accepted?
11. Describe the procedures that should be performed when reviewing interim financial statements.
12. What specific aspects or information does due diligence typically cover?
13. Write the difference between Audit and Audit related services.

ST ALOYSIUS COLLEGE LIBRARY**MANGALURU - 575 603****SECTION – C****Answer any TWO of the following.****(2x15=30)**

14. You are a manager in Chanucci & Co, a firm of chartered certified accountants which provides a range of services including forensic investigations. The directors of a local property management company, Acacia Co, have contacted the forensic investigation department of your firm regarding a series of unusual transactions which have recently been discovered in the company, and you have been asked to look into the matter further. You have held a preliminary discussion with Grainne Harkin, the chair of the audit committee at Acacia Co. The notes of this conversation are shown below.

Contd...2

Notes of discussion with Grainne Harkin

The internal audit department at Acacia Co recently completed a review of the controls over sales revenue. During the review, the internal auditors identified unusually high rental charges on specific invoices to a particular local authority. There were also a series of credit notes for the same local authority detailing discounts on rental income which appear to bring the charges down to the normal commercial rates. These discounts were refunded to the local authority each month rather than netted off the value of the monthly rental charge. The number of properties leased to this authority has increased significantly in the last six months. Initial investigations performed last week by Grainne revealed that the local authority had no knowledge of the discounts, believing that they were already paying the commercial rates, and has confirmed that the bank account into which the discounts were being repaid is not its own. The local authority has confirmed that the bank account belongs to an employee who works in the procurement department. As soon as fraud was suspected, Grainne stopped any further payments in respect of the discounts. Grainne says that the sales director, has been absent from work since the initial investigation was conducted last week. Grainne believes that the sales director may have been involved with the suspected fraud. Grainne has asked whether your department would be able to provide a forensic investigation, but is unsure what this would involve. Acacia Co is not an audit client of your firm.

ST ALOYSIUS COLLEGE LIBRARY

MANGALURU - 575 003

Required:

- (a) Explain the steps that would be involved in the forensic investigation into the alleged fraud at Acacia Co. **(8 marks)**
- (b) Recommend the procedures that should be used in the forensic investigation to quantify the amount of the fraud. **(7 marks)**
15. You are a manager in Andando, a firm of Chartered Certified Accountants. You have been approached by Duncan Seymour, the chief finance officer of Plaza, a major food retailer with a chain of national supermarkets, to advise on a bid that Plaza is proposing to make for the purchase of MCM. Plaza has extended its operations throughout Europe and most recently to Asia, where it is expanding rapidly. You have ascertained the following from a briefing note received from Duncan. MCM provides training in management, communications and marketing to a wide range of corporate clients, including multi-nationals. The 'MCM' name is well regarded in its areas of expertise. MCM is currently wholly owned by Frontiers, an international publisher of textbooks, whose shares are quoted on a recognised stock exchange. MCM has a National and an International business. The National business comprises 11 training centres.

The audited financial statements show revenue of \$12.5 million and profit before taxation of \$1.3 million for this geographic segment for the year to 31 December 20X4. Most of the National business's premises are owned or held on long leases. Trainers in the National business are mainly full time employees.

The International business has five training centres in Europe and Asia. For these segments, revenue amounted to \$6.3 million and operating profit before tax \$2.4 million for the year to 31 December 20X4. Most of the International business premises are leased. International trade receivables at 31 December 20X4 amounted to \$3.7 million. Although the International centres employ some full-time trainers, the majority of trainers provide their services as freelance consultants.

Required:

- (a) Define 'due diligence' and describe the nature and purpose of a due diligence review. **(3 marks)**
- (b) Explain the matters you should consider before accepting an engagement to conduct a due diligence review of MCM. **(5 marks)**
- (c) Describe the procedures that should be performed for the due diligence review of MCM. **(7 marks)**
16. You are a manager in the audit department of Igneous & Co. You are responsible for the audit of Metamorphic Co, which has a financial year ending 31 December 20X5. In April 20X5, Metamorphic Co had all properties revalued by an independent expert. These valuations have been used in the financial statements as at 31 December 20X5.

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

Required:

- (a) Describe the factors Igneous & Co should consider when placing reliance on the work of the expert. **(5 marks)**
- (b) Design the principal audit procedures to be used in the audit of the revalued properties. **(5 marks)**
- (c) What are the various methods used to obtain evidence in audit process? **(5 marks)**

G 320 DE 2.6

Reg. No. :

--	--	--	--	--	--	--

St Aloysius College (Autonomous)

Mangaluru

B.Com. (International Finance) Semester VI – Degree Examination

May - 2024

BUSINESS TAXATION -II

Time: 2 ½ Hours

Max Marks: 60

SECTION – A

Answer any FIVE of the following.

(5x2=10)

1. What do you mean by Tax Evasion?
2. State any four circumstances where quoting PAN is mandatory.
3. What incomes received by partners from the firm are taxable in the hands of individual partner under section 28.
4. Give the meaning of Best Judgment assessment.
5. Write a short note on Income Tax Authority's power to search and seizure.
6. How the following items will be treated in assessment of a partnership firm?
 - a. Interest on Capital paid to partner
 - b. Salary paid to non- working partner
7. What is Tax Planning?

SECTION - B

Answer any FOUR of the following.

(4x5=20)

8. Explain in detail the general powers of Income tax authorities.
9. Briefly explain the method for calculation of Book Profit under section 115 JB of IT Act, with the format.

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003
10. What are the advantages of Tax Planning?
11. From the following calculate Tax Liability of AOP and members of AOP.
 - i. Total Income of AOP ₹ 9,20,000
 - ii. Personal Income of members A-₹ 2,00,000, B-₹ 2,10,000, C-₹ 2,20,000.
12. Ashika Fertilizers Ltd is an Indian Company. Its income for the year ended 31-03-2024 was derived from the following sources. Compute Total Income of the company
 - a) Profit from Fertilizers Business Rs.15,00,000 after deducting amount of donation paid to Prime Minister's National Relief Fund ₹1,00,000
 - b) Dividend from an Indian Company (Gross) ₹1,60,000
 - c) Interest on Govt. Securities ₹ 20,000
 - d) LTCG from transfer of Building ₹ 3,80,000
 - e) Dividend from a foreign company ₹ 40,000

Contd...2

13. Sneha and Neha are equal working partners in a firm. The Profit & Loss Account of the firm for the year ended 31st March, 2024 is given below :

Profit and Loss Account

	₹		₹
Interest on Capital @ 20%		Dividend	5,000
Sneha	6,000	Interest on drawings by Sneha	2,000
Neha	4,000	Net Loss	50,000
Commission to Neha	3,000		
Salary to Sneha	6,000		
Rent paid to Neha	10,000		
Office expenses	28,000		
	57,000		57,000

Compute the Book Profit /Loss of the firm, assuming firm fulfills the conditions of sec 184.

SECTION - C

Answer any TWO of the following. (2x15=30)

14. X (26 yrs), Y (28 yrs) and Z (65 yrs) are the members of an AoP. The P & L A/C of the AoP for the previous year ended 31st March is given below:

Cost of goods sold	1,34,000	Sales	5,00,000
Interest on capital:		Interest on drawings:	
X	9,000	X	2,000
Y	27,000	Y	1,000
Z	35,000	Z	3,000
Salary:		Short term capital gains (on transfer of land)	2,10,000
Y	65,000		
Z	70,000		
Other expenses	60,000		
Net Profits	3,16,000		
Total	7,16,000	Total	7, 16,000

Other Information:

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 603

- AOP gives a donation of ₹ 50,000 to a National Children's fund (not debited to the above P & L A/C) which is eligible for deduction u/s 80 G.
- Out of other expenses Rs.26,000 are not deductible by virtue of section 43B.

Find the tax liability of AOP and members after considering following further Information:

The profit-sharing ratio of X, Y & Z is 2:3:5. Their other incomes and savings are as follows:

	X	Y	Z
Interest on Securities	3,90,000	3,36,000	4,30,000
Medical Insurance Premium paid	6,000	2,000	3,000
Deposit in P.P.F. A/C	1,44,000	1,16,000	1,28,000

15. From the particulars submitted below, Find out the Total income, Book Profit and Tax Liability of Shine Co Ltd. (Turnover of the Co, is less than 400 cr)

Statement of Profit and Loss for the year ending 31-03-2024

Particulars	Note No	Amount
I. Revenue from Operations	.	11,52,500
II. Other income:		
Transfer fees		300
Income from agricultural lands		<u>1,000</u>
III. Total Revenue (I + II)		<u>11,53,800</u>
IV. Expenses:		
Cost of materials consumed		4,75,200
Changes in inventory		52,400
Employee Benefit expenses:		
Salaries and wages		45,500
Finance Cost:		
Interest on Loan		8,500
Depreciation and amortization expenses		69,000
Other Expenses:		
Manufacturing expenses		2,59,000
General Expenses		8,500
Commission and brokerage		36,400
Bad Debt		1,200
Reserve for bad debts		19,500
Provision for dividends		<u>30,000</u>
Total Expenses		<u>10,05,200</u>
V. Profit before Tax (III- IV)		1,48,600
VI. Tax		<u>35,800</u>
VII. Profit for the period (V- VI)		<u>1,12,800</u>

Additional information:

ST ALOYSIUS COLLEGE LIBRARY

MANGALURU - 575 003

1. General expenses include:
 - a. ₹ 1,000 as donation to a temple (approved)
 - b. ₹ 2,600 commission to broker for arranging a loan for the company
 - c. ₹ 2,000 paid to a director for a business trip to Hyderabad
2. The actual bad debts amounted to ₹ 1,000, as per IT rules.
3. Actual Depreciation ₹ 72,000 as per I.T. rules.
4. B/F unabsorbed depreciation as per I.T. act ₹ 5,000 and as per books of a/c ₹ 7,000.
5. B/F business loss as per I.T. act ₹ 10,000 and as per books of a/c ₹ 8,000.

Contd...4

16. A, B and C are equal partners in a firm with A being a non-working partner. The Profit and Loss Account for the year ending 31-03-2024 is as under:

Particulars	Amount (₹)	Particulars	Amount (₹)
Rent	20,000	Gross profit	4,05,000
Office expenses	25,000	Discount	10,000
Salaries	1,00,000	Bad debts recovered (allowed earlier)	2,000
Advertisement	15,000	Bank interest	3,000
GST paid	30,000		
Charity & Donations	5,000		
Bad debts reserve	10,000		
Bad debts	15,000		
Sundry expenses	20,000		
Depreciation	25,000		
Interest on capital			
A	50,000		
B	25,000		
C	25,000		
Commission:			
A	15,000		
B	10,000		
C	5,000		
Net profit	25,000		
	4,20,000		4,20,000

Additional Information:

- Salaries include partner's salaries: B ₹15,000, C ₹10,000.
- Bad debts admissible by the I.T department ₹12,500.
- Furniture purchased by A for personal use ₹10,000 has been debited to sundry expenses.
- Donation includes donation to political party ₹ 3,500, to a school ₹1,000 and subscription to trade association ₹ 500.
- Capital accounts of the partners at the beginning of the year 2023-24 were as follows:
 - A- ₹ 2,00,000
 - B- ₹ 1,00,000
 - C- ₹ 1,00,000
- Office Expenses include bonus to partners: A- ₹1,000, B- ₹ 2,500, C- ₹1,500.

Compute Total Income of tax liability of the firm. (Firm fulfills the conditions u/s 184).

(2021 Batch)

G 320 VO1.6

Reg. No. :

--	--	--	--	--	--	--	--

**St Aloysius College (Autonomous)
Mangaluru**

**B.Com. (International Finance) Semester VI – Degree Examination
MAY – 2024**

MODERN BANKING OPERATIONS

Time: 2¹/₂ Hours

Max Marks: 60

SECTION – A

Answer any **FIVE** of the following.

(5x2=10)

1. Match the following:

a) Savings Bank Account	Involves a fixed term and interest rate, offering higher returns for locking in funds.
b) Current Account	Requires regular monthly deposits and is a systematic way to save over a specific period.
c) Fixed Deposit	Ideal for individuals looking to accumulate funds over time with interest.
d) Recurring Deposit	Suited for businesses and allows frequent transactions with no interest on balance.

2. What is the ownership structure of Regional Rural Banks?

3. Expand the following:

- a) MICR
- b) SWIFT

4. a) What is white label ATM?

b) Which company launched the first white label ATM in India?

5. List out any two risks involved in international banking.

6. What is the transaction limit for RTGS and NEFT?

7. What is the capital requirement for the foreign banks?

ST ALOYSIUS COLLEGE LIBRARY

MANGALURU - 575 003

SECTION - B

Answer any **FOUR** of the following.

(4x5=20)

8. What are the provisions of Banking Regulation Act regarding the following:

- a) Mergers and Acquisitions
- b) Management and Control

9. Define Endorsement. Briefly explain any four kinds of endorsement.

10. Write a note on E – Banking.

11. Mention any five features of banks.

12. Write a short note on RBI.

13. List out the differences between international and domestic banking.

SECTION – C

Answer any **TWO** of the following.

(2x15=30)

14. Explain the functions of banking.

15. What is Electronic Clearing Service (ECS)? Outline the features of NEFT, RTGS and SWIFT.

16. Define a Cheque and how are cheques classified based on their characteristics.

(2021 Batch Onwards)

G 340 DC1.6

Reg. No. :

--	--	--	--	--	--	--	--

St Aloysius College (Autonomous)**Mangaluru****Semester VI – Degree Examination****May - 2024****B.Com. (Accounting and Tax)****ADVANCED ACCOUNTING - II**

Time: 2½ hours

Max Marks: 60

SECTION – A**Answer any FIVE of the following.****(5x2=10)**

1. What would Lenders look for while analyzing the financial statements of borrowers?
2. Name any two basic characteristics of financial statements?
3. Who are internal users of financial statements?
4. Which are considered as Financial Statements under The Companies Act?
5. What is materiality?
6. What are separate financial statements?
7. Whose responsibility is it to prepare the Financial Statements of a company?

ST ALOYSIUS COLLEGE LIBRARY**MANGALURU - 575 803****SECTION - B****Answer any FOUR of the following.****(4X5=20)**

8. A Ltd has an investment in a subsidiary X Ltd. and another in a Joint venture with B Ltd. While the subsidiary is measured at cost and the joint venture is measured as per Ind AS 109. At the year end, both are held for sale. How should they be measured/presented in Financial statements?
9. Mention any five qualitative characteristics of Financial Statements.
10. Explain 'significant influence' in the context of Ind AS 28.
11. Explain the term True and Fair view in the context of Financial Statements.
12. K Ltd. holds 12% of the voting shares of B Ltd. The Board of B Ltd. consists of 8 members and of these, two are appointed by K Ltd. If each board member has 1 vote in a meeting. Can B Ltd. be considered as an associate of K Ltd.?
13. Explain the terms "Going Concern" and "Consistency" in relation to Financial Statements.

SECTION – C**Answer any TWO of the following.****(2X15=30)**

14. What are the prescribed norms under Ind AS 27. Separate Financial statements, when:
 - a) When an investment entity ceases to become an investment entity? And
 - b) When an entity becomes an investment entity?
15. Explain the various methods of Financial Statement Analysis.
16. Explain the EQUITY METHOD as given in Ind AS 28. Also mention the situation when it is applied along with the Exemptions from applying the equity method.

(2021 Batch Onwards)

G 340 DC2.6

Reg. No. :

--	--	--	--	--	--	--	--

St Aloysius College (Autonomous)**Mangaluru****Semester VI – Degree Examination****May - 2024****B.Com. (Accounting and Tax)****FINANCIAL MANAGEMENT - II**

Time: 2½ hours

Max Marks: 60

SECTION – A**Answer any FIVE of the following.****(5x2=10)**

1. A firm maintains a separate account for cash disbursement. Total disbursement are ₹ 1,05,000 per month or ₹ 12,60,000 per year. Administrative and transaction cost of transferring cash to disbursement account is ₹ 20 per transfer. Marketable securities yield is 8% per annum. DETERMINE the optimum cash balance according to William J. Baumol model.
2. What is forfaiting?
3. Mention any two methods of Tandon committee with regard to MPBF
4. The earnings per share of a company is Rs.30 and dividend payout ratio is 60%. Multiplier is 2. DETERMINE the price per share as per Graham & Dodd model.
5. What is Stock Split?
6. A Company's requirements for ten days are 6,300 units. The ordering cost per order is Rs. 10 and the carrying cost per unit is ₹ 0.26. You are required to CALCULATE the economic order quantity.
7. What is Factoring?

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

SECTION - B**Answer any FOUR of the following.****(4X5=20)**

8. Slow Payers are regular customers of Goods Dealers Ltd. and have approached the sellers for extension of credit facility for enabling them to purchase goods. On an analysis of past performance and on the basis of information supplied, the following pattern of payment schedule emerges in regard to Slow Payers:

Pattern of Payment Schedule	
At the end of 30 days	15% of the bill
At the end of 60 days	34% of the bill.
At the end of 90 days	30% of the bill.
At the end of 100 days	20% of the bill.
Non-recovery	1% of the bill.

Contd...2

Slow Payers want to enter into a firm commitment for purchase of goods of 15 lakhs in 2020, deliveries to be made in equal quantities on the first day of each quarter in the calendar year. The price per unit of commodity is ₹ 150 on which a profit of ₹ 5 per unit is expected to be made. It is anticipated by Goods Dealers Ltd., that taking up of this contract would mean an extra recurring expenditure of ₹ 5,000 per annum. If the opportunity cost of funds in the hands of Goods Dealers is 24% per annum, would you as the finance manager of the seller recommend the grant of credit to Slow Payers? ANALYSE. Workings should form part of your answer. Assume year of 365 days.

9. In May, 2020 shares of RT Ltd. was sold for Rs.1,460 per share. A long-term earnings growth rate of 7.5% is anticipated. RT Ltd. is expected to pay dividend of Rs.20 per share.
- CALCULATE rate of return an investor can expect to earn assuming that dividends are expected to grow along with earnings at 7.5% per year in perpetuity?
 - It is expected that RT Ltd. will earn about 10% on retained earnings and shall retain 60% of earnings. In this case, STATE whether, there would be any change in growth rate and cost of Equity?
10. The Dolce Company purchases raw materials on terms of 2/10, net 30. A review of the company's records by the owner, Mr. Gautam, revealed that payments are usually made 15 days after purchases are made. When asked why the firm did not take advantage of its discounts, the accountant, Mr. Rohit, replied that it cost only 2 per cent for these funds, whereas a bank loan would cost the company 12 per cent.
- ANALYSE what mistake is Rohit making?
- If the firm could not borrow from the bank and was forced to resort to the use of trade credit funds, what suggestion might be made to Rohit that would reduce the annual interest cost? IDENTIFY.
11. A firm had paid dividend at Rs.2 per share last year. The estimated growth of the dividends from the company is estimated to be 5% p.a. DETERMINE the estimated market price of the equity share if the estimated growth rate of dividends (i) rises to 8%, and (ii) falls to 3%. Also FIND OUT the present market price of the share, given that the required rate of return of the equity investors is 15%.
12. A Factoring firm has credit sales of ₹ 360 lakhs and its average collection period is 30 days. The financial controller estimates, bad debt losses are around 2% of credit sales. The firm spends ₹ 1,40,000 annually on debtor's administration. This cost comprises of telephonic and fax bills along with salaries of staff members. These are the avoidable costs. A Factoring firm has offered to buy the firm's receivables.

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

The factor will charge 1% commission and will pay an advance against receivables on an interest @15% p.a. after withholding 10% as reserve. ANALYSE what should the firm do?

Assume 360 days in a year.

13. RST Ltd. has a capital of Rs.10,00,000 in equity shares of Rs.100 each. The shares are currently quoted at par. The company proposes to declare a dividend of Rs.10 per share at the end of the current financial year. The capitalization rate for the risk class of which the company belongs is 12%. COMPUTE market price of the share at the end of the year, if
- Dividend is not declared?
 - Dividend is declared?
 - Assuming that the company pays the dividend and has net profits of Rs.5,00,000 and makes new investments of Rs.10,00,000 during the period, how many new shares must be issued? Use the MM model.

SECTION - C

Answer any TWO of the following.

(2X15=30)

14. PQ Ltd., a company newly commencing business in 2020 has the following projected

ST ALOYSIUS COLLEGE LIBRARY

MANGALURU - 575 003

Profit and Loss Account:

	(₹)	(₹)
Sales	2,10,000	
Cost of goods sold	1,53,000	
Gross Profit		57,000
Administrative Expenses	14,000	
Selling Expenses	13,000	
		27,000
Profit before tax	30,000	
Provision for taxation	10,000	
Profit after tax		20,000
The cost of goods sold has been arrived at as under:		
Materials used	84,000	
Wages and manufacturing Expenses	62,500	
Depreciation	23,500	
	1,70,000	
Less: Stock of Finished goods (10% of goods produced not yet sold)	17,000	
	1,53,000	

The figure given above relate only to finished goods and not to work-in-progress. Goods equal to 15% of the year's production (in terms of physical units) will be in process on the average requiring full materials but only 40% of the other expenses. The company believes in keeping materials equal to two months consumption in stock.

All expenses will be paid one month in advance. Suppliers of materials will extend 1 -1/2 months credit. Sales will be 20% for cash and the rest at two months credit. 70% of the Income tax will be paid in advance in quarterly installments. The company wishes to keep ₹ 8,000 in cash. 10% has to be added to the estimated figure for unforeseen contingencies.

PREPARE an estimate of working capital.

15. The following information relates to Zeta Limited, a publishing company:

The selling price of a book is ₹ 15, and sales are made on credit through a book club and invoiced on the last day of the month.

Variable costs of production per book are materials (₹ 5), labour (₹ 4), and overhead (₹ 2)

The sales manager has forecasted the following volumes:

Month	No. of Books
November	1,000
December	1,000
January	1,000
February	1,250
March	1,500
April	2,000
May	1,900
June	2,200
July	2,200
August	2,300

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

Customers are expected to pay as follows:

One month after the sale	40%
Two months after the sale	60%

The company produces the books two months before they are sold and the creditors for materials are paid two months after production.

Variable overheads are paid in the month following production and are expected to increase by 25% in April; 75% of wages are paid in the month of production and 25% in the following month. A wage increase of 12.5% will take place on 1st March.

The company is going through a restructuring and will sell one of its freehold properties in May for ₹ 25,000, but it is also planning to buy a new printing press in May for ₹ 10,000. Depreciation is currently ₹ 1,000 per month, and will rise to ₹ 1,500 after the purchase of the new machine.

The company's corporation tax (of ₹ 10,000) is due for payment in March. The company presently has a cash balance at bank on 31 December 2019, of 1,500.

You are required to PREPARE a cash budget for the six months from January to June, 2020.

16. a) The following figures are collected from the annual report of XYZ Ltd.:

Net Profit Rs.30 lakhs

Outstanding 12% preference shares Rs.100 lakhs

No. of equity shares 3 lakhs

Return on Investment 20%

Cost of capital i.e. (Ke) 16%

CALCULATE price per share using Gordon 's Model when dividend pay-out is

(i) 25%; (ii) 50% and (iii) 100%. **ST ALOYSIUS COLLEGE LIBRARY**

MANGALURU - 575 003

(7 marks)

b) Mosaic Limited has current sales of Rs.15 lakhs per year. Cost of sales is 75 per cent of sales and bad debts are one percent of sales. Cost of sales comprises 80 percent variable costs and 20 per cent fixed costs, while the company's required rate of return is 12 per cent. Mosaic Limited currently allows customers 30 days credit, but is considering increasing this to 60 days credit in order to increase sales. It has been estimated that this change in policy will increase sales by 15 per cent, while bad debts will increase from one percent to four percent. It is not expected that the policy change will result in an increase in fixed costs and creditors and stock will be unchanged. Should Mosaic Limited introduce the proposed policy? ANALYSE

(Assume 360 days year)

(8 marks)

(2021 Batch Onwards)

G 340 DC3.6

Reg. No. :

--	--	--	--	--	--	--

St Aloysius College (Autonomous)**Mangaluru****Semester VI – Degree Examination****May - 2024****B.Com. (Accounting and Tax)****AUDITING AND ASSURANCE - II**

Time: 2½ hours

Max Marks: 60

SECTION – A**Answer any FIVE of the following.****(5x2=10)**

1. State with reasons whether the following statement is correct or incorrect:
NGOs registered under the Companies Act, 2013 are not allowed to maintain accounts on cash basis.
2. List out any two disadvantages of Joint Audit.
3. Explain familiarity threat with an example.
4. What is hypothecation?
5. State any two advantages of audit of a partnership firm.
6. State any two functions of Reserve Bank of India.
7. In case of a charitable institution, what should the auditor pay attention to when verifying (answer any of the following)
 - Rent
 - Income tax refund

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

SECTION - B**Answer any FOUR of the following.****(4X5=20)**

8. 'The auditor shall assemble the audit documentation in an audit file and complete the administrative process of assembling the final audit file on a timely basis.' Briefly elaborate the statement concerning assembly of audit file.
9. a) With reference to SA 210 'Agreeing the Terms of Audit Engagements', explain the steps an auditor shall take in order to establish whether preconditions for an audit are present.
b) Explain the steps to be taken by an auditor if there is a limitation imposed prior to audit engagement acceptance.
10. The auditor of a company is having concerns about following of going concern basis of accounting followed by management for preparation of financial statements. It asks the management to justify preparation of financial statements. However, management is not willing to make its assessment and share with the auditor.
What are the implications for auditor's report in such a scenario?

Contd...2

11. As an auditor, what would be your areas of consideration while auditing the element of Room Sales and casual labour during the audit of a 5-Star Hotel?
12. What is a Non-Performing Asset (NPA) and explain the various categories of NPAs and the provision required for each category of NPAs.
13. If events or conditions have been identified that may cast significant doubt on the entity's ability to continue as a going concern, the auditor shall obtain sufficient appropriate audit evidence to determine whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern through performing additional audit procedures, including consideration of mitigating factors. Explain the audit procedures in this regard.

SECTION – C

Answer any TWO of the following.

(2X15=30)

14. Discuss the reporting requirements of Companies (Auditor's Report) Order (CARO, 2020) with respect to the following (answer any two):
 - a) Clause ix – Repayment of loans
 - b) Clause i – Property, Plant and Equipment
 - c) Clause vii – statutory dues & Clause xi – Fraud Reporting
15.
 - a) Explain the types of modified opinion
 - b) Define 'Key Audit Matters' and explain the purpose of communicating Key Audit Matters
16. Explain the consequences of inability to obtain sufficient appropriate audit evidence due to a management imposed limitation, after the auditor has accepted the engagement.

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

(2021 Batch Onwards)

G 340 DE1.6

Reg. No. :

--	--	--	--	--	--	--	--

St Aloysius College (Autonomous)

Mangaluru

Semester VI – Degree Examination

May - 2024

B.Com. (Accounting and Tax)

ADVANCED COSTING TECHNIQUES II

Time: 2½ hours

Max Marks: 60

SECTION – AAnswer any **FIVE** of the following.

(5x2=10)

1. What are By Product?
2. PQ Ltd reports the following cost structure at two capacity levels:

Particulars	2,000 units (100% Capa	1,500 units
Production overhead I	Rs.3 per unit	Rs.4 per unit
Production overhead II	Rs.2 per unit	Rs.2 per unit

3. What are the objectives of Costing?
4. A company sells two products, J and K. The sales mix is 4 units of J and 3 units of K. The contribution margins per unit are ₹40 for J and ₹20 for K. Fixed costs are ₹6,16,000 per month. Compute the break-even point.
5. State any 2 causes for Employee turnover.
6. What is angle of incidence? **ST ALOYSIUS COLLEGE LIBRARY**
7. What are Joint Cost? **MANGALURU - 575 003**

SECTION - BAnswer any **FOUR** of the following.

(4x5=20)

8. A machine shop cost center contains three machines of equal capacities. Three operators are employed on the machine payable at ₹20 per hour. The factory works for forty eight hours in a week which includes 4 hours set up time. The work is jointly done by operators. The operators are paid fully for the forty eight hours. In addition they are paid a bonus of 10 percent of productive time. Costs are reported for this company on the basis of thirteen four weekly periods. The company for the purpose of computing machine hour rate includes the direct wage of the operator and also recoups the factory overheads allocated to the machines. The following details of factory overheads applicable to the cost centre are available: Depreciation 10% per annum on original cost of the machine. Original cost of each machine is ₹52,000
Maintenance and repairs per week per machine is ₹60
Consumable stores per week per machine are ₹75
Power: 20 units per hour per machine at the rate of 80 paise per unit.
Apportionment to the cost centre: Rent per annum ₹5,400, Heat and light per annum 9,720 and foreman's salary per annum 12,960
(a) Calculate the cost of running one machine for a four week period.
(b) Calculate machine hour rate.

Contd...2

9. Find out the costs of the joint products A and B using contribution margin method from the following data:

Sales -

A: 100 kg @ ₹ 60 per kg.

B: 120 kg @ ₹ 30 per kg.

Joint costs -

Marginal cost ₹ 4,400

Fixed cost ₹ 3,900

10. M/s Gaurav Private Limited is manufacturing and selling two products 'BLACK' and 'WHITE' at selling price ₹20 and ₹30 respectively. The following sales strategy has been outlined for the financial year 2019-20:

- Sales planned for the year will be ₹81,00,000 in the case of BLACK and ₹54,00,000 in the case of WHITE
- The selling price of BLACK will be reduced by 10% and of WHITE by 20%
- Break even planned at 70% of the total sales of each product
- Profit for the year is maintained at 8,26,000 in the case of BLACK and 745200 in the case of WHITE. This would be possible by reducing the present annual fixed cost of ₹42,00,000 allocated as ₹22,00,000 to BLACK and ₹20,00,000 to WHITE *

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

Required

(a) Number of units of BLACK and WHITE to break even during the financial year 2019-20

(b) Amount of reduction in fixed cost product wise to achieve desired profit mentioned at (*) above.

11. The management of a company is worried about their increasing labour turnover in factory and before analysing the causes and taking remedial steps; they want to have an idea of the profit foregone as a result of labour turnover in the last year.

Last year sales amounted to ₹ 83,03,300 and the profit-volume ratio was 20%. Total number of actual hours worked by the Direct Labour Force was 4.45 lakhs. As a result of the delays by the personnel department in filling vacancies due to labour turnover, 1,00,000 potentially productive hours were lost. The actual direct labour hours includes 30,000 hours attributable to training new recruits, out of which half of the hours were unproductive.

The costs incurred consequent on labour turnover revealed on analysis the following:

Costs	Amount (₹)
Settlement costs due to leaving	43,820
Recruitment costs	26,740
Selection costs	12,750
Training costs	30,490

Assuming that the potential production lost as a consequence of labour turnover could have been sold at prevailing prices, find the profit foregone last year on account of labour turnover.

12. E - Books is an online book retailer. The company has four departments. The two sales departments are Corporate Sales and Consumer sales. The two support- departments are Administrative (Human resource accounting) and Information systems each of the sales departments conduct merchandising and marketing operations independently.

The following data are available for October 2016:

Departments	Revenues	No. of employees	Processing time used (mins)
Corporate Sales	16,67,750	42	2,400
Consumer Sales	8,33,875	28	2,000
Administrative	---	14	400
Information system	---	21	1,400

Costs incurred in each of the four departments for October 2016 are as follows:

ST. ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

Departments	Costs
Corporate Sales	12,97,751
Consumer sales	6,36,818
Administrative	94,510
Information system	3,04,720

The company uses number of employees as a basis to allocate administrative costs and processing time as a basis to allocate information systems costs.

Required:

- Allocate the support department costs to the sales departments using the direct method.
- Rank the support departments based on percentage of their services rendered to other support departments. Use this ranking to allocate support costs based on the step-down allocation method.
- How could you have ranked the support departments differently?
- Allocate the support department costs to two sales departments using the reciprocal allocation method.

13. From the following information provided below concerning a worker, you are required to calculate the remuneration of the worker on the following basis:
- Rowan plan
 - Halsey plan
 - Calculate effective hourly earnings under both plans.

Name of worker	X
Ticket no	002
Work started	1.4.11 at 8 a.m.
Work finished	5.4.11 at 12 noon
Work allotted	Production of 2160 units
Time and units allowed	40 units per hour
Work done and approved	2000 units
Wage rate	₹ 25 per hour
Bonus	40% of time saved
Worker X worked 9 hours a day	

SECTION – C

Answer any **TWO** of the following.

(2X15=30)

14. a) Exe Ltd. furnishes the following information of its cost and profit for the year 2015 and 2016.

Year	Cost	Sales
2015	12,00,000	14,00,000
2016	15,00,000	18,00,000

ST ALOYSIUS COLLEGE LIBRARY

MANGALURU - 675 003

02.03.2017

Compute the following:

- Profit- volume ratio
 - Fixed cost
 - Variable cost for 2015 and 2016
 - Margin of safety for 2015 and 2016
 - Most likely profit when the sales are 20,00,000
 - Break-even sales
 - Estimated sales when the desired profit is Rs.5,00,000.
- b)** A company produces a single product which sells for Rs.20 per unit. Variable cost is Rs.15 per unit and fixed overhead for the year is Rs.6,30,000. Required:
- Calculate sales value needed to earn a profit of 10% on sales.
 - Calculate sales price per unit to bring BEP down to 1,20,000 units.
 - Calculate margin of safety sales if profit is Rs.60,000.

Contd...5

15. The finishing shop of a company employs 60 direct workers. Each worker is paid ₹ 400 as wages per week of 40 hours. When necessary overtime is worked up to a maximum of 15 hours per week per worker at time rate plus one-half as premium. The current output on an average is 6 units per man hour which may be regarded as standard output. If the bonus scheme is introduced, it is expected that the output will increase to 8 units per man hour. The workers will, if necessary, continue to work overtime up to the specified limit although no premium on incentive will be paid.

The company is considering introduction of either Halsey scheme or Rowan scheme of wage incentive system. The budgeted weekly output is 19,200 units. The selling price is ₹ 11 per unit and the direct material cost is ₹ 8 per unit. The variable overheads amount to ₹ 0.50 per direct labour hour and the fixed overhead is ₹ 9,000 per week.

Prepare a statement to show the effect on the Company's weekly profit of the proposal to introduce

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

- (a) Halsey Scheme
- (b) Rowan Scheme

16. Briefly explain classification of overheads on the basis of functions, nature, elements and control.

(2021 Batch Onwards)

G 340 DE2.6

Reg. No. :

--	--	--	--	--	--	--	--

St Aloysius College (Autonomous)
Mangaluru

Semester VI – Degree Examination

May - 2024

B.Com. (Accounting and Tax)

STRATEGIC MANAGEMENT - II

Time: 2½ hours

Max Marks: 60

SECTION – AAnswer any **FIVE** of the following.

(5x2=10)

1. Which leadership style may be appropriate in turbulent environment?
2. What are the two types of Environmental and Organisational Analysis?
3. List the four essential elements of Change management in the digital transition
4. What you mean by SBU?
5. What you mean by concentric diversification and list the types.
6. What is strategic exit? List the strategies followed for strategic exit.
7. List the categorization of products or SBU's under ADL Matrix.

ST ALOYSIUS COLLEGE LIBRARY

MANGALURU - 575 003

SECTION - BAnswer any **FOUR** of the following.

(4x5=20)

8. Write a short note on Divestment strategy and its features.
9. Explain the action plan for Turnaround Strategy.
10. What you mean by Strategic Alliance and Explain its advantages?
11. Explain the Kurt Lewin's Model of Change.
12. Write a short note on Corporate strategy.
13. Explain the change management during Digital Transformation.

SECTION – CAnswer any **TWO** of the following.

(2x15=30)

14. Explain the five best practices for managing change in small and medium-sized businesses.
15. Explain various Organisational structures.
16. Write a short note on Ansoff's Product Market Growth Matrix.

(2021 Batch Onwards)

G 340 VO1.6

Reg. No. :

--	--	--	--	--	--	--

St Aloysius College (Autonomous)**Mangaluru****Semester VI – Degree Examination**

May - 2024

B.Com. (Accounting and Tax)**CORPORATE STRATEGIES**

Time: 2½ hours

Max Marks: 60

SECTION – A**Answer any FIVE of the following.****(5×2=10)**

1. What is a mutual fund?
2. What is NSE?
3. What is a cash secured put?
4. What is repo rate?
5. What is deflation?
6. Write a short note on technical analysis.
7. Name any two companies listed in NSE in fmcg sector.

STALOYSIUS COLLEGE LIBRARY

MANGALURU - 575 003

SECTION - B**Answer any FOUR of the following.****(4X5=20)**

8. Briefly explain the functional classification of mutual funds.
9. Briefly explain different types of traders in the market.
10. Draw a payoff graph for an option buyer if he undertakes the following trade.
Underlying asset: Tata motors
Long 1000 qty of 950 call at 30
Short 2000qty of 1000 call at 16
Long 1000 qty of 1050 call at 7
11. What are the different asset classes where one can invest?
12. What are the advantages of a mutual fund?
13. Why should we invest?

SECTION – C**Answer any TWO of the following.****(2X15=30)**

14. State the difference between forward contract and future contracts.
15. a. Briefly explain efficient frontier. **(12 marks)**
b. What is NAV in mutual funds? How is it calculated? **(3 marks)**
16. Briefly explain the different types of risk.
