

(2016 Batch Onwards)

G 301.5

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**St Aloysius College (Autonomous)
Mangaluru**

**B.Com. Semester V- Degree Examination
October- 2018
CORPORATE ACCOUNTING - I**

Time: 3 hrs.

Max Marks: 100

SECTION - A

Answer any **FIVE** of the following.

(5x2=10)

1. What do you mean by forfeiture of shares?
2. Write any two differences between calls in arrears and calls in advance.
3. What is partial underwriting?
4. What is share-based payment transaction as per IFRS 2?
5. Write any two guidelines of SEBI regarding underwriting.
6. State any two differences between shares and debentures.
7. What is intrinsic value of shares?

SECTION - B

Answer any **FOUR** of the following.

(4x12=48)

8. From the following ledger balances of Lambe Ltd. prepare Profit and Loss A/c for the year ended 31/3/2018.

	₹
Stock	38,000
Interim dividend paid	5,000
Machinery	44,000
Patents	8,000
Patterns	10,300
Purchases	1,27,310
Preliminary expenses	1,600
Manufacturing wages	59,000
Repairs	5,000
Coal, gas and water	2,400
Rates & taxes	3,500
Salaries	2,250
Discount allowed	4,040
Travelling expenses	2,150
Directors fees	840
Bad debts	500
Interest on debentures	800
4% Debentures	40,000
Profit and Loss A/c (1/4/2017)	4,280
Sales	2,47,000
Discount received	2,360
Provision for bad debts	2,500
Royalty received	700
Sundry debtors	55,400

Contd...2

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Additional Information:

- a) Provide depreciation on machinery, patterns and patents at 10%.
 - b) Write off ₹400 from preliminary expenses.
 - c) Transfer ₹2,000 to sinking fund.
 - d) Provide for half year's interest on debentures.
 - e) Create reserve for bad debts at 5% on debtors.
 - f) Stock on 31/3/2018 is ₹16,150.
9. Define "Environmental Accounting". State its objectives. What is the process involved in Environmental Accounting?
10. On 1-4-2017 the following balances appeared in the books of Soma Ltd.
 16% Debentures ₹1,00,000.
 Debenture Redemption Fund ₹80,000.
 Debenture Redemption Fund Investment ₹80,000.
 The investment consisted of 14% SBI Bonds.
 The annual instalment was ₹16,400.
 On 31-03-2018 the balance at Bank was ₹22,600 (before receiving interest on investment).
 The investment realized 92% net and the debentures were redeemed.
 Show the necessary ledger accounts.
11. The Balance Sheet of Soft Ltd. as on 31/3/2018 is as follows:

Liabilities	₹
15000 Equity shares of ₹10 each	1,50,000
General Reserve	90,000
Provision for taxation	10,000
8% Debentures	50,000
Creditors	25,000
	3,25,000
Assets	₹
Goodwill	10,000
Fixed Assets	1,80,000
Investments: 5% Govt. Bonds	20,000
Current assets	1,00,000
Preliminary expenses	10,000
Discount on debentures	5,000
	3,25,000

Contd...3

The average profit of the company after deducting interest on debentures and taxes ₹21,000. The market value of the machinery included in fixed assets is ₹5,000 more. Expected rate of return is 10%.

Compute the value of goodwill of the company at five times of super profit.

12. X Co. Ltd., which came into existence with an authorized capital of 50000 equity shares at ₹10 each, issued for public subscription 40000 equity shares. The whole issue was underwritten by three underwriters, A B and C as follows:

A 20000 shares (firm underwriting 2000 shares)

B 12000 shares (firm underwriting 1000 shares)

C 8000 shares (firm underwriting 3000 shares)

Out of the total issue, 30400 shares including firm underwriting were subscribed. These included the following marked forms:

A 6000, B 9000 and C 3400. Calculate the liability of each underwriter.

13. The following are the balance sheets of X Ltd. & Y Ltd. as on 31/3/2018.

Liabilities	X Ltd. ₹	Y Ltd. ₹
Share capital (shares of ₹10)	6,00,000	3,00,000
General Reserve	1,40,000	45,000
6% Debentures	2,00,000	1,00,000
Creditors	2,50,000	1,50,000
	11,90,000	5,95,000
Assets	X Ltd. ₹	Y Ltd. ₹
Fixed assets	7,70,000	2,35,000
Current assets	4,00,000	2,30,000
1000 shares in X Ltd.	-	1,20,000
Preliminary expenses	20,000	10,000
	11,90,000	5,95,000

Fixed assets of X Ltd. are worth ₹8,30,000 and ₹2,50,000 respectively. Goodwill of X Ltd. is valued at ₹1,20,000 and that of Y Ltd. at ₹40,000.

Compute the intrinsic value of shares of both the companies.

Contd...4

SECTION - C

Answer any TWO of the following.

(2x16=32)

14. The following balances appeared in the books of Robo Co. Ltd. on March 31, 2018.

	Debit ₹	Credit ₹
Stock (1/4/2017)	51,000	
Purchases and Sales	8,10,000	11,10,000
Manufacturing expenses	1,80,000	
Salaries and wages	26,400	
General charges	11,000	
Directors fees	400	
Dividend for (2016-17)	18,000	
Buildings	1,01,000	
Plant and machinery	70,400	
Furniture	10,200	
Motor vehicles	40,800	
Store and spare parts	30,000	
Bills Receivables	45,000	
Book debts	1,14,000	
Investments	8,000	
Cash at bank	1,06,600	
Share capital		1,44,000
Trade creditors		2,48,000
Profit and Loss A/c		30,000
Interest		2,600
Pension Fund		46,000
Provision for taxation		17,000
Dividend Equalization Fund		20,000
Unclaimed dividend		2,000
Deposits		3,200
	16,22,800	16,22,800

From the above balances and following information, prepare the profit and loss statement and balance sheet as on March 31, 2018.

Additional information:

- Stock on 31/3/2018 ₹73,200.
- Outstanding expenses: Manufacturing expenses ₹45,000 and wages ₹3,000.
- Interest accrued on securities ₹200.

Contd...5

- d) General charges prepaid ₹1,660.
- e) Provide depreciation on building at 2%, plant and machinery at 10%, furniture at 10% and motor vehicles at 20%.
- f) The directors proposed a dividend at 20%.
- g) Provide taxation at 30% of net profit.
15. On 1/4/2014 SNB Ltd. issued 10000, 8% Debentures of ₹100 each at par repayable at the end of 4 years at a premium of 5%. It was decided to institute a Sinking Fund for the purpose, the investments being expected to earn 4% net. The tables show that ₹0.235490 invested annually amounts to ₹1 at 4% in four years. Investments were made in multiples of ₹100 only.
- On 31/3/2018 the balance at bank was ₹3,70,000 (before interest on investments) and the investments realized ₹7,84,000. The debentures were paid off.
- Prepare: a) 8% Debentures A/c
b) Sinking Fund A/c
c) Sinking Fund Investments A/c
d) Bank A/c
e) Debenture holders A/c
16. Following is the balance sheet of HKLB Ltd. as on 31/3/2018.

Liabilities	₹
Share Capital 10,000 shares of ₹10 each	1,00,000
Reserve	30,000
Workmen Compensation Fund	40,000
Profit & Loss A/c	35,000
Creditors	45,000
	2,50,000
Assets	₹
Building	70,000
Plant	65,750
Debtors	47,500
Stock	31,750
Cash	29,250
Preliminary expenses	5,750
	2,50,000

Plant and building are valued at ₹60,000 and ₹1,00,000 respectively. Out of the debtors ₹2,500 are taken as bad. The profit of the company for three years are: 2015-16- ₹34,625, 2016-17 - ₹24,875 and 2017-18- ₹33,000.

Contd...6

Company transfers 20% of the profits to reserve every year. Normal rate of return in similar companies yield 12% and a sales tax liability of ₹1,000 is likely to arise.

Find out the fair value of shares of the company.

SECTION - D

Answer the following: Compulsory

(10)

17. X Ltd. issued 20,000 shares of ₹10 each at a premium of ₹2 per share payable as follows:

On application	₹2 per share
On allotment	₹5 per share (including premium)
On first call	₹2 per share
On final call	₹3 per share

Application were received for 30000 shares. Allotment was made pro-rata to the applicants of 25,000 shares and remaining applications were rejected and the application money was returned. The company made all the calls. All the money due was dully received except the final call money on 1000 shares. These shares were forfeited and later reissued as fully paid at ₹8 per share.

Pass journal entries and also show how share capital appears in the balance sheet.

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St Aloysius College (Autonomous)

Mangaluru

B.Com. Semester V – Degree Examination

October - 2018

INTERNATIONAL BUSINESS

Time: 3 hrs.

Max Marks: 100

SECTION – A

Answer any FIVE questions of the following:

(5x2=10)

1. Distinguish between Internal and International Trade.
2. What is Euro Dollar Market?
3. Give the meaning of exchange control?
4. Define Balance of Payments.
5. What is foreign capital?
6. Give the meaning of MNCs.
7. What is regional economic cooperation?

SECTION - B

Answer any FOUR questions of the following:

(4x12=48)

8. Explain the salient features of International Trade.
9. Give an account of procedures and formalities of export trade.
10. Briefly explain the types and effects of quotas.
11. Briefly examine methods of correcting disequilibrium in Balance of Payments.
12. Examine latest reforms related to foreign capital in India.
13. Explain the effects of Tariffs.

SECTION – C

Answer any TWO questions of the following:

(2x16=32)

14. Explain classical Theory of International Trade, with criticisms.
15. Examine advantages and disadvantages of Protection Trade Policy.
16. Bring out the importance and problems of international liquidity in India.

SECTION – D

Answer the following: Compulsory

(10)

17. What are the objectives of economic integration? Explain the different forms of economic integration.

(2016 Batch onwards)

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St Aloysius College (Autonomous)
Mangaluru
B.Com. Semester V – Degree Examination
October - 2018

PRINCIPLES AND PRACTICE OF AUDITING

Time: 3 Hours

Max. Marks: 100

SECTION – A

Answer any **FIVE** questions of the following: (5x2=10)

1. Define Auditing.
2. What is meant by Statutory Audit?
3. What is meant by Audit Files?
4. Briefly explain Internal Audit.
5. What are the points to be noted while examining vouchers?
6. What is Tax Audit?
7. What is the importance of Audit working papers?

SECTION – B

Answer any **FOUR** questions of the following: (4x12=48)

8. What is an Audit Programme? Give the advantages and disadvantages.
9. What is Internal check? Suggest a suitable system of internal check applicable to the payment of wages.
10. State the provisions of Companies Act regarding qualification, disqualification and removal of Auditor.
11. a) Explain the sources of obtaining audit evidence
b) Briefly explain the various auditing techniques
12. Distinguish between continuous audit and periodical audit.
13. Explain the advantages and disadvantages of auditing.

SECTION - C

Answer any **TWO** questions of the following: (2x16=32)

14. Explain the various objectives of Auditing.
15. "Vouching is the essence of an Audit". Explain the objectives of vouching. How would you vouch cash book?
16. What is an Audit report? Explain its importance. What are the details to be incorporated in the report of a company audit?

SECTION - D

Answer the following: (1x10=10)

17. Mr. R. E. Taylor, a partner in Taylor & Co., whom you have known for some years, tells that he wishes you to take over the audit of the books of his firm. He says that his firms accounts have, in past year, been audited by Vouch & Co, Chartered Accountants, but that Mr. Vouch, senior, who had always attended to the work personally, has died recently and that he and his partners do not wish to entrust the work to any of the surviving partners in Vouch & Co.
 - i) State what steps you would take before deciding to accept appointment.
 - ii) State if any different action would be taken by you if neither Mr. Vouch nor Vouch & Co., had a professional qualification.

(2016 batch Onwards)

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St Aloysius College (Autonomous)
Mangalore
B.Com. Semester V – Degree Examination
October - 2018

BUSINESS LAW

Time: 3 hrs.

Max Marks: 100

SECTION – A

I. Answer any FIVE questions of the following: (5x2=10)

1. What do you mean by general offer?
2. What is coercion?
3. Give the meaning of wagering agreement.
4. What are quasi contracts?
5. State the meaning of supervening impossibility.
6. What is meant by Novation and Merger?
7. Give the meaning of tender?

SECTION - B

Answer any FOUR questions of the following: (4x12=48)

8. Define section 10 and explain the essentials of a valid contract.
9. Define misrepresentation and fraud. Bring out the legal rules regarding misrepresentation and fraud.
10. Who is a minor? Explain the effects of minors agreements.
11. Briefly explain the agreements which are opposed to public policy.
12. Explain contingent contract.
13. Briefly explain the sale of Goods Act 1930.

SECTION – C

Answer any TWO questions of the following: (2x16=32)

14. Define 'Acceptance'. Discuss the essential requisites of valid acceptance.
15. Explain the various remedies available to the aggrieved party in case of breach of contract.
16. Explain Cyber law and Information technology Act 2000.

SECTION - D

Answer the following: (10)

17. Explain the facts and legal points involved in the following cases:
 - a) Lalman sukla Vs Gouri Dutt
 - b) Durga Prasad Vs Baldeo

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St Aloysius College (Autonomous)
Mangalore
B.Com. Semester V – Degree Examination
October - 2018

BUSINESS LAW

Time: 3 hrs.

Max Marks: 100

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St Aloysius College (Autonomous)
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B.Com. Semester V – Degree Examination
October - 2018

Information Systems and Computerised Accounting

Time: 3 hrs.

Max Marks: 100

SECTION – A

Answer any **FIVE** questions of the following:

(5x2=10)

1. Define Operating System.
2. Define Topology.
3. What do you mean by computer virus?
4. Differentiate between Intranet and Internet.
5. Define protocol.
6. Define supply chain management.
7. How to alter the ledger and voucher in Tally?

SECTION - B

Answer any **FOUR** questions of the following:

(4x12=48)

8. Explain, in detail, various types of networks. Also mention their advantages.
9. List and explain the various Windows Operating System.
10. Explain various internet services in detail.
11. Explain with example different types of list available in HTML.
12. Explain the components of CRM.
13. Explain the financial statements in Tally.

SECTION – C

Answer any **TWO** questions of the following:

(2x16=32)

14. What do you mean by networking? With a neat diagram explain the various network topologies of LAN.
15. With a neat diagram, explain in detail the client server architecture.
16. How to pass accounting entries under GST? Consider the following example and explain.

Mr.Arun purchased goods Rs. 2,50,000 locally (intra state). He sold them for ₹3,25,000 in the same state. He paid legal consultation fees ₹15,000. He purchased furniture for his office for ₹60,000 from ABC furniture (Assume CGST @ 8% and SGST @8%).

SECTION – D

Answer the following: **Compulsory**

(10)

17. Journalise the following ten questions.
 - a) Mr. Rajeev started business with cash ₹5,00,000.
 - b) Goods sold and received cheque ₹15,000.
 - c) Cash deposited to SBI ₹1,00,000.
 - d) Goods returned to Ravi ₹1,000.
 - e) Wages paid ₹4,000, actual wags ₹5,000.
 - f) Rent paid in advance ₹1,500.
 - g) Depreciation charged 10% on furniture valued ₹20,000.
 - h) Interest allowed by bank on their deposit ₹200.
 - i) Interest on capital is 12%.
 - j) Commission received ₹1,000.

(2016 Batch Onwards)

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**St Aloysius College (Autonomous)
Mangaluru**

B.Com. Semester V- Degree Examination

October-2018

MANAGEMENT ACCOUNTING

Time: 3 hrs.

Max Marks: 100

SECTION - A

Answer any FIVE of the following.

(5x2=10)

1. State any two techniques of Management Accounting.
2. What is meant by Angle of Incidence?
3. What do you mean by Ratio Analysis?
4. What is Balanced Score Card?
5. Give the meaning of Break-even Point.
6. State any two differences between Financial Accounting and Management Accounting.
7. From the following information find out;

i) P/V Ratio

ii) Fixed Cost

Sales ₹1,00,000

Profit ₹10,000

Variable Cost 70%

SECTION - B

Answer any FOUR of the following.

(4x12=48)

8. Using the following details, prepare Balance Sheet of Karnataka Foods Ltd:
 - a) Current Ratio 2.75
 - b) Acid ratio 2.25
 - c) Working Capital ₹7,00,000
 - d) Reserves and Surplus ₹1,00,000
 - e) Total current assets included stock, debtors and cash only, which are in the ratio of 2:6:3.
 - f) Total current liabilities included creditors and bills payable in the ratio of 3:2.
 - g) Fixed assets are 50% of share capital.
 - h) The share capital is ₹12,00,000. There are no other items of assets or liabilities.

Contd...2

9. A company annually manufactures 10000 units of product at a cost of ₹4 per unit and there is home market for the entire volume of production at the sale price of ₹4.25 per unit. In the year 2016, there is a fall in the price in home market which can consume 1000 units only at a sale price of ₹3.72 per unit. The analysis of the cost per 10,000 units is as follows:

Materials	₹15,000
Wages	₹11,000
Fixed overheads	₹8,000
Variable Overheads	₹6,000

It is found that the firm can export 20000 units of the product if offered a sale price of ₹3.55 per unit. It is also discovered that for additional 10000 units of the product (over initial 10000 units) the fixed overheads will increase by 10 per unit. Is it worthwhile to try to capture the foreign market?

10. Calculate Short term and Long term ratios from the given Balance Sheet:

Balance Sheet as on 31-3-2018

Liabilities	₹	Assets	₹
600 shares of ₹100 each	60,000	Land	40,000
General Reserve	35,000	Plant	20,000
Dividend Equalization Reserve	5,000	Machines	27,500
Long term loans	20,000	Investments	25,000
Bills Payable	30,000	Inventories	30,000
Provision for tax	5,000	Bills receivable	13,500
Profit & Loss A/c:		Cash at Bank	12,000
Balance 1,000			
Current year 20,000	21,000		
		Preliminary Expenses	8,000
	1,76,000		1,76,000

11. What is meant by Responsibility Centre? Write a note on Profit Centre.
12. Define Management Audit. What is the procedure for conducting Management Audit?
13. What is Financial Forecasting? Explain the techniques of Financial Forecasting.

Contd...3

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. The following are the summaries of the Balance Sheets of Praveen Ltd., as at 31-3-2017 and 31-3-2018.

Liabilities	31-3-2017 (₹)	31-3-2018 (₹)	Assets	31-3-2017 (₹)	31-3-2018 (₹)
Share Capital	2,00,000	2,50,000	Land & Buildings	2,00,000	1,90,000
General Reserve	50,000	60,000	Plant	1,50,000	1,74,000
Profit & Loss A/c	30,500	30,600	Stock	1,00,000	74,000
Bank Loan (short term)	70,000	-	Debtors	80,000	64,200
Creditors	1,50,000	1,35,200	Cash	500	600
Provision for Taxation	30,000	35,000	Bank	-	8,000
	5,30,500	5,10,800		5,30,500	5,10,800

Additional Information:

- Depreciation was written off on plant ₹14,000 in 2017-18.
- Dividend of ₹20,000 was paid during 2017-18
- Income Tax provision made during the year was ₹25,000.
- A piece of land has been sold during the year at cost.

You are required to prepare a statement showing sources and application of funds for the year 2017-18 and a schedule of changes in working capital.

15. The following are the summaries of the Balance Sheets of a company as on 31-3-2017 and 31-3-2018.

Liabilities	2016-17 (₹)	2017-18 (₹)	Assets	2016-17 (₹)	2017-18 (₹)
Share Capital	2,00,000	2,50,000	Land & Buildings	2,00,000	1,90,000
General Reserve	50,000	60,000	Plant	1,50,000	1,69,000
Profit & Loss A/c	30,500	30,600	Stock	1,00,000	74,000
Bank Loan (short term)	70,000	-	Debtors	80,000	64,200
Creditors	1,50,000	1,35,200	Cash	500	600
Provision for Taxation	30,000	35,000	Bank	-	8,000
			Goodwill	-	5,000
	5,30,500	5,10,800		5,30,500	5,10,800

Contd...4

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Additional Information:

- a) Dividend of ₹23,000 was paid.
- b) Assets of another company were purchased for a consideration of ₹50,000 payable in shares. The following assets were purchased:
Stock ₹20,000 and Machinery ₹25,000.
- c) Machinery was further purchased for ₹8,000.
- d) Depreciation written off on machinery ₹12,000.
- e) Income tax provided during the year ₹33,000.
- f) Loss on sale of machinery ₹200 was written off to general reserve.

You are required to prepare the Cash Flow Statement.

16. Explain the nature and scope of Management Accounting.

SECTION – D

Answer the following: Compulsory

(10)

17. Sigma Ltd., a multi-product company, furnishes the following data relating to the year 2017:

Particulars	First half of the year	Second half of the year
Sales	₹45,000	₹50,000
Total Cost	₹40,000	₹43,000

Assuming that there is no change in prices and variable costs and that the fixed expenses are incurred equally in the two half-year periods, calculate for the year 2017:

- i) The profit-volume ratio
- ii) The fixed expenses
- iii) The break-even sales, and
- iv) The % of margin of safety to total sales.

(2016 Batch Onwards)

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**St Aloysius College (Autonomous)
Mangaluru**

B.Com. Semester V – Degree Examination

October - 2018

SECURITY ANALYSIS & PORTFOLIO MANAGEMENT - I

Time: 3 hrs.

Max Marks: 100

SECTION – A

Answer any **FIVE** questions of the following: (5x2=10)

1. Give the meaning of Port folio.
2. List any two differences between Investor and Speculator.
3. What is meant by diversification?
4. What is Company Analysis?
5. What is a constant growth model in case of share valuation?
6. What is Beta?
7. Give the meaning of the term wash sales.

SECTION - B

Answer any **FOUR** questions of the following: (4x12=48)

8. Explain the role of SEBI in stock market.
9. Distinguish between Fundamental analysis and Technical analysis.
10. Write short notes on:
 - a) Bulls and Bears
 - b) Stock market Indices
 - c) Bonus stripping
11. Following information is available in respect of the rate of return of two securities A & B in different economic conditions:

Condition	Probability	Rate of Return	
		Security A	Security B
Recession	0.20	-0.15	0.20
Normal	0.50	0.20	0.30
Boom	0.30	0.60	0.40

Find out the expected returns and the standard deviation of these two securities.

Suppose, an investor has ₹20,000 and he invests ₹15,000 in security A and balance in Security B, what will be the expected return of the portfolio?

12. For the month January to June, the return on stock price of A Co. Ltd and B Co. Ltd are given below along with market return.

Calculate Beta factor for both the stock.

Contd...2

Month	Sensex	Return on A Co.	Return on B Co.
January	18	19	23
February	21	22	24
March	20	18	22
April	23	22	20
May	20	22	25
June	30	14	24

13. A firm has paid dividend at ₹4 per share last year. The estimated growth of dividends from the company is 10% p.a. Determine the estimated market price of the equity share if the estimated growth rate of dividends;

i) Falls to 8% & ii) Rises to 15%.

Also find out the present market price of the share, given that the required rate of return of an equity investor is 20.5%.

SECTION - C

Answer any **TWO** questions of the following:

(2x16=32)

14. What do you mean by Technical Analysis? Explain the various tools of Technical Analysis.
15. State the meaning of risk and return. What are the types of systematic and unsystematic risks? Explain.
16. SP Ltd. has been growing @ 15% per year and this trend is expected to continue for 5 more years. Thereafter, it is likely to grow @8%. The investors expect a return of 12%. The dividend paid by the firm per share for the last year (D_0) corresponding to period (T_0) is ₹5. Determine the price at which an investor may be ready to buy the shares of the company at the end of period T_0 (i.e., now) & T_1, T_2, T_3, T_4 & T_5 .

SECTION - D

Answer the following: **Compulsory**

(10)

17. What is Investment? Explain the various Investment Avenues available for an investor.

(2016 Batch onwards)

G. 308.5

Reg. No:

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St Aloysius College (Autonomous)
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B.Com. Semester V – Degree Examination
October - 2018

BUSINESS TAXATION - I

Time: 3 Hours

Max. Marks: 100

SECTION – A

Answer any **FIVE** questions of the following: (5x2=10)

1. Differentiate between TDS and Advance Tax.
2. Give the meaning of the concepts tax planning and tax avoidance.
3. Mention any four transactions where PAN is compulsory.
4. Write any four powers of CBDT.
5. Mention whether the following can be treated as HUF or not:
 - a) Husband and wife having no children
 - b) Uncle and nephew
 - c) Widow woman and married daughter
 - d) Widow mother, son and his wife
6. What are the conditions u/s 184?
7. A, B, C are members of an AOP. They share profits or loss equally. During the year income of AOP is ₹ 2,20,000 and the income of A (32 yrs), B (40 yrs) & C (54 yrs) is ₹ 40,000, ₹ 2,10,000 & ₹ 3,00,000 respectively. Compute the tax liability of the AOP.

SECTION – B

Answer any **FOUR** questions of the following: (4x12=48)

8. Write a short note on Best Judgement Assessment and income escaping assessment.
9. Mangalore Marketing Cooperative Society provides the following particulars of the income for the year:
 - a) P/L a/c showed a net profit of ₹ 2,60,000. It was arrived after debiting the following:
 - Excess bad debts ₹ 5,000.
 - Donation to Rajiv Gandhi Foundation ₹ 10,000.
 - Payment to a supplier in cash ₹ 30,000.
 - Payment to a farmer for supply of agricultural produce in cash ₹ 24,000.
 - Donation to Kalangan (approved for 80G) ₹ 12,000.
 - Municipal tax ₹ 5,000 on let out shops.
 - Medical insurance premium of the employees ₹ 21,500 of which ₹ 3,000 was paid in cash.
 - b) Income from letting of godowns ₹ 24,000.
 - c) Income from agency business ₹ 65,000.
 - d) Interest on deposit with other cooperative societies ₹ 27,000; Interest on deposits with Mangalore Catholic Cooperative Bank ₹ 20,000, Interest on SB deposits with SBI ₹ 12,000.
 - e) Rent from shops let out ₹ 80,000.
 - f) LTCG (indexed) ₹ 14,500.
 - g) Donation to Mangalore City Corporation for renovation of hospital building ₹ 12,000.

Compute the total income and tax liability of the Society.

Contd...2

G. 308.5

10. a) Explain the incomes which are not treated as family income. (4)
- b) A HUF has 4 coparceners along with the Karta. Compute the total income and the tax liability for the AY 2018-19 on the basis of following information:
- a) Net Profit shown in the P/L a/c of the family ₹ 6,96,500. Following items have been debited:
- Salary to the son of Karta ₹ 2,000 p.m. He does not participate in the business.
 - Commission on sales at 1.5% amounting to ₹ 8,000 to the brother of Karta; who participates in the business.
 - Advance income tax ₹ 46,000.
 - Remuneration to consultant ₹ 6,000 for income tax assessment work.
 - Patent purchased for business ₹ 51,000.
 - Loss of goods due to fire ₹ 5,000.
- b) The above profits includes:
- Interest on FD earned by a coparcener in his individual capacity ₹ 8,000.
 - Lottery winnings ₹ 21,000(net)
- c) Paid LIC premium ₹ 30,000 on the lives of all members and medical insurance ₹ 32,000 for all members.
- d) Donation to a local school ₹ 5,000 and to Prime Minister's Drought Relief Fund ₹ 10,000. (8)

11. Vikas and Ashish are two members of an AOP. P/L a/c of the AOP for the year ended 31.3.2018 is as follows:

	₹		₹
To cost of goods sold	1,14,000	By sales	4,68,000
To interest on capital:		By interest on drawings:	
Vikas	18,000	Vikas	12,000
Ashish	19,000	Ashish	13,000
To salary to members:			
Vikas	45,000		
Ashish	29,000		
To other expenses	40,000		
To net profit	2,28,000		
	4,93,000		4,93,000

Other information:

- a) The AOP gives a donation of ₹ 23,000 by cheque to a public charitable trust (not debited to P/L a/c) which is approved.
- b) Out of other expenses, ₹ 14,000 is not deductible by virtue of section 43B.

The profit sharing ratio between Vikas and Ashish is 2:3. Other incomes of members are given below:

	₹
Interest on securities (gross): Vikas	50,000
Ashish	5,12,000
PPF deposit: Vikas	1,000
Ashish	2,000

Find out tax liability of AOP and its members for the AY 2018-19.

Contd...3

G. 308.5

Page No. 3

12. a) A, B and C are partners in a firm sharing profits and losses in the ratio of 5:3:2. From the following particulars compute total income and tax liability of the firm:
- Net profit as per P/L a/c ₹ 4,40,000.
 - Salaries of ₹ 12,000 paid to B and commission on sales of ₹ 6,000 paid to C were debited to the accounts.
 - Interest on capital ₹ 5,000, ₹ 4,000 and ₹ 3,000 paid to A, B & C respectively and interest of ₹ 8,000 paid to A on his loan were charged to the a/cs. The rate of interest in both cases is 20%.
 - Depreciation debited is ₹ 10,000 and admissible amount as per rules was ₹ 14,000.
 - The closing stock of ₹ 8,10,000 was 10% under cast.
- Compute taxable income and tax liability of the firm. (8)
- b) Explain the computation of income of a partner from the firm. (4)
13. A company in which public are substantially interested submits the following particulars of income of the PY 2017-18.
- Profits of business after following deductions ₹ 69,00,000.
 - Donation to Jawaharlal Nehru Memorial Fund ₹ 30,000.
 - Donation to National Laboratory ₹ 50,000.
 - Outstanding GST ₹ 60,000.
 - Interest on government securities ₹ 10,000.
 - Dividend from a domestic Co. (gross) ₹ 60,000.
 - Long term capital gains ₹ 2,00,000.
 - STCG from shares (STT Paid) ₹ 50,000.
 - Book Profits u/s 115JB ₹ 84,20,000.
- During the year 2017-18, company deposited ₹ 15,000 in Industrial Development Bank of India. The company distributed gross dividend of ₹ 1,00,000.
- Compute total income and tax payable by the company for the AY 2018-19. Apply MAT provisions. Note: Total Turnover of the company during P.Y 2017-18 was ₹ 5 crore.

SECTION - C

Answer any **TWO** questions of the following:

(2x16=32)

14. The following is the statement of Profit & Loss of B CO. Ltd, for the year ended 31st March, 2018:

Particulars	Note No.	Amount (₹)
I. Revenue from operations:		
Domestic sales		25,00,000
Export sales		10,00,000
II. other income		---
III. Total revenue (I+II)		35,00,000
IV. Expenses:		
Cost of materials consumed		---
Employee benefit expenses:		
Salary & wages		3,00,000
Depreciation		5,00,000
Other expenses:		
Rent and rates		2,00,000
Repairs		1,20,000
Selling expenses		3,50,000
Total expenses		14,70,000
V. Profit before tax (III-IV)		20,30,000
VI. Tax expenses: Income tax		3,60,000
VII. Profit for the period (V-VI)		16,70,000

Contd...4

Surplus statement		₹
Profit/Loss as per last Balance sheet		Nil
Current year's profit		16,70,000
Add: transfer from general reserve		2,00,000
		18,70,000
Less: Appropriations: proposed dividend		2,70,000
Profit carried to Balance sheet		16,00,000

Other information:

- The company has long-term capital gain of ₹ 1,00,000, which is not added in statement of profit/loss.
- Depreciation u/s 32, ₹ 4,50,000.
- The company wants to set off the following:

	For tax ₹	For accounting ₹
B/F loss of 2015-16	5,00,000	4,00,000
Unabsorbed depreciation	2,00,000	2,00,000

You are required to compute:

- Book profit as per section 115 JB
- Total income of the company
- tax liability of the company

Note: Total Turnover of the company during the PY 2017-18 was ₹ 6 crore.

15. A, B and C are working partners in a firm sharing profits in the ratio of 3:2:1. From the following particulars compute the total income of the firm, tax payable by the firm (apply AMT) and partner's income from the firm u/s 28 for the AY 2018-19.

	₹		₹
To sundry expenses	1,59,500	By gross profit	1,20,00,000
To exp. on in-house research	10,000	By interest on securities (net)	18,000
To salaries : A	10,000	By dividend	10,000
B	15,000	By income from house property (computed)	20,000
To commission to C	24,000	By capital gains: STCG	6,000
		LTCG	10,000
To interest on capital at 20% : A	6,000	By profit on sale of shares on NSE (long term)	2,000
B	8,000		
C	1,000	By profit from units in SEZ (sec. 10AA)	2,00,000
To donation to National Children's Fund	5,000		
To donation to Prime Ministers Drought Relief fund	5,000		
To Net profit	1,20,22,500		
	1,22,66,000		1,22,66,000

Contd...5

- a) Sundry expenses include:
- Outstanding GST ₹ 800 (paid on 1.9.2018), the due date of filing the I.T returns is 30.09.2018.
 - Customs penalty paid ₹ 2,500.
 - LIC premium on the lives of partners ₹ 10,000.
 - A cash payment of ₹ 12,000.
 - Securities transaction tax paid ₹ 1,200.
- b) A paid ₹ 3,000 as interest on money borrowed for investment in the firm.
- c) Securities transaction tax relates to sale of shares on NSE.

16. a) The following details have been supplied by Karta of a HUF. Compute the total income and tax payable:

	₹
a) Profit from business	13,92,000
Salary paid to the karta for his services debited to the P/L a/c	40,000
b) Rent from let out property	12,000 p.a.
c) Municipal taxes paid thereon	1,000
d) Salary received by a member of HUF for services rendered elsewhere	36,000
e) Annual municipal value of Joint family house	24,000
f) Interest on loan taken for construction of the above house	22,000
g) Dividend from companies (gross)	10,000
h) Director's fees	5,000
i) Interest on bank time deposit (gross of TDS)	24,000
j) LTCG	25,000
k) Donation to govt. for family planning by cheque	8,320
l) Interest on capital from a firm	18,000 (12%)
m) Share of profit from firm	40,000
n) Medical insurance premium on the health of members	8,500
o) Advance tax paid	1,000
p) Insurance premium paid on LIC policies	51,000

It was found salary paid to Karta was excess by ₹ 10,000. Depreciation found excessive by ₹ 2,000. (12)

- b) How to find out the residential status of a HUF? (4)

SECTION - D

Answer the following:

(1x10=10)

17. Explain the provisions relating to remuneration of partners and other expenses deductible u/s 40(b).

(2016 Batch onwards)

G. 309.5

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B.Com. Semester V – Degree Examination
October - 2018

HUMAN RESOURCE MANAGEMENT - I

Time: 3 Hours

Max. Marks: 100

SECTION - A

Answer any **FIVE** questions of the following: (5x2=10)

1. Define Human Resource Planning.
2. What do you mean by "Campus Recruitment"?
3. What is Humanitarian concept of Human Resource Management?
4. What is Aptitude test?
5. What do you mean by Fringe benefits?
6. What do you mean by management development programme?
7. What is Job description?

SECTION - B

Answer any **FOUR** questions of the following: (4x12=48)

8. Explain the process of Human Resource planning.
9. Explain the methods of management development programme.
10. What is recruitment? Explain the modern sources of recruitment.
11. Explain the methods of training.
12. Write a note on the changing role of Human Resource manager in an organization.
13. What is Job Evaluation? Explain its non-quantitative methods.

SECTION - C

Answer any **TWO** questions of the following: (2x16=32)

14. Describe the concept of Job Analysis. Explain the benefits and process of Job Analysis.
15. What is Human Resource Management? Describe the functions of Human Resource Management.
16. Explain the scientific process of selection.

SECTION - D

Answer the following: (1x10=10)

17. Define Human Resource Policies. Explain the need and importance of Human Resource policy.

(2016 Batch onwards)

G 310.5

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St Aloysius College (Autonomous)
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B.Com Semester V - Degree Examination
October - 2018
MARKETING MANAGEMENT - I

Time: 3 Hours

Max. Marks: 100

SECTION - A

Answer any **FIVE** of the following:

(5x2=10)

1. What is marketing audit?
2. Give the meaning of M-Commerce.
3. What is specialty store?
4. List any four features of Indian consumers.
5. Give the meaning of neuro marketing.
6. State any 2 differences between primary Data and Secondary data.
7. What is Global Marketing Environment?

SECTION - B

Answer any **FOUR** of the following:

(4x12=48)

8. Distinguish between conventional Marketing and Direct Marketing.
9. What is Green Marketing? Explain the significance of Green Marketing?
10. Briefly state the stages involved in buying decision.
11. Explain the importance of International marketing.
12. Write a note on Marketing Information system.
13. State the major challenges posed by current marketing environment.

SECTION - C

Answer any **TWO** of the following:

(2x16=32)

14. Define consumer behaviour. Briefly explain the factors influencing consumer Behaviour.
15. What are the macro factors influence the marketing environment of an organization?
16. Explain the concept of Marketing Research and also mention the steps involved in a marketing research process.

SECTION - D

Answer the following:

(1x10=10)

17. Explain the most common forms of direct marketing used by modern organizations.

(2016 Batch onwards)

G. 313.5

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St Aloysius College (Autonomous)
Mangaluru
B.Com. Semester V – Degree Examination
October - 2018

PRINCIPLES AND PRACTICE OF TOURISM

Time: 3 Hours

Max. Marks: 100

SECTION – A

Answer any **FIVE** questions of the following:

(5x2=10)

1. Define 'Mass Tourism'.
2. State any two travel motivators.
3. Expand PATA and OECD.
4. State the features of tourism product.
5. What is Grand Tour?
6. Name any four tourist destinations in Karnataka.
7. State any two functions of tourism industry.

SECTION – B

Answer any **FOUR** questions of the following:

(4x12=48)

8. Explain in brief the stages in the development of tourism.
9. Explain the challenges for tourism and the measures to promote tourism in India.
10. Explain in brief the Historical Dimension of Tourism Industry.
11. Write a note on cultural influences on tourism.
12. Explain the planning process with reference to Tourism.
13. Explain private and public sector role in the Tourism Development.

SECTION - C

Answer any **TWO** questions of the following:

(2x16=32)

14. Describe the role of Tourism Industry in the economic development.
15. Explain the various types of tourism products.
16. Discuss the functions of PATA and WTO.

SECTION - D

Answer the following:

(1x10=10)

17. Describe the multiplier effects of tourism.

Contd...2

(2016 Batch onwards)

G. 314.5

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St Aloysius College (Autonomous)
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B.Com. Semester V – Degree Examination
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SHIPPING AND PORT MANAGEMENT

Time: 3 Hours

Max. Marks: 100

SECTION – A

Answer any **FIVE** questions of the following:

(5x2=10)

1. What do you mean by port state control?
2. State the term dangerous cargo.
3. What is meant by stowage of cargo?
4. Define containerization.
5. What do you mean by bill of lading?
6. What do you mean by closed conference system?
7. State any two reasons for the decay of shipping in India.

SECTION – B

Answer any **FOUR** questions of the following:

(4x12=48)

8. Trace the development of water transport in India.
9. Examine the conditions required for the development of good ports.
10. Briefly explain the major ports of India.
11. What do you mean by cargo? Describe the characteristics of major world cargoes.
12. Analyse the role of commercial, technical and crewing departments in shipping industry.
13. Briefly explain the transport documents required in overseas shipping.

SECTION - C

Answer any **TWO** questions of the following:

(2x16=32)

14. Analyse the existing port and shipping laws in India.
15. Examine the problems faced by ship building industries in India.
16. What do you mean by Inland Container Depots and explain its procedure, problems and prospects.

SECTION - D

Answer the following:

(1x10=10)

17. Discuss the importance of sea ports in international trade.

G 301.5

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B.Com. Semester V – Degree Examination

October - 2019

CORPORATE ACCOUNTING – I

Time: 3 hrs.

Max Marks: 100

SECTION – A

Answer any **FIVE** of the following.

(5x2=10)

1. State any two differences between 'Private Company' and 'Public Company'.
2. Give the meaning of 'Marked Applications' and 'Unmarked Applications'.
3. What do you mean by "Goodwill"?
4. Under which Note you consider the following items while preparing final accounts of a limited company.
 - a) Unclaimed dividend
 - b) Provident Fund
 - c) Capital work in progress
 - d) Advance tax paid
5. What are 'Divisible Profits'?
6. What is share based payment transaction?
7. Give the meaning of Fair value of shares.

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SECTION – B

Answer any **FOUR** of the following

(4 x 12 = 48)

- a) State the features of Environmental Accounting.
 - b) Explain the disclosure requirements of Environmental Accounting.
9. Define 'Debenture'. Briefly explain the various methods of redemption of debentures.
 10. Write a note on IFRS – 13.
 11. The Balance sheet of Ahuja Ltd, as on 31st March 2019 is as under:

Liabilities	Amount (₹)	Assets	Amount(₹)
15,000, 10% Pref. Shares of ₹ 10 each	1,50,000	Sundry Assets	5,50,000
45,000 Equity Shares of ₹10 each	4,50,000	Investments	2,00,000
Debentures Redemption Fund	45,000	Discount on Issue of Deb	15,000
7% Debentures	75,000	Preliminary Expenses	50,000
Depreciation Fund	45,000	Profit & Loss Account	1,00,000
Sundry Creditors	1,50,000		
	9,15,000		9,15,000

Sundry Assets are worth ₹5,87,500. One years' interest is outstanding on debentures and dividends on preference shares are In arrears for two years.

Compute intrinsic value of equity shares.

Contd...2

12. Goodwill Ltd., issued 20,000 Equity Shares and the following underwriting took place:
 A) - 10,000 Shares B) - 6,000 Shares C) - 4000 Shares
 In addition, there was firm underwriting as:
 A) - 2,000 Shares B) - 1,000 Shares C) - 3,000 Shares
 Total subscription including firm underwriting was 17,000 Shares and the forms including the following marked forms:
 A) - 4,000 Shares B) - 2,000 Shares C) - 2,000 Shares
 Show the allocation of liability of each Underwriters.
13. J. K Ltd. forfeited 2,000 equity shares of ₹ 10 each fully called-up for non-payment of final call @ ₹ 2 per share. These shares were originally issued at a discount of 10%. Application, Allotment and First Call money per share @ ₹ 2, ₹ 3 and ₹ 2 respectively were received in time. 1,500 forfeited shares were later reissued to Mr. George for ₹ 8 per shares. Give Journal entries for the forfeiture and reissue shares and also show the forfeited shares account.

SECTION - C

Answer any TWO of the following.

(2 x 16 = 32)

14. Malanadu Ltd., invited application for 50,000 Equity Shares of ₹10 each at a premium of ₹2 per share. The amount on shares was payable as ₹5 on application, ₹4 on allotment (including premium) and Balance on call.

Applications were received for 82,500 equity shares and 20,000 applications were totally rejected and money refunded. Remaining applicants were allotted on pro-rata basis. Excess application money to be adjusted against allotment money due.

Mr. Nishal who had applied for 1,250 equity shares failed to pay the amount due on allotment and call. The company forfeited his shares and reissued 500 equity shares at ₹9 per shares as fully paid. Pass journal entries to record the above transactions.

15. The following balances appeared in the books of Hindustan Ltd., as on 31st March 2019.

Debit balances	₹	Credit balances	₹
Stock on 01-04-2018	51,000	Creditors	2,48,000
Purchases	8,10,000	Sales	11,10,000
Manufacturing Expenses	1,20,000	Profit & Loss A/c	30,000
Salaries and Wages	86,400	Interest	2,600
General Expenses	10,000	Share Capital	1,50,000
Director Fees	1,400	Pension Fund	46,000
Calls in arrears	6,000	Provision for taxation (Previous year)	17,000
Dividend for 2017-18	18,000	Dividend Equalisation Fund	20,000
Buildings	1,01,000	Unclaimed dividend	2,000
Plant & Machinery	70,400	Deposits	13,000
Furniture	10,200	Royalties	200
Motor Vehicles	40,800		
Bills Receivable	75,000		
Book Debts	1,14,000		
Investments	18,000		
Cash at Bank	1,00,000		
Cash in Hand	6,600		
Total	16,38,800	Total	16,38,800

Contd...3

Additional information:

- 1) Stock on 31st March, 2019, ₹63,200.
 - 2) Outstanding Expenses: Manufacturing Expenses ₹15,000, Wages ₹ 5,000
 - 3) Interest accrued on investment ₹1200
 - 4) General charges prepaid ₹1660
 - 5) Provide depreciation on: Buildings at 2%, Plant and Machinery at 10%, Furniture at 10% and Motor Vehicles at 20%.
 - 6) The directors propose a dividend at 20%.
 - 7) Provide for taxation ₹16,000.
- Prepare Profit and Loss Account for the year ending 31.03.2019 and a Balance Sheet as on that date.

16. Apollo Ltd., issued ₹ 2,00,000 in 10% debentures of ₹ 100 each at par on 01.04.2014, repayable at the end of 5 years at a premium of 15%. A debenture Redemption Fund at 4 % compound interest is created for the redemption of debentures. The investments were made in multiples of ₹100 in Government bonds. The investments realized 10% below the book value and the debentures were redeemed on 31.03.2019. On 31st March, 2019 the company had a bank balance of ₹1,10,000 (before interest on investment). ₹1 per year at 4% compound interest at the end of 5th year would become ₹5.4163.

Prepare in the books of Apollo Ltd.,:

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- a) 10% Debentures Account
- b) Debenture holders Account
- c) Debenture Redemption Fund Account
- d) Debenture Redemption Fund Investment Account, and
- e) Bank Account

SECTION - D

17. The Balance Sheet of Exide Ltd., discloses the following position as on 31.03.2019

Liabilities	₹	Assets	₹
Share Capital:		Land and Buildings	3,00,000
50,000 Equity Shares of ₹10 each	5,00,000	Plant & Machinery	5,00,000
General Reserve	2,00,000	Investment at 5% Govt. Bonds	2,00,000
Profit and Loss A/c	50,000	Stock	3,00,000
5% Debentures	5,00,000	Debtors	3,00,000
Creditors	4,50,000	Bank	1,00,000
Total	17,00,000	Total	17,00,000

You are asked to compute the value of goodwill on the basis of two years' purchase of super profits of the company. The following information is supplied to you:

- 1) The market value of land & Building ₹5,00,000 and Plant & Machinery ₹8,00,000.
- 2) The profits of the company for the last three years were:

Year:	2017	2018	2019
Profits (in Rupees):	1,11,000	1,60,000	1,82,000
- 3) Company is expected to receive interest on investment uniformly over the years.
- 4) The reasonable return on capital invested in the type of business is 8%.

G 302.5

Reg. No.

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**St Aloysius College (Autonomous)
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**B.Com. Semester V – Degree Examination
October - 2019**

INTERNATIONAL BUSINESS

Time: 3 hrs.

Max Marks: 100

SECTION – A

Answer any FIVE questions of the following:

(5x2=10)

1. Define international business.
2. What is meant by globalization?
3. Give the meaning of free trade.
4. What is exchange control?
5. Define MNC.
6. What is meant by Regional Economic Co-operation?
7. Distinguish between tariffs and quotas.

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SECTION - B

Answer any FOUR questions of the following:

(4x12=48)

8. Explain the importance of international trade?
9. Explain Heckscher-Ohlin theory of International trade. What are its limitations?
10. State the procedures of import trade with reference to India.
11. Explain the role of MNC's in India.
12. Explain the latest reforms related to foreign capital in India.
13. Explain the problems faced by international liquidity.

SECTION – C

Answer any TWO questions of the following:

(2x16=32)

14. Explain arguments for and against protection.
15. Explain the various import and export documents in India.
16. What are the causes of BOP disequilibrium? Explain the methods to correct BOP disequilibrium.

SECTION – D

Answer the following: Compulsory

(10)

17. Write a note on Economic integration.

G 303.5

Reg. No.

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**St Aloysius College (Autonomous)
Mangaluru**

**B.Com. Semester V- Degree Examination
October – 2019**

PRINCIPLES AND PRACTICE OF AUDITING

Time: 3 hrs.

Max Marks: 100

SECTION – A

Answer any **FIVE** of the following.

(5x2=10)

1. What is Audit File?
2. What is E- Filing and Digital Signature?
3. What is Test Checking?
4. What is Interim Audit?
5. What is meant by "Teeming and Lading"?
6. What is Vouching? **ST.ALOYSIUS COLLEGE LIBRARY
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7. Give any two differences between Internal Check and Internal Control.

SECTION - B

Answer any **FOUR** of the following.

(4x12=48)

8. Distinguish between Continuous Audit and Periodical Audit.
9. What are the qualifications of an auditor of a Company? Explain the procedures to be followed for appointment and removal of an auditor.
10. What is Audit Programme? What are its advantages and disadvantages?
11. Explain Verification and valuation of Stock in Trade and Land & Buildings.
12. What are audit working papers? Explain the contents and advantages of audit working papers.
13. What is Internal Audit? How it is different from External Audit?

SECTION – C

Answer any **TWO** of the following.

(2x16=32)

14. Define Auditing. Explain the various Objectives of Auditing.
15. "Vouching is the essence of an audit". Explain the objectives of Vouching. How would you vouch Cash Book?
16. What is an audit report? What are the details to be incorporated in the report of a company by an auditor? Draft a qualified report.

SECTION – D

Answer the following:

(10)

17. Explain the internal check as regards to wages.

St Aloysius College (Autonomous)
Mangaluru
B.Com. (ACCA) Semester V – Degree Examination
October- 2019

BUSINESS ANALYSIS

Time: 3 hrs.

Max Marks: 100

SECTION – A

Answer any **FIVE** of the following.

(5x2=10)

1. List out the advantages of Joint Venture.
2. What are critical success factors (CSFs)?
3. How a company can avoid Strategic drift?
4. A full-service airline is making the following decisions.
 - (a) Should a 'no-frills', low-fare subsidiary be set up?
 - (b) If it is set up, how should cabin staff be recruited?

Are these likely to be corporate, business or operational decisions?

5. According to Porters Diamond model What are 4 main factors which determine National competitive advantage? ST.ALOYSIUS COLLEGE LIBRARY
MANGALORE-575003
6. What are the 3 key elements of strategic choice?
7. Explain one factor which a company should consider when choosing between a push and pull supply chain model?

SECTION - B

Answer any **FOUR** of the following.

(4x12=48)

8. A Newspaper is planning for the next 5 years. What would be the PESTEL models it should consider?
9. Briefly explain the Contents of a project plan.
10. Define Data Migration. And Explain what are the different stages in Data migration?
11. Manchester United Football Club are one of the biggest sporting institutions in the world. Recent research has shown that they have over 600 million fans across the world, they hold a record number of English championships and have been crowned the best team in Europe many times. They are the most valued sporting franchise in the world (according to Forbes magazine in 2017) at over \$3.5 billion and have shown revenue growth year on year for at least a decade. Consider the strategic capabilities that contribute to the success of the Football club
12. Define Strategic alliance .What are the different characteristics of a well-structured alliance?

Contd...2

13. Explain different stages of E-Business and barriers to the same.

SECTION – C

Answer any **TWO** of the following.

(2x16=32)

14. THE NATIONAL MUSEUM

The National Museum (NM) was established in 1857 to house collections of art, textiles and metal ware for the nation. It remains in its original building which is itself of architectural importance. Unfortunately, the passage of time has meant that the condition of the building has deteriorated and so it requires continual repair and maintenance. Alterations have also been made to ensure that the building complies with the disability access and health and safety laws of the country. However, these alterations have been criticized as being unsympathetic and out of character with the rest of the building. The building is in a previously affluent area of the capital city. However, what were once large middle-class family houses have now become multi-occupied apartments and the socio-economic structure of the area has radically changed. The area also suffers from an increasing crime rate. A visitor to the museum was recently assaulted whilst waiting for a bus to take her home. The assault was reported in both local and national newspapers.

Thirty years ago, the government identified museums that held significant Heritage Collections. These are collections that are deemed to be very significant to the country. Three Heritage Collections were identified at the NM, a figure that has risen to seven in the intervening years as the museum has acquired new items.

Government Change

One year ago, a new national government was elected. The newly appointed Minister for Culture implemented the government's election manifesto commitment to make museums more self-funding. The minister has declared that in five years' time the museum must cover 60% of its own costs and only 40% will be directly funded by government. This change in funding will gradually be phased in over the next five years.

The 40% government grant will be linked to the museum achieving specified targets for disability access, social inclusion and electronic commerce and access. The government is committed to increasing museum attendance by lower socio-economic classes and younger people so that they are more

Contd...3

aware of their heritage. Furthermore, it also wishes to give increasing access to museum exhibits to disabled people who cannot physically visit the museum site. The government have asked all museums to produce a strategy document showing how they intend to meet these financial, accessibility and technological objectives. The government's opposition has, since the election, also agreed that the reliance of museums on government funding should be reduced.

Analyze the macro-environment of the National Museum.

15. **NOBLE PETS** **ST.ALOYSIUS COLLEGE LIBRARY**
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Noble Pets is one of four companies which dominate the pet food market in the country of Brellia. Between them, these four companies share 90% of the market. Noble Pets was established in 1930 in the market town of Milton. Its factory (plant) was updated in 1970 with new canning and labelling technology. However, further developments and expansion to the factory site were prevented by the rapid growth of housing in Milton. The factory, which was once on the edge of the town, is now surrounded by modern housing development. The town is also relatively remote from the motorway network which has been developed in Brellia since 1960. Trucks transporting goods in and out of the plant have to negotiate relatively minor rural roads and also have to pass through the town centre of Milton, which is often very congested. Furthermore, the large 44 tonne trucks which Noble Pets and its competitors use, wherever possible, to distribute cans of pet food to wholesalers and supermarket distribution centres are banned from the centre of the town. Thus distribution out of the Milton plant is undertaken with smaller 36 tonne trucks, which are less cost-effective. However, residents find even this size of truck too large, complaining that they keep them awake at night.

The Milton plant is solely concerned with the production of moist pet food. Raw foodstuff and empty unlabelled cans are brought into the plant, where the foodstuff is cooked and put into cans which are then labelled and distributed to wholesalers or supermarket distribution centres. Many of these distribution centres, like Noble Pets' competitors, are now located on or near the motorway network. Although the recipe for the pet food is very similar to its competitors, Noble Pets has a reputation for producing a quality product.

This quality has been promoted ever since the company's formation by clever marketing campaigns which stress the importance of giving your pet good

Contd...4

G 303.5a

food, and the superior nature of Noble Pets' products to its competitors. This has traditionally been supported by free fact guides and information promoting responsible pet ownership and nutrition. The company now has a website dedicated to giving advice and guidance. This advice appears to be unbiased, although recommended solutions to pet problems often involve Noble Pets' products.

Noble Pets is currently reviewing its operations and has asked external consultants to assess the Milton plant from a value chain perspective. It has provided the following table (Table One) to help in that analysis. Average figures for its competitors are also provided. *Production cost of a six can pack of moist pet food*

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Milton Factory

Competitor A

Competitor B

Competitor C All figures in \$ Raw foodstuff costs 0.10 0.10 0.09 0.15 Cost of cans 0.05 0.10 0.06 0.05 Direct labour costs 0.25 0.25 0.30 0.24 Production costs 0.30 0.25 0.20 0.26 Transport costs (good inward) 0.15 0.10 0.10 0.12 Transport costs (good outward) 0.10 0.05 0.05 0.08

Sales price (to customer) 1.25 1.15 1.10 1.20 Table One: Direct costs of the Milton plant compared to major competitors

Evaluate the strengths and weaknesses of the Milton plant from the perspective of the primary activities of a value chain analysis.

16. What are the benefits of New projects?

SECTION - D

Answer the following: (Compulsory)

(10)

17. LING

Man Lal relaxed in business class as the aircraft skimmed across the Uril Mountains. Generally he considered himself a contented man. He had

Contd...5

successfully built his company, Ling, to be the largest light bulb manufacturing company in the world, with global revenues of \$750m. From its factories in Lindisztan it supplied a worldwide market for LED (light emitting diodes) light bulbs. Lal congratulated himself on the fact that he had quickly spotted the potential of LED light bulbs and had entered large-scale production whilst his rivals were still focusing their production on incandescent and halogen bulbs. The world now realised that LED light bulbs provided a cheaper, more energy efficient, greener solution than all of its alternatives. To that end, many countries had passed legislation requiring domestic and business consumers to replace incandescent light bulbs with greener equivalents. In fact, he was on his way right now to Skod, a country which had passed efficient lighting legislation which, from next year, banned the use of incandescent bulbs in commercial premises and outlawed their production and importation after that date. Domestic consumers were expected to replace their incandescent bulbs with newer technology as their bulbs failed. Man Lal confidently expected that LED would be, for many, the newer technology of choice.

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Analyse the macro-environmental factors affecting the Skod light bulb industry. Your analysis should reflect the fact that Ling might enter this industry directly by setting up a distribution company for its products or through the acquisition of Flick.

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8

St Aloysius College (Autonomous)
Mangaluru
B.Com. Semester V- Degree Examination
October- 2019
BUSINESS LAWS

Time: 3 hrs.

Max Marks: 100

SECTION - A

Answer any **FIVE** of the following.

(5x2=10)

1. Define Agreement.
2. What is cross offer?
3. State any two differences between coercion and undue influence.
4. Define public authority under RTI Act.
5. What is a quasi contract?
6. What is meant by Privity contract?
7. What is a wagering agreement?

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SECTION - B

Answer any **FOUR** of the following.

(4x12=48)

8. What do you mean by doctrine of public policy? What are the agreements opposed to public policy?
9. Comment on "an agreement entered into by minor cannot be enforced by law".
10. What are the different modes in which a contract may be discharged?
11. Explain the Sale of Goods Act 1930.
12. Explain classification of contract based on enforceability and creation.
13. State the provisions relating to powers and functions of state and central information commissions.

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. Define contract under the contract act 1872. Explain the essential rules of a valid contract.
15. Explain the remedies for breach of contract.
16. Define offer. Explain the rules regarding valid offer.

SECTION - D

Answer the following:

(10)

17. "A stranger to consideration can sue, but a stranger to contract cannot sue". Explain the statement with the help of case.

St Aloysius College (Autonomous)**Mangaluru****B.Com. Semester V – Degree Examination****October - 2019****INFORMATION SYSTEMS AND COMPUTERISED ACCOUNTING****Time: 3 hrs.****Max Marks: 100****SECTION - A****Answer any FIVE questions of the following:****(5x2=10)**

1. List any two functions of operating system.
2. What does cryptography mean?
3. Define HRMS.
4. What are the main components of web browsers?
5. Define contra voucher in Tally.
6. Define CRM
7. Define Day Book.

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SECTION - B**Answer any FOUR questions of the following:****(4x12=48)**

8. List the functions of an operating system. Also explain about the various types of operating systems.
9. Explain the following HTML tags with example.
(i) <TABLE> (ii) <MARQUEE> (iii)
 (iv) <TITLE>
10. Explain different types of internet connectivity.
11. Explain in detail the different Payment Mechanisms.
12. What is GST Composition Scheme? Explain who can register, GST Composition rules and GST Composition scheme rate.
13. How can we create a new company in Tally? Explain the various items on the company creation screen.

SECTION - C**Answer any TWO questions of the following:****(2x16=32)**

14. Differentiate between LAN and WAN. Explain any four networking topologies of LAN.
15. Explain the strategies of SCM.
16. Explain with an example each different groups maintained in Tally. Also explain various vouchers available in Tally with examples.

SECTION - D**Answer the following:****(10)**

17. Journalise the following ten questions.
 - i. Business started with cash ₹ 8,000 and plant & machinery ₹3,000.
 - ii. Stock purchase for sale (cash purchase)= ₹3,000,
 - iii. Stock purchase for credit purchase = ₹5,000
 - iv. Wages paid ₹1,20,000
 - v. Salary paid ₹2,00,000
 - vi. Sale made for cash ₹6,00,000
 - vii. Sale made on credit ₹8,00,000.
 - viii. Goods costing ₹20,000 destroyed by fire.
 - ix. Payment made to creditor of ₹2,00,000 at 10 percent discount.
 - x. Depreciation charged on furniture ₹500.

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St Aloysius College (Autonomous)
Mangaluru
B.Com. Semester V- Degree Examination
October - 2019
MANAGEMENT ACCOUNTING

Time: 3 hrs.

Max Marks: 100

SECTION - A**Answer any FIVE of the following.**

(5x2=10)

1. Define management accounting.
2. What do you mean by break even point?
3. What is solvency ratio?
4. What is meant by financial forecasting?
5. What are cash equivalents?
6. If net sales ₹ 500000
Gross profit ₹ 100000
Operating expenses ₹ 60000
Calculate operating ratio.
7. State any four objectives of management audit.

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SECTION - B**Answer any FOUR of the following.**

(4x12=48)

8. State and explain the difference between cost accounting and management accounting?
9. Anup Ltd made a profit of ₹ 1,85,000 after considering the following:
 - a. Depreciation on fixed assets ₹ 5,000
 - b. Profit on sale of building ₹ 10,000
 - c. Loss on sale of machinery ₹ 4,000
 - d. Taxation provision ₹ 30,000
 - e. Transfer to reserve ₹ 10,000
 - f. Amortisation of fictitious asset ₹ 2,000

Details	As on 31.3.18	As on 31.3.19
Debtors	18,000	17,000
Creditors	12,000	9,000
Bills receivable	7,000	4,000
Bills payable	3,000	4,000
Bank a/c	1,000	1,500

Calculate the operating cash profit and cash flow from operations.

Contd...2

G 306.5

10. Due to industrial depression a plant is running at present at 50% of its capacity. The following details are available.

	Cost of production per unit
Direct materials	₹ 20
Direct labour	₹ 10
Variable overhead	₹ 30
Fixed overhead	₹ 20

	₹ 80
Production per month	20,000 units
Total cost of production	₹ 16,00,000
Sales price	₹ 14,00,000

Loss:

₹ 2,00,000

An exporter offers to buy 5000 units per month at the rate of Rs. 65 per unit and the company hesitates to accept the offer for fear of increasing its operating losses.

Advise the company should it accept or decline this offer.

11. The following is the summaries of the balance sheet of a company as on 31.3.2018 and 31.3.2019

Liabilities	2018 ₹	2019 ₹
Share capital	1,80,000	1,80,000
Profit and loss a/c	16,000	23,000
Reserves	60,000	50,000
Depreciation fund	40,000	44,000
5% debentures	90,000	70,000
Outstanding expenses	13,000	22,000
Sundry creditors	1,03,000	96,000
	5,02,000	4,85,000
Assets		
Machinery	72,000	80,000
Building	1,00,000	1,00,000
Stock	92,000	1,06,000
Prepaid expenses	1,000	2,000
Short term investment	1,10,000	84,000
Debtors	77,000	73,000
Cash at bank	50,000	40,000
	5,02,000	4,85,000

You are required to prepare a statement showing changes in working capital.

12. Define responsibility accounting. What are the advantages of responsibility accounting?
13. What are the techniques of financial forecasting? Explain.

Contd...3

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. Following are the summarized balance sheets of supreme Ltd. as on 31st march 2018 and 2019

Liabilities	31.3.2018	31.3.2019
Share capital	4,50,000	4,50,000
Reserves	3,00,000	3,10,000
Profit and loss	56,000	68,000
Mortgage loan	-	2,70,000
Taxation provision	75,000	10,000
Creditors	1,68,000	1,34,000
	-----	-----
	10,49,000	12,42,000
	-----	-----
Assets	31.3.2018	31.3.2019
Fixed assets	4,00,000	3,20,000
Long term investments	50,000	60,000
Stock	2,40,000	2,10,000
Debtors	2,10,000	4,55,000
Cash at bank	1,49,000	1,97,000
	-----	-----
	10,49,000	12,42,000
	-----	-----

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Additional information

- Investment costing ₹ 8000 were sold during 2018-19 for ₹ 8,500.
 - Provision for tax made during the year was ₹ 9,000
 - During the year part of the fixed assets costing ₹ 10,000 was sold for ₹12000, the profit was included in profit and loss account
 - Dividend paid during the year amounted to ₹ 40, 000
- You are required to prepare a cash flow statement as per AS-3(revised).
15. ABC company furnished the following information of its cost and profit for the year 2018-19.

Year	cost	profit
2018	12,00,000	2,00,000
2019	15,00,000	3,00,000

Compute the following:

- P/V ratio
- Fixed expenses
- Variable expenses for 2018 and 2019
- Margin of safety for 2018 and 2019
- Most likely profit when sales are ₹ 2000000
- Break even point
- Estimated sales when the desired profit is ₹ 250000
- Sales for a variable cost of ₹ 828000 when P/V ratio is increased to 40%.

Contd...4

G 306.5

16. The following are the summarised balance sheet and other information of Hero Ltd. as on 31st December 2017 and 2018, prepare find flow statement and statement of changes in working capital.

Liabilities	2017	2018	Assets	2017	2018
Share capital	5,00,000	6,00,000	Fixed assets	12,00,000	12,00,000
General reserve	1,80,000	2,30,000	less: accumulated Depreciation	(2,60,000)	(3,10,000)
Profit and loss a/c	70,000	90,000	Investments (LT)	1,10,000	90,000
12% debentures	4,00,000	3,00,000	current assets	3,20,000	4,50,000
Current liabilities	1,30,000	1,20,000	preliminary exps	30,000	20,000
Provision for tax(NCL)	80,000	60,000			
Proposed dividend (NCL)	40,000	50,000			
	14,00,000	14,50,000		14,00,000	14,50,000

During the year the company:

- Sold one machine for ₹ 60,000 the cost of which was ₹ 1,00,000 and the depreciation provided on it was ₹ 20,000.
- Provide ₹ 90,000 as current year depreciation.
- Redeemed the debentures of ₹ 100 at ₹ 105.
- Decided to write off a fixed asset (fully depreciated) costing ₹ 20,000 no scrap realized.
- Decided to value opening stock at cost which was valued previously at cost less 10%. The opening stock according to book value was ₹54,000. The closing stock was correctly valued at cost.
- Consider provision for taxation and proposed dividend as non current liabilities. Show the workings clearly.

SECTION - D

Answer the following: Compulsory

(10)

17. From the following particulars draw up the balance sheet of the firm.

Sales	₹ 200000
Sales to net worth	2.5
Current liabilities to net worth	25%
Total debt to net worth	60%
Current ratio	3.6 times
Net sales to inventory	4 times
Average collection period	36 days
(consider 1 year = 360 days)	
Fixed assets to net worth	70%

12

St Aloysius College (Autonomous)
Mangaluru
B.Com. (ACCA) Semester V- Degree Examination
October- 2019

ADVANCED FINANCIAL MANAGEMENT

Time: 3 hrs.

Max Marks: 100

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

(5x2=10)

1. What is a zero-dividend policy?
2. What is transfer pricing?
3. What is the transaction risk?
4. What is free cash flow?
5. Define the term 'gamma'.
6. What is a futures contract?
7. Define interest rate guarantees (IRGs).

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

(4x12=48)

8. What are the advantages and disadvantages of management buyouts?
9. a) A project with the following cash flows is under consideration:

\$000

T_0	T_1	T_2	T_3	T_4
(20,000)	8,000	12,000	4,000	2,000

Cost of capital 8%

Calculate MIRR

- b) A project requires an initial investment of \$20,000 and will generate annual cash flows as follows:

Year	Cash flow \$
1	4,000
2	(2,000)
3	6,000
4	7,600
5	10,000

The firm's financing rate (for negative cash flows) is 9%, and its reinvestment rate for positive cash flows is 6%. Calculate NPV.

- c) A project with the following cash flows is under consideration:

\$000

T_0	T_1	T_2	T_3	T_4
(20,000)	8,000	12,000	4,000	2,000

Cost of capital 8%

Calculate the Discounted Payback Period.

Contd...2

10. ABC Co is considering investing in the following project:

\$000	T ₀	T ₁	T ₂	T ₃	T ₄
PV of cash flows	(100)	12	15	30	35

So the NPV of the project is negative (-\$8,000) and the project would be rejected. However, if the company had the option to abandon the project after 2 years (i.e. at T₂) and to receive \$70,000 for the sale of the assets, consider the value of this option to abandon, and the impact on the decision. (Assume that the risk free rate is 5% and that the volatility associated with the project cash flows is 20%). Find whether the project is acceptable.

11. What are the methods, advantages and disadvantages of Islamic finance?
12. A company wishes to borrow \$10m on the 1st of March for three months. The company can borrow at LIBOR + a fixed margin of 2%. LIBOR is currently 8%.

It is keen to hedge using options, to prevent an increase in LIBOR rate causing the borrowing rate to rise above the existing level. However, having made initial enquiries, it has been discouraged by the cost of the option premium.

A member of its treasury team has suggested the use of a collar to reduce the premium cost of the purchased option.

Market data: Interest rate options

Exercise price	CALLS		PUTS	
	March	June	March	June
92.00	0.80	0.77	0.20	0.22
93.00	0.15	0.12	0.60	0.70

Required:

Calculate the effective interest rate the company will pay using a collar if:

(a) LIBOR rises to 9.5% and futures prices move to 90.20.

(b) LIBOR falls to 4.5% and futures prices move to 96.10.

13. Chassagne Co is considering making a bid for Butler Co, a rival company. The following information should be used to value Butler Co.
Statement of profit or loss for the most recent accounting period

Contd...³

	\$m
Revenue	285.1
Cost of sales	(120.9)
Gross profit	----- 164.2
Operating expenses (Inc depreciation \$12.3m)	(66.9)
Profit from operations	----- 97.3
Finance costs	(10.0)
Profit before tax	----- 87.3
Taxation	(21.6)
Profit after tax	----- 65.7

Other information

- Selling prices are expected to rise at 3% p.a. for the next 3 years and then stay constant thereafter.
- Sales volumes are expected to rise at 5% p.a. for the next 3 years and then stay constant thereafter.
- Assume that cost of sales is a completely variable cost, and that other operating expenses (Including depreciation) are expected to stay constant.
- Butler Co invested \$15m in non-current assets and \$2m in working capital last year. These annual amounts are expected to stay constant in future.
- Butler Co's financing costs are expected to stay constant each year in the future.
- The marginal rate of tax is 28%, payable in the year in which the liability arises.
- Assume that book depreciation equals tax depreciation.
- Butler Co has 500 million shares in issue.
- The WACC of Butler Co is 9% and its cost of equity is 12%.

Required: Calculate the value of the equity in Butler Co (In total and per share) by forecasting future free cash flow to equity and discounting to present value using the cost of equity.

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. The corporate treasury team of Murwald plc are debating what strategy to

Contd...4

adopt towards interest rate risk management. The company's financial projections show an expected cash deficit in three months' time of £12 million, which will last for a period of approximately six months. Base rate is currently 6% per year, and Murwald can borrow at 1.5% over base, or invest at 1 % below base. The treasury team believe that economic pressures in the euro zone will soon force the European Central Bank (ECB) to raise interest rates on the euro by 2% per year, which could lead to a similar rise in UK interest rates. The ECB move is not certain, as there has recently been significant economic pressure on the bank from the governments of euro zone countries not to raise interest rates.

In the UK, the economy is still recovering from a recession and representatives of industry are calling for interest rates to be cut by 1%. Opposing representations are being made by pensioners, who do not wish their investment income to fall further due to an interest rate cut.

The corporate treasury team believes that interest rates are more likely to rise than to fall, and does not want interest payments during the six month period to increase by more than £10,000 from the amounts that would be paid at current interest rates. It is now 1 March.

LIFFE prices (1 March)

Futures

£500,000 three month sterling interest rate (points of 100%)

March	93.45
June	93.10

Options

£500,000 short sterling options (points of 100%)

Exercise price	CALLS		PUTS	
	June		June	
9200	3.33	-	-	-
9250	2.93	-	-	-
9300	2.55	-	0.92	-
9350	2.20	-	1.25	-
9400	1.74	-	1.84	-
9450	1.32	-	2.90	-
9500	0.87	-	3.46	-

Contd...5

Required: (a) Illustrate results of futures and options hedges if, by 1 June: (i) Interest rates rise by 2%. Futures prices move by 1.8%.

(ii) Interest rates fall by 1%. Futures prices move by 0.9%.

Recommend with reasons, how Murwald plc should hedge its interest rate exposure. All relevant calculations must be shown. Taxation, transactions costs and margin requirements may be ignored. State clearly any assumptions that you make.

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(b) Discuss the advantages and disadvantages of other derivative products that Murwald might have used to hedge the risk.

15. Discuss and provide examples of, the types of non-financial, ethical and environmental issues that might influence the objectives of companies. Consider the impact of above on the achievement of primary financial objectives such as the maximization of shareholders wealth.

16. a) M plc is a mineral extraction company based in the UK but with plants based in many countries worldwide. Following recent discovery of mineral reserves in Mahastan in Central Asia, M plc has acquired a licence to extract the minerals from the recently elected Mahastani government and plans to commence work on the plant there within the next six months. In the past ten years, Mahastan has seen significant unrest, following the deposing of the previous dictator in a military coup. However, the recent election of the newly fledged democracy is hoped to be the beginning of a new era of stability in the region. The currency of Mahastan is the puto. It is not traded internationally and the preferred currency for international business is the US dollar. There are currently no double tax treaties between Mahastan and the rest of the world, but the prime minister has signalled his intention to develop them within his first term of office to encourage inward investment.

Required: Assess the exposure of M plc to political, economic, regulatory and fiscal risk and suggest how these risks may be mitigated.

b) A bank has estimated that the expected value of its portfolio in two weeks' time will be \$50 million, with a standard deviation of \$4.85 million.

Required: Using a 95% confidence level, identify the value at risk.

SECTION - D

Answer the following: (Compulsory) (10)

17. a) Why might the decision be made to liquidate a failing company rather than attempt to carry out a reconstruction?

b) Why is it important to consider the interests of shareholders in developing a reconstruction scheme?

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St Aloysius College (Autonomous)

Mangaluru

B.Com. Semester V – Degree Examination

October - 2019

SECURITY ANALYSIS & PORTFOLIO MANAGEMENT - I

Time: 3 hrs.

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Max Marks: 100

SECTION - A

Answer any **FIVE** questions of the following. (5x2=10)

- List any 2 differences between systematic risk and unsystematic risk.
- What is meant by "Spot Interest Rate"?
- Give the meaning of Wash sales.
- Distinguish between Investment and Speculation
- 15%, ₹ 200 debentures is currently selling for ₹ 220, Compute the annual current yield.
- Calculate the Beta Coefficient from the following data:

Stock	Standard Deviation	r
Sensex	0.21	-
A Limited	0.27	0.63
B Limited	0.35	0.84

- A firm pays a dividend of 20% on the equity shares of face value of ₹ 100 each. Find out the value of the equity share given that the dividend rate is expected to remain same and the required rate of return of the investor is 15%.

SECTION - B

Answer any **FOUR** questions of the following. (4x12=48)

- What are Government Securities? Explain the features of Government Securities?
- What is a portfolio? Explain the Process of Investment.
- What is Fundamental analysis? Explain the factors affecting Economic analysis.
- For the months of January-June, the return on stock prices of company Spar Limited and Auchan Limited are given below along with the market return. Calculate the Beta of both the stocks and give your comments.

Months	Market Return (%)	Spar Limited (%)	Auchan Limited (%)
January	8	9	13
February	11	12	14
March	10	8	12
April	13	12	10
May	10	11	15
June	20	14	14

Contd....2

12. a) A bond of ₹ 1000 face value, bearing a coupon rate of 12% will mature after 7 years. What is the value of the bond if the discount rates are 14% and 12%? **(6 marks)**
- a) Arun is considering the purchase of a bond currently selling at ₹ 878.50. The bond has four years to maturity, face value of ₹1000 and 8% coupon rate. The next annual interest payment is due after one year from today. The required rate of return is 10%.
- i) Calculate the present value of the bond. Should Arun buy the bond? **(6 marks)**
- ii) Calculate the yield to maturity of the bond.
13. A company paid a dividend of ₹ 2. It is expected to grow at 6% per annum perpetually. What is the value of the share when:
- i) Equity capitalization rate is 15%
- ii) Equity capitalization rate is 16%
- iii) When growth rate is 7% and equity capital is 6%
- iv) When Equity capitalization rate is 15% and growth rate of 9%?

SECTION – C**Answer any TWO questions of the following.****(2x16=32)**

14. What is Technical Analysis? Explain the tools of Technical Analysis.
15. Explain the Non-negotiable forms of Investment alternatives available to an investor.
16. From the following calculate portfolio risk in 2 asset structure:

Event	Probability	Return X	Return Y
1	0.25	36	22
2	0.50	26	16
3	0.25	12	14

Assume the proportion 50% for X and Y

SECTION – D**Answer the following: Compulsory****(10)**

17. Write a note on National Stock Exchange.

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St Aloysius College (Autonomous)
Mangaluru
B.Com. Semester V- Degree Examination
October - 2019
BUSINESS TAXATION - I

Time: 3 hrs.

Max Marks: 100

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

1. Write a note on PAN.
2. Give the meaning of widely held company and closely-held company.
3. What is an Impartible Estate in relation to a Hindu Undivided Family?
4. Mention any four incomes deductible u/s 80P.
5. Mention any four types of payments on which tax is deducted at source.
6. How are the following items treated while computing the income of a Hindu Undivided Family?
 - a) Salary paid to the members of the family.
 - b) Stridhan.
7. How is Tax Evasion different from Tax Avoidance?

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SECTION - B**Answer any FOUR of the following.****(4x12=48)**

8. Explain the Types of Assessment under Income Tax Act.
- 9.a) Explain the conditions u/s 184, in the assessment of a partnership firm. **(6)**
 b) Explain the incomes which are not treated as family income, in the assessment of HUF. **(6)**
10. What do you mean by Tax Planning? What are the advantages of Tax Planning?
- 11.a) X Co Ltd has provided the following information for the year ended 31.03.2019:
 - i) Total income computed as per provisions of the income tax act - ₹20,00,000.
 - ii) Profit as per statement of profit and loss ₹50,00,000.
 - iii) **A)** Items deducted in statement of Profit and loss:
 - a) Provision for income tax ₹6,50,000.
 - b) Dividend distribution tax ₹40,000.
 - c) Provision for deferred tax ₹60,000.
 - d) Provision for gratuity ₹1,50,000.
 - e) Dividend declared ₹2,50,000.
 - f) Expenditure to earn agricultural income ₹1,00,000.
 - g) Depreciation ₹4,50,000. (This includes depreciation of ₹2,00,000 on revaluation of assets)**B)** Items added to statement of profit and loss:
 - a) Transfer from special reserve ₹2,00,000.
 - b) Agricultural income ₹4,00,000.
 - iv) Brought forward business loss as per books of amount ₹8,00,000.
 - v) Brought forward depreciation as per books of account ₹7,00,000.
 You are required to compute:
 - a) Tax payable by the company.
 - b) Tax credit to be carried forward if any. **(8)**
- b) Compute the income of the firm from business in the following cases, assuming that the conditions u/s 184 and 40(b) are fulfilled:
 - a) Book loss ₹80,000, remuneration paid to working partner ₹2,00,000.
 - b) Book profit ₹1,80,000, remuneration paid to working partners ₹1,50,000. **(4)**

Contd...2

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- 12.a) Akash, Vikas and Suhas are members of an AOP whose profit & loss a/c is as follows:

	₹		₹
General expenses	8,800	Gross Profit	13,800
Salary to Akash	1,500	Interest on securities	2,000
Commission to Vikas	4,000	Net Loss:	
Interest on capital:		Akash	1,400
Akash	1,200	Vikas	1,400
Suhas	1,000	Suhas	1,400
Charity	500		
Bad debts	600		
Bad debts reserve	1,900		
Rent of firm's shop	500		
	20,000		20,000

Calculate Total income of AOP and allocate the same among the members after considering that the business shop is owned by Vikas. (8)

- b) How to compute the tax liability of the AOP/BOI if the share of income of members are known. (4)
13. From the following information compute the taxable income and tax liability of Hindu Undivided Family for the Assessment Year 2019-20.

A) Net Profit as per Profit & loss a/c of the business of the family ₹6,96,500.

This profit has been arrived at after debiting the following items:

- Salary to the son of Karta ₹2,000 per month. He does not participate in business operations.
 - Loss from speculation ₹6,000, loss from lottery ₹1000.
 - Commission on sales at 1.5% amounting to ₹8,000 to the brother of Karta who participates in business.
 - Advance Income tax ₹46,000.
 - Remuneration to consultant ₹6,000 for Income-tax assessment work.
 - Patent purchased for business ₹50,000.
- B)** Income from house property:
- Let-out house: rent received ₹15,000, AMV ₹13,500, Municipal taxes paid during the year ₹600, which includes ₹150 of last year and ₹250 of next year.
 - Annual Municipal value of the joint family house ₹24,000, municipal taxes paid ₹3,000. Interest on loan taken for construction ₹22,000.
 - Dividend from companies ₹10,000. (domestic)
 - Interest on Bank time deposit ₹27,000 (net of TDS).
 - Long Term Capital Gains from property ₹25,000.
 - Donation to Govt. for Family planning ₹8,000.
 - Salary received by Karta for his services from a firm ₹40,000.
 - Medical insurance premium on the health of the members paid by cheque ₹8,500.
 - Interest on capital from a partnership firm at 21% p.a. ₹42,000.

Contd...3

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. A, B and C are partners in a firm with C being a non-working partner. The Profit & Loss a/c of the firm is as under:

	₹		₹
Office rent	24,000	Gross profit	5,26,000
Office expenses	30,000	Discount	12,000
Salaries	70,000	Bad debts recovered	18,000
Advertisement	15,000	STCG	10,000
GST paid	10,000	Bank interest (gross of TDS)	14,000
Reserve for GST	5,000	Dividend from Infosys Ltd	30,000
Income Tax	1,000	Income from House Property (computed)	45,000
Donations	12,000		
Bad debts reserve	11,000		
Bad debts	10,000		
Interest on Capital:			
A	50,000		
B	30,000		
C	20,000		
Commission:			
A	18,000		
B	12,000		
C	10,000		
Depreciation	22,000		
Sundry expenses	25,000		
Net Profit	2,80,000		
	6,55,000		6,55,000

Other information:

- Salaries include partners' salaries A-₹25,000 and B-₹30,000.
- Admissible bad debts amounted to ₹15,000.
- Actual depreciation as per IT rules was ₹20,000.
- Out of bad debts recovered ₹10,000 was allowed earlier.
- Furniture purchased by C for personal use was included in sundry expenses ₹3,000.
- Donation includes ₹5,000 to PMNRF, ₹1,000 as subscription to trade association and balance to a local youth club.
- Capital a/c of partners as on 1st April of the P.Y :
A-₹2,50,000, B-₹1,50,000, C-₹1,00,000
- Office expenses include bonus to partners A-₹5,000, B-₹3,000, C-₹2,000.

Compute Total income and tax liability of the firm, u/s 10, share of each partner from firm and income of partner's taxable u/s 28. Firm fulfills the conditions u/s 184.

Contd...4

15. The following particulars are furnished by Smart Company Ltd.
Trading, Profit & Loss a/c for the year

	₹		₹
To Purchases	6,50,000	By Sales	77,72,000
To Entertainment Expenses	70,000	By Amount withdrawn from General Reserve	6,00,000
To Travelling Expenses	1,40,000	By Long term capital gains from land	2,40,000
To Depreciation	16,00,000	By Sundry income	10,000
To Income Tax	7,90,000	By Profit on sale of motor car (STCG)	50,000
To Outstanding customs duty	60,000	By Interest on Tax-free Govt. securities	40,000
To Provision for Unascertained liability	1,20,000		
To Proposed Dividend	3,60,000		
To Tax Consultation fees	40,000		
To Provision for loss of Subsidiary Co.	90,000		
To Salaries	4,00,000		
To Sundry Expenses	3,00,000		
To Net profit	40,92,000		
	87,12,000		87,12,000

Additional Information:

- Value of Plant & Machinery (excluding car) as on 1st April of PY Rs.1,20,00,000 and Building ₹20,00,000. Depreciation allowable is 15% on plant and machinery and 10% on building.
- Sundry expenses include a payment of ₹80,000 in cash.
- Out of outstanding amount of Customs duty ₹50,000 was paid before the due date for filing returns.
- Unabsorbed business loss brought forward is ₹12,00,000 for income tax purpose and ₹9,00,000 for accounting purpose.
- Unabsorbed depreciation brought forward ₹6,00,000 for accounting purpose.
- Motor car was sold during the year for ₹2,80,000. It's WDV on 1st April of PY was ₹2,30,000.

Compute Total Income of the company, Book Profit u/s 115JB and tax liability of the company.

16. Explain the provisions relating to Minimum Alternative Tax u/s 115JB of the Income Tax Act and tax credit.

SECTION - D

Answer the following:

(10)

17. Souharda co-operative society is engaged in processing agricultural produce of its members without the aid of power and its marketing. It furnishes the following particulars for the year
- Income from processing of agricultural produce ₹30,000.
 - Income from marketing agricultural produce ₹18,000.
 - Income from agency business ₹95,000.
 - Dividends from other co-operative societies ₹46,000.
 - Interest on Bank deposits ₹32,000 (gross of TDS)
 - Income from letting of godowns for commercial purposes ₹12,000.
 - Long term capital gains (indexed) on sale of shares (listed) ₹1,50,000.
 - The society donated ₹10,000 to PMNRF.

Compute Total Income and Tax liability.

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St Aloysius College (Autonomous)
Mangaluru

B.Com. Semester V- Degree Examination
October-2019

HUMAN RESOURCE MANAGEMENT - I

Time: 3 hrs.

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SECTION - A

Max Marks: 100

Answer any **FIVE** of the following.

(5x2=10)

1. Define HRM
2. What is job description?
3. What are casual applications?
4. What are case studies?
5. What is on-the-job training?
6. Name the modern methods of performance appraisal.
7. What is an unstructured interview?

SECTION - B

Answer any **FOUR** of the following.

(4x12=48)

8. Discuss the scope and importance of HRM
9. What are the sources of recruitment?
10. What are the objectives of human resource planning?
11. Briefly explain the different types of interview.
12. Explain the factors influencing wage system and principles of wage and salary administration.
13. Explain the process of job evaluation.

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. Discuss the various steps of scientific process of selection.
15. Explain the different methods of training in organisation.
16. What is performance appraisal? Explain the various traditional methods of appraisal.

SECTION - D

Answer the following:

(10)

17. Explain the role and responsibilities of HR manager.

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St Aloysius College (Autonomous)

Mangaluru

B.Com. Semester V- Degree Examination

October- 2019

MARKETING MANAGEMENT - I

Time: 3 hrs.

Max Marks: 100

SECTION - A

Answer any **FIVE** of the following.

(5x2=10)

1. What is Marketing Environment? Explain any two components of it.
2. Define International Marketing.
3. What do you understand by social class?
4. How is a good questionnaire prepared?
5. What are the forms of Direct Marketing?
6. Give the meaning of Brand Positioning
7. What is M-Commerce?

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SECTION - B

Answer any **FOUR** of the following.

(4x12=48)

8. Briefly explain the importance of International Marketing
9. "A marketer has to be more aware of changes in the external environment than any other department in the organization". Do you agree? Explain.
10. Explain the stages in buying decision.
11. Explain the scope and purpose of Marketing Research.
12. "Direct Marketing is much better than Mass Marketing" elucidate this statement.
13. What is Green Marketing? Mention its importance to modern business.

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. Explain the main decisions involved in International Marketing.
15. What do you mean by consumer behavior? Explain the factors affecting the consumer behavior.
16. "Marketing information system has been called the life-blood of marketing". Comment on this statement.

SECTION - D

Answer the following.

(10)

17. Write a note on (a) Discount Stores (b) Specialty Stores (c) Neuro Marketing.
