

(2021- Batch onwards)

G 310 DC1.5

Reg. No:

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St Aloysius College (Autonomous)

Mangaluru

B.Com. Semester V – Degree Examination

October/November- 2025

FINANCIAL MANAGEMENT

Time: 2½ Hours

Max. Marks: 60

Note: PV table will be provided.

SECTION - A

Answer any FIVE of the following:

(5x2=10)

1. What is Financial Planning?
2. If you deposit ₹ 10,000 at 8% interest, Calculate in how many years this amount will be doubled.
3. List the components of a company's Capital Structure.
4. State the meaning of mutually exclusive investment proposals.
5. What do you mean by Book debt Conversion Period.
6. What is Temporary Working Capital?
7. Give the meaning Time preference of money?

SECTION - B

Answer any FOUR of the following:

(4x5=20)

8. What are the objectives of Financial Management? Explain.
9. The company is considering following projects T&U

Year	0	1	2	3
T	(25,000)	6,000	6,000	25,640
U	(28,000)	12,672	12,672	12,602

calculate IRR of both projects

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MANGALURU - 575 003

10. Calculate operating and financial leverage.

	A (₹)	B(₹)
Sales	8,00,000	11,00,000
Variable Cost	30% sale	20% sale
Fixed Cost	2,00,000	4,00,000
Interest	40,000	60,000
Tax	30%	30%

11. Explain reasons for time preference of Money.
12. State and explain merits and demerits of Excess Or Inadequate Working Capital.

Contd...2

13. A Ltd achieved the following.

Purchase	15,00,000
Opening Stock	8,00,000
Wage	10,00,000
Gross Profit	7,00,000
Closing Stock	10,00,000

If required average working capital ₹ 5,00,000. Calculate working capital for the year 2023-24. If Projected sales amounted to ₹ 30,00,000.

SECTION – C

Answer any **TWO** of the following:

(2x15=30)

14. Mr Akash Invest ₹ 1000, ₹ 2500, ₹ 3000, ₹ 3100 at the end of each year. Calculate the compound value at the end of 4th year compounded annually when the interest charged is 10% p.a. Also calculate What is the maturity value if the amount is Invested In the beginning of the year?
15. Yash Limited has an equity share capital of ₹7,00,000 divided into equity share of ₹10 each. It also enjoys EBIT of ₹1,50,000. It wants to expand its capacity for which it requires additional long-term fund at ₹8,00,000. It has four alternative plans. The EBIT will increase to 2,50,000. Tax rate is expected to be 30%
- Four alternative plans are given below,
- Plan A: all equity
- Plan B: all additional funds by issue of 10% debenture.
- Plan C: ₹4,00,000 by equity share and the remaining four lakhs by 10% debenture.
- Plan D: ₹2,00,000 of equity share and ₹3,00,000 by issue of 15% preference share and remaining ₹3,00,000 by 10% debenture, calculate financial leverage and EPS for the All alternative plans.
16. What is Financial Management? Explain the scope of Financial Management.

(2021- Batch onwards)

G 310 DC2.5/G 320 DC2.5/G 330 DC2.5

Reg. No:

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St Aloysius College (Autonomous)

Mangaluru

B.Com./B.Com.(International Finance)

Semester V – Degree Examination

October/November - 2025

INCOME TAX LAW AND PRATICE - I

Time: 2 ½ Hours

Max. Marks: 60

SECTION - A

Answer any FIVE of the following:

(5x2=10)

1. Differentiate between direct and indirect taxes in India.
2. How is the residential status of firms determined?
3. Which of the following are agricultural incomes?
 - a. Income from growing flowers and creepers
 - b. Income from dairy farming
 - c. Income from growing bamboo
 - d. Income from growing paddy.
4. Which head of income are the following taxable?
 - a. Salary received by Member of Legislative Assembly
 - b. Pension received by the widow of a government employee.
5. Explain Rule 4 of the Income Tax Rules related to unrealised rent.
6. Define Assessee, as per income tax act.
7. Define Annual Value, of the house property.

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MANGALURU - 575 003

SECTION - B

Answer any FOUR of the following:

(4x5=20)

8. What is an agricultural income? State examples of agricultural and non agricultural income.
9. Mr A came to India from UK for the first time on 30/8/16 to join American concern as a HR manager. After reporting for duty, he went to USA on 15/10/16. He returned to India on 24/10/16 and stayed in India till 3/7/21, then he went back to UK. He came back to join for duty on 23.11.24. Find out the residential status for the. A.Y 2025-26.
10. Mr X retires from service on 30th Nov, 2024 after serving for 33 years and 9 months in Bharat Chemicals Ltd. The employer pays him a gratuity of Rs. 9,00,000. His monthly basic salary at the time of retirement was Rs. 30,000, DA Rs. 9,000 and HRA Rs. 4,500. Compute taxable gratuity if he is covered under the Payment of Gratuity Act, 1972.

Contd...2

11. Ms Deeksha furnishes the following information regarding her payments. Compute the eligible deduction under section 80 C for the AY 2025-26 (under old tax regime)

- Life insurance premium on Spouse Rs 12,000 per year (the sum assured is Rs 500,000)
- Contribution to Recognised Provident fund Rs 12,500
- Contribution to Public Provident Fund Rs 6000 per month
- Housing loan paid Rs Rs 52,000 (Including interest of Rs 16200)
- Tuition fee paid for two sons studying law Rs 8000 each
- Donation to PMNRF Rs 12,000
- Medical Insurance Premium on his dependent brother Rs 18000

12. Vivel industries LTD is engaged in business of manufacturing chemicals The following are the assets purchased by the company during the year 2024-25

ASSETS	COST(₹)	DATE OF PURCHASE	DEP RATE (%)	DATE OF PUTTING IN USE
Building	10,00,000	6 TH APRIL	10	10 TH APRIL
Computer	35,000	16 TH MAY	40	18 TH MAY
Plant X	20,00,000	20 TH APRIL	15	30 TH APRIL
Plant Y	15,00,000	10 TH OCT	15	10 TH OCT

- Plant X (new plant) and plant Y (new plant) are used for production purposes.

Compute depreciation allowance for the AY 2025-26.

13. Mr Nagaraj is an employee of Britannia Pvt Ltd, Bangalore. His particulars of income for the Previous year 2024-25 are as follows: Basic salary Rs 16,000 per month, Dearness allowance Rs 4000 per month, medical allowance Rs 1200 per month, Entertainment allowance Rs 500 per month. Value of furniture provided by employer Rs 40,000. The company charges a concessional rent of Rs 1000 per month for the residential accommodation provided to him. Compute the taxable value of the furnished accommodation.

SECTION – C

Answer any **TWO** of the following

(2x15=30)

14. From the following particulars of income furnished Mr Bharath pertaining to the year ended 31.3.2025, compute his total Income, if he is a) Resident and ordinarily resident b) Resident but not ordinarily resident, c) non-resident

- Interest on UK development bonds (50% of interest received in India) Rs10,000
- Income from a business in Chennai (50% received in India) Rs 20,000
- Profits from a business in Mumbai managed from London 26,000
- Dividend from British company received in London Rs 5000
- Gift received on the occasion of his wedding Rs 20,000

- Income from agriculture in Punjab whole amount is received in London and used for children education there Rs 25,000.
 - Gift received from father credited to account Rs 12,000.
 - Income earned from business in Germany which is controlled from Delhi (Rupees 40,000 is received in India) Rs 70,000.
 - Dividend from an Indian company Rs 6000.
 - Interest from POSB a/c (jointly held) Rs 5000.
 - Fees for technical services rendered in India but received in Nepal Rs 3,000.
 - Income from house property in Bangalore Rs 15,000.
 - Past untaxed foreign Income brought to income during the Previous year Rs 4500.
 - Income from agriculture in Indonesia Rs.30,000, $\frac{1}{2}$ of the income is received in Bangalore and the balance is received in Pakistan.
15. Mr. Arjun is working in a company at Bangalore. He gives the following details of salary for the previous year. Compute his income from salary (under old tax regime)
- He joined the company on 1.8.2022 on a Pay Scale Rs.30,000–2,000–40,000 –3,000-55,000
 - D. A. 30% of Basic. (half of D.A. includible for computation of retirement benefits).
 - HRA 15% of basic. He is paying a rent of Rs.8,000 p.m. for his residence at Bangalore.
 - CCA Rs.500 p.m.
 - Children Education allowance Rs.300 p.m. per child for two children.
 - Children Hostel Allowance Rs.400 p.m. per child for two children.
 - Reimbursement of medical expenses incurred for his treatment in a private hospital Rs.22,500.
 - He contributes Rs.4,000 p.m. to his RPF, to which his Company contributes an equal amount. During the year interest of Rs.20,000 is credited to his PF at the rate of 10% p.a.
 - He is provided with a car of 1.8 Ltr C.C., which he uses for both official and personal purposes. The expenses of running and maintenance Rs.40,400 and driver's wages of Rs.6,000 p.m. are paid by the Company.
 - He had borrowed from the Company housing loan Rs.15,00,000 at 4% p.a. on 1.11.2023. The State Bank of India charges 10% p.a. on such loan.
 - The Company paid his life insurance premium Rs.5,000, club and hotel bills Rs.3,000.
 - The Company deducted at source Professional tax Rs.2,400.

16. From the following Profit and Loss A/c of Ms Ashline, Compute taxable business income.

Particulars	₹	Particulars	₹
Salary	15,000	Gross profit	1,60,000
General expenses	15,000	Bad debts recovered (disallowed earlier)	2,000
Advertisement	4,000	Profit on sale of residential house	3,25,000
Interest on capital	2,000	Rent received	3,000
Interest on bank loan	500	Dividend on Indian co shares	3,000
Bad debts	2,000	Interest on POSB a/c	1,000
Fire insurance Premium on LOP	100		
Depreciation	4,000		
Reserve for sales tax	10,000		
Income tax	6,000		
Donation to NDF	1,000		
Local tax on LOP	500		
Motor car exp	1,000		
Prelliminary expenses	25,000		
Net profit	3,82,900		
	4,94,000		4,94,000

Consider the following:

- i) General expenses include Rs 1,500 being the fee paid to the CA Inconnection with income tax appeal before appellate tribunal.
- ii) $\frac{1}{4}$ of the car expenses relate to the personal use.
- iii) Depreciation is found to be in excess by Rs 1500.
- iv) Actual bad debts amounted to Rs 1000.

(2021- Batch onwards)

G 310 DC3.5

Reg. No:

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St. Aloysius College (Autonomous)

Mangaluru

B.Com. Semester V – Degree Examination

October/November- 2025

PRINCIPLES AND PRACTICE OF AUDITING

Time: 2 ½ Hours

Max. Marks: 60

SECTION - A

Answer any **FIVE** of the following:

(5x2=10)

1. What is Audit Engagement?
2. What is Internal check?
3. Why it is important to verify stock in trade?
4. What is professional ethics in audit report?
5. State any four points the auditor should keep in mind while verifying the sundry creditors.
6. What is the primary purpose of Audit Evidence.
7. What is the purpose of issuing a Receipt for cash sale?

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MANGALURU - 575 003

SECTION - B

Answer any **FOUR** of the following:

(4x5=20)

8. Briefly explain the contents of Audit Working Papers.
9. What are the objectives of Internal control? Explain.
10. Explain the verification and valuation of leasehold property.
11. Explain the audit procedure of clubs.
12. What are the civil liabilities of a company auditor? Explain.
13. What are the Components of Auditors Report? Explain.

SECTION - C

Answer any **TWO** of the following:

(2x15=30)

14. Explain the objectives of verification and valuation of assets and liabilities. Also mention the points to be kept in mind by the auditor during valuation of assets.
15. Explain in detail the procedure of examining incomes and expenditures of Educational Institutions and Charitable Institutions.
16. What are the Objectives of Auditing? Explain.

(2021- Batch onwards)

G 310 DE1a.5/G 310 DE2a.5

Reg. No:

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St Aloysius College (Autonomous)

Mangaluru

B.Com. Semester V – Degree Examination

October/November- 2025

FINANCIAL INSTITUTIONS AND MARKETS

Time: 2 ½ Hours

Max. Marks: 60

Note: PV table will be provided

SECTION - A

Answer any FIVE of the following:

(5x2=10)

1. What do you mean by Factoring?
2. List any four instruments issued in the money market?
3. What is a public issue in the primary market?
4. What is the meaning of the capital market?
5. State the meaning of Forex market.
6. Name any two problems faced by the Indian stock market.
7. Explain the concept of lease financing.

SECTION - B

Answer any FOUR of the following:

(4x5=20)

8. Analyze the evolution of the financial system in India over the past few decades.
9. Explain the role of financial instruments in the proper functioning of a financial system.
10. Explain the challenges faced by Indian stock market.
11. List the responsibilities of merchant bankers.
12. Explain the four strategies generally adopted by investors in the secondary market.
13. Explain the main causes of foreign exchange rate fluctuations.

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MANGALURU - 575 003**

SECTION - C

Answer any TWO of the following :

(2x15=30)

14. Explain the recent trends in capital market.
15. Define the term listing of securities and describe the trading and settlement procedure in stock market.
16. Hypothetical Ltd is planning to have an access to a machine for a period of 5 years. The company can either have an access through leasing arrangements or it can borrow money at 14% to buy the machine. the company is in 50% tax bracket. in case of leasing company is required to pay annual year end lease rent of 120000 for 5 years. all maintenance costs are borne by lessee. in case of purchasing the machine (cost of Rs 343300) the company will have

Contd...2

to repay 14% 5 year loan in 5 equal instalments. Instalment due at the end of each year. machine would be depreciated on a straight line basis with no salvage value. Advice the company which option it should go for assuming lease rent is paid at the end of the year.

(2021- Batch onwards)

G 310 DE1b.5/G 310 DE2b.5

Reg. No:

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St Aloysius College (Autonomous)

Mangaluru

B.Com. Semester V – Degree Examination

October/November- 2025

RETAIL MANAGEMENT

Time: 2 ½ Hours

Max. Marks: 60

SECTION - A

Answer any FIVE of the following:

(5x2=10)

1. Define Retailing.
2. Mention any two factors influencing the retail business in India.
3. What do you mean by Customer Service?
4. What is rating plan method?
5. Give the meaning of retail operations?
6. Give two examples for product promotion.
7. What do you mean by Customer Database Management Systems?

SECTION - B

Answer any FOUR of the following:

(4x5=20)

8. Explain the components of retail logistics.
9. What are Departmental stores? Mention the advantages and disadvantages.
10. State the reasons for Category Management.
11. Explain the Consumer Decision making process.
12. Explain the steps in Rating Plan Method.
13. Explain briefly the various approaches to pricing.

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MANGALURU - 575 003**

SECTION - C

Answer any TWO of the following:

(2x15=30)

14. Explain in detail the grouping of customer buying behaviour patterns.
15. Explain in detail the concept of promotional mix and the tools for promotion.
16. Discuss the impact of information technology In Retailing.

(2021- Batch onwards)

G 310 DE1c.5/G 310 DE2c.5

Reg. No:

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St Aloysius College (Autonomous)

Mangaluru

B.Com. Semester V – Degree Examination

October/November- 2025

HUMAN RESOURCES DEVELOPMENT

Time: 2 ½ Hours

Max. Marks: 60

SECTION - A

Answer any FIVE of the following:

(5x2=10)

1. Give the importance of Man power planning?
2. What are the goals of HRD in an organizations?
3. What is Company Sponsored Training?
4. Define Job Review.
5. Give two key factors that influence employee retention.
6. Differentiate career management and career path.
7. What do you mean by work force reduction?

SECTION - B

Answer any FOUR of the following:

(4x5=20)

8. "HRM is Art as well as science". Justify
9. Explain HRD mechanism In brief.
10. What is training? What are its benefits?
11. Explain briefly Kirk Patrick's HRD Model.
12. Write a note on importance of diversity in an organisation.
13. What are the functions of HR Manager in an organization?

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MANGALURU - 575 003

SECTION - C

Answer any TWO of the following:

(2x15=30)

14. Explain HRD in Indian and global context.
15. Briefly Explain the procedure of implemeting HRD programs.
16. Examine the fundamental concepts of socialisation and discuss its features.

(2021- Batch onwards)

G 310 DE1d.5/G 310 DE2d.5

Reg. No:

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St Aloysius College (Autonomous)

Mangaluru

B.Com. Semester V – Degree Examination

October/November- 2025

BASICS OF BUSINESS ANALYTICS

Time: 2 ½ Hours

Max. Marks: 60

SECTION - A

Answer any FIVE of the following:

(5x2=10)

1. What is unstructured data? Provide one example.
2. Explain the role of prescriptive analytics.
3. Give one example of a widely used DBMS software.
4. List two sources of data used by data scientists.
5. Mention one benefit of using a Pivot Table.
6. What is a Lookup function in Excel?
7. write any two relationship between genomic data and personalized medicine.

SECTION - B

Answer any FOUR of the following:

(4x5=20)

8. Discuss the importance of business analytics In modern businesses. Provide examples of its application.
9. Discuss two real-world applications of data mining in industries such as healthcare or finance.
10. Name two types of data elements used in data collection.
11. Discuss how genomic data integration into health records can improve patient outcomes.
12. Discuss how the SMART model can help in setting clear business objectives for analytics projects.
13. Analyze the Importance of HDFS in handling large datasets. What challenges does it address in big data environments?

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

SECTION - C

Answer any TWO of the following:

(2x15=30)

14. Define analytics and discuss its significance across various industries.
15. What are "weights of evidence coding" and why is it used In data preparation?
16. Critically discuss the objectives of data warehousing in businesses. How does a well-implemented data warehouse contribute to enhanced business intelligence, and what challenges might organizations face when implementing one?

(2021 Batch Onwards)

G 310 VO1.5/G 330 VO1.5

Reg. No. :

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St Aloysius College (Autonomous)

Mangaluru

B.Com. /B.Com. (Apprenticeship/Internship Embedded)

Semester V – Degree Examination

October/November - 2025

GST-LAW AND PRACTICE

Time: 2¹/₂ Hours

Max Marks: 60

SECTION - A

Answer any **FIVE** of the following:

(5x2=10)

1. When is a person compulsorily liable to register under GST?
2. What are the rates of taxes under Composition Scheme?
3. Mention any four taxes which are subsumed under GST.
4. How are Exports and Imports treated under GST?
5. Calculate the utilization of credit from the following:
CGST credit available - ₹ 8,500
Liability payable towards IGST ₹ 30,000
CGST ₹ 12,000 and SGST ₹ 18,000
6. Ms. Varsha sold goods to Mr. Monish and issued invoice for the sale on 01st August 2024. Determine the time of supply of goods in the following cases:
 - a. Ms. Varsha removes the goods for delivery to Mr. Monish on 16th August 2024.
 - b. Mr. Monish collects the goods from the premises of Ms. Varsha on 28th July 2024
7. What is Reverse Charge Mechanism?

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

SECTION - B

Answer any **FOUR** of the following:

(4x5=20)

8. Write a note on GSTC.
9. Explain Registration procedure under GST.
10. Give the meaning of Composite Supply and Mixed Supply with examples.
11. Mr. Shantharaj has his business spread out in different states in India and is supplying all types of goods and services. Calculate his aggregate turnover.

SI No	Place of Business	Transaction
1	Bangalore	10 Lakhs (3 Lakhs exempted services)
2	Mangalore	5 Lakhs (including IGST 1 Lakh)
3	Chennai	15 Lakhs (2 Lakhs Nil rated goods)
4	Coimbatore	3 Lakhs
5	Delhi	10 Lakhs (3 Lakhs alcohol)
6	Jalandhar	12 Lakhs (2.5 Lakhs non-taxable goods)

Contd... 2

G 310 VO1.5/G 330 VO1.5

12. Determine the Place of supply in each of the following independent cases:
- Mr. Johny of New Delhi buys a ticket for an amusement park located in Noida, Uttar Pradesh.
 - Bunny Builders (Mangaluru, Karnataka) is constructing a factory building for Anam Pvt Ltd (Surat, Gujarat) in Jaipur, Rajasthan.
 - Mr. Rakesh (Cochin, Kerala) asks Mr. Sathish of Bengaluru, Karnataka to deliver 50 washing machines to his buyer Mr. Ravish at Chennai, Tamilnadu.
 - ABC Event Managers (Mangaluru, Karnataka) is hired by Sanchez Electronics (Kerala) to organize their annual event at Bengaluru.
 - Mr. Xavier imports dates from the United Arab Emirates.
13. Determine the total amount of GST payable on a machine using the details given below.
- Selling price of the machine (Inclusive of CGST @ 9% and SGST @ 9%) ₹1,77,000.
 - Design and development charges ₹10,000, (not included in sale price).
 - Warranty charges charged separately by the seller ₹5,000.
 - Cost of durable and returnable packing included in the sale price ₹2,000.
 - Rate of GST @ 18%.

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

14. Explain the salient features of GST Act, 2017.
15. M/s Madhav and Co, a registered dealer in Maharashtra furnishes the following information for the month of August, 2024. Compute taxable turnover under CGST/SGST and IGST.
- Goods of ₹8,00,000 sold to a dealer at Patna (Bihar).
 - Commodity worth ₹3,50,000 sold to an unregistered dealer at Assam.
 - Goods of ₹2,20,000 supplied within the state.
 - Product X supplied to a dealer at Pune ₹5,45,000.
 - Product S worth ₹3,00,000 sent to a job worker in Mumbai.
 - Goods worth ₹5,00,000 supplied to a unit of EOU at New Delhi.
 - Goods amounting to ₹ 3,00,000 supplied to Andaman.
 - Goods worth ₹3,75,000 received from an unregistered dealer at Nagpur.
 - Commodity Z supplied to a dealer at London ₹7,65,000.
 - Supplied goods of ₹85,000 to Jammu & Kashmir.
 - Goods of ₹2,50,000 supplied from job worker place directly to a dealer at Pune.
 - Commodity Z worth ₹6,10,000 transferred to their branches in Karnataka.
 - Goods purchased from unregistered dealer in Mumbai for ₹10,00,000.

G 310 VO1.5/G 330 VO1.5

n) Goods worth ₹3,25,000 supplied to a dealer in Lakshadweep.

o) Goods worth ₹2,00,000 received from job worker.

16. A taxable person in Bangalore agreed to supply 10 computer systems to another taxable person of Bangalore in the month of October on the following terms;

Price of CPU (GST at 18%) 23,600 each

Price of Desktops (GST at 28%) 6,000 each

Expenses charged separately

Packing for transportation ₹ 10,000

Transport charges to recipient place ₹ 18,000

Commission paid to agents to fix up agreement for the sale ₹ 12,000

Late fees charged to buyer for delayed payment of the materials supplied in the month of August 2024 ₹ 3,000.

The dealer supplied following essential items along with CPU:

a) 10 keypads supplied along with the desktops costing ₹ 300 each and GST rate applicable is 12%

b) 10 mouse supplied along with the desktops costing ₹ 350 each and Rate of GST applicable is 12%.

c) Cost of operating software's supplied for all systems at ₹ 50,000, GST rate applicable is 5%

d) Special discount of ₹ 5,000 is given, if advance of ₹ 1,00,000 is paid with order. The buyer has paid advance with the order.

e) Balance available in the Electronic credit Leger: IGST - ₹ 1,45,000; CGST - ₹ 85,000 and SGST - ₹ 65,000.

Find the transaction value and the GST payable.

(2021 Batch Onwards)

G 320 DC1.5

Reg. No. :

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St Aloysius College (Autonomous)

Mangaluru

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

October/November - 2025

ADVANCED FINANCIAL MANAGEMENT – I

Time: 2¹/₂ Hours

Max Marks: 60

SECTION – A

Answer any **FIVE** of the following.

(5x2=10)

1. What are the decisions taken by the finance manager?
2. Who are stakeholders? List any 4 stakeholders.
3. Who do you mean by Bi lateral trade agreements?
4. List the Key areas of responsibility for the financial manager.
5. What do you mean by Pecking order theory?
6. Explain Dark pool trading system.
7. List the Types of merger.

SECTION - B

Answer any **FOUR** of the following.

(4x5=20)

8. A company prepares a forecast of future free cash flow at the end of each year. A period of 15 years is used as this is thought to represent the typical time horizon of investors in this industry.

It is assumed that the planning horizon is three years – i.e. returns are likely to grow each year for the first three years after which they will reach a steady state.

The following data is available:

Free cash flows are expected to be \$2.5 million in year 1, \$4.5 million in year 2 and \$6.5 million in year 3. The stock market value of debt is \$5m and the company's cost of capital is 10%.

Required: Calculate the current value of the firm and the value of the equity.

9. Write a short note on Behavioural Finance.
10. What you mean by Agency theory?
11. Aira Inc goes into voluntary liquidation and the Statement of Financial Position before the liquidation is as follows:

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

I. EQUITY AND LIABILITIES (\$ in 000)	
1. Shareholders' Funds	
(a) Share Capital – Equity Share Capital (\$10 each fully paid)	400
(b) Share Capital – 10% Preference Share Capital (\$100 each fully paid)	200
Total Shareholders' Funds	600

Contd...2

2. Non-Current Liabilities	
(a) Long-term Borrowings – 12% Loan Notes (Secured)	150
Total Non-Current Liabilities	150
3. Current Liabilities	
(a) Trade Payables	120
(b) Other Current Liabilities (Outstanding Expenses)	30
Total Current Liabilities	150
TOTAL EQUITY AND LIABILITIES	900
II. ASSETS	
1. Non-Current Assets	
(a) Fixed Assets	350
Total Non-Current Assets	350
2. Current Assets	
(a) Inventories	150
(b) Trade Receivables	100
(c) Cash & Cash Equivalents	20
Total Current Assets	270
TOTAL ASSETS	620

Note

1. The assets were realised as follows:

- Fixed Assets – \$295,000
- Inventory – \$155,000
- Trade Receivables – 90%

2. The Loan notes are to be paid along with interest accrued of \$18,000
(Included in Outstanding expenses)

12.. What you mean by International Monetary Fund (IMF) and what are its functions?

13. **Urco Inc.**

Statement of Financial Position as at as at 31st March.

Particulars	31-03-2023	31-03-2024
I. EQUITY AND LIABILITIES		
1. Shareholders' Funds		
(a) Share Capital	400	500
(b) Reserves & Surplus	200	250
Total Shareholders' Funds	600	750
2. Non-Current Liabilities		
(a) Long-term Borrowings (12% Debentures)	300	350
Total Non-Current Liabilities	300	350

Contd...3

3. Current Liabilities		
(a) Trade Payables	150	180
(b) Other Current Liabilities (Outstanding Expenses)	50	70
Total Current Liabilities	200	250
TOTAL EQUITY AND LIABILITIES	1,100	1,350
II. ASSETS		
1. Non-Current Assets		
(a) Property Plant & Equipment	600	750
Total Non-Current Assets	600	750
2. Current Assets		
(a) Inventories	150	200
(b) Trade Receivables	100	150
(c) Cash & Cash Equivalents	200	180
(d) Other Current Assets (Prepaid Expenses)	50	70
Total Current Assets	500	600
TOTAL ASSETS	1,100	1,350

Statement of Profit and Loss for the year ended 31st March

Particulars	2023	2024
I. Revenue from Operations	1,200	1,600
II. Expenses:		
(a) Cost of Goods Sold	800	1,100
(b) Operating Expenses	200	250
(c) Finance Costs	36	42
Total Expenses	1,036	1,392
III. Profit Before Tax	164	208
IV. Tax Expense (40%)	64	84
V. Profit After Tax	100	124

Calculate the following ratios for both years:

Current Ratio, Quick Ratio, Debt-Equity Ratio, Inventory Turnover Ratio, Debtors Turnover Ratio, Net Profit Ratio, Operating Ratio, Return on Capital Employed (ROCE), Earnings per Share (EPS) (Equity Shares of \$1 each) Interest Coverage Ratio.

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

SECTION - C

Answer any **TWO** of the following.

(2x15=30)

14. A company is developing a free cash flow forecast to estimate the value of its equity. The following data is available:

Current sales are \$600 million. Sales are projected to grow by 10% in year 1, decreasing by 2% per year until stabilizing in year 5, where they will remain constant in perpetuity. The operating profit margin is expected to be 9% for years 1 and 2, increasing to 11% from year 3 onward. Depreciation will be \$10 million in year 1 and will rise by \$2 million annually for the next four years, after which it will remain constant. Capital expenditure is assumed to equal depreciation.

Contd...4

Incremental investment in working capital will be:

- 9% of the increase in sales in year 1,
- 7% in year 2,
- 5% in year 3,
- 3% in year 4.

Tax rate is 25%.

The company's WACC is 13%.

The market value of debt is \$60 million, and the market value of short-term investments is \$5 million.

Required: Estimate the value of equity using the free cash flow method.

15. What are the Strategies for the resolution of stakeholder conflict?
16. Siplem Co and Linbeny Co are listed companies. Siplem is considering a takeover bid for Linbeny.

Relevant information is as follows:

	Siplem Co	Linbeny Co
Share price today	\$8.50	\$6.20
Shares in issue	100 million	20 million

If the acquisition goes ahead, synergies with a total value of \$46 million are expected to be achieved. The Siplem Co directors are considering the following three offers:

cash offer of \$7.00 per share.

9 for 10 share for share exchange.

Mixed offer of \$6.00 cash and one Siplem Co share for every two Linbeny Co shares held. It is estimated that Siplem Co's share price will become \$8.60 per share if such a mixed offer is made.

Recent takeovers in the industry have seen premiums payable to target company shareholders of between 10% and 30%.

Required:

Estimate the gains to both sets of shareholders (in \$ and % terms) as a result of each of the three offers.

Evaluate the likely reaction of Siplem Co's and Linbeny Co's shareholders to the three offers.

(2021 Batch Onwards)

G 320 DE1.5

Reg. No. :

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St Aloysius College (Autonomous)

Mangaluru

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

October/November - 2025

ADVANCED PERFORMANCE MANAGEMENT

Time: 2¹/₂ Hours

Max Marks: 60

SECTION – A

Answer any FIVE of the following.

(5x2=10)

1. What is mission statement?
2. Give the meaning of strategic planning.
3. State the differences between risk and uncertainty.
4. Give two examples of the usage of Big Data in an organization.
5. State any two differences between ROI and RI.
6. What is the feature of "Cash Cow" in BCG matrix?
7. Give the meaning of transfer pricing.

SECTION - B

Answer any FOUR of the following.

(4x5=20)

8. State the advantages and disadvantages of EVA (Economic Value Added).
9. What are the sources of CSFs.
10. Explain the ways to resolve potential conflict between strategic plans and operational decisions.
11. Write a note on responsibility centres?
12. Explain the following models:
 - a) PESTEL
 - b) Mckinsey's 7S
13. CB publishing is considering the impact of a new system based on an integrated, single database which would support an executive information system (EIS) and a decision support system (DSS). A network update would allow real time input of data.

Required: Evaluate the potential impact of the introduction of the new system on performance management.

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MANGALURU - 575 003

SECTION – C

Answer any TWO of the following.

(2x15=30)

14. HI is a large importer of cleaning products; HI has its head office situated in the centre of the capital city. This head office supports its area branches; a branch consists of an area office and a warehouse. The branches are spread geographically throughout the country; a total of seven area branches are

Contd...2

supported. Currently each HI area office and warehouse supports and supplies its own dealers with the required products. When stocks become low they place a Required Stock Form (RSF) with head office. On receipt of the RSF, head office despatch the goods from their central warehouse to the appropriate area office. When the central warehouse becomes low on any particular item(s) HI will raise purchase orders and send them to one of their many international suppliers. Typically, each area office has its own stock recording system, running on locally networked personal computer systems (PCs). RSFs are emailed to head office.

Required: How would the introduction of an Intranet enhance performance within HI?

15. Explain different types of benchmarks. State its advantages and disadvantages.
16. a) Explain the purpose of reward systems.
b) Explain different types of performance-related pay.

(2022 Batch Onwards)

G 320 DE2.5

Reg. No. :

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St Aloysius College (Autonomous)

Mangaluru

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

October/November - 2025

CORPORATE REPORTING I

Time: 2¹/₂ Hours

Max Marks: 60

SECTION – A

Answer any **FIVE** of the following.

(5x2=10)

1. Chive is an entity located in a country whose currency is dollars (\$). All of its equity shares are owned by an entity whose functional currency is the Euro. Chive has very few transactions with its parent and acts with significant autonomy. Seventy per cent of Chive's sales are denominated in dollars and 30% are denominated in sterling (£). Chive does not convert receipts from customers into other currencies. Chive buys most of its inventories, and pays for a large proportion of operating costs, in sterling.

Required: What is the functional currency of Chive? Chive has two bank loans outstanding. It has no intra-group loans. Both of its loans are denominated in dollars.

2. Baklava has an investment property that is measured at fair value. This property is rented out on short-term leases. The directors wish to fair value the property by estimating the present value of the net cash flows that the property will generate for Baklava. They argue that this best reflects the way in which the building will generate economic benefits for Baklava. The building is unique, although there have been many sales of similar buildings in the local area.

Required: Discuss whether the valuation technique suggested by the directors complies with International Financial Reporting Standards.

3. What is the primary criterion for classifying an asset as current according to IAS 1?
4. Define revenue in the context of an entity's financial operations.
5. What are the two measurement models allowed under IAS 16 for property, plant, and equipment?
6. What does IAS 2 require when writing down inventories, and how is net realisable value (NRV) determined?

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

7. An entity makes contributions to the pension fund of employees at a rate of 5% of gross salaries. For convenience, the entity pays \$10,000 per month into the pension scheme with any balance being paid in the first month of the following accounting year. The wages and salaries for 20X6 are \$2.7 million.

Required: Calculate the pension expense for 20X6, and the accrual/prepayment at the end of the year.

Contd...2

SECTION - B

Answer any **FOUR** of the following.

(4x5=20)

8. Explain the principles of code of ethics and conduct.
9. Briefly explain the general features of financial statements?
10. On 1 December 20X1, Moon receives an order from a customer for a computer as well as 12 months of technical support. Moon delivers the computer (and transfers its legal title) to the customer on the same day. The customer paid \$420 upfront. If sold individually, the selling price of the computer is \$300 and the selling price of the technical support is \$120.

Required: Apply the 5 stages of revenue recognition, per IFRS 15, to determine how much revenue Moon should recognise in the year ended 31 December 20X1.

11. On 31 December 20X1, an entity noticed that one of its items of plant and machinery is often left idle. On this date, the asset had a carrying amount of \$500,000 and a fair value of \$325,000. The estimated costs required to dispose of the asset are \$25,000. If the asset is not sold, the entity estimates that it would generate cash inflows of \$200,000 in each of the next two years. Assume that the cash flows occur at the end of each year. The discount rate that reflects the risks specific to this asset is 10%.

Required:

(a) Discuss the accounting treatment of the above in the financial statements for the year ended 31 December 20X1.

(b) How would the answer to part (a) be different if there was a balance of \$10,000 in other components of equity relating to the prior revaluation of this specific asset?

12. Sunlight is an entity whose functional currency is the dollar (\$) and has an annual reporting date of 31 December.

On 1 July 20X3, Sunlight purchased an item of plant and equipment on credit for Dn400,000. On 1 November 20X3, Sunlight made a payment of Dn180,000 to the supplier. The balance of the invoice remains outstanding. Sunlight has a policy of applying historical cost accounting and depreciating plant and equipment at the rate of 20% per annum. The item of plant and equipment is not expected to have any residual value at the end of its useful life.

Relevant exchange rates to \$1 are as follows:

1 July 20X3	Dn 10.0
1 November 20X3	Dn 7.2
1 December 20X3	Dn 9.0
31 December 20X3	Dn 8.0

Required: Prepare relevant extracts from Sunlight's financial statements for the year ended 31 December 20X3 to illustrate the impact of the above transactions.

Contd...3

13. The following information relates to a defined benefit plan operated by Fraser. At 1 January 20X1, the present value of the obligation was \$1,000,000 and the fair value of the plan assets amounted to \$900,000.

	20X1	20X2	20X3
Discount rate at start of year	10%	9%	8%
Current and past service cost (\$000)	125	130	138
Benefits paid (\$000)	150	155	165
Contributions paid into plan (\$000)	90	95	105
PV of obligation at 31 December (\$000)	1,350	1,340	1,450
FV of plan assets at 31 December (\$000)	1,200	1,150	1,300

Required:

Show how the defined benefit plan would be shown in the financial statements for each of the years ended 31 December 20X1, 20X2 and 20X3 respectively.

SECTION - C

Answer any **TWO** of the following.

(2x15=30)

14. Briefly explain:-

a) IAS 1 - Presentation of financial statements.

(5 Marks)

b) IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations.

(5 Marks)

c) IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

(5 Marks)

15. a) Shred sells a machine and one year's free technical support for \$100,000. The sale of the machine and the provision of technical support have been identified as separate performance obligations. Shred usually sells the machine for \$95,000 but it has not yet started selling technical support for this machine as a stand-alone product. Other support services offered by Shred attract a mark-up of 50%. It is expected that the technical support will cost Shred \$20,000. Required: How much of the transaction price should be allocated to the machine and how much should be allocated to the technical support?

(8 Marks)

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

b) Salty enters into a contract to supply 1,000 products to Sweet for \$60 each. The products are transferred over an eight month period, and control passes on delivery. After Salty has transferred 700 products the contract is modified to require an additional 200 products to be transferred (i.e. 1,200 in total). The price for the additional 200 products is \$57, which is the standalone selling price at the date of the contract modification. By the reporting date, Salty has transferred 900 products in total to Sweet.

Required:

(i) Discuss, with calculations, how much revenue should be recognised in relation to the above by the reporting date.

(ii) Discuss, with calculations, how much revenue should be recognised in relation to the above by the reporting date if the contract specified a price of \$40 for the additional 200 products.

Assume the normal standalone selling price at the modification date is \$57.

(7 Marks)

16. On 1 January 20X1, Sparrow enters into a four-year lease of property with annual lease payments of \$1 million, payable at the beginning of each year. According to the contract, lease payments will increase every year on the basis of the increase in the Consumer Price Index for the preceding 12 months. The Consumer Price Index at the commencement date is 125. The interest rate implicit in the lease is not readily determinable. Sparrow's incremental borrowing rate is 5 per cent per year. At the beginning of the second year of the lease the Consumer Price Index is 140.

Required:

Discuss how the lease will be accounted for:

- i) during the first year of the contract. **(8 Marks)**
- ii) on the first day of the second year of the contract. **(7 Marks)**

(2021 Batch Onwards)

G 320 DC3.5

Reg. No. :

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St Aloysius College (Autonomous)

Mangaluru

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

October/November - 2025

ADVANCED AUDIT AND ASSURANCE – I

Time: 2¹/₂ Hours

Max Marks: 60

SECTION – A

Answer any FIVE of the following.

(5x2=10)

1. What is a self-interest threat? Give two examples.
2. What is a joint audit?
3. Expand NOCLAR.
4. What is the need for ethical guidance on money laundering?
5. What is a transnational audit?
6. Define corporate governance.
7. Define Public Interest Entities (PIE).

SECTION - B

Answer any FOUR of the following.

(4x5=20)

8. Mention the benefits and drawbacks of audit committee.
9. Define money laundering. Explain its stages along with offences.
10. Define fraud and error. How do the auditors report it?
11. Define audit risk. Explain its types.
12. Explain the matters to be considered before accepting a new engagement or Client.
13. Write a note on conflicts of interest.

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

SECTION – C

Answer any TWO of the following.

(2x15=30)

14. Explain the Principles and Provisions of Division Of Responsibilities.
15. a) You are the auditor of a chain of restaurants. You have read a newspaper report that guests at a wedding have fallen ill after eating at one of your client's restaurants.

Required: In relation to this report, describe the audit procedures you should perform in respect of compliance with laws and regulations. **(5 Marks)**

b) The directors of Jubilee Co have asked your firm to provide a detailed report at the end of the audit listing all the deficiencies in the internal control system. They are unhappy that during the year discounts had been given to customers who did not qualify for them. They have expressed dissatisfaction

Contd...2

with your audit firm as this control deficiency was not reported to them by your firm.

Required: Draft points to include in your reply to Jubilee Co. (5 Marks)

c) Set out the arguments for and against allowing auditors to agree a contractual liability cap with clients. (5 Marks)

16. a) What is Audit Strategy and Plan? Explain the Planning procedures for Initial Engagements. (5 Marks)

b) Explain the components of Internal Control. (5 Marks)

c) Explain the fundamental principles of ethics and conduct. (5 Marks)

(2021 Batch Onwards)

G 320 VO1.5

Reg. No. :

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St Aloysius College (Autonomous)

Mangaluru

B.Com.(International Finance)

Semester V – Degree Examination

October/November - 2025

BUSINESS TAXATION -I

Time: 2¹/₂ Hours

Max Marks: 60

SECTION - A

Answer any **FIVE** of the following:

(5x2=10)

1. When is a person compulsorily liable to register under GST?
2. What are the rates of taxes under Composition Scheme?
3. Mention any four taxes which are subsumed under GST.
4. How are Exports and Imports treated under GST?
5. Calculate the utilization of credit from the following:

CGST credit available -₹ 8,500

Liability payable towards IGST ₹ 30,000

CGST ₹ 12,000 and SGST ₹ 18,000

6. Ms. Varsha sold goods to Mr. Monish and issued invoice for the sale on 01st August 2024. Determine the time of supply of goods in the following cases:
 - a. Ms. Varsha removes the goods for delivery to Mr. Monish on 16th August 2024.
 - b. Mr. Monish collects the goods from the premises of Ms. Varsha on 28th July 2024

ST ALOYSIUS COLLEGE LIBRARY

MANGALURU - 575 003

7. What is Reverse Charge Mechanism?

SECTION - B

Answer any **FOUR** of the following:

(4x5=20)

8. Write a note on GSTC.
9. Explain Registration procedure under GST.
10. Give the meaning of Composite Supply and Mixed Supply with examples.
11. Mr. Shantharaj has his business spread out in different states in India and is supplying all types of goods and services. Calculate his aggregate turnover.

SI No	Place of Business	Transaction
1	Bangalore	10 Lakhs (3 Lakhs exempted services)
2	Mangalore	5 Lakhs (including IGST 1 Lakh)
3	Chennai	15 Lakhs (2 Lakhs Nil rated goods)
4	Coimbatore	3 Lakhs
5	Delhi	10 Lakhs (3 Lakhs alcohol)
6	Jalandhar	12 Lakhs (2.5 Lakhs non-taxable goods)

Contd... 2

G 320 VO1.5

12. Determine the Place of supply in each of the following independent cases:
- Mr. Johny of New Delhi buys a ticket for an amusement park located in Noida, Uttar Pradesh.
 - Bunny Builders (Mangaluru, Karnataka) is constructing a factory building for Anam Pvt Ltd (Surat, Gujarat) in Jaipur, Rajasthan.
 - Mr. Rakesh (Cochin, Kerala) asks Mr. Sathish of Bengaluru, Karnataka to deliver 50 washing machines to his buyer Mr. Ravish at Chennai, Tamilnadu.
 - ABC Event Managers (Mangaluru, Karnataka) is hired by Sanchez Electronics (Kerala) to organize their annual event at Bengaluru.
 - Mr. Xavier imports dates from the United Arab Emirates.
13. Determine the total amount of GST payable on a machine using the details given below.
- Selling price of the machine (Inclusive of CGST @ 9% and SGST @ 9%) ₹1,77,000.
 - Design and development charges ₹10,000, (not included in sale price).
 - Warranty charges charged separately by the seller ₹5,000.
 - Cost of durable and returnable packing included in the sale price ₹2,000.
 - Rate of GST @ 18%.

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

14. Explain the salient features of GST Act, 2017.
15. M/s Madhav and Co., a registered dealer in Maharashtra furnishes the following information for the month of August, 2024. Compute taxable turnover under CGST/SGST and IGST.
- Goods of ₹8,00,000 sold to a dealer at Patna (Bihar).
 - Commodity worth ₹3,50,000 sold to an unregistered dealer at Assam.
 - Goods of ₹2,20,000 supplied within the state.
 - Product X supplied to a dealer at Pune ₹5,45,000.
 - Product S worth ₹3,00,000 sent to a job worker in Mumbai.
 - Goods worth ₹5,00,000 supplied to a unit of EOU at New Delhi.
 - Goods amounting to ₹ 3,00,000 supplied to Andaman.
 - Goods worth ₹3,75,000 received from an unregistered dealer at Nagpur.
 - Commodity Z supplied to a dealer at London ₹7,65,000.
 - Supplied goods of ₹85,000 to Jammu & Kashmir.
 - Goods of ₹2,50,000 supplied from job worker place directly to a dealer at Pune.
 - Commodity Z worth ₹6,10,000 transferred to their branches in Karnataka.
 - Goods purchased from unregistered dealer in Mumbai for ₹10,00,000.

G 320 VO1.5

n) Goods worth ₹3,25,000 supplied to a dealer in Lakshadweep.

o) Goods worth ₹2,00,000 received from job worker.

16. A taxable person in Bangalore agreed to supply 10 computer systems to another taxable person of Bangalore in the month of October on the following terms;

Price of CPU (GST at 18%) 23,600 each

Price of Desktops (GST at 28%) 6,000 each

Expenses charged separately

Packing for transportation ₹ 10,000

Transport charges to recipient place ₹ 18,000

Commission paid to agents to fix up agreement for the sale ₹ 12,000

Late fees charged to buyer for delayed payment of the materials supplied in the month of August 2024 ₹ 3,000.

The dealer supplied following essential items along with CPU:

a) 10 keypads supplied along with the desktops costing ₹ 300 each and GST rate applicable is 12%

b) 10 mouse supplied along with the desktops costing ₹ 350 each and Rate of GST applicable is 12%.

c) Cost of operating software's supplied for all systems at ₹ 50,000, GST rate applicable is 5%

d) Special discount of ₹ 5,000 is given, if advance of ₹ 1,00,000 is paid with order. The buyer has paid advance with the order.

e) Balance available in the Electronic credit Leger: IGST - ₹ 1,45,000; CGST - ₹ 85,000 and SGST - ₹ 65,000.

Find the transaction value and the GST payable.

(2022 & 2023 batch)

G 330 DC2.5

Reg. No. :

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**St Aloysius College (Autonomous)
Mangaluru**

**B.Com.(Apprenticeship/Internship Embedded) Semester V – Degree Examination
October / November -2025**

INCOME TAX

Time: 2½ Hours

Max Marks: 60

SECTION – A

Answer any FIVE of the following.

(5x2=10)

1. Define assessee as per the Income tax Act of 1961.
2. Mr Arya (not being Indian citizen or person of Indian origin) working in Canada came to India on 31.12.2024 and stayed up to 30.03.2025. Then he returned to Canada. Find out his **residential status for the previous year 2024-25.**
3. State the conditions prescribed in rule 4 in order to claim unrealized rent as a deduction from actual rent received while computing gross annual value.
4. State whether the following statements are **true or false**-
 - a. Exemption under Section 54 B can be claimed for investment made in new residential house.
 - b. Exemption under section 54 F is available for transfer of residential house and investment in new residential House.
5. State the meaning of casual income. Give two examples of casual income.
6. If any assessee pays medical insurance premium for his/her dependent parents (who are below 60 years), whether he/she can claim deductions u/s 80? If yes, under which section and what is the amount of deduction that can be claimed by the assessee?
7. Under which head of income can the following incomes be classified?
 - a. Income from sale of medicine by a doctor.
 - b. Dividend received from an Indian Company.

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

SECTION - B

Answer any FOUR of the following.

(4x5=20)

8. Write a note on deduction u/s-
 - a. 80 D.
 - b. 80 U.
9. Mr. Bhuvan, a resident individual, furnishes the following particulars for the P.Y. 2024-25:

Particulars	₹
Income from the activity of owning and maintaining the race horses	1,00,000
Income from hotel business	85,000
Brought forward speculative business loss	2,00,000
Income from other sources	10,000

What is the total income chargeable to tax for the A.Y.2025-26?

Contd...2

10. From the information given below by Ms Srusti compute her income from house property for the A Y 2025-26.

(Amount in ₹)

Particulars	I	II	III
Municipal Value	2,50,000	1,00,000	2,50,000
Fair Rent	1,20,000	1,20,000	2,25,000
Standard Rent	1,00,000	1,25,000	1,60,000
Actual Rent per month	15,000	13,000	25,000
Municipal tax @ 10% of MV paid by	owner	Tenant	owner

11. Write a note on 'Bond washing transaction'.
12. Following is the receipts and payments A/c of Dr. Ram for the year 2024-25:

Receipts	₹	Payments	₹
Balance	70,000	Clinic rent	10,000
Visiting fees	35,000	Salaries	30,000
Consultation fees	45,000	Electricity and water	5,000
Sale of medicines	35,000	Medical books	4,500
bank interest	5,000	Surgical equipment's	20,000
dividends	4,000	Car expenses	10,000
		Association fees	2,000
		Audit fees	5,000
		Staff welfare exps.	2,000
		Festival celebration expenses.	5,000
		Cost of medicine	35,000
		Donation to NDF	8,000
		Balance	61,500
	1,94,000		1,94,000

Additional information:

- A patient gifted him ₹15,000 for his medical service; this was not included in the books of accounts.
- The car expenses relate to personal use.

Compute the total income from profession of Dr. Ram for the AY 2025-26.

13. From the following information **compute capital gain** of Mr Sion for the AY 2025-26.

Particulars.	House 1	House 2
Date of purchase	June 2005	December 2010
Cost of acquisition	₹1,90,000	₹2,50,000
FMV as on 1.4.2001	₹1,75,000	₹3,50,000
Cost of additional construction in 2015-16	₹51,800	₹77,700
Sale proceeds in 2024-25	₹35,50,000	₹45,50,000

Contd...3

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

14. From the following information compute the total income of person in case of ordinarily resident, not ordinarily resident and non-resident.
- Income from UK development bond, credited directly to the bank account at Mangaluru ₹ 5,40,000
 - Income from business in Sri Lanka, amount directly credited to account in India- ₹ 2,20,000.
 - Income from business in Singapore ₹ 2,80,000 received there, the business being controlled from Bengaluru.
 - Gift received from father on wedding day ₹ 1,00,000.
 - Gift received from friend on wedding day ₹ 25,000.
 - Gift received from cousin on birthday ₹ 12,000.
 - Past untaxed income brought to India in the previous year ₹ 50,000.
 - Interest on post office savings bank account ₹ 3,500. (individual account).
 - Income from business in Surat ₹ 2,80,000 received in Delhi, the business being controlled from Bengaluru.
 - Income from Business in South Africa, received there ₹ 2,00,000, which was later remitted to India.
 - Dividend received from Indian company ₹ 2,000.
 - Agricultural income from cultivating tea in India ₹ 1,50,000
 - Agricultural income from Cultivating sugarcane in India ₹ 5,00,000.
 - Agricultural Income from Sri lanka ₹ 70,000.
 - Paid Interest on loan ₹ 24,000.
15. The following details have been supplied by an individual. **Compute Total income and Net tax liability** for the Assessment year 2025-26.
- Profit from Non-speculative business ₹ 10,20,000, Loss from Speculative business ₹ 25,000.
 - Annual rental value of property let-out ₹ 12,000. Municipal taxes paid ₹ 1000.
 - Interest on government securities ₹ 500.
 - Dividend ₹ 250 received from Indian Company.
 - Long term capital gain from asset ₹ 30,000, Short term capital gain from shares u/s 111A ₹ 50,000.
 - He paid ₹ 12,000 by way of repayment of principal amount towards housing loan and donated ₹ 5,000 by cheque for National Children's Fund
 - Medical insurance premium on the health of the members of the family (spouse and Children) paid by cheque ₹ 20,000.
- ST ALOYSIUS COLLEGE LIBRARY**
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16. Mr. Adwik is working in a company at Mumbai. He gives the following details of salary for the previous year. **Compute his income from salary** for the previous year 2024-25.
- Basic Salary ₹ 60,000 p.m.
 - D. A. 30% of Basic. (D.A. is considered for computation of retirement benefits).
 - His Bonus during the year was ₹ 60,000
 - House rent allowance ₹ 8,000 p.m. (rent paid by Mr Adwik was ₹ 7,000).
 - Children Education allowance ₹ 300 p.m. per child for two children.
 - Children Hostel Allowance ₹ 400 p.m. per child for two children.
 - Life insurance premium paid by the employer ₹ 36,000.
 - He contributes 12% of his salary to his RPF, to which his Company contributes an equal amount. During the year interest of ₹ 20,000 is credited to his PF at the rate of 10% p.a.
 - He is provided with a car of 1.6 Ltr C.C., which he uses for both official and personal purposes. The expenses of running and maintenance ₹25,000 and driver's wages of ₹.6,000 p.m. are paid by the Company.
 - He had borrowed from the Company housing loan ₹ 20,00,000 at 4% p.a. on 1.12.2024. The State Bank of India charges 9 % p.a. on such loan.
 - The Company paid his club and hotel bills ₹ 10,000.
 - He is provided with free lunch worth ₹ 150 per meal (assume 240 working days)
 - The Company deducted at source Professional tax ₹ 2,400.

(2023 batch only)

G 330 DC4.5

Reg. No. :

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**St Aloysius College (Autonomous)
Mangaluru**

**B.Com.(Apprenticeship/Internship Embedded) Semester V – Degree Examination
October /November -2025**

Management Accounting

Time: 2 ½ Hours

Max Marks: 60

SECTION - A

Answer any **FIVE** of the following.

(5x2=10)

1. Why is management accounting important for improving financial performance?
2. Differentiate between horizontal and vertical analysis of financial statement analysis.
3. In what ways does ratio analysis assist in comparing financial statements over time?
4. What does a cash flow statement mean?
5. Explain different classification of Budget?
6. Summarize any two objectives of Budgetary control.
7. Give an example of how management accounting helps in decision-making.

SECTION - B

Answer any **FOUR** of the following.

(4x5=20)

8. What are the major distinctions between cost accounting and management accounting?
9. Explain the limitations of financial statements.
10. Given

Current ratio	2.8 .
Acid test ratio	1.5
Working capital	1,62,000

Find out

- a. Current asset
 - b. Current liabilities
 - c. Liquid asset
11. Classify activities as operating, investing and financing.
 1. Issue of debentures
 2. Refund of income tax
 3. Payment of interest
 4. Sale of land
 5. Cash sales
 6. Receipt of dividend
 7. Payment of income tax
 8. Cash received from debtors
 9. Rent paid
 10. Payment of dividend

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

12. Prepare cash budget 3 months ending June

Month	Sales	Purchase	Wage	Expense
Jan	800,000	450,000	200,000	50,000
Feb	800,000	400,000	180,000	60,000
Mar	750,000	420,000	220,000	60,000
April	900,000	500,000	240,000	70,000
May	850,000	450,000	200,000	60,000
June	800,000	350,000	180,000	50,000

- Income tax payable in May -40,000 and Plant in April- 100,000, rent - 30,000 payable each month.
- 10% of purchase and sales are on cash terms
- Credit purchase are paid after 1 month and credit sales are collected after 2 months.
- Time lag in wages and expenses is $\frac{1}{2}$ month
- Cash balance on April - 130,000.

13. From the following figures, compute trend percentage and comment, using 2015 as the base year:

Year	Sales (₹) (in 000's)	Cost of goods sold (₹)(in 000's)	Profit before tax (₹) (in 000's)
2015	600	360	120
2016	680	414	138
2017	840	512	186
2018	960	574	204
2019	1040	600	228
2020	1200	666	300

SECTION - C

Answer any **TWO** of the following.

(2x15=30)

14. A) Prepare production budget and product cost budget units sold from July- 1100, Aug- 1100, Sep - 1700, Oct- 1900, Nov- 2500, Dec- 2300, Jan - 2000. Finished stock= $\frac{1}{2}$ of the sale for the next month will be held in stock at the end of each month. Budgeted product for the year 2011

Production (units)	22,000
Direct material	Rs 10
Wage	Rs 4
OH	88,000

(B) Prepare purchase budget

Particulars	A	B	C	D	E	F
Stock on 1st Jan	16,000	6,000	24,000	20,000	14,000	28,000
Stock on 31st Jan	20,000	8,000	28,000	4,000	16,000	32,000
Estimate consumption	1,20,000	44,000	1,32,000	36,000	88,000	1,72,000
Standard price per unit	0.25	0.05	0.15	0.10	0.20	0.30

15. The summary of balance sheet data in respect of A ltd and B ltd is as under

Particulars	A ltd (₹)	B ltd (₹)
Buildings	100,000	450,000
Machinery	300,000	750,000
Share capital	450,000	14,50,000
Retained earnings	50,000	33,000
Debtors	115,000	160,000
Stocks	60,000	217,000
Cash	10,000	5000
Prepaid expenses	5000	3000
Creditors	91,000	100,000
Liability for expenses	9000	17,000
Preliminary expenses	10,000	15,000

Prepare a Comparative balance sheet.

16. The following are the summarized balance sheet of a company as on 31st March

	2019 ₹	2020 ₹
Liabilities:		
Share Capital	20,00,000	25,00,000
General Reserve	5,00,000	6,00,000
Profit & Loss a/c	3,00,500	3,00,600
Bank Loan (Long term)	7,00,000	-
Sundry Creditors	15,00,000	13,50,200
Provision for Taxation	3,00,000	3,50,000
	53,00,500	51,00,800
Assets:		
Land & Buildings	20,00,000	19,00,000
Machinery	20,00,000	16,90,000
Stock	10,00,000	7,40,000
Sundry Debtors	2,95,500	6,34,800
Cash	5,000	6,000
Bank	-	80,000
Goodwill	-	50,000
	53,00,500	51,00,800

Additional Information:

During the year ended 31st March 2020:

- a) Dividend of Rs. 230,000 was paid.
- b) The following assets of another company were purchased for a consideration of Rs. 50,000 paid for in shares.
 - i) Stock Rs. 200,000
 - ii) Machinery Rs. 250,000
- c) Machinery was further purchased for Rs. 80,000
- d) Depreciation written off: Machinery Rs. 120,000
- e) Income Tax provided during the year Rs. 330,000
- f) Loss on Sale of machinery Rs. 2000 was written off to General Reserve.

Prepare Cash Flow Statement.

(2023 batch only)

G 330 DC4.5

Reg. No. :

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**St Aloysius College (Autonomous)
Mangaluru**

**B.Com.(Apprenticeship/Internship Embedded) Semester V – Degree Examination
October/November - 2025**

CORPORATE LAW AND GOVERNANCE

Time: 2 ½ Hours

Max Marks: 60

SECTION - A

Answer any **FIVE** of the following.

(5x2=10)

1. Give the meaning of Statement in lieu of Prospectus.
2. Write the meaning of articles of Association.
3. What is doctrine of Constructive notice?
4. State any four rights of a Member.
5. What is DIN?
6. What is extra ordinary general meeting?
7. State any Four duties of a Liquidator.

SECTION - B

Answer any **FOUR** of the following.

(4x5=20)

8. Briefly explain any two Authorities under Companies Act 2013.
9. State any ten contents of Articles of Association.
10. Write a note on company secretary.
11. Briefly explain types of resolution.
12. Write a note on any two requisites of valid meeting.
13. Briefly explain the features of company.

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MANGALURU - 575 003**

SECTION - C

Answer any **TWO** of the following.

(2x15=30)

14. Explain the Classification of Companies.
15. Explain the rights and duties of a director.
16. What is winding up of the company? Explain.

(2023 batch only)

G 330 DE1.5

Reg. No. :

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**St Aloysius College (Autonomous)
Mangaluru**

**B.Com.(Apprenticeship/Internship Embedded) Semester V – Degree Examination
October /November -2025**

Advanced Financial Management

Max Marks: 60

Time: 2 ½ Hours

Note: NPV table will be provided.

SECTION – A

Answer any FIVE of the following.

(5x2=10)

1. Define cost of capital.
2. What are the assumptions of MM approach?
3. What is Risk?
4. For the year ended 31-03-2021 Billion Ltd achieved an EPS of ₹ 8.30. The market price was ₹ 170.30 Calculate the cost of equity shares.
5. State the firm's classification as per Walter's Model.
6. Differentiate between merger and acquisition of company.
7. What is meant by ethics in financial management?

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SECTION - B

Answer any FOUR of the following.

(4x5=20)

8. The details of four companies that accessed the primary capital market during 2023-24 are given below. Calculate their cost of equity.

Company	Face Value (₹)	Issue Price (₹)	Issue Expenses (% on issue price)	Estimated % of Dividend
A	10	100	10	35
B	10	110	20	20
C	10	30	20	30
D	10	190	30	40

9. G Ltd has a profit of ₹ 2000000 before providing-for interest and tax. The company's capital structure is as follows.
400000 equity shares of ₹10 each with a market capitalisation rate of 16%.
25000, 14% secured redeemable debentures of ₹ 150 each.
Calculate value of the firm and also calculate overall cost of capital.

10. Suzlon Ltd has an investment proposal at its disposal. If investment proposal costs ₹ 4500000 and risk-free rate is 5%, calculate net present value under certainty equivalent technique.

Year	Cash Inflows (₹)	Certainty Coefficient
1	1000000	0.90
2	1500000	0.85
3	2000000	0.82
4	2500000	0.78

11. The following 5 companies are selected for having the same return on investment at 12% and the same EPS ₹ 20. However, their cost of capital and dividend pay-out ratio are different at the figures shown below:

Company	Dividend Pay-out (%)	Cost of Equity (%)
P	10	16
Q	20	15
R	30	14
S	40	13
T	50	12

Using Gordon's Model, determine their share prices.

Contd...2

12. Explain Leverage Buyout and Management Buyout.
13. a). Kellogs Ltd is taking over Corn Flakes Ltd. The shareholders of Corn Flakes Ltd would receive 0.8 share of Kellogs Ltd for each share held by them. No. of shares of Kellogs Ltd before merger is 250000 and no. of shares of corn Flakes Ltd pre-merger is 175000.
Calculate the post-merger number of shares.
- b). Determine the Exchange Ratio in case of below takeover based on market price of D Ltd (Acquiring Co) ₹ 83, Market price of P Ltd (Target Co.) ₹ 44.

SECTION – C

Answer any **TWO** of the following.

(2x15=30)

14. Aravind Ltd has the following capital structure:

	₹
Equity Share Capital (2,00,000 shares)	40,00,000
6% Preference Shares	10,00,000
8% Debentures	30,00,000
Total	80,00,000

The market price of the company's equity share is ₹ 20. It is expected that the company will pay a current dividend of ₹ 2 per share, which will grow at 7% forever. The tax rate may be presumed at 50%. You are required to compute the following.

- a) A weighted average cost of capital based on existing capital structure.
- b) The new weighted average cost of capital, if the company raises an additional ₹ 20,00,000 debt by issuing 10% debentures. This would result in increasing the expected dividend to ₹ 3 and leave the growth unchanged, but the price of the share will fall to ₹ 15 per share.
15. A businessman has 2 options to sell his products. He can set up a show room in a city or can sell from his factory outlet. Setting up a showroom will cost ₹ 6,00,000 with a 55% probability of success. If the show room succeeds, he can gross a net profit of ₹ 10,00,000 per year. If it fails, he can close the show room and rent it out for an annual rent of ₹ 3,60,000 for the rest of the year. The probability of getting rent is 40%.
- If he sells from the factory outlet, he has to incur ₹ 3,00,000 as renovation charges. The chances of successful selling here are 45% with the net profit of ₹5,50,000 per year.
- Advice the businessman by locating a tree analysis with the help of payoff matrix.
16. Explain the following
- a) Agency relationship
- b) Transaction cost theory and
- c) Integrated report

(2021 Batch Onwards)

G 340 DC1.5

Reg. No. :

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St Aloysius College (Autonomous)
Mangaluru

B.Com. (Accounting and Tax) Semester V – Degree Examination
October/November - 2025
ADVANCED ACCOUNTING - I

Time: 2¹/₂ Hours

Max Marks: 60

SECTION - A

Answer any **FIVE** of the following.

(5x2=10)

1. Who is an Acquiree?
2. What is the difference between External Reconstruction and Internal Reconstruction?
3. What are the two elements of Business?
4. What is a Contingent liability? Give one example.
5. Who are key management personnel?
6. What is Goodwill as per Ind AS 103?
7. Which are the Accounting Standards that relate to Earnings Per Share both under AS and Ind AS?

SECTION - B

Answer any **FOUR** of the following.

(4x5=20)

8. Under what circumstances are the disclosure requirements not applicable for related parties?
9. What are identifiable Assets as per Ind AS 103?
10. Som Ltd. agreed to takeover Dove Ltd. on 1st April, 2022. The terms and conditions of takeover were as follows:
 - i. Som Ltd. Issued 56,000 equity shares of ₹100 each at a premium of ₹10 per share to the equity shareholders of Dove Ltd.
 - ii. Cash payment of ₹ 1,00,000 was made to equity shareholders of Dove Ltd.
 - iii. 20,000 fully paid preference shares of ₹70 each issued at par to discharge the preference shareholders of Dove Ltd.You are required to calculate the amount of purchase consideration as per provisions of AS 14.
11. The following information is available for TON Ltd. for the accounting year 2015-16 and 2016-17:

	Net Profit for	Rs.
Year	2015-16	35,00,000
Year	2016-17	45,00,000

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MANGALURU - 575 003

No. of shares outstanding prior to right issue 15,00,000 shares.

Right issue: One new share for each 3 shares outstanding i.e. 5,00,000 shares.

Contd...2

: Right issue price Rs. 25

: Last date to exercise right 31 July, 2016

Fair value of one equity share immediately prior to exercise of rights on 31.07.2016 is Rs. 35.

You are required to compute:

- i. Basic earnings per share for the year 2015-16.
 - ii. Restated basic earnings per share for the year 2015-16 for right issue.
 - iii. Basic earnings per share for the year 2016-17.
12. What are the main differences between accounting for amalgamation under AS 14 and Ind AS 103?
13. Why Related Parties transactions are important and what disclosures are need as per Ins AS?

SECTION – C

Answer any **TWO** of the following.

(2x15=30)

14. Following is the Extract of Balance sheet of M/s. Sunny Ltd. and Money Ltd. as on 31.03.2018.

Balance Sheet Extract as on 31.03.2018

Particulars	Sunny Ltd. (₹)	Money Ltd. (₹)
<u>Authorised Share Capital</u>	15,00,000	5,00,000
Equity Share Capital of ₹10 each fully paid	8,00,000	2,00,000
General Reserve	1,10,000	45,000
Profit & Loss A/c	42,000	18,000
Statutory Fund	16,000	8,000
Trade Payables	45,000	24,000
Provisions	95,000	12,000
Total	11,08,000	3,07,000
Goodwill	20,000	-
Machines & Plant	5,10,000	1,95,000
Other Fixed Assets	90,000	15,000
<u>Current Assets</u>		
Inventories	1,85,000	35,000
Debtors	1,00,500	35,000
Prepaid Expenses	24,500	2,000
Cash in Hand and Bank	1,78,000	25,000
Total	11,08,000	3,07,000

The two companies have entered into a scheme of Amalgamation and a new company Z Ltd. is formed. The Amalgamation is to take place in the following manner:

Contd...3

- i. For the purpose of Amalgamation, a new Company Z is to be formed with a authorized Share capital of 2,50,000 equity shares of ₹10 each.
- ii. Z Ltd. to issue fully paid shares to the shareholders of Sunny Ltd., and Money Ltd. at a price of ₹5 and ₹3 above the intrinsic value of the shares respectively.
- iii. The scheme of amalgamation was not supported by 100 shareholders of Sunny Ltd, and had to be paid ₹10 per share above intrinsic value as consideration. The amount of the dissenting shareholders was borne by Z Ltd.
- iv. Fixed Assets of Sunny Ltd., were last revalued in the year 2009 after which there has been an increase of 15% in the values, while assets of Money Ltd, have not no shown any change in prices. The current assets of Money Ltd., include Debtors of ₹20,000- which are considered bad.
- v. Money Ltd Stock-in-trade as on 31.03.2018 includes stock of ₹25,000 purchased from Sunny Ltd, at a profit of 25% on cost price.
- vi. The Statutory Fund of the companies is to be maintained by Z. Ltd for a period of 3 years.
- vii. Sunny Ltd. had declared dividend of 10% on 31.03.2018 which has still not been paid.
- viii. Goodwill shown in books of Sunny Ltd., was considered to be worthless.
- ix. All the assets of the companies are taken over by Z. Ltd at the revalued amounts. Liabilities have to be paid in full

Calculate the purchase consideration paid by Z to the shareholders of both the companies and prepare the Balance Sheet of Z Ltd., as per revised Schedule VI after the Amalgamation. (Notes to Balance sheet need not form part of the answer.)

15. Given below balance sheets of P Ltd and Q Ltd. as on 31.12.2018. Ramu Ltd. was merged with Ravi Ltd with effect from 01.01.2019.

Balance Sheet as on 31.12.2018

Liabilities	Ravi Ltd (₹)	Ramu Ltd (₹)	Assets	Ravi Ltd (₹)	Ramu Ltd (₹)
Share capital:			Sundry fixed		
Equity shares of ₹10	14,00,000	5,00,000	assets	19,00,000	8,00,000
General reserve	6,80,000	2,40,000	(Non-trade)	4,00,000	1,00,000
Profit and loss A/c	4,20,000	1,30,000	Stock	2,40,000	1,00,000
Export profit reserve	1,40,000	80,000	Debtors	1,50,000	40,000
12% Debentures	2,00,000	2,00,000	Advance Tax	1,60,000	40,000
Sundry creditors	80,000	90,000	Cash and Bank balance	5,50,000	2,60,000
Provision for taxation	2,00,000	1,20,000			
Proposed Dividend	2,80,000	1,00,000			
Total	34,00,000	14,60,000	Total	34,00,000	14,60,000

Ravi Ltd would issue 12% debentures to discharge the claims of the debenture holders of Ramu Ltd at par. Non-trade Investments of Ravi Ltd fetched @ 25% while those of Ramu Ltd fetched @ 18%. Profit (pre-tax) by Ravi Ltd and Ramu Ltd during 2016, 2017 and 2018 and were as follows:

Year	Ravi Ltd (₹)	Ramu Ltd (₹)
2016	10,00,000	3,00,000
2017	13,00,000	4,20,000
2018	11,50,000	3,60,000

Goodwill may be calculated on the basis of capitalisation method taking 20% as the pre-tax normal rate of return. Purchase consideration is discharged by Ravi Ltd on the basis of intrinsic value per share. Both companies decided to cancel the proposed dividend.

Required: Balance Sheet of Ravi Ltd after merger.

16. In a business combination what are the main differences between Purchase of a group of assets and a Business combination. Explain with suitable examples.

(2021 Batch Onwards)

G 340 DC2.5

Reg. No. :

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St Aloysius College (Autonomous)
Mangaluru

B.Com. (Accounting and Tax) Semester V – Degree Examination
October/November - 2025

FINANCIAL MANAGEMENT - I

Time: 2¹/₂ Hours

Max Marks: 60

SECTION – A

Answer any **FIVE** of the following.

(5x2=10)

1. Rupa Ltd.'s EBIT is ₹5,00,000. The company has 10%, ₹20 lakh debentures. The equity capitalization rate i.e. Ke is 16%. You are required to CALCULATE:
 - a) Market value of equity and value of firm.
 - b) Overall cost of capital.
2. RBML is proposing to sell a 5-year bond of ₹5,000 at 8 per cent rate of interest per annum. The bond amount will be amortized equally over its life. CALCULATE the bond's present value for an investor if he expects a minimum rate of return of 6 percent?
3. What are annuities?
4. What is operating lease?
5. What is Current Ratio?
6. What is seed financing?
7. XYZ Ltd. issues 2,000 10% preference shares of ₹100 each at ₹95 each. The company proposes to redeem the preference shares at the end of 10th year from the date of issue. CALCULATE the cost of preference share.

SECTION - B

Answer any **FOUR** of the following.

(4x5=20)

8. The following information is related to Yizi Company Ltd. for the current Financial Year:

Equity Share Capital (of ₹10 each)	₹50 lakhs
12% Bonds of ₹1,000 each	₹37 lakhs
Sales	₹84 lakhs
Fixed cost (excluding interest)	₹6.96 lakhs
Financial leverage	1.49
Profit-volume Ratio	27.55%
Income Tax Applicable	40%

You are required to CALCULATE:

- a) Operating Leverage;
- b) Combined leverage; and
- c) Earnings per share.

Show calculations up-to two decimal points.

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MANGALURU - 575 003

Contd...2

9. CALCULATE the cost of equity from the following data using realized yield approach:

Year	1	2	3	4	5
Dividend per share	1.00	1.00	1.20	1.25	1.15
Price per share (at the beginning)	9.00	9.75	11.50	11.00	10.60

10. Briefly explain the objective of Financial Management
11. a) Cost of equity of a company is 20%. Rate of floatation cost is 5%. Rate of personal income tax is 30%. Calculate cost of retained earnings. **(3 Marks)**
 b) CALCULATE the cost of equity capital of H Ltd., whose risk-free rate of return equals 10%. The firm's beta equals 1.75 and the return on the market portfolio equals to 15%. **(2 Marks)**
12. The Sale revenue of TM excellence Ltd. @ ₹20 Per unit of output is ₹20 lakhs and Contribution is ₹10 lakhs. At the present level of output the DOL of the company is 2.5. The company does not have any Preference Shares. The number of Equity Shares is 1 lakh. Applicable corporate Income Tax rate is 50% and the rate of interest on Debt Capital is 16% p.a.
 What is the EPS (At sales revenue of ₹20 lakhs) and amount of Debt Capital of the company if a 25% decline in Sales will wipe out EPS?
13. The capital structure of Beta Limited is as follows:

Equity share capital of ₹10 each	8,00,000
9% preference share capital of ₹10 each	3,00,000
	11,00,000

Additional information: Profit (after tax at 35 per cent) ₹2,70,000;

Depreciation, ₹60,000; Equity dividend paid, 20 per cent; Market price of equity shares, ₹40.

You are required to COMPUTE the following, showing the necessary workings:

- Dividend yield on the equity shares
- Cover for the preference and equity dividends
- Earnings per shares
- Price-earnings ratio.

SECTION - C

Answer any **TWO** of the following.

(2x15=30)

14. a) Manan Pvt S. Ltd. gives you the following information relating to the year ending 31st March, 2023:

(1)	Current Ratio	2.5: 1
(2)	Debt-Equity Ratio	1: 1.5
(3)	Return on Total Assets (After Tax)	15%
(4)	Total Assets Turnover Ratio	2
(5)	Gross Profit Ratio	20%
(6)	Stock Turnover Ratio	7
(7)	Net Working Capital	₹13,50,000
(8)	Fixed Assets	₹30,00,000
(9)	1,80,000 Equity Shares of	₹10 each
(10)	60,000, 9% Preference Shares of	₹10 each
(11)	Opening Stock	₹11,40,000

You are required to CALCULATE:

1. Quick Ratio
2. Fixed Assets Turnover Ratio
3. Proprietary Ratio
4. Earnings per Share

(10 Marks)

b) ABC Company's equity share is quoted in the market at ₹25 per share currently. The company pays a dividend of ₹2 per share and the investor's market expects a growth rate of 6% per year.

You are required to:

ST ALOYSIUS COLLEGE LIBRARY
MANGALURU - 575 003

1. CALCULATE the company's cost of equity capital.
2. If the company issues 10% debentures of face value of ₹100 each and realizes ₹96 per debenture while the debentures are redeemable after 12 years at a premium of 12%, CALCULATE cost of debenture Using YTM?

Assume Tax Rate to be 50%.

(5 Marks)

15. The following is the Profit and loss account and Balance sheet of KLMLLP.

TRADING PROFIT & LOSS ACCOUNT

Particulars	Amount (₹)	Particulars	Amount (₹)
To Opening stock	12,46,000	By Sales	1,96,56,000
To Purchases	1,56,20,000	By Closing stock	14,28,000
To Gross profit c/d	42,18,000		
	2,10,84,000		2,10,84,000

		By Gross profit b/d	42,18,000
To Administrative expenses	18,40,000	By Interest on investment	24,600
To Selling & distribution expenses	7,56,000	By Dividend received	22,000
To Interest on loan	2,60,000		
To Net profit	14,08,600		
	42,64,600		42,64,600

BALANCE SHEET AS ON.....

Capital & Liabilities	Amount (₹)	Assets	Amount (₹)
Capital	20,00,000	Plant & machinery	24,00,000
Retained earnings	42,00,000	Building	42,00,000
General reserve	12,00,000	Furniture	12,00,000
Term loan from bank	26,00,000	Sundry receivables	13,50,000
Sundry Payables	7,20,000	Inventory	14,28,000
Other liabilities	2,80,000	Cash & Bank balance	4,22,000
	1,10,00,000		1,10,00,000

You are required to COMPUTE:

a	Gross Profit Ratio	b	Net Profit Ratio
c	Operating Cost Ratio	d	Inventory Turnover ratio
e	Operating profit Ratio	f	Current Ratio
g	Quick Ratio	h	Interest Coverage Ratio
i	Return on Capital Employed	j	Debt to Assets Ratio

16. The following accounting information and financial ratios of PQR Ltd. relate to the year ended 31st December, 2018

I	Accounting Information:	
	Gross Profit	15% of Sales
	Net profit	8% of sales
	Raw materials consumed	20% of works cost
	Direct wages	10% of works cost
	Stock of raw materials	3 months' usage
	Stock of finished goods	6% of works cost
	Debt collection period	60 days
II	Financial Ratios:	
	Fixed assets to sales	1:3
	Fixed assets to Current assets	13:11
	Current ratio	2:1
	Long-term loans to Current liabilities	2:1
	Capital to Reserves and Surplus	1:4

If value of fixed assets as on 31st December, 2017 amounted to ₹26 lakhs, PREPARE a summarized Profit and Loss Account of the company for the year ended 31st December, 2018 and also the Balance Sheet as on 31st December, 2018.

(2021 Batch Onwards)

G 340 DE1.5

Reg. No. :

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**St Aloysius College (Autonomous)
Mangaluru**

**B.Com. (Accounting and Tax) Semester V – Degree Examination
October/November - 2025**

ADVANCED COSTING TECHNIQUES - I

Time: 2¹/₂ Hours

Max Marks: 60

SECTION – A

Answer any **FIVE** of the following.

(5x2=10)

1. Who are the users of cost and Management Accounting?
2. What is Just in time Inventory management?
3. If material usage per day is 140 units, lead time 6 days and safety stock is 8 days. Compute ROL.
4. The cost of setting up of a machine for production is ₹240 irrespective of the size of the batch to be manufactured. The carrying cost of inventory is estimated to be 5 paise per month per unit. The demand for the product is 250 units per month. Calculate the EBQ.
5. What is activity based costing?
6. How is abnormal loss of material treated?
7. What are the effects of labour turnover?

SECTION - B

Answer any **FOUR** of the following.

(4x5=20)

8. Arnav Motors Ltd. manufactures pistons used in car engines. As per the study conducted by the Auto Parts Manufacturers Association, there will be a demand of 80 million pistons in the coming year. Arnav Motors Ltd. is expected to have a market share of 1.15% of the total market demand of the pistons in the coming year. It is estimated that it costs ₹1.5 as inventory holding cost per piston per month and that the set- up cost per run of piston manufacture is ₹3,500.
 - a) What would be the optimum size for piston manufacturing?
 - b) Assuming that the company has a policy of manufacturing 40,000 pistons per run, how much extra costs the company would be incurring as compared to the optimum run suggested in (a) above?
9. A worker's basic wage is ₹300 per day of 8 hours. His time sheet for a week is summarized below:

Job No	Time allowed	Time taken
1	25 hours	20 hours
2	30 hours	20 hours

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Idle time is 8 hours. Dearness Allowance is ₹108 per week of 48 hours. Calculate the gross wage he has earned for the week under Rowan scheme

Contd...2

10. A company has the option to procure a particular material from two sources: Source I assures that defectives will not be more than 2% of supplied quantity. Source II does not give any assurance, but on the basis of past experience of supplies received from it, it is observed that defectives percentage is 2.8%.
The material is supplied in lots of 1000 units. Source II supplies the lot at a price, which is lower by ₹100 as compared to Source I. The defective units of material can be rectified for use at a cost of ₹5 per unit. You are required to find out which of the two sources is more economical.
11. a) Reorder quantity of material 'X' is 5,000 kg; Maximum level 8,000 kg; Minimum usage 50 kg per hour; minimum re-order period 4 days; daily working hours in the factory is 8 hours. You are required to calculate the re-order level of material 'X'. **(3 Marks)**
- b) The annual carrying cost of material 'X' is ₹3.6 per unit and its total carrying cost is ₹9,000 per annum. What would be the Economic order quantity for material 'X', if there is no safety stock of material X? **(2 Marks)**
12. Briefly explain Material procurement procedure.
13. Leo limited undertakes to supply 1,000 units of a component per month of January, February and March 2016. Every month a batch order is opened against which materials and labour cost are booked at actual. Overheads are levied at a rate per labour hour. The selling price is contracted at ₹15 per unit.

From the following data, present the cost and profit per unit of each batch order and the overall position of the order for the 3000 units.

Month	Batch Output (Nos)	Material Cost (₹)	Labour Cost (₹)
January	1,250	6,250	2,500
February	1,500	9,000	3,000
March	1,000	5,000	2,000

Labour is paid at the rate of ₹2 per hour. The other details are:

Month	Overheads	Total labour hours
January	12,000	4,000
February	9,000	4,500
March	15,000	5,000

SECTION – C

Answer any **TWO** of the following.

(2x15=30)

14. It is seen from the job card for repair of the customer's equipment that a total of 154 labour hours have been put in as detailed below:

Days of the week	Worker 'A' paid at ₹200 per day of 8 hours	Worker 'B' paid at ₹100 per day of 8 hours	Worker 'C' paid at ₹300 per day of 8 hours
Monday (hours)	10.5	8.0	10.5
Tuesday (hours)	8.0	8.0	8.0
Wednesday (hours)	10.5	8.0	10.5
Thursday (hours)	9.5	8.0	9.5
Friday (hours)	10.5	8.0	10.5
Saturday (hours)	---	8.0	8.0
Total (hours)	49.0	48.0	57.0

In terms of an award in an employee conciliation, the workers are to be paid dearness allowance on the basis of cost of living index figures relating to each month which works out @ ₹968 for the relevant month. The dearness allowance is payable to all workers of irrespective of wages rate if they are present or are on leave with wages on all working days. Sunday is a weekly holiday and each worker has to work for 8 hours on all week days and 4 hours on Saturdays; the workers are however paid full wages for Saturday (8 hours for 4 hours worked).

Workers are paid overtime according to the Factories Act, 1948. Excluding holidays, the total number of hours works out to 176 in the relevant month. The company's contribution to Provident Fund and Employees State Insurance Premium are absorbed into overheads.

Work out the wages payable to each worker.

15. IPL Limited uses a small casting in one of its finished products. The castings are purchased from a foundry. IPL limited purchases 54000 castings per year at a cost of ₹800 per casting.

The castings are used evenly throughout the year in the production process on a 360-day-per-year basis. The company estimates that it costs ₹9000 to place a single purchase order and about ₹300 to carry one casting in inventory for a year. The high carrying costs result from the need to keep the castings in carefully controlled temperature and humidity conditions, and from the high cost of insurance.

Delivery from the foundry generally takes 6 days, but it can take as much as 10 days. The days of delivery time and percentage of their occurrence are shown in the following tabulation:

Delivery time (days)	6	7	8	9	10
Percentage of occurrence	75	10	5	5	5

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Contd...4

Required:

- Compute the economic order quantity(EOQ)
 - Assume the company is willing to assume a 15% risk of being out of stock. What would be the safety stock? The reorder point?
 - Assume the company is willing to assume a 5% risk of being out of stock. What would be the safety stock? The reorder point?
 - Assume 5% stock out risk. What would be the total cost of ordering and carrying inventory for one year?
 - Refer to the original data. Assume that using process re-engineering the company reduces its cost of placing a purchase order to only ₹600. In addition, company estimates that when the waste and inefficiency caused by inventories are considered, the true cost of carrying a unit of stock is ₹720 per year.
 - Compute the new EOQ
 - How frequently would the company be placing order, as compared to the old purchasing policy?
16. As at 31st March 2016, the following balances existed in a firms cost ledger, which is maintained separately on a double entry basis:

Particulars	Debit (₹)	Credit (₹)
Stores ledger control account	3,00,000	----
Work-in-progress control account	1,50,000	----
Finished goods control account	2,50,000	----
Manufacturing overhead control account	----	15,000
Cost ledger control account	-----	6,85,000
Total	7,00,000	7,00,000

During the next quarter, the following items arouse:

Particulars	Amount (₹)
Finished product (at cost)	2,25,000
Manufacturing overhead incurred	85,000
Raw material purchased	1,25,000
Factory wages	40,000
Indirect labour	20,000
Cost of sales	1,75,000
Material issued to production	1,35,000
Sales returned (at cost)	9,000
Material returned to suppliers	13,000
Manufacturing overhead charged to production	85,000

You are required to prepare the:

- Cost Ledger Control A/c
- Stores Ledger Control A/c
- Work-in-progress Ledger Control A/c
- Finished Stock Ledger Control A/c
- Manufacturing Overhead Control A/c
- Wages Control A/c
- Cost of Sales A/c
- Trial balance as at the end of the quarter.

(2021 Batch Onwards)

G 340 DE2.5

Reg. No. :

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St Aloysius College (Autonomous)

Mangaluru

B.Com. (Accounting and Tax) Semester V – Degree Examination

October/November - 2025

STRATEGIC MANAGEMENT - I

Time: 2¹/₂ Hours

Max Marks: 60

SECTION – A

Answer any FIVE of the following.

(5x2=10)

1. What are barriers to entry?
2. What is the objective during the maturity stage of a product?
3. What is the purpose of international strategic planning?
4. Give a practical example of a proactive strategy.
5. Describe the term strategic intent.
6. What are the key elements of the macro environment?
7. What is the value chain analysis used for?

SECTION - B

Answer any FOUR of the following.

(4x5=20)

8. Explain SBU.
9. How do companies determine the strengths and weaknesses of their competitors? What methods can they use?
10. What is the purpose of value chain analysis and how does it help in creating a competitive advantage?
11. Explain how political factors influence business strategy, providing relevant examples.
12. Define PESTLE analysis and describe its six components.
13. Differentiate between long-term objectives and short-term objectives.

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SECTION – C

Answer any TWO of the following.

(2x15=30)

14. Analyze the product life cycle stages, and describe the strategic approaches companies should adopt at each stage.
15. Differentiate between strategy and management with suitable examples.
16. Describe the steps involved in value chain analysis and how it contributes to creating a competitive advantage.

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St Aloysius College (Autonomous)

Mangaluru

B.Com. (Accounting and Tax) Semester V – Degree Examination

October/November - 2025

AUDITING AND ASSURANCE - I

Time: 2¹/₂ Hours

Max Marks: 60

SECTION - A

Answer any **FIVE** of the following.

(5x2=10)

1. What is prospective financial information?
2. What is stratification?
3. Explain 'Risk Assessment Procedures'.
4. What is audit risk?
5. What are sweat equity shares?
6. What is initial audit engagement?
7. How will you recognize the following income?
 - a) Interest income
 - b) Gain on sale of investment

(1 Mark)

(1 Mark)

SECTION - B

Answer any **FOUR** of the following.

(4x5=20)

8. While recognising that exceptions may exist, list out the generalisations about the reliability of audit evidence that may be useful by the auditor.
9. Briefly explain the points to be kept in mind by the auditor, for the purpose of programme construction:
10. State the differences between Reasonable Assurance Engagement and Limited Assurance Engagement.
11. The risks to be assessed include both those due to error and those due to fraud. What is included in Risk Assessment Procedures?
12. How will you check the 'VALUATION' of trade receivables?
13. The auditor shall obtain an understanding of the information system, including the related business processes, relevant to financial reporting. List out these areas.

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SECTION - C

Answer any **TWO** of the following.

(2x15=30)

14. a) State the objectives of SA 610 - Using The Work Of Internal Auditors.

(5 Marks)
- b) List out the circumstances When Work of the Internal Audit Function Cannot Be Used.

(5 Marks)

Contd...2

- c) List out various examples of work of the internal audit function that can be used by the external auditor. **(5 Marks)**
15. As the Auditor of XYZ Limited, list out the audit procedures to check the following assertions. While auditing 'PURCHASES':
- a) Occurrence **(5 Marks)**
 - b) Completeness **(5 Marks)**
 - c) Measurement **(5 Marks)**
16. a) What are the steps to be taken by the auditor when management refuses to allow the auditor to send a confirmation request? **(5 Marks)**
- b) The auditor shall not use negative confirmation requests as the sole substantive audit procedure to address an assessed risk of material misstatement at the assertion level unless few prerequisites are present. List out these prerequisites. **(5 Marks)**
- c) When evaluating the results of individual external confirmation requests, how will the auditor categorise the results obtained as evidence from external confirmations? **(5 Marks)**

(2021 Batch Onwards)

G 340 VO1.5

Reg. No. :

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St Aloysius College (Autonomous)
Mangaluru

B.Com. (Accounting and Tax) Semester V – Degree Examination
October/November - 2025

INTERNATIONAL TAXATION

Time: 2¹/₂ Hours

Max Marks: 60

SECTION - A

Answer any **FIVE** of the following.

(5x2=10)

1. What is Arm Length's Principal?
2. State the rate of TDS to be deducted in the case of Non-Resident Sports Persons.
3. State the threshold limit for applicability of GAAR.
4. State the 2 types of Double Taxation.
5. Q, a non-resident, made an application to the Authority for Advance Rulings on 2.7.2023 in relation to a transaction proposed to be undertaken by him. On 31.8.2023, he decides to withdraw the said application. Can he withdraw the application on 31.8.2023?
6. State the due date and the form in which Audit Report is to be submitted under Transfer Pricing.
7. Write a short note on POEM.

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SECTION - B

Answer any **FOUR** of the following.

(4x5=20)

8. State the parties in respect of which an Advance Ruling would be binding upon.
9. During the financial year 2024-25, Nadal, a tennis professional and a Spanish citizen participated in India in a Tennis Tournament and won prize money of Rs. 15 lakhs. He contributed articles on the tournament in a local newspaper for which he was paid Rs. 1 lakh. He was also paid Rs. 5 lakhs by a Soft Drink company for appearance in a T.V. advertisement. Although his expenses in India were met by the sponsors, he had to incur Rs. 3 lakhs towards his travel costs to India. He was a non-resident for tax purposes in India. What would be his tax liability in India for A.Y. 2025-26? Is he required to file his return of income?
10. Mr. Kamlesh, an individual resident in India aged 52 years, furnishes you the following particulars of income earned in India, Country "X" and Country "Y" for the previous year 2024-25. India has not entered into double taxation avoidance agreement with these two countries.

Contd...2

Particulars	Amount (Rs.)
Income from profession carried on in India	7,50,000
Agricultural income in Country "X" (gross)	50,000
Dividend received from a company incorporated in Country "Y" (gross)	1,50,000
Royalty income from a literary book from Country "X" (gross)	6,00,000
Expenses incurred for earning royalty	50,000
Business loss in Country "Y" (Proprietary business)	65,000
Rent from a house situated in Country "Y" (gross)	2,40,000
Municipal tax paid in respect of the above house in Country "Y" (not allowed as deduction in country "Y")	10,000

The rates of tax in Country "X" and Country "Y" are 10% and 20%, respectively.

Compute total income and tax payable by Mr. Kamesh in India for Assessment Year 2025-26.

11. Examine with reasons whether the two enterprises referred to in the independent situations given below can be deemed to be associated enterprises under the Indian transfer pricing regulations:

- (i) Kingston Inc, a US company having its place of effective management also in the USA, has advanced a loan equivalent to Rs. 130 crores to Ganga Ltd., an Indian company on 10-4-2023. The total book value of assets of Ganga Ltd. is Rs. 250 crores. The market value of the assets, however, is Rs. 300 crores. Ganga Ltd. repaid Rs. 22 crores before 31-3-2024.
- (ii) Charles plc., a UK company having its place of effective management also in the UK, has the power to appoint 4 of the directors of Andes Ltd, an Indian company, whose total number of directors in the Board is 9.
- (iii) Total value of raw materials and consumables of Kaveri Ltd., an Indian company, is Rs. 720 crores. Out of this, supplies to the tune of Rs. 650 crores are by Aurubis GmbH, a German company having its place of effective management in Germany, at prices and terms decided by the German company.

12. Mr. Q, a non-resident, operates an aircraft between Singapore and Chennai. He received the following amounts while carrying on the business of operation of aircrafts for the year ended 31.3.2024:

- i. Rs. 2 crores in India on account of carriage of passengers from Chennai.
- ii. Rs. 1 crore in India on account of carriage of goods from Chennai.
- iii. Rs. 3 crores in India on account of carriage of passengers from Singapore.
- iv. Rs. 1 crore in Singapore on account of carriage of passengers from Chennai.

The total expenditure incurred by Mr. Q for the purposes of the business during the year ending 31.3.2024 was Rs. 6.75 crores.

Compute the income of Mr. Q chargeable to tax in India under the head "Profits and gains of business or profession" for the assessment year 2024-25.

What would be your answer in case the business was carried on by a foreign company, Q Airlines (P) Ltd?

13. Cosmos Limited, a company incorporated in Mauritius, has a branch office in Hyderabad opened in April, 2023. The Indian branch has filed return of income for assessment year 2024-25 disclosing income of Rs. 50 lakhs. It paid tax at the rate applicable to domestic company i.e. 30% plus higher education cess @4% on the basis of paragraph 2 of Article 24 (Non-Discrimination) of the Double Taxation Avoidance Agreement between India and Mauritius, which reads as follows:

"The taxation on a permanent establishment which an enterprise of a Contracting State has in the other Contracting State shall not be less favourably levied in that other State than the taxation levied on enterprises of that other State carrying on the same activities in the same circumstances."

However, the Assessing Officer computed tax on the Indian branch at the rate applicable to a foreign company i.e. 40% plus higher education cess @ 4%.

Is the action of the Assessing Officer in accordance with law?

SECTION – C

Answer any **TWO** of the following.

(2x15=30)

14. (a) NP Ltd., an Indian Company has borrowed Rs. 80 crores on 01-04-2023 from M/s. TL Inc, a Company incorporated in London, at an interest rate of 10% p.a. The said loan is repayable over a period of 5 years. Further, loan is guaranteed by M/s ST Inc. incorporated in UK. M/s. Tweed Inc, a non-resident, holds shares carrying 40% of voting power both in M/s NP Ltd. and M/s ST Inc. Net profit of M/s. NP Ltd. for P.Y. 2023-24 was Rs. 7 crores after debiting the above interest, depreciation of Rs. 4 crores and income-tax of Rs. 3 crores.

Calculate the amount of interest to be disallowed under the head "Profits and gains of business or profession" in the computation of M/s NP Ltd., giving appropriate reasons.

(8 Marks)

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- (b) Godavari Ltd., a resident Indian Company, on 01-04-2023 has borrowed Rs. 80 crores from M/s. Mississippi Inc, a Company incorporated in Country F, at an interest rate of 8% p.a. The said loan is repayable over a period of 12 years. Further, loan is guaranteed by M/s Amazon Inc incorporated in Country

Contd...4

F. M/s. Colorado Inc, a non-resident, holds shares carrying 40% of voting power both in M/s Godavari Ltd. and M/s Amazon Inc. M/s Colorado Inc has also deposited Rs. 80 crores with M/s Mississippi Inc. The net profit of M/s. Godavari Ltd. was Rs. 7 crores after debiting the above interest, depreciation of Rs. 4 crores and income-tax of Rs. 2.70 crores. Godavari Ltd. wants to know if interest is allowable as deduction under the head "Profits and gains of business or profession" and if so, to what extent. **(7 Marks)**

15. (a) Mr. Anil, a resident individual aged 52 years, furnishes the following particulars of income earned by him in India and Country N for the previous year 2023-24. India does not have a double taxation avoidance agreement (DTAA) with Country N.

Particulars	Amount (Rs.)
Income from profession carried on in Mumbai	8,50,000
Agricultural Income in Country N	1,30,000
Dividend from a company incorporated in Country N	85,000
Royalty income from a literary book from Country N	6,25,000
Expenses incurred for earning royalty	75,000
Business loss in Country N	1,10,000

The rate of income-tax in Country N is 18%. Compute total income and tax payable by Mr. Anil in India for A.Y. 2024-25. **(8 Marks)**

- (b) Mr. Suresh, an individual resident in India aged 37 years, furnishes you the following particulars of income earned in India, Countries "S" and "T" for the previous year 2023-24.

Particulars	Amount (Rs.)
Indian Income:	
Income from business carried on in Mumbai	4,40,000
Interest on savings bank with ICICI Bank	42,000
Income earned in Foreign Country "S" [Rate of tax - 16%]:	
Agricultural income in Country "S"	94,000
Royalty income from a book on art from Country "S" (Gross)	7,80,000
Expenses incurred for earning royalty	50,000
Income earned in Foreign Country "T" [Rate of tax - 20%]:	
Dividend received from a company incorporated in Country "T"	2,65,000
Rent from a house situated in Country "T" (gross)	3,30,000
Municipal tax paid in respect of the above house (not allowed as deduction in Country "T")	10,000

Compute the total income and tax payable by Mr. Suresh in India for A.Y. 2024-25 assuming that India has not entered into double taxation avoidance agreement with Countries S & T. **(7 Marks)**

16. (a) Explain in detail the features of tax treaties. **(8 Marks)**
 (b) Explain in detail the extrinsic aids for interpreting a tax treaty. **(7 Marks)**