First Semester M.Com. (FA) Degree Examination, January/February 2020

(CBCS Scheme)

Commerce

Paper 1.1 — ACCOUNTING CONVENTIONS AND STANDARDS

Time : 3 Hours]   [Max. Marks : 70

SECTION – A

1. Answer any **SEVEN** questions out of Ten. Each question carries **2** marks :

    (7 × 2 = 14)

    (a) Name any four bodies who sets 'Accounting Standards' in different countries.

    (b) Mention any two difficulties faced by Standard Setters in general.

    (c) Mention any two differences between Accounting Standards and IFRS.

    (d) Define 'Accrual basis' of Accounting.

    (e) What is the fundamental principle for measurement of inventory?

    (f) Explain the accounting treatment for Government Grant in respect of non-depreciable assets.

    (g) What are the classifications of 'Investments' mentioned in AS 13 : Accounting for Investments?

    (h) Give the formula for calculating 'Basic Earnings Per Share'.

    (i) Explain 'temporary difference' in the context for Accounting for Taxes on Income.

    (j) What is the accounting treatment for expenses on 'Research'?

SECTION – B

Answer any **FOUR** questions out of Six. Each question carries **5** marks :

(4 × 5 = 20)

2. What are your arguments 'for' and 'against' Government as Standard Setter?

3. Write short note on 'Changes in Accounting Policies'.

4. Explain the principles prescribed in AS-9 for recognition of revenue from rendering of services.

5. Can you revalue Property, Plant and Equipment? Explain the requirements of AS-10 in this regard.

6. What are the conditions for amalgamation to be in the nature of merger?

7. Explain briefly 'Segment Reporting'.

SECTION – C

Answer any **THREE** questions out of Five. Each question carries **12** marks :

(3 × 12 = 36)

8. What are 'Accounting Standards'? Explain its benefits.

9. Explain the Accounting Standard on Construction Contracts.

10. How do you treat exchange differences arising on the translation of the financial statements of foreign operations?

11. Write a note on 'Employee Benefits' and its accounting treatment under AS-15.

12. From the below financial data, prepare Cash Flow Statement of ABC Limited for the year 2018-19 in accordance with AS-3 : Cash Flow Statements.

ABC Limited

Balance Sheet as at 31-3-2019

Rs. In Crores

31/03/2018	Liabilities	31/03/2019	31/03/2018	Assets	31/03/2019
700	Share capital	700	1,210	Fixed Assets (WDV)	1,500
795	Reserves & Surplus	1,670	1,000	Long term – Investments	1,800
1,700	Long-term Loans	1,800	100	Short term – Investments	200
2,455	Sundry Creditors	1,640	1,400	Inventories	1,200
100	Interest Payable	75	1,000	Sundry Debtors	1,250
275	Income-tax payable	140	170	Cash and Bank balances	75
6,025		6,025	4,880		6,025

Profit and Loss Statement for the year ended 31-3-2019

Rs. In Crores.

Expenditure	Amount	Income	Amount
Cost of Sales	7,150	Sales	11,500
Administrative and		Interest Income	100
Selling expenses	2,745	Dividend Income	120
Interest Expense	300		
Depreciation	225		
Net Profit before tax c/d	1,300		
	11,720		11,720
Tax Expense	325	Net Profit before tax b/d	1,300
Dividend Paid	100		
Net Profit	875		
	1,300		1,800

The Company had raised new loan of Rs. 250 Cr. for buying new machinery.

Q.P. Code : 60452

First Semester M.Com. (FA) Degree Examination, January/February 2020

(CBCS Scheme)

Commerce

Paper 1.2 — MANAGING PEOPLE IN ORGANISATIONS

Time : 3 Hours]

[Max. Marks : 70

SECTION – A

1. Answer any **SEVEN** of the following questions. Each sub-question carries **2** marks : **(7 × 2 = 14)**

   (a) Define Management.

   (b) What do you mean by specialisation?

   (c) What is human resource?

   (d) Give the meaning of perception.

   (e) Define motivation.

   (f) What do you mean by organization culture?

   (g) What is stress?

   (h) Give the meaning of employee relationship.

   (i) What is employee conflict?

   (j) What do you understand the term social responsibility?

SECTION – B

Answer any **FOUR** of the following questions. Each question carries **5** marks : **(4 × 5 = 20)**

2. Is Management is an art or a science?

3. Explain the factors influencing human resource planning.

4. Elucidate Prof. Maslow's need hierarchy theory of motivation.

5. Briefly explain fundamentals of human behaviour and its role in understanding people in the organization.

6. What are the methods to resolve conflicts in organization?

7. Why do people resist to change in organisations?

SECTION – C

Answer any **THREE** questions of the following. Each question carries **12** marks :

(3 × 12 = 36)

8. Discuss Henry Fayol's contribution to the Management Thought.

9. Explain Mc Gregor's Theory 'X' and Maslow's need hierarchy theories of motivation.

10. What do you mean by organizational design? Explain factors influencing organizational design.

11. Discuss the qualities of an effective leader and explain styles of leadership.

12. Give the meaning of performance appraisal. Explain various types of performance appraisal.

—————

First Semester M.Com. (FA) Degree Examination, January/February 2020

(CBCS Scheme)

Commerce – Finance and Accounting

Paper 1.3 — MICRO AND MACRO ECONOMICS FOR BUSINESS DECISIONS

Time : 3 Hours] [*Max. Marks : 70*

SECTION – A

1. Answer any **SEVEN** sub-questions out of Ten. Each sub-question carries **2** marks : **(7 × 2 = 14)**

   (a) What do you mean by break-even analysis?

   (b) What do you mean by Giffen Goods? Give examples.

   (c) Distinguish between shift in demand and a movement along a demand curve.

   (d) Define : (i) Average Revenue (ii) Marginal Revenue.

   (e) What is GNP?

   (f) What is meant by equilibrium level of National income?

   (g) What is monetary policy?

   (h) What do you mean by diseconomies of scale?

   (i) Define the concepts : employment, full employment, under employment and unemployment.

   (j) Distinguish between demand for normal goods and inferior goods.

SECTION – B

Answer any **FOUR** questions out of Six. Each question carries **5** marks : **(4 × 5 = 20)**

2. Discuss the significance of elasticity of demand in business decision making.

3. What is production function? Explain its usefulness in the analysis of the firm's production?

4. Explain the relationship between the marginal product and the average product curves of the variable inputs?

5. Determine the relationship between price and total revenue under imperfect competition.

6. Define monopoly. Explain price and equilibrium output determination under monopoly?

7. Define National Income. Describe the uses of national income calculation in the manager's point of view.

SECTION – C

Answer any **THREE** questions out of Five. Each question carries **12** marks :

(3 × 12 = 36)

8. Why does a demand curve slope downward to the right? Can a demand curve slope upward to the right under any condition?

9. Discuss the use of law of diminishing returns in decision making.

10. Discuss the causes and control measures of the inflation.

11. Explain the major instruments of monetary policy of our country.

12. Explain the managerial uses of knowing macroeconomic indicators of a country.

_____

Q.P. Code : 60454

First Semester M.Com. (FA) Degree Examination,
January/February 2020
(CBCS Scheme)
Commerce
Finance and Accounts
Paper 1.4 — MANAGERIAL FINANCE

Time : 3 Hours]   [Max. Marks : 70

SECTION – A

1. Answer any **SEVEN** questions. Each question carries **2** marks :   **(7 × 2 = 14)**

    (a) What is profitability index?

    (b) What is optimum capital structure?

    (c) What is capital budgeting?

    (d) Define net working capital.

    (e) Distinguish Explicit cost of capital and implicit cost of capital.

    (f) What are stock dividends?

    (g) What is sensitivity analysis?

    (h) What is In-the-money in a call option?

    (i) What is Corporate financial policy?

    (j) What is capital rationing?

SECTION – B

Answer any **FOUR** questions. Each question carries **5** marks :   **(4 × 5 = 20)**

2. Explain the merits and demerits of IRR.

3. Explain the concept of operating cycle.

4. Calculate the cost of capital from the following data :

    Dividend per share – Rs. 7.50

    Estimated growth in dividend – 10%

    Market value of share – Rs. 95

    Face value of share – Rs. 10

    Book value of share – Rs. 45

5. From the following particulars, calculate EPS.

   No. of equity shares – 10,00,000

   EBIT – Rs. 155 lakh (Earnings before interest and tax)

   EBT – Rs. 80 lakh (Earnings before tax)

   Tax rate – 30%

   Find percentage charge in EPS if EBT increases by 20%.

6. Explain how wealth maximisation is superior to profit maximisation.

7. From the following information, calculate :

   (a) Safety stock

   (b) Reorder level

   (c) Maximum inventory

   EOQ = 500 units

   Lead time – 3 weeks

   Weekly usage – 50 units

   Weeks of safety stock desired – 2 weeks.

SECTION – C

Answer any **THREE** questions. Each question carries **12** marks : **(3 × 12 = 36)**

8. Explain the capital structure theories in detail.

9. A company is considering an investment of Rs. 30 lakh with an expected cash flows (CFAT) generated over 3 years.

   | Year I | | Year II | | Year III | |
Rs. CFAT	Probability	Rs. CFAT	Probability	Rs. CFAT	Probability
8,00,000	0.10	8,00,000	0.10	8,00,000	0.20
10,00,000	0.20	10,00,000	0.30	10,00,000	0.50
15,00,000	0.40	15,00,000	0.40	15,00,000	0.20
20,00,000	0.30	20,00,000	0.20	20,00,000	0.10

   (a) What is the expected NPV of the project?

   (Risk free rate of return 5%)

   (b) Determine the standard deviation of Expected value.

10. What are the sources of working capital? Explain the same in detail.

11. Explain the importance of capital budgeting in decision making. Also explain the methods used to rank the projects.

12. The share capital of ABC Ltd is Rs. 80 lakh with the face value of Rs. 10 per share. The company has debt of Rs. 48 lakh at 10% interest. The sales of the company are 3,00,000 units per annum at a selling price of Rs. 50 per unit and variable cost is Rs. 30 per unit. The fixed cost amount to Rs. 16,00,000. The company pays 30% tax.

    If the sales increases by 20% calculate :

    (a) Percentage increase in EPS

    (b) Degree of operating leverage at two levels of production

    (c) Financial leverage at two level of production

    (d) Combined leverage

    Comment on the results.

_____

First Semester M.Com. (FA) Degree Examination, January/February 2020

(CBCS Scheme)

Finance and Accounts

Paper 1.5 — QUANTITATIVE TECHNIQUES FOR ACCOUNTING AND FINANCE

Time : 3 Hours]   *[Max. Marks : 70*

SECTION – A

1. Answer any **SEVEN** questions out of ten. Each sub-question carries **2** marks :

                                                 (7 × 2 = 14)

    (a) Define Risk.

    (b) What is Compound Interest?

    (c) What is Holding Cost?

    (d) Define Operations Research.

    (e) What do you mean by Optimistic time under PERT?

    (f) What is a Constraint?

    (g) Give the meaning of Free Float.

    (h) What is Sensitivity analysis?

    (i) State the uses of EOQ.

    (j) What is Crashing?

SECTION – B

Answer any **FOUR** questions of the following in about **1** page. Each question carries **5** marks :   **(4 × 5 = 20)**

2. Define simulation. Give one application area where this technique is used in practice.

3. Explain the features of O.R approach.

4. A committee is consisting of 3 members to the selected from 3 professors, 4 Businessmen and 3 lawyers. What is the probability that the committee consists of people of :

    (a) Same profession

    (b) Different profession

    (c) What is the probability of the committee consisting of 2 professors and 1 businessman?

5. A decision problem has been expressed in the following pay-off table :

States of Nature	Alternatives		
	A_1	A_2	A_3
E_1	2000	2800	1600
E_2	2500	1200	1500
E_3	1500	1800	1100

    What will be the manager's decision, if he has?

    (a) Maximax criterion

    (b) Minimax regret criterion

6. A retired person wants to invest upto an amount of Rs. 30,000 in fixed income securities, his broker recommends investing into bonds. Bond X yielding 7% and Bond Y yields 10%. After some consideration, he decides to invest utmost Rs. 12,000 in Bond Y and atleast Rs. 6,000 in Bond X. He also wants the amount invested in Bond Y to be atleast equal to the amount invested in Bond X. Formulate the LPP for the above situation.

7. Explain clearly the different costs that are involved in inventory problems with suitable examples.

SECTION – C

Answer any **THREE** questions of the following. Each question carries **12** marks :

$$(3 \times 12 = 36)$$

8. Solve the following LPP using simplex method.

    Max $Z = 10X_1 + 6X_2$

    Subject to constraints :

    $$X_1 + X_2 \leq 2$$
    $$2X_1 + X_2 \leq 2$$
    $$3X_1 + 8X_2 \leq 12$$
    $$X_1, X_2 \geq 0$$

2/3

9. "Operations research advocates a system approach and is concerned with optimization." Discuss.

10. The following table gives the data for the activities of a small project. Draw a network diagram and find critical path and all the floats.

Event	Duration (days)
1–2	10
1–3	8
1–4	9
2–5	8
3–7	16
4–6	7
5–7	7
5–8	6
6–7	7
6–9	5
7–10	12
8–10	13
9–10	15

11. The lifetime of certain electronic devices has a mean of 300 hours and standard deviation of 25 hours. Assuming that distribution of these lifetimes follows normal distribution :

    (a) Find the probability that the electronic devises will have a lifetime more than 350 hours?

    (b) What percentage will have lifetime 300 hours?

    (c) What percentage will have lifetime between 220 hours and 260 hours?

12. Write a short note on the following :

    (a) Inventory models.

    (b) Differentiation between CPM and PERT.

    (c) Methods of decision making under risk situation.

_____

Q.P. Code : 60456

First Semester M.Com. (FA) Degree Examination, January/February 2020

(CBCS Scheme)

Finance and Accounting – Commerce

Paper 1.6 — FINANCIAL MARKETS AND SERVICES

Time : 3 Hours]   [Max. Marks : 70

SECTION – A

1. Answer any **SEVEN** sub-questions in about **3-4** lines each from the following. Each sub-question carries **2** marks :   **(7 × 2 = 14)**

   (a)   Define financial market.

   (b)   What do you mean by call money market?

   (c)   Bring out the features of hire purchase.

   (d)   What is factoring? How does it work?

   (e)   What do you mean by equilibrium in financial markets?

   (f)   What is the difference between nominal rate and real rate of interest?

   (g)   State any four features of financial services.

   (h)   What is discount market?

   (i)   Write a short note on Treasury bill market.

   (j)   Distinguish between forwards and futures.

SECTION – B

Answer any **FOUR** questions in about **1** page each. Each question carries **5** marks :   **(4 × 5 = 20)**

2. Discuss the factors influencing rapid growth of leasing in India.

3. Define merchant banking. Discuss the scope of merchant banking services in India.

4. Explain the role of SEBI in the Indian financial system.

5. Discuss briefly about credit rating system of CRISII.

6. What are the roles of RBI in security market? Explain.

7. Explain the trading and settlement system of OTCEL.

SECTION – C

Answer any **THREE** questions in about **3** pages each. Each question carries **12** marks :   (3 × 12 = 36)

8. Describe the different kinds of financial services provided by banks and financial institutions.

9. "Commercial banks play an important role in the development of the economy". Discuss.

10. Write short notes on the following :

    (a) Venture capital in India

    (b) Development financial institutions

    (c) Credit rating agencies in India

11. The Indian financial sector is playing a vital role in economic development. Highlight the reforms introduced in various sectors such as banking, capital market, insurance and external sector.

12. Explain the structure of Indian Financial System.

_____

First Semester M.Com. (FA) Degree Examination, January/February 2020

(CBCS – Semester Scheme)

Commerce

Finance and Accounts

Paper 1.7 — Soft Core – BUSINESS LEGAL SYSTEM

Time : 3 Hours]   [Max. Marks : 70

SECTION – A

1. Answer any **SEVEN** questions out of Ten, each carrying **2** marks :   **(7 × 2 = 14)**

   (a)   Who is security in accordance to SEBI?

   (b)   Define intellectual property rights.

   (c)   What is a fundamental duty under the constitution?

   (d)   What is WTO?

   (e)   Define infringement.

   (f)   What is MRTP Act?

   (g)   State the objectives of legal system.

   (h)   What do you mean by consumer protection Act?

   (i)   What are TRIPS?

   (j)   Who is a Consumer?

SECTION – B

Answer any **FOUR** questions out of Six. Each question carries **5** marks :

(4 × 5 = 20)

2.   State fundamental Rights in Accordance to our constitution.

3.   Explain the main principles of GATT.

4.   Explain the prerequisites of an effective legal system.

5. What is Dispute settlement under consumer protection Act?

6. Briefly explain GATT.

7. State the functions of SEBI.

SECTION – C

Answer any **THREE** questions out of Five. Each question carries **12** marks :

(3 × 12·= 36)

8. What is meant by Intellectual Property? Why does intellectual property need to be promoted and protected?

9. Discuss the directive principles of state policy.

10. Why is water and Air under the Statute? Discuss.

11. Constitution is everything to the country. Discuss.

12. What are the salient features and major provisions of SEBI?

2/2