F 5628

(Pages : 2)

Reg. No...................................

Name.......................................

M.Com. DEGREE (C.S.S.) EXAMINATION, FEBRUARY 2016

First Semester

Faculty of Commerce

PM 01 C 02 – PRINCIPLES OF MANAGEMENT AND ORGANIZATIONAL BEHAVIOUR

(2012 Admission onwards)

Time : Three Hours

Maximum Weight : 30

Section A

Answer any **five** *questions.*

Each question carries 1 weight.

Answer each question not exceeding **one page**.

1. What is MBE?

2. Define Span of Control.

3. What is Delegation of Authority?

4. What are Formal and Informal Groups?

5. Explain Learning Organization.

6. What do you mean by Task Force?

7. Explain TQM.

8. What is Synergy?

(5 × 1 = 5)

Section B

Answer any **five** *questions.*

Each question carries 2 weight.

Answer each question not exceeding **two pages**.

9. Explain why people join groups. Examine the factors which influence group cohesiveness.

10. Explain the Johari Window.

11. What are the different forecasting techniques?

12. What are the components of planning?

13. Explain the Theories of Change.

14. What is OB? Discuss the role of OB in an organization.

Turn over

15. Explain the various steps involved in the OD Process.

16. "Scientific Management is nothing but a mental revolution". Discuss.

(5 × 2 = 10)

Section C

Answer any **three** *questions.*

Each question carries 5 weight.

Answer each question not exceeding **two pages**.

17. Define MBO. Discuss the board requirements and steps involved in the introduction of MBO.

18. Elucidate three Modern Techniques in Management.

19. How does inter group conflict arise? What are its consequences? How would you prevent such conflicts?

20. What is CSR? Give your arguments for and against Corporate Social Responsibility.

21. What are the reasons for resistance to change? What can the management do to overcome such resistance?

22. Explain the advantages and disadvantages of Committees.

(3 × 5 = 15)

F 5630

(Pages : 2)

Reg. No.................................

Name.....................................

M.Com. DEGREE (C.S.S.) EXAMINATION, FEBRUARY 2016

First Semester

Faculty of Commerce

RM 01 C04 – RESEARCH METHODOLOGY

(2012 Admission onwards)

Time : Three Hours

Maximum Weight : 30

Section A

Answer any **five** *questions.*
Each question carries 1 weight.

1. Explain exploratory research.

2. What is a pilot study ?

3. What is an independent variable ?

4. What is a sampling frame ?

5. What do you mean by validity ?

6. What is hypothesis ?

7. What is a longitudinal research design ?

8. What do you mean by references ?

(5 × 1 = 5)

Section B

Answer any **five** *questions.*
Each question carries 2 weight.

9. What are essentials of a good research ?

10. Explain the different types of variables.

11. What is the task of problem definition ?

12. Explain the advantages and disadvantages of interview method of data collection.

13. Differentiate primary and secondary data.

14. What do you mean by probability and non-probability sampling ?

15. What are the factors to be considered while selecting a research topic ?

16. What are characteristics of a good research report ?

(5 × 2 = 10)

Section C

Answer any **three** *questions.*

Each question carries 5 weight.

17. Explain the various types of research.

18. Explain the research process.

19. Explain different scales of measurement.

20. What are the general guidelines existing for writing a report?

21. Bring out the role of case study method in research.

22. What are the essentials of a good questionnaire?

(3 × 5 = 15)

F 5631

(Pages : 2)

Reg. No.................................

Name.....................................

M.Com. DEGREE (C.S.S.) EXAMINATION, FEBRUARY 2016

First Semester

Faculty of Commerce

QT 01 C05 – QUANTITATIVE TECHNIQUES

(2012 Admission onwards)

Time : Three Hours

Maximum Weight : 30

Section A

Answer any **five** *questions.*

Each question carries 1 weight.

Each answer not to exceed **a page**.

1. What are main features of normal distribution.

2. Define the term statistic and parameter.

3. Write down the confidence interval for the mean σ is known.

4. What is Yule's coefficient of association.

5. How will you construct X bar chart?

6. Explain sign test.

7. Define the term standard error. Write down the standard error of sample mean.

8. When will you use *p* chart?

$(5 \times 1 = 5)$

Section B

Answer any **five** *questions.*

Each question carries 2 weight.

Each answer not to exceed **two pages**.

9. Write down any *five* properties of Normal distribution.

10. Distinguish between point estimate and interval estimate.

11. In a cross between red flowered and white flowered plants it was found that of the 452 flowers obtained 119 were white and rest red. Is this consistent with the hypothesis that red and white flowers are in the ratio 3:1?

12. A daily sample of 30 items was taken over a period of 14 days in order to establish attributes control chart. If 21 defectives were found, what should be the upper and lower control limits of the proportion of defectives?

13. What are the merits and limitations of quantitative techniques?

14. The mean IQ of a large number of children of age 14 was 100 and the s.d 16. Assuming Normal distribution find (a) what percentage of children has IQ under 70; (b) What are the limits of IQ of the middle 50% of the children?

15. Random samples drawn from two countries gave the following data relating to the heights of adult males.

	Country A	Country B
Mean Height (inches)	67.4	67.25
Standard deviation	2.58	2.50
Sample size	1,000	1,200

Is the difference between the means significant?

16. Explain one way Analysis of variance techniques.

$(5 \times 2 = 10)$

Section C

*Answer any **three** questions.*
Each question carries 5 weight.
*Each answer not to exceed **five pages**.*

17. The following table show the association among 1,000 school boys of their general ability (GA) and their Mathematical Ability (MA):

MA/GA	Good	Fair	Poor	Total
Good	44	22	4	70
Fair	265	257	178	700
Poor	41	91	98	230
Total	350	370	280	1000

18. 18.Manures A,B, and C are applied to 4 plots each in 12 identical plots in which the same variety of wheat was cultivated .The following table gives the yield per plot in quintals. Test whether the manures have significantly different effects 5% level :

A	8	4	6	7
B	7	5	5	3
C	2	5	4	4

19. Explain different non-parametric methods of testing of hypothesis.

20. Explain how will you construct (i) R chart ; (ii) p chart ; (iii) C chart.

21. 100 ladies were chosen at random from the inhabitants of Bombay city and 550 were found to have dark eyes. Does this findings contradict the hypothesis that the event of a lady having dark eyes has probability 0.5.

22. Explain the role of quantitative techniques in the field of business and industry. Give examples in support of your answer.

$(3 \times 5 = 15)$

F 5629

(Pages : 3)

Reg. No...................................

Name....................................

M.Com. DEGREE (C.S.S.) EXAMINATION, FEBRUARY 2016

First Semester

Faculty of Commerce

FMO 1C 03 – FINANCIAL MANAGEMENT PRINCIPLES

(2012 Admission onwards)

Time : Three Hours

Maximum Weight : 30

Section A

Answer any five questions.

Each question carries 1 weight.

1. What is meant by optimum capital structure?

2. Name various theories of capital structure.

3. Write a very short note on cost of retained earnings.

4. Which capital budgeting methods take into consideration the concept of time value of money?

5. A company has sales of Rs. 5,00,00, variable cost of Rs. 3,00,000, fixed cost of Rs. 1,00,000. Calculate the operating leverage.

6. Define financial leverage.

7. What is financial planning?

8. Explain the following :

    (a) Trading on Equity.

    (b) Financial risk and business risk.

(5 × 1 = 5)

Section B

Answer any five questions.

Each question carries 2 weight.

9. Explain the principles governing a sound financial plan.

10. The Payback period of a project does not indicate its profitability. Comment.

11. Are the retained earnings less expensive than the new issue of ordinary shares? Give your views.

12. Explain EBIT -EPS approach for determining capital structure of a company.

Turn over

13. What is meant by capital structure? Explain the factors determining capital structure of a firm.

14. Explain as to how the wealth maximisation objective is superior to profit maximisation objective.

15. Distinguish between Operating Leverage and Financial Leverage with appropriate illustrations.

16. A 7 Year Rs. 100 debenture of a firm can be sold for a net price of Rs. 97.75. The coupon rate of interest is 15% per year and bond will be redeemed at 5% premium on maturity. The firm's tax rate is 35%. Compute the after tax cost of debenture.

$$(5 \times 2 = 10)$$

Section C

Answer any **three** *questions.*

Each question carries 5 weight.

17. What is the relevance of cost of capital in capital budgeting and capital structure planning decisions?

18. Give a critical appraisal of the traditional approach and the Modigliani-Millers approach to the problem of capital structure.

19. Discuss in detail the various types of decisions which are to be taken by a Finance Manager in the emerging business scenario.

20. Company X and Company Y is in the same risk class and identical in all respects except that Company X uses debt while Company Y does not .Levered Company has Rs. 9 lakhs debentures carrying 10% rate of interest. Both companies earn 20% before interest and taxes on their total assets of Rs. 15 lakhs. Assume perfect capital markets, tax rate of 50% and capitalisation rate of 15% for all equity company.

    (a) Compute the value of both the companies using Net Income approach.

    (b) Compute the value of both the companies using Net Operating Income approach.

21. Expert Ltd is considering buying one of the following two mutually exclusive investment projects :

    Project A   : Buy a machine that requires an initial investment outlay of Rs.1, 00,000 and will generate the cash flows after tax of Rs. 30,000 per year for 5 years.

    Project B   : Buy a machine that requires an initial investment outlay of Rs. 1,25,000 and will generate cash flows after tax of Rs. 27,000 per year for 8 years.

    Which project should be undertaken? The company uses 10% cost of capital to evaluate the projects.

    Present value of Re.1 for 8 years @10%--0.9091, 0.8264, 0.7513, 0.6830, 0.6209, 0.5645, 0.5132 and 0.4665.

22. The following details of A Ltd. for the year ended 31-3-2013 are furnished :

Operating Leverage	– 3 : 1.
Financial Leverage	– 2 : 1.
Interest charges per annum	– Rs. 20 Lakhs.
Corporate tax rate	– 50%.
Variable cost as percentage of sales	– 60%.

Prepare the Income Statement of the Company.

(3 × 5 = 15)

M.Com. DEGREE (CSS) EXAMINATION, FEBRUARY 2016

First Semester

Faculty of Commerce

AF 01 C01—ADVANCED FINANCIAL ACCOUNTING—I

(2012 Admission onwards)

Time : Three Hours   Maximum Weight : 30

Section A

Answer any **five** *questions.*
Each question carries a weight of 1.

1. What do you mean by intrinsic value of shares ?

2. What is the difference between amalgamation and absorption ?

3. What do you mean by deficiency account ?

4. Explain the factors influencing valuation of goodwill.

5. What do you mean by earning capacity method of valuation of shares ?

6. Discuss the various factors to be considered while framing a reconstruction scheme.

7. What do you mean by intercompany owings ?

8. What do you mean by Human Resource accounting ?

(5 × 1 = 5)

Section B

Answer any **five** *questions.*
Each question carries a weight of 2.

9. What is Deficiency Account ? Prepare a deficiency account with imaginary figures.

10. What is meant by amalgamation ? State the conditions to be satisfied for an amalgamation in the nature of merger.

11. Explain the various methods of valuation of goodwill.

12. (a) When can a person be declared insolvent ?

    (b) Discuss the legal provisions of voluntary transfer under Presidency Town Insolvency Act and Provincial Insolvency Act.

13. A company desires of selling its business to another company has earned an average profit in the past of Rs. 1,50,000 p.a. It is considered that such average profit fairly represents the profit likely to be earned in the future except that :

(a) Directors fees Rs. 10,000 charged against such profit will not be payable by the purchasing company whose existing board can easily cope with additional administrative work at present fees payable to the directors.

(b) Rent Rs. 20,000 p.a. which had been paid by the vendor company will not be a charge in the future, since the purchasing company own its own premises and can supply the accommodation necessary for the staff and equipment of the vendor company.

The value of net tangible assets of the vendor company at the proposed date of sale was Rs. 15,00,000 and it was considered that a reasonable return on capital invested for the type of activity was 10 %.

The profit of vendor company would in no way be affected by the sale of business to the purchasing company and goodwill existed and was to be paid for on the basis that the vender company is a continuing enterprise.

Calculate the value of good will by capitalisation of expected future profit.

14. From the following calculate preferential creditors as per Presidency Town Insolvency Act :

		Rs.
3 months salary of 6 clerks	...	16,000
One month's is wages of 5 labourers	...	18,000
Sales tax due	...	22,000
4 months rent due to landlord	...	12,000
Income-tax due	...	12,700
Wages of 4 servants	...	2,700
Salaries due	...	15,000
Municipal tax due	...	8,000
Wages	...	1,30,000

15. What is purchase consideration ? What are the different methods for calculating purchase consideration ?

16. The following particulars related to a company :—

		Rs.
Total assets	...	18,50,000
External liabilities	...	2,50,000
Share capital :		
14 % preference shares of Rs. 10 each fully paid	...	5,00,000
40,000 equity shares of Rs. 10 each fully paid	...	4,00,000
60,000 equity shares of Rs. 10 each Rs. 7.50 paid	...	4,50,000

Calculate the value of each category of equity shares of the company based on a deemed liquidation.

(5 × 2 = 10)

Section C

Answer any **three** *questions.*
Eac question carries a weight of 5.

17. The Balance Sheet of XYZ Ltd. as at March 31st, 2012 is as follows :

Liabilities	Rs.		Assets	Rs.
Share Capital :			Land, Building and Machinery ...	14,30,000
Authorised and Issued :			Investments ...	17,000
8,000 shares of Rs. 100			Stock-in-Trade ...	80,000
each fully paid ...	8,00,000		Sundry Debtors ...	30,000
Debentures ... 14,00,000			Cash ...	1,03,000
Add interest oustanding... 70,000	14,70,000		Profit and Loss Account ...	10,70,000
Sundry Creditors :	4,50,000			
Income-tax due ...	10,000			
	27,30,000			27,30,000

The fixed assets are heavily overvalued. The debenture holders have a floating charge on the assets of the company. They are prepared to accept a modification of their claims in consideration of a substantial interest in the share capital. A scheme of reorganisation is accordingly prepared and confirmed by the court. The salient points of the scheme are the following :—

(a) Each share shall be subdivided into twenty fully paid equity shares of Rs. 5 each.

(b) After sub-division, each shareholder shall surrender to the company 95 % of his holding, for the purpose of reissue to debenture holders and creditors so far as may be required, and otherwise for cancellation.

(c) Of those surrendered, 46,000 shares of Rs. 5 each shall be converted into 14% redeem able preference shares of Rs. 5 each fully paid.

(d) The debenture holders' total claim shall be reduced to Rs. 2,30,000. This will be satisfied by the issue to them of 46,000 redeemable preference shares of Rs. 5 each fully paid.

(e) The liability for income-tax is to be satisfied in full.

(f) The claims of unsecured creditors shall be reduced by 80 % and the balance shall be satisfied by alloting them equity shares of Rs. 5 each, fully paid, from the shares surrendered.

(g) Shares surrendered and not reissued shall be cancelled.

Journalise the various entries to be made, assuming the tax liability is not yet paid. Also show share Surrendered Account ; Reconstruction Account ; and the Balance Sheet of the company after the scheme has been carried out.

18. Satta Ram filed a petition in bankruptcy on 31st December, 2006. His books showed the following balances :

		Rs.	Rs.
Fixtures and Fittings (estimated to produce Rs. 400)	...	1,030	–
Stock-in-trade (estimated to produce Rs. 5,000)	...	7,210	
Trade Creditors	...		7,940
Bills Payable	...		8,700
Sundry Debtors – Good	... 3,800		
– Doubtful (estimated at 50 %)	... 8,000		
– Bad	... 8,000	19,800	
Bank Overdraft	...		6,900
Capital	...		4,500
		28,040	28,040

Liability on bills discounted Rs. 2,500, expected to rank Rs. 600. His life policy (surrender value Rs. 2,000) given as security for a loan of Rs. 1,500 at 10 % interest paid up to the preceding 30th June. Mrs. Satta Ram gave up jewellery valued at Rs. 1,200 to the Official Receiver. Official Receiver completed certain pending transactions which resulted in a profit of Rs. 200. There is a creditor of Rs. 100 (included in trade creditors) who is not to rank for dividend. Income-tax due amounted to Rs. 1,540.

Prepare a statement of Affairs and Deficiency Account.

19. What is HRA ? Discuss the important approaches to the valuation of Human Resouces. Explain the benefits and limitations of HRA.

20. Balance Sheet of M Ltd. and N Ltd. are given below as at 31st March, 2010 :

Liabilities		M Ltd. Rs.	N Ltd. Rs.	Assets		M Ltd. Rs.	N Ltd. Rs.
Share Capital (Rs. 10)	...	2,00,000	4,00,000	Sundry Assets	...	3,10,000	6,00,000
Reserve and Surplus	...	40,000	1,00,000	(no Goodwill)			
7 % Debentures (Rs. 100)	...	1,00,000		Loan of N Ltd.	...	30,000	
Loan from M Ltd.			30,000	Investments :			
Other Liabilities	...	50,000	70,000	5,000 shares in N Ltd.	...	50,000	
		3,90,000	6,00,000			3,90,000	6,00,000

N Ltd. take over M Ltd. on the following terms :

(a) N Ltd. will issue sufficient number of shares at Rs. 11 each and pay 50 paise in cash per share held by members of M Ltd.

(b) 7 % Debentures of M Ltd. are taken over by N Ltd. along with other liabilities of M Ltd.

Show journal entries and significant ledger accounts in the books of both the companies. Also draft Balance Sheet of N Ltd. after absorption.

21. Following is the Balance Sheet of Unluck Ltd., as on 31st March 2012. From the Balance Sheet and adjoining information you are required to pass journal entries and show the Balance Sheet of the company after giving effect to the scheme of re-organisation agreed upon :

Liabilities		Rs.	Assets		Rs.
13 % Cumulative Preference Shares of Rs. 100 each	...	1,00,000	Fixed Assets	...	15,00,000
Equity shares of Rs. 100 each	...	7,00,000	Current Assets	...	35,00,000
8 % Debentures	...	3,00,000	Profit and Loss Account	...	3,00,000
Current Liabilities	...	39,00,000			
Provision for taxation	...	3,00,000			
		53,00,000			53,00,000

Following scheme of reconstruction was sanctioned :

(a) Fixed assets are to be written down by 33 1/3 %.

(b) Current assets are to be revalued at Rs. 27,00,000.

(c) Preference shareholders decide to forego their right to arrears of dividend which are in arrears for three years.

(d) The taxation liability of the company is settled at Rs. 4,00,000.

(e) One of the creditors of the company, to whom the company owes Rs. 25,00,000 decides to forego 50 % of his claim. He is allotted 1,00,000 equity shares of Rs. 5 each in part satisfaction of the balance of his claim.

(f) The rate of interest on debentures is increased to 11 %. The debenture holders surrender their existing debentures of Rs. 100 each and exchanging the same for fresh debentures of Rs. 75 each.

(g) All existing equity shares are reduced to Rs. 5 each.

(h) All preference shares are reduced to Rs. 75 each.

22. The Bharat Co. Ltd. agreed to acquire the business of Indian company. The summarised balance sheet of Indian company Ltd. as on that date was as under :

		Rs.			Rs.
Share Capital :			Goodwill	...	50,000
Fully paid up shares of Rs. 10	...	3,00,000	Land and Buildings	...	3,20,000
General Reserve	...	85,000	Stock	...	84,000
Profit and Loss Account	...	55,000	Debtors	...	18,000
6 % debentures	...	50,000	Cash	...	28,000
Sundry Creditors	...	10,000			
		5,00,000			5,00,000

Turn over

The consideration payable by Bharath Company Ltd. was agreed as follows :

(a) A cash payment of Rs. 2.50 for every Rs. 10 shares in Indian Company Ltd.

(b) The issue of 45,000 Rs. 10 fully paid up shares in Bharath Company Ltd. at an agreed value of Rs. 15 shares.

(c) The issue of such an amount of fully paid 5 % debentures of Bharath Company Ltd. as the sufficient of 6 % debentures of Indian Company Ltd. at a premium of 20 %.

When computing the agreed consideration the directors of Bharath Company Ltd. value the Land and Building at Rs. 6,00,000; Stock at Rs. 71,000 and Deptors at their fare value subject to an allowance of 5 % to cover the doubtful debts. The cost of liquidation of Indian Company Ltd. Rs. 2,500. Give Ledger accounts to close the books of Indian Company Ltd. and journal entries in the book of Bharath Ltd.

(3 × 5 = 15)