**F 5208**

Reg. No......1600110149273

Name......Tresa Somy

# M.Com. DEGREE (C.S.S.) EXAMINATION, JANUARY/FEBRUARY 2017

### 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.*

*Answer not to exceed* **one** *page each.*

1. What is binomial distribution ?

2. Explain Type 1 error.

3. What are features of Z-test ?

4. Briefly explain significance of correlation coefficient.

5. Define R-chart.

6. What 2-way anova signifies ?

7. Explain Yules coefficient of association.

8. Explain two-tailed and one-tailed test.

$(5 \times 1 = 5)$

## Section B

*Answer any* **five** *questions.*

*Answer not to exceed* **two** *pages each.*

9. Explain Hypothesis, types of hypothesis and its testing.

10. Define in detail sampling theory.

11. Differentiate between Standard deviation and Standard error.

12. It is claimed that a random sample of 100 tyres with a mean life of 15269 km. is drawn from a population of tyres which has a mean life of 15200 km. and SD of 1248 km. Test validity of claim.

13. The mean yield of wheat from a district A was 210 Lbs with standard deviation of 10 Lbs per acre from a sample of 100 plots. In another district B, the mean yield was 200 Lbs, standard deviation is 12 Lbs from a sample of 150 plots. Assuming that the standard deviation of yield in the entire state was 11 Lbs, test whether there is any significant difference between the mean yield of the crops in the two districts.

**Turn over**

14. A sample analysis of an examination result of 200 students were made. It was found that 46 failed, 68 secured third class 62 second class and remaining in first class. Are these figures in commensurate with the general examination result which is in ratio 2 : 3 : 3 : 2 for various categories ?

15. Test whether son's eye colour and father's eye colour are associated with the help of data given below :

<div align="center">Eye colour of son</div>

| Father's eye colour | | Dark | Light |
|---|---|---|---|
| Dark | ... | 230 | 148 |
| Light | ... | 151 | 471 |

16. The standard deviation of two samples of sizes 10 and 14 from two normal population are 3.5 and 3.0 respectively. Examine whether the standard deviation of the population are equal.

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

## Section C

*Answer any* **three** *questions.*
*Answer not to exceed* **five** *pages each.*

17. Three varieties of a crop was grown on 4 plots of land and the following results were obtained. Prepare an analysis of variance table and find out whether there is significance of difference between the three crops :

| Types of crop | Yield, (Plot numbers) | | | |
|---|---|---|---|---|
| | I | II | III | IV |
| A | 15 | 10 | 16 | 11 |
| B | 16 | 14 | 12 | 14 |
| C | 12 | 18 | 20 | 10 |

18. The following table gives the number of units produced per day by 2 workers A and B for a number of days :

A : 40  30  38  41  38  35
B : 39  38  41  33  32  39  40  34

Should these results be accepted as evidence that the two workers are equally stable by application of F test ?

19. The per acre yield of a crop in a particular area is observed to follow a normal distribution with mean 15 quintals and S.D. of 5 quintals. Find,

   (i)  The proportion of the area yielding at least 25 quintals.

   (ii) What extent of the land under the crop can yield between 10 and 20 quintals if the total land under crop is 782 acres ?

20. From the adult population of four large cities, random samples were selected and the number of married and unmarried men were recorded :

|  | Cities | | | |
| --- | --- | --- | --- | --- |
|  | A | B | C | D |
| Married ... | 137 | 164 | 152 | 147 |
| Single ... | 32 | 57 | 56 | 35 |

Is there significant variation among the cities in the tendency of men to money ?

21. Explain in detail the effective use of SQC.

22. How Quantitative Technique can be used to effectively design a product, price it and launch it ?

$$(3 \times 5 = 15)$$

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(Pages : 2)

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# M.Com. DEGREE (C.S.S.) EXAMINATION, JANUARY/FEBRUARY 2017

## 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. Define Research.

2. What is Fundamental Research ?

3. What is Coding ?

4. What is Hypothesis ?

5. What is meant by Interview Schedule ?

6. What is Pilot survey ?

7. What is meant by Non-random sampling ?

8. What is Popular report ?

(5 × 1 = 5)

### Section B

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

9. Explain the steps to be followed for defining the research problem.

10. State the importance of survey of literature in research.

11. What are the characteristics of a good hypothesis ?

12. State the differences between questionnaire and schedule.

13. What are the steps in report writing ?

**Turn over**

14. What do you understand by testing of hypothesis ?

15. What are the functions of a research design ?

16. What are the essential qualities of a good sample ?

$(5 \times 2 = 10)$

### Section C

*Answer any **three** questions.*
*Each question carries 5 weight.*

17. Explain the various phases in a research process.

18. What are the different probability sampling methods ?

19. Explain the structure of research report.

20. Explain the important experimental design.

21. State the role of case study method in research.

$(3 \times 5 = 15)$

14. What do you understand by testing of hypothesis ?

15. What are the functions of a research design ?

16. What are the essential qualities of a good sample ?

$(5 \times 2 = 10)$

## Section C

*Answer any* **three** *questions.*
*Each question carries 5 weight.*

17. Explain the various phases in a research process.

18. What are the different probability sampling methods ?

19. Explain the structure of research report.

20. Explain the important experimental design.

21. State the role of case study method in research.

$(3 \times 5 = 15)$

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## M.Com. DEGREE (C.S.S.) EXAMINATION, JANUARY/FEBRUARY 2017

### First Semester

Faculty of Commerce

PM01 CO2—PRINCIPLES OF MANAGEMENT AND ORGANISATIONAL BEHAVIOUR

(2012 Admission onwards)

Time : Three Hours

Maximum Weight : 30

### Section A

I.  Answer any *five* questions. Answer not to exceed *one page* each :

1   What is systems approach to management ?

2   Explain Kaizen model of quality.

3   Explain the term reference group.

4   Define proactive organisation.

5   Explain McKinsey's 7-S model.

6   Define conflict and its causes.

7   What is MBO ?

8   Explain two-factor model of Herzberg.

(5 × 1 = 5)

### Section B

II.  Answer any *five* questions. Answer not to exceed *two pages* each :

9   Define team and group. How they are different ? Cite examples.

10  Discuss how external environment influence organisational structure.

11  Elaborate TA analysis with various Ego states.

12  What is Negotiation ? How it is different from bargaining ?

13  Explain 6-Sigma. How it is impacting modern day manufacturing ?

14  Explain 14-principles of scientific management with reference to IT industry.

15  What are major disciplines of OB ? Explain their contribution.

16  Explain various models of Quality Management.

(5 × 2 = 10)

**Turn over**

## Section C

III. Answer any *three* questions. Answer not to exceed *five pages* each :

17  Describe various approaches to management with suitable examples.

18  What is life positions ? Explain in detail.

19  You are a manager in an IT company. How will you PLAN for 10 crore rupee children education software project which is IT enabled ?  How your strategy and plan related ?

20  What do you understand by stages of group development ? Explain it with example.

21  Explain Maslow's need hierarchy model with the help of tourism industry.

22  Elaborate Johari Window with disclosure and feedback.

(3 × 5 = 15)

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# M.Com. DEGREE (C.S.S.) EXAMINATION, JANUARY/FEBRUARY 2017

## First Semester

### Faculty of Commerce

### FM 01 C03—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 financial planning ?

2. Why time value of money exists ? Give reasons.

3. Write short note on 'MARGINAL COST OF CAPITAL'.

4. Name various methods of computing cost of equity capital.

5. Distinguish between 'Financial Structure' and 'Capital Structure'.

6. What is Capital Gearing ?

7. Define Capital Budgeting.

8. What is EBIT-EPS analysis ?

(5 × 1 = 5)

### Section B

*Answer any* **five** *questions.*

*Each question carries 2 weight.*

9. A machine is available for purchase at a cost of Rs. 80,000. At the end of it's life of 5 years the scrap value is Rs. 10,000. The generated profits (before depreciation) over it's life is :

| Year | 1 | 2 | 3 | 4 | 5 |
|------|------|------|------|------|------|
| Amount Rs. | 20,000 | 40,000 | 30,000 | 15,000 | 5,000 |

48.481.

**Turn over**

10. A company is considering the following to raise additional capital for the expansion schemes :

| Equity (% of capital) | Debt (% of capital) | Cost of Equity % | Cost of Debt % (pre tax) |
|---|---|---|---|
| 75 | 25 | 16 | 12 |
| 50 | 50 | 18 | 14 |
| 25 | 75 | 24 | 18 |

Tax Rate is 50 %. Find out the best option.

11. How is the 'wealth maximization' objective superior to 'profit maximization' objective ? Explain.

12. Explain 'capital structure', and list the important factors to be considered while planning the capital structure of a company.

13. What is weighted average cost of capital' ? Explain the rationale behind the use of weighted average cost of capital.

14. Explain the various risk analysis technique in Capital budgeting.

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

16. Critically evaluate the M. M. theory on Capital structure.

(5 × 2 = 10)

## Section C

*Answer any* **three** *questions.*
*Each question carries 5 weight.*

17. Following is the data of 2 companies "A" and "B", belonging to the equivalent risk class :

|  | "A" | "B" |
|---|---|---|
| No. of ordinary shares. | 1,00,000 | 1,50,000 |
| 8 % debentures | 50,000 | ---- |
| Market price of 1 share... | Rs. 1.30 | Re. 1.00 |
| Profit before interest. | Rs. 20,000 | Rs. 20,000 |

Profit is distributed as dividend after paying debenture interest. Apply Modigliani and Miller approach and explain how an investor with 10% shares in "A" will be benefited by switching his shares to "B".

18. The following details of 'A' Ltd. For the year ended 31-3-2014 are furnished :

|  |  |
|---|---|
| Operating Leverage | 3 : 1 |
| Financial Leverage | 2 : 1 |
| Interest Charges | Rs. 20 Lac per annum |
| Corporate Tax Rate | 50% |
| Variable Cost as % of sales | 60% |

Prepare the income statement of the company.

19. XY Ltd ; wants to replace an old machine with a new one. Details of 2 short listed offers are :

Anticipated after Tax Cash Flow (Rs. Lakhs)

| Machine | Cost | 1st Yr. | 2nd Yr. | 3rd Yr. | 4th Yr. | 5th Yr. |
|---|---|---|---|---|---|---|
| A    .. | 25 | -- | 5 | 20 | 14 | 6 |
| B    .. | 40 | 10 | 14 | 16 | 17 | 8 |

Company's cost of capital is 16%. Make an appraisal of the offers and prepare an advice to the company by using (a) Net Present Value Method ; and (b) Internal Rate Of Return Method.

Present value of Re.1.

$$L_1 + \frac{P_1 - Q_1}{P_1 - P_2} \times D$$

$$IRR =$$

| End of Year | 16 % | 18 % | 20 % |
|---|---|---|---|
| 1. | 0.862 | 0.847 | 0.833 |
| 2. | 0.743 | 0.718 | 0.694 |
| 3. | 0.641 | 0.609 | 0.579 |
| 4. | 0.552 | 0.516 | 0.482 |
| 5. | 0.476 | 0.437 | 0.402 |

20. Which capital budgeting methods consider time value of money ? How is it possible for the capital budgeting methods that do not consider time value of money to lead to wrong capital budgeting decisions ?

21. How do you estimate the financial requirement of an enterprise ? Explain the steps involved in financial planning ?

22. Both overcapitalization and under capitalization are harmful to the financial interest of a company. Discuss this statement.

(3 × 5 = 15)

## M.Com. DEGREE (C.S.S.) EXAMINATION, JANUARY/FEBRUARY 2017

### 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 1 weight.*

1. Define Goodwill.

2. What is the intrinsic value method of valuation ?

3. What is meant by amalgamation of companies ?

4. What is meant by alteration of capital ?

5. Whatis deficiency account ? When it is prepared ?

6. What are the features of Human Resource Accounting ?

7. What is IFRS ?

8. What is Capital Reduction Account ?

(5 × 1 = 5)

## Section B

*Answer any* **five** *questions.*

*Each question carries 2 weights.*

9. What is purchase consideration ? What are the different methods of calculating purchase consideration ?

10. Explain the significance of IFRS.

11. Explain briefly different methods of valuation of shares.

12. What are the factors affecting the value of goodwill ?

13. Distinguish between External and Internal Reconstruction.

**Turn over**

14. An investor intends to invest not more than Rs. 15,000 in Equity Shares of an Iron and Steel Co. What is the maximum number of shares that can be purchased by him if the following is the financial position of the Co.

Issued and paid up Capital :                                    Rs.

    6% Preference shares of Rs.100 each —          5,00,000

    Equity shares of Rs.10 each              —          3,00,000

Average net profit of the company is Rs. 57,000. Expected normal yield is 7%.

Total Assets (other than goodwill) Rs. 9,49,000 and total outside liabilities Rs. 95,000.

Goodwill is to be calculated at 5 years purchase of super profit, if any.

15. The following particulars are available in respect of the business carried on by a trader.

Profit earned. 2009—Rs. 50,000 ; 2010—Rs. 60,000 ; 2011—Rs. 55,000.

    Normal rate of profit                            ... 10%

    Capital employed                              ... 3,00,000

    Present value of Annuity of one rupee for five years at 10% ... 3.78

The profits include non-recurring profits on an average basis of Rs. 4,000 out of which it is expected that even non-recurring profit had a tendency of appearing at the rate of Rs. 1,000 p. a.

You are required to calculate goodwill :

    (a)  As per five years purchase of super profit.

    (b)  As per capitalization of super profit.

    (c)  As per annuity method.

16. The paid up capital of AB Ltd. amounted to Rs. 2,50,000 consisting of 25,000 equity shares of Rs.10 each. The following scheme of reconstruction was approved by court to cover the continuous losses incurred by the Co.

    1.  In lieu of their present holdings, the shareholders are to receive :

        (a)  Fully paid equity shares equal to 2/5th of their holding.

        (b)  5% preference shares fully paid up to the extent of 20% of the above new equity shares.

        (c)  3,000, 6% second debentures of Rs.10 each.

2. An issue of 2,500, 5% first debentures of Rs. 10 each was made and fully subscribed on cash.

3. The assets were reduced as follows :

    (a)  Goodwill from Rs. 1,50,000 to Rs. 75,000.

    (b)  Machinery from 50,000 to Rs. 37,500.

    (c)  Leasehold premises from Rs. 75,000 to Rs. 62,500.

Show the journal entries to give effect to the above scheme of reconstruction.

$(5 \times 2 = 10)$

## Section C

*Answer any* **three** *questions.*
*Each question carries 5 weights.*

17. Explain in brief various IFRS formulated by International Accounting Standard Board.

18. What is Human Resource Accounting ? Discuss any *two* methods of measuring the human resources.

19. The following is the Balance Sheet of X Ltd., as at 31st March 2011.

*Balance Sheet*

| Liabilities | Rs. | Assets | Rs. |
|---|---|---|---|
| Share Capital : | | Fixed Assets | 1,02,000 |
|   2,000, 6% Preference shares of | | Preliminary expenses | 6,000 |
|   Rs.10 each | 20,000 | Discount on debentures | 2,000 |
| 6,000 Equity shares of Rs.10 each | 60,000 | Profit and Loss | 12,000 |
| General Reserve | 10,000 | | |
| 7% Debentures | 10,000 | | |
| Depreciation Fund | 2,000 | | |
| Creditors | 20,000 | | |
| | 1,22,000 | | 1,22,000 |

**Turn over**

Assets are worth their book values. Dividend on preference shares are in arrears for two years. Debenture interest owes for one year. Find out the value of shares when :

   (a)   Preference shares have priority for repayment of capital only.

   (b)   Preference shares have no priority for capital and dividend.

   (c)   Preference shares have priority as to payment of capital and arrears of dividend.

   (d)   Preference shares have no priority for capital but for arrears of dividend.

20.   The Balance Sheets of Titan Ltd., and Mex Ltd., on 31$^{st}$ March 2014 are as follows :

| Liabilities | Titan | Mex | Assets | Titan | Mex |
|---|---|---|---|---|---|
| Share Capital : | | | Fixed assets : | | |
|   Equity shares of | | | Goodwill | — | 80,000 |
|   Rs. 10 each | 2,00,000 | 4,00,000 | Freehold Premises | 60,000 | 50,000 |
| Reserves and surplus | | | Plant | 1,20,000 | 1,60,000 |
| General Reserve | 1,00,000 | — | Furniture | 10,000 | 20,000 |
| Capital Reserve | 20,000 | 20,000 | Current assets : | | |
| Profit and Loss | 80,000 | — | Stock in Trade | 2,00,000 | 2,80,000 |
| Secured loan : | | | Debtors | 2,00,000 | 20,000 |
|   Bank Loan | 1,60,000 | 1,20,000 | Cash at bank | 10,000 | 10,000 |
| Current Liabilities : | | | Misc. Expenses and | | |
|   Creditors | 40,000 | 1,60,000 | Losses : | | |
| | | | Profit and Loss | | |
| | | | Account | | 80,000 |
| | 6,00,000 | 7,00,000 | | 6,00,000 | 7,00,000 |

On that date both the companies agreed to amalgamate and form a new company called Timex Ltd. For the purpose of determining the amount of consideration all assets and liabilities to be taken by Timex Ltd. at their book value except goodwill of Mex Ltd., which is considered as valueless. The consideration paid by Timex Ltd in the form of its fully paid equity shares of Rs.10 each. You are required to calculate the purchase consideration and pass the journal entries in the books of Timex Ltd. and prepare a Balance Sheet after amalgamation in the nature of merger.

21. The Balance Sheets of A Ltd., and B Ltd., on 31<sup>st</sup> March 2014 are as follows :

| Liabilities | A Ltd., | B Ltd., | Assets | A Ltd., | B Ltd., |
|---|---|---|---|---|---|
| Share Capital : | | | Fixed assets | 30,00,000 | 50,00,000 |
| Equity shares of | | | Goodwill | 10,00,000 | 35,00,000 |
| Rs. 10 each | 50,00,000 | 70,00,000 | Current assets | 35,00,000 | 10,00,000 |
| 10% Debentures of | | | Cash at bank | — | 10,00,000 |
| Rs. 100 each | 10,00,000 | — | | | |
| Profit and Loss a/c | — | 15,00,000 | | | |
| Creditors | 30,00,000 | 20,00,000 | Profit and Loss | | |
| | | | Account | 15,00,000 | |
| | 90,00,000 | 105,00,000 | | 90,00,000 | 105,00,000 |

On this date B Ltd., took over the business of A Ltd., on the following terms :

1. A Ltd is to be wound up and shares of it is to be considered as worth Rs. 6 each and the share of B Ltd., is to be considered as worth Rs. 12.50.

2. Consideration discharged by B Ltd., in the form of 25% in cash and 75% in equity shares.

3. 10% Debentures of A Ltd., would be converted into equal number of 15% debentures of B Ltd., of Rs. 100 each. Pass necessary journal entries in the books of both the companies and prepare a balance sheet in the books of B Ltd., after amalgamation in the nature of purchase.

22. Remesh found himself insolvent on 31<sup>st</sup> December 2008. His position was as follows :

Sundry Debtors—Good Rs. 5,000 : Doubtful—Rs. 30,000 (estimated to produce Rs. 25,000) Bad debt—Rs. 15,000

|  | Rs. |
|---|---|
| 1,000 shares in A Co. Ltd., (estimated to produce—Rs. 15,000) | — 25,000 |
| Shares in B Ltd., (estimated to produce Rs. 75,000) | — 91,500 |
| Loss through betting | — 2,000 |
| Creditors on open account | — 85,600 |
| Creditors holding second charge on shares of B Ltd., to the extent of Rs. 25,000 | — 30,000 |
| Creditors holding first charge on shares of B Ltd., | — 40,000 |
| Bills Payable | — 4,000 |
| Creditors for Rent, Rates and Taxes (of which Rs. 4,600 are preferential) | — 5,000 |

**Turn over**

Rs.

Furniture and fixtures (estimated to produce Rs. 3,000)                        — 15,000

Cash in hand and at bank                                                                      550

Stock in Trade (estimated to produce Rs. 30,450)                              — 35,950

Bills Receivable (estimated to produce Rs. 7,000)                              — 9,000

Remesh started business with a capital of Rs. 70,000 on 1st January 2006 and the business resulted in a profit of Rs. 8,900 and Rs. 10,000 for the first two years and a loss of Rs. 5,000 for the third year, after allowing Rs. 3,500 as interest on capital each year. Withdrawal for the whole period amounted to Rs. 30,000.

Prepare a Statement of Affairs and Deficiency Account.

(3 × 5 = 15)