BBA 204 Reg. No.....

CREDIT BASED SECOND SEMESTER B.B.A. DEGREE EXAMINATION
APRIL 2018
BUSINESS ADMINISTRATION
Advanced Accountancy

Duration: 3 Hrs. **Max. Marks: 80**

SECTION – A

Answer any Three questions: 3×15=45

1. The Balance Sheet of Ananya Trading Co. Ltd. as at 31-12-2010 was as follows:

Liabilities	₹	Assets	₹
Share Capital		Fixed assets	8,00,000
Equity shares of ₹100 each fully paid	5,00,000	Investments	1,00,000
7% redeemable preference shares	3,00,000	Cash	2,00,000
Securities premium	50,000	Other current assets	5,00,000
Capital Reserve	1,00,000		
Revenue Reserve	2,00,000		
6% Debentures	3,00,000		
Creditors	1,50,000		
	16,00,000		16,00,000

Both the redeemable preference shares and debentures were due for redemption on 1 – 1 – 2011. Ananya Trading Co. Ltd., took the following steps in this respect:

a. It issued 2000 equity shares of 100 each at a premium of 10%, the shares were fully subscribed and paid for.
b. It sold the investments for ₹90,000.
c. It arranged a bank overdraft to the extent necessary. The redemption was duly carried out.

Pass the Journal entries and prepare the balance sheet of the company immediately after redemption.

2. A Limited company issued a prospectus inviting applications for 2000 shares of ₹10 each at a premium of ₹2 per share payable as follows:

On applications ₹2 per share
On allotment ₹5 per share (including premium)
On first call ₹2 per share
On second call ₹3 per share

Applications were received for 3000 shares and allotment made pro rata to the applicants of 2400 shares, the remaining applications being refused.

Money overpaid on applications was employed on account of sums due on allotment.

Harish to whom 40 shares were allotted failed to pay the allotment money and on his subsequent failure to pay first call, his shares were forfeited. Naveen the holder of 60 shares failed to pay the two calls and so his shares were also forfeited.

All these shares were sold to Vijay credited as fully paid for 9 per share. Show Journal entries and balance sheet of the company.

3. From the following Trial Balance, prepare Departmental Trading and profit and loss account for the year ended 31 December 2010 and a Balance Sheet as at that date.

Trial Balance as at 31-12-2010

	Dr	Cr
Stock on 1 – 1 – 2010		
A dept.	17,400	
B dept.	14,700	
Purchases:		
A dept.	35,000	
B dept.	30,000	
Sales:		
A dept.		60,000
B dept.		40,000
Wages:		
A dept.	8,700	
B dept.	2,200	
Rent, Rates, Taxes and Insurance	9,390	
Sundry Expenses	3,600	
Salaries	3,000	
Lighting & Heating	2,100	
Discount allowed	2,220	
Discount received	---	650
Advertising	3,680	
Carriage inwards	2,340	
Furniture & Fittings	3,000	
Plant & Machinery	21,000	
Sundry Debtors	6,060	
Sundry Creditors	---	30,650
Capital	---	47,660
Drawings	4,500	
Cash at Bank	9,900	
Cash in hand	170	
	1,78,960	1,78,960

The following additional information is also provided:

a) Internal transfer of goods from Dept. A to Dept. B ₹840.

b) The items Rent, Rates, Taxes and Insurance, Sundry Expenses, Lighting and Heating Salaries and Carriage Inward to be apportioned $^2/_3$ Dept. A and $^1/_3$ Dept. B.

c) Advertising to be apportioned equally.

d) Discounts allowed and received are to be apportioned on the basis of Departmental Sales and Purchases (excluding transfer).

e) Depreciation at 10% p.a. on Furniture and Plant and Machinery to be charged ¾ to Dept A, ¼ to Dept B.

f) Services rendered by Dept B to Dept A included in wages of B Dept. ₹500.

g) The stock at 31 December 2010 Dept A ₹16,740, Dept B ₹12,050

4. On 1st January 2004, the Metal Products Ltd issued debentures for ₹1,00,000 redeemable at par at the end of the five years, and it was resolved that a Sinking Fund should be formed and invested in securities.
Show necessary ledger accounts for 5 years, assuming that the interest received on the investments was at the rate of 5% on cost, that the interest was received yearly and immediately invested and that the investments were realized at a loss of ₹300 at the end of five years. Reference to the table shows that ₹0.180975 invested at the end of each year at 5% compound interest, will produce ₹1 at the end of the five years.

SECTION – B

Answer any Five questions: 5×5=25

5. Mahesh buys a pump set on instalment purchase system. The terms of payment are as follows:-
₹2,000 to be paid on signing the agreement
₹2,600 at the end of first year
₹2,400 at the end of second year
₹2,200 at the end of third year.
If interest is charged at 10%p.a. what is the cash value of the pumpset?

6. A Ltd wishes to redeem its preference shares amounting to ₹1,00,000 at a premium of 5% and for this purpose issues ₹5,000 equity shares of ₹10 each at a premium of 5%. The company has also a balance of ₹1,00,000 in General Reserve and ₹50,000 in profit and loss account. Give necessary journal entries for redemption of above preference shares.

7. What is departmental organization? What is the need for departmental accounts?

8. Raja Ltd., invoices goods to its Sringeri Branch at cost. The branch sells the goods only for cash. From the following information prepare Branch Account for the year ending 31-12-2011.
Stock on 1-1-2011 ₹12,500
Stock on 31-12-2011 ₹14,500
Goods sent to branch ₹45,400
Goods returned by branch ₹600
Petty cash on 1 – 1 – 2011 ₹150
Petty cash on 31 – 12 – 2011 ₹320
Cash remitted to branch for
Salary ₹4,500
Rent ₹1,200
Petty cash ₹1,000 ₹6,700
Cash sales ₹81,300

9. Bring out the differences between hire purchase system and Installment System.

10. 'X' Ltd issued shares of 10 each at 10% discount payable as follows:
On application ₹2
On allotment ₹3
On first call ₹2
On final call ₹2
Mahesh who was holding 50 shares did not pay his allotments and first call and his shares were forfeited. Suresh who was holding 30 shares, did not pay first call and his shares also were forfeited. Final call was not made. Journalise transactions relating to forfeiture of shares.

SECTION – C

Answer the following questions: 5×2=10

11. a) Give the meaning of forfeiture of shares.

b) How are goods in transit from Head Office adjusted in the books of Head Office?

c) What is under subscription of shares?

d) State any two differences between calls in arrears and calls in advance.

e) What is repossession of stock?

****

BBA 201 Reg. No.....

CREDIT BASED SECOND SEMESTER B.B.A. DEGREE EXAMINATION APRIL 2018
BUSINESS ADMINISTRATION
Business Statistics

Duration: 3 Hrs. **Max. Marks: 80**

SECTION – A

Answer any Three of the following: **3×15=45**

1. The following is the distribution of percentage of alcohol content in 60 bottles of a particular medicine. Calculate the mean, median and mode.

Percentage	7.0 – 7.1	7.1 – 7.2	7.2 – 7.3	7.3 – 7.4	7.4 – 7.5	7.5 – 7.6
No. of Bottles	5	13	18	14	7	3

2. a) Calculate the coefficient of correlation from the following data by the Spearman's Rank difference method. **(10 Marks)**

Production	120	115	120	124	126	121
Price(₹)	13	15	14	13	12	14

b) By using the following data, find out the two lines of regression. **(5 Marks)**
$\sum x = 250, \sum xy = 7900, \sum x^2 = 6500, \sum y^2 = 10000$ and $N = 10$

3. Find the coefficient of correlation with the help of Karl Pearson's method.

Marks in statistics	Marks in Mathematics				
	10	20	30	40	50
5	2	4	1	4	1
10	8	2	5	1	--
15	--	3	2	1	--
20	--	1	3	2	4
25	--	--	4	2	--

4. Obtain Laspeyer's Paaschis, Marshall Edgewnth and fishers price index number from the following data.

Item	Price (₹ per unit)		Quantity	
	Base Year	Current Year	Base Year	Current Year
1	2	5	20	15
2	4	8	4	5
3	1	2	10	12
4	5	10	5	6

SECTION – B

Answer any Five of the following: **5×5=25**

5. Find the average rate of increase in rainfall, if in the first decade, it increased by 20%, in the 2nd by 30% and in the 3rd decade by 40%.

6. Compute the consumer price index number from the following.

Group	Base Year Price (₹)	Current Year Price (₹)	Weight (%)
Food	4,000	5,500	35
Rent	2,500	3,000	25
Clothing	5,000	6,000	15
Fuel	2,000	3,500	20
Entertainment	1,500	2,250	05

7. In the following frequency distribution of pulse rate of patients, one of the class frequencies is missing. If the median is 78, find the missing frequency.

Pulse rate	64 – 68	68 – 72	72 – 76	76 – 80	80 – 84	84 – 88
No. of Patients	3	12	?	40	32	11

8. Calculate the quartile deviation for the data given below.

Daily wages (₹)	No. of wage earners
35 – 36	14
36 – 37	20
37 – 38	42
38 – 39	54
40 – 41	45
41 – 42	21
42 – 43	8

9. The following are the heights of 8 men and their wives. Find the coefficient of correlation between heights of husbands and heights of wives.

Husband (cms)	164	176	178	184	175	167	173	180
Wife (cms)	158	164	165	171	163	156	163	169

10. Briefly explain the rules for drafting a questionnaire.

SECTION – C

11 **Answer all questions:** **5×2=10**

a) The following data relates to the number of children of 25 couples. Find the median.
Number of children per couple.
2 0 5 2 2 1 0 0 3 4 2 1 1 2 3 0 1 2 7 2 2 1 3 4 1

b) Give any two uses of consumer price index.

c) The following are the prices of shares of XY Co. Ltd from Manday to Saturday.
Price (₹) = 200 210 208 160 220 250
Calculate range and its coefficient.

d) Give any two limitations of statistics.

e) Find the Harmonic Mean from the following.
257 47 75 5 8 0.8 0.04

****

BBA 202 Reg. No.....

CREDIT BASED SECOND SEMESTER B.B.A. DEGREE EXAMINATION
APRIL 2018
BUSINESS ADMINISTRATION
Business Environment & Ethics

Duration: 3 Hrs. **Max. Marks: 80**

SECTION – A

Answer any Three of the following: 3×15=45

1. Explain the social responsibility of business towards shareholders, employees and public?
2. What is meant by Business Environment? Describe the external factors influencing business.
3. Explain the merits and demerits of globalization.
4. Define Business Ethics. State its objectives and types.

SECTION – B

Answer any Five of the following: 5×5=25

5. Explain the features of Indian mixed economy.
6. Write a note on corporate governance.
7. Explain the importance of Business Ethics.
8. What are the objectives of WTO?
9. Write a note on corporate culture.
10. State the features of current globalization.

SECTION – C

11. **Answer All questions:** 5×2=10

    a) What is SEZ?

    b) What is whistle blowing?

    c) What is fiscal policy?

    d) What is GATT?

    e) What is meant by LPG?

****

BBA 203 Reg. No.....

CREDIT BASED SECOND SEMESTER B.B.A. DEGREE EXAMINATION
APRIL 2018
BUSINESS ADMINISTRATION
Business Organisation

Duration: 3 Hrs. **Max. Marks: 80**

SECTION – A

Answer any Three questions: 3×15=45

1. Define Business. Explain briefly the various objectives of business.
2. What is a sole proprietorship? What are its features, advantages and disadvantages?
3. Define business combination? Explain the various types of business combination.
4. Describe the various sources of long term finance.

SECTION – B

Answer any Five of the following: 5×5=25

5. Explain the merits of Multinational Corporation to Indian Economy.
6. Briefly explain the role of SIDBI in financing of business organization.
7. Explain the functions of a modern office.
8. Write a note on
   a) Trade Association and b) Chamber of commerce
9. Explain the role of transport in modern economy.
10. Define warehousing. What are the different types of warehouses?

SECTION – C

Answer All the questions: 5×2=10

11.a) What is working capital?

b) What are registered companies?

c) Differentiate Horizontal and Vertical Combination.

d) What is meant by public enterprises?

e) Mention any two functions of warehousing.'

****

BBA 401 Reg. No.....

CREDIT BASED FOURTH SEMESTER B.B.A. DEGREE EXAMINATION APRIL 2018
BUSINESS ADMINISTRATION
AUDITING

Duration: 3 Hrs. **Max. Marks: 80**

SECTION – A

Answer any Three of the following: 3×15=45

1. Define Auditing. Explain primary and secondary objects of Audit.

2. What is Internal Check? Suggest a suitable system of internal check applicable to the payment of wages.

3. What is verification and valuation of assets? State how an auditor should verify stock in trade and plant and machinery.

4. Explain the rights, duties and liabilities of a company auditor.

SECTION – B

Answer any Five of the following: 5×5=25

5. Distinguish between continuous audit and periodical audit.

6. Explain the advantages of audit programme.

7. What is vouching? Explain the significance of vouching.

8. How are the auditors of a company appointed under different circumstances?

9. What is internal control? State its objectives.

10. Write a note on Qualified Audit Report.

SECTION – C

11. **Answer the following:** 5×2=10

a) What is Audit Programme?

b) Define Internal Check.

c) State any 2 objects of vouching.

d) Expand CARO Report.

e) What is verification of liabilities?

****

BBA 402 Reg. No.....

CREDIT BASED FOURTH SEMESTER B.B.A. DEGREE EXAMINATION APRIL 2018
BUSINESS ADMINISTRATION
EXPORT MANAGEMENT

Duration: 3 Hrs. **Max. Marks: 80**

SECTION – A

Answer any Three of the following: 3×15=45

1. Explain "disequilibrium in balance of payments". What are its causes? Explain the measures adopted to overcome this crisis.

2. Explain the various procedures to be followed by an exporter while exporting.

3. What is export pricing? What are the different types of export pricing?

4. What is meant by protection policy? Explain the arguments for and against the protection policy.

SECTION – B

Answer any Five questions: 5×5=25

5. Explain the Absolute Cost Advantage Theory with an illustration.

6. Briefly explain the importance of exports in economic growth.

7. Briefly explain the special features of International Marketing.

8. Explain the objectives of export pricing.

9. Explain the different types of tariffs.

10. Write a note on letter of credit.

SECTION – C

11. **Answer the following:** 5×2=10

a) What is Devaluation?

b) What is Balance of Payments?

c) What is Export House?

d) What is Mate's Receipt?

e) What is Bill of Exchange?

****

BBA 404 Reg. No.....

CREDIT BASED FOURTH SEMESTER B.B.A. DEGREE EXAMINATION
APRIL 2018
BUSINESS ADMINISTRATION
TAXATION

Duration: 3 Hrs. **Max. Marks: 80**

SECTION – A

Answer any Three questions: 3×15=45

1. Define and explain agricultural income. Explain the present position.

2. Mr. David is a purchase officer in a company. He furnishes the following particulars of his income.
   a) Basic ₹30,200p.m.
   b) D.A. 50% of basic
   c) Bonus ₹8,400
   d) Commission ₹10,000
   e) Conveyance allowance ₹2000p.m
   f) House Rent allowance ₹2000p.m. He pays a rent of ₹2000p.m. for the house at Mangaluru. The house is furnished by the employer at a cost of ₹10,000
   g) He contributes 13% of his salary to RPF to which equal contribution is made by the company interest credited to RPF at 13%p.a. amounted to ₹65,000.
   h) He has been provided with large car for official and personal use. All the expenses including driver's salary are borne by the company.

   During the year he invested ₹5,000 in PPF and ₹12,000 in NSC.
   Compute his taxable salary and deduction U/s 80C.

3. From the following Profits and Loss A/c of Mr. Manish, compute his gross total income.

To Salaries	5,00,000	By Gross Profit b/d	55,05,000
To Rent	1,20,000	By Interest on FD	10,500
To Advertisement	3,00,000	By Bad debts recovered (amount allowed as deduction)	20,000
To Travelling Expenses	2,00,000		
To Bad Debts	52,000		
To General Expenses	3,00,000	By Refund of income tax	10,000
To Provision for tax	3,00,000	By Interest on 'income tax refund	1,500
To Addition to Office Building	3,00,000		
To Sales Tax	2,50,000	By Rent received	60,000
To Income Tax	1,50,000	By winning from lottery (net)	35,000
To Net Profit	31,70,000		
	56,42,000		56,42,000

Additional information:
Advertisement expenses include cost of neon sign board ₹50,000
General expenses include ₹40,000 drawn by the proprietor ₹5000 being cost of installing new telephone.

4. Mrs Vani own the following houses, the details of which are as under.

	I	II	III	IV
Annual Municipal value	40,000	38,000	42,000	45,000
Fair rental value	42,000	45,000	40,000	42,000
Rent received	45,000	44,400	46,000	SELF
Standard Rent	43,600	48,000	45,000	4,000
Municipal taxes paid	2,000	1,800	NIL	2,400
Municipal taxes due	---	---	3,000	---
Repairs	NIL	20,000	24,000	16,000

For the construction of IV House, she had borrowed ₹5,00,000 at 10% p.a. on 1-1-2014. The house was completed on 1-8-2016. Compute her income from house property.

SECTION – B

Answer any Five questions: 5×5=25

5. Write a note on excise and custom duty.

6. Mr Jayprakash furnishes the following particulars of his income and losses for the year, compute gross total income.

Salary income	4,00,000
Interest in self occupied housing loan	45,000
Short term capital gains	40,000
Long term capital gains	55,000
Long term capital loss	1,00,000
Business income (speculation)	80,000
Business loss	2,15,000
Bank interest	25,000
Winning from horse race (net)	35,000
Loss from buffalo race	5,000

7. Compute taxable capital gain of Mr Ravi from the following house at Karkala, let for residence, sold on 30-9-2013 for ₹30,00,000. It was inherited by him in 1980 and FMV on 1-4-1981 was ₹1,50,000. His father had acquired it for ₹1,25,000 in 1975. He purchased a mother house in July 2016 for ₹5,00,000. Deposited ₹1,00,000 in capital gain account scheme.
CII – 2016 – 17 → 1125 1980 – 81 → 100

8. Mr Amog is received the following income during the year ended 31.3.2017 is as follows.
   a) Interest on Bank Deposit ₹10,000
   b) Royalty received from publishing a book ₹15,000 he has spent ₹3,000 as typing charges.
   c) Gift from brother ₹60,000
   d) Dividend on equity shares ₹10,000
   e) ₹5,400 received as interest on debentures of a company
   f) ₹3,000 as interest on POSB

   Compute income from other sources.

9. Dinesh has the following income for the P.Y.
   i) Salary from an Indian company received in England ₹1,00,000
   ii) Income from business in UK ₹50,000
   iii) Past untaxed profit brought to India ₹15,000
   iv) Income from business in Dubai controlled from Mumbai ₹5,00,000
   v) Income from agriculture in Mandya ₹20,000

   Compute gross total income if he is OR, NOR, NR

10. How do you determine residential status of individual?

SECTION – C

11. **Answer the following questions:** 5×2=10
   a) Define casual income. Give two examples.

   b) Differentiate between long term capital gain and short term capital gain.

   c) What are the twin objectives of levying income tax?

   d) What is pre-construction period interest?

   e) Who is specified employee?

****

BBA 403 Reg. No.....

CREDIT BASED FOURTH SEMESTER B.B.A. DEGREE EXAMINATION APRIL 2018
BUSINESS ADMINISTRATION
BANKING THEORY AND PRACTICE

Duration: 3 Hrs. **Max. Marks: 80**

SECTION – A

Answer any Three of the following: 3×15=45

1. Explain briefly the primary functions of Commercial Banks.

2. Describe the Quantitative Method of Credit Control.

3. Briefly explain the functions of Central Bank.

4. Distinguish between a) Bills of exchange and promissory note
   b) A loan and overdraft

SECTION – B

Answer any Five questions: 5×5=25

5. Distinguish between credit card and debit card.

6. Explain the role of Commercial Banks.

7. Explain the liability of the banker while issuing guarantee.

8. Explain the features of Electronic Fund Transfer Facilities.

9. Briefly explain the core Banking facilities provided by the banking sector.

10. Write a note on cheque.

SECTION – C

11. **Answer the following:** 5×2=10
    a) Expand MICR & ATM.

    b) What is meant by Digital Signature?

    c) Write the meaning of Time Deposits.

    d) What is meant by Hundis?

    e) What is meant by portfolio management?

****

BBA 405 Reg. No.....

CREDIT BASED FOURTH SEMESTER B.B.A. DEGREE EXAMINATION APRIL 2018
BUSINESS ADMINISTRATION
FINANCIAL MANAGEMENT

Duration: 3 Hrs. **Max. Marks: 120**

SECTION – A

Answer any Three questions: 3×20=60

1. Describe the various factors affecting capital structure?

2. What is under capitalization? What are the causes and effect of under capitalization?

3. Define financial management. Explain the nature and scope of financial management.

4. B Ltd., is considering investing in a project that costs ₹6,00,000. Tax rate of the company is 30%, company uses straight line method of depreciation. The proposed cashflows before tax and depreciation is as follows.

Year	1	2	3	4	5
CFBT	1,50,000	1,25,000	1,50,000	2,00,000	2,75,000

Determine:
a) NPV at 10%
b) Profitability Index 10%
c) ARR
d) Payback period

Discount factors at 10% are

Year	1	2	3	4	5
PV Factors	0.909	0.826	0.751	0.683	0.621

SECTION – B

Answer any Five questions: 5×10=50

5. Wealth maximization is a superior criteria compared to profit maximization. Describe.

6. Following are the details regarding the capital structure of a firm:

Sources	Book value	Market value	Specific cost
Preference Share	80,000	76,000	8%
Debt	20,000	22,000	6%
Equity Capital	1,20,000	2,40,000	12%
Retained earnings	40,000	---	10%
	2,60,000	3,38,000	

Calculate weighted average cost of capital.

7. From the following information supplied to you ascertain the price of the share under Walter's and Gorden's model.
Earnings of the firm ₹2,00,000.
Dividends paid is ₹1,50,000
No. of shares o/s 20,000 at ₹100
Capitalisation rate 12%
Internal rate of return 18%

8. A Co. issued ₹10,000 debentures of 50% each carrying interest at 10%p.a. These were redeemable after 5 years at a 10% premium. The issue expenses amounted to 5% of net proceeds of sale. Applicable tax rate is 30%. Calculate cost of debt if the issue is made.
a) at par b) at a premium of 5%

9. Calculate all the leverages from the following data of a company.
Units sold 5,000 units
Selling price per unit ₹30
Variable cost per unit ₹20
EBIT ₹30,000
10% Public debt ₹1,00,000

10. Explain the concept of time value of money and its significance.

SECTION – C

11. **Answer All the questions:** **10×1=10**

a) What are mutually exclusive projects?

b) What is capital rationing?

c) What is composite cost of capital?

d) Give the meaning of working capital.

e) What is cash dividend?

f) Write accept/reject rule under profitability index method.

g) What is over capitalization?

h) What is "Trading on Equity"?

i) What is capital budgeting?

j) What is risk return trade off?

****

BBA 406 Reg. No.....

CREDIT BASED FOURTH SEMESTER B.B.A. DEGREE EXAMINATION APRIL 2018
BUSINESS ADMINISTRATION
ORGANISATIONAL BEHAVIOUR

Duration: 3 Hrs. **Max. Marks: 120**

SECTION – A

Answer any Three questions: 3×20=60

1. Define personality. What are the major factors which shape the personality of an individual?

2. Give the meaning of perception. Describe the process of perception.

3. Compare and contrast Mc Gregors and Maslows model of motivation.

4. "One of the few things of red performance in this world is change" explain this statement and show why organization bring change in their operations over the period of time.

SECTION – B

Answer any Five questions (Case study is compulsory): 5×10=50

5. Define Organisational Behaviour. Explain the concept of Organisational Behaviour.

6. What is the concept of motivation? How does it affect behavior and performance of an employee?

7. What is meant by group behavior? Describe the factors which affect group performance.

8. Describe the various factors for resistance to change by the employees.

9. Write a note on Johari Window.

10. Case study (compulsory).
The personal office of Praneeth Chemicals Ltd., informed the middle managers through a circulars that a group of consultants would be calling on them later this week to provide training of team building. The consultants would be emphasizing on how to develop team work and to build inter group relationships throughout the company. The information also contains the approach to be adopted by the consultants and explain the 5 step process of team building problem sensing, examining differences, giving and receiving feedback, develop interaction skills and follow up actions. The circular also included a note on the utility of team building is organizational effectiveness. On receiving the circular, middle managers felt tense as they thought team building as an exercise involving a lot of hocus-focus as they experienced in sensitiraty training exercise in which participants used to attack each other and let out their aggression by heaping abuse on those disliked. Therefore the managers felt that the consultants were not needed for team building. One of the manager commented "now that we understand what is involved in team building, we can go ahead and conduct session ourselves. All we have to do is to choose a manager who is liked by everyone and put him in the role of change agent/consultants to do this

team building stuff "You just have to have a good feel for human factor". The other managers generally agreed. However, the corporate personnel director turned down their suggestions and proceeded with his original programme of hiring consultants.

Questions:

1) Why did middle managers show resistance to teams building approach of organizational development?
2) Do you think the managers had accurate view of team building concept and role of external consultant in that?

SECTION – C

11. **Answer All the questions:** **10×1=10**

a) What is meant by locus of control?

b) What is Halo effect?

c) What is social loafing?

d) What is meant by Brainstorming?

e) Give the meaning of Refreazing.

f) What is Goal conflict?

g) What is meant by Trait?

h) What is change agent?

i) Give two examples for non financial incentives.

j) Define self esteem.

****

BBM 406.1 Reg. No. .....

CREDIT BASED FOURTH SEMESTER B.B.M. DEGREE EXAMINATION APRIL 2018
BUSINESS MANAGEMENT
ORGANISATIONAL BEHAVIOUR

Time: 3 Hrs. **Max. Marks: 120**

SECTION – A

Answer any THREE questions: 3×20=60

1. Define perception. Explain the factors influencing perception.
2. Briefly explain the Macgregor's Theory X and Theory Y.
3. Explain the various techniques of organizational development.
4. What are the causes of Intra-Individual conflicts? Explain its resolution.

SECTION – B

Answer any FIVE questions (Case is compulsory): 5×10=50

5. Discuss the contribution of Hawthorne to the field of Organisational Behaviour.
6. Explain the different types of attitudes.
7. Describe the different traits theories.
8. Describe Transactional Analysis.
9. Elaborate the different types of groups.
10. Case Study:

    Rohit Narang joined Apex Computer in November after successful stint at Zen Computers, where he had worked as an assistant programmer. Rohit felt that Apex offered a better career prospects, as it was growing much faster than Zen, which was relatively a small company. Rohit joined as a senior programmer at Apex with a handsome pay hike. He joined Aparna Mehta's five member team. While she was efficient at what sh did and extremely intelligent, she had neither the time nor the inclination to groom her subordinates. Time and again Rohit found himself thinking of Suresh, his old boss and of how he had been such a positive influence. Aparna on the other hand even without actively doing anything, had managed to significantly lower his motivation levels.

    Questions:

    1) What according to you, were the reasons for Rohit's disillusionment? Answer the question using Maslows Hierarchy of needs.
    2) What should Rohit do to resolve his situation of what can a team leader do to ensure high levels of motivation among his/her team members?

SECTION – C

11. **Answer ALL questions:** **10×1=10**

a) Define Organisational Behaviour.

b) What is Halo Effect?

c) What is Machiavellianism?

d) Define Attitude.

e) What is an Informal Group?

f) State two examples for non-financial incentives.

g) What is Johari Window?

h) What is meant by psychoanalytic?

i) What is valence?

j) What is Extroversion?

****

BBM 607 Reg. No.....

CREDIT BASED SIXTH SEMESTER B.B.M. DEGREE EXAMINATION
APRIL 2018
BUSINESS ADMINISTRATION
COST MANAGEMENT – II

Duration: 3 Hrs. **Max. Marks: 120**

SECTION – A

Answer any Three of the following: **3×20=60**

1. A firm of contractors undertook contract No 460 in 2016. The contract price is ₹24,00,000. The following particulars are available for contract no. 460.

	₹
Materials: Issued from stores	6,00,000
Purchased for the contract	1,20,000
Transferred from contract No. 555	40,000
Plant installed at cost	2,80,000
Wages paid	9,44,000
Architect fees	48,000
Establishment charges	40,000
Direct expenses paid	32,000
Wages accrued on 31.12.2016	16,000
Direct expenses due on 31.12.2016	20,000

Of the plant and materials charged to contract, plant costing ₹20,000 and materials costing ₹16,000 were lost by fire.
Some part of the materials costing ₹10,500 were sold for ₹12,000. On 31.12.2016, plant which cost ₹12,000 was transferred to contract No. 666.
On 31.12.2016, the value of work certified was ₹19,20,000 and 80% of the same was received in cash. The cost of work done but not certified on this date was ₹12,000. Charge depreciation on plant at 10%.
You are required to prepare contract No. 460 account for the year 2016. Also prepare contractees account, show the relevant figures in the balance sheet of the firm.

2. Product 'X' passes through three processes before it is transferred to finished stock. The following data is obtained for the month of October 2017.

Process	A (₹)	B(₹)	C(₹)	Fin. Stock(₹)
Opening Stock	60,000	10,000	12,000	25,000
Direct Materials	50,000	24,000	19,000	---
Direct wages	37,000	42,000	38,000	---
Production overhead	22,000	28,000	24,000	---
Closing stock	12,000	6,000	18,000	36,000

Profit % on transfer price	30%	25%	20%	---
Inter-process profit for op. stock	---	2,300	4,800	12,500

Stock in process is valued at prime cost and finished stock has been valued at the price at which it is received from process C. Sales during the month were ₹4,00,000.

Prepare Process Account showing profits and finished stock account.

3. Ananth logistics company having a fleet of trucks undertakes to carry waste materials. They have the following capacity vehicles:

No of vehicles	Capacity
40	5 tons
20	4 tons
50	3 tons

On an average each vehicle makes five trips a day and in each trip covers an average distance of five km each. The truck carries only 75% of its capacity. 20% of the vehicles are laid up for repairs every day.

Following charges are incurred during the month:

	₹		₹
Salary: Supervisor	2,000	Replacement of tyres	60,000
Salary: Each of 3 foreman	1,200	Garage Rent	30,000
Wage: Each of 110 drivers	2,000	Electricity charges	10,000
Wage: Each of 220 cleaners	1,000	Other expenses	1,20,000
Consumable stores	1,60,000	Lubricants	1,40,000
Petrol	6,00,000		

During the month, old tubes and tyres were sold for ₹3,000. Assuming 30 days in the month, calculate cost per ton k.m. for conveying waste.

4. From the following particulars for 500 chairs for the year 2016 and additional information given, find out the selling price to be fixed per chair in the year 2016.

	₹
Cost of Materials	40,000
Wages	60,000
Manufacturing expenses	25,000
Depreciation factory	30,000
Office rent	5,000
Selling expenses	15,000
General expenses	10,000
Sales	2,00,000

The company plans to manufacture 1000 chairs during 2017. The following additional information are:

a) Price of material is expected to rise by 10%.
b) Wage rate is expected to show an increase by 5%

c) Manufacturing expenses p.u rises in proportion to the combined cost of materials and labour.
d) Selling expenses cost per unit will be the same
e) Other expenses will remain unaffected by the increase in output
f) Company wants to earn a profit of 20% on selling price in the year 2017

SECTION – B

Answer any Five of the following: **5×10=50**

5. The following information is related to Job No. 526:
Materials ₹50,000
Direct wages
Dept 'A' 100 hrs @ ₹25 per hour
Dept 'B' 80 hrs @ ₹30 per hour
Dept 'C' 50 hrs @ ₹40 per hour
The estimated variable overhead
Dept A ₹70,000 for 7000 hours
Dept B ₹60,000 for 3000 hours
Dept C ₹40,000 for 1000 hours
The estimated fixed overhead are ₹3,00,000 for 7500 normal working hrs.
Draw up a Job cost sheet providing for profit at 25% on turnover.

6. Calculate material cost variance, material price variance and material usage variance from the following details.
Standard: Standard material for 70 kg of output will be 100 kg @ ₹1 per kg.
Actual: Output – 2,10,000 kgs
Material – 2,80,000 kgs
Cost - ₹ 2,52,000

7. For production of 10,000 fans, the following are the budgeted expenses

Items	Per unit (₹)
Direct material	60
Direct labour	30
Variable overhead	25
Variable expenses (direct)	5
Distribution expenses	5
Fixed overhead (₹1,50,000)	15
Selling expenses (10% fixed)	15
Administrative expenses (fixed for all levels ₹50,000)	5

Prepare flexible budget statement for production of 6000 fans, showing distinctly marginal cost fixed cost and total cost.

8. A manufacturing company has supplied you the following information in respect of one of its products.

Total fixed cost	₹18,000
Total variable cost	₹30,000
Total sales	₹60,000
Units sold	20,000 units

Find:

1) Contribution
2) Break even point
3) Margin of safety
4) Profit
5) Valume of sales to earn a profit of ₹24,000

9. Explain the principles involved in taking profit on incomplete contracts.

10. Wick industrials ltd operates a processing plant to produce three joint products x, y & z. The following particulars are provided from the books of the company. Find out the cost of joint products under

a. Average unit cost method b. Physical units method

Joint Products	Units Produced	Raw materials used (tons)
X	10,000	10,000
Y	4,000	20,000
Z	6,000	20,000

Pre-separation costs: ₹1,00,000

SECTION – C

11. **Answer the following questions:** **10×1=10**

a) What is batch costing?
b) What is meant by 'By Products'?
c) What is Retention Money?
d) Which method of costing do you suggest for:
   a) Oil refineries b) Interior decoration
e) How does work in process appear in balance sheet?
f) What is variance?
g) What is abnormal loss?
h) What is EOQ?
i) What is escalation clause?
j) What is functional budget?

****

BBM 607 Reg. No.....

CREDIT BASED SIXTH SEMESTER B.B.M. DEGREE EXAMINATION
APRIL 2018
BUSINESS ADMINISTRATION
COST MANAGEMENT – II

Duration: 3 Hrs. **Max. Marks: 120**

SECTION – A

Answer any Three of the following: **3×20=60**

1. A firm of contractors undertook contract No 460 in 2016. The contract price is ₹24,00,000. The following particulars are available for contract no. 460.

	₹
Materials: Issued from stores	6,00,000
Purchased for the contract	1,20,000
Transferred from contract No. 555	40,000
Plant installed at cost	2,80,000
Wages paid	9,44,000
Architect fees	48,000
Establishment charges	40,000
Direct expenses paid	32,000
Wages accrued on 31.12.2016	16,000
Direct expenses due on 31.12.2016	20,000

Of the plant and materials charged to contract, plant costing ₹20,000 and materials costing ₹16,000 were lost by fire.
Some part of the materials costing ₹10,500 were sold for ₹12,000. On 31.12.2016, plant which cost ₹12,000 was transferred to contract No. 666.
On 31.12.2016, the value of work certified was ₹19,20,000 and 80% of the same was received in cash. The cost of work done but not certified on this date was ₹12,000. Charge depreciation on plant at 10%.
You are required to prepare contract No. 460 account for the year 2016. Also prepare contractees account, show the relevant figures in the balance sheet of the firm.

2. Product 'X' passes through three processes before it is transferred to finished stock. The following data is obtained for the month of October 2017.

Process	A (₹)	B(₹)	C(₹)	Fin. Stock(₹)
Opening Stock	60,000	10,000	12,000	25,000
Direct Materials	50,000	24,000	19,000	----
Direct wages	37,000	42,000	38,000	----
Production overhead	22,000	28,000	24,000	----
Closing stock	12,000	6,000	18,000	36,000

Profit % on transfer price	30%	25%	20%	---
Inter-process profit for op. stock	---	2,300	4,800	12,500

Stock in process is valued at prime cost and finished stock has been valued at the price at which it is received from process C. Sales during the month were ₹4,00,000.

Prepare Process Account showing profits and finished stock account.

3. Ananth logistics company having a fleet of trucks undertakes to carry waste materials. They have the following capacity vehicles:

No of vehicles	Capacity
40	5 tons
20	4 tons
50	3 tons

On an average each vehicle makes five trips a day and in each trip covers an average distance of five km each. The truck carries only 75% of its capacity. 20% of the vehicles are laid up for repairs every day.

Following charges are incurred during the month:

	₹		₹
Salary: Supervisor	2,000	Replacement of tyres	60,000
Salary: Each of 3 foreman	1,200	Garage Rent	30,000
Wage: Each of 110 drivers	2,000	Electricity charges	10,000
Wage: Each of 220 cleaners	1,000	Other expenses	1,20,000
Consumable stores	1,60,000	Lubricants	1,40,000
Petrol	6,00,000		

During the month, old tubes and tyres were sold for ₹3,000. Assuming 30 days in the month, calculate cost per ton k.m. for conveying waste.

4. From the following particulars for 500 chairs for the year 2016 and additional information given, find out the selling price to be fixed per chair in the year 2016.

	₹
Cost of Materials	40,000
Wages	60,000
Manufacturing expenses	25,000
Depreciation factory	30,000
Office rent	5,000
Selling expenses	15,000
General expenses	10,000
Sales	2,00,000

The company plans to manufacture 1000 chairs during 2017. The following additional information are:

a) Price of material is expected to rise by 10%.
b) Wage rate is expected to show an increase by 5%

c) Manufacturing expenses p.u rises in proportion to the combined cost of materials and labour.
d) Selling expenses cost per unit will be the same
e) Other expenses will remain unaffected by the increase in output
f) Company wants to earn a profit of 20% on selling price in the year 2017

SECTION – B

Answer any Five of the following: **5×10=50**

5. The following information is related to Job No. 526:
Materials ₹50,000
Direct wages
Dept 'A' 100 hrs @ ₹25 per hour
Dept 'B' 80 hrs @ ₹30 per hour
Dept 'C' 50 hrs @ ₹40 per hour
The estimated variable overhead
Dept A ₹70,000 for 7000 hours
Dept B ₹60,000 for 3000 hours
Dept C ₹40,000 for 1000 hours
The estimated fixed overhead are ₹3,00,000 for 7500 normal working hrs.
Draw up a Job cost sheet providing for profit at 25% on turnover.

6. Calculate material cost variance, material price variance and material usage variance from the following details.
Standard: Standard material for 70 kg of output will be 100 kg @ ₹1 per kg.
Actual: Output – 2,10,000 kgs
Material – 2,80,000 kgs
Cost - ₹ 2,52,000

7. For production of 10,000 fans, the following are the budgeted expenses

Items	Per unit (₹)
Direct material	60
Direct labour	30
Variable overhead	25
Variable expenses (direct)	5
Distribution expenses	5
Fixed overhead (₹1,50,000)	15
Selling expenses (10% fixed)	15
Administrative expenses (fixed for all levels ₹50,000)	5

Prepare flexible budget statement for production of 6000 fans, showing distinctly marginal cost fixed cost and total cost.

8. A manufacturing company has supplied you the following information in respect of one of its products.

Total fixed cost	₹18,000
Total variable cost	₹30,000
Total sales	₹60,000
Units sold	20,000 units

Find:

1) Contribution
2) Break even point
3) Margin of safety
4) Profit
5) Valume of sales to earn a profit of ₹24,000

9. Explain the principles involved in taking profit on incomplete contracts.

10. Wick industrials ltd operates a processing plant to produce three joint products x, y & z. The following particulars are provided from the books of the company. Find out the cost of joint products under

a. Average unit cost method b. Physical units method

Joint Products	Units Produced	Raw materials used (tons)
X	10,000	10,000
Y	4,000	20,000
Z	6,000	20,000

Pre-separation costs: ₹1,00,000

SECTION – C

11. **Answer the following questions:** **10×1=10**

a) What is batch costing?
b) What is meant by 'By Products'?
c) What is Retention Money?
d) Which method of costing do you suggest for:
   a) Oil refineries b) Interior decoration
e) How does work in process appear in balance sheet?
f) What is variance?
g) What is abnormal loss?
h) What is EOQ?
i) What is escalation clause?
j) What is functional budget?

****

BBM 601.1 Reg. No.....

CREDIT BASED SIXTH SEMESTER B.B.M. DEGREE EXAMINATION APRIL 2018
BUSINESS MANAGEMENT
ENTREPRENEURSHIP AND SMALL BUSINESS MANAGEMENT

Duration: 3 Hrs. **Max. Marks: 120**

SECTION – A

Answer any Three of the following: 3×20=60

1. Explain the role of small business in Indian Economy and their problems.

2. Describe the procedures for promotion of a venture.

3. Explain the type of capital sources.

4. Describe the concept of Women Entrepreneurs challenges and their problems faced by them.

SECTION – B

Answer any Five from the following: 5×10=50

5. Explain the characteristics of an entrepreneur.

6. What are the objectives of small business enterprises?

7. Write a brief note on Institutional Finance to SSI.

8. Explain the essentials of EDP's.

9. Explain the role of state in the development of entrepreneurs.

10. What are the characteristics of small business enterprises?

SECTION – C

11. **Answer the following questions:** 10×1=10

a) Define entrepreneurship.

b) What is meant by turn around management?

c) What is meant by liquidity and solvency analysis?

d) Mention any two types of small business enterprises.

e) Mention any two characteristics of entrepreneurship.

f) State any two causes of Industrial Sickness.

g) What are the objectives of Entrepreneur Development Programmes. Mention any two.

h) What is meant by project formulation?

i) Who are Fabian Entrepreneurs?

j) Expand SIDBI.

****

BBM 602.1 Reg. No.....

CREDIT BASED SIXTH SEMESTER B.B.M. DEGREE EXAMINATION APRIL 2018
BUSINESS MANAGEMENT
PRODUCTION AND OPERATIONS MANAGEMENT

Duration: 3 Hrs. **Max. Marks: 120**

SECTION – A

Answer any Three of the following: 3×20=60

1. Explain Plant Layout and describe its objectives. What are the various factors influencing the layout of a New Plant?

2. What are the different types of production and operation system? Explain.

3. Explain the concept of quality. Explain the various quality control techniques.

4. What is meant by method study? What are the steps involved in method study? Explain its uses.

SECTION – B

Answer any Five from the following: 5×10=50

5. Explain the factors affecting production and operations management.

6. Briefly describe the types of plant layout.

7. Enumerate the various techniques in value analysis.

8. What is the procedure of time study? Explain.

9. Explain the factors affecting productivity.

10. Describe the various allowances under work measurement.

SECTION – C

11. **Answer the following questions:** 10×1=10

a) What is meant by Total Quality Management?

b) What is meant by product layout?

c) What is meant by programme evaluation review technique (PERT)?

d) What is meant by Benchmarking?

e) Explain the term re-engineering.

f) What is scheduling in production planning?

g) What is meant by quality circles?

h) Explain the term motion study.

i) Mention any two factors in selecting an economic site.

j) Explain the term production and operations management.

****

BBM 604.2 Reg. No. .....

CREDIT BASED SIXTH SEMESTER B.B.M. DEGREE EXAMINATION APRIL 2018
BUSINESS MANAGEMENT
FINANCIAL MANAGEMENT – IV
Security Analysis and Portfolio Management

Time: 3 Hrs. **Max. Marks: 120**

SECTION – A

Answer any THREE questions: **3×20=60**

1. Explain the three forms of market efficiency with their implications on the stock market behaviour.
2. Distinguish between CAPM and Arbitrage Pricing theory. Also explain in detail the superiority of APT over CAPM.
3. From the following information given about different securities, construct on optimum portfolio.

Security	Expected return (%)	β	σ_μ^2
A	11	2.0	40
B	11	1.5	30
C	11	1.0	40
D	17	2.0	10
E	12	1.0	20
F	17	1.5	40
G	15	1.0	50

Risk-free rate, R_f is 5% and variance of market σ_M^2 is 10.

4. Six portfolios experienced the following results during a 7 year period:

Portfolio	Average return	Standard deviation σ	Correlation with market
I	18.6	27.0	0.81
II	14.8	18.0	0.65
III	15.1	8.0	0.98
IV	22.0	21.2	0.75
V	–9.0	4.0	0.45
VI	26.5	19.3	0.63

The risk-free rate of interest is 9% and market risk is 12%.
Rank these portfolio using
i) Sharpe's Ratio
ii) Treynor's Ratio
compare the ranking and explain the reasons behind the differences.

SECTION – B

Answer any FIVE questions: **5×10=50**

5. Explain the concept of security analysis and briefly explain the various objectives of security analysis.

6. Bring out the relationship between risk and return as formulated by Markowitz. How is the efficient portfolio built as per Markowitz Model?

7. "Formula plans help the investor to overcome being emotionally attached to the stock". Explain.

8. Define risk. Distinguish between systematic and unsystematic risk.

9. An investor has a choice of four stocks for investment. Their rates of return and probabilities are given below.

Security A		Security B		Security C		Security D	
Prob.	E(R)	Prob.	E(R)	Prob.	E(R)	Prob.	E(R)
0.20	–30	0.15	–20	0.20	–20	0.10	–10
0.40	0	0.35	0	0.40	10	0.25	0
0.30	30	0.45	20	0.30	40	0.40	10
0.10	70	0.05	40	0.10	80	0.25	20

a) Are all these stocks attractive investments?

b) Of those that are attractive, how should the investor choose one?

10. XYZ Ltd., has investment in 3 companies of which following information is available.

Company	Investment (₹)	β
A Ltd.	6,00,000	1.3
B Ltd.	3,00,000	1.4
C Ltd.	1,00,000	0.9

Expected return on the market portfolio is 15% and the risk-free rate of interest is 6%. Find out the expected β and return of the portfolio.

SECTION – C

11. **Answer all the following:** **10×1=10**

a) Bring out the meaning of security.
b) What is a market anamolies?
c) Define unsystematic risk.
d) What is an efficient frontier?
e) Give the meaning of multiple factor models.
f) What is a run in a stock price?
g) Give the meaning of portfolio revision.
h) What is diversification?
i) Define short selling.
j) State any two assumptions under arbitrage pricing theory.

****

BBM 604.3 Reg. No. .....

CREDIT BASED SIXTH SEMESTER B.B.M. DEGREE EXAMINATION APRIL 2018
BUSINESS MANAGEMENT
FINANCIAL MANAGEMENT – III
Corporate Financial Accounting

Time: 3 Hrs. **Max. Marks: 120**

SECTION – A

Answer any THREE questions: **3×20=60**

1. Explain the different concepts and conventions of accounting. State the need for accounting standards.
2. What is Price Level Accounting? State the limitations of Historical Accounting and explain how the various methods of accounting for changing prices help in overcoming these limitations.
3. What are the objectives of Human Resource Accounting? Explain briefly the different economic value models of valuation of Human Resources.
4. Win Teck Ltd., is planning to diversify and add a new product line. The firm can either buy the required machinery or get it on lease.
   The machine can be purchased for ₹15,00,000. It is expected to have a useful life of 5 years with salvage value of ₹1,00,000 after the expiry of 5 years. The purchase can be financed by 20% loan repayable in 5 equal annual instalments (inclusive of interest) becoming due at the end of each year. Alternatively, the machine can be taken on year end lease rentals of ₹4,50,000 for 5 years. Advise the company on which option it should choose after taking into consideration the following.
   i) Rate of depreciation on the block of assets to which the machinery belong was 25%
   ii) Tax rate is 35% and cost of capital is 18%
   iii) Lease Rents are to be paid at the end of the year.
   iv) Maintenance expenses estimated at ₹30,000 per year are to be borne by the lessee.
   PV factor of a rupee are as follows.

Year end	PVIF @ 13%	PVIF @ 18%	PVIF @ 20%
1	0.885	0.847	0.833
2	0.783	0.718	0.694
3	0.693	0.609	0.579
4	0.613	0.516	0.482
5	0.543	0.437	0.402

SECTION – B

Answer any FIVE questions: **5×10=50**

5. The following is the balance sheet of Pantomine Ltd.

Liabilities	1.1.2012 ₹	31.12.2012 ₹	Assets	1.1.2012 ₹	31.12.2012 ₹
Equity share capital	1,40,000	1,40,000	Land	40,000	40,000
Reserves	NIL	50,000	Equipment	2,10,000	2,70,000
Share Premium	2,80,000	2,80,000	Depreciation	---	24,000
Long term liabilities	1,00,000	1,16,000	Inventory (FIFO)	1,50,000	1,30,000
Current liabilities	80,000	90,000	Cash & receivables	2,00,000	2,60,000
	6,00,000	6,76,000		6,00,000	6,76,000

Income statement for the year ending 31.12.2012.

Particulars	Amount ₹	Amount ₹
Net sales		8,00,000
Less: Cost of goods sold:		
Opening inventory (FIFO)	1,50,000	
Purchases	5,00,000	
Cost of goods available	6,50,000	
Closing Inventory (FIFO)	1,30,000	5,20,000
Gross profit		2,80,000
Operating expenses	96,000	
Depreciation	24,000	1,20,000
Profit before tax		1,60,000
Income tax		70,000
		90,000
Dividend paid		40,000
Retained earnings		50,000

Equipment costing ₹60,000 was acquired on 1.7..2012 when the General Price Index was 157.50. The amount of depreciation is being calculated as follows:

10% on 2,10,000	21,000
5% on 60,000	3,000
	24,000

Sales, operating expenses, purchases (including depreciation) took place evenly throughout the year. Inventories are priced according to FIFO method. Goods in closing inventory were acquired evenly throughout the year. The dividends of ₹40,000 was declared and paid at the end of the year 2012. Income tax accrued evenly throughout the year. You are required to restate the INCOME STATEMENT taking into account price level adjustments under CPP method. The general price indices were as follows: 1.1.2012 – 150; Average for the year: 157.5; 31.12.2012 – 163.8.

6. Explain the steps involved in a venture capital investment process.
7. Explain any ten international accounting standards.
8. What is operating lease? Differentiate between Operating and Financial Lease.
9. Explain the various methods of Venture Capital Financing.
10. Explain the various cost based methods of Human Resource accounting.

SECTION – C

11. **Answer all the following:** **10×1=10**

a) What is Forfeiting?
b) What is meant by replacement cost of Human Resource Accounting?
c) State any two International Accounting Standards.
d) State any two advantages of leasing.
e) What is globalization?
f) Define venture capital.
g) What is the essence of current cost accounting (CCA)?
h) Write any two merits of Human Resource Accounting.
i) What is meant by sale and buy back lease?
j) Write any two features of venture capital.

****

BBM 604.4 Reg. No.....

CREDIT BASED SIXTH SEMESTER B.B.M. DEGREE EXAMINATION APRIL 2018
BUSINESS MANAGEMENT
FINANCIAL MANAGEMENT – III

Duration: 3 Hrs. **Max. Marks: 120**

SECTION – A

Answer any Three of the following: 3×20=60

1. Explain the various 'Accounting Concepts' and 'accounting conventions'.

2. The summarized profit and loss account of Kohinoor Diamonds Ltd for 2016, prepared under historical cost convention, was as follows:

	₹	₹
Turnover		3,60,000
Less: Opening Stock	36,000	
Purchases	2,00,000	
Closing Stock	(52,000)	1,84,000
Gross Profit		1,76,000
Less: Depreciation	20,000	
Other operating costs	1,27,000	1,47,000
Operating Profit		29,000
Less: Interest payable		5,000
Profit before taxation		24,000
Taxation		10,000
Profit after taxes		14,000
Less: Dividends		7,000
Retained profits for the year		7,000

The Following additional information is provided.

a) Relevant indices for stocks are as follows:

Average for October/December 2015	120
At December 31, 2015	124
Average for 2016	135
Average for October/December 2016	140
At December 31 2016	143

On average company holds stocks for 3 months.

b) All the company's fixed assets were purchased when the company was incorporated in January 2010. Their original cost was ₹2,00,000 and they are being depreciated over a ten year period assuming a nil residual value. There is no change in the estimated life of the asset. The following current cost valuations are provided.

At January 1, 2016 ₹2,10,000
At December 2016 ₹3,50,000

c) Net borrowings were approximately one third of net operating assets throughout 2016

Required:

A summarized profit and loss account for 2016 prepared on CCA basis, so far as the information permits. Ignore monetary working capital adjustment.

3. Alfa Ltd is thinking of installing a computer. Decide whether the computer is to be purchased outright (through 14% borrowing) or to be acquired on lease rental basis. The company is in the 50% tax bracket. The other data available are:

Purchase of computer: Purchase price ₹20,00,000
Annual maintenance (to be paid in advance) ₹50,000 per year
Expected economic useful life – 6 years

Depreciation (for the tax purpose) – straight line method
Salvage value – ₹2,00,000
Leasing of computer: Lease charges (to be paid in advance) ₹4,50,000
Maintenance expenses to be borne by lessor
Payment of loan 6 years end equal instalment of ₹5,14,271

4. Explain the various models of human resource accounting.

SECTION – B

Answer any Five of the following: **5×10=50**

5. Compute the net monetary result of X Company Ltd as on 31.12.2010

Particulars	Amount (₹) 1-1-2010	Amount (₹) 31-12-2010
Cash	5,000	10,000
Book debtors	20,000	25,000
Creditors	15,000	20,000
Loan	20,000	20,000

Retail price index number
1 – 1 – 2010 : 200
31 – 12 – 2010 : 300
Average for the year : 240

6. Explain any five accounting standards.

7. Write a note on human resource accounting in India.

8. Explain the various forms of lease financing.

9. The following is the balance of debtors and creditors of Anand Ltd at the beginning and closing of the accounting year 2015.

Particulars	Opening Amount	Closing Amount
Debtors	90,000	1,00,000
Creditors	50,000	40,000

The average of these items is 2 months. The index applicable are:
Mid month 2014 Nov – 240
2014 Dec – 250
2015 Nov – 280
2015 Dec – 290
Compute monetary working capital adjustment.

10. Explain the venture capital investment process.

SECTION – C

11. **Answer the following questions:** **10×1=10**

a) Expand IAS.
b) Write any two differences between CPP and CCA methods.
c) What is meant by gearing adjustment?
d) Explain briefly Lev and Schwartz model.
e) State any two objectives of HR Accounting.
f) Distinguish between lessor and lessee under lease agreement.
g) What is lease rent?
h) What is for forfaiting?
i) Who is a venture capitalist?
j) State any two international accounting standards.

****

BBM 604.5 Reg. No.....

CREDIT BASED SIXTH SEMESTER B.B.M. DEGREE EXAMINATION APRIL 2018
BUSINESS MANAGEMENT
FINANCIAL MANAGEMENT – IV

Duration: 3 Hrs. **Max. Marks: 120**

SECTION – A

Answer any Three of the following: 3×20=60

1. Explain the three forms of market efficiency with their tests and implications.
2. What is risk? Explain the different types of risks.
3. Mrs Ashika is constructing a optimum portfolio. The market return forecast says that it would be 13.5% for the next two years with the market variance of 10%. The riskless rate of return is 5%. The following securities are under review. Find out the optimum portfolio.

Company	α (Alpha)	β (Beta)	Residual Variance
A	3.72	0.99	9.35
B	0.60	1.27	5.92
C	0.41	0.96	9.79
D	−0.22	1.21	5.39
E	0.45	0.75	4.52

4. Given the following information.

Portfolios	Beta	Return (%)	Standard Deviation (%)
A	1.10	14.5	20.0
B	0.8	11.25	17.5
C	1.8	19.75	26.3
D	1.4	18.5	24.5

Risk free rate of return = 6%

Market return = 12%

Calculate a) Sharpe Ratio b) Treynor Ratio c) Jensen Index

SECTION – B

Answer any Five from the following: 5×10=50

5. Explain the factors to be considered in industry analysis.
6. Explain how the Efficient Frontier is determined using the Markowitz approach.
7. Write a note on Arbitrage pricing theory.
8. Mr 'x' is considering several investments. The risk-free return is currently 6.25% and the expected return for the market is 10%. What should be the required rates of return for each investment using CAPM?

Security:	A	B	C	D	E
Beta:	1.10	0.90	1.40	0.70	1.20

9. The following information is available.

	Stock 'P'	Stock 'Q'
Expected return	14%	20%
Standard Deviation	25%	40%
Coefficient of correlation	0.40	

a) What is the covariance between stock P and Q?

b) What is the expected return and risk of a portfolio in which 'P' and 'Q' are equally weighted?

10. What is factor model? Explain the different types of factor models.

SECTION – C

11. **Answer All the questions:** **10×1=10**

i) Mention any two objectives of security analysis.

ii) State any two assumptions of Dow Theory.

iii) What is meant by Portfolio Revision?

iv) State any two objectives in constructing a portfolio.

v) What is Beta with reference to risk?

vi) Distinguish between the Security market line and Capital market line.

vii) What is arbitrage?

viii) Explain the concept of risk-return profile.

ix) What is meant by security?

x) Name any two methods of portfolio revision.

****

BBM 606.4 Reg. No.....

CREDIT BASED SIXTH SEMESTER B.B.M. DEGREE EXAMINATION APRIL 2018
BUSINESS MANAGEMENT
HUMAN RESOURCE MANAGEMENT – II

Duration: 3 Hrs. **Max. Marks: 120**

SECTION – A

Answer any Three of the following: 3×20=60

1. Define industrial relations. Explain the objections of industrial relations. Critically examine the changing scenario of industrial relations in India.
2. Explain in detail various forms of workers participation management in India.
3. Why do trade unions in India often fail to achieve their objectives? Suggest measures for the successful functioning of trade union.
4. Explain the machineries for settlement of industrial disputes in India.

SECTION – B

Answer any Five from the following (Case is compulsory): 5×10=50

5. Explain the model of grievance handling machinery.
6. Explain the functions and benefits of trade union in India.
7. Explain the types of collective bargaining.
8. What are the essentials of good disciplinary systems?
9. Explain various types of social security measures provided in Indian Industry.
10. Case study.

A large south based fast moving consumer goods (FMCG) company wanted its employees to have highly specialized, focused sales training so that from could achieve faster sales growth, utilizing such skills to this end it had hired services of a premier sale training agency and asked 9 of its executives to undergo training for a period of 15 months. The programme want on smoothly and concluded only recently. The results were beginning to manifest themselves in more than one way. As per the recommended of the training agency and the whey trained executives the company is about to launch brands into the market.

Adarsh – a bright and aspiring young engineering graduates full of energy and ideas, resigned in August exactly after 4 month of sales training programme Adarsh found that the intraorganisation training and invaluable six years work experience has presented a fairy lucrative portfolio credentials, which he took to a large multinational firm. The office from the MNC send irresistible and Adarsh had no hesitation in quitting the company that had spent nearly 50,000 rupees on his sales training. Adarsh on his part had expressed a desire to stay but he was total by the mgt that there were no anticipated openings at middle mgt and he might have to wait for his turns patiently. Adarsh's Manager Vikram was in dilemma now loss of Adarsh meant a ten-month set-back for the project Adarsh was working on. He also felt that extensine sales training Adarsh had received at the company's expenses was little utilized compared to what Adarsh would have contributed had be remand with the company. Another pressing problem stated Vikram in the face may other may be waiting in the queue. Adarsh had shown the other

trainees that if the firm would not recognize and reward his capabilities, other employment could be easily found.

Questions:

1) As Adarsh's manager what would you do to retain him?
2) What changes would you recommend in the company's employee development programmes?
3) What policy guidelines you recommend so as to benefit trainers as well as the company.

SECTION – C

11. **Answer All the questions:** **10×1=10**

a) What is meant by the lay off?

b) Who are arbitrators?

c) Expand INTUC.

d) What is meant by registered union?

e) What is meant by negotiation?

f) Give the meaning of Downsizing.

g) What is meant by ergonomics?

h) What is Red-hot stoves rule?

i) What are extramural activities?

j) What is meant by statutory welfare amenities?

****