

**BUSINESS TAXATION – II (INDIRECT)**

Time : 3 Hrs

Max. Marks: 70

**SECTION – A****1. Answer any FIVE of the following:****(5 x 2 = 10)**

- Explain the member Composition of GSTC.
- What is Dual Model?
- What do you mean by 'Actionable Claims'?
- What is Reverse Charge?
- What is Smuggling?
- Explain Indian Customs Waters?
- What is HSN Code?

**SECTION – B****Answer any TWO of the following:****(2 x 5 = 10)**

2. Mr. Krishna imports a Car from USA at FOB price US\$10,000. The stages of imports were as follows.

Date	Stage	R.B.I Rate	Inter Bank Rate	CBIC Rate
1.1.19	Berthing of Ship	65.32	65.5	65.3
2.1.19	Entry inward submission	66.50	65.9	65.3
5.1.19	Unloading of Car	66.00	66.2	65.3
7.1.19	Submission of Bill of entry	66.25	66.8	66.0
9.1.19	Delivery of car	67.0	67.0	66.0

The freight charges were US\$1500 and insurance charges were unascertainable. What is the Assessable Value?

- Define Supply. Illustrate the difference between Composite Supply and Mixed Supply.
- From the following particulars Compute Aggregate Turnover and Taxable Turnover of M/s Rathan Traders Mysore.
  - Goods supplied to a job-worker for further processing ₹1,50,000
  - Outward supply to a dealer having unit in FTZ in Kochi ₹6,00,000
  - Outward supply of exempt goods to a dealer in Madurai ₹4,80,000
  - Export of goods to an importer in London ₹8,00,000
  - Outward supply to a dealer in Chennai ₹6,00,000
  - GST paid ₹4,60,000

**SECTION – C****Answer any TWO of the following:****(2 x 15 = 30)**

5. Gajanana Cashew, engaged in Manufacture of Cashew nuts, has provided the following information for January 2019.

- Intra State outward Supply of 5% Goods - ₹8,00,000
- Inter state outward supply of 5% Goods - ₹11,00,000
- Export sales of 5% Goods - ₹3,00,000

- d. Intra state inward supply of goods @ 5% - ₹6,00,000
- e. Import of raw Cashew @5% - ₹10,00,000
- f. Job work charges paid @5% for cashew processing - ₹1,00,000
- g. Interstate inward supply of Machinery @18% - ₹50,000
- h. Payment made to goods transport agency liable for reverse charge - ₹70,000

Compute the output tax, input tax and total tax payable.

6. Galaxy Colour Labs has imported a new film processing unit from Singapore. Following are the details of import.
  - a. FOB Value of the Machine 40,000 US Dollars
  - b. FOB Value of spare parts and accessories 300 US Dollars
  - c. License fee payable to Konica, Japan 5,000 US Dollars
  - d. Sea freight 600 US Dollars
  - e. Insurance ₹40,000
  - f. Installation charges payable to M/s Konica India Ltd. Bangalore - ₹25,000
  - g. Commission payable to M/s Konica India Ltd., Bangalore 1% of FOB value of Machine
  - h. Date of entry inwards 02.02.2019, exchange rate 1US\$ = ₹66
  - i. Date of Submission of Bill of entry 30-1-2019, Exchange rate 1US\$ = ₹65
  - j. Unloading and handling charges ₹30,000

Calculate the assessable Value, customs Duty payable and Cost of Import.

7. What were the short-comings of the indirect taxes prior to GST? Bring out the salient features of GST.

**SECTION – D (COMPULSORY QUESTION)**

(1x20= 20)

8. Case Study
  - a) What is Customs Duty? What are the different types of Customs duty. (8)
  - b) M/s Martin & Co. registered in Mysore, has provided following services (CGST Rate 18%) in Jan. 2019, from which Compute his taxable To and SGST, CGST, IGST payable
    - a. Outward supply of services rendered to RBI ₹3,60,000
    - b. Advance received from a client for services to be rendered on readying the Crop for retail market - ₹1,50,000
    - c. Outward supply of services to education ₹60,000
    - d. Services rendered by supply of agricultural Labour - ₹30,000
    - e. Free Services to friends and relatives - ₹85,000
    - f. Placement Services - ₹4,15,000
    - g. Outward supply of services in recreational activities - ₹1,20,000
    - h. Raised a bill on 28<sup>th</sup> Jan 19 for services rendered but payment due ₹45,000
    - i. Received rent for supply of agricultural Machinery ₹1,40,000
    - j. Services rendered in J & K - ₹3,00,000
    - k. Services to Russian embassy - ₹80,000
    - l. Outward supply of services to Maharashtra Customers. ₹4,40,000 (12)

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CHOICE BASED CREDIT SYSTEM FOURTH SEMESTER M.COM. DEGREE EXAMINATION,  
APRIL 2016

**MANAGEMENT OF MULTINATIONAL CORPORATIONS**

Time : 3 Hrs

Max. Marks: 70

**SECTION – A**

**I Answer any FIVE questions of the following: (2 × 5 = 10)**

- a) Explain the concept of MNCs.
- b) What is Corporate strategy?
- c) Describe the meaning of International Operation Management.
- d) Highlight two differences between Domestic Marketing Vs International marketing.
- e) What is Intellectual Property Rights?
- f) Write a note on Export Financing.
- g) Explain Risk-Return Trade off in MNCs.

**SECTION – B**

**Answer any TWO of the following. (5 × 2 = 10)**

2. Write a note on India's foreign trade policy.
3. Briefly explain the benefits of International Franchising with reference to service industry.
4. Explain the concept of "Customised Marketing" with reference to Food Joints.

**SECTION – C**

**Answer any TWO of the following. (15 × 2 = 30)**

5. What is the role of 'Artificial Intelligence' in International marketing?
6. Differentiate between DHRM and IHRM with appropriate examples.
7. Bring out promotional issues and policies with reference to Automobile Industry.

**SECTION – D**

**8. Case Study (Compulsory) (20 × 1 = 20)**

Mr. Mahesh Motwani, age 32, an IT entrepreneur has a well established business in the domestic market. In a span of 1 year he has sold more than 50,000 pieces of SHINE mobile phones (Latest Technology) in the domestic market but unfortunately failed to reach the International market.

**Questions:**

- a) What is the business plan to create own business considering the current international marketing environment? (7)
- b) What factors can be considered to maximise the customer base? (7)
- c) What action can be taken to maximise the returns? (6)

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CHOICE BASED CREDIT SYSTEM FOURTH SEMESTER M.COM. DEGREE EXAMINATION,  
APRIL 2019

Elective I : Financial Management and Investment Science  
**Paper III : CAPITAL STRUCTURE MANAGEMENT**

Time : 3 Hrs

Max. Marks: 70

**SECTION – A****I Answer any FIVE questions of the following: (2 × 5 = 10)**

- a) What is Financial leverage?
- b) List out any two approaches to calculate cost of equity.
- c) Write a note on Home-made Leverage.
- d) What are mutually exclusive projects?
- e) What is decision tree?
- f) Calculate the NPV for a project, which requires an initial investment of Rs. 20,000 and which involves a net cash inflow of Rs. 6,000 each year for 06 years. Discount factor at 08 percent p.a. is 4.623.
- g) List out the assumptions underlying sensitivity analysis.

**SECTION – B****Answer any TWO of the following. (5 × 2 = 10)**

2. "Certainty Equivalent approach is theoretically superior to the Risk-adjusted discount rate". Do you agree? Give reasons.
3. A Company wants to raise additional capital of Rs. 20 lakh for its new investment plans. It has Rs. 4,20,000 as retained earnings. Further details are as follows:-
  - i) Debt equity mix 30% and 70%.
  - ii) Cost of debt upto Rs. 3,60,000, 10% before tax, beyond Rs. 3,60,000, 16% before tax.
  - iii) Earnings per share Rs. 8
  - iv) Dividend payout 50% of earnings
  - v) Expected growth in dividends 10%
  - vi) Current market price per share Rs. 88
  - vii) Tax rate 50%.

Compute:

- a) Pattern for raising additional capital.
  - b) The after tax cost of additional capital
  - c) The cost of retained earnings and cost of equity.
4. Two companies are Identical in all respects in all respects except that A Ltd. Has a debt of Rs. 10,00,000 at 10%, where as B Ltd. Does not have debt on its capital structure. The total assets of both the companies is Rs. 20,00,000 on which the companies earn a return of 20%. Find the value of the firm and overall cost of capital by NI and NO1 approach. Both companies have an equity capitalisation rate of 15% taxes are at 50%.

**SECTION – C****Answer any TWO of the following. (15 × 2 = 30)**

5. A firm has an Investment proposal, requiring an outlay of Rs. 40,000. The investment proposal is expected to have 02 years' economic life with no salvage value. In year 1,

there is a 0.4 probability that cash inflow after tax will be Rs. 25,000 and 0.6 probability that cash inflow after tax will be Rs. 30,000. The probabilities assigned to cash inflows after tax for the year 2 are as follows.

The cash inflow year 1	Rs. 25,000		Rs. 30,000	
The cash inflow year 2	Rs.	Prob.	Rs.	Prob.
	12,000	0.2	20,000	0.4
	16,000	0.3	25,000	0.5
	22,000	0.5	30,000	0.1

The firm uses a 10% discount rate for this type of investment. Construct a decision tree for the proposed investment project.

6. A firm has sales of Rs. 60 lakh. Its variable cost and fixed cost are Rs. 30 lakh and Rs. 5 lakh respectively. It has a debt of Rs. 30 lakh at 10% and equity of Rs. 50 lakh.
  - i) What is the firm's ROI?
  - ii) Does the firm have a favourable financial leverage?
  - iii) If the firm belongs to an Industry, whose assets turnover is 4, does it have a high or low asset leverage?
  - iv) What is the operating, financial and combined leverages of the firm?
  - v) If sales drop to Rs. 40 lakh, what will be new EBIT?
  - vi) At what level, the EBT of the firm will be equal to zero?
7. The 'MM Model' is the behavioural justification of the NOI approach to capital structure theory. In the light of above statement, how do two firms achieve equilibrium level under MM approach? Explain.

#### SECTION - D

8. **Case Study (Compulsory)** (20 × 1 = 20)  
 One plant of a company is doing poorly and is being considered for replacement. Three mutually exclusive plants X, Y and Z have been proposed. The plants are expected to cost Rs. 1,00,000 each and have an estimated life of 5 years, 4 years and 3 years respectively and have no salvage value. The company's required rate of return is 10%. The anticipated cash flows after tax for the three plants are as follows:-

Year	Plant X (Rs.)	Plant Y (Rs.)	Plant Z (Rs.)
1	25,000	40,000	50,000
2	25,000	40,000	50,000
3	25,000	40,000	5,000
4	25,000	15,000	-
5	95,000	-	-

- i) Rank the proposals applying the methods of payback period, discounted payback period, ARR and NPV.
- ii) What would be the profitability Index if the IRR equalled the return on Investment? What is the significance of a profitability Index less than one?
- iii) Recommend the project to be adopted and give reasons.

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CHOICE BASED CREDIT SYSTEM FOURTH SEMESTER M.COM. DEGREE EXAMINATION,  
APRIL 2019

Elective II : Human Resource Management

**Paper I : LABOUR LEGISLATION**

Time : 3 Hrs

Max. Marks: 70

**SECTION – A**

**I Answer any FIVE questions of the following: (2 × 5 = 10)**

- a) What do you mean by Gratuity?
- b) Differentiate between Layoff and Retrenchment.
- c) Mention any two features of Lock-out.
- d) Are the workmen entitled to wages for the period of strike and lockout?
- e) When is gratuity payable under the Payment of Gratuity Act 1972?
- f) Explain the concept of "Labour Welfare"
- g) Differentiate between "Holidays" and 'Leave'.

**SECTION – B**

**Answer any TWO of the following. (5 × 2 = 10)**

2. Write a short note on Model Standing Orders.
3. Bring out the rules for Payment of Wages.
4. Write a note on Maternity Benefit Act 1961.

**SECTION – C**

**Answer any TWO of the following. (15 × 2 = 30)**

5. What is the procedure for certification of standing orders under the Industrial Employment (Standing Orders) Act 1946? Give a list of acts or omissions on the part of a workman, which amount to misconduct.
6. Explain the welfare measures under the Factories Act 1948
7. Explain the main features of Payment of Wages Act 1936. What are the provisions for deduction from wages? Are they sufficient?

**SECTION – D ( COMPULSORY QUESTION)**

**(20 × 1 = 20)**

**8. CASE STUDY**

JOSH works for a local newspaper, Daily News, as one of its leading journalists. Currently there is no trade union recognised in his workplace. He is interested in organising his workplace because he believes that the terms and conditions of his colleagues' work could be fairer. He seeks advice on the following:

- a) What obstacles exist to a trade union becoming recognised? (10)
- b) What protections exist for employees who decide to become members of the trade union? (10)

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CHOICE BASED CREDIT SYSTEM FOURTH SEMESTER M.COM. DEGREE EXAMINATION,  
APRIL 2019

Elective I : Financial Management & Investment Science

**Paper IV : PORTFOLIO MANAGEMENT**

Time : 3 Hrs

Max. Marks: 70

**SECTION – A**

**I Answer any FIVE questions of the following: (2 × 5 = 10)**

- What is passive portfolio revision strategy?
- What is meant by diversification?
- Write a short note on 'Style Analysis'.
- What is a zero-beta portfolio?
- What is efficient frontier?
- Differentiate between European option and American option.
- Give the meaning of unsystematic risk.

**SECTION – B**

**Answer any TWO of the following. (5 × 2 = 10)**

- What is multifactor model? Describe the types of multi factor models used in practice?
- In the context of the CAPM with unlimited borrowing and lending at the risk-free rate of interest, explain the meaning of the Capital Market Line.
- R Sharma owns a portfolio with the following characteristics.

Security	Factor 1 Sensitivity	Factor 2 Sensitivity	Proportion	Expected Return(%)
A	1.40	2.50	0.30	13
B	0.90	1.60	0.30	18
C	1.00	0.80	0.20	10
D	1.30	2.00	0.20	12

Assume that the returns are generated by a two-factor model and Sharma decides to create an arbitrage portfolio by increasing the holding of security B by 0.05?

- What must be the weights of other three securities in Sharma's Portfolio?
- What is the expected return on arbitrage portfolio?

**SECTION – C**

**Answer any TWO of the following. (15 × 2 = 30)**

- Critically appraise the factors which determine the theoretical value of options highlighting any problems that might be encountered in incorporating them in a formal valuation model.
- An investor has constructed a portfolio consisting of shares and debentures in such a way that the ratio between investments in shares (aggressive investment) and investment in debentures (defensive investment) is 1.4:1.00. the total amount invested is ₹12,00,000. After an interval of 3 months, the market value of shares in the portfolio has increased to ₹10,00,000 and that of debentures has increased to ₹6,00,000. After another 3 months,

the market value of shares has fallen down to ₹2,50,000 while the market value of debentures increased to ₹6,50,000.

Suggest the pattern of portfolio revisions required at the two periods if the investor wants to maintain the ratio of 1.40:1.00 for aggressive to defensive investment.

7. Consider the following data

Market price of the option ₹36

Exercise price of the option ₹40

Current annualised market interest rate for treasury bills 10%

The time remaining before expiration – 90 days

Historical standard deviation 0.40

Expected standard deviation 0.50 (analysts to expect an increase in stock beta because of a new debt issue)

Apply the Black Schole's formula developed for deriving the value of a Call option and also a Put option.

#### SECTION – D

(CASE STUDY - COMPULSORY)

(20 × 1 = 20)

8. There are four funds whose details are given in the table below. Evaluate the performance of these funds using Sharpe's, Treynor's Fama's and Jensen's measures.

Funds	Returns(%)	Portfolio Beta	Portfolio standard deviation
Super Star	25	1.13	22.70
True Balance	17	0.95	17.20
Sure Return	20	0.98	20.90
Safety Net	15.30	1.00	15.60

Risk free rate of return is 8.50%

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CHOICE BASED CREDIT SYSTEM FOURTH SEMESTER M.COM. DEGREE EXAMINATION,  
APRIL 2018

Elective II : Human Resource

**Paper I : Organisation Development and Transformation**

Time : 3 Hrs

Max. Marks: 70

**SECTION – A**

**I Answer any FIVE questions of the following: (2 × 5 = 10)**

- a) What is transactional analysis?
- b) Who are Knowledge workers?
- c) What is Cultural diversity?
- d) What is organisational change?
- e) What is disengagement?
- f) Distinguish between "Empowerment and Self Management".
- g) Who are change agents?

**SECTION – B**

**Answer any TWO of the following. (5 × 2 = 10)**

2. State the ethical issues to ponder on when managing organisational transformations.
3. Write a note on the assumptions and beliefs of organisational development.
4. Managing a diverse workforce is one of the biggest challenges confronting organisations' Elaborate.

**SECTION – C**

**Answer any TWO of the following. (15 × 2 = 30)**

5. 'The concepts like adaptiveness, flexibility and responsiveness are used to describe organisations orientation towards change' Explain with examples
6. Explain the OD interventions followed for the development of organisations.
7. Elaborate the OD challenges and opportunities in the future.

**SECTION – D( COMPULSORY)**

**Case Study (20 × 1 = 20)**

8. The field of organisation Development rests on a foundation of values and assumptions about people and organisation. The vital values form the 'OCTAPACE' which comprise of openness, confrontation, trust, authenticity, proactiveness, autonomy, collaboration and experimentation in order to ensure a culture of trust and openness.

Create a New pharmaceutical organisation and ponder on the strategies of OCTAPACE for future organisational Development and Transformation.

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