

**Business Taxation – II (Indirect)**

Time: 3 Hrs

Max. Marks: 70

**Section - A****1. Answer any FIVE of the following:****(5×2=10)**

- What is 'Taxable Event' in GST?
- What is 'naturally bundled' in composite supply.
- Explain 'Blocked Credit'
- Write a note on "Zero-rated supply"
- Write a note on NCCD
- What is Smuggling?
- Explain Indian customs waters?

**Section - B****Answer any TWO of the following:****(2×5=10)**

- From the following particulars compute aggregate turnover and taxable turnover of M/S ABC, Udupi.
  - Goods supplied to a job-worker for further processing Rs.1,50,000
  - Outward supply to a dealer having unit in FTZ in Kochi Rs.5,00,000
  - Outward supply of exempt goods to a dealer in Kasargod Rs.4,80,000
  - Export of goods to an importer in Canada Rs.8,00,000
  - Outward supply to a dealer in Chennai Rs.6,00,000
  - GST paid Rs.4,60,000
- Rajeshwari Industries imported a machinery from Germany in an aircraft. The bill of entry was presented on 12-07-2019 and the aircraft arrived in India on 25-07-2019. The rate of import duty are a) Bill of entry on 12-07-2019 - rate of customs duty 12%  
b) Arrival of aircraft on 25-07-2019 rate of customs duty 15%. In the above case, determine the applicable rate of import duty.
- What is Supply? Illustrate the difference between Composite supply and Mixed supply.

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

- From the following particulars determine the assessable value of the imported equipment giving explanation for each item and also custom duty payable.
  - FOB Cost of equipment (Japanese Yen)-2,00,000 yen
  - Freight charges in Yen-20,000
  - Charges for development connected to equipment paid in India – Rs.60,000.
  - Insurance charges paid in India for transportation from Japan Rs.15,000
  - Commission payable to agent in India Rs.15000

Exchange rate RBI (1 Yen) = Rs.0.45

Exchange rate as per CBIC (1 Yen) = Rs.0.50

- 6) What were the constitutional amendments done for introducing the GST in India? Discuss objectives of goods and service tax.
- 7) What are E-Way bills? Illustrate the working mechanism of online compliances.

**SECTION- D (COMPULSORY)**

(1×20=20)

- 8) Case Study
  - a) Explain the credit mechanism for SGST,CGST and IGST in input tax credit (12)
  - b) A manufacture process input goods and services within state Rs.1000. SGST and CGST rate on receipts is 9% each. He manufactured two products out of inputs. One product of value of Rs.800 was subject to SGST and CGST at 9% each. Other product of value of Rs.800 was exempt from SGST and CGST. Calculate the tax payable. (08)

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CHOICE BASED CREDIT SYSTEM FOURTH SEMESTER M.COM. DEGREE EXAMINATION,  
SEPTEMBER 2020

**MANAGEMENT OF MULTINATIONAL CORPORATIONS**

Time : 3 Hrs

Max. Marks: 70

**SECTION – A**

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

- Why do business firms go Global?
- State the sources of “competitive advantage” for locating the business abroad.
- List out the strategies involved in product development in International market
- Who are Foreign Institutional Investors?
- Differentiate between DHRM and IHRM

**SECTION – B**

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

- What is counter trade? Explain the techniques used for securing institutional support for foreign trade.
- Briefly describe the role of external stakeholders in raising machines and investments to design and build a new factory.
- Show how a small country that imposes an import quota on the import of a good can affect foreign welfare.

**SECTION – C**

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

- Using examples, explain how and why globalisation can lead to a political backlash. To what extent is Brexit a result of this process?
- “A strategic trade policy may be a failure even in cases where it can yield an increase in a country’s welfare”. Briefly discuss International Branding, Pricing and Promotion policies in the context.
- Why do women expatriates fail in their foreign assignments? Discuss in detail the various dimensions of international assignments for women.

**SECTION – D**

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

The fact that there is correlation between market concentration and the presence of MNEs can have different explanations:- MNEs cause concentration on markets that they enter by forcing out competitors – MNEs prefer to enter concentrated markets – The presence of MNEs and concentration are both the product of a third force, such as for example “complex technology of production”.

On the other hand we observe Germany at the same time both importing and exporting cars proves that international trade is a waste of resources and only serves the interests of large multinational corporations”.

**Questions:**

- a) Discuss in the context of Defenders and critics of MNCs. (6)
- b) Critically examine the India's foreign trade policy (7)
- c) Create and action plan as regards mutual resource sharing (7)

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CHOICE BASED CREDIT SYSTEM FOURTH SEMESTER M.COM. DEGREE EXAMINATION,  
SEPTEMBER 2020

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

Time : 3 Hrs

Max. Marks: 70

SECTION – A

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

- Write a note on 'Net Income Approach.
- What are the methods used in calculation of 'cost of Debt'?
- What is meant by 'Weighted Average Cost of Capital'?
- Distinguish between 'Business Risk' and 'Financial Risk'.
- How are 'Standard deviation' and 'Coefficient of Variation' used in the measurement of risk in Capital budgeting.
- What is Capital rationing? Name any two factors leading to Capital rationing?
- What is 'Structural Leverage'?

SECTION – B

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

- "Cost of Capital is used by a company as a minimum benchmark for its yield". Comment.
- A Company issues ₹ 10,00,000 12% Debentures of ₹ 100 each. The debentures are redeemable after the expiry of fixed period of 7 years. The Company is in 35% Tax bracket.  
Required"
  - Calculate the cost of Debt after Tax, if debentures are issued at: a) Par b) 10% Discount c) 10% Premium
  - If Brokerage is paid at 2%, what will be the Cost of Debentures, if issue is at par?
- Calculate the level of Earnings Before Interest and Tax (EBIT) at which the EPS indifference point between the following financing alternatives will occur: Equity Share Capital of ₹ 6, 00,000 and 12% Debentures of ₹ 4, 00,000. Equity Share Capital of ₹ 4, 00,000, 14% preference share Capital of ₹ 2, 00,000, and 12%. Debentures of ₹ 4, 00,000. Assume the corporate tax rate is 35% and par value of Equity share is ₹ 10 in each case.

SECTION – C

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

- Critically evaluate various techniques of risk analysis in Capital budgeting.
- The following key information pertains to Excel Ltd for the year 2015-16

(₹ Lakhs)

Sales	82.50
Variable Costs	46.20
Fixed Costs	6.60
9% Debentures	50.00
Equity Shares (₹ 100 each)	60.00

Corporate Tax 35%

You are required to work out:-

- 1) What is the Company's ROI?
  - 2) Does it have favourable financial leverage?
  - 3) If the company belongs to an industry whose asset turnover is 3, Does it have a high or low asset leverage?
  - 4) What are the operating, financial & combined leverage of the Company?
  - 5) What is the Company's EPS?
7. ABC Ltd & XYZ Ltd are identical except for capital structure. ABC ltd has 50% Debt & 50% Equity financing, while XYZ Ltd has 20% Debt & 80% Equity financing (all percentages are in market value terms). The borrowing rate for both the companies is 13% in a 'no tax' world & the Capital markets are assumed to be perfect. The earnings of both the companies are not expected to grow & all earnings are paid out to shareholders in the form of Dividends.
- a) If you own 2% of Equity share capital of ABC Ltd, what is your return (in rupees) if the company has net operating income of ₹ 3,60,000 the overall capitalization rate of the company,  $K_o = 18\%$ ?  
What is the implied equity Capitalization rate?
  - b) XYZ Ltd has the same net operating income as ABC Ltd. What is the implied Equity Capitalization rate of XYZ Ltd? Why does it differ from that of ABC Ltd?

#### SECTION – D

8. Case Study (Compulsory)

(20 × 1 = 20)

C Ltd, is considering investing in a project. The expected original investment in the project will be ₹ 2,00,000, the life of project will be 5 years with no salvage value. The expected net cash inflows after depreciation but before tax during the life of the project will be as follows:

Year	1	2	3	4	5
₹	85,000	1,00,000	80,000	80,000	40,000

The project will be depreciated at the rate of 20% on original cost. The company is subjected to 30% Tax rate.

- Required :
- 1) Calculate Payback period
  - 2) Calculate Average rate of return
  - 3) Calculate Net present value index, if cost of capital is 10%.
  - 4) Calculate Internal rate of return.

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CHOICE BASED CREDIT SYSTEM FOURTH SEMESTER M.COM. DEGREE EXAMINATION,  
SEPTEMBER 2020

Elective II : Human Resource Management

Paper III : LABOUR LEGISLATION

Time : 3 Hrs

Max. Marks: 70

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

- a) What are penalties?
- b) State two welfare measures stated under Factories Act 1948.
- c) What is "Layoff"?
- d) Differentiate between "Partial" and "Total" disablement.
- e) Define "Standing Orders".
- f) What is a 'Works Committee'?
- g) What are occupational diseases?

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

2. Explain the vital provisions stated under Maternity Benefit Act 1961.
3. Explain the concept of "Deductions" from wages in the Payment of Wages act 1936.
4. What are the conditions to be fulfilled for certification of Standing orders?

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

5. Explain the provisions of the Factories Act 1948 relating to the health and safety of the workers employed in Factories.
6. Explain the basic principles according to which compensation is determined under the Workmen's Compensation Act 1923?
7. Outline the provisions of Payment of Wages Act 1936 regarding classification and payment of wages.

**SECTION – D ( COMPULSORY QUESTION)** (20 × 1 = 20)**8. CASE STUDY**

The object of the Industrial Disputes Act 1947 is to make provisions for the investigation and settlement of industrial disputes, and for certain other purposes. The main purpose of this Act is to settle the disputes between employer and employees amicably and peacefully. For this purpose, the Act provides the following authorities.

- a) Works committee
- b) Conciliation officers
- c) Boards of conciliation
- d) Courts of Inquiry
- e) Labour Courts
- f) Industrial Tribunals
- g) National Tribunals

Questions:

- 1) What are the powers of the Labour court and the tribunals in matters relating to discharge and dismissal of the workmen? (7)
- 2) 'The Industrial tribunal has the powers of a civil court'. True or false? Justify your answers. (7)
- 3) Explain the constitution of the board of conciliation. (6)

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## CHOICE- BASED FOURTH SEMESTER M.COM. DEGREE EXAMINATION, SEPTEMBER 2020

## MCOMS408: Financial Management &amp; Investment Science

## Portfolio Management

Time: 3 Hrs

Max. Marks: 70

Section - A

1. Answer any FIVE of the following:

(5×2=10)

- Define beta co-efficient. What is the beta factor of market portfolio?
- Explain the portfolio revision.
- What are Derivatives?
- Define Swaption.
- Differentiate between European option and American option.
- What are index futures?
- What is meant by business risk?

Section - B

Answer any TWO of the following:

(2×5=10)

- Evaluate the growth of derivatives market in India.
- Distinguish between time weighted and dollar weighted rate of return. Under what performance measurement circumstances might dollar weighted return be performed to the time weighted one?
- Shares of ICICI Co. pay a Rs.2 dividend at the end of every year on December 31. An investor buys two shares of the stock on January 1<sup>st</sup>, at a price of Rs.20 each, sells one of those shares for Rs.22 a year later on the next January 1<sup>st</sup>, and sells the second share an additional year later for Rs.19. Find the time and rupee weighted rates of return on the 2 year investment.

Section- C

Answer any TWO of the following.

(2×15=30)

- Two portfolios were constructed, one consisting of equity shares and other consisting of debentures. The rupee value of equity shares, at the time of constructing the portfolio was Rs.40,000. The investor opts to use constant ratio plan with a ratio of 1.50:1.00 (ratio of aggressive investment to defensive investment). The revision point is fixed at +0.10. The share price shows fluctuations at periodic intervals as follows.

Period	Share Price (Rs)
1	100
2	90
3	85
4	75
5	80
6	95

Assume that the price of debentures in defensive portfolio does not change.  
Explain the portfolio revision pattern of the investor.

- 6) Calculate the value of call and put option from the following information, using Black Schole's model.  
 Current market price = Rs.40  
 Exercise price = Rs.46  
 Time to expiry = 3 months.  
 Rate of treasury bills = 12%.  
 Variance = 0.16
- 7) Write a note on Arbitrate Pricing Theory.

**SECTION- D (COMPULSORY)**

**(1×20=20)**

- 8) Evaluate the performance of following funds using Sharpe's, Treynor's, Jensen's and Fama's measures.

Funds	Rf(%)	Rp(%)	Rm(%)	Beta
A	5	20	15	0.80
B	5	30	15	1.10
C	5	12	15	0.50
D	5	20	15	1.00
E	5	14	15	1.20
F	5	18	15	1.10

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## CHOICE- BASED FOURTH SEMESTER M.COM. DEGREE EXAMINATION, SEPTEMBER 2020

MCOMS409: Human Resource

**Organisation Development and Transformation**

Time: 3 Hrs

Max. Marks: 70

**Section - A****1. Answer any FIVE of the following: (5×2=10)**

- a) Differentiate between "Participation" and "Empowerment".
- b) State any four techniques of Team building.
- c) What is the meaning of Organisational Learning?
- d) What is a planned change?
- e) Why is Institutionalizing OD Intervention required?
- f) Who is a OD Consultant?
- g) Write the meaning and purpose of "Diagnosis".

**Section - B****Answer any TWO of the following: (2×5=10)**

- 2) "Organisational change has to be measured on technological, social and economic dimensions"-Elaborate. What precautions must be taken to make a change acceptable?
- 3) What do you mean by an Intervention Strategy? Explain the process involved in implementation of intervention strategy.
- 4) Explain the role of different parallel learning structures.

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

- 5) What are the various steps involved in OD process? Briefly explain the modus operandi of OD.
- 6) Examine the need for team work in a large-scale organisation. What factors are motivating team work and team empowerment?
- 7) "India has a large potential for Organisation Development"-Justify your opinion in the context of challenges and opportunities.

**SECTION- D (COMPULSORY)****(1×20=20)****8) Case study**

British Airways has made one of the most stunning turnarounds of any business in history. Much of the credit for that turnaround goes to people-the individuals who manage the firm and operating employees who carry out mundane jobs ranging from handling baggage to preparing meals in flight.

When Margaret Thatcher became Prime Minister of Great Britain, many of the country's largest businesses were owned and operated by the government. One of her first agenda items was to privatize (sell to private owners and investors) most of these businesses.

But no one wanted British Airways. The firm had a huge, unproductive work force, suffered from lax management, and was incurring annual losses approaching \$1 billion. Service had slipped badly; many joked that the acronym BA stood for "Bloody Awful".

Thatcher asked John King, a leading British industrialist, to step in and restore British Airways image, competitiveness, and effectiveness. One of the King's first major decisions was to cut the work force. Within a few months of taking over, he cut the payroll from 59,000 to 36,000 employees. To help ease the pain of such a cutback, he offered a generous severance package to all employees who left voluntarily.

Then King made major changes on the firm's board of directors. Membership on the board had been largely symbolic, and directors really knew little about running a business. King convinced most of the current directors to leave and replaced them with experienced executives. He also changed advertising agencies and even moved the firm's insurance coverage to a different carrier.

King also recognized that he needed to direct a lot of attention to the remaining British Airways employees, many of whom felt bitter and insecure. Some of the changes in this area also were largely symbolic. For example, King bought all employees new uniforms (some uniforms had not been changed in over twenty years), adopted a new corporate slogan, and repainted all British Airways aircraft.

King had known all along that his job was not to run the "new" airline. Instead, his charge was to manage its transformation. Thus, while all these changes were going on, he was also looking for a new CEO to take over when the transformation and privatization were complete. Colin Marshall was selected to take over in early 1983 and received immediate opportunities to make his own assessments of the changes taking place.

Marshall recognized that employees needed more than just new uniforms, so he initiated a series of training seminars for them. The seminars were designed to change their attitudes about the company and to motivate them to provide better customer service. These seminars were a big success, and a whole new culture began to emerge.

British Airways was privatized in February 1987. A key part of the initial stock packages was to allow employees to participate in ownership. Around 74 percent of them took advantage of this opportunity. Many noted that as owners they would be even more dedicated to improving service and profits.

Since then, the foundation laid by King and Marshall has paid enormous dividends. British Airways has become the largest airline in the world and also one of the most profitable. And customers rate its service as the best in the industry. The current state of affairs is a far cry from the days of "Bloody Awful," and much of the credit goes to a large group of people working together for a common cause.

### Questions

1. Identify as many behavioural concepts and processes in this case as you can. (7)
2. Do you think King and Marshall made any serious mistakes? (7)
3. What perils or threats does British Airways face in the future? (6)

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