

**CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME  
BBA FOURTH SEMESTER DEGREE EXAMINATION MAY/JUNE 2023**

**BUSINESS ADMINISTRATION**

**Management Accounting**

**Duration: 2 Hours**

**Max Marks: 60**

**SECTION A**

**Answer any TWO of the following:**

**(2×15= 30)**

- 1) Explain the objectives and uses of management accounting.
- 2) Calculate the balance sheet items given in the undermentioned proforma with the help of following ratios:

Total assets/Net worth= 3.5

Sales/fixed assets = 6

Sales/current assets = 8

Sale/inventory =15

Sales/debtors =18

Current ratio = 2.5

Annual sales =Rs.25,00,000

Balance sheet

Net worth	?	Fixed assets	?
Long term debt	?	Inventory	?
Current liabilities	?	Debtors	?
		Liquid assets	?
	?		?

- 3) The following balance sheet as on 31/12, prepare cash flow statement.

Balance sheet

Liabilities	2020	2019	Assets	2020	2019
Share capital	1,50,000	1,00,000	Fixed asset	1,50,000	1,00,000
P&L a/c	80,000	50,000	Goodwill	40,000	50,000
General reserve	40,000	30,000	Stock	80,000	30,000
6% Debentures	60,000	50,000	Debtors	80,000	50,000

Creditors	40,000	30,000	Bills receivable	20,000	30,000
o/s expenses	15,000	10,000	Bank	15,000	10,000
	<b>3,85,000</b>	<b>2,70,000</b>		<b>3,85,000</b>	<b>2,70,000</b>

### SECTION B

Answer any **THREE** of the following :

(3×7= 21)

- 4) Sale of a product amounts to 200 units per month at Rs.10 per unit. Fixed overhead cost is Rs.400 per month and variable cost is Rs.6 per unit. There is a proposal to reduce prices by 10 percent Calculate present and future P/V ratio. How many units must be sold to earn the present total profits?
- 5) Describe the essential steps of budgetary control.
- 6) What are liquidity ratios? Discuss their significance.
- 7) With the following data for a 60% activity, prepare a budget for production at 80% and 100% capacity:

Production at 60% activity	600 units
Materials	Rs.100 per unit
Labour	Rs.40 per unit
Direct Expenses	Rs.10 per unit
Factory Overheads	Rs.40,000 (40% fixed)
Administration Expenses	Rs.30,000 (60% fixed)

### SECTION C

Answer any **THREE** of the following :

(3×3= 9)

- 8) What is meant by the term cash flows?
- 9) From the following information, find out the amount of profit earned during the year using the marginal costing technique:  
 Fixed cost-Rs.2,50,000  
 Variable cost-Rs.10 per unit  
 Selling price-Rs.15 per unit  
 Output level-75,000units
- 10) Mention any three duties of management accountant.
- 11) Why is Debtors turnover ratio calculated?

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21BBAC412

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**CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME  
BBA FOURTH SEMESTER DEGREE EXAMINATION MAY/JUNE 2023**

**BUSINESS ADMINISTRATION  
Financial Markets & Services**

**Duration:2 Hours**

**Max Marks:60**

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**SECTION A**

**Answer any TWO of the following:**

**(2×15= 30)**

- 1) Explain the functions of IDBI.
- 2) What is Venture financing? Explain the advantages and stages of venture financing.
- 3) Define money market. Explain the various instruments of money market.

**SECTION B**

**Answer any THREE of the following :**

**(3×7= 21)**

- 4) Define Financial system. What are the features of a financial system?
- 5) Describe the importance of financial institutions.
- 6) Why is money market important in developing the economy of the country?
- 7) Explain the benefits of NSDL.

**SECTION C**

**Answer any THREE of the following :**

**(3×3= 9)**

- 8) State any three functions of ICICI.
- 9) What is a financial lease?
- 10) What is a commercial bill?
- 11) Mention the Investment and Trading Segments of NSE.

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**CHOICE BASED CREDIT SYSTEM**  
**B.B.A FOURTH SEMESTER DEGREE EXAMINATION MAY/JUNE 2023**  
**BUSINESS ADMINISTRATION**  
**Insurance**

**Duration:3 Hours****Max Marks:80**

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**I. Answer any THREE of the following : (3×16= 48 Marks)**

1. Describe the principles and practices of insurance.
2. What are Premium Rates? Discuss the factors that determine the premium rates.
3. Describe the policy serving and claim processes.
4. What is meant by Medicare? Explain the different types of Medicare.

**II. Answer any THREE of the following : (3×8= 24 Marks)**

5. Explain the concept of Reinsurance.
6. Explain various Policy Provisions.
7. Explain various types of retirement plans.
8. Explain the advantages and disadvantages of defined benefit plan.

**III. Answer any FOUR of the following : (4×2= 8 Marks)**

9. Write a note on Speculative Risk and Particular Risk.
10. What is Waiver of Premium Rider?
11. Briefly explain methods to calculate Group Insurance Premiums.
12. What is meant by Healthcare Insurance?
13. Give the meaning of asset allocation.

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**CHOICE BASED CREDIT SYSTEM SEMESTER SCHEME  
BBA NA SEMESTER DEGREE EXAMINATION MAY/JUNE 2023**

**Business Administration  
Financial Management**

Duration: 2 Hours

Max Marks: 60

**SECTION A**

Answer any TWO of the following:

(2×15= 30)

- 1) What are the various factors determining dividend policy of an organisation?  
Elucidate.
- 2) A choice is to be made between two competing proposals which require an equal investment of Rs 50,000 and are expected to generate net cash flows as under:

Years	Project I	Project II
1	25,000	10,000
2	15,000	12,000
3	10,000	18,000
4	NIL	25,000
5	12,000	8,000
6	6,000	4,000

The cost of capital is 10%. Which project should be chosen under

- a. Payback period
- b. NPV method
- c. PI method.

You are also given the following data.

Year	1	2	3	4	5
Discount Factor at 10%	0.909	0.826	0.751	0.683	0.621

- 3) Estimate the working capital requirement from the following information.

You are instructed to add 20% for contingencies.

a. Amount blocked up in stock	
Stock of finished goods	6,000

Stock of materials	10,000
b. Average credit Sales	
Inland Sales-8 weeks credit	3,00,000
Export sales- 2 weeks credit	80,000
c. Lag in payment and outgoings	
Wages (2 weeks)	2,50,000
Rent & Royalties (6 months)	10,000
Clerical staff (1 month)	5,000
Miscellaneous expenses (2 months)	50,000
d. Purchase of materials (2 months)	50,000
e. Payment in advance	
Sundry expenses paid quarterly	10,000

### SECTION B

Answer any **THREE** of the following :

(3×7= 21)

- 4) Explain the various features of an optimum capital structure.
- 5) Ms. Bhavya invests Rs 1,000 at the end of first year, Rs 2,000 at the end of the second year, Rs 3,000 at the end of third year and Rs 4,000 at the end of fourth year at an interest of 10% p.a. Calculate the future value of the investments at the end of 4 years compounded annually.
- 6) Calculate all the leverages from the following data of the Company.  
Utilized capacity 10,000 units  
Selling price per unit Rs.116 per unit  
Variable cost Rs.46 per unit  
Fixed cost Rs 3,00,000  
Interest on loan Rs 1,00,000  
Tax rate at 50%  
Preference dividend Rs 50,000.
- 7) A company has EBIT of Rs 4,80,000 and its capital structure consists of the following securities:

Equity share capital of Rs 10 each	Rs 4,00,000
12% Preference shares	Rs 6,00,000
14.5% debentures	Rs 10,00,000

The company is facing fluctuations in its sales. What would be the change in EPS if EBIT of the company increased by 25%.  
The corporate tax is 35%.

### **SECTION C**

**Answer any THREE of the following :**

**(3×3= 9)**

- 8) Mr Sharan has to receive Rs 2,000 for 5 years. Calculate the present value of the annuity, assuming that he can earn interest on his investments at 10% p.a.
- 9) How are equity shares valued under earnings capitalisation model?
- 10) Give the meaning of stock dividend.
- 11) State the meaning of fixed working capital.

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19BBA403

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**CHOICE BASED CREDIT SYSTEM**  
**B.B.A FOURTH SEMESTER DEGREE EXAMINATION MAY/JUNE 2023**  
**BUSINESS ADMINISTRATION**  
**Company Law**

**Duration:3 Hours**

**Max Marks:80**

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**I. Answer any THREE of the following : (3×16= 48 Marks)**

1. Explain the cases in which the corporate veil is lifted by the court.
2. What do you understand by formation of a company? Explain the procedure for the formation of a company.
3. 'A person may become a member of the company in many ways.' Explain the modes of acquiring membership of a company.
4. Explain the legal provisions for appointment of small shareholders directors.

**II. Answer any THREE of the following : (3×8= 24 Marks)**

5. What is the procedure to convert a private company into public company?
6. Explain the different types of prospectus.
7. Explain the provisions relating to the types of Resolutions .
8. What are the liabilities of a directors of a company?

**III. Answer any FOUR of the following : (4×2= 8 Marks)**

9. What is meant by Artificial Legal Person?
10. Mention any two persons liable for the misstatement in prospectus.
11. What are the circumstances in which a person agrees in writing to become a member?
12. State the reasons for removal of directors by the Tribunal.
13. State the provisions on the validity of the resolution.

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19BBA404

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**CHOICE BASED CREDIT SYSTEM**  
**B.B.A FOURTH SEMESTER DEGREE EXAMINATION MAY/JUNE 2023**  
**BUSINESS ADMINISTRATION**  
**Export Management**

**Duration:3 Hours**

**Max Marks:80**

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**I. Answer any THREE of the following : (3×16= 48 Marks)**

1. Describe the Comparative Cost theory of International Trade with the help of an illustration.
2. Examine the trend, composition and direction of India's foreign trade.
3. What documents should accompany an export shipment? Describe.
4. Explain the different initiatives undertaken by the Government for the promotion of exports.

**II. Answer any THREE of the following : (3×8= 24 Marks)**

5. Explain the advantages of International Trade.
6. Enumerate the nature of export activity with its features.
7. What are the special features of international marketing?
8. "Differentiation in pricing for exports and for the domestic market is unavoidable"  
Comment.

**III. Answer any FOUR of the following : (4×2= 8 Marks)**

9. Write the need for International trade.
10. Give the meaning of protection policy.
11. What is International distribution channel?
12. What is advalorem duty?
13. What is EXIM bank?

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**CHOICE BASED CREDIT SYSTEM**  
**BBA FOURTH SEMESTER DEGREE EXAMINATION MAY/JUNE 2023**  
**BUSINESS ADMINISTRATION**

**Taxation**

**Duration:3 Hours**

**Max Marks:80**

**I. Answer any THREE of the following :**

**(3×16= 48 Marks)**

1. Compute the total income of Mr. Narayan from the following particulars if he is: Ordinarily Resident, Not ordinarily Resident, Non Resident
  1. Business income from Mumbai controlled from London Rs.6,00,000.
  2. Business income from Pakistan controlled from Bengaluru Rs.2,00,000.
  3. Salary received in India (including Rs.60,000 for service rendered in UK) Rs.1,00,000.
  4. Agricultural income from Srilanka (25% is remitted to India) Rs.60,000.
  5. Profit on sale of building in Bengaluru, received in France Rs.1,00,000.
  6. Dividend from Foreign Companies received outside India Rs.1,20,000.
  7. Interest on deposit with Pakistani Branch of SBI Rs.60,000.
  8. Interest on deposit with Bengaluru Branch of a foreign bank Rs.20,000.
  9. Gift from a friend received outside India Rs.4,00,000.
  10. Interest on UK development bonds (20% received in Mumbai) Rs.2,00,000.
  11. Income from business in Singapore controlled from India (Rs.40,000 received in India) Rs.1,00,000.
  12. Income from Agriculture in Mandya Rs.10,000
  13. Salary received in India for service rendered in Dubai Rs.80,000.
  14. Past untaxed foreign income brought into India during the PY Rs.40,000.
  
2. Rajani retired from service on 31-1-2020 after serving for 32 years 10 months and. Her basic on 31-1-2020 was Rs.16,500 and annual increment Rs.500 falls due in August every year. She gets DA at 20% of basic (considered for retirement benefits). On retirement She received a gratuity of Rs.3,60,000 and leave encashment Rs.2,10,000. She had 8 months' earned leave to her credit. Compute gratuity and leave encashment exempt u/s 10.
  
3. Rajani owns four flats the details of which are as follows:

	Flat I	Flat II	Flat III	Flat IV
Municipal Value	8000	5000	6500	6000
Monthly Rent	-	-	800	700
Municipal Taxes paid	400	400	700	500
Purpose	Self-Residence	Self-Residence	Let-out Residence	Let-out Business

Int. on loan taken for construction	3500	1600	4000	-
Ground Rent	-	-	60	70
Insurance premium	200	-	70	140
Vacancy period	-	-	1 Month	2 Months
Collection charges	-	-	100	200

III House was completed in the month of June during the previous year. In respect of the IV house the tenant has agreed to bear the cost of repairs. Compute the income from house property.

4. From the following information provided by Mr. Sukumar compute his taxable income from capital gains:
1. Urban land costing Rs.2,00,000 (which was acquired in December 2010) was sold for Rs.10,50,000 on 15th March 2021.
  2. House hold furniture costing Rs.25,000 in Feb 2020 was sold in March 2021 for Rs.35,000.
  3. House at Bangalore: let out for residential purposes. It was purchased by him in July 1995 for Rs.80,000. FMV as on 1-4-2001 Rs.5,00,000. Sale price on 31st July 2020 Rs.20,20,000. Cost of improvement made during 2006-07 Rs.40,000. Expenses on transfer are Rs.30,000.
  4. Motor car (used for professional purposes) was sold on 1-10-2020 for Rs.42,000. Its W.D.V. on 1-4-2020 was Rs.38,000.
  5. Shares of Tata Steel Ltd., purchased on 1-1-2019 for Rs.15,000 were sold for Rs.30,000 in March 2021; brokerage paid for the sale Rs.300.  
CIT: 2001-02:100, 2006-07: 122, 2010-11:167, 2018-19:280, 2020-21:301.

**II. Answer any THREE of the following :**

**(3×8= 24 Marks)**

5. On 1-10-2015, Mr. A sold his house purchased in May 2001 for Rs.1,00,000, for Rs.10,00,000. On 1-7-2017 he purchased another house for Rs.8,00,000. Assume that this house is sold on 15-4-2019 for Rs.9,00,000. (CII for 2001-02:100 ; 2015-16: 254) Compute the taxable capital gain.
6. Avinash retired from service on 30th Nov. 2020 after serving for 25 years and 6 months. His basic was Rs.8,000 on 1-1-2020 and the annual increment of Rs.250 falls due on 1st July every year. He gets 30% of his basic as D.A. During the year he also received a commission of 1 percent on the sales turnover of Rs.20 lakh achieved during last 10 months prior to the month of retirement. D.A. is considered for retirement benefits. Avinash received a gratuity of Rs.2,30,000. Earlier he had received Rs.25,000 as gratuity which was then exempt. Compute taxable gratuity if he is not covered under Gratuity Act.
7. From the following particulars compute the perquisite value of rent free accommodation:  
Basic: Rs.80,000 per month.  
D.A.:50% of basic (half of this is considered for retirement benefits)

Bonus: Two months basic.

Dearness Pay: Rs.10,000 per month. (enters retirement benefits)

Commission :2% of turnover of Rs.10 lakh.

He is provided with rent free house at Delhi. The cost of furniture is Rs.500,000. and the company pays Rs.6000 per month as hire charges

8. Satya owns two houses.He has letout one house throught the year. II house was used by him for own residence for first 8 months and was let-out on 1st Dec. on monthly rent of Rs.14,000. Compute his income from house property and give necessary notes

	House I	House II
Municipal Valuation	32000	151800
Fair Rent	31,000	140,000
Composite rent payable by the teanant for house & amenities	39500	-
Municipal Taxes paid	-	15000
Municipal taxes due	3000	-
Repairs(met by the tenant)	2000	-
Electricity bill paid by the assessee	1500	-
Water charges paid by the assessee	1600	-
Lift maintence paid by the assessee	2400	-
Collection Charges	300	500

**III. Answer any FOUR of the following :**

**(4×2= 8 Marks)**

9. Define PERSON as per Sec 2(31).
10. Write a short note on a) Leave Travel Consession b) Commuted Pension
11. Write a short note on Employee Provident Fund (EPF)
12. What is Standard Rent? Explain
13. Define the term "Transfer u/s 2(47)

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