

(2016 batch onwards)

G. 301.6

Reg. No:

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St Aloysius College (Autonomous)
Mangaluru
B.Com. Semester VI – Degree Examination

April - 2019

CORPORATE ACCOUNTING - II

Time: 3 Hours

Max. Marks: 100

SECTION – A

Answer any **FIVE** of the following:

(5x2=10)

- List different methods of capital re-organization of a company.
- What is Amalgamation Adjustment account?
- What is internal reconstruction?
- Define Human Resource Accounting.
- What is cost of control?
- What are the main applications of value added?
- Explain 'Creative Accounting'.

SECTION – B

Answer any **FOUR** of the following:

(4x12=48)

- Black Ltd agreed to takeover White Ltd as per the following conditions.
 - Fixed assets at 90% of the book value.
 - Stock in trade at cost ₹ 10,000 agreed to takeover at a discount of 20%.
 - Pref. share discharged at 10% premium by issuing 10% pref. shares at ₹ 100 each.
 - Debentures discharged at 15% premium by issuing 12% debentures of Black Ltd.

Balance Sheet of White Limited as on 31st March 2018.

Liabilities	₹	Assets	₹
Eq.sh.cap @ 10 each	60,000	Fixed assets	1,30,000
10% Pref.sh @ 100 each	30,000	Investments	24,000
General reserve	36,000	Current assets	20,000
12% debentures	28,000		
Liabilities (current)	20,000		
	1,74,000		1,74,000

Equity share holders in White Ltd get 5 equity shares of ₹ 10 for every 3 shares. You are required to calculate Purchase considerations by using
i) net assets method ii) net payment method.

- Following was the Balance Sheet of Star Ltd as on March 31, 2018.

Liabilities	₹	Assets	₹
4000 equity shares of ₹ 100 each	4,00,000	Goodwill	50,000
2000, 7% preference shares of ₹ 100 each	2,00,000	Plant & Machinery	1,50,000
6% debentures	2,00,000	Land & Buildings	1,40,000
S. Creditors	2,00,000	Patent rights	40,000
		Stock	1,60,000
		Debtors	2,15,000
		Cash in hand	5,000
		Preliminary expenses	25,000
		Discount on issue of debentures	15,000
		P & L a/c	2,00,000
	10,00,000		10,00,000

Contd...2

G. 301.6

The following scheme of reconstruction was duly approved:

- Equity shares are to be reduced to equal number of fully paid shares of ₹ 50 each.
- 7% preference shares are to be reduced by ₹ 30 per share and the rate of dividend increased to 9%.
- The value of land & buildings to be increased by 10%.
- The debentures are to be reduced by 20%
- All nominal and fictitious assets are to be eliminated and any balance used to write off patents.
- Further equity shares are to be issued for ₹ 50,000 for cash.

Give the journal entries for the above.

- Explain the circumstances in which company may be wound up by the tribunal.
 - List out preferential creditors.
- The following are the balance sheets of H Ltd and its subsidiary S Ltd as on 31st march 2018.

Balance Sheet

Liabilities	H Ltd ₹	S Ltd ₹	Assets	H Ltd ₹	S Ltd ₹
Equity share capital each share cost ₹ 1	10,000	8,000	Buildings	4,000	---
Reserves	4,000	3,000	Plant	1,000	6,000
Bills payable	2,000	1,000	Stock	4,000	6,000
Creditors	5,000	4,000	Shares in S Ltd	6,000	---
Profit & loss a/c	4,000	2,000	Debtors	5,000	3,000
			Bills receivable	3,000	2,000
			Cash	2,000	1,000
	25,000	18,000		25,000	18,000

Debtors of H Ltd include ₹ 2,000 due from S Ltd and bills payable of H Ltd include a bills of ₹ 500 accepted in favour of S Ltd. Shares of S Ltd purchased on 1st October 2017 at par. ₹ 500 was transferred by S Ltd from P/L a/c to reserve at current year profit.

Prepare Consolidated Balance Sheet.

- With the increased social awareness of business enterprises profit & loss, it was realized that business should disclose its social responsibilities towards the society. It is in this direction that Value Added statement is prepared as an improved replacement of traditional profit & loss account.
 - What is Value Added?
 - How does value added differ from EVA?
 - Give the concept of 'wealth' with reference to value added.
- Define the following according to International Financial Reporting Standards 3, Business Combinations:
 - Business Combinations
 - Business
 - Acquisition date
 - Acquirer
 - Acquiree
 - Elements of acquisition of business

SECTION - C

Answer any **TWO** of the following:

(2x16=32)

14. The following are the Balance Sheets of P Ltd, and S Ltd as on 31st March 2017.

Liabilities	P Ltd (₹)	S Ltd (₹)
Equity shares of ₹ 10 each fully paid	7,20,000	3,00,000
14% preference shares of ₹ 100 each	---	1,70,000
General Reserve	80,000	45,000
Export profit reserve	---	20,000
Profit & loss a/c	75,000	40,000
13% debentures	---	50,000
Creditors	1,15,000	35,000
	9,90,000	6,60,000

Assets	P Ltd (₹)	S Ltd (₹)
Land & Buildings	2,50,000	---
Plant & Machinery	3,25,000	2,90,000
Furniture & Fittings	57,500	94,100
Stock	2,15,000	1,73,900
Debtors	72,500	52,000
Cash at Bank	70,000	50,000
	9,90,000	6,60,000

P Ltd, takes over S Ltd on 01.04.2017 and discharges consideration for the business as follows:

- Issued 35,000 fully paid equity shares of ₹ 10 each at par to the equity share holders of S Ltd.
- Issued fully paid 15% preference shares of ₹ 100 each to discharge the preference shareholder of S Ltd, at a premium of 10%.

It was agreed that the debentures of S Ltd, will be converted into equal number and amount of 13% debentures of P Ltd. the Statutory Reserve of S Ltd, is to be maintained for two more years.

You are required to show journal entries in the books of P Ltd and the Balance Sheet assuming that the amalgamation is in the nature of purchase.

15. H Ltd acquired 20,000 equity shares of S Ltd of 100 each on 1st July, 2017.

Their Balance Sheet as on 31st March, 2018 as follows:

	H Ltd (₹)	S Ltd (₹)		H Ltd (₹)	S Ltd (₹)
Equity shares of ₹ 100 each	80,00,000	25,00,000	Fixed assets	70,00,000	25,00,000
Reserves	30,00,000	5,00,000	Current assets	40,00,000	20,00,000
Surplus a/c	10,00,000	10,00,000	20,000 shares in S Ltd	30,00,000	
Creditors	20,00,000	5,00,000			
	1,40,00,000	45,00,000		1,40,00,000	45,00,000

Contd...4

G. 301.6

On 1.4.2017 S Ltd had the credit balance of ₹ 5,00,000 in the reserves and ₹ 2,00,000 in the surplus account. S Ltd issued bonus shares of 1 share for every 5 shares held out of pre acquisition reserve. Stock of S Ltd, include ₹ 10,000, goods supplied by H Ltd, at a profit of 20% on selling price. Prepare consolidated Balance Sheet.

16. Write short notes on the following according to International Financial Reporting Standards 10.
- e) Investment entity (3)
 - f) Control (4)
 - g) Consolidation Financial Statement Procedures (5)
 - h) Non-Controlling interests (4)

SECTION - D

Answer the following:

(1x10=10)

17. The Vijay Ltd, went into voluntary liquidation on 1.1.2019 on which date dividend on preference shares were in arrears for two years. The subscribed capital of the company consisted of;

- a) 40,000, 6% preference shares of ₹ 10 each fully paid.
- b) 50,000 equity shares of ₹ 10 each, ₹ 6 paid.

The assets realized ₹ 3,50,000. The expenses of liquidation came to ₹ 9,800. The liquidator is entitled to a remuneration of ₹ 11,000 and a commission of 2% on the amount paid to the preference shareholders as capital and dividend. The liabilities amounted to ₹ 20,000.

Prepare liquidators Final Statement of Account.

(2016 Batch onwards)

Reg. No:

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St Aloysius College (Autonomous)
Mangaluru
B.Com. Semester VI – Degree Examination
April - 2019

FOREIGN EXCHANGE MANAGEMENT

Max. Marks: 100

SECTION – A

Answer any **FIVE** of the following.

(5x2=10)

1. What is foreign exchange rate?
2. Give the meaning of Flexible Exchange Rate.
3. What is Correspondent Banking?
4. Mention the participants in FOREX Market.
5. What is swap deal?
6. What is FEMA?
7. Mention the method of Exchange Rate is quoted in India.

SECTION – B

Answer any **FOUR** of the following.

(4x12=48)

8. Examine the merits and demerits of Flexible Exchange rate.
9. Distinguish between 'Vosto', 'Nosto' and 'Loro' accounts.
10. Explain the Organizational structure of Foreign exchange Market.
11. Explain the organizations and functions of Foreign exchange department of a bank.
12. Briefly explain the various provisions of FEMA.
13. Give an account of Historical perspective of Foreign Exchange Market in India.

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. Explain the causes responsible for fluctuations in Exchange rate.
15. What is NRI Account? Explain the different types of NRI account.
16. What do you mean by Forward Contracts? Discuss the features and operations for Forward Contracts.

SECTION – D

Answer the following question.

(1x10=10)

17. Give solution to the following problem.
On 12th February a customer has received an import bill for USD 10,000. He asks the bank to retire the bill to the debit of his account.
Interbank rate for dollar is:
Spot USD1= ₹ 68.7050/7200
Spot / March . 4500/. 5000
Bank requires an exchange margin of 0.15 % for TT sales and 0.20% for bills selling rate. What amount will the bank debit to his account?

(2016 Batch onwards)

Reg. No:

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St Aloysius College (Autonomous)

Mangaluru

B.Com. Semester VI – Degree Examination

April - 2019

INVESTMENT MANAGEMENT

Max. Marks: 100

Time: 3 Hours

SECTION – A

Answer any **FIVE** of the following.

(5x2=10)

1. What is meant by Investment Management?
2. State any two Functions of IDBI.
3. What is Investment Banking?
4. Mention any two differences between 'Money Market' and 'Capital Market'?
5. What is Lease Financing? State any two features of Lease Financing.
6. Define Credit Rating.
7. What is Book building?

SECTION – B

Answer any **FOUR** of the following.

(4x12=48)

8. Write a note on 'Real Estate Investment'.
9. What is Merchant Banking? Explain the functions of Merchant Banker.
10. Define Venture Cap[ital. Explain the features and stages in Venture Capital Financing.
11. What is a Depository System? Explain the functions of CDSL.
12. Write a note on CRISIL and ICRA.
13. Give an Account of Evolution of ICICI. Explain the functions and Financial Assistance provided by ICICI.

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. What are the Objectives of Investment? Explain the stages in the process of Investment and Factors to be considered while making Investment.
15. What are Mutual Funds? Explain the Advantages and Disadvantages of Mutual Funds in India.
16. What is Capital Market? Explain the Functions of Capital Markets and Types of Capital Market Instruments in India

Contd...2

G 303.6

SECTION - D

(1x10=10)

Answer the following question.

17. Bright Company Ltd. Is considering the lease of an Equipment which has a purchase price of ₹ 3, 50,000. The Equipment has an estimated economic life of 5 years with a Salvage value Zero. As per the Income Tax rules, a written down Depreciation @ 25% is allowed. The lease rentals per year are ₹ 1, 20,000. Assume that the company's corporate Tax rate is 50%. If the before Tax rate of borrowing for the company is 16%, should the company lease the Equipment?

Note : Present value of ₹ 1 for 5 years are:

Year	1	2	3	4	5
P.V. @ 8%	0.9259	0.8573	0.7938	0.7350	0.6806
P.V. @ 16%	0.8621	0.7432	0.6407	0.5523	0.4761

(2016 Batch onwards)

Reg. No:

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St Aloysius College (Autonomous)
Mangaluru

B.Com. Semester VI – Degree Examination
April – 2019

CORPORATE LAW AND GOVERNANCE

Max. Marks: 100

SECTION – A

Answer any **FIVE** of the following

(5x2=10)

1. What is One –man Company?
2. Who is a member by estoppel?
3. What is Red- Herring Prospectus?
4. What are minutes of a meeting?
5. Give the meaning of Doctrine of Constructive notice.
6. Define Company Secretary.
7. What is Corporate Governance?

SECTION – B

Answer any **FOUR** of the following.

(4x12=48)

8. What is Memorandum of Association? Explain its clauses.
9. What is 'Doctrine of Indoor Management? Explain the exceptions to this rule.
10. Mention the Statutory qualifications and the duties of Directors.
11. State the powers and duties of Company Liquidators.
12. What are the modes of acquiring membership in a Company? Explain briefly.
13. Discuss the arguments for and against Business Ethics.

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. Define Joint Stock Company and explain the characteristics of Joint Stock Company.
15. Explain the rights and liabilities of a member in a Company..
16. What are the different kinds of Shareholders meetings of a Company? When and how are these meetings held?

SECTION – D

Answer the following question.

(1x10=10)

17. Narrate the case 'Royal British Bank Vs Turquand and the legal implications of the same.

G 304.6

Time: 3 Hours

(2016 Batch onwards)

G 305.6

Reg. No:

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St Aloysius College (Autonomous)
Mangaluru
B.Com. Semester VI – Degree Examination
April - 2019
ACCOUNTING SOFTWARE & E-COMMERCE

Time: 3 Hours

Max. Marks: 100

SECTION – A

Answer any **FIVE** of the following.

1. Define E- Commerce (5x2=10)
2. List the characteristics of brokerage model.
3. What is digital Marketing?
4. Mention the two types of consumer segmentation in E- marketing?
5. Why is SAP ERP required?
6. What is Peach tree accounting?
7. Describe HTML.

SECTION – B

Answer any **FOUR** of the following.

8. Write the advantages, limitations and applications of E-Commerce. (4x12=48)
9. List and Explain any three marketing domains.
10. What is CRM? Explain the goals and building blocks of CRM?
11. Write the basic structure of html. Explain with the example.
12. What are the different modules of SAP ERP? Explain.
13. Write the steps to create, add, modify and delete an account using Peach tree Accounting Software.

SECTION - C

Answer any **TWO** of the following.

14. Explain the four different Auctions of brokerage model. (2x16=32)
15. Discuss the salient features of the changing marketing landscape.
16. Write and explain the strengths and applications of e- marketing.

SECTION – D

Answer the following question.

(1x10=10)

17. Dragon Paints is a multi- national corporation manufacturing paints for both interior and exterior walls. Materials are sourced worldwide and customers are across the globe. With its head office at Beijing, it has manufacturing facilities at five locations worldwide.
The Two decade old company has witnessed phenomenal growth in the last five years. With expanding markets, widening supplier base, Dragon Paints was moving to be the market leader.
Cheng, the strategic director of Dragon Paints was firm believer in the transformational role of information systems. Though the conservative mindset of employees at Dragon was an area of concern Cheng decided to go head with a company- wide ERP implementation.

Questions:

- a. Which are the key business processes at Dragon Paints that would be supported by the ERP system? Elaborate.
 - b. What are the challenges that Mr. Cheng would face during the implementation and how could he overcome them?
- Bring out the major benefits that Dragon Paints may gain by ERP system implementation.

(2016 Batch onwards)

Reg. No:

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St Aloysius College (Autonomous)
Mangaluru

B.Com. Semester VI – Degree Examination
April - 2019

STRATEGIC FINANCIAL MANAGEMENT

Max. Marks: 100

SECTION – A

Answer any **FIVE** questions carrying 2 marks each.

(5x2=10)

1. Define Capital Structure.
2. Explain the concept of Stock split
3. Give the meaning of Project appraisal.
4. Name any two limitation of PBP.
5. List out different forms of merger.
6. What is Stable Dividend Policy?
7. The initial outlay of the project is ₹ 50,000 and it generates each inflow of 30,000, 25,000 and 10,000 in three years. Calculate Profitability index assuming 11% rate of discount.

SECTION – B

Answer any **FOUR** questions carrying 12 marks each:

(4x12=48)

8. Briefly explain the role of Company Secretary in the preparation of project report.
9. Merger and Acquisitions have gained substantial importance and are extensively used for restructuring the business organizations. Comment with reference to benefits of merger and Acquisitions.
10. CCL Ltd is considering investing in mutually exclusive projects IPL or /IBL. The details in respect of these two are given as below.

(₹ in crores)	IPL (₹)	IBL (₹)
Initial Investment	50,000	10,000
Cash inflows : t = 1	5,000	5,000
t = 2	20,000	5,000
t = 3	25,000	3,000
t = 4	21,000	1,500
t = 5	15,000	1,000

a. Calculate NPV at 10% and

b. Internal Rate of return

Also suggest which project should be selected by the firm.

11. Ria Corporation needs ₹ 50,00,000 for the installation of new machinery. It is expected to yield annual EBIT of ₹ 10,00,000. In choosing a financial plan Ria corporation has an objective of maximizing EPS. It is considering the possibilities of issuing ordinary shares and raising debt of ₹ 5,00,000 or 20,00,000 or 30,00,000. The current market

Contd...2

(2016 Batch onwards)

Reg. No:

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St Aloysius College (Autonomous)
Mangaluru

B.Com. Semester VI – Degree Examination
April - 2019

STRATEGIC FINANCIAL MANAGEMENT

Max. Marks: 100

SECTION – A

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Contd...2

G 306.6

price per share is ₹ 300 and is expected to drop to ₹ 250, If the funds are borrowed in excess of ₹ 10,00,000. Funds can be raised at the following rates.

- Upto ₹ 5,00,000 at 10%
- Over ₹ 5,00,000 to 20,00,000 at 15%
- Over ₹ 20,00,000 at 20%

Assuming a tax rate of 50%, advice the company.

12. Padma Ltd expects a net operating income of ₹ 1,00,000. It has ₹ 5,00,000, 6% debentures. The overall capitalization rate is 10%. Calculate
- a. the value of the firm and equity Capitalization rate (cost of equity) according to Net operating Income Approach.
 - b. If the debentures is increased to ₹ 7,50,000, what will be the effect on the value of the firm and equity capitalization rate.

13. DLF Ltd Commenced its business with a paid up equity capital of ₹ 40,00,000. The other details are as under.

Earnings of the Company	₹ 4,00,000
Dividend paid	₹ 3,20,000
P/E rates	12.5
No of shares	40,000

You are required to find out whether the company's dividend pay out ratio is optimal using Walter's formula.

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. Explain various factors to be considered while appraising the project.
15. Enumerate causes for the failures of merger and Acquisitions. Also explain challenges for MAA in India.
16. A chemical company is considering investing in a project costing ₹ 5,00,000. The life of the project is 5 years & salvage value is ₹ 40,000. Tax rate is 55%. The company uses straight line depreciation. Determine (a) NPV (b) Profitability index (c) PBP (d) IRR

Year	Earning before depreciation and before Taxes (₹)
1	1,00,000
2	1,00,000
3	1,50,000
4	1,50,000
5	2,50,000

Contd...3

SECTION - D

Answer the following question.

(1x10=10)

17. Mahalakshmi Ltd has appointed you as its finance officer. The Company wants to implement a project for which ₹ 30lakh is required to be raised from the market as a means of financing the project.

The following financing plans and options are at hand:

Particulars	Plan A	Plan B	Plan C
		(No. in Lakhs)	
Equity shares	15	20	10
12% Preferences shares	Nil	10	10
10% Debentures	15	Nil	10

Assuming corporate tax to be 55% and the face value of are the shares and debentures to be ₹ 100 each, Calculate the indifference point for each of the financial plans. Which plan should be accepted by the Company?

(2016 Batch onwards)

Reg. No:

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St Aloysius College (Autonomous)
Mangaluru

B.Com. Semester VI – Degree Examination
April - 2019

SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT- II

Max. Marks: 100

SECTION – A

Answer any FIVE questions carrying 2 marks each. (5x2=10)

1. Distinguish between Lending and Borrowing portfolio.
2. State any two differences between CML and SML.
3. List any four objectives of Investment.
4. What is meant by 'Arbitrage Portfolio'?
5. The variance-covariance matrix for the equity shares of Telco and Melco Ltd. Is given below. Calculate the Portfolio risk.

		0.6	0.4
<u>Weights</u>	<u>Securities</u>	<u>Telco</u>	<u>Melco</u>
0.6	Telco	146	187
0.4	Melco	187	854

6. Amar is considering to invest in security A or B. Suggest him to choose using CAPM model if the following information is available:
Return on the market portfolio - 10% , risk free return -6%, Beta of stock A :0.85 and Stock B:1.20.
7. Mr. Z wanted to sell his shares at a market price of ₹ 60 per share. The exercise price of the call option is ₹ 58. 'X' paid a premium for these shares at the rate of 5 per share for a 6 months call option for ₹500 for 100 shares. What will be his gain or loss if stock price is ₹ 52 if option is exercised?

SECTION – B

Answer any FOUR questions carrying 12 marks each. (4x12=48)

8. What are options and futures? Explain their features.
9. Explain the portfolio Construction process
10. The market received rumors about Aravind Corporations tie up with the multinational company. This has induced the market price to move. If the rumor is false, the stock price will probably fall dramatically. To protect from this an investor has brought the call and put options:
 - a. Purchased one 3 month call with a striking price of ₹ 42 for ₹ 2 premium.
 - b. Paid L₹ 1 per share premium for a 3 month put with a striking price of ₹40.
 - i) Determine the investor's position if the tie up offer bids the price of Aravind's stock up to ₹ 43 in 3 months.
 - ii) Determine the investor's ending position if the tie up programme fails and the price of the stock falls to ₹ 36 in 3 months.

Contd...2

G 307.6

11. From the following data compute return and risk of the portfolio consisting of securities A-30%, B-30% and C- 40%, using Markowitz model.

Security	Return (%)	Standard deviation
A	20%	5%
B	5%	15%
C	35%	1%

Correlation matrix:

	A	B	C
A	1	0.01	-0.2
B	0.01	1	0.7
C	-0.2	0.7	1

12. The reaction coefficients for two stocks and the market price risk (λ) are given below:

Factor	λ	β_A	β_b
1	0.09	0.5	0.7
2	-0.03	0.4	0.8
3	0.04	1.2	0.2

Using APT model calculate expected return if two stocks are equally weighted assuming risk free rate 6%.

13. The following three portfolios provide the particulars:

Portfolio	Average Annual return	Standard Deviation	Correlation coefficient
A	18%	27%	0.8
B	14%	18%	0.6
C	15%	8%	0.9
Market	13%	12%	—

Risk free rate of interest is 9%

- Rank these portfolios using sharpe's and Treynor's methods.
- Compare both these indices.

SECTION - C

Answer any **TWO** of the following.

- What is Random walk theory? Explain the different forms of market efficiency. (2x16=32)
- Mr. David is constructing an optimum portfolio. The market return forecast says that it would be 13.5% for the next two years with the market variance of 10%.

Contd...3

G 307.6
The risk less rate of return is 5%. The following securities are under review.
Construct the optimum portfolio.

Company	α	β	σ_{ei}^2
P	3.72	0.99	9.35
Q	0.60	1.27	5.92
R	0.41	0.96	9.79
S	-0.22	1.21	5.39
T	0.45	0.75	4.52

16. Assume CAPM equilibrium model with unlimited borrowing and lending at the riskless rate of interest.

Complete the blanks in the following table:

Security	E (R)	σ	β	σ_i^2
A	0.15	_____	2.0	0.10
B	_____	0.25	0.75	0.04
C	0.09	_____	0.50	0.17

SECTION - D

Answer the following question.

(1x10=10)

17. Joy did an investment analysis for stock X. The results of the analysis are as follows. The market price risk (β) and sensitivities for stock are given below.

$R_f = 5\%$

Factor	β_i	λ
Interest Rate risk	0.9	0.9
Purchasing power risk	1.8	0.9
Management risk	1.6	1.3
Market risk	-1.75	0.8

The probability of getting return on X stock is given below:

Return:	15%	20%	10%	8%
Probability :	40%	30%	20%	10%

Can the investor purchase stock X ?

6306.6

(Regular & Repeaters)

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38

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St Aloysius College (Autonomous)
Mangaluru

B.Com. Semester VI – Degree Examination
April - 2019

BUSINESS TAXATION - II

Time: 3 hrs.

Max Marks: 100

SECTION - A
Answer any FIVE of the following.

(5x2=10)

1. Mention any four objectives of G.S.T.
2. Define Goods.
3. Who is a Casual Taxable Person?
4. What is a Bill of Supply?
5. What is meant by safeguard Duty and Anti Dumping Duty?
6. Mention the contents of Tax Invoice.
7. What is meant by apportionment of credit?

SECTION - B

Answer any FOUR of the following.

(4x12=48)

8. a) Explain the features of G.S.T. (8 Marks)
b) Briefly explain the basic scheme of G.S.T in India. (4 Marks)
9. Write a note on persons liable for registration as well as persons not liable for registration.
10. Explain the eligibility and condition for claiming Input Tax Credit.
11. M/s Madhav & Co., a registered dealer in Maharashtra furnishes the following information for the month of November 2018. Compute the turnover which is taxable under SGST/CGST and IGST. Also calculate Output Tax. Given amount is exclusive of tax.
 - a) Goods of ₹8,00,000 sold to a dealer at Patna. (12%).
 - b) Commodity worth ₹3,50,000 sold to an unregistered person of Assam. (18%).
 - c) Goods of ₹2,20,000 supplied within the state. (18%).
 - d) Product X supplied to a dealer at Pune for ₹5,45,000. (12%).
 - e) Product S worth ₹3,00,000 send to job worker at Mumbai. (28%).
 - f) Goods worth ₹5,00,000 supplied to a unit of export oriented unit at New Delhi. (18%).
 - g) Goods amounting to ₹3,00,000 supplied to Andaman. (12%).
 - h) Goods worth ₹3,75,000 received from an unregistered person at Nagpur. (18%).
 - i) Commodity Z supplied to a dealer at London ₹7,65,000. (12%).
 - j) Supplied goods of ₹85,000 to Jammu & Kashmir. (28%).
 - k) Goods worth ₹3,25,000 supplied to a dealer at Lakshadweep. (18%).
 - l) Goods worth ₹2,00,000 received from job worker. (12%).

Contd...2

G 308.6

12. Calculate GST payable of a dealer in Chennai from the following details.

- a) Supply to a local dealer in Salem, (Tamil Nadu) ₹5,60,000.
- b) Transfer to branch in Ananthpura, (Andhra Pradesh) ₹5,00,000.
- c) Supply made to a registered dealers in Hyderabad, (Andhra Pradesh) for ₹1,00,000.
- d) Supply made to a registered person in Bangalore, (Karnataka) ₹4,00,000.
- e) Export to Singapore worth ₹1,00,000.
- f) Supply made to an unit in Hassan, (Karnataka) Special Economic Zone ₹40,000.
- g) Supply made to a dealer in Pune, (Maharashtra) ₹3,00,000.

Following are the returns made within 6 months:

- i) Bangalore dealers returned goods worth ₹30,000 and Pune dealers returned goods worth ₹15,000.
- ii) Salem dealer returned goods worth ₹20,000.
- iii) Singapore importer has returned goods worth ₹50,000.

Assume GST rate @18%. Above figures are exclusive of GST. Input Tax Credit available CGST ₹30,000, SGST ₹25,000, IGST ₹32,000.

13. From the following particulars, compute the taxable value of supply of services by Krishna Hotel, Mysore. Also calculate GST payable @18%.

- a) Rent of a room to a guest for 8 days, @ ₹8,000 per day.
- b) Served alcoholic drinks for inmates of hotel @ ₹4,00,000.
- c) Served aerated drinks at hotel ₹50,000.
- d) Rented cars and amount received form the hotel guest ₹50,000.
- e) Amount collected regarding provision of food ₹80,000.
- f) Laundry services provided of ₹50,000.
- g) Beauty parlour service charge ₹7,500.
- h) Wi-fi charges collected from the guests ₹7,000.
- i) Club facilities availed by the guest ₹60,000.
- j) Amount collected from swimming wears ₹20,000.

Input Tax Credit available CGST ₹42,000, SGST ₹38,000, IGST ₹26,000.

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. Explain the place of supply of goods and place of supply of services under GST.

G 308.6

Page No.3

15. Ms. Suma, a dealer of Mangaluru, submits the following information in relation to manufacture and selling of a machine. Compute the net GST payable.

Particulars	Amount (₹)
• Import of raw materials (Excluding BCD @10% and IGST @5%)	1,40,000
• Raw materials purchased from Karwar (Including GST @28%)	5,12,000
• Import of technical know how from Japan (Excluding BCD @10% and IGST @ 18%)	2,40,000
• Raw materials purchased from Mumbai excluding GST @5%	40,000
• Subsidy received from an NGO which is directly related to the price of the machine	13,000
• Additional incentives paid to the employees of sales department	3,000
• Warranty charges	9,600
• Manufacturing expenses	3,800
• Services received from specialist from Pune which are exempted	30,000
• Purchased raw materials which are charged @zero rate	1,00,000

Along with machine she supplied 3 accessories worth ₹79,000 in total which are naturally bundled. GST rate of three accessories is 5%, 12% and 28% respectively.

Ms. Suma sold the machine to Ms. Srilatha a registered dealer in Hubli for ₹14,00,000 plus GST on such sale is 18%.

16. From the following particulars, compute Assessable value and customs Duty payable.

- Cost of machine imported \$40,000.
- Packing charges \$500.
- Commission paid to broker @5% on cost of machine.
- Design and development charges incurred outside India \$4,000.
- Technical fee paid \$5,000.
- Sea freight charges \$4,000.
- Insurance \$3,000.
- Materials supplied by the importer ₹1,50,000.
- Transportation charges and insurance premium from port in India to factory of importer ₹10,000.
- BCD @10%, IGST @12% and safeguard duty @10%, social welfare surcharge 10%.
- Compensation cess @25%.
- Exchange rate 1\$ = ₹65.

Contd...4

SECTION - D**(10)****Answer the following:**

17. Mr. Harish is a casual taxable dealer in Bengaluru and furnished the following information for the year 2017-18. State whether he is eligible for composition levy under the GST law and calculate the aggregate turnover for the purpose of registration under GST Act 2017.
- Supplied goods to unregistered person at Mangalore for ₹2,00,000.
 - Sold goods to Arun of Ujire ₹3,00,000.
 - Sale of goods to Arun @ Chamarajanagar ₹3,00,000.
 - Harish purchased goods for ₹8,00,000 and paid ₹96,000 as tax (GST).
 - Received goods from registered dealers for ₹1,00,000.
 - He rendered a software service to a company Mysore for ₹2,00,000.
 - Agricultural turnover ₹5,00,000.
 - Received rent ₹2,50,000.

(2016 Batch onwards)

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St Aloysius College (Autonomous)
Mangaluru

B.Com. Semester VI – Degree Examination
April - 2019

HUMAN RESOURCE MANAGEMENT - II

6309.6

Time: 3 Hours

Max. Marks: 100

SECTION – A

Answer any **FIVE** of the following.

(5x2=10)

1. What is Employee Retrenchment?
2. What is Social Security?
3. What is Promotion?
4. What is Absenteeism?
5. What do you mean by work force diversity?
6. What is employee Attrition?
7. What is career path?

SECTION – B

Answer any **FOUR** of the following.

(4x12=48)

8. What is Career planning? Explain the steps involved in effective career planning.
9. Explain the features of International Human Resource Management
10. How can quality in work life be, improved in an organization.
11. What are the main areas of Human Resource Audit?
12. What is Promotion? Explain the elements of a sound promotion policy.
13. Discuss the effects and measures to control Absenteeism.

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. Explain the concepts of multi- culturalism in an organization.
15. What is IHRM. Explain its nature and need for IHRM.
16. Define knowledge management. Explain the need for knowledge management in an organisation.

SECTION – D

Answer the following question.

(1x10=10)

17. Discuss the methods of reducing Labour turnover. Explain the causes of Labour turnover.

(2016 Batch onwards)

Reg. No:

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St Aloysius College (Autonomous)
Mangaluru
B.Com. Semester VI – Degree Examination
April - 2019

MARKETING MANAGEMENT - II

6-310.6

Time: 3 Hours

Max. Marks: 100

SECTION - A

Answer any **FIVE** of the following.

(5x2=10)

1. What is brand?
2. Write any two components of CRM?
3. Define service Marketing.
4. What is Sustainable marketing?
5. What are the kinds of Brand name?
6. What is premium price?
7. What is Retail Management?

SECTION - B

Answer any **FOUR** of the following.

(4x12=48)

8. Describe the principles of Sustainable Marketing.
9. Explain features and marketing implication of serving marketing.
10. Explain rural marketing environment.
11. What are the features of good brand?
12. Write a note on Brand Equity.
13. What are the pitfalls in implementing customer relationship management?

SECTION - C

Answer any **TWO** of the following.

(2x16=32)

14. What is meant by service? Explain marketing implication of services in finance and hospital.
15. Explain franchising as a business option?
16. Explain task involved in rural marketing?

SECTION - D

Answer the following question.

(1x10=10)

17. ICICI BANK began its CRM programme during 2001. It was initially taken up by the retail division of the ICICI group. The ideas was to be able to uses the customer databases, across retail products & improve service levels & cross sell ratios. A clear business strategy helped by the bank make the most if its customer relationship applications & today

“ ICICI frames its strategies from a customer perspective rather than the previously predominant single account perspective”.

The Programme has also made it “Possible to ensure that the right people get the customer issues immediately so that they can be resolved in a timely manner be they request or Complaints. This has cut down turnaround times & also brought about some process changes. For ICICI, building a relationship with the customer directly through new channels like the internet & through call centers was the challenge & it choose a CRM programme to meet this need.

Similarly, at HSBC training is ongoing & annual. There is regular classroom training that the bank conducts every year & there is an ongoing coaching of staff at the branch manager & team manager level. There is a daily huddle where customer information & sales records are shared across a team. Once a weak team leaders share the data between themselves there have been instances where the negative feedback from the customer has allowed the bank to change its product offerings:

All business try & facilitate better management interaction with customer. Whenever you go, if the person who is interacting with you- the sales rep, the support technician, the service technician – problem you are talking about, they will be able to tailor services better to serve you. That in itself enhances customer satisfaction. It will increase loyalty & as long as the effort you have put in is less than rewards that you get, it will be profitable as well.

Question for the above case.

1. Explain the concept of customer relation management based on above case.
2. Elaborate the features of CRM programmes at ICICI & HSBC.

(2016 Batch onwards)

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B.Com. Semester VI – Degree Examination
April -2019

TOURISM OPERATIONS & MANAGEMENT

6313.6
Time: 3 Hours

Max. Marks: 100

SECTION – A

Answer any **FIVE** questions carrying 2 marks each.

(5x2=10)

1. Define Tourism Marketing?
2. What is Travel Agency?
3. What is tourism marketing mix?
4. What is Tour Package?
5. What is Guiding & Escorting?
6. Expand IATA.
7. What is Eco-tourism?

SECTION – B

Answer any **FOUR** questions carrying 12 marks each.

(4x12=48)

8. Explain the various Features of Tourism Entrepreneurship.
9. Write a note on;
 - a. Private/Public partnership in the development of Tourism.
 - b. National Tourism Policy.
10. What is Package Tour? Explain the designing and developing process of package tours.
11. Explain the challenges of Human Resource Development in Tourism Industry.
12. Explain the concept of Market Segmentation in tourism.
13. Explain the Code of Conduct of Tourist Guides. What are the skills required for Tour Guides.

SECTION – C

Answer any **TWO** of the following.

(2x16=32)

14. Explain the concept, opportunities and challenges of cultural tourism, coastal tourism and rural tourism.
15. Explain issues and challenges of tourism in India.
16. Who is a tour operator? Explain the type of tour operators.

SECTION – D

Answer the following question.

(1x10=10)

17. Explain the steps and precautions involved in organisation of package tours.

(2016 Batch onwards)

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43

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B.Com. Semester VI – Degree Examination

April - 2019

LOGISTICS AND SUPPLY CHAIN MANAGEMENT

Time: 3 Hours

Max. Marks: 100

SECTION – A

Answer any **FIVE** questions carrying 2 marks each.

(5x2=10)

1. What is Supply Chain Management?
2. What do you mean by Global Logistics?
3. What is meant by Channel Relationship?
4. What is Competitive Advantage?
5. State any two Principles of Logistics costing.
6. What do you mean by “ Bull – whip” effect in supply Chain Management?
7. What is Electronic Data Interchange (EDI) in supply chain?

SECTION – B

Answer any **FOUR** questions carrying 12 marks each.

(4x12=48)

8. Describe the structure of Supply Chain Management.
9. “The mission of Logistic Management is to plan and coordinate all those activities necessary to achieve desired level of quality and service at lowest possible cost”. Explain.
10. Why Supply Chain relationship is important for the success of Supply Chain Management?
11. Explain the role of information technology in Supply Chain Management.
12. What are the factors influencing distribution network design? Explain
13. Briefly explain the evolution of Logistics and Supply Chain Management.

SECTION – C

Answer any **TWO** of the following.

(2x16=32)

14. a) Describe the importance of Logistics in a global economy.
b) What are the causes of the Bull – Whip effect in Supply Chain Management?
15. “A Position of consistent superiority over competitors in terms of customer preference may be achieved through logistics. Explain how a firm gain competitive advantage through logistics?”
16. Explain major Supply Chain drivers and channel agencies in Supply Chain Management.

SECTION – D

Answer the following question.

(1x10=10)

17. What are the issues and challenges in Global Supply Chain Management? Explain.

nature of purchase.

9. Distinguish between amalgamation in the nature of purchase and in the nature of merger as per AS- 14.

Contd...2

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10. The Balance Sheet of XY Ltd as on 31-03-2015 is as follows:

Liabilities	₹	Assets	₹
19,000 shares of ₹ 100 each	19,00,000	Land and buildings	1,00,000
Creditors	1,00,000	Machinery	2,60,000
Debentures	1,00,000	Furniture	20,000
		Stock	3,70,000
		Debtors	1,80,000
		Goodwill	2,00,000
		Profit and Loss A/c	9,70,000
	21,00,000		21,00,000

The company is reconstructed as follows:

- Shares of ₹ 100 are to be reduced to fully paid shares of ₹ 40 each.
- Issue of ₹ 1,000 new shares of ₹ 40 each fully paid to debenture holder, in full settlement.
- The amount available to be used to write off goodwill and the accumulated losses and the balance to write down the value of machinery.

Journalise above transactions and prepare the reconstructed Balance Sheet.

11. Following is the Balance Sheet of Good Year Co. Ltd as on 31-03-2015

Liabilities	₹	Assets	₹
20,000 shares of ₹ 10 each	2,00,000	Goodwill	30,000
Bank overdraft (unsecured)	1,100	building	25,000
Partly secured creditors	29,180	Machinery	37,400
Salary for 6 months	6,300	Stock	58,000
Taxes due to Government	800	Debtors	46,000
Trade creditors	97,600	Cash	500
		Profit and Loss A/c	1,38,080
	3,34,980		3,34,980

The company went into liquidation and the assets realized as follows:

Building which was used in the first instance to pay partly secured Creditors pro-rata ₹ 18,000.

Machinery ₹ 25,000.

Stock ₹ 31,000.

Debtors ₹ 43,500.

Expenses of liquidation amounted to ₹ 1,100.

The liquidator's remuneration was agreed at 3% on the amount realized (except cash) and 2% on the amount paid to unsecured creditors other than preferential.

Prepare liquidator's final statement of account.

12. H Ltd acquires $\frac{3}{4}$ of the share capital of S Ltd on 31-12-2015 when the Balance Sheets of the two companies are as under:

Liabilities	H. Ltd ₹	S Ltd ₹	Assets	H. Ltd ₹	S Ltd ₹
Shares of ₹ 10 each	20,000	10,000	Fixed assets	20,000	10,000
General reserve	5,000	3,000	Current assets	13,000	12,000
Profit and Loss A/c	3,000	2,000	Shares in S Ltd	10,000	---
10% Debentures	10,000	5,000			
Sundry creditors	5,000	2,000			
	43,000	22,000		43,000	22,000

Prepare the consolidated Balance Sheet as on 31-12-2015.

13. How the accountants are held socially responsible? Explain.

SECTION - C

Answer any TWO questions

(2x16=32)

14. The following are the Balance sheets of A Ltd and B Ltd as on 31-03-2015.

Liabilities	A. Ltd ₹	B Ltd ₹	Assets	A. Ltd ₹	B Ltd ₹
Shares of ₹ 10 each	3,00,000	1,50,000	Fixed assets	2,70,000	1,40,000
Reserve fund	60,000	40,000	Debtors	80,000	60,000
Creditors	60,000	40,000	Stock	50,000	30,000
Bills payable	5,000	10,000	Bills receivable	15,000	4,000
			Bank	10,000	6,000
	4,25,000	2,40,000		4,25,000	2,40,000

Both the companies decided to amalgamate and form C Ltd to take over the assets and liabilities of both the companies.

- a) C Ltd., issued 4 shares of ₹ 10 each at ₹ 12.50 per share, in exchange for 3 shares in A Ltd.

- b) The assets and liabilities of B Ltd are to be taken at book values subject to 5% provision on debtors and bills receivable and 10% depreciation on fixed assets.

Goodwill of B Ltd was valued at ₹ 27,200. The purchase consideration is settled in shares of ₹ 10 each at ₹ 12.50 per share.

Pass the journal entries in the books of A Ltd and B Ltd and prepare the Balance sheet of C Ltd assuming amalgamation in the nature of purchase.

Contd...4

15. The assets and liabilities position of Popular Co. Ltd as on 31-03-2015 was as follows:

Liabilities	₹	Assets	₹
Authorised capital: 80,000 equity shares of ₹ 10 each	8,00,000	Goodwill	20,000
		Land and building	1,60,000
2,000 9% preference shares of ₹ 100 each	2,00,000	Plant and machinery	1,20,000
<u>Issued and Paid up capital:</u> 40,000 equity shares of ₹ 10 each ₹ 7.50 paid up	3,00,000	Investments	24,000
		Stock	54,000
20,000 9% preference shares of ₹ 100 each	2,00,000	Debtors	1,18,000
Unsecured loans	80,000	Cash in hand	6,000
Trade creditors	48,000	Profit and Loss A/c	1,42,800
Bank overdraft	16,800		
	6,44,800		6,44,800

Note: a) Dividends on preference shares are in arrears for two years

b) No provision has been made for sales tax liability of ₹ 9,600 .

The following scheme was prepared and sanctioned by court.

- i) Uncalled capital is to be called up in full and equity shares are to be reduced to ₹ 5 per share.
- ii) Sales tax liability of ₹ 9,000 is to be paid immediately.
- iii) Land and building are to be shown in the Balance Sheet at market value of ₹ 2,20,000 and goodwill is to be written off.
- iv) Trade creditors forego 25% of their liability on the condition that 25% of the net liability is to be paid immediately and the balance is to be paid within one year.
- v) Investments are to be taken over by bank in full settlement of the overdraft balance.
- vi) Preference shareholders have agreed to give up their right for the two years dividend and accept twelve fully paid equity shares of ₹ 5 each for each fully paid preference shares.

Give journal entries and draw up reconstructed Balance Sheet.

16. The following are the Balance Sheets of X Ltd and its subsidiary Y Ltd as on 31-03-2015

Liabilities	X. Ltd ₹	Y Ltd ₹	Assets	X. Ltd ₹	Y Ltd ₹
Share capital:			Goodwill	60,000	20,000
Shares of 10 each	10,00,000	4,00,000	Machinery	7,00,000	2,70,000
General reserve	1,50,000	----	Stock	1,80,000	90,000
Profit and Loss A/c	1,42,000	60,000	Debtors	2,60,000	1,20,000
Creditors	1,20,000	80,000	Cash at bank	40,000	25,000
Bills Payable	20,000	---	Investments (24,000 shares of Y Ltd at cost)	1,92,000	----
			Bills receivable	---	15,000
	14,32,000	5,40,000		14,32,000	5,40,000

Prepare a consolidated Balance Sheet after taking the following information into consideration:

- X Ltd acquired the shares in Y Ltd on 1st October 2014. Profit and Loss accounts in the books of Y Ltd. showed a debit balance of ₹ 20,000 on 1st April 2014.
- The bills payable in X Ltd represented bills issued in favour of Y Ltd which company got bills of ₹ 5,000 discounted.
- Included in the stock of Y Ltd are goods of the value of ₹ 20,000 which were supplied by X Ltd at cost plus 25%.

SECTION - D

Answer the following

(1×10=10)

17. Discuss different methods of ascertaining purchase consideration for an amalgamation scheme.

G 302.6 (R)

(2010 Batch onwards)

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St Aloysius College (Autonomous)
Mangaluru
B.Com Semester VI - Degree Examination
April 2019
FOREIGN EXCHANGE MANAGEMENT

Time: 3 Hours

Max. Marks: 100

SECTION - A

Answer any **FIVE** questions:

(5x2=10)

1. What is foreign Exchange Market?
2. Name the participants in Foreign Exchange Market.
3. What is Loro Account?
4. What is Foreign Exchange Rate?
5. Give the meaning of arbitrage operations.
6. What is cross rate?
7. What do you mean by authorized dealers?

SECTION - B

Answer any **FOUR** questions:

(4x12=48)

8. Explain the merits and demerits of flexible exchange rates.
9. Examine the causes of fluctuations in exchange rates.
10. Examine the different types of NRI Accounts. What are the facilities availed in it?
11. Explain the concept of inter-bank deals in Foreign Exchange Market.
12. Describe the role of RBI in Foreign Exchange Market.
13. What do you mean by Forward Contract? Explain the steps in booking a forward contract.

SECTION - C

Answer any **TWO** questions:

(2x16=32)

14. Explain the Purchasing Power Parity Theory of Exchange Rate Determination. What are its limitations?
15. Describe the organization structure and functions of Foreign Exchange Department of a Bank.
16. Explain the various provisions made under FEMA.

SECTION - D

Answer the following question:

(1x10=10)

17. On 15th September bank received a mail transfer from its Newyork correspondent for USD 5,000 payable to the customer. Bank's account with the correspondent bank has been credited with the amount of mail transfer in reimbursement.

Assuming US Dollars / Rupee are quoted in the local interbank market as under:

Spot USD 1 - 63.2500/2700

October - 2200/2300

Calculate the exchange rate and the Rupee amount payable to the customer bearing in mind that

- i. Bank require an exchange margin of 0.080% to be loaded in the rate and
- ii. Rupee equivalent should be nearest to the whole Rupee.

(2010 batch onwards)

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G 303.6 (R)

**St Aloysius College (Autonomous)
Mangaluru**

B.Com. Semester VI – Degree Examination

April - 2019

INVESTMENT MANAGEMENT

Time: 3 hrs.

Max Marks: 100

SECTION – A

Answer any FIVE questions of the following: (5x2=10)

1. Define Investment Banking.
2. State any two functions of Unit Trust of India.
3. List any four objectives of LIC?
4. Define Merchant Banking.
5. Give the meaning of Venture Capital.
6. What is Leveraged Lease?
7. State any four features of investment in real estate.

SECTION – B

Answer any FOUR questions of the following: (4x12=48)

8. Differentiate between Investment Banks and Commercial Banks.
9. Explain the operational practices and pattern of investment by Life Insurance Corporation of India.
10. Describe the role of Merchant Bankers.
11. What do you mean by Lease Financing? Explain the advantages and disadvantages of Lease Financing.
12. Explain the determinants of value in Real Estate Investments. Briefly explain the approaches of estimating market value of Real Estate.
13. What is Depository System? What are the functions of Stock Holding Corporation of India?

SECTION – C

Answer any TWO questions of the following: (2x16=32)

14. Explain the features and functions of Investment Banking.
15. Describe the policies of government regarding merchant banking business and SEBI regulations governing Merchant Banking.
16. Explain the functions of Central Depository Services Ltd. (CDSL).

SECTION – D

Answer the following: (Compulsory) (10)

17. Malnad Drugs Ltd., is contemplating the acquisition of a machine for ₹2,40,000. The machine would have an expected life of 8 years. The acquisition can be financed either with an 8 years term loan at 10% interest, repayable in equal installments of ₹45,020 per year or by an 8 years leasing calling for annual payments of ₹45,020 per year. In both cases, payments are due at the end of each year. Assuming straight-line depreciation and no salvage value, which of the financing alternative should the firm choose? (Assume a 50% tax rate)

(2010 batch onwards)

G 304.6 (R)

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St Aloysius College (Autonomous)

Mangaluru

B.Com. Semester VI – Degree Examination

April - 2019

CORPORATE LAW

Max Marks: 100

Time: 3 hrs.

SECTION – A

Answer any FIVE questions of the following:

(5x2=10)

1. State the significance of incorporation of a company.
2. What do you mean by licensed companies?
3. What is Articles of Association?
4. What is ultra-vires borrowings?
5. Define a company secretary.
6. What do you mean by a) fixed charge b) floating charge
7. What is minutes of meeting?

SECTION – B

Answer any FOUR questions of the following:

(4x12=48)

8. What is Memorandum of Association? Distinguish between Memorandum of Association and Articles of Association.
9. Define a member. Who can be a member of a company?
10. What do you mean by 'Doctrine of Indoor Management'? Narrate the exceptions to this doctrine.
11. State the provisions of the companies Act relating to transfer and transmission of shares.
12. Define a company secretary. Explain the qualifications of a company secretary.
13. What are the requisites of a valid meeting?

SECTION – C

Answer any TWO questions of the following:

(2x16=32)

14. Explain the provisions of Companies Act regarding appointment and removal of company directors.
15. State the rights and liabilities of members of a company.
16. What is corporate veil? When can it be lifted?

SECTION – D

Answer the following:

(10)

17. A husband and wife, who were the only two members of a private limited company, were shot dead by dacoits.
a) Does the company also die with them?
b) Support your answer with the relevant features of a company.

St Aloysius College (Autonomous)
Mangaluru
B.Com Semester VI - Degree Examination
April-2019

Reg. No:

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COMPUTERIZED ACCOUNTING- II

Time: 3 Hours

Max. Marks: 100

SECTION - A

Answer any **FIVE** questions:

1. What is Internet? Explain. (5x2=10)
2. What is Digital Signature certification?
3. What are the different phases of Simon's Model?
4. Explain any two needs of MIS.
5. List the different payment systems?
6. What are the advantages of decision table?
7. Differentiate Information System and Information Technology.

SECTION - B

Answer any **FOUR** questions:

8. Briefly explain the characteristics and functions of MIS. (4x12=48)
9. What are the pitfalls of MIS? Explain.
10. What are the different emerging technologies of IT? Explain.
11. Explain the flow chart for the decision table with an example.
12. Explain computer Aided Audit Technologies detail.
13. What is EDI? Explain EDI in detail.

SECTION - C

Answer any **TWO** questions:

14. Explain the different MIS systems. (2x16=32)
15. What is decision table? What are the steps involved in the preparation of decision table? Explain.
16. What are the features of GAP? Explain the operations of GAP.

SECTION - D

Answer the following question:

17. What are the different levels of management organizational structure? (1x10=10)

(2010 batch onwards)

G 306.6 (R)

Reg. No.

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St Aloysius College (Autonomous)

Mangaluru

B.Com. Semester VI – Degree Examination

April - 2019

STRATEGIC FINANCIAL MANAGEMENT

Time: 3 hrs.

Max Marks: 100

SECTION – A

Answer any FIVE questions of the following:

(5x2=10)

1. What is an optimal capital structure?
2. Give the meaning of financial appraisal of a project.
3. What is meant by Scrip Dividend?
4. What is Corporate Governance?
5. State the meaning of 'Arbitrage Process'.
6. Compute the Payback period from the following:

	Machine Q	Machine R
Original Investment	₹3,00,000	₹4,00,000
Annual cash in flow after tax	₹30,000	₹50,000

7. Calculate the price of the share using Gordon approach method if dividend payout ratio is 10%, rate of return expected is 11%, internal rate of return 12% and EPS is ₹15.

SECTION – B

Answer any FOUR questions of the following:

(4x12=48)

8. Explain the factors to be considered while appraising the project.
9. Write a note on SEBI guidelines relating to Corporate Governance.
10. What is Capital Budgeting? Explain the importance of capital budgeting.
11. The earnings per share of a company are ₹8 and the rate of capitalization applicable is 10%.

The company has before it an option of adopting – i) 50% and ii) 100% dividend payout ratio.

Compute the market price of the company's quoted share as per Walter's model if it can earn a return of – i) 15% and ii) 10% on its retained earnings.

12. Ethan Limited presents the following details from which you are required to compute Operating leverage, Financial leverage and Combined leverage.

G 306.6 (R)

Financial details:	
Equity shares of ₹10 each	₹5,00,000
15% debentures of ₹100 each	₹10,00,000
Operational details:	
Sale price per unit	₹15
Variable cost per unit	₹8
Fixed cost	₹2,00,000
Tax rate	30%

Assume the output to be 1 lakh units. What will be the leverages if the output goes upto 2 lakh units?

13. Companies Dayle and Prajwal are identical in all respects including risk factors except for debt/equity, company Dayle having issued 10% debentures of ₹18,00,000 while company Prajwal has issued only equity. Both the companies earn 20% before interest and taxes on their total assets of ₹30,00,000. Assuming a tax rate of 50% and capitalization rate of 15% for an all equity company, compute the value of companies Dayle & Prajwal using Net Income Approach.

SECTION - C

Answer any **TWO** questions of the following:

(2x16=32)

14. Explain the factors which influence the dividend policy of a firm.
15. Pavan Limited is considering an investment proposal to install new machine at a cost of ₹5,00,000. The facility has a life expectancy of 5 years and no salvage value. The tax rate is 35%. Assume the firm uses straight line depreciation and the same is allowed for tax purposes. The estimated cash flows before depreciation and tax (CFBT) from the investment proposal are as follows:

Year :	1	2	3	4	5
CFBT(₹) :	1,00,000	1,06,920	1,27,690	1,34,620	2,03,850

Compute the following:

- Payback period
- Average rate of return
- Net Present Value at 12% discount rate
- Profitability index at 12% discount rate

G 306.6 (2)

16. A company needs ₹5,00,00,000 for construction of a new plant.

The following three financial plans are feasible:

- a) A company may issue 50,00,000 ordinary shares at ₹10 per share.
- b) Company may issue 25,00,000 ordinary shares at ₹10 per share and 2,50,000 debentures of ₹100 bearing 8% rate of interest.
- c) Company may issue 25,00,000 ordinary shares at ₹10 per share and 2,50,000 preference shares at ₹100 per share bearing 8% rate of dividend.

If the company's earnings before interest and taxes are ₹20,00,000, ₹40,00,000 & ₹60,00,000, what are the EPS under each of the three financial plans?

Determine the indifference points between-

- Financial plans (a) and (b); and
- Financial plans (a) and (c)

Assume a corporate tax rate of 35%.

SECTION - D

Answer the following: (Compulsory)

(10)

17. A Limited has a share capital of ₹1,00,00,000 divided into share of ₹10 each. It has a major expansion programme requiring an investment of another ₹50,00,000. The management is considering the following alternatives for raising this amount.

- i) Issue of 5000 equity shares of ₹10 each.
- ii) Issue of 5000, 12% preference shares of ₹10 each.
- iii) Issue of 10% debentures of ₹50,000.

The company's present earnings before interest and tax (EBIT) are ₹40,00,000 per annum subject to tax @50%. You are required to calculate the effect of each of the above financial plan on the earnings per share presuming EBIT continues to be the same even after expansion.

G 307.6 (R)

Reg. No:

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St Aloysius College (Autonomous)

Mangaluru

B.Com. Semester VI – Degree Examination

April - 2019

SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT - II

Time: 3 Hours

Max. Marks: 100

SECTION - A

Answer any FIVE questions

(5x2=10)

1. What is a portfolio?
2. What is meant by efficient frontier?
3. What is a capital market line?
4. Give the meaning of Fama's measure of portfolio performance evaluation.
5. What are forward contracts?
6. State the meaning of mutual funds.
7. What is a put option?

SECTION - B

Answer any FOUR questions

(4x12=48)

8. Write a note on the formulation of portfolio strategy.
9. What are the merits and demerits of investing in a mutual fund?
10. Distinguish between futures and forwards.
11. Write a note on one-factor and multi-factor arbitrage pricing.
12. The following assets are assumed to be correctly priced on the security market line, what is the return of the market portfolio? What is the risk free rate of return?

$$R_1 = 9.40\%$$

$$\beta_1 = 0.80$$

$$R_2 = 13.40\%$$

$$\beta_2 = 1.30$$

13. Mr Karthik is bearish on the stock of V Corporation. Therefore, he purchases ₹ 5 put option contracts on V corporation's shares for a premium of ₹ 3. The exercise price is ₹ 41 and it has a maturity period of 3 months. The current market price of stock is ₹ 40. If Mr Karthik is correct and the price fall to ₹ 30, how much profit will he earn over 3 months period. What will happen if security price goes up to ₹ 50?

SECTION - C

Answer any TWO questions

(2x16=32)

14. Explain the Markowitz model with the help of an example and bring out the limitations of the model.

Contd...2

15. Vinod received ₹ 10,00,000 from his pension fund, He wants to invest in the stock market. The treasury bill rate is 5% and the market variance is 10. The following table gives the details regarding the expected return, beta and residual variance of the individual security. What is the optimum portfolio assuming no short sales?

Security	Expected return	Beta	σ_{ei}^2
A	15	1.0	30
B	12	1.5	20
C	11	2.0	40
D	8	0.8	10
E	9	1.0	20
F	14	1.5	10

16. Rank the three funds given below with the help of Treynor and Sharpe index:

Growth fund	Return	Beta	σ
X	15	1.5	12
Y	17	1.6	14
Z	13	0.75	11
R_f	9%	--	--

Is there a difference in the ranking according to these measures? If so, why?

SECTION - D

Answer the following

(1x10=10)

17. Assume yourself as a portfolio manager and with the help of the following details find out the securities that are overpriced and under priced in terms of the security market line.

Security	Expected return	β	σ
A	0.33	1.7	0.50
B	0.13	1.4	0.35
C	0.26	1.1	0.40
D	0.12	0.95	0.24
E	0.21	1.05	0.28
F	0.14	0.70	0.18
Nifty Index	0.13	1.00	0.20
T-Bills	0.09	0	0

(2010 Batch onwards)

Reg. No.

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G 309.6 (R)

St Aloysius College (Autonomous)
Mangaluru
B.Com. Semester VI – Degree Examination
April · 2019
HUMAN RESOURCE MANAGEMENT - II

Max Marks: 100

Time: 3 hrs.

SECTION – A

(5x2=10)

Answer any **FIVE** of the following.

1. Define attrition.
2. State any two objectives of employee benefits.
3. What is career counseling?
4. What is the basis of promotion?
5. What is meant by Industrial Dispute?
6. Define Human Resource Accounting.
7. What are social security measures?

SECTION - B

(4x12=48)

Answer any **FOUR** of the following.

8. What are the causes for Employee Attrition? Explain the measures to overcome Employee Attrition.
9. What are the components of compensation? Describe the principles governing compensation administration.
10. What are the elements of career planning? Explain the benefits of career planning to individuals and organization.
11. What are the causes for industrial disputes? Explain the procedure involved in the settlement of industrial disputes.
12. What are the benefits of Outsourcing? Explain the recent developments in the Human Resource field.
13. What are the objectives of social security measures? Explain the provisions of Employee State Insurance Act.

SECTION – C

(2x16=32)

Answer any **TWO** of the following.

14. Explain the concepts of Monetary and Non monetary benefits. What are the guidelines for effective incentive plans?
15. Explain the career development cycle. Distinguish between Promotion and Transfer.
16. Explain the provisions of Employee Provident Fund Act and Maternity Benefit Act.

Contd...2

SECTION - D

Answer the following:

(10)

17. **Case Study:**

Malik Machines Ltd., an engineering company located in Ahmedabad was established fifteen years ago. Mr. Vishal has become a senior mechanic and is the highest paid unionized employee. His next promotion would place him in the supervisor category.

About five years ago employee union came into existence. Mr. Vishal did not actively participate in the organizing or working of the union. Around the same time, Mr. Vishal developed an illness and started losing strength and energy but was still able to work. Because of his good record and attitude the company decided to accommodate. He was given light work, his position and wages were protected. Recently, an unauthorized strike was called by the union in the machine shop where Mr. Vishal worked.

The workmen in the machine shop claimed that their earnings has fallen in comparison to workers in other departments due to their inability to get any overtime.

Much to the surprise and disappointment of the machine shop supervisors and management, Mr. Vishal not only participated but was found to be instrumental in organizing the strike.

Questions:

1. Does Mr. Vishal's action seem reasonable in the light of the consideration extended to him by the management during his illness? What should the supervisor now do with Vishal?
2. How often do you think this happens in Indian Industry? What is your reaction to the complaint of the workmen in the machine shop?
