

K19P 0315

Reg. No. : .....

Name : .....

**II Semester M.Com. Degree (Reg./Suppl./Imp.) Examination, April 2019**  
**(2014 Admission Onwards)**  
**COM2C06 : STRATEGIC MANAGEMENT**

Time : 3 Hours

Max. Marks : 60

**SECTION – A**

Answer **any four** questions in this Section. **Each** question carries **1** mark for Part (a), **3** marks for Part (b) and **5** marks for Part (c).

1. a) What do you mean by merger ? 1  
b) Discuss the strategic implications of social and ethical issues. 3  
c) Explain Micheal Porter's competitive strategy. 5
2. a) What is resource audit ? 1  
b) Explain the features of environment scanning. 3  
c) Briefly explain the barriers in effective evaluation. 5
3. a) What is mission statement ? 1  
b) Distinguish strategy and tactics. 3  
c) Explain in detail the process of internal analysis. 5
4. a) What is Balanced Score Card ? 1  
b) Differentiate goals and objectives. 3  
c) Explain the approaches to resource allocation. 5
5. a) What is corporate governance ? 1  
b) Why strategy evaluation/ review is needed ? 3  
c) What are the approaches to strategy implementation ? 5

P.T.O.



- 6. a) What is ETOP ? 1
- b) What is Value Chain Analysis ? What are its implications ? 3
- c) Explain Marketing strategies and policies in brief. 5

(4×9=36)

SECTION – B

Answer the **two** questions in this Section. **Each** question carries **12** marks.

- 7. a) What is corporate restructuring ? Why is it required ? What are the steps in this regard ? 12

OR

- b) What is benchmarking ? What is its significance ? What are the steps involved in it ? 12

- 8. a) Define Strategic Management. Explain in detail the tools and techniques of Strategic Management. 12

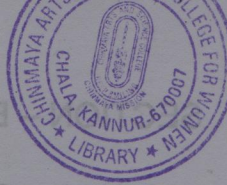
OR

- b) What is corporate strategy ? List out the Corporate level strategies. 12

(2×12=24)

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**II Semester M.Com. Degree (Reg./Suppl./Imp.) Examination, April 2019  
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**COM2C07 : RESEARCH METHODOLOGY AND COMPUTER APPLICATION**

Time : 3 Hours

Max. Marks : 60

**SECTION – A**

Answer **any four** question in this Section. **Each** question carries **1** mark for Part (a), **3** marks for Part (b) and **5** marks for Part (c).

1. a) What is Depth Interview ?  
b) List out the various advantages of case study method.  
c) Explain the any three formal experimental design.
2. a) What is range ?  
b) What are the features of a good research design ?  
c) Distinguish between Surveys and Experiments.
3. a) Define sampling.  
b) Distinguish between systematic and stratified sampling.  
c) Explain the various steps in writing report.
4. a) What is point estimation ?  
b) Discuss the four types of measurement scales.  
c) What are the points to be taken care off by the researcher with regards to sampling design ?
5. a) What is data cleaning ?  
b) Explain the characteristics of hypothesis.  
c) Clearly explain difference between collection of data through questionnaires and schedule.
6. a) What is probability sample ?  
b) What is chi-square test ? Explain its significance in strategical analysis.  
c) What are the guiding consideration in the construction of questionnaire ? Explain.

P.T.O.

SECTION – B

Answer either a or b from each of the following. Each question carries 12 marks.

7. a) Memory capacity of 9 students was tested before and after training. State at 5 percent level of significance whether the training was effective from the following scores :

Student	1	2	3	4	5	6	7	8	9
Before	10	15	9	3	7	12	16	17	4
After	12	17	8	5	6	11	18	20	3

Use paired t-test.

- b) Two research workers classified some people in income groups on the basis of sampling studies. Their results are as follows :

Investigators	Income Groups			Total
	Poor	Middle	Rich	
A	160	30	10	200
B	140	120	40	300
<b>Total</b>	<b>300</b>	<b>150</b>	<b>50</b>	<b>500</b>

Show that the sampling technique of at least one research worker is defective.

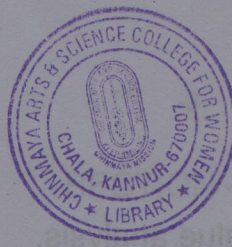
8. a) A simple random sampling survey in respect of monthly earnings of semi-skilled workers in two cities gives the following statistical information :

City	Mean monthly earnings	Standard deviation of sample data of monthly earnings	Size of sample
A	695	40	200
B	710	60	175

Test the hypothesis at 5 percent level that there is no difference between monthly earnings of workers in the two cities.

- b) "Report writing is more an art that hinges upon practice and experience". Discuss.

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**II Semester M.Com. Degree (Reg./Suppl./Imp.) Examination, April 2019  
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**COM2C 08 : COSTING FOR MANAGEMENT DECISIONS**

Time : 3 Hours

Max. Marks : 60

**SECTION – A**

Answer **any four** questions. Each question carries **1** mark for part (a), **3** marks for Part (b) and **5** marks for part (c).

1. a) Define cost accounting.  
b) What are the objectives of cost accounting ?  
c) Distinguish between differential cost analysis and marginal costing.
2. a) What is material cost variance ?  
b) Explain variance analysis. What is the importance of variance analysis in cost control ?  
c) Explain the different kinds of variances and their uses.
3. a) What is break-even point ?  
b) Explain the types of break-even charts used for break-even analysis.  
c) From the following information, calculate the break-even point in units and in sales value :

Output = 3000 units

Selling price per unit = Rs. 30

Variable cost per unit = Rs. 20

Total fixed cost = Rs. 20,000.

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4. a) What is value analysis?

b) Explain the basic steps in value analysis.

c) Calculate labour cost variance from the information :

Standard production : 100 units

Standard Hours : 500 hours

Wage rate per hour : Rs. 2

Actual production : 85 units

Actual time taken : 450 hours

Actual wage rate paid : Rs. 2.10 per hour

5. a) Define marginal costing.

b) Discuss the use of CVP analysis and its significance of management.

c) "Product design provides the grates scope for cost reduction" Discuss.

6. a) Define decision making.

b) Explain the phases included in managerial decision making process.

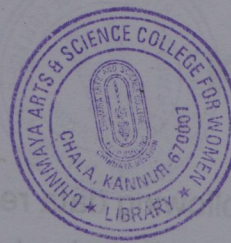
c) A manufacturing company finds that while the cost of making a component No. 321 in its workshop is Rs. 8 each, the same is available in the market at Rs. 6.50 with an assurance of continuous supply. Give your suggestion whether to make or buy this component. Give also your views in case the supplier reduces the price from Rs. 6.50 to Rs. 5.50 the cost data is as follows :

Materials = Rs. 3

Direct Labour = Rs. 2

Other Variable Expenses = Rs. 1

Depreciation and other fixed expenses = Rs. 2



SECTION – B

Answer any two questions, each carries 12 marks.

7. a) Company A and company B both under the same management make and sell same type of product. Their budgeted profit and loss accounts for the year ending 2017 are as follows :

	Company A		Company B	
	Rs.	Rs.	Rs.	Rs.
Sales		3,00,000		3,00,000
Less, Variable cost	2,40,000		2,00,000	
Fixed Cost	30,000	2,70,000	70,000	2,70,000
		30,000		30,000

You are required to :

- Calculate the break even points for each company.
- Calculate the sales value at which each of the two companies will make a profit of Rs. 10,000.
- State which company is likely to earn greater profits in conditions of :
  - i) Heavy demand for the product
  - ii) Low demand for the product

Give your reason.

OR



- b) From the following data relates to one year's working at 100% capacity level in a manufacturing business.

Sales = Rs. 10,00,000

Fixed cost = Rs. 1,20,000

Variable cost = Rs. 2,00,000

Direct wages = Rs. 1,50,000

Direct Materials = Rs. 4,10,000

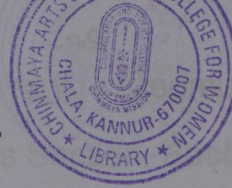
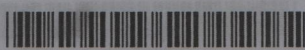
Construct a break even chart and explain the terms margin of safety and angle of incidence. Verify your result by calculations.

8. a) What is cost reduction ? Explain the merits of cost reduction. What are the techniques of cost reduction ?

OR

- b) Define standard costing and explain its objectives. "Standard costing is used as a cost control technique". Explain.





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**II Semester M.Com. Degree (Reg./Suppl./Imp.) Examination, April 2019  
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**COM2C09 : ADVANCED BUSINESS ACCOUNTING**

Time : 3 Hours

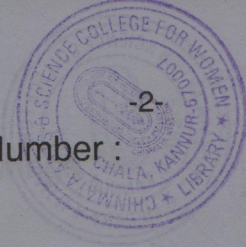
Max. Marks : 60

**SECTION – A**

Answer **any four** questions in this Section. **Each** question carries **1** mark for part (a), **3** marks for part (b) and **5** for part (c).

1. a) What are the methods of valuation of shares ? **1**  
b) Explain the need for valuation of shares. **3**  
c) The following particulars relate to a company :  
Total assets 18,50,000  
External liabilities 2,50,000  
Share capital :  
14% preference share of Rs. 10 each fully paid 5,00,000  
40000 equity shares of Rs. 10 each fully paid 4,00,000  
60000 equity shares of Rs. 7.50 paid 4,50,000  
Calculate the value of each category of equity shares of the company based on a deemed liquidation. **5**
2. a) What is a Govt. company ? **1**  
b) Discuss the role of Comptroller and Auditor General of India. **3**  
c) Explain the provisions regarding the maintenance of books of accounts, presentation of annual accounts and audit of Government companies. **5**
3. a) What do you mean by accounting for price level changes ? **1**  
b) Define 'backlog depreciation' in the context of inflation accounting. **3**  
c) Ascertain net monetary result as at 31<sup>st</sup> March 2018 from the date given below.
- |                     | <b>1-4-2017</b> | <b>31-3-2018</b> |
|---------------------|-----------------|------------------|
| Cash at bank        | 15,000          | 21,000           |
| Accounts receivable | 45,000          | 54,000           |
| Accounts payable    | 75,000          | 50,000           |

P.T.O.



General Price Index Number :

1 <sup>st</sup> April 2017	100
31 <sup>st</sup> March 2018	125
2017-18 average	120

4. a) What do you mean by Human Resource Accounting ? 1
- b) What are the objective of Human Resource Accounting ? 3
- c) Discuss briefly the important approaches to the valuation of Human Resource. 5
5. a) What is voyage account ? 1
- b) Write briefly item of income and expenditure peculiar to voyage accounts. 3
- c) A ship commenced its journey from Mumbai to Kolkata on 31<sup>st</sup> March on which date the accounts are closed. Ship was on her half way back to Mumbai from Kolkata.

The details for the entire voyage to Kolkata and back were :

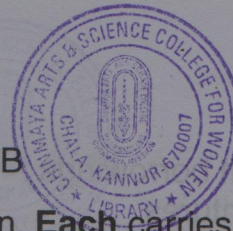
	Rs.
Freight	80,000
Coal consumed	14,000
Stores consumed	6,000
Port charge	3,000
Salaries of crew	8,000
Depreciation	8,000
Insurance of ship	10,000
Insurance of freight	4,000
Address commission	5%
Income from freight on return	30,000
Primage	10%

- Prepare voyage account as on 31<sup>st</sup> March 2018. 5
6. a) What are accounting standard ? 1
- b) Discuss the main objectives of accounting standards. 3
- c) Explain the procedure for issuing an accounting standard. 5

(4×9=36)



SECTION – B



Answer the **two** questions in this Section. **Each carries 12 marks.**

7. a) From the following particulars, calculate the fair value of an equity share assuming that out of the total assets, those amounting to Rs. 41,00,000 are fictitious.
- i) Share capital : 5,50,000, 10% preference shares of Rs. 100 each, fully paid. 55,00,000 equity shares of Rs. 10 each, fully paid.
  - ii) Liability to outsiders Rs. 75,00,000
  - iii) Reserves and surplus Rs. 45,00,000
  - iv) The average normal profit after taxation earned every year by the company during the last five years Rs. 85,05,000
  - v) The normal profit earned on the market value of fully paid equity shares of similar companies is 12%.

OR

- b) MN Ltd bought and sold 6% stock as follows, interest being payable on March 31 and September 30 each year.

2017 March 1 bought Rs. 24,000 @ Rs.  $90\frac{7}{8}\%$

2017 June 15 sold Rs. 10,000 @  $92\frac{5}{8}\%$  cum interest

2017 August 1 bought Rs. 6,000 @ Rs.  $91\frac{3}{8}\%$

2017 September 1 sold Rs. 4,000 @ Rs.  $93\frac{1}{8}\%$

2017 December 1 bought Rs. 12,000 @ Rs.  $94\frac{1}{8}\%$  cum interest

Prepare Investment a/c for the year ended 31-12-2017 assuming brokerage at  $\frac{1}{8}\%$  in each case.

8. a) On December 31, 2017 the Balance Sheet of A Ltd. disclosed the following position :

<b>Equity and Liabilities</b>	<b>Rs.</b>
Shareholder's Fund :	
Share capital	4,00,000
(Issued capital in Rs. 10 shares)	
Reserves and surplus	1,10,000

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Long-term borrowings :	
5% debentures	1,00,000
Current liabilities	1,30,000
	<b>7,40,000</b>

**Assets**

Non-current assets :	
Tangible assets	
Fixed asset	5,00,000
Intangible asset :	
Goodwill	40,000
Current assets	2,00,000
	<b>7,40,000</b>

The Net profit for the years were 2015 Rs. 51,600, 2016 Rs. 52,000, 2017 Rs. 51,650 of which 20% was placed to reserve, this proportion being considered reasonable in the industry in which the company is engaged and where a fair investment return may be taken at 10%. Compute the value of the company's share under yield-basis method.

OR

- b) Zero Limited commenced its business on 1<sup>st</sup> April 2016, 200000 equity shares of Rs. 10 each at par and 12.5% debentures of the aggregate value of Rs. 2,00,000 were issued and fully taken up. The proceeds utilised as under :

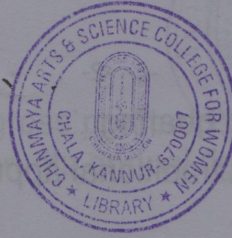
Fixtures and equipments	16,00,000
(estimated life 10 years, no scrap value)	
Goods purchased for resale at Rs. 200 per unit	6,00,000

The goods were entirely sold by 31<sup>st</sup> January 2017 at a profit of 40% on selling price collection from debtors outstanding on 31<sup>st</sup> March amounted to Rs. 60,000 goods sold were replaced at a cost of Rs. 7,20,000, the number of units purchased being the same as before. A payment of Rs. 40,000 to a supplier was outstanding as on 31<sup>st</sup> March 2017.

The replaced goods remained entirely in stock on 31<sup>st</sup> March 2017.

Replacement cost of fixtures and equipments (depreciations on straight line basis) was Rs. 20,00,000 as on 31<sup>st</sup> March 2017.

Draft the Profit and Loss Account and Balance Sheet on replacement cost (entry value) basis and on historical cost basis. **(2×12=24)**



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**II Semester M.Com. Degree (Reg./Suppl./Imp.) Examination, April 2019  
(2014 Admission Onwards)  
COM2C10 : FINANCIAL MANAGEMENT**

Time : 3 Hours

Max. Marks : 60

**SECTION – A**

Answer **any four** questions in this Section. **Each** question carries **1** mark for Part (a). **3** marks for Part (b) and **5** marks for Part (c).

1. a) What are the objectives of finance function ?  
b) Write a note on profit maximization Vs wealth maximization.  
c) Critically analyse the functioning of financial manager in a large scale industrial establishment.
2. a) Define capital budgeting.  
b) Briefly explain the principles of capital budgeting.  
c) Company X is forced to choose between two machines A and B. The two machines are designed differently, but identical capacity and do exactly the same job. Machine A costs Rs. 3,00,000 and will last for 3 years. It cost Rs. 80,000 per year to run. Machine B is an economy model costing only Rs. 2,00,000 but will last 2 years and costs Rs. 1,20,000 per year to run. These are real cash flows. The costs are forecasted in rupees of constant purchasing power. Ignore tax. Opportunity cost of capital is 10%. Which machine company X should buy ?

The present value of annuity for 2 years and 3 years at 10% is 1.735 and 2.486 respectively.

3. a) What is meant by financial leverage ?  
b) What is operating leverage ? How does it magnifying revenue of a firm ?  
c) A firm has sales of Rs. 20,00,000, variable cost of Rs. 14,00,000 and fixed cost of Rs. 4,00,000 and debt of Rs. 10,00,000 at 10% rate of interest. What are the operating, financial and combined leverages ? If the firm wants to double its EBIT, how much of rise in sales would be needed on a percentage basis ?

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4. a) Write a short note on capital gearing.  
 b) Give a critical appraisal of a traditional approach and MM approach to the problem of capital structure.  
 c) There are two firms X and Y which are exactly identical that X does not use any debt in its financing. While Y has Rs. 1,00,000 5% debentures in its financing. Both the firms have EBIT of Rs. 25,000 and the equity capitalization rate is 10%. Assuming the corporate tax of 50% calculate the value of the firm using M and M approach.
5. a) What do you mean by dividend pay-out ratio?  
 b) Explain the various forms of dividends.  
 c) An investor gains nothing from 'bonus shares'. Examine the statement critically.
6. a) What do you mean by operating cycle?  
 b) Explain the various factors affecting working capital decisions of a company.  
 c) A company has a policy of maintaining a minimum cash balance of Rs. 1,00,000 the standard deviation in daily cash balance is Rs. 10,000. The interest rate on a daily basis is 0.01%. The transaction cost for each sale or purchase of securities is Rs. 50. Compute upper control limit and the return point as per Miller-Orr Model.

## SECTION – B

Answer the **two** questions in this Section. **Each** question carries **12** marks.

7. a) "The principal focus of finance is on decision and actions which affect the value of the firm". How can the financial management help to maximize it?

OR

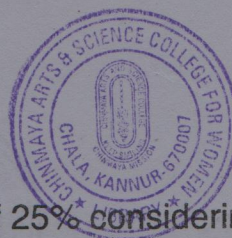
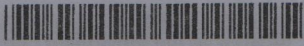
- b) The following informations available in respect of a firm.

Capitalization rate	10%
EPS	Rs. 50

Assumed rate of return on investments

- i) 12%  
 ii) 8%  
 iii) 10%

Show the effect of dividend policy on market price of share applying Walter's formula when dividend pay out ratio is (a) 0% (b) 20% (c) 40% (d) 80%.



8. a) ABC Ltd. Sells goods at a gross profit of 25% considering depreciation as part of the cost of production. Its annual figures are as follows.

Name: .....

	Rs.
Sales at two months credit	18,000,000
Materials consumed (suppliers extend two months credit)	4,50,000
Wages paid (monthly in arrear)	3,60,000
Manufacturing expenses outstanding at the end of the year (cash expenses are paid one month in arrear)	40,000
Total administrative expenses, paid as above	1,20,000
Sales promotion expenses, paid quarterly in advance	60,000

Max. Marks : 60

The company keeps one month's stock each of raw materials and finished goods and believes in keeping Rs. 1,00,000 in cash. Assuming a 15% safety margin, ascertain the requirements of working capital of the company on cash costs basis. Ignore work-in-progress.

OR

b) A firm has sales of Rs. 75,00,000, variable cost of Rs. 42,00,000 and fixed cost of Rs. 6,00,000. It has a debt of Rs. 45,00,000 at 9% and equity of Rs. 55,00,000.

- i) What is the firm's ROI ?
- ii) Dose it have favorable financial leverage ?
- iii) What are the operating financial and combined leverages of the firm ?
- iv) If the sales drop to the Rs. 50,00,000. What will be the new EBIT ?
- v) At what level the EBT of the firm will be equal to zero ?

The present value of annuity for 2 years and 3 years at 10% is 1.735 and 2.486 respectively

- a) What is meant by financial leverage ?
- b) What is operating leverage ? How does it magnifying revenue of a firm ?
- c) A firm has sales of Rs. 20,00,000, variable cost of Rs. 14,00,000 and fixed cost of Rs. 4,00,000 and debt of Rs. 10,00,000 at 10% rate of interest. What are the operating, financial and combined leverages ? If the firm wants to double its EBIT, how much of rise in sales would be needed on a percentage basis ?