

DISTANCE EDUCATION

B.B.A.(CS) DEGREE EXAMINATION, MAY 2012.

BUSINESS COMMUNICATION

(2005 onwards)

Time : Three hours

Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. What do you mean by communication? Explain the elements of communication.
2. Briefly explain the qualities of a business letter.
3. What are the contents of an order letter? Explain.
4. Briefly explain the situations under which a circular letter is prepared.
5. Draft a letter to your banker to pay insurance premium.
6. Define minutes. Briefly explain the points to be considered while writing minutes.
7. Draft an application for the post of a company secretary.
8. Explain the characteristics of a good report.

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Explain the objectives of communication.
10. Draft a circular letter for the establishment of a new business.

11. As a seller, write a letter for taking up a reference.
 12. Write a letter to the insurance company for enquiring about the surrender value of the policy.
 13. Briefly explain the contents of the notice calling Annual General Meeting of a company.
 14. Write a report of a marketing manager for opening a new branch of textile showroom.
 15. Explain the characteristics of a good speech.
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DISTANCE EDUCATION

B.B.A. (CS) DEGREE EXAMINATION, MAY 2012.

BASIC FINANCIAL ACCOUNTING

(2005 onwards)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Explain with examples the rules for debiting and crediting accounts.
2. What are the salient features of a bill of exchange?
3. Anand sold goods to Balan on 1st April 2008 for Rs. 5,000 for which a bill of exchange for 3 months was drawn by Anand and accepted by the latter. Give Journal entries in the books of both the parties assuming that
 - (a) the bill is honoured on the due date and
 - (b) the bill is dishonoured on the due date.
4. What is receipts and payments account? How does it differ from an income and expenditure account?

5. Ascertain the profit or loss of each unit from the following information :

	Business units			
	P (Rs.)	Q (Rs.)	R (Rs.)	S (Rs.)
Opening capital	10,000	22,000	16,000	10,000
Closing capital	20,000	30,000	10,000	12,000
Drawings	4,000	4,000	5,000	4,000
Introducing capital	6,000	10,000	2,000	7,000

6. What is normal loss and abnormal loss in consignment accounts?
7. A and B were partners in a Joint venture sharing profits and losses in the ratio of 6 : 4. A supplied goods of the value of Rs. 6,000 and incurred on expenditure of Rs. 200. B supplied goods of the value of Rs. 5,000 and his expenses amounted to Rs. 300. B sold all the goods on behalf of the joint venture for a sum of Rs. 18,000. B is entitled to a commission of 4% on sales and he settled his account by sending a bank draft to A.
Pass the journal entries in the books of A and B.
8. Distinguish between sales book, sales account and sales ledger.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Journalise the following transactions and post to proper accounts.

		Rs.
Jan.	1	Balan started business with a capital of 10,000
"	4	Bought goods from Velan 6,500
"	7	Cash purchases 3,000

	Rs.
” 10 Cash sales	4,000
” 13 Bought goods from Velan	2,000
” 16 Sold goods to Gurunath	5,000
” 18 Paid cash to Velan	2,850
” 19 Sold goods to Gurunath	500
” 24 Paid Velan on account	2,400
” 26 Received cash from Gurunath	1,650
” 27 Paid salaries	1,250
” 30 Received cash from Gurunath	200

10. On 31st January, the provisions for discounts on debtors was Rs. 2,400. The discounts allowed during the year amounted to Rs. 2,080. The good debtors at 31st December were Rs. 1,00,000 and a provision of $2\frac{1}{2}\%$ is required. Show the Journal, ledger, profit and loss and balance sheet entries relating to discount.
11. On 1st Jan. 2007, A draws a bill on B at four months for Rs. 1,000 and B draws on A for a similar amount and term. Both the bills are accepted and discounted respectively at 6%. A meets his own acceptance at maturity but B's acceptance is dishonoured. B then accepts a new bill at three months for the amount due by him plus interest at 8% per annum which is duly met at maturity. Journalise the above transactions in the books of A and B.

12. Meena drew upon Mohini several bills of exchange due for payment on different dates as under :

Date of the bill	Amount (Rs.)	Tenure of the bill
2.10.2009	6,000	3 months
20.10.2009	8,000	2 months
10.11.2009	10,000	3 months
27.11.2009	7,500	3 months
8.12.2009	9,000	1 month
16.12.2009	12,000	2 months

Find out average due date.

13. The Karaikudi cricket club had opening balance of cash Rs. 700 and at bank Rs. 9,700 on 1st Jan. 2008. The Club had the following receipts and payments for the year ended 31st Dec. 2008.

Receipts :

Subscription for 2007, Rs. 500, for 2008

Rs. 15,000 and for 2009 Rs. 800

Entrance fees Rs. 1,000

Donation for pavilion Rs. 10,000

Sale of old sports materials Rs. 1,500

Sale of Investments Rs. 5,000

Payments :

Rent Rs. 2,000

Upkeep of grounds Rs. 3,000

Material purchased Rs. 4,000

Salaries Rs. 8,000

Office expenses Rs. 1,800

Investments purchase Rs. 15,000

Closing balance of cash in hand Rs. 400

Show the receipts and payments account for the year ended 31st Dec. 2008 and ascertain the balance at bank on that date.

14. Namkaram of Nagpur consigned 100 cases of oranges to Thillainathan of Tiruchi at Rs 20 per case. He incurred the following expenses :

Packing Rs. 80; Carriage Rs. 10; Freight Rs. 60; 5 cases were completely damaged in transit and the rest were taken delivery. The consignee also spent Rs. 20 for cartage and Rs. 30 for godown rent. He has sold the entire consignment at Rs. 30 per case. He forwarded the account sales deducting the expenses incurred and the commission due to him, calculate at 5% on the sale proceeds. Namkaram also received Rs. 40 as compensation for damages from railways.

Show the relevant ledger accounts in the books of Namkaram.

15. You are supplied the following figures relating to July 2008 :

Debtors on 1st July 2008 (Dr.) Rs. 23,400

(Cr.) Rs. 800

Credit sales Rs. 45,700

Cash paid to debtors Rs. 9,200

Cash received from debtors Rs. 36,400

Bills receivable received	Rs. 7,500
Charges debited to customers	Rs. 600
Transfer from bought ledger	Rs. 900
Goods returned by customer	Rs. 1,600
Credit balance in sales ledger	Rs. 600

Prepare the sales ledger and general ledger adjustment accounts.

DISTANCE EDUCATION

B.B.A. (C.S.) DEGREE EXAMINATION, MAY 2012.

PRINCIPLES OF MANAGEMENT

(2005 onwards)

Time : Three hours

Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE of the following.

1. What are the propositions of behavioural approach?
2. Explain the nature of planning.
3. What is single use plan? Explain programmes and schedules.
4. Write a short note on matrix and task force organisation.
5. Describe the nature of staffing function of management.
6. Briefly explain Vroom's expectancy theory of motivation.
7. Mention the styles of leadership. Explain them.
8. Explain the steps in control process.

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR of the following.

9. Explain the contribution of Henri Fayol to management thought.
 10. Describe the process of planning.
 11. Compare and contrast different types of organization.
 12. "Authority goes with responsibility." Comment.
 13. Evaluate the planning and implementation of staffing.
 14. Explain the communication process and the barriers to it.
 15. Explain in detail the modern control techniques.
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DISTANCE EDUCATION

B.B.A. (CS) DEGREE EXAMINATION, MAY 2012.

COMPANY LAW

(2005 Onwards)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. What are the advantages of a company?
2. What are the consequences of incorporation of a company?
3. Mention the main clauses of memorandum.
4. What is a prospectus? What are its contents?
5. What restrictions have been imposed by the Companies Act 1956 on the allotment of shares?
6. What are the disqualifications of directors?
7. Explain the requisites of a valid meeting of a company.
8. Under what cases may a company be wound up by the court.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Explain the characteristics of a company.
10. Discuss the relationship between the Articles and the memorandum of association of a company.

11. Describe the procedures for effecting transfer of shares of a joint stock company.
 12. Explain the different kinds of share capital.
 13. Explain the powers and duties of a director of a company under the Companies Act 1956.
 14. State the different kinds of meetings of the shareholders of a company.
 15. Discuss the different modes of winding up.
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DISTANCE EDUCATION

B.B.A. (CS) DEGREE EXAMINATION, MAY 2012.

MANAGERIAL ECONOMICS

(2005 onwards)

Time : Three hours

Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. What is managerial economics? Explain its functions.
2. How is elasticity of supply measured?
3. Distinguish between monopoly and perfect competition.
4. What do you mean by Implicit cost? How it is differ from Explicit Cost? Give examples.
5. Write a note on Giffengood.
6. Explain the following terms :
 - (a) Price elasticity of demand
 - (b) Cross elasticity of demand.
7. State the conditions for Perfect Competition.
8. Give an account of Price Discrimination.

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Define demand. What are the factors affecting demand?
10. How does market price influence its elasticity of demand and supply of a commodity?

11. Define Monopolistic competition. How are the prices determined under monopolistic competition?
 12. Discuss the methods of forecasting the demand for the existing and new products.
 13. Critically examine Lionel Robbin's definition of economics.
 14. Discuss the importance of Cobb-Douglas production function.
 15. Write short notes on :
 - (a) Law of diminishing returns
 - (b) Risk and uncertainty.
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DISTANCE EDUCATION

**B.B.A.(CS)/B.B.A(CS)/(Lateral) DEGREE EXAMINATION,
MAY 2012.**

SECRETARIAL PRACTICE

(2005 onwards)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Elaborate the procedure for Issue of Shares.
2. Bring out the secretarial duties in relation to appointment of additional director.
3. Mention the duties of the secretary in connection with statutory meeting.
4. Explain the secretarial duties connected with preparation of agenda of company meetings.
5. What are the effects of voluntary winding up?
6. Describe the procedure for convening the meeting of the Board of directors.
7. How is a director appointed by the board of directors?
8. Explain the procedures regarding allotment of shares.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Describe the secretarial duties relating to preparation of minutes.
10. Describe the duties of a company secretary regarding appointment directors.

11. Discuss the duties of the secretary in connection with the transmission and transfer of shares.
 12. What are the duties of liquidator? What are his powers?
 13. Who is a company secretary? What are his qualifications? What are his functions?
 14. Narrate the secretarial duties in relation to payment of dividend.
 15. Explain the duties of a company in connection with the winding up under the supervision of court.
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DISTANCE EDUCATION

**B.B.A.(C.S)/B.B.A.(C.S)/(Lateral) DEGREE EXAMINATION,
MAY 2012.**

COMMERCIAL LAW

(2005 onwards)

Time : Three hours

Maximum :100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Define a contract of indemnity, what are the rights of an indemnity holder when sued?
2. Distinguish between liquidated damages and penalty.
3. Distinguish between coercion and undue influence.
4. Explain the rules regarding ascertainment of price in a contract of sale.
5. What is promissory note? What are its essential elements?
6. When can a partnership be dissolved compulsorily by the court?
7. What do you know about charter party and Bill of lading?
8. What is Arbitration? What are its essentials?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. What are the various ways in which a contract may be discharged.
10. State briefly the law relating to the competence of parties to a contract.
11. What are the features of marine insurance contract?
12. Briefly explain the conditions and warranties implied by law in a contract for the sale of goods.
13. Discuss the rules relating to the rights, duties and obligations of partners interse.
14. What do you know about arbitration without intervention of the court?
15. What are the rights, duties and liabilities of a common carrier?

DISTANCE EDUCATION

B.B.A. (C.S)/B.B.A.(CS) (Lateral) DEGREE EXAMINATION,
MAY 2012.

BUSINESS STATISTICS

(2003 onwards)

Time : Three hours

Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. The mean monthly salary paid to all workers is Rs. 92. The mean monthly salary paid to skilled and unskilled workers is average Rs. 100 and Rs. 80 respectively. Find out the percentage of skilled and unskilled workers employed in the concern.
2. Distinguish between dispersion and skewness.
3. Calculate semi-quartile range from the following table :

Age in years :	20-30	30-40	40-50	50-60
Number of members :	8	34	100	145
Age in years :	60-70	70-80	80-90	
Number of members :	147	53	9	
4. You are given mean = 50 , C.V = 40% , S.K = -4 . Find out mode and median.
5. Find the coefficient of skewness with the help of Bowley's formula from the following data

Size:	0-6	6-12	12-18	18-24	24-30	30-36
frequency :	12	24	38	52	34	19

6. The following are the group index numbers and the group weights of an average working class family's . Construct the cost of living index number :

Groups	Food	Fuel and lighting	Clothing	Rent	Miscellaneous
Index numbers:	356	226	239	164	198
Weight :	46	18	9	17	14

7. What are the uses of time series? What are its various components?

8. Find out the standard deviation for the given distribution

Class interval :	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-40
Frequency :	2	5	7	13	21	16	8	3

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. The number of telephone calls received in 245 successive one minute intervals at an exchange is shown in the following frequency distribution :

No. of calls :	0	1	2	3	4	5	6	7	Total
Frequency :	14	21	25	43	51	40	39	12	245

Calculate mean, median and mode.

10. Construct index number of prices from the following data by applying :

- (a) Laspeyre's method
- (b) Passache's method
- (c) Bowley's method and
- (d) Fisher's ideal method.

Commodity	Base year		Current year	
	Price	Quantity	Price	Quantity
A	2	8	4	6
B	5	10	6	5
C	4	14	5	10
D	2	19	2	13

11. From the following data construct an index for 2000 taking 1999 as the base by taking

- (a) Simple arithmetic average, and
- (b) Geometric average of price relatives

Commodities	A	B	C	D	E
Price in 1999	1	2	3	4	5
Price in 2000	1.10	2.42	3.60	5.28	7.20

12. Find the missing information from the following :

	Group I	Group II	Group III	Group IV
Number	50	?	90	200
Standard deviation	6	7	?	7.746
Mean	113	?	115	116

13. A time study was conducted in a factory with the help of two samples A and B consisting of 10 workers. The time taken by the workers in each case recorded. From the particulars given below, state which of the samples are more variable and which takes less time on an average.

Time taken in minutes :

Sample A : 130 125 120 135 140 145 130 145 140 150

Sample B 132 146 137 145 130 125 138 140 143 144

14. Explain various measures of central tendency.
15. The following figures given the annual production of a commodity :

Year :	1995	1996	1997	1998	1999	2000	2001
production '000 tons :	12	14	12	26	42	40	50

Estimated the production in 2009.

DISTANCE EDUCATION

B.B.A. (CS)/B.B.A. (CS) (Lateral) DEGREE EXAMINATION,
APRIL 2012.

ADVANCED ACCOUNTANCY

(2005 onwards)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. P and Q were working in partnership sharing profits and losses equally. On December 31, 2009, P decided to retire and in his place, his son R was admitted as partner from January 1, 2010, with $\frac{1}{3}$ share of profit.

Balance sheet as on December 31, 2009

	Rs.		Rs.
Sundry creditors	14,700	Goodwill	15,000
Capital accounts		Land and	
P	54,300	buildings	40,050
Q	48,000	Motor car	12,000
		Furniture	9,300
		Sundry debtors	24,150
		Cash at bank	16,500
	<u>1,17,000</u>		<u>1,17,000</u>

It was decided that :

- (a) The goodwill should be raised to Rs. 20,000
(b) The motor car would be taken over by P at its books value

- (c) The value of land and buildings would be increased by Rs. 8,280
- (d) Q and R would introduce sufficient capital to pay off P and to leave thereafter a sum of Rs. 7,350 as bank balance, so as to make their capital proportionate to their share of profits
- (e) The capital payable by R was to be gifted to him by his father
- (f) The new partners decided not to show goodwill as an asset.

The new arrangements were duly complied with show the partner's capital account and the balance account.

2. The balance sheet of A, B, C and D showed the following position on dissolution :

Balance sheet

Liabilities	Rs.	Assets	Rs.
Creditors	10,000	C's capital a/c	34,000
Capital accounts		D's capital a/c	10,000
A	15,000	Cash on hand	3,000
B	<u>10,000</u>		
Realisation profit	<u>12,000</u>		
	<u>47,000</u>		<u>47,000</u>

Show the final adjustment among the partners assuming C is insolvent.

3. Raja Ltd., was incorporated with a share capital of Rs. 10,00,000 in Rs. 10 shares. The company purchased plant and machinery from Hindustan & Co., for Rs. 3,00,000 payable in fully paid shares of the company. The directors also decided to allot 1,500 shares credited as fully paid to the promoters for their services. The rest of the shares were issued for cash and were taken up by the public and fully paid for. Give journal entries and show the balance sheet.

4. Briefly discuss the different types of debentures.

5. A company which was incorporated on May 1, 2009, acquired the business of a sole trader with effect from January 1, 2009. The accounts of the company were closed for the first time on September 30, 1975, disclosing a gross profit of Rs. 84,000.

The establishment expenses were Rs. 21,330; Director's fees Rs. 1,500 per month; preliminary expenses written off Rs. 2,250; rent up to June Rs. 150 per month but thereafter it was increased to Rs. 375 per month. Included in the director's fees was salary to the manager at Rs. 750 per month, who was appointed a director at the time of incorporation of the company.

Prepare a statement showing profit prior and subsequent to incorporation assuming that the net sales were Rs. 12,30,000, the monthly average of which for the first four months of 2009 was half that of the remaining period.

6. Define purchase consideration. Explain the methods of ascertaining it.

7. What is the distinction between branches and departments?

8. Arul purchased machinery under the hire purchase system from Balu. The cash price of the machinery was Rs. 15,000. The payments for the purchase are to be made as follows : On signing the agreement Rs. 3,000; end of the first year Rs. 5,000; end of the second year Rs. 5,000; end of the third year Rs. 5,000. Calculate the amount of interest included in each instalment.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Akash and Patel were carrying on business in partnership from 1998.

Balance sheet of Akash & Patel as on March 31, 2009

Liabilities	Rs.	Assets	Rs.
Capital accounts :		Goodwill	4,000
Akash	39,700	Motor cars	16,500
Patel	<u>21,300</u>	Furniture &	
Profit & loss a/c	9,000	fixtures	6,200
Creditors	26,700	Stock	29,400
Bills payable	1,500	Debtors	39,600
		Cash at bank	2,300
		Cash in hand	<u>200</u>
	<u>98,200</u>		<u>98,200</u>

On April 1, 2009 they decided to admit Bhuban as an partner on the following conditions :

- (a) Bhubhan will received $\frac{1}{5}$ of the future profits (after charging interest @ 5% on capitals), subject to a minimum of Rs. 6,000 per annum. Any deficiency in his share of profits is to be met from Akash's share

- (b) The goodwill of the firm is fixed at Rs. 8,000
- (c) An independent valuation revealed that motor cars are worth Rs. 19,000, while the value of the furniture is only Rs. 5,700. An amount of Rs. 1,500 of the debtors is likely to become bad
- (d) Bhuban was to bring in capital equal to $\frac{1}{5}$ of the capitals of Akash and Patel arrived at after giving effect to the foregoing consideration
- (e) It was decided to restore goodwill to its original value

During the year which ended March 31, 2010, the firm earned a profit of Rs. 30,000 (before charging interest on capitals)

You are required to :

- (i) Show journal entries in respect of transactions taking place at the time of Bhutan's admission
- (ii) Show the balance sheet immediately after Bhuban's admission
- (iii) Show the profits and loss appropriation account for the year ended March 31, 2010, assuming that adjustments in respect of guaranteed profits are to be made through the profit and loss appropriation account.

10. Ram and Shyam were partners sharing profits and losses in the ratio of 3 : 2

Balance sheet of Ram and Shyam as on Dec. 31, 2009

Liabilities	Rs.	Assets	Rs.
Sundry creditors	20,000	Cash in hand	5,000
Mrs. Shyam's loan	10,000	Furniture	5,000
Ram's loan	10,000	Stock	10,000

Liabilities	Rs.	Assets	Rs.
Ram's capital	30,000	Sundry debtors	10,000
Shyam's capital	20,000	(-) Provision for	
Ram's current a/c	5,000	bad debts	<u>1,000</u>
Reserve fund	5,000	Plant & machinery	35,000
		Buildings	25,000
		Shyam's current a/c	1,000
		Goodwill	<u>10,000</u>
	<u>1,00,000</u>		<u>1,00,000</u>

The firm was dissolved on December 31, 2009, and the following information is available :

- (a) Furniture and stock were realised 10% less than the book value
- (b) Debtors realised Rs. 9,500
- (c) Plant and machinery was sold for Rs. 36,000 and building was taken over by Ram at Rs. 40,000
- (d) Sundry creditors have allowed a discount of $2\frac{1}{2}\%$
- (e) Realisation expenses amounted to Rs. 1,000

Pass necessary journal entries to close the books of the firm and show the realisation accounts, partner's capital accounts and the cash account.

11. On January 1, 2007, 'C' Ltd. issued 1,000 12% debentures of Rs. 100 each at Rs. 95. The terms of issue provided that beginning with 2008, Rs. 20,000, of debentures should be redeemed, either by drawings at par or by purchase in the open market every year. The company wrote off Rs. 1,000 from the discount on debentures ever year. In 2008, the debentures to be redeemed were repaid at the end of the year by drawings on December 31, 2009, the company purchased for cancellation 200 debentures

at the ruling price of Rs. 95, the expenses being Rs. 100. Interest is payable yearly.

Give journal entries in the books of C Ltd. and show the balance sheet with the relevant items as on December 31, 2009.

12. A company which was incorporated on May 1, 2009, took over a business from the proceeding January 1. The accounts were made up the December 31, 2009, as usual and the trading and profit and loss account gave the following results.

	Rs.		Rs.
Opening stock	14,000	Sales	1,20,000
Purchase	91,000	Closing stock	15,000
Gross profit c/d	30,000		
	<u>1,35,000</u>		<u>1,35,000</u>

	Rs.		Rs.
Rent, rates etc.	1,800	Gross profit b/d	30,000
Director's fees	2,000		
Salaries	5,000		
Office expenses	5,000		
Traveller's commission	1,100		
Discounts	1,500		
Bad debts	200		
Audit fees	250		
Depreciation	600		
Debenture interest	450		
Interest on purchase consideration to August 31, 2009	1,600		
Net profit c/d	10,500		
	<u>30,000</u>		<u>30,000</u>

It is ascertained that the sales for January, March and September are one-and-a half times the average of those for the year, whilst those for December are twice the average, and those for February only half the average.

Apportion the year's profit to the pre-incorporation and the post incorporation periods. (calculations to be made to the nearest rupees).

13. The following are the balance sheet of Major Ltd. and Minor Ltd. as on 31st December, 2009 :

Liabilities	Major Ltd. Minor Ltd.		Assets	Major Ltd. Minor Ltd.	
	Rs.	Rs.		Rs.	Rs.
Issued, subscribed & paid up capital :			Fixed assets :		
Equity shares of Rs. 100 each fully paid	2,00,000	1,00,000	Machinery	1,00,000	50,000
Reserve and surplus :			Furniture	20,000	5,000
Profit and loss a/c	60,000	30,000	Investments :		
Current liabilities & provisions :			Shares in Minor Ltd.	25,000	
Sundry creditors	40,000	70,000	Shares in Major Ltd.		12,000
	<u>3,00,000</u>	<u>2,00,000</u>	Current assets :		
			Stock	75,000	45,000
			Debtors	60,000	68,000
			Cash at bank	20,000	20,000
				<u>3,00,000</u>	<u>2,00,000</u>

Major Ltd. holds 200 shares in Minor Ltd. and Minor Ltd. holds 100 shares in Major Ltd.

The two companies agree an amalgamation on the following basis :

- A new company is to be formed called Hind Ltd.
- The goodwill is valued for Major Ltd. Rs. 50,000 and for Minor Ltd. Rs. 25,000
- The shares of Hind Ltd. are of nominal value of Rs. 10 each

Prepare :

- (i) Balance sheet of Hind Ltd. resulting from the merger
- (ii) Schedule showing fully the shareholdings therein attributable to shareholders of Major Ltd. and Minor Ltd. All costs of amalgamation are to be ignored.

14. From the following balances extracted from the books of Sri Chandran, prepare the departmental Trading and Profit and loss account in Columnar form, for the year ending 31.12.2009 and the balance sheet as on that date.

	Dr.	Cr.
	Rs.	Rs.
Opening stock :		
Dept. I	60,000	
Dept. II	45,000	
Purchase :		
Dept. I	80,000	
Dept. II	70,000	
Carriage inwards :		
Dept. I	2,000	
Dept. II	1,000	
Sales :		
Dept. I		1,50,000
Dept. II		1,40,000
Salary	30,000	
Rent	6,000	
Repairs to machinery	15,000	
Capital		80,000

	Dr.	Cr.
	Rs.	Rs.
Drawings	10,000	
Sundry creditors		33,000
Sundry debtors	30,000	
Buildings	30,000	
Machinery		
Dept. I	10,000	
Dept. II	8,000	
Cash on hand	6,000	
	<u>4,03,000</u>	<u>4,03,000</u>

Additional information :

- (a) Depreciate buildings at 5% and machinery at 10% per annum
- (b) Area of buildings occupied is in the ratio of 3 : 2
- (c) Salary be allocated in equal ratio and repairs to machinery in the ratio of 2 : 1
- (d) Closing stock
 Dept. I Rs. 70,000
 Dept. II Rs. 60,000.

15. Explain :

- (a) Royalties
- (b) Minimum rent
- (c) Short-workings
- (d) Sub-lease
- (e) Short workings suspense account.

DISTANCE EDUCATION

**B.B.A. (CS) / B.B.A. (CS) (Lateral) DEGREE EXAMINATION,
MAY 2012.**

CORPORATE FINANCE

(2005 Onwards)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Narrate the scope of corporate finance.
2. What is leverage? What is composite leverage?
3. What are the common criteria of a financial planning?
4. Explain the importance of wealth maximisation.
5. Write a detailed note on IDBI.
6. Explain the merits of preference shares.
7. Explain the various financial decisions of a firm.
8. What is the impact of working capital in an organisation?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. What are the functions of a financial controller? Explain.
10. What are the benefits of financial planning?

11. Define the term capitalisation. How would you estimate the capital requirements of a newly promoted concern?
12. Discuss the important sources of long term and short term financing.
13. Why do companies use debt capital? What are the major instruments of debt finance?
14. What are the sources of working capital? Explain.
15. Explain the determinants of working capital in a manufacturing organization.

DISTANCE EDUCATION

**B.B.A. (CS)/B.B.A. (CS) (Lateral) DEGREE EXAMINATION,
MAY 2012.**

CAPITAL MARKET LAWS

(2005 onwards)

Time : Three hours

Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. State the features of Indian capital Market.
2. What do you mean by Listing of Securities?
3. What are the objectives of OTCEI?
4. Explain the objectives and organization of SEBI?
5. State the reforms introduced recently by SEBI in the secondary market.
6. Outline the problems of investors in secondary market.
7. State the important weakness of Indian capital market in the recent past.
8. Outline the services of Merchant Brokers.

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Discuss the steps taken by SEBI in the primary market towards investors protection.
 10. Explain the role of various institutional agencies available in Capital Market.
 11. Explain the types of speculators in Stock Exchange.
 12. How is IPO made through online system?
 13. Write short notes on :
 - (a) Depository
 - (b) Insider trading
 - (c) Options
 14. Discuss the SEBI regulations on Issue of Debentures.
 15. Give an account of :
 - (a) Trading on NSE
 - (b) Share transfer Agents.
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DISTANCE EDUCATION

**B.B.A. (CS)/B.B.A. (CS) (Lateral) DEGREE EXAMINATION,
MAY 2012.**

TAX LAWS

(2005 onwards)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. How is the residential status of an individual determined for I.T. purpose?
2. Write a note on incidence of tax.
3. Explain different types of provident funds and discuss the legal provisions relating to them.
4. Define Annual Value. How is it determined.
5. Define Block of Assets and Written Down Value.
6. What are capital assets? Explain.
7. What is Grossing up? State the provisions regarding grossing up of interest on securities.
8. What are the circumstances in which income of other persons is included in the total income of an assessee?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Explain the concept of income and state its features.
10. Describe the characteristics of capital receipts with suitable examples.
11. What is agricultural income? Explain the procedure regarding how it should be taxed.
12. From the following particulars, find out the taxable salary of Mr. Arun working at Tiruchi (population more than 4 lakh) for the assessment year 2010 –11
 - (a) Salary Rs.12,000 p.m.
 - (b) D.A. Rs.1,500 p.m.
 - (c) Employer's contribution to RPF 14% of salary.
 - (d) Rent for accommodation – fair rental value is Rs. 80,000 p.a.
 - (e) Interest on provided Fund balance @ 13% p.a.- Rs. 3,900.
 - (f) Professional tax paid Rs. 2,000
 - (g) Medical allowance received Rs.500 p.m.
 - (h) Arrears of salary Rs.13,200

13. Following is the profit and loss account of Mr. Kannan for the year ending 31st March, 2010.

Particulars	Rs.	Particulars	Rs.
Office Salary	4,800	Gross profit	1,35,532
General expenses	2,550	Commission	1,205
Bad debts	2,100	Discount	751
Reserve for bad debts	3,000	Sundry debts	202
Fire insurance premium	450	Rent of building	52,640
Advertisement	2,500	Capital gains	3,000
Interest on capital	1,000		
Interest on bank loan	1,550		
Donations	3,875		
Depreciation	1,200		
Net profit	1,70,305		
	<u>1,93,330</u>		<u>1,93,330</u>

- (a) The amount of depreciation allowable as per I.T Rules is Rs. 1,000
- (b) General expenses includes Rs. 500 spent on printing of calendars.

Compute his business income.

14. Mr. Anand let out a house. Compute the Income from H.P. from the following particulars for his let out house.

- (a) FRV Rs. 36,000
- (b) Actual rent received 4,000 p.m.
- (c) MRV Rs. 40,000

- (d) Standard Rent Rs.38,000
- (e) Municipal tax 10% of MRV
- (f) Education cess 2% of Municipal tax
- (g) Actual repair expenses Rs.4,000
- (h) Ground rent Rs. 2,000
- (i) Interest on loan Rs. 12,000
- (j) Vacancy period 3 months.

15. Compute the amount of capital gains exempted under Section 54 and capital gains chargeable to tax in relation to the following transactions.

Mr. Ganesan sells a residential house property in Madurai for Rs. 25,00,000 on April, 2009 which was acquired by him on May 10, 1986 for Rs. 5,00,000. in August, 2009, he purchases a house in Chennai for Rs. 15,00,000. On June 30, 2010, he sells the house property in Chennai for Rs. 20,00,000, CII for 1986 – 87 is 140 and for 2009–10 is 632.

DISTANCE EDUCATION

**B.B.A. (CS)/B.B.A. (CS) (Lateral) DEGREE EXAMINATION,
MAY 2012.**

ECONOMIC LAWS

(2005 onwards)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Explain the objectives of the MRTP Act.
2. What is industrial licence? Why is it needed for the industries?
3. Write a note on 'Non-Resident (External) Rupees account'.
4. Explain the procedure for seizure and confiscation of essential commodities.
5. State the rules relating to power of entry and inspection by Government under Environment Protection Act.
6. What do you mean by 'Registration of agreements' under MRTP Act?
7. What are the penal provisions envisaged in the MRTP Act? Explain.
8. What do you mean by environment pollution? What are its causes?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Describe the procedure for registration of existing industrial undertaking under Industrial (Development and Regulation) Act.

10. What are the duties and powers of authorized persons? Explain.
11. What are the powers of the MRTP commission?
12. Enumerate the benefits available to small scale industries as provided in Industries (development and regulation) Act 1951.
13. Describe how is the supply and distribution of essential commodities undertaken.
14. Explain the provisions of Environment Protection Act in relation to penalties and offences.
15. Discuss the powers of central Government in connection with making rules to combat the menace of environmental pollutions.

DISTANCE EDUCATION

B.B.A. (CS)/B.B.A. (CS) (Lateral) DEGREE EXAMINATION,
MAY 2012.

COST ACCOUNTING

(2005 onwards)

Time : Three hours

Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE of the following.

1. State and explain the objectives of material control.
2. Calculate EOQ from the following :
Consumption of materials per annum 10000 Kg
Order of placing cost per order Rs. 50.
Cost per kg of raw materials Rs. 2
Storage cost 8% on average inventory.
3. Calculate the total earnings and the rate earned per hour of three workmen under the Halsey and Rowan plans : the bonus under Halsey plan is 50% of time saved : standard time 20 hours; hourly rate of wages Rs. 4 and time taken by A – 16 hours, B – 10 hours, C – 8 hours.
4. From the following information, compute a machine hour rate in respect of machine JK for the month December
Cost – Rs. 6,000; estimated scrap value – Rs. 1,000, effective working life of the machine – 5000 hours, hours worked in the month 100, estimated cost of repairs and maintenance over the life of the machine Rs. 1,250, standing charges allocated to this machine Rs. 5.50, power used by the machine 10 units per hour at a cost of 30 paise per unit.

5. In process A, 100 units of raw materials were introduced at a cost of Rs. 1,000. The other expenditure incurred by the process is Rs. 600. Of the units introduced, 10% are normally scrapped in the course of manufacture and they possess a scrap value of Rs. 7 per unit. The output of process A was only 75 units. Calculate the value of abnormal loss.
6. The standard mix of a product is : X – 600 units at Rs. 15 per unit, Y – 800 units at Rs. 20 per unit and Z – 1000 units at Rs. 25 per unit. The consumption was: X – 640 units at Rs. 20 per unit, Y – 960 units at Rs. 15 per unit and Z – 840 units at Rs. 30 per unit. Calculate material variances.
7. Find out profits as per costing and financial accounts from the following information and reconcile

Particulars	Product A	Product B
Number of units produced and sold	600	400
Total direct materials (Rs.)	3,600	2,800
Total direct wages (Rs.)	3,000	2,400
Selling price per unit (Rs.)	25	30

Works on cost is charged at 80% of direct wages and office on cost at 25% of works cost. The actual work expenses amounted to Rs. 4,500 and office expenses to Rs. 3,900. There is no opening and closing stock.

8. Journalize the following transactions for 31st December; raw materials purchased (50% credit) Rs. 8,00,000; materials issued to production Rs. 4,00,000; wages paid (50% direct) Rs. 2,00,000; factory overheads incurred Rs. 80,000; selling and distribution incurred Rs. 40,000; finished goods at cost Rs. 5,00,000 and sales (50% credit) Rs. 7,50,000.

PART B — (4 × 15 = 60 marks)

Answer any FOUR of the following.

9. Calculate the following: reorder level, maximum level, minimum level, danger level, average stock level. The information provided are :

Total cost of purchasing relating to the order Rs. 20

Number of units to be purchased during the year 5000

Purchase price per unit including transportation cost Rs. 50

Annual cost of storage on one unit Rs. 5

Lead times : average – 10 days; maximum – 15 days; minimum – 6 days; maximum for emergency purchases – 4 days.

Rate of consumption; average – 15 units per day; maximum – 20 units per day.

10. Compute the direct labour cost for job WD from the following data :

Days	Worker X (in hours)	Worker Y (in hours)
Monday	10	8
Tuesday	9	10
Wednesday	10	11
Thursday	11	10
Friday	6	5
Saturday	6	4

Normal working hours on week days are 8 hours and on Saturdays 4 hours. Overtime is paid for at double normal rates.

Normal daily wages X – Rs. 3 and Y – Rs. 4

4 hours work on Saturday is paid for at normal hourly rate. Work on Saturday in excess of 4 hours is treated as overtime and is paid for at one and half of normal wages upto a total of 8 hours work and beyond that at double the normal rate. D.A has to be added to the total wages including overtime at 50 percent of wages.

11. Calculate the earnings of workers A, B and C under straight piece rate system, Taylors differential piece rate and Merrick's multiple piece rate system from the following :

Normal rat per hour Rs. 1.80; standard time per unit – one minute; output per day – Worker A – 384 units, Worker B – 450 units and Worker C – 552 units; working hours per day are 8.

12. The machine shop of a manufacturing concern has six identical machines manned by 6 operators. The total cost of the machines is Rs. 8,00,000. The following information relates to six monthly period ending on 30th September 2010.

Normal available hours per month – 208

Absenteeism (without pay) hours per month – 18

Leave with pay hours per month – 20

Normal idle time hours per month – 10

Average rate of wages per hour per operator Rs. 2.50

Production bonus – 15% on wages

Power and fuel consumption – Rs. 9,000

Supervision and indirect labour – Rs. 3,300

Electricity, lighting – Rs. 1,200

Repairs and maintenance per annum – 3% of the value of machine

Insurance per annum – Rs. 42,000

Depreciation per annum – 10% of original cost

Allocated factory overheads per annum – Rs. 75,670

Calculate machine hour rate.

13. The input to a purifying process was 16000 Kgs. Of basic material purchased @ Rs. 1.20 per Kg. Process wages amounted to Rs. 720 and overhead was applied @ 240% of the labour cost. Indirect materials of negligible weight were introduced into the process at a cost of Rs. 336. The actual output from the process weighed 15000 Kgs. The normal yield of the process is 92%. Any difference in weight between the input of basic material and output of purified material (product) is sold @ Re.50 per Kg. The process is operated under a licence which provides for the payment of royalty @ Re. 0.15 per Kg. of the purified material produced. Prepare purifying process account, normal loss account and abnormal loss/gain account and royalty payable account.
14. The standard cost of a certain chemical mixture is :
- 40% material A at Rs. 40 per ton; 60% material B at Rs. 30 per ton; a standard loss of 10% is expected in production; actual cost of materials used is: 90 tons material A at a cost of Rs. 42 per ton; 160 tons material B at a cost of Rs. 28 per ton; actual output is 230 tons. Prepare a statement showing the standard cost of output and the variance that emerge.

15. The following balances were extracted from a company's ledger as on 31st December 2010.

	Rs.	Rs.
Raw materials control a/c	48,836	
Work-in-progress a/c	14,745	
Finished stock control a/c	<u>21,980</u>	
Nominal stock control a/c		85,561
Further transaction took place during the quarter as follows :		
Factory overhead – allocated to WIP		11,786
Goods finished – at cost		36,834
Raw materials purchased		22,422
Direct wages – allocated to WIP		18,370
Cost of goods sold		42,000
Raw materials – issued to production		17,000
Raw materials – credited by suppliers		1,000
Inventory audit – raw material losses		1,300
WIP rejected with no scrap value		1,800
Customer's returns (at cost) of finished goods		3,000

Prepare all ledger accounts in cost ledger.

DISTANCE EDUCATION

**B.B.A.(CS) / B.B.A.(CS) (Lateral) DEGREE EXAMINATION,
MAY 2012.**

FINANCIAL SERVICES

(2005 Onwards)

Time : Three hours

Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. How does the market environment play a considerable role in promoting healthy financial market services?
2. What are the functions of Financial Intermediaries?
3. What are the common mistakes the Mutual Fund investors generally make?
4. Bring out the major benefits of Hire Purchase finance.
5. Mention the functions of Merchant Banker.
6. Explain the process of Credit creation.
7. What are the different types of Factoring? Explain.
8. What are the advantages of factoring?

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Describe the strength and weaknesses of finance companies in India.
10. What are the modern functions of Commercial bank? Discuss elaborately.
11. What are the chief advantages of hire purchase financing?
12. What is venture capital? How does it help the businessman?
13. Describe the present status of factoring services in India.
14. What is underwriting? Explain the advantages of underwriting.
15. Who are the beneficiaries of the rating services? What are the benefits?