

G 401.5

(2018 Batch)
Reg. No.:

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St Aloysius College (Autonomous)
Mangaluru
B.B.A. Semester V – Degree Examination
January - 2021
COST ACCOUNTING

Max Marks: 100

Time: 3 hrs.

SECTION – A (MCQ type questions) – Compulsory

(10x1=10)

1. Answer **ALL** the following questions.

- a. Process costing is suitable for -
- A. Hospitals
B. Oil refining firms
C. Transport firms
D. Schools
- b. Basic objective of cost accounting is -
- A. Financial Audit
B. Tax compliable
C. Profit analysis
D. Cost ascertainment
- c. The nature of financial accounting is -
- A. historical
B. forward
C. analytical
D. social
- d. The cost which is to be incurred even when business unit is closed is a -
- A. Imputed cost
B. Historical cost
C. Sunk cost
D. Shutdown cost
- e. Warehouse rent is a part of-
- A. Prime cost
B. Production cost
C. Distribution cost
D. Factory cost
- f. A document which provides detailed cost centre and cost unit is -
- A. Balance sheet
B. Cost Sheet
C. Profit Statement
D. Invoice
- g. Standard output is 100 units per day of 8 hours and the piece rates are ₹ 20 per unit, under Taylor's differential piece rate system, what will be amount of wages if a worker produces 95 units in a day?
- A. ₹ 1400
B. ₹ 1425
C. ₹ 1577
D. ₹ 1900
- h. According to Taylor's Differential plan, the worker is paid according to his?
- A. Degree of Efficiency
B. Degree of understanding
C. Degree of Flexibility
D. Degree of Loyalty
- i. Calculate re order level from the following:
Consumption per week 100-200 units
Delivery period 14 - 28 days
- A. 5600 units
B. 800 units
C. 1400 units
D. 200 units

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- j. Standards issued by the Auditing and Assurance Standards Boards under the authority of the council are collectively known as _____.
- A. Standards of auditing
 - B. Auditing pronouncement
 - C. Engagement standards
 - D. All of the above

SECTION - B

(10x2=20)

2. Answer any **TEN** of the following questions in two to three sentences each.

- a. Define costing.
- b. What is variable cost?
- c. What is ABC Analysis?
- d. If profit is 25% of sales and sales is ₹4,00,000. What is cost of sales?
- e. Give the meaning of overtime.
- f. What is time booking?
- g. Give the meaning of lead time.
- h. What is prime cost?
- i. Who are casual workers?
- j. Who is a cost auditor?
- k. Give the meaning of perpetual inventory system.
- l. State any two advantages of cost audit.

SECTION - C

Answer any **THREE** questions in not less than one page each. (3x5=15)

3. The following details are available in respect of consignment of 1,250 Kg of material X.
- a) Invoice price ₹ 200 per kg
 - b) Excise duty 25% on invoice price
 - c) GST at 5% of invoice price (including excise duty)
 - d) Trade discount 10% on invoice price
 - e) Insurance 1% of aggregate net price.
 - f) delivery charges ₹ 250
 - g) Cost of container @ ₹ 60 per container for 50 kgs of material. Rebate is allowed at ₹40 per container, if returned within six weeks. You are required to find out the purchase cost of material X per kg from the above details.
4. The following information regarding receipts and issues of pigments has been extracted from the stores records of a Paint Manufacturing company for April 2015.
- 2015
- April 1 Opening stock -7,500 Kgs
 - 2 Issued on requisition no. 1 - 3,900 kgs
 - 3 Issued on requisition no. 2 - 600 kgs
 - 4 Receipts from a supplier by GR no. 31 - 9,000 Kgs

- 8 Issued on requisition no. 3- 3,000 Kgs
- 10 Issued on requisition no. 4 -1,500 Kgs
- 15 Received from supplier by GR no. 84 -3,000 Kgs
- 18 Issued on requisition no. 5 - 1,350 Kgs

Examination by a stock verifier on 6 morning revealed a shortage of 150 Kgs. Maximum limit was 15,000 Kgs., minimum limit was 2,400 kgs., ordering level was 2,500 Kgs. Prepare Bin Card No 72 for the item pigment for which symbol allotted is XA - 92.

5. A worker takes 9 hours to complete a job on daily wages and 6 hours on a scheme of payment by results. His day rate is ₹ 20 per hour. The material cost of the production is ₹ 400 and overheads are recovered at 100% of total direct wages. Calculate the factory cost of the product under:
- i) Rowan plan
 - ii) Halsey plan.

6. Prepare estimated cost sheet from the following data:

Estimated materials ₹ 60,000

Estimated labour cost ₹ 67,500

It is estimated that the factory overhead will be 100% of direct wages. Administrative overhead will be 50% of works cost, selling and distribution overhead will be 10% on cost of production. The expected profit will be 25% on the sales.

SECTION - D

Answer any **THREE** questions in not less than two pages each.

(3x15=45)

7. From the following particulars write up a stores ledger LIFO method.
August 2019

- 1 Opening balance 250 units at ₹ 110 per unit.
- 3 Received 100 units at ₹ 120 per unit.
- 4 Issued 50 units.
- 6 Received 800 units at ₹ 130 per units.
- 7 Issued 300 units.
- 8 Returned to stores 20 units issued on 4th August.
- 12 Received 300 units at ₹ 140 per unit.
- 15 Issued 320 units.
- 18 Received 100 units at ₹ 145 per unit.
- 20 Stock verification revealed a shortage of 20 units.
- 21 Issued 100 units.
- 23 Returned to vendors 30 units received on 18th August.
- 25 Transferred from Job A to Job B 50 units.
- 26 Received 200 units at ₹ 100 per unit.
- 28 Frieght paid on the above ₹ 70 (on 26th purchase).
- 30 Issued 150 units.
- 31 Excess of 5 units were found on verification.

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8. The following details are extracted from the books of Sheetal Springs, Mangalore for the year ending 31-12-2019:

	₹
Purchase of materials	7,20,000
Wages	6,00,000
Lubricants	36,000
Carriage inwards	8,640
Wages of store keeper	6,000
Wages of foreman	48,000
Cost of research	30,000
Office managers salary	72,000
ESI	6,000
Power and fuel	54,000
Drawing office expenses	36,000
Printing and stationery	12,000
Counting house salary	12,000
Sales	18,10,000
Income tax	22,000
Donation	5,000
Sales return	10,000

Stock:	on 1-1-2019	on 31-12-2019
Raw materials	₹1,33,440	₹1,20,000
Finished products(units)	6,000	12,000

Selling and distribution expenses are to be charged at ₹ 1 per unit sold.

During the year 2019 the number of units produced is 96,000. Prepare cost sheet showing different elements of cost and profit.

9. Explain the objections and various techniques of cost audit.
10. Bala enterprises collects overhead expenses under three production departments P1, P2 and P3 and two service departments C (canteen) and S(Store). Following expenses are extracted from the accounts.

	₹
Rent and rates	5,000
Power	1,500
Welfare expenses	2,200
Other expenses	4,400
General lighting	900
Indirect wages	2,000
Depreciation on machine	8,000

The following details are also available:

	P1	P2	P3	C	S
Floor space (Sq. mt.)	200	300	250	200	50
Light point	20	30	20	20	10
Direct wages (₹)	60,000	40,000	60,000	30,000	10,000
H. P. of Machines	100	60	80	5	5
Cost of machine	24,000	32,000	40,000	2,000	,2000
No. of employees	25	30	35	12	8
Labour hours	1,800	2,000	2,600	----	---

Apportion the above cost to the various departments by the most equitable methods. The expenses of the service departments are charged out on a percentage basis as follows:

	P1	P2	P3	C	S
C Dept.	20%	30%	40%	--	10%
S Dept.	40%	20%	20%	20%	--

Using the above particulars apportion the service department expenses to various production departments by adopting repeated distribution method and calculate absorption rate of each production department.

SECTION – E

(10 Marks)

11. Compute the machine hour rate from the following particulars:

	Per annum (₹)
Rent of the department (space occupied by machine $\frac{1}{4}$)	6,000
Lighting (no of light points in the department is 15, 3 are used for this machine)	2,500
Insurance	600
Cotton, waste, oil etc.	400
Salaries of foreman (time devoted $\frac{1}{3}$)	38,850
Power charges for this machine	24,725

The machine was purchased for ₹ 50,000 and estimated scrap value was ₹4,000. Estimated working life was 10 years. Its estimated repairs throughout working life ₹ 17,250. It consumes 5 units of power per hour at a cost of ₹ 2.15 per unit.

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**St Aloysius College (Autonomous)
Mangaluru**

B.B.A. CIMA Semester V – Degree Examination

January - 2021

ADVANCED MANAGEMENT ACCOUNTING

Time: 3 hrs.

Max Marks: 100

SECTION – A (MCQ type questions) – Compulsory

(10x1=10)

1. Answer ALL the following questions.

- a. An engineering company is thinking about implementing activity-based management principles. Which of the following is a correct definition of activity-based management?
Select the ONE definition that applies.
- A. ABM is a grouping of all cost elements associated with an activity. B. ABM uses the information provided by an ABC analysis to improve organisational profitability.
- C. ABM is a method of budgeting based on an activity framework and utilising cost driver data in the budget setting and variance feedback processes. D. None of these
- b. The World Class Manufacturing approach to quality is quite different from the traditional approach because _____
- A. problems in any part of the system will immediately halt the production line B. The receipt and usage of material, to the maximum extent possible, coincide.
- C. The primary emphasis is placed on the resolution of the problems that cause poor quality, rather than merely detecting it. D. None of these
- c. Where cash flows have not been increased for expected inflation, they are known as _____
- A. current cash flows B. money cash flows
- C. nominal cash flows. D. money bill
- d. Businesses make a profit by selling goods and services at a price that _____
- A. is higher than their cost. B. is lower than their cost.
- C. is equal to their cost. D. None of these
- e. In an introductory stage of product life cycle, demand will be _____ when a product is first launched onto the market
- A. high B. low
- C. stagnant D. none of these

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- d. Give the meaning of compound interest.
- e. Calculate the present value of \$ 25,000 renewable in six years time if the interest rate is 10% p.a.
- f. What is price elasticity of demand?
- g. What do you understand by 'dual pricing'?
- h. Give the meaning of EVA?
- i. What is Variance analysis?
- j. Mention any two examples of 'controllable cost'.
- k. State the meaning of revenue centre with an example.
- l. What is a Virus?

SECTION - C

Answer any **THREE** questions in not less than one page each. (3x5=15)

3. What are the benefits and limitations of ABC?
4. Wilson Ltd is considering a capital investment in new equipment. The estimated cash flows are as follows.

Year	Cash flow
	\$
0	(240,000)
1	80,000
2	120,000
3	70,000
4	40,000
5	20,000

The company's cost of capital is 9%. The DF@ 9% are

1	2	3	4	5
0.917	0.842	0.772	0.708	0.650

Calculate the NPV of the project to assess whether it should be undertaken.

5. The total fixed costs per annum for a company that makes one product are \$100,000, and a variable cost of \$64 is incurred for each additional unit produced and sold over a very large range of outputs.

The current selling price for the product is \$160. At this price, 2,000 units are demanded per annum.

It is estimated that for each successive increase in price of \$5 annual demand will be reduced by 50 units. Alternatively, for each \$5 reduction in price, demand will increase by 50 units.

Required:

- (a) Calculate the optimum output and price, assuming that if prices are set within each \$5 range there will be a proportionate change in demand.
 - (b) Calculate the maximum profit.
6. Briefly explain the bases for setting the transfer price.

SECTION - D

Answer any **THREE** questions in not less than two pages each. (3x15=45)

7. (a) Calculate the internal rate of return of Project A.

Year	Discount factors at ?%	Project A	
		Net cash flow \$000	PV \$000
0		(450)	
1		200	
2		150	
3		100	
4		100	
5		120	

- (b) Calculate the internal rate of return of Project B.

You are given the following:

At 10% the NPV was \$33,310

At 20% the NPV is \$8,510

At 30% the NPV is (\$9,150)

Note:

D.F @ 10%

Year 1 - 0.833

2 - 0.694

3 - 0.579

4 - 0.482

5 - 0.402

8. Amigo Ltd is considering investing in a new machine which has a capital cost of \$25,000. It has an estimated life of four years and a residual value of \$5,000 at the end of four years. The machine qualifies for tax depreciation at the rate of 25% per year on a reducing balance basis.
- An existing machine would be sold immediately for \$8,000 if the new machine was to be bought. The existing machine has a tax written down value of \$3,000.
- The existing machine generates annual net contribution of \$30,000.
- This is expected to increase by 40% if the new machine is purchased.
- Amigo pays corporation tax on its profits at the rate of 30%, with half of the tax being payable in the year that the profit is earned and half in the following year. The company's after-tax cost of capital is 15% per year.
- Calculate whether the investment is worthwhile. Should Amigo invest in the new machine?**

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9. Division A of the Wye Group manufactures one product and when operating at 100% capacity can produce 5,000 units per period, but for the last few periods have been operating below capacity.

Below is the flexible budget prepared at the start of last period, for three levels of activity at below capacity:

Level of activity (units)	3,500	4,000	4,500
	\$	\$	\$
Direct materials	7,000	8,000	9,000
Direct labour	28,000	32,000	36,000
Production overheads	34,000	36,000	38,000
Administration, selling and distribution overheads	15,000	15,000	15,000
Total cost	84,000	91,000	98,000

10. **Case Study**

AVN designs and assembles electronic devices to allow transmission of audio/visual communications between the original source and various other locations within the same building. Many of these devices require a wired solution but the company is currently developing a wireless alternative.

The company produces a number of different devices depending on the number of input sources and the number of output locations, but the technology used within each device is identical. AVN is constantly developing new devices which improve the quality of the audio/visual communications that are received at the output locations.

Task: Briefing note

You receive the following email from the Managing Director:

From: Victor Parker

Sent: 03 June, 10.23 a.m.

To: Senior Management Accountant

Subject: The extended value chain.

I have just returned from a conference on world class manufacturing in London. The workshop I enjoyed the most was entitled ' The extension of the value chain to include suppliers and customers'.

Please help - may I have a briefing note on all this? What are the components of the extended value chain? And how we, in AVN, apply each of these components?

SECTION – E

(10 Marks)

11. What are the Risks and benefits of internet and intranet use?

- i. Yono is an example for
- | | |
|-------------------|---------------------|
| A. Mobile Banking | B. Circular Banking |
| C. Branch Banking | D. All the above |
- j. Which of the following is principle of General Insurance
- | | |
|----------------|------------------|
| A. Indemnity | B. Contribution |
| C. Subrogation | D. All the above |

SECTION – B

2. Answer any **TEN** of the following questions in two to three sentences each. (10x2=20)
- What is electronic money?
 - Give two examples for modern banking services.
 - Write the meaning of loan documentation.
 - Who is a Paying banker?
 - State the meaning of endorsement.
 - What is meant by Hypothecation?
 - Write any two types of risk.
 - State the meaning of Insurance.
 - Give the meaning of risk.
 - Give two Examples for General Insurance Companies.
 - What is Fire insurance?
 - What is Life insurance?

SECTION – C

Answer any **THREE** questions in not less than one page each. (3x5=15)

- Explain the role of INFINET as a communication backbone of Indian banking sector.
- Write Various Statutory Obligation to honour cheques.
- Explain Special Features of Insurance Contracts Act.
- Write a note on Life Insurance Products.

SECTION – D

Answer any **THREE** questions in not less than two pages each. (3x15=45)

- Explain regulations relating to the functioning of a paying banker.
- Define risk. Explain various classification and sources of risk.
- What is health insurance? Explain various principles of General insurance.
- What is Fund?
 - Explain the principles of good lending.
 - Explain the different forms of advances in banking.

SECTION – E

(10 Marks)

- Compare and Critically Evaluate various E-Banking, Internet Banking and mobile banking services provided by Public and Private sector banks with examples.

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St Aloysius College (Autonomous)

Mangaluru

B.B.A. CIMA Semester V – Degree Examination

January - 2021

RISK MANAGEMENT

Time: 3 hrs.

Max Marks: 100

SECTION – A (MCQ type questions) – Compulsory

1. Answer **ALL** the following questions.

(10x1=10)

- a. Which of the following type of risks does **NOT** signify an adverse outcome for an event?
- A. Downside risk
B. Upside risk
C. Pure risk
D. Speculative risk
- b. Which of the following events falls under the category of business risk?
- A. Change in government policies after election
B. Risk of failure of a new product
C. Tobacco companies being sued by cancer patients
D. Fluctuations in interest rate
- c. The amount of risk an organization is willing to accept in the pursuit of value is known as their _____.
- A. Risk appetite
B. Risk culture
C. Risk attitude
D. Risk register
- d. The loss of key persons in an organization would fit into _____ category of a risk map.
- A. High likelihood; high consequence
B. Low likelihood; high consequence
C. High likelihood; low consequence
D. Low likelihood; low consequence
- e. Which of the following does **NOT** fit into the expansion of TARA?
- A. Transfer
B. Accept
C. Assure
D. Avoid
- f. Choose the odd one out.
- A. Corporate strategy
B. Business strategy
C. Functional strategy
D. Organizational strategy
- g. Which of the following is **NOT** a strategic aim of corporate governance?
- A. To reduce costs within the organization
B. To increase the organization's transparency to stakeholders
C. To improve investor's confidence in the organization
D. To ensure that the organization abides by relevant laws and acts ethically

Contd...2

- h. _____ audit checks the implementation of written rules, regulations, and procedures.
- | | |
|----------------|---------------|
| A. Transaction | B. Compliance |
| C. Risk based | D. Quality |
- i. Choose the odd one out.
- | | |
|-------------|------------------------|
| A. Malware | B. Application attacks |
| C. Software | D. Hackers |
- j. Which of the following will be the most secure password?
- | | |
|-------------|--------------|
| A. P!ssword | B. 80ssword |
| C. p@ssw8rd | D. P@4\$w0rd |

SECTION – B

2. **Answer any TEN of the following questions in two to three sentences each.** (10x2=20)
- List out the main types of financial risks.
 - Why should risks be evaluated?
 - Explain how a market-led approach works in strategic planning.
 - List any four benefits of having a strategy for Corporate Social Responsibility.
 - Discuss the significance of corporate governance.
 - State any two features of a sound internal control system.
 - Write a note on quality audit.
 - Briefly explain the types of sensitive information.
 - What are cyber security risks that are inherent in a laptop when compared to a desktop?
 - Describe forensic analysis and list out the main areas of analysis.
 - Explain any two problems that occur due to lack of planning.
 - What do you mean by reputational risk?

SECTION – C

- Answer any THREE questions in not less than one page each.** (3x5=15)
- Explain the concept of TARA with respect to risk management.
 - Briefly describe the role of Non executive directors.
 - Describe the problems in auditing computer systems.
 - Write a note on Enterprise Risk Management.

SECTION – D

- Answer any THREE questions in not less than two pages each.** (3x15=45)
- Explain the various risks faced by organizations and individuals through social media.

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8. Briefly describe the types of audit.
9. Write a note on any five types of risks.
10. What is Corporate governance? Discuss the principles of Corporate Governance.

SECTION – E**(10 Marks)**

11. QuadrigaCX, was Canada's leading cryptocurrency exchange company. The founder Gerald Cotton died while travelling to open an orphanage in India due to complication with Crohn's disease. Unfortunately for QuadrigaCX and their clients Mr. Cotton had sole responsibility for looking after the funds and coins. This meant he was the only person with the password key to access the money (which was held in what is referred to as cold storage i.e. stored offline to protect the money from hackers).
This meant that money, which some believe may be in the region of \$190 million, in both cryptocurrency and normal money, is completely inaccessible. Experts have been brought in to try and break the encryption but so far have been unable to do so. If the company had been more proactive in their management of the risks, they would have identified that someone with a medical condition being the sole guardian of a business-critical password or key was poor risk management and been able to put controls in place to manage the risk more appropriately. Analyze this case and explain what preventive measures taken by the company could have prevented this situation.

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**St Aloysius College (Autonomous)
Mangaluru**

**B.B.A. Semester V – Degree Examination
January - 2021**

ADVANCED TAXATION

Time: 3 hrs.

Max Marks: 100

SECTION – A (MCQ type questions) – Compulsory

1. Answer **ALL** the following questions. (10x1=10)
- a. AMT stands for:
- A. Alternate Maximum Tax B. Alternate Minimum Tax
C. Adoptive Minimum Tax D. Average Minimum Tax
- b. Long term capital gain from sale of equity shares listed u/s 112 A is exempt from tax upto :
- A. ₹ 50,000 B. ₹ 10,000
C. ₹ 1,00,000 D. ₹ 2,00,000
- c. Unabsorbed Depreciation is carried forward for
- A. 8 years B. 4 years
C. Indefinite year D. 2 years
- d. MAT should be charged at
- A. 15% B. 18.5%
C. 15.5% D. 1.85%
- e. Share of income from partners in a firm is exempt under section
- A. 10 (2A) B. 10(10)
C. 10 (10A) D. 10(10B)
- f. GST is levied on....
- A. Sale of Goods B. Sale of Goods and Services
C. Supply of Goods D. Supply of Goods and Services
- g. CGST and SGST are charged in the ratio of:
- A. 60:40 B. 70:30
C. 50:50 D. 25:75
- h. Maximum rate of GST is:
- A. 28% B. 38%
C. 24% D. 40%
- i. Customs duty is levied on:
- A. Import of Goods B. Export of Goods
C. Import of Goods and Services D. Import and Export of Goods and Services
- j. What is the default insurance amount added in case of insurance amount is not provided in calculation of Assessable value
- A. 1% of FOB B. 1.125% of FOB
C. 1.5 of FOB D. 1.375% of FOB

Contd...2

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SECTION - B

2. Answer any **TEN** of the following questions in two to three sentences each. (10x2=20)

- Total Income of firm ₹ 10,00,000 (including LTCG ₹ 50,000 and STCG 10,000) Find out tax liability.
- State any two rules governing the working partner remuneration.
- What do you mean by book profit in Assessment of Firm?
- What do you mean by Foreign company?
- What is GST?
- Write any two benefits of GST.
- What do you mean by Mixed Supply?
- State the rates under GST.
- Write any four items to be added to net profit while computing book profit for MAT in Assessment of company.
- What do you mean by Reverse charge mechanism in GST?
- What is Basic Custom Duty?
- Write any two provisions u/s 40(b) for assessment of partnership firm.

SECTION - C

Answer any **THREE** questions in not less than one page each. (3x5=15)

- Compute the income of the firm from business in the following cases, assuming that the conditions under section 184 and 40(b) are fulfilled.
 - Book loss ₹ 1,00,000. Remuneration paid to working partners ₹ 1,00,000
 - Book loss ₹ 1,60,000. Remuneration paid to working partners ₹ 2,00,000
 - Book profit ₹ 2,50,000. Remuneration paid to working partners ₹ 75,000
 - Book profit ₹ 6,50,000. Remuneration paid to working partners ₹ 1,45,000
- Total Income of 'X' Ltd ₹ 75,00,000 including LTCG ₹ 10,00,000, STCG (sec 111A) ₹ 1,50,000 winning from Horse race (net) ₹ 7,00,000.
Book profit ₹ 98,00,000. Compute the ultimate tax liability of 'X' Ltd for A.Y 2020-2021.
- Explain the basic conditions of composition scheme under GST.
- Assessable Value ₹ 5,00,000. BCD 10%, Addition duty 15%, Safeguard duty 20%. Compensation cess 30%, IGST - 28%. Find out custom duty payable and value of the commodity.

Contd...3

SECTION - D

Answer any **THREE** questions.

(3x15=45)

7. Raymond Ltd. is engaging in the business of manufacture of garments. The following profit and loss account of the company is given for the year.

Particulars	₹	Particulars	₹
To Salary and wages	5,00,000	By gross profit	40,00,000
To Travelling expenses	70,000	By Agriculture income	7,00,000
To Income tax	5,00,000	By Income from house property	2,00,000
To O/S customs duty	30,000	By Transfer from general reserve	1,50,000
To Provision for unascertained liability	1,00,000	By Rent from staff quarters	80,000
To Proposed dividend	1,20,000	By LTCG	2,00,000
To Provision for loss of subsidiary company	50,000		
To Agriculture expenses	4,00,000		
To Fines and penalties	8,000		
To RBD	40,000		
To Other expenses	4,00,000		
To Net profit	31,12,000		
	53,30,000		53,30,000

Additional information:

- a. O/S customs duty of 2018-19 paid during the year ₹ 50,000, however this is not debited to profit and loss account given above
b. The following losses are to be set off

	For Tax purpose(₹)	For Accounting purpose(₹)
B/F business loss 2018-19	10,00,000	18,00,000
Unabsorbed depreciation	10,00,000	7,00,000

You are required to compute

- a) Total income of the company b) The book profit as per sec 115 JB c) The tax liability
8. Nani, Venka and Sheena are equal partners with Nani as Non-working partner. The profits and losses for the year is given below:

Particulars	₹	Particulars	₹
To salary	2,50,000	By Gross profit B/d	11,00,000
To Office expenses	10,000	By Rent from House property	24,000
To Rent	30,000	By Dividend from Indian Co.	25,000
To Advertisement	25,000	By Ground Rent received	30,000
To Bad debts	10,000	By Interest on Govt. securities	5,000
To Depreciation reserve	40,000		
To RBD	20,000		
To Sundry expenses	30,000		
To Donations	20,000		
To Commissions:			
Nani 20,000			
Venka 15,000			
Sheena 5,000	40,000		
To interest on capital			
Nani 1,00,000			
Venka 60,000			
Sheena 40,000	2,00,000		
To Bonus:			
Nani 15,000			
Venka 5,000	20,000		
To Net profit	4,79,000		
	11,84,000		11,84,000

Contd...4

Additional information:

- Salary includes Salary of Venka ₹ 35,000 and Sheena ₹ 15,000.
- Donations includes 10,000 to NDF and balance to a recognized college.
- Depreciation allowable as per Income Tax Rule ₹ 30,000
- Capital account of partners stood at Nani ₹ 4,00,000, Venka ₹ 2,40,000 and Sheena ₹ 1,60,000 as on 1st April 2019.
- Sundry expenses include a payment made in cash ₹ 25,000 and ₹ 10,000 to a recognized political party.

Compute book profit, total income of the firm and share of income of the partner under section.

9. From the following information you are required to calculate assessable value and CGST and SGST payable at 6% each.

The sale price of Rs.1, 50,000 does not include the following

Particulars	Amount in ₹
Pre-delivery inspection charges	10,000
Publicity expenses	25,000
Packing cost	15,000
Cost of special packing	5,000
Material purchased(Exclusive of GST)	10,000
Design and Development Charges	5,000
Royalty charges	4,000
Advertising charges	14,000
Servicing charges	5,000
Selling expenses	25,000
Freight charges	30,000
Installation and erecting expenses	6,000
Insurance cost	5,000
Transportation charges	6,000
Taxes, Duties, cesses, fees and chares	4,000
Incentives paid to sales personnel	5,000
Warranty expenses	3,000
Materials imported from UK (including BCD butexcluding IGST)	10,000

But the selling price includes the following;

- Trade discount (it is allowed before or at the time of supply) Rs. 10,000
- Cost of durable and returnable packing Rs. 5,000

10. Rituparna Ltd., imported a machine from Europe. From the following information, determine the custom duty payable:

a) Cost of machine 25,000 Euro, but It does not include the following:

The importer sent the goods to the exporter for the machine. It was used in manufacturing the machine ₹ 1,00,000.

- b) Design and development expenses incurred outside India 5,000 Euro.
- c) Technical fees paid to exporter after import of machine 4,000 Euro.
- d) Installation charges of machine in the factory ₹ 50,000.
- e) Packing charges 500 Euro.
- f) Insurance premium paid in India 500 Euro.
- g) Transportation charges 1000 Euro.
- h) Transportation and insurance charges from port to factory ₹ 10,000.
- i) Rate of Basic customs duty 12.5%.
- j) IGST 28% and Compensation cess @ 20%.
- k) Exchange rate declared by board ₹ 74 per Euro (CBIC).
- l) Exchange rate declared by te RBI ₹ 72 per Euro.

SECTION - E**(10)**

11. Mr. Rajan of Mangaluru purchased goods from Mr. Soman of Bengaluru for ₹ 10,00,000. Mr. Rajan sold these goods to Mr. Raman of Delhi ₹ 12,00,000. Mr. Raman sold the same to ultimate customer for ₹ 13,00,000. GST - 28% on goods. ECL balance of Mr. Rajan:
SGST - ₹ 13,000, CGST - ₹ 13,000, IGST - ₹ 8,000. Find out GST Payable.

G 404.5

(2018 Batch only)

Reg. No.:

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St Aloysius College (Autonomous)

Mangaluru

B.B.A. Semester V – Degree Examination

January - 2021

CORPORATE GOVERNANCE AND BUSINESS ETHICS

Time: 3 hrs.

Max Marks: 100

SECTION – A (MCQ type questions) – Compulsory

1. Answer **ALL** the following questions.

(10x1=10)

a. Corporate governance is:

- A. A coherent system of concepts that underlie financial reporting
- B. A term referring to management's choosing to voluntarily disclose non-compulsory information in annual reports
- C. The system by which corporations are directed and controlled.
- D. A set of broad principles that provide the basis for guiding actions or decisions

b. _____ may be defined as the enhancement of long-term shareholders while at the same time protecting the interests of other stakeholders.

- A. Business ethics
- B. Corporate Social Responsibility
- C. Cultural relativism
- D. Corporate governance

c. According to the 'Anglo-American' model whose interest should be the focus of corporate governance?.

- A. Employees
- B. Shareholders
- C. Community
- D. Environment

d. According to Agency theory:

- A. The management board is the principal
- B. The management board is the agent.
- C. Information asymmetry does not exist
- D. Self-interest plays no role.

e. _____ is defined as any group or individual who can affect or is affected by the achievement of the organisation objective.

- A. Stakeholder theory
- B. Shareholders theory
- C. Stewardship theory
- D. Agency theory

f. SEBI's code of Corporate Governance provides from the constitution of shareholders committee under the chairmanship of

- A. Board of Directors
- B. Director
- C. Non-executive director
- D. Manager

g. The Cadbury Committee suggests that the non- executive directors can play a crucial role in

- A. Meetings
 B. Management
 C. Decision-making
 D. Corporate governance
- h. Match the following in terms of ethical issues in Information technology and their respective description

Issue	Description
1) Privacy	A) Data Ownership and software Usage Rights
2) Accuracy	B) Responsibility of Data Collector to use accuracy
3) Property	C) Collection and use of data about individuals
4) Access	D) Responsibility of data collectors to control access.

Which of the following combination is correct?

- A. 1 - A; 2 - B; 3 - C ; 4 - D
 B. 1 - C; 2 - B; 3 - A; 4 - D
 C. 1 - C; 2 -A; 3 -D; 4 - B
 D. 1 - D ; 2 - B; 3 - C; 4 - A
- i. Who are the stakeholders of the business who are concerned with CSR?
- A. Governments, employees, communities, partners, competitors
 B. Employees, research agencies, governments, communities, trade organisations
 C. Suppliers, partners, employees, communities, investors, education institutions
 D. All of the above
- j. Which of the following statements is most correct?
- A. Corporate governance is only relevant to listed entities
 B. Corporate governance is only relevant to developed economies
 C. Corporate governance not relevant to family entities
 D. Corporate governance is relevant to most companies globally

SECTION - B

2. **Answer any TEN of the following questions in two to three sentences each.** (10x2=20)

- Discuss any two principles of corporate governance.
- State the role of audit committee?
- What is insider trading?
- Define Utilitarianism.
- What is the difference between agency theory and stewardship theory?
- What is an acquisition?
- What is the second level of moral reasoning in Kohlberg's theory?
- State the importance of triple bottom line to companies?
- What is holistic development?
- What is the significance of CSR activities in Indian organisations
- What is insider trading?
- Give a brief outline on CII code of Practices.

SECTION – C

Answer any **THREE** questions in not less than one page each.

(3x5=15)

3. In achieving the goal of corporate transparency, discuss on the role of: (i) Stakeholders. (ii) The board of directors
4. Explain the arguments for and against business ethics.
5. Write a note on Stewardship theory.
6. Define Whistle Blowing. Discuss the role that whistleblowers play in ensuring ethical practices in organizations with relevant examples.

SECTION – D

Answer any **THREE** questions in not less than two pages each.

(3x15=45)

7. Explain the evolution of corporate governance in India.
8. Summarise the Narayan Murthy Committee report on corporate governance.
9. Explain Lawrence Kohlberg's theory on moral dilemma.
10. Explain different types of social responsibility.

SECTION – E**(10 Marks)**

11. A junior member of staff has just returned to work after taking special leave to care for her elderly mother. For financial reasons she needs to work full-time. She has been having difficulties with her mother's home care arrangements causing her to miss a number of team meetings (which usually take place at the beginning of each day) and to leave work early. She is very competent in her work but her absences are putting pressure on her and her overworked colleagues. You are her manager and you are aware that the flow of work through the practice is coming under pressure. One of her male colleagues is beginning to make comments such as "a woman's place is in the home", and is undermining her at every opportunity putting her under even greater stress.

(a) In the light of the above case, elaborate the ethical dilemma.

(b) How should you proceed so as not to discredit yourself, your profession or the practice for which you work and at the same time maintaining integrity and confidentiality in your actions?

G 405.5

(2018 Batch only)

Reg. No.:

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**St Aloysius College (Autonomous)
Mangaluru**

**B.B.A. Semester V – Degree Examination
January - 2021**

RETAIL MARKETING MANAGEMENT

Max Marks: 100

Time: 3 hrs.

SECTION – A (MCQ type questions) – Compulsory

(10x1=10)

1. Answer **ALL** the following questions.

- a. The factor leading to the growth of retailing is
- A. changing consumer trends B. technology
C. demographics D. all the above
- b. Retailers can evaluate a particular store's sales effectiveness by looking at
- A. A number of sales on an average day B. Percentage who buy and average amount per sale
C. Percentage of people who enter the store D. All of the above
- c. To take consistent decisions about store decor, product assortment, media, price and service levels and advertising messages, the marketer needs to
- A. Define the target market B. Profile of the target market
C. Both a and b D. None of the above
- d. Multiple shops are also known as
- A. self-service stores B. chain stores
C. shopping by post D. departmental stores
- e. A multi-channel retailer sells merchandise.
- A. over the telephone B. through personal selling and retail store only
C. over the internet D. through more than one channel
- f. Product assortment breadth focuses on
- A. Number of categories per product lines B. Items and variants in each category per product line
C. Both a & b D. None of the above
- g. E-retailing refers to
- A. sales of electronic items B. catalog shopping
C. computerized store D. retailing and shopping through internet
- h. A retail firm owned by its customers in which members contribute money to open their own store, vote on its policies, elect a group to manage it, and receive dividends is called a
- A. corporate chain store. B. merchandising conglomerate
C. voluntary chain D. consumer cooperative

Contd...2

- i. Which statement is not a benefit of formulating a retail strategy?
- | | |
|--|--|
| A. A retailer is forced to study the legal, economic, and competitive market | B. A retailer is shown how it can differentiate itself from competitors. |
| C. Sales maximization is stressed. | D. Crises are anticipated and often avoided. |
- j. A retailer's commitment to a type of business and to a distinctive role in the marketplace is its:
- | | |
|----------------------|---------------------------|
| A. objectives | B. organizational mission |
| C. retailing concept | D. image |

SECTION – B

2. Answer any **TEN** of the following questions in two to three sentences each. (10x2=20)

- What is assortment in retailing?
- Give the meaning of the term kiosks.
- What is OMS?
- Mention any two functions of a retailer.
- Define target market.
- What is category marketing?
- What is franchising?
- State the factors which have led to Globalization of Retailing.
- What is balanced score card?
- What is meant by scrambled merchandising?
- Mention any two benefits of successful retail business.
- Write the components of retail mix.

SECTION – C

- Answer any **THREE** questions in not less than one page each. (3x5=15)

- Write the differences between traditional and Cyber retailing.
- What are the advantages and disadvantages of a decentralized buying organizations?
- Briefly explain the methods of International retailing.
- What are the various career opportunities in Retailing?

SECTION – D

- Answer any **THREE** questions in not less than two pages each. (3x15=45)

- Describe the theories of retailing.
- Enumerate the stages in retail global evolution.
- Explain the various opportunities and threats in retail sales.
- What is trading area Analysis? Explain the various factors to be considered in evaluating retail trade areas.

SECTION – E

(10 Marks)

- What are the strategies adopted by the mall for marketing the retail products?

(2018 Batch only)

G 406.5c

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St Aloysius College (Autonomous)

Mangaluru

B.B.A. Semester V – Degree Examination

January - 2021

TRAVEL AND TOURISM MANAGEMENT

Time: 3 hrs.

Max Marks: 100

SECTION – A (MCQ type questions) – Compulsory

1. Answer ALL the following questions. (10x1=10)
- a. IATO
- A. Indian Association of Tour Operators B. Indian Agency of Travel Operators
C. Indian Association of Travel Operator D. Indian Agency of Tour Operators
- b. The activity of a temporary visitor staying less than 24 hours but excluding people in transit is
- A. Tourism B. Tourist
C. Excursion D. Excursionist
- c. A traveler, who visits Mecca for the purpose of performing Haj, is a/an
- A. Tourist B. Both a and c
C. Excursionist D. Religious tourist
- d. A tour operator is the one who
- A. Acts on the behalf of the provider of the tourism service B. Buys airline seats, hotel rooms and other facilities and makes the tour package
C. Gives advice on tours and travel D. None of these
- e. Which is a travel agency?
- A. Thomas Cook B. Amway
C. Radisson D. ASTA World Travel Congress
- f. Recreation is a
- A. Product B. Privilege of a Tour operator
C. Service D. Privilege of a Tour guide
- g. Which one of the following is essentially needed by a domestic tourist?
- A. Foreign currency B. Passport
C. Medicines D. Local currencies
- h. In the parlance of tourism administration, a tour operator is considered to be a
- A. Wholesaler B. Retailer
C. Ultimate service provider D. None of the above

Contd...2

- i. Scuba diving can be associated with
- | | |
|---------------------|----------------------|
| A. Farm tourism | B. Eco tourism |
| C. Creative tourism | D. Adventure tourism |
- j. TAAI
- | | |
|---------------------------------------|-------------------------------------|
| A. Tour Agents Association of India | B. Tour Aims Association of India |
| C. Travel Agents Association of India | D. Travel Aims Association of India |

SECTION – B

2. Answer any **TEN** of the following questions in two to three sentences each. (10x2=20)
- What is wildlife tourism?
 - Define tourism.
 - What do you mean by cultural tourism?
 - Give the meaning of Eco-tourism.
 - Who is a tourist?
 - Give the meaning of excursion.
 - What do you mean by village tour?
 - State any two functions of a tour operator.
 - State any 4 advantages of package tour.
 - What is Itinerary?
 - What do you mean by circle trip?
 - Who is a travel agent?

SECTION – C

Answer any **THREE** questions in not less than one page each. (3x5=15)

- Differentiate between a tourist, visitor and an excursionist.
- What are the compounds of a tour package?
- Explain the limitations and constraints of an Itinerary.
- Write a short note on the importance of travel consultants.

SECTION – D

Answer any **THREE** questions in not less than two pages each. (3x15=45)

- Write the interrelationship and differences between a travel agent and a tour operator.
- Explain the etiquette and ethics to be considered in handling customers.
- Explain the merits and demerits of package tour.
- Elucidate the types and forms of tourism.

SECTION – E

(10 Marks)

- Prepare a three-day itinerary for a newly wedded couple.

(2018 Batch only)

G 406.5d

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St Aloysius College (Autonomous)

Mangaluru

B.B.A. Semester V – Degree Examination

January - 2021

LOGISTICS AND SUPPLY CHAIN MANAGEMENT

Time: 3 hrs.

Max Marks: 100

SECTION – A (MCQ type questions) – Compulsory

1. Answer **ALL** the following questions.

(10x1=10)

- a. Which of the following is true for supply chain management?
- A. The physical material moves in the direction of the end of chain B. Flow of cash backwards through the chain
- C. Exchange of information moves in both the direction D. All of the above
- b. _____ and physical distribution are the two major operations of logistics.
- A. Supply Chain Management B. Materials Management
- C. Logistics Management D. None of the above
- c. Which of the following is not a component of 4PL?
- A. Control Room (Intelligence) B. Resource Providers
- C. Information D. Recycling
- d. Reverse logistics is required because
- A. Goods are defective B. Goods are unsold
- C. The customers simply change their minds D. All of the above
- e. A good material-handling system will enhance the _____ in logistics.
- A. productivity potential B. efficiency
- C. delivery reliability D. speed to market
- f. The fastest and most costly mode of transport?
- A. Air Transport B. Water Transport
- C. Ropeways D. None of the above
- g. Palletization is the most common method for _____ of similar-shaped
- A. customization B. unitization
- C. rationalization D. picking up
- h. LASH means
- A. Lighter Aboard Ship B. Last Aboard Ship
- C. Lighter Aboard System D. None of the above

Contd...2

G 406.5d

- i. The _____ has made it possible for other companies to eliminate intermediaries and sell directly to the end consumer
- A. SCM
B. Internet
C. Competition
D. Global sourcing
- j. The reverse logistics system focuses more on the following process: (Tick the correct answer).
- A. procurement process
B. manufacturing process
C. manufacturing process
D. product recalls

SECTION – B

2. Answer any **TEN** of the following questions in two to three sentences each. (10x2=20)

- What is integrated logistics?
- What is reverse logistics in supply chain?
- What is meant by Green SCM?
- What is meant by 3rd party logistics?
- Write the meaning of any two types of warehouses.
- What is containerization?
- Explain any two functions of transportation.
- Write the meaning of automated order processing system with an example.
- State the difference between customer oriented packaging and logistics oriented packaging.
- What is meant by material handling in supply chain management?
- What are logistics parks?
- Write a short note on Inland Container Depots (ICD s).

SECTION – C

Answer any **THREE** questions in not less than one page each. (3x5=15)

- Explain the elements of Logistical Information system (LIS).
- Explain the major types of demand forecasting.
- Which are the different intermodal transportation methods?
- Discuss the objectives of material handling in logistics and supply chain perspectives.

SECTION – D

Answer any **THREE** questions in not less than two pages each. (3x15=45)

- What is logistics outsourcing? Explain its objectives and benefits.
- Describe the various forms of packaging.
- Discuss the material handling equipment with their scopes.

10. A mobile phone manufacturing company has three branches located in three different regions, say Jaipur, Udaipur and Mumbai. The company has to transport mobile phones to three destinations, say Kanpur, Pune and Delhi. The availability from Jaipur, Udaipur and Mumbai is 40, 60 and 70 units respectively. The demand at Kanpur, Pune and Delhi are 70, 40 and 60 respectively. The transportation cost is shown in the matrix below (in Rs). Use the Vogel's Approximation Method to find a basic feasible solution

		Destinations			Supply
		Kanpur	Pune	Delhi	
sources	Jaipur	4	5	1	40
	Udaipur	3	4	3	60
	Mumbai	6	2	8	70
Demand		70	40	60	170

SECTION – E

(10 Marks)

11. What is logistics? Explain its objectives.

(2018 Batch only)

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St Aloysius College (Autonomous)

Mangaluru

B.B.A. Semester V – Degree Examination

January - 2021

ADVERTISING MANAGEMENT

Time: 3 hrs.

Max Marks: 100

SECTION – A (MCQ type questions) – Compulsory

1. Answer **ALL** the following questions. **(10x1=10)**

- a. Any paid form of non personal communication about an organization, good, service or idea by an identified sponsor is called:
- A. Advertisement. B. Advertisement Research.
C. Advertisement copy D. Advertisement budget
- b. Advertisement promotes
- A. Purchases B. Production
C. Sales D. Price
- c. The _____ component of attitudes focuses on behavioral tendencies.
- A. Conative B. Affective
C. Cognitive D. Instrumental
- d. The professional maintenance of a favorable public image by a company or other organization or a famous person.
- A. Public relation B. Company relation
C. Personal Relation D. Individual relation
- e. 'E-mail' is example for
- A. direct marketing B. Mass marketing
C. Indirect marketing D. Social marketing
- f. A marketing tactic involving paying for space to promote a product, service, or cause is called
- A. Production B. Advertising
C. Consumption D. Marketing
- g. 'Trade shows' is example for
- A. Product advertising B. Industrial advertising
C. Price advertising D. Design advertising
- h. Another name for a company's marketing communications mix is
- A. The promotion mix B. The sales force
C. The product mix D. The image mix
- i. A clothing store that sets their advertising budget by following the major competitor and adding an additional 20 percent is using the _____ method.

- A. Marginal cost
 B. Competitive Parity
 C. Percentage of sales
 D. None of the above
- j. Which of the following is NOT a problem with radio advertising?
 A. Message
 B. Audio
 C. Video
 D. None of the above

SECTION – B

2. Answer any **TEN** of the following questions in two to three sentences each. (10x2=20)
- What is meant by Rural advertising?
 - What is advertising copy strategy?
 - Write any two example for Industrial advertising.
 - Write the meaning of 'window display'
 - What is perception?
 - What is Communication mix?
 - Define Budget.
 - Who is consumer?
 - What is Productivity of advertising?
 - Give the meaning of informative advertising.
 - What is meant by sales effect test?
 - What is an ad agency?

SECTION – C

Answer any **THREE** questions in not less than one page each. (3x5=15)

- Explain the process advertising budget.
- What are the roles of advertising agency?
- Write a note on diffusion process of communication.
- "Ethics in advertising has proved very profitable." Explain.

SECTION – D

Answer any **THREE** questions in not less than two pages each. (3x15=45)

- 'Media is the heart of Advertising'. Explain
- Analyze and explain measurement of effectiveness of advertisement.
- Describe the role of advertising in the economic development of India.
- Explain the essential aspects of marketing that forms a part of advertising in India.

SECTION – E**(10 Marks)**

- ABC Pvt. Ltd. has been diversified activities of business Nara textiles, chemicals, and pharmaceuticals. Recently the company has decided to diversify its business into software field. Previously they marketed only physical goods, but now they decided to enter into service sector. It has decided to develop travelling software and market the software in English and other regional languages of India.
 - Suggest suitable advertising campaign for the product.
 - Which media do you recommend to promote the product? Why?

(2018 Batch)

G 408.5

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St Aloysius College (Autonomous)

Mangaluru

B.B.A. Semester V – Degree Examination

January - 2021

HUMAN RESOURCE DEVELOPMENT

Time: 3 hrs.

Max Marks: 100

SECTION – A (MCQ type questions) – Compulsory

1. **Answer ALL the following questions.** **(10x1=10)**

- a. HRD systems are designed to suit the.....
 - A. Organizational culture
 - B. Human resources
 - C. Economy of the country
 - D. Markets
- b.is also the role of HRD manager
 - A. Facilitator
 - B. Steward
 - C. Housekeeper
 - D. Accountant
- c. HRD professionals should continuously exchange
 - A. their thoughts
 - B. their experiences
 - C. their views
 - D. their working
- d. refers to the learning opportunities designed to help employees growth training
 - A. Training
 - B. Development
 - C. Education
 - D. All of the above
- e. Which of the following is learning principle?
 - A. Recognition of individual difference
 - B. Schedules of learning
 - C. Transfer of learning
 - D. All of the above
- f. Knowledge of learning results in?
 - A. Reward
 - B. Reinforcement
 - C. Feedback
 - D. Extinction
- g.is not a HRD function
 - A. Budgeting
 - B. Career planning
 - C. Training and development
 - D. Evaluation
- h. HRD way in education planning is /are
 - A. Manpower approach
 - B. Social demand
 - C. Rate of return
 - D. All of the above
- i. Which of the following is a technique of evaluation?
 - A. Time series analysis
 - B. Transfer validity
 - C. Inter- organisational validity
 - D. None of the above
- j. Learning styles are
 - A. Listing learners
 - B. Operate conditioning
 - C. Behaviourism
 - D. Shaping behaviour

Contd....2

SECTION – B

2. Answer any **TEN** of the following questions in two to three sentences each. (10x2=20)
- What do you mean by culturally diverse work place?
 - Define HRD.
 - Write any two competencies of HRD professionals.
 - What do you mean by cross culture training?
 - Mention any two reasons for HRD marketing.
 - How does HRD profession differ from other professions?
 - Why human resource accounting is important?
 - What is knowledge management?
 - What are the main components of intellectual capital?
 - Write any two reasons for marketing human resource development.
 - Write any two contemporary approaches to evaluation.
 - How do you audit Human Resource accounting?

SECTION – C

- Answer any **THREE** questions in not less than one page each. (3x5=15)
- Why intellectual capital is important in modern organization?
 - What are the HRD programs suggested for culturally diverse employees?
 - Explain the link between intellectual capital and other forms of capital.
 - Explain the evolution of HRD.

SECTION – D

- Answer any **THREE** questions in not less than two pages each. (3x15=45)
- Explain the functions and techniques of human resource development.
 - What are the HRD practices for developing growth rate in service sector in India?
 - What is HRD and diversity? Compare the organization culture and HR management programs in the organization.
 - Explain the contemporary approach to the assessment of the employees.

SECTION – E**(10 Marks)**

- What are your suggestions to make human resource development effective in the Indian organization?

(2018 Batch only)

G 409.5

Reg. No.:

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**St Aloysius College (Autonomous)
Mangaluru**

B.B.A. Semester V – Degree Examination

January - 2021

WORKING CAPITAL MANAGEMENT

Time: 3 hrs.

Max Marks: 100

SECTION – A (MCQ type questions) – Compulsory

1. Answer **ALL** the following questions. (10x1=10)
- a. Time period between placing an order and its receipt in stock is known as _____
- A. Lead time B. Carrying time
C. Shortage time D. Over time
- b. The order cost per order of an inventory is Rs.400 with an annual carrying cost of Rs. 10 per unit .The EOQ for an annual demand of 2000 units is
- A. 400 B. 480
C. 440 D. 500
- c. Which of the following is true for inventory control?
- A. Economic order quantity has minimum total cost per order B. Inventory carrying cost increases with quantity per order
C. Ordering cost decreases with high quantity per order D. All of the above
- d. Credit term 10/20net 60 means
- A. 10% discount if payment made within 20 days , the amount due in full within 60 days B. 20% discount if payment made within 10 days ,the amount due in full within 60 days
C. 20% discount if payment made within 20 days ,the amount due in full within 60 days D. 20% discount if payment made within 60 days ,the amount due in full within 10 days
- e. Which amongst the following is not a type of working capital
- A. Net working capital B. Gross working capital
C. Regular working capital D. Blocked working capital
- f. _____ is the amount of inventory that need to be maintained to meet unforeseen situations.
- A. Safety stock B. Minimum level
C. Danger level D. Maximum level
- g. Average collection period is _____

5. A firm's annual requirement is 30,000. The acquisition cost is ₹ 150 per order, carrying costs are likely to ₹ 1.2 per unit per year. Assume the following order sizes
- 30,000 units
 - 15,000 units
 - 6,000 units
 - 3,000 units
 - 1,500 units
- Determine :
- | | |
|------------------------|-------------------|
| I. ORDERING COST | II. CARRYING COST |
| III. AVERAGE INVENTORY | IV. EOQ |
6. List out the problems associated with inadequate working capital.

SECTION - D

Answer any **THREE** questions in not less than two pages each. (3x15=45)

7. The Proforma cost sheet of a company shows the following particulars

Elements of cost	per unit ₹
Raw materials	70
Direct Labour	30
Overheads	50
Profit	<u>50</u>
	<u>200</u>

The following particulars are available

- Raw materials are in stock for two months.
- Materials are in process for one month.
- Finished goods in stock on an average for two months.
- Credit allowed by suppliers is two months.
- Credit allowed to customers is two months.
- Lag in payment of wages is one month.
- Lag in payment of overhead expenses is one month.
- 1/4th of the output sold for cash.
- Cash in hand and at bank is expected to be ₹ 30,000.

You are required to prepare a statement showing the working capital needed to finance a level; of activity of 52,000 units of production.

8. Abco Limited is dealing with manufacturing of toys. The firm is planning to add a new product line. The firm can buy the Machinery or get it on lease. The machine can be purchased for ₹ 7,50,000. It is expected to have useful life of 5 years with scrap value of ₹ 50,000 at the end of 5th year.

The purchase can be financed by 20% loan payable in 5 equal installments becoming due at the end of the year.

Alternatively, the Machine can be taken on end lease rent ₹ 2,25,000 for 5 years. Advice the company on the option that it should choose.

The company follows Straight Line method of valuing depreciation. Tax rate 35%.

Year	PVIF @ 13%	PVIF @ 20%
1	0.885	0.833
2	0.783	0.694
3	0.693	0.579
4	0.613	0.482
5	0.543	0.402

9. Prepare monthly Cash Budget for 6 month beginning from April 2009, on the basis of following information:

(a) Estimated monthly sales are as follows :

	₹		₹
Jan.	1,00,000	June	80,000
Feb.	1,20,000	July	1,00,000
March	1,40,000	Aug.	80,000
April	80,000	Sept.	60,000
May	60,000	Oct.	1,00,000

(b) Wages and Salaries are estimated as follows:

	₹		₹
March	10,000	July	10,000
April	9,000	Aug.	9,000
May	8,000	Sept.	9,000
June	10,000		

(c) Cash sales are 25% of sales. 75% of credit sales are collected within one month and the balance in two months.

(d) Purchases amount to 70% of sales of each month and are in the next month.

(e) Machinery purchased in the month of June ₹ 1,00,000.

(f) Issued shares in the month of July ₹ 5,00,000.

(g) Wages & salary paid in the next month.

(h) Opening cash balance of April ₹ 20,000 and company has to maintain minimum cash balance ₹ 30,000 at the end of every month. Company can borrow from bank to maintain the minimum cash balance (ignore interest).

10. A trader whose current sale is ₹ 15,00,000 per annum and average collection period is 30 days wants to pursue a more liberal credit policy to improve credit sale. A study made by a consultant reveals the following information.

Credit policy	Increase in collection period	Increase in sales (₹)
A	15 days	60,000
B	30 days	90,000
C	45 days	1,60,000
D	60 days	1,80,000
E	90 days	2,00,000

Selling price per unit is ₹ 5, average cost per unit is ₹ 4 and variable cost per unit is ₹ 2.75. The required rate of return on additional investment is 20%. Assume 360 days in a year and also assume that there are no bad debts.

SECTION – E

(10 Marks)

11. Suggest ABC Plan.

Items	Units	Unit cost
1	10,000	60.8
2	5,000	102.4
3	16,000	11
4	14,000	10.28
5	30,000	3.4
6	15,000	3
7	10,000	1.3

G 403.5a

- h. Which of the following statements regarding critical path analysis is FALSE?
- | | |
|--|---|
| A. Each activity line must begin and end with a node | B. Latest event times are calculated working left to right |
| C. When there is a choice in calculating the earliest event time, select the highest | D. Activities that are not on the critical path will have float |
- i. The person responsible for approving the project plan is which of the following?
- | | |
|--------------------|------------------|
| A. Project manager | B. Project owner |
| C. Project sponsor | D. Project user |
- j. To achieve our vision, how will we sustain our ability to change and improve? The above statement relates to which of the perspectives of Kaplan and Norton's balanced scorecard?
- | | |
|------------------------------|-------------------------|
| A. Financial perspective | B. Customer perspective |
| C. Internal business process | D. Learning and growth |

SECTION – B

2. Answer any **TEN** of the following questions in two to three sentences each. (10x2=20)

- a. Bring out any two differences between traditional markets and business ecosystems.
- b. List out any four types of leaders.
- c. State any two purpose of organizational control.
- d. What is an organizational culture?
- e. Define conflicts.
- f. Give the meaning of noise in communication.
- g. What are projects?
- h. Give the meaning of Business Eco systems.
- i. Mention any four benefits of using break down structures in project management.
- j. Mention any two benefits of delegation.
- k. What is grapevine communication?
- l. Mention any four roles that a project manager performs.

SECTION – C

Answer any **THREE** questions in not less than one page each. (3x5=15)

3. State four key aspects of business model.
4. How can management achieve effective delegation?
5. Explain briefly Management by Objectives.
6. What are the various types of groups?

SECTION – D

Answer any **THREE** questions in not less than two pages each. (3x15=45)

7. What are business ecosystems? How are business ecosystems relevant in meeting present day customer expectations?
8. "The creation of value is a common theme in the description of the purpose of business models." – Explain with suitable examples.
9. Explain the various theories leadership and its relevance in the present-day world.
10. "Beblin's team roles help in forming better teams" - elucidate

SECTION – E**(10 Marks)**

11. The LKJ company is a distributor of electricity in a large country. In effect, LKJ purchases electricity from companies making electricity and then distributes this through a network of cables to companies and private individuals throughout the country. Electricity is generated from a variety of sources including burning coal and natural gas, nuclear power and a small amount from renewal resources such as wind and wave power.

LKJ's shares are owned by three other companies, who take an active interest in the profitability of LKJ. There are three other electricity distribution companies in the country LKJ operates in.

The board of LKJ are currently considering the proposal to purchase electricity from another country. This source of supply is quoted as being cheaper from those within LKJ's home country, although the electricity is generated by burning coal. If this supply is taken, LKJ will stop purchasing electricity from an old nuclear power station and some of the expensive wind power plants. The Clean-Earth environmental group has learnt of the proposal and is currently participating in a media campaign in an attempt to block the change by giving LKJ bad publicity.

The board, managers and employees in LKJ appear indifferent, although changing the source of supply will provide a price advantage over LKJ's competitors, effectively guaranteeing their jobs for the next few years.

Required:

Identify the stakeholder groups who will be interested and/or affected by the decision of the LKJ company to change electricity suppliers, evaluating the impact of that decision on the group.

List out the actions the board can take with respect to each stakeholder group.
