M. Com I - Feb 2018

Sem - I

Q.P.Code: 29846

Time: 2 hrs. **Marks: 60**

N.B.: 1. All questions are *Compulsory*, subject to the internal Choice and carry 15 marks each.
2. Workings to form part of the solutions and necessary assumptions to be made and stated clearly.
3. Use of simple calculator is permitted.

Q1. Following is the Balance sheet of M/s. Mrutyunjay Products as on 31.12.2015:

Liabilities	Rs.	Assets	Rs.
Capital	1,12,000	Fixed Assets	25,000
Creditors	18,000	Stock	54,000
		Debtors	28,000
		Cash	23,000
	1,30,000		**1,30,000**

Other relevant data is as follows:

i. Sales estimates are:

2016	Sales (Rs.)	2016	Sales (Rs.)	2016	Sales (Rs.)
January	60,000	March	78,000	May	72,000
February	60,000	April	84,000		

ii. 25% of the Sales are on Cash basis and Credit Sales are collected in the month following their occurrence;
iii. Cost of sales is 60% of Sales;
iv. Inventory equivalent to 1.25 times of next month's budgeted Sales is kept in stock at the end of each month;
v. Creditors are paid in the month following the purchases;
vi. Ignore interest on any Overdraft or other financial help taken.

Prepare Mrutyunjay Product's Cash budget for January, 2016 to March, 2016 on the basis of the aforesaid information.

OR

Q1. The expenses budgeted for production of 10,000 units in a factory are furnished below:

	Total (Rs.)
Materials	6,00,000
Labour	3,00,000
Variable overheads	2,00,000
Fixed overheads	1,00,000
Variable overheads (Direct)	50,000
Selling Expenses (10% Fixed)	1,50,000
Distribution expenses (20% Fixed)	1,00,000
Administrative expenses	50,000
Total cost per unit	15,50,000

Prepare a budget for production of 7,500 units.

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Q2. The price structure of one motor–bike manufactured by Heroic Co. is as follows:

Particulars	Rs. (per bike)
Materials	12,000
Labour	5,000
Variable overheads	3,000
Fixed overheads	10,000
Profit	10,000
Selling price	40 000

The above data is based on the production level of 1,000 motor–bikes.
The enterprise expects that they will have to reduce selling price in order to stand up to competition. However, they want the total profit to remain intact.
Calculate the no. of motor–bikes it would have to manufacture to keep total profit intact if:

i. The selling price is reduced by 10% ;
ii. The selling price is reduced by 20 %.

OR

Q2. Hercules Ltd. manufactures 10,000 pens annually at a cost of Rs. 40 per pen and sells it domestically @ Rs. 50 each.

The break-up of the said cost is as follows:

Particulars	Rs. (Total)
Materials	1,75,000
Labour	1,00,000
Variable overheads	45,000
Fixed overheads	80,000
	4,00,000

For the year following, it expects to keep up the same sale quantum only if the selling price is reduced to Rs. 37.50. A special offer from an overseas market demands 20,000 pens at a selling price of Rs. 35/-. To manufacture additional 10,000 pens above the present level, the Co.'s Fixed overheads will increase by 10%.

Advise the Company whether it should accept the foreign offer or not, with supporting calculations and assumptions.

Q.3 Elegant Tourists have been running a bus on a specific route covering a 'total' distance of 40 kms.. The bus had been purchased at a cost of Rs. 40, 00,000.

The annual charges for the mini bus are insurance Rs. 15,000, road-tax Rs. 5,000 and garage rent Rs. 12,000. Cost of repairs and maintenance is estimated at Rs. 18,000 p.a. while replacement of tyres and tubes will cost Rs. 2,500 p.m. Office expenses are estimated at Rs. 2,000 p.m. whereas a small part of the Office would be let out for the year fetching rent of Rs. 4,000 Petrol and Oil will cost Rs. 10 per kilometre.

Two drivers and two conductors are engaged at a monthly salary of Rs. 25,000 and Rs. 20,000 each respectively. In addition to this, drivers and conductors are entitled to 5% of the sale of tickets.

The effective life of the vehicle is spread over 80,000 kms., at the end of which the vehicle will have no scrap value. The bus is 50 seater and is expected to run 2 two-way trips during the day for 25 days in a month, carrying its full load.

You are required to work out fare per passenger km. for earning 20% profit on net fare, Interest on loan @ Rs. 10,000 p.a. is also to be included as cost.

OR

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Q3. Following details are given for Product X:

	Standard (for 1 unit produced)		Actual (for 10 units produced)	
Material	Qty. (kgs.)	Price (per kg.)	Qty(kgs.)	Price (per kg.)
A	50	12	600	15
B	50	20	700	19
C	100	25	920	28

Calculate all the Material variances

Q4. A Rewrite the entire sentence selecting the most appropriate alternative with the given serial no.s without altering the order / sequence: **(08)**

1. Variable costs are fixed _____ (totally / per unit / both of these);
2. In case of a monthly budget to be prepared for four consecutive months, the Opening balances _____ be worked out / put up at once for all four months simultaneously (can / cannot / may);
3. Bad debts written off _____ effect Cash budget (will / will not);
4. ____ budget has to be prepared before Production budget (Purchase/ Sales / Cash);
5. _____ is the cost centre or cost unit in hotel costing (passenger-kms./ tonne-kms. / room-days);
6. In Tourism, the toll expense will depend upon _____ (passenger – kilometres / kilometres / total enterprise's investment) ;
7. The key factor is the _____ important factor (most / least / non-);
8. _____ will be running cost in Tourism industry (Fuel / Insurance / Office Salary)

B Match the following by rewriting the columns A & B by matching on an *overall most appropriate* basis: - **(07)**

A	B
Fixed costs	Succeeds Sales budget
Key factor	Standard Costing
Production budget	Charges per bed-days
Cash budget	Standing costs
Checking of reality with estimates	Temporary bank / other finance
Hospital	Scarce in availability
Cash balance less than minimum requirement	Preceeds production budget
	Forecast of cash flows
	Depreciation to be taken into account

OR

Q. 4 Write Short notes on **(any Three)**

1. Material Quantity Variance
2. Uses of P/V Ratio
3. Cost centre / unit in Hotel Costing
4. Opportunity Cost
5. Link between Purchase, Production and Sales budget

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M.Com - I Feb 2018

C0531R / C0509 STRATEGIC MANAGEMENT

Sem - I

Q. P. Code : 29342

(Time 2 Hours) **(Marks 60)**

N.B.1. All the questions are compulsory

2. Figures to the right indicate full marks

Q.1. a) Define strategic management. Explain the risks of strategic management. 15

b) Elaborate the various corporate level strategies

OR

c) Elucidate the various functional strategies in brief.

d) With help of diagram explain the components of external environment

Q.2. a) Explain the stages of strategic formulation 15

b) Describe in detail BCG matrix.

OR

c) Elucidate the problems of strategic implementation

d) Explain the importance of strategic evaluation

Q.3. a) Describe the various causes of corporate renewal 15

b) Explain the types of Indian strategic alliances with help of examples

OR

c) What are the governing strategies of PPP model (Public Private Participation)?

d) Describe the contributions of IT sector in Indian Business.

Q.4. A) Fill in the blanks with appropriate options: 5

1) ----------statement answers the question "where we want to be".
a) Mission b) Vision c) Objective d) None of these

2) ----------strategy is one of the business level strategies
a) Differentiation b) Human resource c) Financial d) Value Creating

3) A ---------- is characterized by the purchased of a smaller company by a larger one.
a) Merger b) Joint Venture c) Takeover d) None of these

4) ----------is/are the most common reasons for restructuring a company
a) Downsizing b) Technology c) Buy outs d) All of these

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Q. P. Code : 29342

5) Full form of KPO is ---------- Process Outsourcing.
   a) Known b) Kotak c) KPO d) Knowledge

B) State whether the following statements are true or false: 5

1. The promoter should have far sight vision to forecast opportunities.
2. Acquisition in a general term means sell of ownership in the property.
3. Divestment usually involves eliminating a portion of a business.
4. A defective strategy of the company is one of the external causes of renewal.
5. 'Radical' is one of the key words in the definition of BPR.

C) Match the Pairs 5

Group A	Group B
1. Goal	a) Kotak & ING Vysya bank
2. Merger	b) Start-up strategy
3. Affiliate Marketing	c) Problem of PPP
4. Culture Gap	d) Realistic
5. Be Brave	e) Strategic Alliances

OR

4. Write short notes on **(any three)** 15

a. BPO in India.
b. Operational Reengineering
c. Consequences of Disaster
d. Make in India Model
e. Challenges Start-up business

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m.com I Feb 2018

Sem - I

Q.P. Code : 26819

[Time: 2 Hours] [Marks: 60]

N.B: 1. All questions are compulsory.
2. Figures to the right indicate full marks.

1. Answer the following:- **15**

a) What do you mean by work ethos and ethics? Explain the Need for Business Ethics.

b) What is an ethics committee? State and explain their responsibilities.

OR

c) Explain the Mill & Bentham's Utilitarianism Theory.

d) Describe Gandhi's Doctrine of Satya and Ahimsa.

2. Answer the following:- **15**

a) Explain the Ethical Practices in Marketing.

b) Define Corporate Governance. Explain the Principles Corporate Governance.

OR

c) What is an Audit Committee? State their responsibilities.

d) Explain the role of Board in Corporate Governance.

3. Answer the following:- **15**

a) Explain the scope of Corporate Social Responsibility.

b) State and explain any four models of CSR practices in India.

OR

c) Elaborate on future of Corporate Social Responsibility in India.

d) What is the role of NGOs in Corporate Social Responsibility.

4. A) State whether the following statements are True or False: **05**

a) Kantian ethical theory is named after its founder, Immanuel Kant

b) Religion is one of the sources of Ethics.

c) Independent Directors must be Executive Directors.

d) Global CSR Awards are organized by FICCI.

e) CSR through Triple Bottom Line include People, Planet and Profit.

B) Fill in the blanks with appropriate options: **05**

a) _____ theory of ethics is very old theory existing since the time of Aristotle.
(Virtue / Justice / Teleological / Deontological)

b) _____ infringement of copyright deals with the real act of copying.
(Ethical / No / Primary / Secondary)

c) Rights of _____ is included in the Principles of Clause 49.
(Shareholders / Stakeholders / Board / None)

d) Corporate Philanthropic programs include _____
(Matching gifts / Funds raising matches / volunteer support program / All of these)

Turn Over

e) _____ is an auditable certification standard developed in 1997 by Social Accounting International.
(ISO 14000 / SA8000 / AA1000 / None of these)

C) Match the Pairs: 05

Group A	Group B
a) Approaches of Business Ethics	i) Beyond Philanthropy
b) Unethical Finance Practices	ii) Protection of Human Rights
c) CSR	iii) One of the Drivers of CSR
d) Ecological sustainability	iv) Emotive
e) UN Global compact	v) Misappropriation of Assets

OR

4. Write short notes on (any three) 15

a) CSR towards Creditors and Financial Institutions
b) CSR and Environmental Concerns
c) Designing CSR Policy
d) AA 1000 series
e) CSR and Sustainable Development

C0531R / C0510 ECONOMICS FOR BUSINESS DECISION Feb 2018

M.Com - I Sem - I

Q. P. Code : 29148

(2 Hours) (Total Marks : 60)

(Please check whether you have got the right question paper)

N. B. :
1. **All** questions are **compulsory.**
2. **Figures** to the **right** indicate **full marks** assigned to **each** question.
3. Draw neat diagrams wherever necessary.

1. a) Explain the concept of snob appeal and Veblen effect. **(08)**

b) Discuss the paradox of bumper harvest. **(07)**

OR

c) Describe the important objectives of administered price control. **(08)**

d) Discuss the consumer's equilibrium with the help of indifference curve analysis. **(07)**

2. a) The Slope of an iso quant is the measure of relative marginal productivities of factors. Explain **(08)**

b) State and explain the law of return to scale with the help of diagram. **(07)**

OR

c) Comment on expansion path and multiproduct firm. **(08)**

d) Bring out the relationship between AC and MC with the help of diagram. If the AC is rising does it mean that MC must also be rising? **(07)**

3. a) Discuss the methods of measuring monopoly power. **(08)**

b) Explain price-output determination under perfect cartel. **(07)**

OR

c) Discuss how Nash equilibrium is used to analyse strategic decisions? **(08)**

d) Analyze the following case study and answer the questions below: **(07)**

There are usually thousands of restaurants in any large city catering to all types of foods, tastes, incomes and sectors. Some restaurants are luxurious and expensive, while others are simple and inexpensive. Some restaurants provide entertainment, while other does not.

In one block in mid-Manhattan there are about 17 restaurants: 5 Italian, 4 French, 3 Chinese and one each Brazilian, Indian, Japanese, Korean, and Spanish. In a recent issue of New York Magazine, were advertisements for more than 100 restaurants of all type and there is only small fraction of the restaurants in the city. Entry in to restaurants business is also relatively easy.

In any large city, hundreds of restaurants open each year and about equal number of them close during the same year. Since each restaurants offers somewhat differetiated product, many advertise their existence, location and menu together with the usual claim of superiority over all other restaurants in the same class (which no one really takes it seriously).

1. Examine the characteristics features of the market defined in the case.
2. Illustrate short run equilibrium of firm under this market structure with the help of a diagram.

4. a) Choose the right option from the following : (07)

i) When there are negative externalities, the price should be adjusted so that it is equal to _____.

a. Social cost
b. Private cost
c. Amount of externality
d. Zero

ii) The concept of opportunity cost can be explained by using a _____.

a. Indifference curve
b. PPC curve
c. Iso-Quant curve
d. None of the above

iii) The problem of business economics is the problem of _____.

a. Inefficiency
b. Poverty
c. Scarcity
d. All of the above

iv) The term maximum profit refer to pure profit which is a surplus of total revenue over _____.

a. Marginal cost
b. Total cost
c. Total revenue
d. Average cost

v) The concept of invisible hand is put forward by _____.

a. David Ricardo
b. Amartya Sen
c. J.M. Kenyes
d. Adam Smith

vi) Economic efficiency can be corrected by improving _____.

a. Market failures
b. Inflation
c. Unemployment
d. None of the above

vii) Market failure takes place due to _____.

a. Perfect information
b. Externalities
c. Private goods
d. None of the above

b) Give precise meaning of the following. **(08)**

a. Scarcity
b. Marginal Principle
c. Opportunity cost
d. Economic profit

OR

4. Write short notes on **any three** of the following : **(15)**

a. Role of government in market failure
b. Indifference curve
c. Determinants of demand
d. Short run equilibrium of the firm under perfect competition
e. Prisoner's Dilemma.