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BBABMC 257/BBMBMC 257

IV Semester B.B.A./B.B.M. Degree Examination, April/May 2019

(Credit Based Semester Scheme)

(2012 Scheme)

BUSINESS STATISTICS

Time : 3 Hours]

[Max. Marks : 80

Instructions :

1. *Mathematical tables will be supplied on request.*
2. *Only simple calculators are allowed.*

SECTION - A

1. Answer **any ten** of the following, **1** mark each : **(10 × 1 = 10)**
 - (a) Define Statistics.
 - (b) Define quantitative classification with an example.
 - (c) Write any two advantages of a diagrammatic presentation of data.
 - (d) Define a measure of Central Tendency.
 - (e) Write the relation between Mean, Median and Mode in a skewed distribution.
 - (f) Calculate the Mode Number of children / couple
1, 0, 2 3 4 2 1
2, 2, 1
 - (g) Calculate the coefficient of variation, Given AM = 40, Standard deviation = 5.
 - (h) Write any two properties of correlation coefficient.
 - (i) What is meant by inclusive class interval?
 - (j) Calculate a suitable Index number, Given $\Sigma p_0q_0 = 120$, $\Sigma p_1q_0 = 182$.
 - (k) Given the straight line equation $Y = 80 + 3t$. Estimate the value of $t = 8$.
 - (l) Which are the two methods of measuring a Secular Trend in a Time Series?

7

P.T.O.



SECTION - B

Answer **any five** of the following, **5** marks each :

(5 × 5 = 25)

2. Write various sources of Secondary data.

3. Draw a Histogram and hence find Mode.

Marks :	0-10	10-20	20-30	30-40	40-50
Students :	10	18	26	22	14

4. Calculate Median for the following frequency distribution.

Class :	30-36	36-42	42-48	48-54	54-60	60-66
Frequency :	8	12	21	28	17	14

5. Calculate the Geometric Mean for the following data :

Marks :	12-20	20-28	28-36	36-44	44-52	52-60	60-68
Students :	13	24	36	17	8	6	5

6. Draw less than Ogive and hence find Median :

Height (cms) :	140-145	145-150	150-155	155-160	160-165
Students :	8	13	26	18	5

7. Graphically solve the following L.P.P.

Maximize $Z = 100x + 20y$

Such that,

$x + 2y \geq 20$

$2x + 5y \leq 80$

and $x \geq 0, y \geq 0$

8. Given the following data Estimate the value of X when Y = 78.

	X	Y
Mean	68.5	76.3
S:D	3	4

Coefficient of correlation = 0.92.



SECTION - C

Answer any three of the following, 15 marks each : (3 × 15 = 45)

- 9. (a) Calculate the Karl Pearson's Correlation Coefficient. (10)

	X				
Y		10-20	20-30	30-40	40-50
18		3	7	-	-
22		-	10	6	4
26		-	-	4	6
30		-	-	5	5

- (b) Calculate Harmonic Mean for the following data : (5)

X: 45 6 7 12 17 19

- 10. (a) Calculate Mean Deviation from Mean for the following frequency distribution : (10)

Class :	10-20	20-30	30-40	40-50	50-60	60-70
Value :	6	12	16	8	5	3

- (b) Calculate Spearman's Rank Correlation Coefficient. (5)

X: 61 58 63 67 61 76 82
 Y: 43 59 42 62 59 48 49

- 11. (a) Obtain 3-yearly moving averages as trend values for the data given below : (5)

Year :	1991	1992	1993	1994	1995	1996	1997	1998
Value :	108	93	109	110	99	112	118	106

- (b) (i) In which company Total Salary is Higher?
 (ii) Which is consistent? (5)

	Companies	
	A	B
Number of workers	100	120
Average salary (in Rs.)	283	361
S.D. (in Rs.)	8	9

9



(c) Draw a blank table to show the strength of a college according to :

(i) Faculty : Arts, Science, Commerce

(ii) Sex : Boys, Girls

(iii) Year : 2001-02, 2002-03, 2003-04

(5)

12. (a) Fit a Straight line trend to the following data :

(5)

Year :	2000	2001	2002	2003	2004	2005	2006
Production :	108	99	110	112	109	107	113

(b) Calculate the Fisher's Index number.

(5)

Item	Price (₹)		Quantity	
	2000	2004	2000	2004
A	18	22	100	110
B	13	19.5	85	120
C	12	16	120	150
D	10	13	160	240
E	7	10	30	45
F	25	37	60	90

(c) Using the following data calculate the cost of Living Index Number.

(5)

Item	Price		Weight
	2001	2006	
A	100	125	10
B	85	115	8
C	75	115	6
D	61	91	2



SECTION – B

Answer **any five** questions from the following is not more than **2** pages, **8** marks each : **(5 × 8 = 40)**

2. Explain Different types of operating system.
3. What is Memory? Explain different types of Memory.
4. Explain the classification of Network topologies.
5. Explain different components of computer in detail.
6. What measures to be taken to Make Virtual Office effective?
7. Explain the components of Information System.
8. Explain the functions of MIS.

SECTION – C

Answer the following questions, **20** marks each : **(3 × 20 = 60)**

9. (a) Explain the functions of office. **(8)**
 (b) Explain the advantages and disadvantages of office automation. **(12)**

Or

 (c) Define 'decision making'. Explain the phases of decision making. **(12)**
 (d) Explain the sources of Information. **(8)**
10. (a) Write a short note on : **(8)**
 (i) System Software
 (ii) Application Software
 (b) Explain different services of Internet. **(12)**

Or

 (c) Explain the uses of Tally in Business. **(8)**
 (d) Explain the database models. **(12)**
11. (a) What is printer? Explain different classification of printer. **(20)**

Or

 (b) What is office automation? What are the various applications of office automation? **(20)**



4. What is job analysis? Explain the objectives of job analysis.
5. Explain various process of selection.
6. What is induction? Explain the objectives of induction.
7. Explain employee separation and types of separation.
8. Explain the objectives of transfer.

SECTION - C

Answer **all** the questions in not more than **6** pages each : **(3 × 20 = 60)**

9. (a) Explain the functions of Human Resource Management.

Or

- (b) What is human resource planning? Explain the importance and guidelines to make an effective human resource planning.

10. (a) What is recruitment? Explain the sources of recruitment.

Or

- (b) Explain the criteria for promotion and explain promotion policy and its benefits.

11. (a) Explain the characteristics of a good wage payment system and factors involved in determining salary. **(10)**

- (b) Suppose you are the industrial relation manager of a large textile mill in Bangalore, employing 1000 regular and 500 badli workers, what would be your approach in the following situations? **(10)**

(i) A militant trade union has declared a strike in the textile industry which has only a minority followings in your mill.

(ii) The top management has populated a policy to gradually modernize the mill section wise. You expect resistance from a part of the workers and the top management wants you to tackle the workforce.

(iii) Workers in the third shift have demanded a special accident allowance which is under the consideration of the tribunal. Weavers unions have now threatened a strike for this demand.



- (iv) Though your mill has provided all the statutory welfare amenities there is a lot of late coming and absenteeism in the third shift. A few workers are also sleeping during working hours.

Their main complaint is lack of sufficient transport facilities.

Questions :

- (1) What should be the employee compensation scheme?
- (2) What kind of disciplinary action can be taken to improve the situation?

Instructions : A candidate answer booklet containing 40 pages will be issued. No additional sheets will be issued. Read the instructions strictly.

SECTION - A

Answer any ten of the following in 1 or 2 sentences each. (10 x 2 = 20)

- (a) What is job enrichment?
- (b) State the two differences between HRM and Personnel Management.
- (c) What is Bandwidth?
- (d) What is Body Shopping?
- (e) What is reference check?
- (f) What is job rotation?
- (g) What is demotion?
- (h) What is redundancy?
- (i) What is production transfer?
- (j) What is job enlargement?
- (k) What is fair wages?
- (l) Explain any two qualities of human resource manager.

SECTION - B

Answer any five questions in not more than 2 pages each. (5 x 8 = 40)

1. Explain any five functions of Human Resource Management.
2. Explain the importance of Human Resource Policies.

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4. What is job analysis? Explain the objectives of job analysis.
5. Explain various process of selection.
6. What is induction? Explain the objectives of induction.
7. Explain employee separation and types of separation.
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- (b) What is human resource planning? Explain the importance and guidelines to make an effective human resource planning.

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BBABMC 260/BBMBMC 260

IV Semester B.B.A./B.B.M. Degree Examination, April/May 2019

(Credit Based Semester Scheme)

(2012 Scheme)

FUNDAMENTALS OF FINANCIAL MANAGEMENT

Time : 3 Hours]

[Max. Marks : 120

Instructions :

1. A single answer booklet containing 40 pages will be issued.
2. No additional sheets will be issued.
3. Show working notes wherever necessary.

SECTION - A

1. Answer **any ten** questions from the following, **2 marks each** : **(10 × 2 = 20)**
 - (a) What are mutually exclusive projects?
 - (b) What is time value of money?
 - (c) Give the accept and reject rule of IRR method.
 - (d) What is capital rationing?
 - (e) What is marginal cost of capital?
 - (f) What do you mean by financial structure?
 - (g) What is arbitrage process?
 - (h) What is stock dividend?
 - (i) What is floatation cost?
 - (j) What is project evaluation?
 - (k) What is dividend payout ratio?
 - (l) What is discounted payback period?



SECTION - B

Answer **any five** questions, **8** marks each :

(5 × 8 = 40)

2. A company issues 10% irredeemable debentures of ₹ 20,00,000. The tax rate is 40%. Calculate the cost of debenture before as well as after tax if debentures are issued

- (a) at par
- (b) 10% discount
- (c) 10% premium

3. Calculate Weighted Average Cost of Capital (WACC) from the following :

Source	Amount (₹)	Before tax cost
Equity share capital	5,00,000	20%
Retained earnings	2,50,000	16%
Preference share capital	1,25,000	13%
Debentures	3,75,000	12%

Assume tax rate at 50%.

4. Determine the price per share as per Walter and Gordon's model.

- Earnings per share - ₹ 20
- Internal Rate of Return - 20%
- Cost of Equity - 16%
- Dividend per share ₹ 10

5. What is stability of dividends? Explain the different forms of stability of dividends.

6. What is wealth maximization? Explain the merits of wealth maximization.

7. Write a brief note on NI approach of capital structure.

8. Explain the significance of Capital Budgeting decision.



BBABMC 260/BBMBMC 260

SECTION - C

Answer the following questions, 20 marks each : (3 × 20 = 60)

9. (a) What is financial management? Explain the scope of financial management.

Or

(b) Explain the M-M Hypothesis of capital structure.

10. (a) What is cost of capital? Explain the significance and various concepts of cost of capital.

Or

(b) Explain the factors influencing the dividend policy.

11. The company is considering an investment proposal to purchase a machine costing ₹ 2,50,000. The machine has expected life of 5 years. The Company's tax rate is 40%. The firm uses straight line method of depreciation. The estimated cash flows Before depreciation and Tax are as follows :

Year	CFBDT (₹)
1	1,10,000
2	1,20,000
3	1,40,000
4	1,50,000
5	2,00,000

Calculate :

- (a) Payback period
- (b) Average rate of return
- (c) Net present value at 10%
- (d) Profitability index at 10%

Note :

Year	1	2	3	4	5
PV Factor of Re. 1 at 10%	0.909	0.826	0.751	0.683	0.621

Reg. No.

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BBABMC 262/BBMBMC 262

IV Semester B.B.A./B.B.M. Degree Examination, April/May 2019

(Credit Based Semester Scheme)

(2012 Scheme)

CORPORATE ACCOUNTING — II

Time : 3 Hours]

[Max. Marks : 120

Instructions :

1. Provide working notes wherever necessary.
2. Follow the instructions strictly.

SECTION - A

1. Answer **any ten** questions, **2** marks each : **(10 × 2 = 20)**
 - (a) Who appoints the Liquidator in case of compulsory winding up of companies?
 - (b) Who are preferential creditors?
 - (c) Name the different methods of calculating purchase consideration.
 - (d) State any two differences between Absorption and Amalgamation.
 - (e) What do you mean by Non-Banking assets?
 - (f) What do you mean by money at call and short notice?
 - (g) What is capital Reduction account?
 - (h) What is meant by External Reconstruction?
 - (i) What are the accounts prepared under double account system of Electricity companies?
 - (j) What do you mean by disclosure of Accounting Policies?
 - (k) How do you treat Interim dividends in the Final accounts of Electricity company?
 - (l) State any two items shown under "Schedule -16" of Banking Companies.



SECTION – B

Answer **any five** questions, **8** marks each :

(5 × 8 = 40)

2. Explain the scope of Accounting Standards.
3. Distinguish between Internal Reconstruction and External Reconstruction.
4. Given below is an Extract from the Trial Balance of Merchant Bank as on 31-3-2018.

Particulars	Debit (₹)	Credit (₹)
Bills discounted	6,32,000	
Discount received	-	42,500
Rebate on bills discounted on 1-4-2017	-	4,000

An analysis of bills discounted shows the following :

Amount (₹)	Due Date (2018)	Rate of Discount (% p.a.)
70,000	June 4	5
2,18,000	June 10	4.5
1,41,000	June 24	6
1,90,000	July 5	4

Find out the amount of discount to be credited to Profit and Loss a/c and Pass Journal Entries.

5. Anoop Ltd. went into liquidation with the following liabilities :

	₹
Secured creditors	
(Securities realized ₹ 5,00,000)	4,00,000
Other assets realized	6,20,000
Preferential creditors	12,000
Unsecured creditors	6,10,000
Liquidation expenses	5,000
Equity share capital	1,00,000

The Liquidator is entitled to a commission of 3% on all assets realized including securities in the hands of secured creditors and 5% on the amounts distributed among unsecured creditors other than preferential creditors.

Prepare Liquidator's Final Statement.

**BBABMC 262/BBMBMC 262**

6. The following balances appeared in the books of Future Electric Company Ltd. on 31-3-2018.

Particulars	Debit (₹)	Credit (₹)
Equity shares	-	3,00,000
Debentures	-	1,00,000
Creditors	-	500
Depreciation fund account	-	1,25,000
Net Revenue Account balance on 31-3-2018	-	30,750
Land on 31-3-2017	75,000	-
Land purchased during the year	30,000	-
Mains including cost of laying upto 31-3-2017	80,000	-
Mains expended during the year	38,000	-
Machinery on 31-3-2017	2,75,000	-
Machinery purchased during the year	33,000	-
Sundry debtors for current supplied	20,000	-
Other book debts	250	-
Stores on hand	3,000	-
Cash in hand	2,000	-

From the above balance Prepare Capital A/c and General Balance Sheet.

7. The Balance Sheet of Unsound Ltd. as on 31-3-2018 is as follows :

Liabilities	₹	Assets	₹
2500 preference shares of ₹ 100 each	2,50,000	Goodwill	80,000
3000 equity shares of ₹ 100 each	3,00,000	Fixed Assets	4,40,000
Creditors	2,50,000	Current assets	1,80,000
		P & L A/c	60,000
		Preliminary Expenses	40,000
	<u>8,00,000</u>		<u>8,00,000</u>

Following scheme of Capital Reduction was adopted by the Court :

- Equity shares are to be reduced to ₹ 50 fully paid
- Preference shares are to be reduced to shares of ₹ 70 fully paid.

The amount so available is to be applied to cancel P & L A/c; Preliminary expenses, goodwill and reduce fixed assets by ₹ 30,000. Give Journal Entries and show Capital Reduction Account.



8. Following are the Balance Sheets of 'X' and 'Y' Ltd as on 31-3-2018.

Liabilities	X Ltd ₹	Y Ltd ₹	Assets	X Ltd ₹	Y Ltd ₹
Share capital :			Premises	60,000	-
Shares of ₹ 100 each	2,00,000	1,80,000	Goodwill	-	60,000
Reserve	37,500	-	Stock	1,50,000	45,000
P & L A/c	19,000	-	Debtors	40,000	80,000
Creditors	36,000	60,000	Bank	42,500	37,500
			P & L A/c	-	17,500
	<u>2,92,500</u>	<u>2,40,000</u>		<u>2,92,500</u>	<u>2,40,000</u>

A new company 'XY' Ltd. was formed to take over the two businesses on the following terms :

- X Ltd : Premises to be valued at ₹ 75,000, Debtors to be taken over at 90% and stock at ₹ 1,57,500
- Y Ltd : Goodwill to be taken over at ₹ 80,000, debtors to be taken over at ₹ 75,000 and stock at ₹ 37,500.

Calculate purchase consideration payable to both the companies.

SECTION - C

Answer **any three** questions, **20** marks each : **(3 × 20 = 60)**

9. Smaran Ltd absorbs the business of Charan Ltd.

Balance Sheet of Charan Ltd			
Liabilities	₹	Assets	₹
Share capital :		Goodwill	1,25,000
30,000 equity shares		Land & Buildings	3,82,500
of ₹ 50 each	15,00,000	Plant & Machinery	11,00,000
5% debentures	7,50,000	Patents	25,000
Creditors	1,00,000	Patterns	12,500
Workmen's profit		Stock	5,30,000
sharing fund	50,000	Debtors	2,25,000
Reserve fund	1,60,000	Investment	25,000
Profit & Loss A/c	40,000	Cash at Bank	1,75,000
	<u>26,00,000</u>		<u>26,00,000</u>



The consideration being the :

- (a) Assumption of Liabilities
- (b) Discharge of debentures at a premium of 5% by the issue of 5% debentures in Smaran Ltd.
- (c) Payment in cash of ₹ 30 per share
- (d) Exchange of 3 shares of ₹ 10 each in Smaran Ltd at an agreed value of ₹ 15 per share for every share in Charan Ltd.

Prepare Ledger Accounts in the books of Charan Ltd and Pass Opening entries in the books of Smaran Ltd, assuming that absorption is in the nature of purchase.

10. Prepare Profit and Loss Account in respect of Mercantile Bank Ltd. from the following balances as on 31-3-2018.

Particulars	Debit (₹)	Credit (₹)
Interest Received		8,00,000
Interest paid on Fixed deposits	4,20,000	-
Salaries	3,00,000	-
Allowances to employees	2,36,000	-
Commission received	-	6,00,000
Brokerage	-	3,00,000
Stamps	10,000	-
Advertising	30,000	-
Printing & Stationery	96,000	-
Postage and Telegram	48,000	-
Interest on Borrowing	5,00,000	-
Director's Fees	72,000	-
Rent	80,000	-
Local Committee Fees and allowances	20,000	-
Discount	-	4,20,000
Exchange	-	3,60,000
Rent received	-	2,20,000
Miscellaneous Income	-	3,00,000
Depreciation on Bank property	60,000	-



The consideration being the :

- (a) Assumption of Liabilities
- (b) Discharge of debentures at a premium of 5% by the issue of 5% debentures in Smaran Ltd.
- (c) Payment in cash of ₹ 30 per share
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Prepare Ledger Accounts in the books of Charan Ltd and Pass Opening entries in the books of Smaran Ltd, assuming that absorption is in the nature of purchase.

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Interest Received		8,00,000
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Commission received	-	6,00,000
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Stamps	10,000	-
Advertising	30,000	-
Printing & Stationery	96,000	-
Postage and Telegram	48,000	-
Interest on Borrowing	5,00,000	-
Director's Fees	72,000	-
Rent	80,000	-
Local Committee Fees and allowances	20,000	-
Discount	-	4,20,000
Exchange	-	3,60,000
Rent received	-	2,20,000
Miscellaneous Income	-	3,00,000
Depreciation on Bank property	60,000	-



Particulars	Debit (₹)	Credit (₹)
Repairs to bank property	40,000	-
Loss on sale of Govt. Securities	10,000	-
Miscellaneous expenses	50,000	-
Interest paid on SB A/c	5,00,000	-
Interest paid on current deposits	5,28,000	-
	<u>30,00,000</u>	<u>30,00,000</u>

Adjustments :

The management decides to make a provision of ₹ 2,00,000 for Bad and doubtful debts.

11. From the following Trial Balance of Flashlight Electric Company Ltd. as on 31-3-2018.

Prepare Revenue Account, Net Revenue Account, Capital Account and the General Balance Sheet of the Company.

Equity shares	-	54,900
Debentures	-	20,000
Lands as on 31-3-2017	15,000	-
Lands expended during the year	500	-
Machinery as on 31-03-2017	60,000	-
Machinery expended during the year	500	-
Mains including cost of laying	20,000	-
Mains expended during the year	5,100	-
Sundry creditors on open accounts	-	100
Depreciation Accounts	-	25,000
Sundry debtors for current supplied	4,000	-
Other debtors	50	-
Stores in hand	500	-
Cash	500	-
Cost of generation of Electricity	3,000	-
Cost of distribution of Electricity	500	-
Management expenses	1,200	-

**BBABMC 262/BBMBMC 262**

Depreciation	2,000	-
Sale of current	-	13,000
Rent of meters	-	500
Interest on debentures	1,000	-
Interim dividend	2,500	-
Balance of Net Revenue account on 31-3-2017	-	2,850
	<u>1,16,350</u>	<u>1,16,350</u>

12. The following was the Balance Sheet of the Unsound Ltd as at 31-12-2017 when it was wound up voluntarily.

Liabilities	₹	Assets	₹
50,000 equity shares of ₹ 10 each	5,00,000	Plant & Machinery	4,00,000
2000, 6% preference Shares of ₹ 100 each	2,00,000	Furniture	1,000
10% debentures	1,00,000	Investments	50,000
Sundry Creditors	3,50,000	Stock	50,000
		Debtors	2,00,000
		Cash	1,200
		Profit & Loss A/c	4,47,800
	<u>11,50,000</u>		<u>11,50,000</u>

(a) Preferential dividends are in arrears for one year

(b) Interest on debenture is due for one year

(c) The assets realized as follows :

	₹
Plant & Machinery	2,80,000
Furniture	400
Debtors	1,50,000

(d) The stock and investments realize nothing.

(e) Liquidation expenses came to ₹ 2,000

(f) The Liquidator is entitled to a commission of 4% on the assets realized and 2% on the amount paid to unsecured creditors.

Prepare the Liquidator's Statement of Account.