DCM12 — ACCOUNTING FOR MANAGERIAL DECISIONS

Time : Three hours   Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL questions.

1. Enumerate any four functions of management accounting.

2. Give two distinctions between financial accounting and management accounting.

3. What do you understand by "Accounting Ratio's?"

4. Give a list of any four functional budgets.

5. State the analytical methods and devices used in analyzing financial statement.

6. Why is statement of cash flow preferred over funds flow statement?

7. "Marginal cost are primarily used in guiding decisions yet to be made"

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8. From the following data calculate:

   (a) P/V ratio

   (b) Variable cost and

   (c) Profit Sales Rs.80,000, fixed expenses Rs.15,000 and Breakeven point Rs.50,000.

9. State the differences between capital structure and financial structure.

10. How far you agree with the proposition that dividends are relevant?

SECTION B — (5 × 5 = 25 marks)

Answer ALL questions.

11. (a) Describe fully the limitations of financial accounting and point out how management accounting helps in overcoming them.

   Or

   (b) Discuss the nature and scope of management accounting. Give suitable illustrations in support of your answer.

12. (a) From the following information, Prepare balance sheet :

Total assets to net worth 3.50;

Sales to fixed assets 5;

Sales to Current assets 8;

Sales to Inventory 15;

Sales to Debtors 18,

Current ratio 2.50,

Sales Rs.25 Lakhs.

Or

(b) From the following figures, Prepare Raw material Purchase budget for January 2019:

	Material Units		
	A	B	C
Estimated opening stock	16,000	6,000	24,000
Estimated closing stock	20,000	8,000	28,000
Estimated consumption	1,20,000	44,000	1,32,000
Standard price per unit	Rs.1	Rs.1.50	Rs.2

13. (a) Prepare a common size statement from the following Balance sheet:

(Rupees in '000)

Liabilities	2018	2019	Assets	2018	2019
Share capital	200	250	Fixed assets	100	120
Reserves	80	100	Investments	50	60
Debentures	100	80	Stock	65	75
Creditors	70	95	Debtors	80	90
Bills Payable	50	75	Bills receivable	95	105
			Cash at Bank	110	150
	500	600		500	600

Or

(b) Calculate net profit and cash from operations from the information given below:

Gross profit: Rs.80,000

Expenses paid
(office and selling expenses): Rs.35,000

Dividend receive: Rs.12,000

Expenses paid include Rs.300 paid for the next year while interest Rs.1,200 becomes due but it had not been received so far. The opening and closing balance of current assets and current liabilities are as follows:

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	Opening Balance Rs.	Closing balance Rs.
Sundry debtors	15,000	20,000
Stock	18,000	16,000
Sundry creditors	11,000	6,000
Outstanding expenses	1,500	1,800

14. (a) The sales turnover and profit during two years were as follows:

Year	Sales	Profit
	Rs.	Rs.
2018	1,40,000	15,000
2019	1,60,000	20,000

Calculate:

(i) P/v ratio

(ii) Breakeven point

(iii) Sales required to earn a profit of Rs.40,000

(iv) Fixed expenses and

(v) Profit when sales are Rs.1,20,000.

Or

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(b) A firm can purchase a spare part from an outside source @ Rs.11 per unit. There is a proposal that the spare part can be produced in the factory itself. For this purpose a machine costing Rs.1,00,000 with annual capacity of 20,000 units and a life of 10 years will be required. A foreman with a monthly salary of Rs.500 will have to be engaged. Material required will be Rs.4.00 per unit and wages Rs.2.00 per unit. Variable overheads are 150% of direct labour. The firm can easily raise fluids @10% p.a. Advice the firm whether the proposal should be accepted.

15. (a) The cost of capital and the rate of return of Rafale Ltd are 10% and 18% respectively. The company has 5 Lakh equity shares of Rs.10 each outstanding and earnings per share are Rs.20. Compute the market price per share and value of the firm in the following situations. Use Walter's model and comment on the result (i) No retention (ii) 40% retention and (iii) 80% retention.

Or

(b) Explain MM model. What are its assumptions?

SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

16. "Management accounting is an extension of managerial aspects of financial accounting and cost accounting". Elucidate. Discuss the use of management accounting as a tool in decision making and exercising control.

17. BMS Ltd has prepared annual budget for the year ending 31-3-2019 on the basis of 60% capacity utilization. Summarized the budget given below:

	Particulars	Amount (in Lakhs)
(a)	Sales	150.00
(b)	Direct materials	36.50
	Direct Labour	22.82
	Direct expenses	8.68
(c)	Semi variable expenses:	
	Repairs and maintenance	5.30
	Indirect labour	7.70
	Supervision	6.00
	Heating and Lighting	3.00

(d) Fixed expenses:

      Salaries- Managerial   9.50

      Rent, Rates and Taxes   6.60

      Depreciation   7.40

      Audit fees   6.50

(e) Total cost of sales   120.00

(f) Budgeted profit   30.00

Construct a flexible budget for 50%, 75% and 90% capacity utilization showing

    (i)   Variable and semi variable cost

    (ii) Cost of sales and

    (iii) Profit – with the help of the following assumptions:

        (1) Fixed expenses remains constant at all levels of activity

        (2) Semi-variable expenses remains constant between 45% and 64% capacity, increase by 10% between 65% to 80% capacity and by 20% above 80% capacity.

18. The following are the summarized balance sheet X Ltd on 31.12.2018 and 31.12.2019

Liabilities	2018	2019	Assets	2018	2019
Share capital	6,00,000	8,00,000	Plant and machinery	4,00,000	6,45,000
Debentures	2,00,000	3,00,000	Land and building (at cost)	3,00,000	4,00,000
P/L	1,25,000	2,50,000	Stock	3,00,000	3,50,000
Creditors	1,15,000	90,000	Bank	20,000	40,000
Provision for bad debts and			Preliminary expenses	7,000	6,000
doubtful debts	6,000	3,000	Debtors	69,000	61,000
Provision for depreciation					
On land and building	20,000	24,000			
Plant and machinery	30,000	35,000			

Additional information :

(a) During the year a part of machinery costing Rs.70,000, (accumulated depreciation there on Rs.2,000) was sold for Rs.6,000

(b) Dividends of Rs.50,000 were paid during the year

You are to ascertain

(i) Schedule of changes in working capital for 2019

(ii) Fund flow statement

19. A company has prepared the following budget estimates for the year 2018-2019

   Sales (units)   15000

   Fixed expenses   Rs.34,000

   Sales   Rs.1,50,000

   Variable cost   Rs.6 per unit.

   You are required to

   (a) Find the P/V ratio, BEP and margin of safety

   (b) Calculate the revised P/V ratio, BEP and margin of safety in each of the following cases :

       (i) Decrease of 10% in selling price

       (ii) Increase of 10% in various costs

       (iii) Increase of sales volume by 2000 units

       (iv) Increase of Rs.6000 in fixed cost.

20. Stewart Ltd. Has 40,000 shares outstanding. The current market price of these shares is Rs.15 each. The Board of directors of the company has recommended Rs.2 per share as dividend. The rate of capitalization appropriate to the risk-class to which the company belongs is 20%

(a) Based on MM approach, calculate the market price of the share of the company when the recommended dividend is

(i) distributed and

(ii) not declared.

(b) How many new shares to be issued by the company at the end of the accounting year on the assumption that the net income for the year is Rs.1,20,000 and the investment budget is Rs.2,80,000. When

(i) The above dividends are distributed and

(ii) Dividend are not declared.

(c) Show that market value of the shares at the end of the accounting year well remain the same whether dividends are distributed or not declared

(d) Is the MM approach realistic? What factors might make its validity?

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DCM14 — ADVANCED BUSINESS STATISTICS

Time : Three hours   Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL questions.

1. What do you mean by 'F' distribution?

2. What do you mean by Hypothesis'?

3. Point out the assumptions of one-way ANOVA?

4. State the rules of Probability?

5. Write formula for Multiple Correlation Coefficient.

6. When 't' Test is applied?

7. Give an examples of independent event?

8. What is test of homogeneity?

9. Define Partial Correlation.

10. What is Poisson distribution?

4001

SECTION B — (5 × 5 = 25 marks)

Answer ALL questions.

11. (a) Explain characteristics of Binomial distribution.

Or

(b) If the simple correlation coefficients have the values $r_{12} = 0.6$, $r_{13} = 0.65$, $r_{23} = 0.8$, Find the Multiple Correlation Coefficient $R_{1.23}$.

12. (a) A bag I contain 4 white and 6 black balls while another bag II contains 4 white and 3 black balls. One ball is drawn at random from one of the bags, and it is found to be black. Find the probability that it was drawn from bag I.

Or

(b) Given that $r_{12} = 0.6$, $r_{13} = 0.58$, $r_{23} = 0.70$ determine the Partial Correlation Coefficient r_{123}.

13. (a) Explain about standard error.

Or

(b) Who misses work more often at the ABC Company: Smokers or non-smokers? Test at .05 significance level.

Smokers: Average number of days absent = 14.7; standard deviation = 5.0; n = 44.

Non-Smokers: Average number of days absent = 8.3; standard deviation = 4.0; n = 60.

14. (a) In an experiment on immunization of cattle from tuberculosis, the following results were obtained:

	Affected	Not affected
Inoculated	12	26
Not inoculated	16	6

Calculate Chi-Square value and discuss the effect of vaccine in controlling susceptibility to tuberculosis (5% value of chi-square for one degree of freedom = 3.84).

Or

(b) Weight of 10 student is as follows.

S.No	1	2	3	4	5	6	7	8	9	10
Weight(Kg.)	38	40	45	53	47	43	55	48	52	49

Can we say that the variance of the distribution of weight of all students from which the above sample of 10 students was drawn is equal to 20kgs? Test this at 5 per cent level of significance.

3   4001

15. (a) Conduct an F-Test on the following samples:

Sample-1 having variance = 109.63, sample size = 41.

Sample-2 having Variance = 65.99, sample size = 21.

Or

(b) Elaborate the Bayes theorem of conditional probability.

SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

16. Consider the following data on sales and profit.

X	5	6	7	8	9	10	11
Y	2	4	5	5	3	8	7

Determine the regression of profit on sales.

17. Difference between population variance and sample variance.

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

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

Use paired t- test.

19. The following contingency table shows the classification of 1,000 workers in a factory, according to the disciplinary action taken by the management and their promotional experience:

Disciplinary action	Promotional experience		Total
	Promoted	Not promoted	
Offenders	30	670	700
Non-offenders	70	230	300
Total	100	900	1,000

Use chi-square test to ascertain the hypothesis that the disciplinary action taken and promotional experience are not associated.

20. The following are the details of sales effected by three sales persons in three door-to-door campaigns.

Sales Person	Sales in door–to–door Campaign			
A	8	9	5	10
B	7	6	6	9
C	6	6	7	5

Construct an ANOVA table and out whether there is any significant difference in the performance of the sales persons.

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DECM15B/DECP15A — COMPUTER APPLICATIONS IN BUSINESS

Time : Three hours   Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL questions.

1.   What is computer?

2.   Point out the types of input devices.

3.   Abbreviate the ALU, MU and CU.

4.   Mention the types of network.

5.   Point out Internet Access Equipment.

6.   Brief note on word document.

7.   Specify the types of margins in word document.

8.   Mention the chart types in Excel.

9.   How will you identified call address in Excel sheet?

10.   Write a note on slide in power point?

3003

SECTION B — (5 × 5 = 25 marks)

Answer ALL questions.

11. (a) Explain the block diagram of computer.

Or

(b) Describe the various application of computer.

12. (a) Demonstrate the concept of WWW.

Or

(b) Discuss about the formatting a paragraph in word document.

13. (a) Explain the types of chart in word document.

Or

(b) Explain tables in word document.

14. (a) Explain the text functions in Excel.

Or

(b) Describe the features of cut, copy and paste options in M.S. Excel.

15. (a) Briefly explain the slide transition.

Or

(b) Discuss about the slide presentation.

SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

16. Explain the working of CPU in computer.

17. Explain the types of Printers available in Modern days.

18. Describe about the mail merge concept with an Illustration.

19. Discuss the types of alignment in word document.

20. Explain the text function in Excel with suitable example.

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DECM15C — MANAGERIAL ECONOMICS

Time : Three hours   Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL questions.

1. Is managerial economics positive or Normative?

2. Write a note on profit maximization.

3. Write about the factors that influence demand.

4. What are Giffen Goods?

5. How will you find out Average cost?

6. What are the components that determine the behaviour of cost?

7. State input – output analysis.

8. Does the price of a commodity depend on labour involve in it?

9. What is the principle behind Going - Rate Pricing?

10. State the basic problems in the measurement of Profit.

3004

SECTION B — (5 × 5 = 25 marks)

Answer ALL questions.

11. (a) Differentiate between 'Incrementalism' and 'Marginalism'.

Or

(b) An efficient business manager should have a thorough knowledge of business environment-Explain this.

12. (a) What is demand forecasting? Discuss its stages and significance.

Or

(b) State about the merits and defects of consumer interview method of forecasting.

13. (a) Discuss with figure short-run cost-out put relationship.

Or

(b) What are the uses of production function in decision making?

14. (a) Discuss the essential features of market structure pricing.

Or

(b) Describe how in a competitive market, there could be only one price for a commodity.

15. (a) Discuss the advantages of marginal Cost Pricing.

Or

(b) What is profit forecasting? Describe the approaches to profit forecasting.

SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

16. Discuss the role of managerial Economist.

17. Define the term forecasting? What methods are available for forecasting demand for new product?

18. Prepare an imaginary cost schedule and illustrate it with TC, VC, FC, AC and MC and discuss their relationship. How is the shape of the cost curve determined?

19. In an perfectly competitive market, a producer is only a 'price-taker' and not 'price maker'- Discuss.

20. What is a Business cycle? Analyse the characteristic features of a business cycle.

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DECM24C — E-COMMERCE

Time : Three hours　　　　　　Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL questions.

1. State what you meant by traditional commerce.

2. Brief note on blocks of c-business.

3. Say abbreviation I – way.

4. Mention the types of network.

5. Point out components of I – way.

6. Abbreviate the IP.

7. Specify the EDI abbreviation.

8. State the network security types.

9. Write about the digital document.

10. Brief note on the e-payment system.

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SECTION B — (5 × 5 = 25 marks)

Answer ALL questions.

11. (a) Briefly explain the Anatomy of e-business.

Or

(b) Illustrate the application of e-commerce.

12. (a) Describe the various policy issues in e-commerce.

Or

(b) Discuss about the Internet applications.

13. (a) Shortly explain protocols uses in internet.

Or

(b) Briefly explain the pros and cons of internet.

14. (a) Explain the internet terminology.

Or

(b) Describe the Video conferencing concepts.

15. (a) Briefly explain the Digital document.

Or

(b) Discuss the about the digital library.

SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

16. Discuss the Blocks of E-commerce.

17. Explain the types of internet security methods.

18. Write about the protocols in internet data and discuss about the types of protocols.

19. Discuss the types of Digital Data Warehouse.

20. Explain the various concepts apply the Internet Governance.

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DOCP16A/DECM15A — BUSINESS ENVIRONMENT

Time : Three hours   Maximum : 75 marks

SECTION A — (10 × 2 = 20 marks)

Answer ALL questions.

1.   State the objectives of business.

2.   What are the importance of business environment?

3.   Give the classification of economic reforms.

4.   What do you mean by socialism?

5.   State the elements of political environment.

6.   State the forms of political environment.

7.   What are the benefits of business ethics?

8.   What do you mean by code of ethics?

9.   Define the intellectual property rights.

10. What do you mean by technology transfer?

3002

SECTION B — (5 × 5 = 25 marks)

Answer ALL questions.

11. (a) Explain the SWOT analysis.

Or

(b) What are the features of business environment?

12. (a) What are the components of globalization?

Or

(b) Explain the merits of capitalism.

13. (a) Discuss the need of environmental protection.

Or

(b) Explain the rights of consumer.

14. (a) What are the principles of business ethics?

Or

(b) Explain the different dimension of cultural.

15. (a) Discuss the need for intellectual property.

Or

(b) What are the features of technological environment?

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SECTION C — (3 × 10 = 30 marks)

Answer any THREE questions.

16. Briefly explain the external environment.

17. Discuss the characteristics of capitalism.

18. Discuss the political environment.

19. Discuss the social responsibilities of business.

20. Explain the technology transfer.

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