

**THIRD SEMESTER P.G. DEGREE EXAMINATION, NOVEMBER 2020**

(CCSS)

M.Com.

MC IF 3E 02—SECURITY ANALYSIS PORTFOLIO MANAGEMENT

(2018 and 2019 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A***Answer all questions.**Each question carries 2 marks.*

1. What is Investor Rationality ?
2. What is Behavioural Finance ?
3. What is Yield to Maturity ?
4. Explain Bond Value theorem.
5. What is Hedging ?

(5 × 2 = 10 marks)

**Part B***Answer any four questions.**Each question carries 5 marks.*

6. Explain Active and Passive Investment approaches.
7. What is Portfolio Evaluation ? Explain the methods.
8. What is Dividend Discount Model ? Explain its features.
9. Explain Random Walk theory.
10. Explain 'Strong form' of Efficient Market Hypothesis.
11. What are the various kinds of risks in Portfolio Management ?

(4 × 5 = 20 marks)

**Part C***Answer any two questions.**Each question carries 10 marks.*

12. What are the methods of valuation of equity shares ?
13. What are the key features in Industrial Analysis ?

**Turn over**

14. A share has a market price of Rs. 125. An investor anticipates Rs. 10 as dividend. He expects to sell it at Rs. 200 at the end of the year. What is the expected return from investment ?

(2 × 10 = 20 marks)

**Part D**

*Answer any two questions.  
Each question carries 15 marks.*

15. Explain Dow Theory. What are the various patterns in price movements ?
16. An investor purchased a bond with Rs. 100 face value, 8% coupon rate and 5 years to maturity. The bond makes annual interest payments. The investor paid Rs. 105 for the bond.
- What is the Yield to Maturity of the bond ?
  - If the bond can be called 2 years from now at Rs. 107, calculate its yield to call.
17. Calculate covariance and co-efficient correlation of T and K securities :

Year	Annual return of T	Annual return of K
1	5.2	- 7.5
2	2.6	- 9.8
3	3.4	11.6
4	2.4	- 5.1
5	0.8	8.2

(2 × 15 = 30 marks)

**THIRD SEMESTER P.G. DEGREE EXAMINATION, NOVEMBER 2020**

(CCSS)

M.Com.

**MC IF 3E 01—FINANCIAL STRATEGY**

(2018 and 2019 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A***Answer all questions.**Each question carries 2 marks.*

1. Define Financial Strategy.
2. Illustrate a non-sampling error.
3. Narrate the term "Capital Asset Pricing".
4. Write notes on Interest Rate Swaps.
5. State the meaning of scrip dividend.

(5 × 2 = 10 marks)

**Part B***Answer any four questions.**Each question carries 5 marks.*

6. Mention the impact of adopting hedge accounting.
7. State the connotations of Bid Negotiation and Public Interest.
8. Establish the significance in the idea of diversifiable risk as a finance manager of a firm.
9. Narrate the impact of cash dividend on shareholders wealth.
10. Define the term "Corporate Debt Capacity". Explain the various tools available for its measurement.
11. (a) Describe the assumptions of Modigliani and Miller theory.  
(b) A company has a earnings before interest and taxes of Rs. 1,00,000. It expects a return on its investment at a rate of 12.5% .You are required to find out the total value of the firm according to the Modigliani and Miller theory.

(4 × 5 = 20 marks)

**Turn over**

**Part C**

*Answer any two questions.*

*Each question carries 10 marks.*

12. Define "sample" and "Population". Discuss the factors influencing sample size and also the reasons for selecting various sampling techniques.
13. Mention the significance of capital structure in Financing Decision. Also narrate the various capital structure theories.
14. (a) A Company expects a net income of Rs. 80,000. It has Rs. 2,00,000, 8% Debentures. The equity capitalisation rate of the company is 10%. Calculate the value of the firm and overall capitalisation rate according to the Net Income Approach (Ignoring Income Tax)
- (b) If the Debenture debt is increased to Rs. 3,00,000, What shall be the value of the firm and the overall capitalisation rate ?

(2 × 10 = 20 marks)

**Part D**

*Answer any two questions.*

*Each question carries 15 marks.*

15. Define the term "Corporate Debt Capacity", also narrate the various tools available for its measurement. Give the limitations of debt financing.
16. As a finance manager what factors would you consider in formulating the Dividend policy for your company ?
17. XYZ Ltd. is expecting an EBIT of Rs. 3,00,000. The company presently raised its entire fund requirement of Rs. 20 Lakhs by issue of equity with equity capitalisation rate of 16%.

The firm is now contemplating to redeem a part of capital by introducing debt financing. The firm has two options to raise debt to the extent of 30% or 50% of total funds. It is expected that for debt financing upto 30% the rate of interest will be 10% and equity capitalisation rate is expected to increase to 17%.

However, if firm opts for 50% debt then interest rate will be 12% and equity capitalisation rate will be 20%. You are required to compute value of the firm and its overall cost of capital under different options.

(2 × 15 = 30 marks)

**THIRD SEMESTER P.G. DEGREE EXAMINATION, NOVEMBER 2020**

(CCSS)

M.Com.

MC IF 3C 13—RESEARCH METHODOLOGY

(2018 and 2019 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all questions.  
Each question carries 2 marks.*

1. What is Diagnostic Research ?
2. Give the technique for formulating a problem.
3. Write notes on Case study.
4. State the significance of observation method of data collection.
5. Describe the concept of Variables.

(5 × 2 = 10 marks)

**Part B**

*Answer any four questions.  
Each question carries 5 marks*

6. How do researchers come up with a Hypothesis ? Also specify the elements of a good hypothesis.
7. How can a Random sample be selected ? Is Random sampling always better than other forms of sampling in the context of socio-economic surveys.
8. Describe the various types of Scaling techniques with merits and de-merits.
9. State the content of a good Report.
10. Illustrate the technique of One Way ANOVA.
11. What do you mean by Data Processing ? Mention its significance and process.

(4 × 5 = 20 marks)

**Turn over**

**Part C**

*Answer any two questions.  
Each question carries 10 marks.*

12. Draft a Questionnaire containing 19 questions for the study of economic conditions and habits of students of your college hostel.
13. Discuss the technique involved in the process of measurement.
14. Narrate the steps involved in analysing quantitative and qualitative data.

(2 × 10 = 20 marks)

**Part D**

*Answer any two questions.  
Each question carries 15 marks.*

15. Examine the meaning of Research Design. Elucidate the various types of Research Design with its suitability in different situations.
16. Point out the difference between sample survey and census survey. Under what conditions are these undertaken ? Explain the law which forms the basis of sampling.
17. Define Secondary Data. State the chief sources and point out dangers involved in their use. What are the precautions necessary before using them.

(2 × 15 = 30 marks)

**Third Semester M.Com (CCSS) Degree Examination, November 2020****M.Com (International Finance)****MCIF 3C 12 – Business Communication  
(2018 Admission)**

Time: 3 hours

Maximum Marks: 80

**Part A****(Answer all questions. Each question carries 2 marks)**

1. Write notes on Effective Listening.
2. Define Personality.
3. Mention the good interviewing skills.
4. Narrate the defects of Oral Communication.
5. What do you mean by SWOT Analysis?

**(5x2 = 10 marks)****Part B****(Answer any Four questions. Each question carries 5 marks)**

6. What are the essentials of a good business letter?
7. Describe the principles of effective listening.
8. Specify the technique of Mock Interview. Explain its purpose.
9. Narrate the four stages of Personality Development.
10. Briefly discuss the various layouts of letters.
11. Explain the various types of non-verbal communication.

**(4x5 = 20 Marks)****Part C****(Answer any two questions. Each question carries 10 marks)**

12. What is Public Speaking? Discuss the features of Public Speaking
13. What are the components of personality of an individual? Also discuss the various types of personality.
14. What is Communication process? Briefly explain its elements.

**[2x10 = 20 marks]****TURN OVER**

**Part D**

**( Answer any two questions. Each question carries 15 marks)**

15. Name the parts of a good business letter and draw a diagram indicating the position of each part in the letter.
16. What do you mean by Transactional Analysis? What are the Ego states? Explain its importance in management.
17. Explain the various types of report and outline the steps to be taken while preparing a report.

**[2x15= 30 marks]**

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**THIRD SEMESTER P.G. DEGREE EXAMINATION, NOVEMBER 2020****(CCSS)****M.Com.****MC IF 3C 11—FINANCIAL MARKETS AND INSTITUTIONS****(2018 and 2019 Admissions)****Time : Three Hours****Maximum : 80 Marks****Part A***Answer all questions.**Each question carries 2 marks.***Write notes on :**

1. SIDBI.
2. NCDEX.
3. GRD.
4. BSE.
5. Call option and Put option.

**(5 × 2 = 10 marks)****Part B***Answer any four questions.**Each question carries 5 marks.*

6. Describe the objectives and functions of IDBI.
7. What do you understand by Debt Market ? Discuss its types and also various instruments carry out in a debt market.
8. Narrate the concept of Commodity Market and also elaborate the regulations and functions of a Commodity Market.
9. Define Interest Rate. Explain the structure of Interest Rate.

**Turn over**

10. Explain the term Depository. State the functions and objectives of Depository.
11. Discuss the meaning of Financial Repression. Also illustrate how it is related to Interest rate ?

(4 × 5 = 20 marks)

### Part C

*Answer any two questions.  
Each question carries 10 marks.*

12. What is IRDA ? Mention the significance and functions of IRDA.
13. Discuss the components or structure of Indian Capital Market.
14. Explain the different types of traders in stock exchanges.

(2 × 10 = 20 marks)

### Part D

*Answer any two questions.  
Each question carries 15 marks.*

15. Explain the role of SEBI as a (a) Regulator of the market ; (b) As a developmental and promotional agency.
16. Discuss the nature, types and functions of Financial Markets in India.
17. Mention the regulatory frame work for foreign capital flows in India.

(2 × 15 = 30 marks)

**THIRD SEMESTER M.A./M.Sc./M.Com. DEGREE (REGULAR)  
EXAMINATION, NOVEMBER 2020**

(CBCSS)

M.Com.

MCM 3E (M) 02—CONSUMER BEHAVIOUR

(2019 Admissions)

Time : Three Hours

Maximum : 30 Weightage

**Section A**

*Answer at least **three** questions.*

*Each question carries 2 weightage.*

*All questions can be attended.*

*Overall Ceiling 6.*

1. Define Consumer Behaviour.
2. What do you mean by primary and secondary group ?
3. What is segmentation ?
4. Define Perception.
5. Write a note on consumer research.
6. What are exogenous variables ?
7. What is SERVQUAL ?

(3 × 2 = 6 weightage)

**Section B**

*Answer at least **three** questions.*

*Each question carries 4 weightage.*

*All questions can be attended.*

*Overall Ceiling 12.*

8. Examine the criteria for selecting marketing segments.
9. Write about Neo-Freudian theory.

**Turn over**

10. Explain Maslow's theory of need hierarchy.
11. What do you know about CRM ? Examine various steps in building CRM.
12. What do you mean by learning on Consumer Behaviour ? Also discuss the elements of learning.
13. What is a reference group ? What are its various types ?
14. Discuss about projective techniques in qualitative research.

(3 × 4 = 12 weightage)

### Section C

*Answer at least two questions.  
Each question carries 6 weightage.  
All questions can be attended.  
Overall Ceiling 12.*

15. Examine the nature and scope of Consumer Behaviour.
16. Discuss the cultural influence on consumers.
17. What do you mean by Consumer Behaviour Model ? Explain about Howard Sheth Model.
18. Discuss purchase decision-making process. Examine various stages in purchase decision-making process.

(2 × 6 = 12 weightage)

**THIRD SEMESTER M.A./M.Sc./M.Com. DEGREE (REGULAR) EXAMINATION  
NOVEMBER 2020****(CBCSS)****M.Com.****MCM 3E (M) 01—ADVERTISING AND SALES MANAGEMENT****(2019 Admissions)****Time : Three Hours****Maximum : 30 Weightage****Section A***Answer at least **three** questions.**Each question carries 2 weightage.**All questions can be attended.**Overall Ceiling 6.*

1. Define Advertising.
2. What is political advertising ?
3. What is the GRP ?
4. Name any three legislations that control the content advertising.
5. What is prospecting in personal selling ?
6. What do you know about Delphi Method of forecasting ?
7. What do you mean by quantitative performance standards ?

**(3 × 2 = 6 weightage)****Section B***Answer at least **three** questions.**Each question carries 4 weightage.**All questions can be attended.**Overall Ceiling 12.*

8. Examine the important functions of advertising.
9. What do you know about media planning ? Explain its various objectives.
10. Examine the criteria to be used while selecting an advertising agency.
11. Discuss the importance of personal selling in the marketing system.
12. Write about important Judgmental Forecasting Techniques.

**Turn over**

13. What are the important methods used for improving the productivity of the sales-force ?
14. Elucidate the importance of research in advertising.

(3 × 4 = 12 weightage)

### Section C

*Answer at least two questions.*

*Each question carries 6 weightage.*

*All questions can be attended.*

*Overall Ceiling 12.*

15. Explain various types of advertising based on its role and functions.
16. Discuss the important functions of an advertisement agency.
17. Write about the legal scenario of advertising in India.
18. Examine how the advertisement can be tested its effectiveness.

(2 × 6 = 12 weightage)

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**THIRD SEMESTER M.A./M.Sc./M.Com. DEGREE (REGULAR) EXAMINATION  
NOVEMBER 2020**

(CBCSS)

M.Com.

MCM 3E (FT) 02—FOREIGN TRADE POLICY AND PROCEDURES

(2019 Admissions)

Time : Three Hours

Maximum : 30 Weightage

**Section A**

*Answer at least **three** questions.  
Each question carries 2 weightage.  
All questions can be attended.  
Overall Ceiling 6.*

1. What is Letter of Credit ?
2. Define EPZ.
3. What is post shipment finance ?
4. What is Charter Party ?
5. What are the different kinds of dumping ?
6. What are the objectives of FEMA ?
7. Explain important objectives of foreign trade Policy.

(3 × 2 = 6 weightage)

**Section B**

*Answer at least **three** questions.  
Each question carries 4 weightage.  
All questions can be attended.  
Overall Ceiling 12.*

8. What are the differences between pre-shipment finance and post shipment finance ?
9. What are the advantages of Free Trade Zone ?
10. Explain the important import documents.

**Turn over**

11. Mention the functions of EXIM Policy.
12. Explain the major Indian institutional incentives for export promotion.
13. Narrate the objectives of FIEO.
14. State the role of IIFT in export promotion.

(3 × 4 = 12 weightage)

### Section C

*Answer at least two questions.*

*Each question carries 6 weightage.*

*All questions can be attended.*

*Overall Ceiling 12.*

15. Explain the principal documents used in export trade.
16. Discuss the role of Indian Trade Promotion Organization in export promotion.
17. Explain the important procedure for export in India.
18. Examine the role of agencies in promoting and supporting foreign trade in India.

(2 × 6 = 12 weightage)



**THIRD SEMESTER M.A./M.Sc./M.Com. DEGREE (REGULAR)  
EXAMINATION, NOVEMBER 2020**

(CBCSS)

M.Com.

MCM 3E (FT) 01—FOREIGN TRADE MANAGEMENT

(2019 Admissions)

Time : Three Hours

Maximum : 30 Weightage

**Section A**

*Answer at least **three** questions.  
Each question carries 2 weightage.  
All questions can be attended.  
Overall Ceiling 6.*

1. Explain foreign exchange risk.
2. Explain the major factors that influence the terms of trade.
3. Explain briefly about contingent exposure.
4. What is SAARC ?
5. How do you measure exchange rate ?
6. What do you mean by hedging ?

(3 × 2 = 6 weightage)

**Section B**

*Answer at least **three** questions.  
Each question carries 4 weightage.  
All questions can be attended.  
Overall Ceiling 12.*

7. Explain the Internal and External techniques of managing exposure ?
8. How do you manage translation exposure ?
9. Explain the problems associated with Brexit.

**Turn over**

10. Explain the functions and objectives of WTO ?
11. Explain Hecksher and Ohlin theory of Foreign Trade ?
12. Define Money Market Hedging. Differentiate Money Market and Option Market hedging.
13. Describe in detail the strategies applied to mitigate Economic Exposure ?
14. Explain exposure netting.

(3 × 4 = 12 weightage)

### Section C

*Answer at least two questions.*

*Each question carries 6 weightage.*

*All questions can be attended.*

*Overall Ceiling 12.*

15. What are the three types of Exposures ? How would you measure these exposures ? How can these exposures be managed ?
16. Discuss briefly the trade policies adopted when Balance of Payments-is in disequilibrium ?
17. Explain in detail about various anti-dumping measures adopted to curb dumping ?
18. What is international pricing strategy ? Explain the major determinants of international pricing.

(2 × 6 = 12 weightage)

**THIRD SEMESTER M.A./M.Sc./M.Com. DEGREE (REGULAR) EXAMINATION  
NOVEMBER 2020**

(CBCSS)

M.Com.

MCM 3E (F) 02—FINANCIAL MARKETS AND INSTITUTIONS

(2019 Admissions)

Time : Three Hours

Maximum : 30 Weightage

**Section A**

*Answer at least three questions.*

*Each question carries 2 weightage.*

*All questions can be attended.*

*Overall Ceiling 6.*

1. What do you mean by Financial Market ?
2. Define Derivatives.
3. What is QIP ?
4. Who are Book runners ?
5. What are SWAPS ?
6. What is forward contract ?
7. What do you mean by notice money ?

(3 × 2 = 6 weightage)

**Section B**

*Answer at least three questions.*

*Each question carries 4 weightage.*

*All questions can be attended.*

*Overall Ceiling 12.*

8. What do you mean by listing ? Explain the advantages of listing.
9. Explain the terms : a) New issue, b) Bonus issue, and c) Right issue ?
10. Distinguish between futures and options.
11. Discuss the functions of depository.
12. Explain the role of government in securities market.

**Turn over**

13. What are the major developments effected in BSE since the NEP, 1991.
14. What is IPO grading ? What are its constituents ?

(3 × 4 = 12 weightage)

### Section C

*Answer at least two questions.*

*Each question carries 6 weightage.*

*All questions can be attended.*

*Overall Ceiling 12.*

15. 'Explain the role and functions of various participants in the Indian Capital Market ?
16. Discuss the different types of securities trading in Stock Exchange.
17. Give a brief account on the management of SEBI.
18. Describe the role of various developmental financial institutions in economic development of India.

(2 × 6 = 12 weightage)

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9. A bond pays interest annually and sells for Rs.835. It has six years left to maturity and a par value of 1000. What is its coupon rate if it's promised YTM is 12 per cent ?

[Present value annuity factor (6 years, 12%) is 4.1114 and present value factor (6 years, 12%) is 0.5066.]

10. Write short notes on :

- Japanese candlestick charts.
- Support and resistance patterns.
- Flags and pennants.
- Exponential moving average.

11. What are the steps involved in fundamental analysis ?

12. A security pays a dividend of Rs. 3.85 and sells currently at 83. The security is expected to sell at Rs. 90 at the end of the year. The security has a beta of 1.15. The risk free rate is 5 per cent and the expected return on market index is 12 per cent. Assess whether the security is correctly priced

13. Consider the following information for three mutual funds A, B and C and the market :

	Mean Return (%)	SD (%)	Beta
A	12	18	1.1
B	10	15	0.9
C	13	20	1.2
Market Index	11	17	1.0

The market risk free rate was 6 per cent. Calculate the Treynor measure, Sharp measure and Jensen measures for the three mutual funds and the market index.

14. The estimates of the standard deviations and correlation co-efficients for three stocks are given below :

Stock	SD	Correlation with Stock		
		A	B	C
A	32	1.00	- 0.80	0.40
B	26	- 0.80	1.00	0.65
C	18	0.40	0.65	1.00

If a portfolio is constructed with 15 per cent of stock A, 50 per cent of Stock B and 35 per cent of Stock C, what is the portfolio's standard deviation ?

(3 × 4 = 12 weightage)

## Section C

Answer at least **two** questions.  
 Each question carries 6 weightage.  
 All questions can be attended.  
 Overall Ceiling 12.

15. Monthly return data (in per cent) for ONGC stock and the MSE index for a 12 month period are presented below :

Month	ONGC	NSE Index
1	- 0.75	- 0.35
2	5.45	- 0.49
3	- 3.05	- 1.03
4	3.41	1.64
5	9.13	6.67
6	2.36	1.13
7	- 0.42	0.72
8	5.51	0.84
9	6.80	4.05
10	2.60	1.21
11	- 3.81	0.29
12	- 1.91	- 1.96

Calculate alpha and beta for the ONGC stock. Suppose NSE index is expected to move up by 15 per cent next month. How much return would you expect from ONGC ?

16. Consider a portfolio of four securities with the following characteristics :

Security	Weight	$\alpha_i$	$\beta_i$	Residual Variance
A	0.2	2.0	1.2	320
B	0.3	1.7	0.8	450
C	0.1	- 0.8	1.6	270
D	0.4	1.2	1.3	180

Turn over

Calculate the return and risk of the portfolio under single index model, if the return on market index is 16.40 per cent and the standard deviation of return on market index is 14 per cent.

17. Describe briefly the important investment avenues available to savers in India.
18. "When someone refers to efficient capital markets, they mean that security or reflect all available information." Discuss.

(2 × 6 = 12 weightage)

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**THIRD SEMESTER M.A./M.Sc./M.Com. DEGREE (REGULAR)  
EXAMINATION, NOVEMBER 2020**

(CBCSS)

M.Com.

MCM 3C 13—RESEARCH METHODOLOGY

(2019 Admissions)

Time : Three Hours

Maximum : 30 Weightage

**Section A**

*Answer at least three questions.*

*Each question carries 2 weightage.*

*All questions can be attended.*

*Overall Ceiling 6.*

1. What is descriptive research ?
2. What is pilot survey ?
3. Write a note on thurstone scale.
4. Discuss the concept of plagiarism.
5. What is multivariate analysis ?
6. What is literature survey ?
7. What do you mean by hypothesis ?

(3 × 2 = 6 weightage)

**Section B**

*Answer at least three questions.*

*Each question carries 4 weightage.*

*All questions can be attended.*

*Overall Ceiling 12.*

8. Define Research Design. Mention various types of research design.
9. Differentiate between questionnaire and schedule.

**Turn over**

10. Discuss the various steps involved in research process.
11. What is the difference between parametric and non-parametric tests ?
12. How to formulate a research problem ?
13. Discuss the advantages and disadvantages of case study.
14. List the different types of measurement scales.

(3 × 4 = 12 weightage)

### Section C

*Answer at least two questions.  
Each question carries 6 weightage.  
All questions can be attended.  
Overall Ceiling 12.*

15. Distinguish between random sampling and non-random sampling techniques.
16. What are the contents of a good research report ?
17. Give a note about reliability and validity of research. Also give the differences between reliability and validity of research.
18. Examine various types of research.

(2 × 6 = 12 weightage)

**THIRD SEMESTER M.A./M.Sc./M.Com. DEGREE (REGULAR) EXAMINATION  
NOVEMBER 2020**

(CBCSS)

M.Com.

MCM 3C 12—INCOME TAX LAW, PRACTICE AND TAX PLANNING—I

(2019 Admissions)

Time : Three Hours

Maximum : 30 Weightage

**Section A**

*Answer at least three questions.  
Each question carries 2 weightage.  
All questions can be attended.  
Overall Ceiling 6.*

1. What is Casual Income ?
2. Who is Deemed Assessee ?
3. What is Statutory Provident Fund ?
4. Define Annual Value.
5. What is Tax Planning ?
6. What is Long term capital asset ?
7. What is Regular Assessment ?

(3 × 2 = 6 weightage)

**Section B**

*Answer at least three questions.  
Each question carries 4 weightage.  
All questions can be attended.  
Overall Ceiling 12.*

8. Explain the need for Tax Planning.
9. What are the differences between Tax planning and Tax Evasion ?
10. Explain the powers of CBDT.

**Turn over**

11. From the following particulars supplied by Mr. Sridhar, Karta of HUF, compute its total income for the Assessment Year 2020-21.

Profit from family business Rs. 3,38,000.

Ravi, a member of the family received salary for his service in a college Rs. 1,20,000.

Salary to Raju, another member of the family for his service in the family business (Assessing Officer considers Rs. 80,000 as reasonable) Rs. 82,000.

Directors fees received by Karta Rs. 2,500.

Interest on Govt. Securities Rs. 12,000.

Annual rent from house property let out Rs. 30,000.

Municipal Taxes Paid on Let out Rs. 3,000.

Religious expenses Rs. 5,000

Donation to Channabasava Swamy Temple (approved) Rs. 40,000 by cheque.

12. Following are the particulars of income of Shri. Nareshsharma for the Previous Year 2019-20.

1. Profit from business in England received in India Rs. 12,000
2. Income from house property in Pakistan received in India Rs. 2,000
3. Income from house property in Bangladesh deposited in a bank there Rs. 4,000.
4. Profit from business in Indonesia deposited in a bank there, this business is controlled in India Rs. 5,000.
5. Income accrued in Bhopal but received in Singapore Rs. 6,000.
6. Profit from business in India Rs. 15,000.
7. Past untaxed foreign income brought into India during the P.Y. Rs. 20,000.

From the above particulars, compute GTI of Shri. Nareshsharma for the A.Y. 2020-21, if he is (a) Resident, (b) Non-Ordinarily Resident, and (c) Non - resident.

13. The following are the particulars of income of Mr. Ramesh for the Previous Year ended on 31<sup>st</sup> March, 2020 :

Salary Rs. 45,000

Bonus to equal to two month's pay

Dog allowance Rs. 750.

Special allowance Rs. 600 p.m.

Employee's contribution to a RPF @ 15% of salary

Employer's contribution to the fund @ 15% of the salary

Interest credited to the provident fund @ 9.5% p.a. is Rs. 28,000

He is provided with free lunch in the office. The cost per meal is Rs. 30.

The employer has given him a small car which he uses his personal and official purposes. He meets the expenses for the personal purposes from out of his pocket.

Compute the income from salaries of Mr. Ramesh for the Assessment Year 2020-21.

14. From the following information compute tax payable by an individual for the Assessment Year 2020-21 :

1. Total income computed Rs. 3,00,00,000
2. Total income includes :
  - (a) Short term capital gains u/s 111A 30,00,000
  - (b) Long term capital gains u/s 112A 20,00,000.

(3 × 4 = 12 weightage)

### Section C

*Answer at least two questions.*

*Each question carries 6 weightage.*

*All questions can be attended.*

*Overall Ceiling 12.*

15. Discuss the powers of Income Tax Authorities.
16. What is Assessment ? Explain the different types of Assessment.
17. Shri. Anandilal Metha's total income was computed for the Assessment Year 2020-21 is Rs. 6,07,000 from the following information :

1. Taxable income from House Properties (No TDS)	Rs. 5,16,000
2. Taxable income from Business :	
(a) Loss from General Business      32,000	
(b) Loss from Speculation Business 17,000	(—) 32,000
3. Capital Gains (LTCG)	Rs. 37,500
4. Agricultural Income	Rs. 12,500
5. Income from Other Sources :	
(i) Gross winning from Lottery	Rs. 50,000
(ii) Taxable interest on Govt. Securities	Rs. 40,000

**Turn ov.**

18. Compute income from salary of Shri. Yashwant for the Previous Year ending 31 st March, 2020 from the following details :

- (i) Salary Rs. 27,500 per month and DA 60% of salary.
- (ii) The employer provided him a small motor car for official and personal use. Expenses are borne by the employer. This facility is provided him from 1<sup>st</sup> August, 2019. Prior he used the car for commuting between residence and office and official work.
- (iii) Unfurnished rent free house at Bhopal fair rent Rs. 36,000 annually and the employer is owner.
- (iv) He contributes to R.P.F. 15%. The employer contribution is also 15%, Rs. 5,600 credited as interest to the fund at the rate of 14%.
- (v) The employer provided him free telephone facility at his residence and bills paid by the employer during the previous year is Rs. 3,600.
- (vi) He is provided free meal ; such a facility is given for 248 days during the previous year. The cost per meal is Rs. 65.
- (vii) Free use of health club facility provided by the company and asst of such facility is Rs. 600 P.M . This facility is available for each employee of the company.
- (viii) The employer deducted Rs. 15,000 as income tax and Rs. 2,500 as professional tax from his salary.

(2 × 6 = 12 weightage)

**THIRD SEMESTER M.A./M.Sc./M.Com. DEGREE (REGULAR) EXAMINATION  
NOVEMBER 2020**

(CBCSS)

M.Com.

MCM 3C 11—FINANCIAL MANAGEMENT

(2019 Admissions)

Time : Three Hours

Maximum : 30 Weightage

**Section A**

*Answer at least **three** questions.*

*Each question carries 2 weightage.*

*All questions can be attended.*

*Overall Ceiling 6.*

1. Explain your idea about Time value of money.
2. What is opportunity cost of capital ?
3. What do you mean by Lock Box banking system ?
4. Write a note on financial leverage.
5. What do you mean by Financial Engineering ? .
6. What do you mean by Financial Break-even ?
7. What do you mean by scrip dividend ?

(3 × 2 = 6 weightage)

**Section B**

*Answer at least **three** questions.*

*Each question carries 4 weightage.*

*All questions can be attended.*

*Overall Ceiling 12.*

8. "Investment, Financing and Dividend decisions are all inter-related". Comment.
9. What is agency conflict ? How can they be mitigated ?
10. Mr. Shyam deposits Rs. 5,000, Rs. 10,000, Rs. 15,000, Rs. 20,000 and Rs. 25,000 in his savings bank account in year 1, 2, 3, 4, 5 respectively. Interest rate of 6 percent. He wants to know his future value of deposits at the end of 5 year.

Turn over

11. What is the Capital Asset pricing Model Approach (CAPM) on Cost of Equity ?
12. Describe briefly the different methods for the estimation of working capital.
13. The sales of a firm are 1,000 units. Selling price per unit is Rs. 10 and the variable cost per unit is Rs. 6. Calculate, operating leverage in the following situation. Interpret the result.
  - (a) Fixed cost Rs. 1,000.
  - (b) Fixed cost Rs. 2,200.
  - (c) Fixed cost Rs. 3,000.
14. A company issues 10,000, 10 % Preference shares of Rs. 100 each redeemable after 10 years at a premium of 5 %. The cost of issue is Rs. 2/share. Calculate the Cost of Preference Shares.
 

(3 × 4 = 12 weightage)

### Section C

*Answer at least two questions.*

*Each question carries 6 weightage.*

*All questions can be attended.*

*Overall Ceiling 12.*

15. Mr. A, an investor purchases an equity share of growing company for Rs. 210. He expects the company to pay the dividend of Rs. 10.5, Rs. 11.025 and Rs. 11.575 in years 1, 2 and 3 respectively and he expects to sell the shares at a price of Rs. 243.10 at the end of the three year :
  - (a) Determine the Dividend Growth Rate.
  - (b) Calculate the current Dividend Yield.
  - (c) What is the required rate of return on Mr. A's equity investment ?
16. A company expects a net operating income of Rs. 2,00,000. It has Rs. 5,00,000 outstanding debt; cost of debt is 10 %. If the overall capitalization rate is 12.5 %, what would be the total value of the firm and the equity capitalization rate according to NOI approach.
 

What will be the effect of the following on the total value of the firm and equity capitalization rate, if :

  - (a) The firm increases the amount of debt Rs. 5,00,000 to Rs. 7,50,000 and uses the proceeds of the debt to it purchases equity shares.
  - (b) The firm redeems debt of Rs. 2,50,000 by issuing fresh equity shares.
17. Explain various Dividend Theories.
18. What are the factors determine the Working Capital requirement of a company ?

(2 × 6 = 12 weightage)



**THIRD SEMESTER M.Com. DEGREE (SUPPLEMENTARY)  
EXAMINATION, NOVEMBER 2020**

(CUCSS)

M.Com.

MC3E(M)01—ADVERTISING AND SALES MANAGEMENT

(2015 Admissions)

Time : Three Hours

Maximum : 36 Weightage

**Part A**

*Answer all questions.*

*Each question carries 1 weightage*

1. Define deceptive advertising.
2. What do you mean by sales budget ?
3. Define PACT.
4. Define Surrogate advertising.
5. What do you mean by reach of an advertisement ?
6. Briefly describe the concept of advertising research.

(6 × 1 = 6 weightage)

**Part B**

*Answer any six questions.*

*Each question carries 3 weightage.*

7. What are the qualities of a good advertising copy ?
8. What is the importance of measuring the Effectiveness of Advertising ?
9. What is creativity ? Show the various activities that are typically parts of the creative design process ?
10. Discuss the Objectives of Sales Promotion.
11. Explain the fundamental principles of personal selling.
12. What are the characteristics of a good sales person ?

**Turn over**

13. Explain the determinants of advertising media selection.
14. What are the important outdoor media available for advertisement ?

(6 × 3 = 18 weightage)

### Part C

*Answer any two questions.*

*Each question carries 6 weightage.*

15. Describe various pre-test methods of measuring advertisement effectiveness.
16. Explain various approaches to the International advertising campaign.
17. Elaborate the nature and advantages of advertising.

(2 × 6 = 12 weightage)

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**THIRD SEMESTER M.Com. DEGREE (SUPPLEMENTARY) EXAMINATION  
NOVEMBER 2020**

(CUCSS)

M.Com.

MC3E(F)02—SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

(2015 Admissions)

Time : Three Hours

Maximum : 36 Weightage

**Part A**

*Answer all the questions.*

*Each question carries 1 weightage.*

1. Why do investors add real estate in their portfolio ?
2. What do you understand by the valuation of bonds ?
3. What is meant by fundamental analysis ?
4. What is market efficiency ?
5. Who is an arbitrageur ?
6. What is an efficient portfolio ?

(6 × 1 = 6 weightage)

**Part B**

*Answer any six of the following.*

*Each question carries 3 weightage.*

7. "Investors in India have better investment opportunities to invest" —Do you agree with this statement. Substantiate your views.
8. Distinguish between systematic risk and unsystematic risk.
9. Describe the basic arbitrage pricing theory.
10. Briefly explain the Markowitz portfolio selection model.
11. What are the reforms done in the Indian Capital to make it an efficient market ?
12. "Fundamental analysis using EIC framework provides better solution in selection of stocks into the portfolio" - substantiate your opinion.

**Turn over**

13. Explain the CAPM model, its assumptions and formulations. Do you agree that this model is still applicable in estimating the asset return ?
14. What are the different evaluation techniques used for measuring the performance of the portfolio?

(6 × 3 = 18 weightage)

### Part C

*Answer any two of the following.*

*Each question carries 6 weightage.*

15. State the economic and financial meaning of investment. In the stock market, can you differentiate the investor from the speculator?
16. 'No investments is risk free'. In view of this statement, write an essay on the meaning of types of investments risk. Can this be/eliminated or minimized?
17. What is active and passive investment strategies in portfolio management ?

(2 × 6 = 12 weightage)

**THIRD SEMESTER M.Com. DEGREE (SUPPLEMENTARY) EXAMINATION  
NOVEMBER 2020**

(CUCSS)

M.Com.

MC 3E (F) 01—FINANCIAL MANAGEMENT

(2015 Admissions)

Time : Three Hours

Maximum : 36 Weightage

**Part A**

*Answer all the questions.  
Each question carries 1 weightage.*

1. What is Retained Earning's ?
2. How does a Lockbox work for payments ?
3. Define Opportunity Cost.
4. What is Financial Breakeven ?
5. What is Capital Structure ?
6. Define Dividend Policy.

(6 × 1 = 6 weightage)

**Part B**

*Answer any six of the following.  
Each question carries 3 weightage.*

7. Discuss the Scope and functions of Financial Management.
8. Explain the classification of Cost
9. Explain various types of Inventory Control Techniques
10. A Beta Ltd., iron steel reserves are being depleted and its costs of recovering a declining quantity of iron steel are rising each year. As a equal to it the company earnings and dividends are declining at a rate of 12% p.a. If the previous year's dividend (DO) was Rs. 40 and the required rate of return is 15%. What would be the current price of the equity share of the company ?

**Turn over**

11. There are two firms 'A' and 'B' which are exactly identical except that A does not use any debt in its financing, while B has Rs. 2,50,000 , 6% Debentures in its financing. Both the. firms have earnings before interest and tax of Rs. 75,000 and the equity capitalization rate is 10%. Assuming the corporation tax is 50%, calculate the value of the firm.
12. What are the factors affecting Dividend Policy ?
13. The earnings per share of a company are Rs. 80 and the rate of capitalization applicable to the company is 12%. The company, has before it an option of adopting a payment ratio of 25% (or) 50%(or) 75%. Using Walter's formula of dividend payout, compute the market value of the company's share of the productivity of retained earnings (i) 12% (ii) 8% (iii) 5%.
14. Prepare an estimate of working capital requirements :
- (i) Projected annual sales – 80,000 units.
  - (ii) Selling price Rs. 8 per unit.
  - (iii) Percentage of profit 20%.
  - (iv) Credit allowed to debtors – 10 weeks.
  - (v) Credit allowed to suppliers – 8 weeks.
  - (vi) Average stock holding (in terms of sales) – 10 weeks.
  - (vii) Allow 20% for contingencies.

(6 × 3 = 18 weightage)

### Part C

*Answer any two of the following.*

*Each question carries 6 weightage.*

15. A Performa cost sheet of a company provides the following particulars :

Elements of cost	
Material	35%
Direct Labours	25%
Overheads	20%

Further particulars available are :

- (i) It is proposed to maintain a level of activity of 2, 50,000 units.
- (ii) Selling price is Rs. 10/-per unit
- (iii) Raw materials are to remain in stores for an average period of one month.
- (iv) Finished foods are required to be in stock for an average period of one month.
- (v) Credit allowed to debtors is 3 months.
- (vi) Credit allowed by suppliers is 2 months.

You are required to prepare a statement of working capital requirements, a forecast profit and loss account and balance sheet of the company assuring that

Share Capital	Rs. 12,00,000
10% Debentures	Rs. 3,00,000
Fixed Assets	Rs. 11,00,000

16. A company has on its books the following amounts and specific costs of each type of capital.

Type of Capital	Book Value Rs.	Market Value Rs.	Specific Costs (%)
Debt	4,00,000	3,80,000	5
Preference	1,00,000	1,10,000	8
Equity	6,00,000	9,00,000	15
Retained Earnings	2,00,000	3,00,000	13
	13,00,000	16,90,000	

Determine the weighted average cost of capital using :

- Book value weights, and
- Market value weights.

How are they different ? Can you think of a situation where the weighted average cost of capital would be the same using either of the weights ?

17. Raja Company earns a rate of 12% on its total investment of Rs. 6,00,000 in assets. It has 6,00,000 outstanding common shares at Rs. 10 per share. Discount rate of the firm is 10% and it has a policy of retaining 40% of the earnings. Determine the price of its share using Gordon's Model. What shall happen to the price of the share if the company has payout of 60% (or) 20% ?

(2 × 6 = 12 weightage)

**THIRD SEMESTER M.Com. DEGREE (SUPPLEMENTARY) EXAMINATION  
NOVEMBER 2020****(CUCSS)****M.Com.****MC 3C 13—RESEARCH METHODOLOGY****(2015 Admissions)****Time : Three Hours****Maximum : 36 Weightage****Part A***Answer all questions.**Each question carries 1 weightage.*

1. Define exploratory research.
2. Distinguish between parameter and statistic.
3. What do you mean by reliability of a questionnaire ?
4. Describe about semantic differential scale.
5. How footnote is differ from bibliography ?
6. What do you mean by APA style of referencing ?

**(6 × 1 = 6 weightage)****Part B***Answer any six questions.**Each question carries 3 weightage.*

7. Explain the need and importance of review of literature.
8. What are the different sources of secondary data ? Explain.
9. Define interview. What are the steps in conducting an interview ?
10. What are the various types of non-probability sampling ?
11. Explain the steps in data processing.
12. What are the characteristics of a good report ? Explain.
13. Explain the steps involved in testing of hypothesis.
14. Differentiate between parametric data and non-parametric data.

**(6 × 3 = 18 weightage)****Turn over**



**Part C**

*Answer any two questions.*

*Each question carries 6 weightage.*

15. Describe various steps in research.
16. Explain the process of writing a research report.
17. What are the problems faced by researchers in India ? Give valuable suggestions to improve research in India.

(2 × 6 = 12 weightage)

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**THIRD SEMESTER M.Com. DEGREE (SUPPLEMENTARY) EXAMINATION  
NOVEMBER 2020**

(CUCSS)

M.Com.

MC3C12—INCOME TAX LAW AND PRACTICE

(2015 Admissions)

Time : Three Hours

Maximum : 36 Weightage

**Part A**

*Answer all the questions.  
Each question carries 1 weightage.*

1. What is the basis of charge of income from house property ?
2. Who is called 'Representative Assessee' ?
3. What is commuted value of pension ?
4. What are the provisions relating to preliminary expenses ?
5. What is meant by advance payment of tax ?
6. What are the conditions for submitting revised return ?

(6 × 1 = 6 weightage)

**Part B**

*Answer any six of the following.  
Each question carries 3 weightage.*

7. Explain how residential status of an individual is determined.
8. Distinguish short-term capital gain from long-term capital gain.
9. What are the conditions for claiming deduction of remuneration of partners u/s40 (b) ?
10. When and how tax is to be deducted at source from salary ?
11. Explain best judgement assessment.
12. SathyaPriya, who is not covered by the payment of gratuity Act, 1972 retires on December 26, 2016, from Haritha Ltd. and received Rs. 5,00,000 as gratuity after service of 36 years and 9 months. Her salary is Rs. 6,000 per month up to June 30, 2016 and Rs. 7,000 per month from July. 2016. Besides, she gets DA Rs. 1,000 per month (70 % of which is considered for service benefits). Compute taxable gratuity.

Turn over

13. A house was completed on April 1, 2016 and following information is available about this house.

Municipal value Rs. 30,000 p.a.

Fair rental value Rs. 32,000 p.a.

Actual rent Rs. 40,000 p.a.

Municipal taxes Rs. 6,000 p.a.

Let out period : 1 -4-2016 to 31 -12-2016

Self-occupied: 1-1-2017 onwards

Interest on loan for the period :

(a) 1-4-2011 to 31-3-2016 Rs. 45,000.

(b) 1-4-2016 to 31-3-2017 Rs. 15,000.

Calculate income from house property.

14. Calculate income from other sources from the following :

(a) Rs. 2,50,000 invested in 12 % less-tax government securities.

(b) Rs. 2,50,000 invested in 12 % tax free commercial securities.

(c) Rs. 2,50,000 invested in 12 % less-tax commercial securities

(d) Rs. 8,000 received as interest from less-tax commercial securities.

(6 × 3 = 18 weightage)

### Part C

*Answer any two of the following.*

*Each question carries 6 weightage.*

15. For the accounting year ended 31<sup>st</sup> March, 2017 Mr. Shashi furnishes the following particulars of his income.

(i) Salary received in India Rs. 60,000.

(ii) Profit from business in Germany but received in India Rs. 15,000.

(iii) Income from house property in Pakistan deposited in bank there Rs. 12,000.

(iv) Profit from business established in Bangladesh but business is controlled from India Rs. 46,000.

(v) Income accrued in India but received in Sweden Rs. 25,000.

(vi) In this accounting year Mr. Shashi has brought into India foreign income of earlier years Rs. 42,700.

- (vii) Profit from sale of plant at Mumbai (50 % received in Bankok) Rs. 1,60,000.
- (viii) Interest on Japan Development Bonds (60 % received in India) Rs. 1,00,000 Compute his gross total income if :
- (a) He is resident ;
  - (b) He is not ordinarily resident ; or
  - (c) He is non resident.

16. Mr. BhaskarRao, General Manager of Atul Products Ltd. at Bhopal [Popolation 15 lakhs] is in receipt of salary of Rs. 14,000 per month. He is in occupation of an unfurnished house for which the company pays a rent of Rs. 800 per month to landlord but does not recover anything from Mr. BhaskarRao. The company also maintains a RPF to which Mr. Rao contributes Rs. 21,000 per annum and the company contributes an equal amount. Interest credited to the Fund is Rs. 9,500 (at the rate of 9 % per annum). During the year ended on 31<sup>st</sup> March 2017 Mr. Rao also has the following incomes:

- (i) Rent a house (built in 1956) let out at Rs. 800 per month (Municipal Taxes Rs. 2,100 per annum).
- (ii) Gross dividends Rs. 3,000.
- (iii) Bank interest (on term deposits) Rs. 7,000.
- (iv) Interest on debentures Rs. 6,000
- (v) Interest on NSC VIII issue (Accrued) Rs. 3,000
- (vi) Donation given to Zila Saksharata Samiti Rs. 8,000.

He pays life insurance Premia of Rs. 4,000 a year on his own life, on a policy of Rs. 45,000. He maintains a car for his office and family use. Calculate his total income for the assessment year 2017-18.

17. Mr. Singh, a resident of India, submits the following particulars of his income for the assessment year 2017-18 :

- (a) Income from house let-out (computed) Rs. 9,500.
- (b) Profit from radio business Rs. 19,600.
- (c) Profit from Electric business Rs. 1,800.
- (d) Speculation income Rs. 1,900.
- (e) Short-term capital gains Rs. 3,200.
- (f) Long-term capital gains Rs. 9,250.

The following items have been brought forward from preceding assessment year:

Turn over

- (i) Loss from cycle business discontinued during 2015-16 Rs. 3,900.
- (ii) Loss from electric business Rs. 2,700.
- (iii) Loss from radio business Rs. 1,900.
- (iv) Unabsorbed depreciation of electric business Rs. 1,000.
- (v) Unabsorbed family planning expenditure Rs. 2,600.
- (vi) Speculation loss Rs. 3,200.
- (vii) Short-term capital loss from the year 2013-14 Rs. 4,100.
- (viii) Long-term capital loss from the year 2014-15 Rs. 6,450.

You are required to compute his gross total income and deal with the carry forward of losses.

(2 × 6 = 12 weightage)

**THIRD SEMESTER M.Com. DEGREE (SUPPLEMENTARY) EXAMINATION  
NOVEMBER 2020**

(CUCSS)

M.Com

MC3C11—FINANCIAL MARKETS AND INSTITUTIONS

(2015 Admissions)

Time : Three Hours

Maximum : 36 Weightage

**Part-A**

*Answer all the questions.*

*Each question carries 1 weightage.*

1. Define Capital Market.
2. Write a short note on Interest Rate.
3. What is Debt Market?
4. Brief the concept of Mutual Fund.
5. What do you mean by FDI ?
6. What is OTCEI ?

(6 × 1 = 6 weightage)

**Part B**

*Answer any six of the following.*

*Each question carries 3 weightage.*

7. Describe the functions of Financial Market.
8. Highlight the objectives of Money Market.
9. Discuss the various theories of Interest Rates.
10. Enumerate the benefits of taking Insurance.
11. Briefly explain the objectives of the SFC's.
12. Explain the role of IFCI.

Turn over

13. List out the merits of the FIPs.
14. Highlight the functions of IRDA.

(6 × 3 = 18 weightage)

**Part C**

*Answer any two of the following.  
Each question carries 6 weightage.*

15. Discuss the role and function of SEBI.
16. Different between the Provident Fund and Pension Fund.
17. Explain the main, contribution of the FDI in Indian Economy.

(2 × 6 = 12 weightage)

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