

Seat No. : _____

AJ-101

April-2017

B.Com., Sem.-VI

**CE-303 A : Adv. Acc. & Auditing
(Management Accounting - II)**



[Max. Marks : 70

Time : 3 Hours]

- Instructions :** (1) Figures to the right indicate full marks.
(2) Show necessary calculations as a part of your answer.

1. The standard mix of product "M" is as follow :

14

Materials	Kgs.	Price per kg. (₹)
A	25	4
B	35	3
C	40	2

The standard loss in production is 20% of input. Actual production was 2,400 Kgs.
Actual purchases and consumption of material were as follows :

Materials	Kgs.	Price per kg. (₹)
A	650	4.50
B	950	3.50
C	1,200	1.80

Calculate following variances :

- (1) Material price variance
- (2) Material usage variance
- (3) Material cost variance
- (4) Material mix variance
- (5) Material yield variance

OR



AJ-101

9

P.T.O.

1. Standard labour hour and rate of product "Z" per unit are as follows :

14

Labours	Per Unit (Hour)	Per hour wage rate (₹)	Total (₹)
Skilled workers	10	4	40
Unskilled workers	16	2	32
Semi-skilled workers	8	3	24
			96

Actual production : 500 units.

Labours	Hours	Per hour wage rate (₹)	Total (₹)
Skilled workers	4,500	5	22,500
Unskilled workers	10,000	1.80	18,000
Semi-skilled workers	4,200	3	12,600
			53,100

Calculate following variances :

- (1) Labour rate variance.
- (2) Labour efficiency variance.
- (3) Labour mix variance.
- (4) Labour cost variance.



2. The following information is available from books of Raman Ltd.

14

	Standard	Actual
No. of Units	300	400
No. of Hours	3,000	4,500
Fixed Overheads (₹)	3,000	4,800
Variable Overheads (₹)	4,500	5,900
No. of days	25	27

Calculate fixed overheads and Variable overhead Variances.

OR

AJ-101

11





2. From the following data, Calculate :

(i) Sales price variance, (ii) Sales volume variance, (iii) Sales value variance, (iv) Sales Mix variance, (v) Sales Sub-volume variance.

Product	Standard			Actual		
	Volume (Units)	Sale Price per Unit (₹)	Total (₹)	Units	Sale Price per Unit (₹)	Total (₹)
A	10,000	50	5,00,000	12,000	48	5,76,000
B	14,000	40	5,60,000	12,000	42	5,04,000
C	16,000	30	4,80,000	15,000	31	4,65,000
			15,40,000			15,45,000

3. A company is considering an investment proposal for purchasing a machine at a cost of ₹ 2,00,000. The estimates of sales and expenses for its useful life of 4 years are given below.

Year	1 ₹	2 ₹	3 ₹	4 ₹
Sales	2,80,000	3,00,000	3,30,000	3,30,000
Direct material	80,000	80,000	90,000	90,000
Direct labour	60,000	64,000	70,000	60,000
Production expenses (except depreciation)	50,000	56,000	60,000	62,000
Administrative and selling expenses	20,000	24,000	30,000	28,000

The tax rate is 50%. Calculate Accounting rate of return and Pay-back period.

OR

3. (a) Answer the following :

(1) A company wants to invest ₹ 4,80,000 in a project for a period of 5 years. The estimated earnings before depreciation and 50% tax during these 5 years are ₹ 96,000, ₹ 1,20,000, ₹ 1,16,000, ₹ 1,76,000 and ₹ 2,12,000. Calculate the accounting rate of return.

(2) Ajay will receive an annuity of ₹ 10,000 at the end of each year for first 5 years, and thereafter a perpetuity of ₹ 5,000 from the end of the 6th year. If the rate of interest is 7%, calculate the present value of the amount receivable.

(PVIFA 7%, 5 = 4.100; PVIF 7%, 5 = 0.713; PVIF 7%, 6 = 0.666)



(b) Answer the following (any two)

6



- (1) A company wants to install a machine costing ₹ 10,00,000 having a useful life of 10 years. It will earn an annual profit of ₹ 2,00,000 after charging depreciation but before 40% tax. Calculate the payback period.
- (2) What amount will be received after 5 years if an amount of ₹ 70,000 is deposited at 9% rate of interest compounded annually?
- (3) Sapna has borrowed a bank loan to start her boutique. She will repay this loan in 15 instalments of ₹ 50,000 each at the end of every year. The annual rate of interest is 10%. What is the amount of bank loan borrowed?

(FVIFA 10%, 15 = 31.772, PVIFA 10%, 15 = 6.145)

4. A company is considering the purchase of a machine, for which two mutually exclusive alternatives Machine A and Machine B – are available. The details of estimated cash flows are given below.

14

	Machine A	Machine B
	(₹)	(₹)
Immediate cash outflow	25,00,000	40,00,000
Cash inflows at the end of the year		
Year 1	–	10,00,000
Year 2	5,00,000	14,00,000
Year 3	20,00,000	16,00,000
Year 4	14,00,000	17,00,000
Year 5	14,00,000	15,00,000



The company's cost of capital is 10%. Calculate Net Present Value and Profitability Index, and suggest which machine should be purchased.

The present value of ₹ 1 at the discount rate of 10% for the first five years is 0.909, 0.826, 0.751, 0.683 and 0.621.

OR

AJ-101

12

4. A company is considering investment of ₹ 4,00,000 in a project having an estimated life of 10 years. Calculate the Internal Rate of Return (using 10% and 15% discounting factors). The estimates of the profit after depreciation but before 50% tax during the life of the project are given below.

14

Years	₹
1.	80,000
2.	60,000
3.	80,000
4.	70,000
5.	20,000
6.	1,00,000
7.	60,000
8.	90,000
9.	80,000
10.	60,000



The present values of ₹ 1 at 10% and 15% for the first ten years are given below.

Year	1	2	3	4	5	6	7	8	9	10
10%	0.909	0.826	0.751	0.683	0.621	0.564	0.513	0.467	0.424	0.386
15%	0.870	0.756	0.658	0.572	0.497	0.432	0.376	0.327	0.284	0.247

5. The sub questions below are provided with more than one answers. Find out true answer and also show your necessary calculations in support : (any seven)

14

(1) Use of inferior quality raw material in production may lead to _____ material usage variance.

- (a) Favorable
 (b) Unfavorable
 (c) Zero
 (d) None of the above



(2) If present value of cash outflows is more than the present value of cash inflows, the Profitability Index will be

- (a) Negative
 (b) Less than one
 (c) More than one
 (d) Zero

- (3) Labour idle time variance always _____ when Labour efficiency variance is favourable.
- (a) Favourable
 - (b) Adverse
 - (c) Controllable
 - (d) None of the above
- (4) Excess of actual cost over standard cost is a
- (a) Favorable
 - (b) Unfavorable
 - (c) Abnormal gain
 - (d) None of the above
- (5) ABC Ltd. Purchased 6,850 kgs. of material for ₹ 21,920. The material price variance was ₹ 1,370(F). The standard price of material per kg. is
- (a) ₹ 3.25
 - (b) ₹ 3.40
 - (c) ₹ 3.15
 - (d) None of the above
- (6) A company's March-2017 production details are as under :
- Fixed overhead cost as per budget ₹ 20,000
- Production units as per budget 10,000
- Actual production units during the month 11,000
- Actual fixed overhead cost during month ₹ 24,000 Hence volume variance will be _____
- (a) 4,000 adverse
 - (b) 2,000 favourable
 - (c) 2,000 adverse
 - (d) 4,000 favourable



- (7) Information of X Ltd.'s direct labour costs for the month of March, 2017 is as follows :

Standard direct labour hour allowed	900
Actual direct labour hours	800
Actual direct Labour rate	₹ 20
Direct Labour rate variance (favourable)	₹ 1,600

What was the standard direct labour rate for the month of March, 2017 ?

- (a) ₹ 19
(b) ₹ 22
(c) ₹ 21
(d) ₹ 21.50
- (8) Present value of a project is ₹ 4,76,000 and investment is ₹ 4,00,000. The profitability index will be
(a) 1.20
(b) 1.19
(c) 1.21
(d) 1.40
- (9) XY Ltd. wants to install a machine costing ₹ 10,00,000. It will earn an annual profit of ₹ 1,50,000 after charging depreciation at 10% p.a. Tax rate is 50%. What should be the payback period from the following :
(a) 3 years
(b) 5.71 years
(c) 4 years
(d) 4.5 years
- (10) Simple Interest at 7% for 2 years on ₹ 1,000 will be
(a) ₹ 74.90
(b) ₹ 140
(c) ₹ 70
(d) None of the above



Seat No. : _____

AK-101

April-2017

B.Com., Sem.-VI

CE-304 A : Adv. Acc. & Auditing

(Auditing – II)



Time : 3 Hours]

[Max. Marks : 70

Instruction : Figures to the right indicate marks.

1. (a) State the auditors duties regarding redemption of Redeemable Preference shares. 7

OR

Discuss 7 points regarding the points to be considered before starting a new audit.

- (b) Answer any two : 4

- (1) Minutes Book
- (2) Right Shares
- (3) Prospectus
- (4) Underwriting Commission

- (c) Comment as an auditor (any three) :

- (1) Declaration of 50% Interim Dividend
- (2) Buy Back of Shares
- (3) Issue of equity shares at a discount
- (4) ₹ 50,000 installation cost of machinery

2. (a) Explain the features of an ideal audit report. 3

OR

Distinguish between an audit report and an audit certificate.

- (b) Write a short note on : (Any one) 4

- (1) Social Audit
- (2) True & fair view
- (3) Qualified Audit Report

- (c) Distinguish between : (Any one) 3

- (1) Clean Audit Report & Qualified Audit Report of Auditor
- (2) Final Audit Report & Interim Audit Report

AK-101

5

P.T.O.

3. (a) Discuss whether dividend can be distributed out of capital profits or not. 7

OR

Calculate the divisible profits for 2014-15 :

Year	Profit/Loss after depreciation	Depreciation as per Co. Act	Provision for depreciation
	(₹)	(₹)	(₹)
2012-13	-2,70,000	1,20,000	30,000
2013-14	-1,80,000	90,000	60,000
2014-15	+4,20,000	1,80,000	1,80,000

- (b) Write a short note on : (Any one) 4
- (1) Capital Loss
 - (2) Brought forward revenue loss
 - (3) Interim Dividend
- (c) Summarise the case laws : (Any one) 3
- (1) Crabtree V/s Crabtree
 - (2) Wilmer V/s Menamara
 - (3) Stapley V/s Reid Bros.

4. (a) How will you investigate a company with declining profits ? 7

OR

Discuss the information to be gathered while commencing the preparation of an audit programme.

- (b) Distinguish any one : 4
- (1) Auditing & Investigation
 - (2) Audit Programme of a Charitable Hospital and an educational institute (any three topics).
- (c) Answer briefly : (Any three)
- (1) Definition of investigation
 - (2) Personal verification during investigation
 - (3) Importance of an audit programme
 - (4) Internal control in an audit programme

5. Select the correct option : (Any seven)

- (1) The maximum rate of interest on capital u/s 208 of the Companies Act is
 (a) 5% (b) 4%
 (c) 6% (d) None
- (2) The maximum rate of discount while issuing shares at discount is
 (a) 5% (b) 10%
 (c) 7.5% (d) None
- (3) An audit report is addressed to
 (a) Board of Directors
 (b) Shareholders
 (c) Central Government
 (d) None
- (4) _____ is a compilation and presentation of facts after due consideration and thought process.
 (a) Audit programme
 (b) Report
 (c) Annual returns
 (d) None
- (5) _____ should be transferred to reserve if the rate of dividend is 11%.
 (a) 5%
 (b) 2.5%
 (c) 7.5%
 (d) None
- (6) Dividend warrants should be posted to shareholders (members) within _____ days after declaration of dividend.
 (a) 21
 (b) 30
 (c) 42
 (d) None
- (7) _____ should not be considered while conducting an investigation.
 (a) Percentage of row material
 (b) Disqualification of Directors
 (c) Time limit of investigation
 (d) None



(8) _____ is a correct statement.

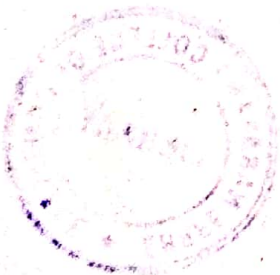
- (a) Investigation is compulsory
- (b) Investigation is optional
- (c) Investigation can be conducted by any one
- (d) None

(9) _____ should not be considered while deciding an audit programme.

- (a) Internal control procedure
- (b) Programme adopted by competitors
- (c) Previous Auditor's Report
- (d) None

(10) Audit programme

- (a) is compulsory
- (b) makes the audit simple and efficient
- (c) determines the responsibility of an auditor
- (d) None



Seat No. : _____

AL-101

April-2017

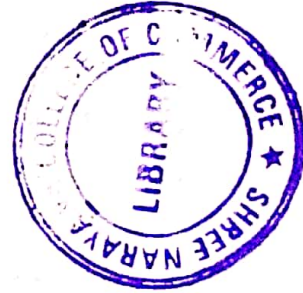
B.Com., Sem.-VI

CC-307 : Fundamentals of Financial Management

Time : 3 Hours]

[Max. Marks : 70

1. (a) Give the meaning of Financial Management and explain its characteristics. 6
OR
Explain the concept of maximization of income in Financial Management.
- (b) Discuss the role of a Financial Manager. 4
OR
Explain the traditional approach of Finance function.
- (c) Explain the relationship between Finance function and Human Resource Management. 4
OR
Explain the process of Financial Planning in brief.
2. (a) "Financial leverage is a two-way sword". Discuss. 6
OR
Explain the concept of trading on equity with illustration.
- (b) Give the meaning of overcapitalization and discuss its causes. 4
OR
Explain any four factors affecting capital structure.
- (c) Mention the benefits of equity shares as a source of long term capital gain. 4
OR
Explain the concept of operating leverage.
3. (a) Explain the types of working capital. 6
OR
Discuss the disadvantages of inadequate working capital.
- (b) Mention any eight factors determining working capital requirements. 4
OR
Explain the principles of working capital in brief.
- (c) Explain the objectives of maintaining receivables. 4
OR
Explain the objectives of maintaining inventory.



AL-101

3

P.T.O.

4. (a) Write note on : Net present value method of capital budgeting.

OR

Explain the importance of cost of capital.

- (b) Answer any two of the following :

- (1) Write note on : Cost of Equity Capital
- (2) Explain weighted average cost of capital
- (3) Pratima Ltd has issued 15% debentures of ₹ 100 at discount of 5%. The cost of issuing was ₹ 5,000 for 1000 debentures and the tax rate is 55%. Find out cost of debentures.
- (4) Mayur Ltd wants to implement plan for expansion of unit in which the investment is ₹ 30 lakhs. The company can earn profit of ₹ 7 lakhs after deducting 15% depreciation. The rate of tax is 50%. Decide the payback period.

5. (a) Explain the following terms :

- (1) Financial Planning
- (2) Capital Structure
- (3) Working Capital
- (4) Capital Budgeting
- (5) Thin equity
- (6) Preference Share

- (b) Answer the following : (any eight)

- (1) Explain any two managerial functions of Financial Management.
- (2) What is modern approach of Finance function ?
- (3) Explain the meaning of under capitalization.
- (4) What is trading on thick equity ?
- (5) Give the meaning of Watered Capital.
- (6) What are the elements of Working Capital ?
- (7) What is flexible working capital ?
- (8) Explain any two advantages of Cash Management.
- (9) What is Combined Leverage ?
- (10) Mention the methods of Capital Budgeting.



Seat No. : _____

AI-101

April-2017

B.Com., Sem.-VI

CC-310 : Fundamental of Statistics – IV

Time : 3 Hours]

[Max. Marks : 70

1. (a) Explain with reference to Decision Theory. 4
- (i) Strategy
- (ii) EMV

OR

Explain :

- (i) Pay-off matrix
- (ii) Hurwitz's principle

- (b) Find the best strategy from the following pay-off matrix using 6
- (i) Maxi-Min
- (ii) Maxi-Max
- (iii) Laplace and
- (iv) Hurwitz's ($\alpha = 0.3$) principles

Event	Strategy			
	S ₁	S ₂	S ₃	S ₄
E ₁	15	7	-13	11
E ₂	-5	19	20	-4
E ₃	20	12	0	14
E ₄	19	10	-7	15

OR

The selling price of a unit of commodity is ₹ 15 and its cost price is ₹ 11. The unsold item can be returned at ₹ 8. The distribution of demand of a commodity by the past experience of a seller is as follows. Determine how many units of an item is beneficial to keep by seller as per EMV.

Demand	10	15	20	25	30
Probability	0.10	0.30	0.30	0.20	0.10

(c) Decide the best strategy using EMV.

4

Events	Probabilities	Strategy		
		S ₁	S ₂	S ₃
A ₁	0.5	16	20	10
A ₂	0.2	30	60	80
A ₃	0.3	15	70	40



OR

Find EVPI from the following pay-off matrix :

Events	Probabilities	Strategy			
		A	B	C	D
E ₁	0.2	0	15	10	0
E ₂	0.4	12	0	20	5
E ₃	0.1	10	20	30	30
E ₄	0.3	10	20	30	40

2. (a) Explain the meaning of time series and write its uses.

4

OR

What is trend ? Explain moving average method to determine trend.

(b) From the following data, obtain short term variation by using four yearly moving average method :

6

Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Sales (Units)	136	140	141	141	135	139	140	143	140	145	149

OR

Find seasonal variation by moving average method from the following time series :

Year	Season		
	Winter	Summer	Monsoon
2011	43	43	49
2012	53	56	58
2013	56	60	64
2014	60	65	68



- (c) Obtain the seasonal indices for the following data :

4

Year	Season		
	A	B	C
2013	19	23	26
2014	20	28	30
2015	22	25	32
2016	26	30	37

OR

Fit a linear trend from the following data :

Year	2006	2008	2010	2012	2014
Profit (in lakh ₹)	11	13	18	20	23



3. (a) What is an index number ? Explain its uses.

4

OR

Explain time reversal and factor reversal test.

- (b) Find Laspeyzer's, Paasche's and Fisher's Index number from the following data :

6

Commodity	Base Year		Current Year	
	Price	Quantity	Price	Quantity
A	10	60	12	70
B	12	40	18	60
C	8	55	8	50
D	7	30	14	20

OR

The monthly expense of a person in Surat is ₹ 10,000. If for a particular month cost of living index number is 139.5, then find how much he spends on food and rent.

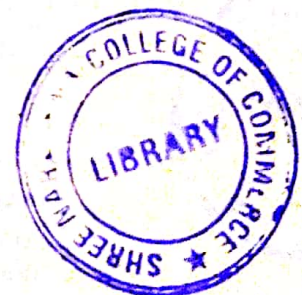
Group	Food	Clothes	Rent	Fuel	Misc.
Expense	(?)	1750	(?)	750	500
Index Number	180	120	100	120	70

- (c) Find index number by family budget method for following data :

4

Items	Quantity	Price	
	2012	2012	2015
A	35	16	24
B	18	10	12
C	22	30	32
D	30	40	50
E	15	12	15

OR



Convert the following chain base index numbers into fixed base index numbers :

Year	2009	2010	2011	2012	2013	2014
Index No.	70	90	110	120	105	100

4. (a) Explain : Type I and Type II error. 4

OR

Explain : Critical region and power of test.

- (b) Let P be probability that a coin will fall head in a single toss in order to test $H_0 : P = \frac{1}{2}$ against $H_1 : P = \frac{2}{3}$. The coin is tossed 10 times. H_0 is rejected if 8 or more than 8 heads are obtained. Find type I and type II errors. Also find power of test. 6

OR

The probability density function $P(x) = \frac{e^{-m} m^x}{x!}$ is for Poisson distribution for random variable X. To test $H_0 : m = 1$ against $H_1 : m = 3$ and critical region $x \geq 2$ then find the probability of Type I and Type II error. Also find power of test. ($e^{-1} = 0.368$, $e^{-3} = 0.050$)

- (c) A random variable X follows the Poisson distribution. Test the hypothesis $H_0 : m = 2$ against $H_1 : m = 4$. If acceptance region is $x > 2$, then find the probability of Type I error. ($e^{-2} = 0.1353$, $e^{-4} = 0.0183$) 4

OR

A die is tossed 5 times to test the hypothesis that it is unbiased, the hypothesis is rejected if an odd number (X) in 5 trials is $x < 2$ or $x \geq 4$. Find the probability of Type I error.

5. Answer the following questions : 14

- (1) In a problem a act have minimum value 500 and maximum value is 800. According to Hurwitz's principle a act have value 710. Find the value of optimistic coefficient and pessimistic coefficient.
- (2) For a pay-off matrix maximum EMV = 608 and if EVPI = 77 then find value of EPPI.
- (3) Average value for a season S_1 is 57.12 and its seasonal index number is 102 then find the value of general average.
- (4) If an equation of second degree parabola for determining trend is $y = 8.5 + 2.5 \left(\frac{X - 2012}{2} \right) - 0.4 \left(\frac{X - 2012}{2} \right)^2$, then find the trend for the year 2016. (X denotes year)
- (5) If Paasche's index number is 138 and Fisher's index number is 140.5 then find Laspeyres's index number.
- (6) If the probability of Type - I error is 0.0547 and the probability of Type - II error is 0.7009 then find the power of the test.
- (7) What is level of significance ? Explain.

Seat No. : _____

AH-101

April-2017

B.Com., Sem.-VI

CC-308 : Business Laws – II

Time : 3 Hours]

[Max. Marks : 70

1. (A) What is meant by Agency by Ratification ? Give its essentials. 6
OR
Explain the difference between contract of Indemnity and contract of guarantee.
- (B) Write a note on : Rights of Surety. 4
OR
Write a note on : Duties of Bailee.
- (C) State how an agency can be terminated by operation of law. 4
OR
Write a note on : Pledge by Non-owners.
2. (A) Explain clauses of Memorandum of Association. 6
OR
Discuss the legal position of directors of a company.
- (B) Write a note on : Prospectus of a company. 4
OR
What is doctrine of Indoor Management ?
- (C) Write a note on : Characteristics of a company. 4
OR
Mention privileges enjoyed by a private company. (any four)
3. (A) Define consumer and discuss rights of a consumer. 6
OR
Write an explanatory note on : Central Consumer Protection Council.
- (B) Write a note on : District Forum. 4
OR
Write a note on : Disqualifications of Members of Consumer dispute redressal agencies.



AH-101

3

P.T.O.

(C) Write a note on : Unfair trade practices. 4

OR

Define :

- (1) Services
- (2) Complaint

4. (A) Explain the difference between a promissory note and a bill of exchange. 6

OR

Define Holder and Holder in due course and explain the difference between them.

(B) State the presumptions regarding the Negotiable Instruments. 4

OR

Write a note on : Crossing of Cheque.

(C) Write a note on : Conditional Endorsement. 4

OR

Write a note on : Inchoate Stamped Instrument.

5. State whether the following statements are true or false : 14

- (1) Contract of Indemnity is a conditional contract.
- (2) A surety cannot file a suit against cosurities in a contract of guarantee.
- (3) Contract a bailment is possible only with respect to movable properties.
- (4) An agent is personally liable for unlawful acts.
- (5) There is a contract between a subagent and the principal.
- (6) Minimum two directors are necessary in a public company.
- (7) The promoters of a company become it's directors on establishment of the company.
- (8) Memorandum of association is a private document of a company.
- (9) 'Electricity' is included in services as per the Consumer Protection Act.
- (10) Goods must be examined in an appropriate laboratory.
- (11) A woman is not required to be a member of the district forum.
- (12) There are no presumptions regarding negotiable instruments.
- (13) All Bill of Exchanges are cheques.
- (14) A promissory note can be prepared for an uncertain amount.

Seat No. : _____

AG-101

April -2017

B.com Sem.-VI

CC-309 : Commercial Communication – VI

Time : 3 Hours]

[Max. Marks : 70

1. (a) Answer any **four** questions in brief :

12

- (1) Why did Laura scold Hughie Erskine ?
- (2) What was the hitch in executing the death punishment ?
- (3) What was Tom's attitude towards life ?
- (4) How does Tom blackmail his brother ?
- (5) Why was a medical check-up of Comrade Long-Nose ordered ?
- (6) Why was the cook dismissed from service ?



(b) State whether the following statements are **true** or **false** :

2

- (1) The Kingdom of Monaco had seven thousand inhabitants.
- (2) The Ant in the fable slept all through summer.

2. (a) Write a short note on any **one** :

8

- (1) Baron Hausberg as a Model millionaire.
- (2) Title of the Story "Too Dear".
- (3) "The Character of Mathilde.

(b) Choose the appropriate options :

6

(1) What was the name of the girl whom Hughie loved ?

- (a) Laura Merton
- (b) Eva Sanders
- (c) Georgia Larton



(2) What was the sum of the pension that the government offered to the prisoner ?

- (a) 600 francs
- (b) 400 francs
- (c) 650 francs

AG-101

1

P.T.O.

(3) How many men made up the Monaco army ?

- (a) Twenty
- (b) Fifty
- (c) Sixty

(4) What was Tom Ramsay's actual age ?

- (a) Thirty-six years
- (b) Forty-six years
- (c) Forty-eight years

(5) What was the name of the technicolour feature film that the protagonist acted in ?

- (a) The Submarine
- (b) The Nose and the Submarine
- (c) The Human Submarine

(6) How much time did it take Mathilde and her husband to pay-off their loans ?

- (a) Two years
- (b) Ten years
- (c) Twelve years

3. Write a press report on any one :

- (1) A Train Accident
- (2) A Devastating Earthquake
- (3) Terrorism

4. As a Secretary of a Company, draft a report on a Fire Accident in the factory.

14

OR

Draft a Committee Report on decline in sales of a Company's product.



5. (a) Read the following market report carefully and answer the questions that follow it :

8

MODI MAGIC ON : SENSEX RISES 600 POINTS

Nifty Crosses 9,000 Benchmark

Tuesday, 13 March, 2017

Prime Minister Narendra Modi's thumping success in the Uttar Pradesh assembly election has lifted the market to its all time high. Other factors like low rate of inflation, rising exports, lower current account deficit and hefty buying from FIIs are also helping the market to make fresh highs. During the day, the benchmark Sensex rose to 29950, but profit taking pulled it down and it closed at 29740, up 99 points on the day.

The broader index, NSE Nifty also rallied 89 points to end at all time high of 9098 points. On Tuesday, most of the mid-and small-cap companies, hit their 52-week high on the BSE while about 60 stocks hit their life-time high. Axis Bank and Yes Bank were the biggest gainers in the Bank Nifty Index which closed up 4.09% and 4.45% respectively. Barring the Healthcare sector, which declined by 125 points, reflecting the budget proposal of reducing the tax exemptions by 10% on export earnings. Other indices like Nifty Bank, BSE 500 and BSE Metals witness massive gains.

Questions :

- (1) Which trend is indicated by the headline ?
- (2) Find out any two factors responsible for the present trend.
- (3) What type of report is this – daily or weekly ?
- (4) Name any two indices mentioned in the report.



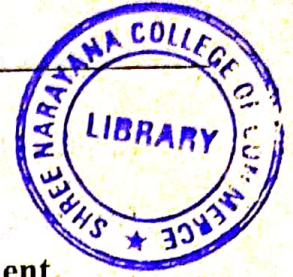
- (b) Do as directed :

6

- (1) Explain the following terms :
 - (a) Corporate News
 - (b) Fluctuation
 - (c) Nose diving
 - (d) Benchmark
- (2) Give full forms of the following :
 - (a) IIP
 - (b) EPS



Seat No. : _____



AF-101

April-2017

B.Com., Sem. -VI

CC-306 : Indian Business & Economic Environment

Time : 3 Hours]

[Max. Marks : 70

1. (a) What is Economic Environment ? Discuss the elements of Economic Environment. 6
OR
Examine the effect of cultural-social environment on Business Environment.
- (b) Explain the role of Government towards Business Activity. 4
OR
Write a short note : Economic Policies.
- (c) State the components of Political Environment. 4
OR
Write a short note : Economic Environment of India.
2. (a) Explain social impact of Technology. 6
OR
Examine India's Science & Technology Policy (2003).
- (b) State the main advantages of Foreign Investment. 4
OR
State the main components of Capital Transfer.
- (c) In which sector Foreign direct investment is prohibited in India ? 4
OR
Write a short note on Green Dots and Brown Dots policy.
3. (a) Explain the main features of New Foreign Trade Policy (2009-2014). 6
OR
Explain main trade agreements about trade by World Trade Organisation.



AF-101

5

P.T.O.

(b) Explain the objectives of International Monetary Fund.

OR

Explain the advantages of World Trade Agreement for India.

(c) Write short note on : 'Management of the World Bank (IBRD).'

OR

Write short note on : 'Special Economic Zones' (SEZ).

4. (a) Describe the reforms implemented in MRTP Act in 1999.

OR

Evaluate Industrial Policy – 1991 of India.

(b) Explain the objective and importance of Human Resource Policy of India.

OR

Explain the need of Exit Policy in India.

(c) Explain the objectives of 'National Agricultural Policy of India – 2000'.

OR

Write a short note on : 'Labour Policy of India'.

5. For following each question, select the best answer.

(1) The _____ environment is composed of law, Government agencies and pressure groups.

(a) Socio-cultural

(b) Economic

(c) Political

(d) Demographic

(2) Identify a factor that doesn't play an important role in attracting FDI.

(a) Laws, rules and regulations

(b) Cost of resources

(c) Administrative Procedures

(d) Language

(3) Ethical brands represent a response to

(a) Technological factors

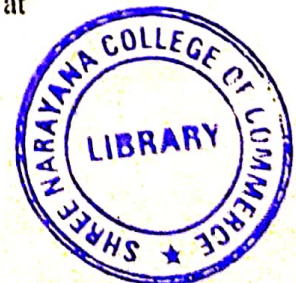
(b) Economic factors

(c) Social factors

(d) Legislative factors



- (4) When was enacted first time India's Capital Policy ?
(a) 6th April, 1949 (b) 30th April, 1950
(c) 11th April, 1951 (d) 6th April, 1991
- (5) Under which Department the Foreign Investment Promotion Board (FIPB) works ?
(a) Ministry of Finance (b) Ministry of Industry
(c) Ministry of Trade (d) Ministry of Home Affairs
- (6) Vegetarian food should be identified by
(a) A green symbol (b) A brown symbol
(c) A red symbol (d) A blue symbol
- (7) When was announced first time the joint Export-Import Policy (EXIM) ?
(a) 1985 (b) 1990
(c) 1991 (d) 1999
- (8) International Monetary Fund was founded in conference
(a) Britton woods (b) 3rd World Summit
(c) London World Conference (d) Washington Conference
- (9) International Bank for Reconstruction and Development (IBRD) also known as
(a) EXIM Bank (b) World Bank
(c) International Bank (d) International Monetary Fund
- (10) India's First Green Field Special Economic zone (SEZ) was set up at
(a) Pune (b) Ahmedabad
(c) Indore (d) Bangalore
- (11) Unfair Trade Practices were part of
(a) MRTP Act (b) Competition Act
(c) Consumer Protection Act (d) Competition Commission of India



(12) In which among the following year a new 'Liberalized Industrial Policy' in India was announced ?

(a) 1956

(b) 1991

(c) 2000

(d) 2007



(13) What was the share of Agriculture in GDP of India in 2012-13 ?

(a) 1.5%

(b) 2.5%

(c) 3.5%

(d) 0.5%

(14) In which among the following year, the new National Environment Policy was announced ?

(a) 2006

(b) 2009

(c) 2012

(d) 2014