PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION DECEMBER 2024
(Fifth Semester)

Branch – COMMERCE

MAJOR ELECTIVE COURSE – I : FINANCIAL MANAGEMENT

Time: Three Hours   Maximum: 50 Marks

SECTION-A (5 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** marks   (5 x 1 = 5)

1. Financial management is
     (i) A science   (ii) An art
     (iii) Science and art   (iv) None of these

2. Time value of money means
     (i) money valued time
     (ii) time taken to give money
     (iii) current money value
     (iv) the value of a unit of money is different in different time period

3. -------------- is the rate of return payable on debt
     (i) Cost of equity   (ii) Cost of debt
     (iii) Cost of capital   (iv) Retained earnings

4. _____is the ratio of net operating income before fixed charges to net operating
     income after Fixed charges
     (i) Financial leverage   (ii) Operating leverage
     (iii) Combined leverage   (iv) None of these

5. When the policy concerning quantum of profits to be distributed as dividend is
     (i) dividend policy   (ii) financial policy
     (iii) investment policy   (iv) monetary policy

SECTION - B (15 Marks)
Answer **ALL** Questions
ALL Questions Carry **EQUAL** Marks   (5 x 3 = 15)

6   a. Summaries the objectives of financial management.
                              OR
     b. Outline the functional areas of financial management.

7   a. Calculate the compound value of Rs. 10,000 at the end of 3 years at 12% rate of interest
        when interest is calculated on (a) yearly basis (b) quarterly basis
                              OR
     b. Narrate the importance of Capital Budgeting.

8   a. Sri Ganesh Industries Ltd issues 5000 12% debentures of Rs. 100 each at par. The
       tax rate is 40%. Calculate before tax and after tax cost of debit.
                              OR
     b. 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 per share. Calculate the cost of
        preference capital.

9.   a. A company has 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 calculate the total value of the
        firm according to the Miller-Modigliani theory.
                              OR

b. Calculate operating and financial leverage from the following particulars.

Units sold – 5,000;   Selling price p.u. Rs.30;

Variable cost p.u. Rs.20;   EBIT Rs.30,000;

10% public debt Rs.1,00,000

10 .a. Following information is given about materials.

Annual usage = Rs.2,00,000

Cost of placing and receiving one order : Rs.80

Annual carrying cost : 10 % of inventory value

Calculate the economic order quantity.

OR

b. Joy Ltd. earns Rs. 5 per share. The company is capitalized at a rate of 10% and has a return on investment of 18%. According to Walter's formula, what should be the price per share at 25% dividend pay-out ratio?

SECTION -C (30 Marks)
Answer any **Three** questions

ALL questions carry **EQUAL** Marks   (3 x 10 = 30)

11. Discuss in detail, the various functions of Financial Management.
12. Project X initially costs Rs. 25,000. It generates the following cash inflows:

Year	Cash inflows	Present Value of Re. 1 at 10 %
1	Rs. 9,000	0.909
2	Rs. 8,000	0.826
3	Rs. 7,000	0.751
4	Rs. 6,000	0.683
5	Rs. 5,000	0.621

Taking the cut – off rate as 10%, suggest whether the project should be accepted or not.

13. Discuss & Explore of cost of capital importance.
14. Moon Ltd . and Stat Ltd. have provided you with the following information.

	Moon Ltd.	Star Ltd
Sales (units)	20,000	20,000
Price per unit	Rs.50	Rs.50
Variable cost per unit	Rs,20	Rs. 25
Fixed operating cost	Rs. 4,00,000	Rs. 3,00,000
Fixed financing cost	Rs. 1,00,000	Rs. 50,000

Calculate Operating, Financial, Combined Leverage and which firm do you consider to be more risky and why?

15 . A and B who want to buy a business seek your advice about the average working capital requirements in the first year's trading. The following estimates are available and you are asked to add 10% to allow for contingencies:

i) Average amount locked up in stocks: Rs.

Stock of finished products and work-in-progress   5,000

Stock of stores, materials, etc   8,000

ii) Average credit given:

Local sales -2 weeks' credit   78,000

Outside the State -6 weeks' credit   3,12,000

iii) Time available for Payment:

For purchases -4 weeks   96,000

For wages -2 weeks   2,60,000

Calculate the average amount of working capital required. Give details of your workings.

Z-Z-Z   END

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BCom DEGREE EXAMINATION DECEMBER 2024
(Fourth Semester)

Branch – **COMMERCE**

FUNDAMENTALS OF e-COMMERCE

Time: Three Hours   Maximum: 50 Marks

SECTION-A (5 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** marks   (5 x 1 = 5)

1   Which of the following describes e-commerce?
   (i)   Doing business electronically   (ii) Doing business
   (iii) Sale of goods   (iv) Doing business and sale of goods

2   What is URL?
   (i)   A computer virus   (ii)   The address on the internet
   (iii) A webpage index   (iv)   An automatic spellchecker

3   What does EDI stand for?
   (i)   Electronic Data Interface   (ii)   Electronic Data Interaction
   (iii) Ecommerce Data Interface   (iv)   Electronic Data Interchange

4   Which of the following is the limitation of m-commerce?
   (i)   Convenience   (ii)   Reduces transaction cost
   (iii) Provides global reach   (iv)   User interface is less convenient

5   Identify the term which denotes that only authorised users are capable of accessing the information.
   (i)   Confidentiality   (ii)   Availability
   (iii) Integrity   (iv)   Non-repudiation

SECTION - B (15 Marks)
Answer **ALL** Questions
ALL Questions Carry **EQUAL** Marks   (5 x 3 = 15)

6   a   Sketch out the features of e-commerce.
                     OR
   b   Show the difference between e-commerce and e-business.

7   a   Narrate the concept of Network routers.
                     OR
   b   Explain File transfer protocol.

8   a   Describe the nature of mobile commerce.
                     OR
   b   Summarize the generation of mobile commerce.

9   a   Outline the functions of mobile computing.
                     OR
   b   Narrate the issues in e-payment system.

10 a   Explain the concept of Network security.
                     OR
   b   Bring out the features of Information security environment.

SECTION -C (30 Marks)
Answer any **Three** questions
ALL questions carry **EQUAL** Marks   (3 x 10 = 30)

11 Analyze the merits and demerits of e-commerce.

12 Discuss the concept of Internet protocol suite.

13 Highlight the applications of mobile commerce.

14 Point out the types of e-payment system.

15 Examine the process of client server network security.

Z-Z-Z   END

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BCom DEGREE EXAMINATION DECEMBER 2024
(Third Semester)

Branch – **COMMERCE**

BUSINESS ECONOMICS

Time: Three Hours   Maximum: 75 Marks

SECTION-A (10 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** marks   (10 × 1 = 10)

Module No.	Question No.	Question	K Level	CO
1	1	Macroeconomics is the branch of economics that deals with a) the prices of individual goods b) important rather than trivial issues c) how individual markets work d) the economy as a whole	K1	CO1
	2	The fundamental economic problem faced by all societies is a) Unemployment b) Inequality c) Poverty d) Scarcity	K2	CO1
2	3	Law of demand shows _____ relationship between price and quantity demanded. a) Positive b) Negative c) Direct d) None of these	K1	CO2
	4	Outlay method of measurement of elasticity is also called as _____ a) Percentage method b) Expenditure method c) Point method d) Geometric method	K2	CO2
3	5	_____ is the base of marketing planning a) Demand estimation b) Demand analysis c) Demand function d) Demand forecasting	K1	CO3
	6	Purposes of Short-term Demand forecasting doesn't include a) Making a suitable production policy b) To reduce the cost of purchasing raw materials and to control inventory c) Planning of a new unit or expansion of existing unit d) Deciding suitable price policy	K2	CO3
4	7	Producer is in equilibrium when he produces the level of output at which his profits are a) Maximum b) Minimum c) High but not maximum d) None of these	K1	CO4
	8	Which is the best stage of production in the law of variable proportions? a) Increasing returns b) Diminishing returns c) Positive marginal returns d) Negative marginal returns	K2	CO4
5	9	The main characteristic of monopoly market structure is____ a) Single buyer b) Single seller c) Many buyer d) Many seller	K1	CO5
	10	The average income of the people of a country in a particular year is _____ a) Net National Income b) National Income c) Per Capita Income d) Personal Income	K2	CO5

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SECTION - B (35 Marks)
Answer **ALL** questions
ALL questions carry **EQUAL** Marks   (5 × 7 = 35)

Module No.	Question No.	Question	K Level	CO
1	11.a.	Examine the characteristics of Production Possibility Curve.	K4	CO1
		(OR)		
	11.b.	Distinguish between Micro and Macro Economics.		
2	12.a.	Identify the reasons for demand curve slope downwards.	K3	CO2
		(OR)		
	12.b.	Identify the factors that determining elasticity of demand.		
3	13.a.	Construct the features of a good forecasting method.	K3	CO3
		(OR)		
	13.b.	Identify the importance of demand forecasting.		
4	14.a.	What is production function? And Examine its assumptions.	K4	CO4
		(OR)		
	14.b.	Discover the limitations of Break-Even analysis.		
5	15.a.	Interpret the various phases of business cycle.	K5	CO5
		(OR)		
	15.b.	Explain the importance of National Income.		

SECTION -C (30 Marks)
Answer **ANY THREE** questions
ALL questions carry **EQUAL** Marks   (3 × 10 = 30)

Module No.	Question No.	Question	K Level	CO
1	16	Interpret the scope of business economics	K5	CO1
2	17	Examine the various methods to measure the price elasticity of demand.	K4	CO2
3	18	Critically examine the different methods of demand forecasting.	K4	CO3
4	19	Illustrate the Law of Variable Proportions.	K5	CO4
5	20	Examine the price determination under monopoly.	K4	CO5

Z-Z-Z   END