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B.B.M. DEGREE EXAMINATION, MARCH 2011.

(Examination at the end of First Year)

Paper III (Part II) — FINANCIAL ACCOUNTING

Time : Three hours

Maximum : 100 marks

Answer any FIVE questions.

All questions carry equal marks.

1. What is Accounting? Explain the objectives and functions of Accounting .
2. Define Ledger? Explain the objectives and functions of subsidiary books.
3. What is an accommodation bill? state the features of a bill of Exchange
4. What is bank Reconciliation statement? Discuss the main causes for difference between Bank balance as per cash book and that of pass book.
5. What is goodwill? Discuss the Accounting treatment for good will in case of Admission of a new partner.
6. Enter the following transactions in cash book with Discount, Cash and Bank columns.
Dec. 2007
 - 1 Cash in hand Rs. 16,000.
 - 2 Opened a Bank Account with Rs. 7,000.
 - 3 Cash purchases Rs. 600.
 - 4 Received a cheque of Rs. 400 from Prabhakar and gave him discount of Rs. 25.
 - 6 Cash sales Rs. 1,200.
 - 7 Received a cheque of Rs. 100 from Vasu for interest.
 - 9 Salary paid to the manager by cheque Rs. 450
 - 11 Withdrew from bank for personal use Rs. 300.
 - 15 Purchased a bicycle for office use Rs. 300
 - 18 Paid office rent Rs. 80
 - 20 Sold goods for cash Rs. 900
 - 22 Purchased Government Bonds for Rs. 700
 - 25 Paid traveling allowance to the manager Rs. 150
 - 27 Received Commission Rs. 175
 - 28 Gave a cheque to Rohith for advertisement Rs. 50
 - 29 The cheque received from Prabhakar on 4th Dec. was dishonored
 - 31 Cash in excess of Rs. 2,000 was paid into the bank.

7. A and B are partners in a firm sharing profits and losses in 7 : 3. Their balance sheet as at 31st March, 1998 is as follows :

	Rs.		Rs.
Sundry creditors	40,000	Cash in hand	36,000
Bank overdraft	20,000	Sundry debtors	46,000
Reserve	10,000	Less : Provision for	
Capital accounts :		doubtful debts	<u>2,000</u> 44,000
A : 50,000		Furniture	30,000
B : <u>40,000</u> 90,000		Stock in trade	<u>50,000</u>
	<u>1,60,000</u>		<u>1,60,000</u>

On 1st April 1998, C joins the firm as a third partner for 1/4th share of the future profit on the following terms and conditions :

- Goodwill is valued at Rs. 40,000 and C is to bring the necessary amount in cash as premium for goodwill.
- 20% of the reserve is to remain as a provision against bad and doubtful debts.
- Stock –in trade is to be reduced by 40% and furniture is to be reduced to 40%.
- A is to payoff the bank overdraft.
- C is to introduce Rs. 30,000 as his share of Capital to which amount other partners' capital shall have to be adjusted.

Show the necessary Journal entries to carry out the above transactions and prepare an amended Balance Sheet of the firm immediately after C has become a partner.

8. From the following trial Balance of Mr. Ganesh as on December 31, 2006 you are required to prepare his Final Accounts :

	Dr.	Cr.
	Rs.	Rs.
Capital		60,000
General Expenses	5,400	
Manufacturing expenses	1,500	
Provision for doubtful debts		1,000
Manufacturing Wages	21,500	
Office Rent	2,000	
Machinery	28,000	
Furniture	10,000	
Insurance	1,200	
Bills Receivable/ Payable	3,300	4,200
Factory Rent	4,000	
Salaries	16,000	

	Dr.	Cr.
	Rs.	Rs.
Carriage inward	1,500	
Carriage outward	1,700	
Cash at Bank	4,700	
Sundry Debtors/Creditors	23,500	14,300
Purchases/Sales	68,000	1,40,500
Stock 1st Jan. 2006	20,500	
Drawings	7,200	
	<u>2,20,000</u>	<u>2,20,000</u>

The following adjustments are required :

- (a) Stock on 31st Dec. 2006 amounted to Rs. 27,000.
- (b) Write off Rs. 500 as bad debts and maintain the provision for doubtful debts at Rs. 1,150.
- (c) Unexpired insurance amounted to Rs. 300.
- (d) Depreciate Machinery by 10% and Furniture by 5%

9. A manufacturing concern, whose books are closed on 31st March Purchased Machinery for Rs. 1,50,000 on 1st April 2003. Additional machinery was acquired for Rs. 40,000 on 30th September 2004 and for Rs. 25,000 on 1st April. 2006. Certain machinery, which was purchased for Rs. 40,000 on 30th September, 2004 was sold for Rs. 34,000 on 30th September, 2006.

Give the Machinery Account for the year ending 31st March, 2007 taking into account depreciation at 10% per annum on the written-down value.

10. Bharath Co. Ltd issued 1,60,000 shares of Rs. 10 each at a premium of Rs. 2 payable as follows :

On Application Rs. 2

On Allotment Rs. 5 (Including premium)

On First call Rs. 2 and

On Final call Rs. 3

Applications were received for 1,20,000 shares and allotment was made in full

The first call was made and the amount due there on was received except the amount on 4,000 shares. These 4,000 shares were forfeited and reissued at Rs. 7 each. Pass journal entries and prepare Balance sheet.

B.B'M. DEGREE EXAMINATION, JULY 2011.

(Examination at the end of First Year)

Paper I (Part II) — MICRO ECONOMICS

Time : Three hours

Maximum : 100 marks

Answer any FIVE questions.

All questions carry equal marks.

1. Define Economics. Explain nature and significance of Economics.
2. What are the demand determinants? Explain their relationship with demand.
3. What is Production Function? Discuss the Law of variable proportions.
4. Explain the cost output relationship in the short run.
5. What are the characteristic features of Monopolistic competition? Explain the equilibrium of a firm under monopolistic competition.
6. What is Price discrimination? What are its objectives?

7. Discuss in detail the internal and external economics of large scale production.
 8. Distinguish between perfect and pure competition.
 9. Explain the significance of the concept of marginal revenue product in factor employment and pricing.
 10. Explain the following :
 - (a) Cardinal utility concept
 - (b) Opportunity Cost
 - (c) Price rigidity
 - (d) Cross elasticity of demand.
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Solve using graphical method.

Maximize : $Z = 4x_1 + 3x_2$

Subject to :

$$2x_1 + 3x_2 \leq 6$$

$$4x_1 + 6x_2 \geq 24.$$

Explain the process of simplex method elaborately.

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B.B.M. DEGREE EXAMINATION, MARCH 2011.

(Examination at the end of First Year)

(Part II)

Paper II — BUSINESS MATHEMATICS

Time : Three hours

Maximum : 100 marks

Answer any FIVE questions.

1. (a) What is decision? What are decision trees? Given an example of decision tree and explain.
(b) Explain the role of computers in decision making also the advantages of using computers in it.
2. (a) Show that $\frac{1}{2}, \frac{2}{5}, \frac{1}{3}, \frac{2}{7}, \dots$ are in H.P. Find the 12th term in this H.P.
(b) In the quadratic equation $2x^2 - Kx + 6 = 0$ the sum of roots is 3. Find the value of K .
(c) If $nc_2 = 45$ find the value of n .
(d) Expand $(2x + 3y)^4$ using Binomial theorem.

- (a) If $U = \{1, 2, 3, 4, 5, \dots, 9\}$; $A = \{2, 4, 7, 9\}$;
 $B = \{1, 5, 7\}$ find (i) $A - (B \cap A)$ (ii) $A \cup (B' \cap A)$.

(b) Evaluate $\lim_{x \rightarrow 2} \frac{x^5 - 32}{x - 2}$.

- (c) If $f(x) = x^3$ and $g(x) = 2x + 5$ find $f \circ g(x)$ and $g \circ f(x)$.

- (a) Define Linear Dependency or Independency on a finite set of Vectors. Verify whether the set of vectors $(\bar{i} + 2\bar{j} + 3\bar{k})$, $(2\bar{i} + 3\bar{j} + \bar{k})$ and $(3\bar{i} + \bar{j} + 2\bar{k})$ is linearly dependent or Linearly independent.

- (b) Define rank of matrix. Also find the rank of matrix $A = \begin{bmatrix} 2 & 3 & 3 \\ 4 & 3 & 4 \\ 1 & 1 & 2 \end{bmatrix}$.

(a) If $A = \begin{bmatrix} 2 & 1 & 0 \\ 3 & 4 & 5 \\ 7 & 8 & 0 \end{bmatrix}$ $B = \begin{bmatrix} 4 & 2 & 1 \\ 2 & 1 & 0 \\ 0 & 1 & 3 \end{bmatrix}$ find $(A \cdot B)'$

and $B' \cdot A'$. What do you observe from both Matrices?

- (b) Solve the following system of linear equations using Matrix Method of Inversion.

$$2x + z = 1; -x + 4y + z = 0; 3x - 2y - z = 2.$$

6. Differentiate the following w.r. to x

(a) $xe^{2x} \cos 3x$

(b) $\cos(5x) + \sqrt[3]{x^5}$

(c) $(x+1)^2(x^2+5)$

(d) $x^2 \log(\log x)$.

7. (a) If $u = \frac{xy}{x+y}$ then find $\frac{\partial u}{\partial x}$ and $\frac{\partial u}{\partial y}$.

(b) If $u = x^2 - xy + y^2$ then find $\frac{\partial u}{\partial x}$ and $\frac{\partial u}{\partial y}$.

- (c) The demand and cost function of a firm are given by $P = 12 - 3x$ and $T = x^2 + 2x$.

Find the average cost, average revenue and maximum profit.

8. Evaluate the following :

(a) $\int e^x \cdot x dx$.

(b) $\int \frac{4x+3}{2x^2+3x+6} dx$

(c) $\int \frac{1}{9-x^2} dx$

(d) $\int_0^1 (x^3 + x^2 + 2x) dx$.

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Paper IV (Part II) — PRINCIPLES OF MANAGEMENT

Time : Three hours

Maximum : 100 marks

Answer any FIVE questions.

All questions carry equal marks.

(5 × 20 = 100)

1. Define management. Explain briefly managerial functions.
2. Explain the principles of management as per Henry Fayol.
3. Write about Roles and Responsibilities of top, middle and lower level managers.
4. What is planning? Explain the significance and process.
5. What is organizing in management? Explain organizing principles.
6. Explain merits and demerits of functional department along with a diagram.

7. What are decentralization and delegation of authority? Explain merits and limitations of delegation.
8. Define leadership and Explain merits and demerits of different leadership styles.
9. Explain importance of good communication in management.
10. Write about the importance of controlling and explain the controlling process diagrammatically.

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Paper V (Part II) — BEHAVIOURAL SCIENCE

Time : Three hours

Maximum : 100 marks

Answer any FIVE questions.

All questions carry equal marks.

1. Managers need to know about behavioural sciences for better management. Why?
2. What is the nature and type of people? Explain Theory X and Theory Y.
3. What is personality and significance of personality in behavioural sciences?
4. What is perceptual process? Explain some important perceptual blocks.
5. Define learning and explain learning process.
6. Explain the importance of motivation and Maslow's Need Hierarchy theory diagrammatically.

7. Why are groups and teams formed? What is their significance?
8. What do you mean by Group Dynamics? How do you make groups effective?
9. What are serious problems in group decision making? Explain.
10. What are financial and non-financial incentives to motivate?