

II Year B.Com. Examination, June 2009

(1997-98 Scheme)

COMMERCE

Business Management - II

Max. Marks : 100

Time : 3 Hours

Instruction : Answers should be written **completely** either in **English** or in **Kannada**.

SECTION - A

Answer **any eight** sub-questions from the following in about **4 line each**. Each sub-question carries **two** marks. (8×2=16)

1. a) Define Marketing Management.
- b) What is Financial Management ?
- c) What is Marketing Mix ?
- d) What is Product Mix ?
- e) What is Dumping ?
- f) What is Inventory Management ?
- g) What is Current ratio ?
- h) What is Cash Management ?
- i) Mention the characteristics of financial plan.
- j) What is Coupon ?
- k) What is Financial Leverage ?
- l) List out the types of dividend.

P.T.O.



(3×8=24)

Answer any three questions. Each question carries eight marks.

2. Briefly explain the various marketing channels.

3. What are the goals of marketing system ?

4. Explain product life cycle with diagram.

5. Explain wealth maximisation.

6. From the following information calculate :

1) Financial Leverage

2) Operating Leverage

It is based on an output (sales) levels of 80,000 units

| | |
|-------|--------------|
| Sales | Rs. 9,60,000 |
|-------|--------------|

| | |
|---------------|--------------|
| Variable cost | Rs. 2,60,000 |
|---------------|--------------|

| | |
|------------|--------------|
| Fixed cost | Rs. 2,40,000 |
|------------|--------------|

| | |
|----------|------------|
| Interest | Rs. 60,000 |
|----------|------------|

| | |
|-----|------------|
| Tax | Rs. 20,000 |
|-----|------------|

SECTION - C

Answer any four questions. Each question carries 12 marks. (4×3=12)

7. Discuss the main methods of pricing followed by business firm in India.

8. What is dividend policy ? What factors determine the dividend policy ?

9. "A sound financial plan is the first step towards the success of a business."

Explain.



SECTION - B

Answer **any three** questions. **Each** question carries **eight** marks.

(3×8=24)

2. Briefly explain the various distribution channels.

3. What are the goals of marketing system ?

4. Explain product life cycle with diagram.

5. Explain wealth maximisation.

6. From the following information calculate :

1) Financial Leverage

2) Operating Leverage.

It is based on an output (sales) levels of 80,000 units

| | |
|---------------|-------------|
| Sales | Rs. 9,60,00 |
| Variable cost | Rs.5,60,000 |
| Fixed cost | Rs.2,40,000 |
| Interest | Rs. 60,000 |
| Tax | Rs. 50,000 |

SECTION - C

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

(4×15=60)

7. Discuss the main methods of pricing followed by business firm in India.

8. What is dividend policy ? What factors determine the dividend policy ?

9. "A Sound financial plan is the first step towards the success of a business" – Explain.



10. What is permanent and temporary working capital ? What are the factors that determine the working capital requirement of a business ?

11. Calculate the following Ratio's.

| | Ratio | Years |
|-------------------------|-------|-------|
| 1) Gross profit ratio | 0.909 | 01 |
| 2) Current ratio | 0.828 | 02 |
| 3) Stock Turnover ratio | 0.751 | 03 |
| 4) Debt-Equity ratio | 0.683 | 04 |
| 5) Quick ratio | 0.621 | 05 |
| | 0.264 | 06 |

Other information :

Sales Rs. 25,20,000, Cost of sales 19,20,000, Net profit 3,60,000, Opening stock 3,00,000, Closing stock 5,00,000,

Other Current Assets Rs. 7,60,000 Fixed Assets 14,40,000 Net worth 15,00,000

Long Term Debt 9,00,000, Current Liabilities Rs. 6,00,000.

12. Two competing projects which require an equal investment Rs. 50,000 each and expected to generate net cash flow as under :

| Years's | Project X | Project Y |
|---------|-----------|-----------|
| 1998 | 25,000 | 10,000 |
| 1999 | 15,000 | 12,000 |
| 2000 | 10,000 | 18,000 |
| 2001 | Nil | 25,000 |
| 2002 | 12,000 | 8,000 |
| 2003 | 6,000 | 4,000 |



The cost of capital of the company is 10%. The following are the present value factors :

| Years | PV factors at 10% PA |
|-------|----------------------|
| 01 | 0.909 |
| 02 | 0.826 |
| 03 | 0.751 |
| 04 | 0.683 |
| 05 | 0.621 |
| 06 | 0.564 |

Evaluate the projects proposals under

- 1) Pay back period
- 2) Net present value method.

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ವಿಭಾಗ - ಎ

1. ಯಾವುದಾದರೂ ಎಂಟು ಉಪ ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರ ಬರೆಯಿರಿ. ಪ್ರತಿ ಉಪ ಪ್ರಶ್ನೆಗೆ 2 ಅಂಕಗಳು. (8x2=16)

- a) ಮಾರಾಟ ಪ್ರಕ್ರಿಯೆ ನಿರ್ವಹಣೆಯ ಅರ್ಥ ವಿವರಿಸಿ.
- b) ಹಣಕಾಸು ನಿರ್ವಹಣೆ ಎಂದರೇನು ?
- c) ಮಾರುಕಟ್ಟೆ ಪ್ರಕ್ರಿಯೆ ಮಿಶ್ರಣ ಎಂದರೇನು ?
- d) ವಸ್ತು ಮಿಶ್ರಣ ಎಂದರೇನು ?
- e) ಡಂಪಿಂಗ್ ಎಂದರೇನು ?
- f) ಸರಕುಯಾದಿ ಆಡಳಿತ ಎಂದರೇನು ?