

Reg. No. : .....

**D 1580**

**Q.P. Code: [D 07 PMC 10]**

(For the candidates admitted from 2007 onwards)  
M.Com. DEGREE EXAMINATION, DECEMBER 2010.

Second year

Commerce

### INTERNATIONAL BUSINESS

Time : Three hours      Maximum : 100 marks

Answer any FIVE questions.

All questions carry equal marks.

1. What is International Business? Explain its nature and scope in developing countries.
2. Discuss the recent trends in India's Balance of Payments position.
3. What are the functions of the World Bank? Explain them.
4. What do you understand by Euro Currency Market? Discuss its salient features.

5. What are trade barriers in the foreign market? Explain them.
6. What are the various sources of export market information? Explain them.
7. Discuss the recent trends in composition and direction of India's exports.
8. What is exchange control? Explain the various methods of exchange control followed by the Reserve Bank of India.

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**D 1577**

**Q.P. Code : [D 07 PMC 07]**

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**M.Com. DEGREE EXAMINATION, DECEMBER 2010.**

Second Year

Commerce

**FINANCIAL AND INVESTMENT MANAGEMENT**

Time : Three hours . Maximum : 100 marks

Answer any FIVE questions.

All questions carry equal marks.

(5 × 20 = 100)

1. Both financial and investment decisions are risk-return equation based. Discuss with the referred to equations.
2. Bring out the role of SEBI in regulating the primary market in India.
3. Big and strong Indian firms have the opportunity of raising capital globally and also swapping the same with local finance if rates at home have moved quite favourable. Discuss.

4. The returns on a security have the following probability distribution:

Return (%) -  $R_i$  : 12 14 16 18 20

Probability -  $P_i$  : 0.15 0.25 0.20 0.30 0.10

Compute return and risk.

5. Explain how do you go about evaluating Capital Lease and Out-right buying with leveraged capital structure.
6. Give an account of Mutual funds available for Growth-seeking, Return-seeking, Tax Benefit seeking and Diversity-seeking investors.
7. While AAA rated firm offers only less rate on its bonds, a BBB firm offers higher rate. Why?
8. Bring out the differences between Venture Capital (VC) and Conventional Capital and explain the inroad made by the VC in India.

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**D 1578**

**Q.P. Code : [D 07 PMC 08]**

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*M. Com.*

**BBA. DEGREE EXAMINATION, DECEMBER 2010.**

Second Year

Commerce

### BUSINESS ENVIRONMENT

Time : Three hours

Maximum : 100 marks

Answer any FIVE questions.

All questions carry equal marks.

(5 × 20 = 100)

1. Explain the macro environmental forces influence the business.
2. Explain the Discuss the difference between the current Industrial policy and policy prior to 1991.
3. Discuss the difference between private sector and public sector.
4. Describe the nature, scope and significance of Capitalism.

5. Explain the objectives and functions of IDBI.

6. Explain the determinants of FDI and state the India's policy towards FDI.

7. Explain the merits and demerits of Multinational Corporation.

8. Write note on:

- (a) Patents
- (b) Trademarks
- (c) Mixed economy

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**Q.P. Code : [D 07 PMC 06]**

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**M.Com. DEGREE EXAMINATION, DECEMBER 2010.**

Second Year

Commerce

**INTERNET AND E-COMMERCE**

Time : Three hours

Maximum : 100 marks

Answer any FIVE questions.

All questions carry equal marks.

(5 × 20 = 100)

1. Explain the merits and limitations of E-commerce.
2. Describe classification of the EC field by the nature of the transactions.
3. Explain the EC supported Business Process reengineering.
4. Discuss the important features of Internet.
5. Explain Objectives of supply chain.

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6. Explain the barriers to Global EC.

7. What is wireless application software? Write the different types of wireless devices.

8. Describe the major factors that could facilitate E-Commerce in the future.

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Second Year

Commerce

**DIRECT TAXES**

Time : Three hours

Maximum : 100 marks

Answer any FIVE questions.

All questions carry equal marks.

1. (a) Write the provisions related to determination of residential status of an individual as per the Income Tax Act.
- (b) Describe any ten exempted incomes under section 10 of the Income Tax Act.
2. Calculate income from salary of Mr. Ravivarma who is employed in a private company in Mumbai from the following particulars given by him.

Rs.	
6,000 p.m.	Basic salary
3,500 p.m.	DA (Rs. 3,000 pm forms part of salary)
10,000	Bonus
1,000 p.m.	CCA
500 p.m.	Project allowance
100 p.m.	Medical allowance
150 p.m.	Family allowance
200 p.m.	Substitute allowance
1,250 p.m.	HRA (Rs. 1,500 p.m. paid as rent)
300 p.m.	Education allowance (for two children)
400 p.m.	Hostel allowance (for two children)
300 p.m.	Academic research allowance (Rs. 5,000 actually spent)
400 p.m.	Washing allowance (actual amount spent Rs. 250 p.m.)
100 p.m.	Daily allowance

He and his employer contribute 14% of salary towards RPF. Interest at 11% is credited on Rs. 1,00,000 towards RPF. Mr. Ravivarma has achieved a turnover of Rs. 2,50,000 to which he is entitled to a commission of 1%. Rs. 3,500 LIC premium of Mr. Ravivarma's spouse, Rs. 3,000 towards gas and electricity and Rs. 1,500 towards legal expenses of Mr. Ravivarma are paid by the employer.

3. Mr. Srivatsan owns a house, which consists of two equal independent units. One is let out and the other unit is self-occupied. The letout portion is also self-occupied for two months. The other particulars are as follows :

Rs.	
24,000	Fair rental value
12,500	Municipal rental value
1,000 per month	Actual rent for the letout portion
2,500	Local tax
300	Ground rent
2,500	Interest on loan taken for construction

Determine income from house property.

4. From the following Profit and Loss Account, calculate income from business.

Rs.		Rs.	
To General expenses	20,000	By Gross profit	5,00,000
To Bad debts	25,000	By Sundry	
To Advance		receipt	50,000
income tax	24,000	By Bad debts	
To Salary to staff	40,000	recovered	
To Drawings	40,000	(earlier	
To Interest on own		allowed as	
capital	24,000	deduction)	12,500

To Advertisement expenses	Rs.	By Interest on debenture (gross)	Rs.
To Excise duty	9,000		40,000
To Expenditure on acquisition of patent right (in 2005)	12,000	By Interest on deposit with a company (gross)	
To Net profit	10,000		25,000
	4,23,500		
	<u>6,27,500</u>		<u>6,27,500</u>

Other information :

- General expenses includes Rs. 2,300 spent as marriage expenses by the proprietor.
- Advertisement expenses was spent on 31st August 2007.
- Income of Rs. 12,000 accrued during the previous year 2007-08 is not recorded in the Profit and Loss Account.
- An expenditure of Rs. 1,000 relating to business is not shown in Profit and Loss Account.
- The proprietor owns two houses from which he gets the income of Rs. 1,80,000.

5. Calculate income from other sources from the following :

- Winning from lotteries (net amount) Rs. 17,350.
- Income from letting of building and furniture Rs. 12,500. Expenses towards repairs of furniture Rs. 500 and depreciation towards building Rs. 1,000. The assessee owns the building.
- Dividend declared by an Indian company Rs. 8,000. Collection charges Rs. 100.
- Rs. 5,000 received as interest on Government securities.
- Rs. 4,000 received as interest on debentures of local authority.
- Rs. 3,000 received as interest on debentures from Abi Ltd. (non-listed)
- Interest on seven year Post Office NSC @ 7% Rs. 10,000.

6. Mr. Gupta submits his gross total income for the previous year as Rs. 7,50,000. He has contributed for the following fund, donations etc. Calculate his taxable income.

- Payment towards Oriental Insurance Mediclaim (paid in cheque) – Rs. 5,000
- Pension fund for LIC – Rs. 5,000

Rajiv Gandhi Foundation – Rs. 15,000

Gujarat Earthquake Relief Fund – Rs. 20,000

Prime Minister's Drought Relief Fund – Rs. 50,000

Jawaharlal Nehru Memorial Fund – Rs. 22,000

Towards repair work for temple – Rs. 45,000

His gross total income includes long-term capital gain – Rs. 2,00,000.

7. Discuss the provisions of the Income Tax Act related to set-off and carry forward of losses.
8. What do you understand by assessment of income tax and explain the various types of assessment?