

MALLA REDDY ENGINEERING COLLEGE (AUTONOMOUS)

(Affiliated to JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD)

Gundlapochampally (H), Maisammaguda (V), Medchal (M), Medchal-Malkajgiri (Dist), Hyderabad.

MBA I Semester Supplementary Examinations, JANUARY-2018

SUBJECT: Business Laws And Regulations

Time: 3 hours

Max. Marks: 60

PART-A

COMPULSORY QUESTION

Answer the Following Question

1X20=20M

1. a) What are Negotiable Instruments? Discuss different types of Negotiable Instruments with examples. (10M)
- b) Discuss the steps and procedure involved in incorporation of a Company as per Companies Act, 1956. (10M)

PART-B

Answer any five questions. All questions carry equal marks

5x8M= 40M

1. Discuss the essential elements of Valid Contract, Offer and Acceptance.
2. Write a note on Performance and Discharge of Contracts.
3. What do you mean by Discharge of Parties? Discuss modes of Discharge of Parties.
4. Discuss in detail the duties, rights and liabilities of Directors as per the Companies Act, 1956.
5. Explain the procedure for advance payment tax and tax deduction at source.
6. Discuss the aims and objectives of Central Excise Act, 1944.
7. Discuss the main features of Indian IT Act, 2000.

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Gundlapochampally (H), Maisammaguda (V), Medchal (M), Medchal-Malkajgiri (Dist), Hyderabad.**MBA II Semester Supplementary Examinations, JANUARY-2018****SUBJECT: Financial Accounting And Analysis****Time: 3 hours****Max. Marks: 60****PART – A****Answer the following question****1 x 20 Marks=20 Marks**

1. The Balance sheets of Swaraj Ltd. As on 31st December 2011 and 31st December 2012 are as follows.

Liabilities	2011	2012	Assets	2011	2012
Share capital	1,00,000	2,00,000	Land and Building	20,000	39,000
Debentures	50,000	—	Machinery	1,50,000	2,40,000
General Reserve	63,250	68,250	Prepaid Insurances	3,000	3,500
Depreciation fund	50,000	55,000	Stock	1,08,000	60,000
Sundry Creditors	1,22,750	1,14,850	Sundry Debtors	75,000	80,000
Accrued Expenses	9,000	18,000	Cash	29,000	29,000
Income Tax Payable	5,000	5,400	Goodwill	15,000	10,000
	4,00,000	4,61,500		4,00,000	4,61,500

Sales for the 2011 were Rs.10,50,000. In arriving the net profit items deducted from sales included among others; cost of goods sold Rs.8,25,000; depreciation on machinery Rs.25,000, wages and salaries Rs.1,00,000 and profit of Rs.5000 on the sale of machinery. The machinery had cost Rs.30,000 of Rs.20,000 had been accumulated for it and it was sold for Rs.15,000. The company declared and paid Rs.30,000 as dividend during the year 2012. Debentures were redeemed for Rs.49,000 on 31-12-2012. **You are required to prepare**

- A schedule of changes in working capital
- A statement showing the sources and applications of funds for the year ended 31-12-2012.

PART-B**Answer any five of the following questions****5 x 8 Marks= 40 Marks**

- Define Accounting and explain how accounting information is helpful in decision making.
- A Second hand machinery was purchased on 1st January, 2009 for Rs.30,000 and 6,000 and Rs.4,000 were spent on its repairs and erection immediately. On 1st July, 2010, machinery was purchased for Rs.26,000 and on 1st July 2011, the machinery having become obsolete was auctioned for Rs.30,000. On the same date another machine was purchased for Rs.25,000. On 1st July, 2012 the second machine was sold off and it fetched Rs.23,000. Depreciation was provided on machinery at rate of 10% on original cost annually on 31st December, In 2011, the method of providing depreciation was changed to the written down value method, the rate of depreciation being 15%. You are required to prepare machinery account for all the calendar years mentioned above.

3. What are constituents of final accounts? Briefly explain the purpose of each of them
4. The Bangalore Infotech Limited was newly formed with an authorized capital of Rs.5,00,000 divided into equity shares of Rs.10/- each.

The company issued 25000 equity shares at a premium of Rs.1/- per share payable as under:

- a) On application Rs.2/-
- b) On allotment Rs.4/- (including premium)
- c) On first and final call Rs.5/-

Applications for 30,000 shares were received. The Directors allotted the shares and the excess money received on applications was returned. All the share holders paid the allotment money and call money except 'P' who failed to pay the call money on 800 shares. The directors forfeited these shares. The forfeited shares were re-issued to 'M' at Rs.9/- per share as fully paid. Give journal entries.

- 5. a) Write a short note on various methods of valuing the goodwill.
b) Write a short note on inventory valuation methods.
- 6. a) Define paid cost and unpaid cost?
b) Distinguish between cash profits and book profits?
- 7. Calculate the balance sheet items given the under mentioned proforma with the help of following ratios:

Total Assets/Net Worth 3.5
Sales/Fixed Assets 6
Sales/Current Assets 8
Annual Sales Rs. 25 lakhs.

Sales/Inventory 15
Sales/Debtors 18
Current Ratio 2.5

Liabilities	Amount	Assets	Amount
Net worth		Fixed Assets	
Long term debt		Inventory	
Current Liabilities		Debtors	
		Liquid Assets	
		Total current assets	
Total		Total	

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MBA I Semester Supplementary Examinations, JANUARY-2018

SUBJECT: Managerial Economics

Time: 3 hours

Max. Marks: 60

PART – A

Answer the following question

1 x 20 Marks=20 Marks

1. Compare and contrast between monopolistic competition and oligopoly along with examples.

PART-B

Answer any five of the following questions

5 x 8 Marks= 40 Marks

1. Write a note on the following:
 - a) Opportunity Cost
 - b) Equi-marginalism
2. What is the need for demand forecasting? Explain various demand forecasting techniques.
3. Write a note on the following:
 - a) Returns to scale
 - b) Economies of scale
4. Explain the types and significance of elasticity of demand.
5. Write a note on cost concepts. Describe in detail the determinants of cost.
6. Explain Cobb-Douglas Production function in detail.
7. Write a note on the following:
 - a) Isoquants and Isocosts
 - b) Perfect Competition

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MBA I Semester Supplementary Examinations, JANUARY-2018**SUBJECT: Business Environment****Time: 3 hours****Max. Marks: 60****PART – A****Answer the following question****1 x 20 Marks=20 Marks****1. Case Study**

The Reserve Bank of India has asked the Anil Dirubhai Ambani Group firm, Reliance Infrastructure (earlier, Reliance Energy) to pay just under Rs.125 crore as compounding fees for parking its foreign loan proceeds worth \$ 300 million with its mutual fund in India for 315 days, and then, repatriating the money abroad to a joint venture company. These actions according to an RBI order violated various provisions of the Foreign Exchange Management Act (FEMA).

In its order, RBI said Reliance Energy raised a \$360 million ECB (External Commercial Borrowings) on July 25, 2006, for investment in infrastructure projects in India. The ECB proceeds were drawn down on November 15, 2006 and temporarily parked overseas in liquid assets. On April 26, 2007 Reliance Energy repatriated \$ 300 million to India while the balance remained abroad in liquid assets.

It then invested these funds in Reliance Mutual Fund Growth Option and Reliance Floating Rate Fund Growth Option on April 26, 2007. On the following day i.e. on April 27, 2007 the entire money was withdrawn and invested in Reliance Fixed Horizon Fund III Annual Plan series V. On March 5, 2008 Reliance Energy repatriated \$ 500 million (which included ECB proceeds repatriated on April 26, 2007 and invested in capital market instruments) for investment in capital of an overseas joint venture called Gourock Ventures based in British Virgin Islands.

RBI said under FEMA guidelines issued in 2000, a borrower is required to keep ECB funds parked abroad till the actual requirement in India. Further, the central bank said borrower cannot utilize the funds for any other purpose.

“The conduct of the applicant was in contravention of the ECB guidelines and the same are sought to be compounded”, the RBI order signed by its chief general manager Salim Gangadharan said.

During the personal hearing on June 16, 2008 Reliance Energy represented by group managing director Gautam Doshi and Price Waterhouse Coopers executive director Sanjay Kapadia admitted the contravention and sought compounding. The company said due to unforeseen circumstances, its Dadri power project was delayed. Therefore, the ECB proceeds of \$ 300 million were brought to India and was parked in liquid debt mutual fund schemes, it added.

Rejecting Reliance Energy's contention, RBI said “ It took the company 315 days to realize that the ECB proceeds are not required for its intended purpose and to repatriate the same for alternate use of investment in an overseas joint venture on March 5, 2008.

Reliance also contended that they invested the ECB proceeds in debt mutual fund schemes to ensure immediate availability of funds for utilization in India.

In its defense, the company said the exchange rate gain on account of remittance on March 5, 2008 would be a notional interim rate gain as such exchange rate gain is not crystallized.

But RBI further stated that in terms of Accounting Standard 11 (AS 11) all foreign exchange loans have to be restated and the difference between current exchange rate at which the same were remitted to India has to be shown as foreign exchange loss/gain in profit and loss account.

However in a scenario where the proceeds of the ECB are parked overseas, the exchange rate gains or losses are neutralized as the gains or losses restating of the liability side are offset with corresponding exchange losses or gains in the asset. In this case, the exchange gain had indeed been realized and that too, the additional exchange gain had accrued to the company to the company through an unlawful act under FEMA, the order said.

It said as the company has made additional income of Rs. 124 crore. On August 2008, the company submitted another fresh application for compounding and requested for withdrawal of the present application dated April 17, 2008, to include contravention committed in respect of an another transaction of ECB worth \$ 150 million. But RBI said the company will have to make separate application for every transaction and two transactions are different and independent and cannot be clubbed together.

Questions:

1. Discuss how Reliance has violated the FEMA regulations.
2. Critically evaluate the case and discuss what Reliance should have done in the above situation.

PART-B

Answer any five of the following questions

5 x 8 Marks= 40 Marks

1. Write a note on different phases of licensing policy in India since independence.
2. What do you understand by the term 'Industrial Policy'? Discuss main Objectives of Industrial Policy Resolution 1991.
3. Define Fiscal Policy. Explain whether the present government's fiscal policy is pro or against to the development of industrial sector.
4. What do you mean by Monetary Policy? Discuss its importance in shaping the Indian economy.
5. Discuss the role of SEBI in Indian Capital Market.
6. Explain the impact of WTO on Indian Economy.
7. Explain the highlights of EXIM Policy of 2015-2020.

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MBA I Semester Supplementary Examinations, JANUARY-2018**SUBJECT: Research Methodology & Statistical Analysis****Time: 3 hours****Max. Marks: 60****PART – A****Answer the following question****1 x 20 Marks=20 Marks**

1.a) Explain the procedure for ANOVA one way.

b) The following data represents the number of units of production per day turned out by 5 different workers using 4 different type of machines.

Workers	Machine Types			
	A	B	C	D
1	44	38	47	36
2	46	40	52	43
3	43	38	46	33
4	34	36	44	32
5	38	42	49	39

Use ANOVA one way

i) Test whether the mean production is the same for the different machine types.

ii) Test whether the 5 men differ with mean productivity.

PART-B**Answer any five of the following questions****5 x 8 Marks= 40 Marks**

1. What is sampling design? State different methods of sampling and what points should be taken into consideration by a researcher in developing a sample design for research project?

2. Write a short note on

a) Review of Literature

b) Hypothesis of study

c) Bibliography

3. Calculate the Pearson's co-efficient of Skewness from the given data.

X	14.5	15.5	16.5	17.5	18.5	19.5	20.5	21.5
f	35	40	48	100	125	87	43	22

4. Explain the terms Skewness and Kurtosis used in connection with the frequency distribution of a continuous variable. Give the different measures of Skewness (any three of the measures to be given) and Kurtosis.

5. Calculate the Karl Pearson's coefficient of Skewness.

Variable	70-80	60-70	50-60	40-50	30-40	20-30	10-20	0-10
Frequency	11	22	30	35	25	11	6	5

6. What is meant by correlation? Distinguish between Positive and Negative correlation, Linear and non linear correlation.

7. Answer the following:

a) Brief on the purpose of variance ratio test.

b) To determine whether there is a relationship between an employee's performances in company's training program and his or her ultimate success in the job, the company takes a sample of cases from its very extensive files and obtains the results in the following table:

8. From the following data calculate 3 year moving averages

YEAR:	1	2	3	4	5	6	7
EXPORT:	126	130	137	141	145	155	159

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MBA I Semester Supplementary Examinations, JANUARY-2018

SUBJECT: Business Communication Theory

Time: 3 hours

Max. Marks: 60

PART – A

Answer the following question

1 x 20 Marks=20 Marks

1. What is Written Communication in business organizations?

PART-B

Answer any five of the following questions

5 x 8 Marks= 40 Marks

1. Distinguish between formal and informal communication.
2. Write short notes on (a) Skimming Reading (b) Intensive reading.
3. What is the difference between GRE, TOEFL and IELTS Models?
4. Write a letter to an industry seeking permission for industrial training.
5. List out the advantages and disadvantages of written communication.
6. As the head of a H.R Department, you wish to conduct a meeting for sharing the provisions of the newly introduced Provident Fund Scheme. Draft a circular for your employees. Follow the format.
7. Draft a Report on any one of the topics
(a) Higher education (b) Need of Reading Habit.

