

3

0610-III

COMMERCE

Paper – III

SECTION – I

Note : i) Answer all questions.

ii) Each question carries twenty marks.

iii) Each answer should be given in 500 words.

2 × 20 = 40

1. Write a short essay on the ethical aspects of marketing

OR

Examine the role of FIIs in the Indian capital market.

2. Write a short essay on the present industrial relations scenario in India.

OR

Discuss the nature of the banking sector reforms in India.

SECTION - II

- Note :*
- i) Answer *all* questions from any *one* of the Elective Groups.
 - ii) Each question carries fifteen marks.
 - iii) Each answer should be given in 300 words. 3 × 15 = 45

ELECTIVE - I**(ACCOUNTING AND FINANCE)**

3. Comment on the need for Accounting for Human Resources in the present day context in corporations in India.
4. What is meant by Accounting Standard ? How is an Accounting Standard developed in India ?
5. What are the different attributes of Venture Capital Financing ? State the policies and procedures which are to be adopted by the venture capitalists.

ELECTIVE - II**(MARKETING)**

3. Discuss the various levels and patterns of market segmentation.
4. Discuss the decisions companies take regarding management of their distribution channels.
5. Explain the major factors that determine buying behaviour.

ELECTIVE - III**(HUMAN RESOURCE MANGEMENT)**

3. Discuss the steps involved in performance appraisal.
4. Discuss, in brief, the provisions relating to the health of the workers in factories.
5. Explain the process of Human Resource Planning.

0610-III

12

ELECTIVE – IV**(INTERNATIONAL BUSINESS)**

3. In Frankfurt, the French Franc is being sold for DM 0.4343 and the 3-month futures rate is DM 0.4300. The 3-month Euro Deutsche Mark inter-bank rate is 5.50% and the Euro French Franc inter-bank rate is 9.00%.
 - a) Are exchange rate and money markets in equilibrium ? Why ?
 - b) Is there any way to take advantage of the situation ? If so, how ?
4. Compare and contrast Transaction Exposure *versus* Economic Exposure of Foreign Exchange Risk Management.
5. Write down the main objectives of the SAARC. How far those objectives are realised in practice ?

ELECTIVE – V**(INCOME TAX LAW AND TAX PLANNING)**

3. Examine how the residential status of an assessee influences the incidence of tax under the Income Tax Act.
4. Explain the time limit for filing return of income. Who can sign a return ? Can return of loss be submitted ?
5. Do you think that, Tax Planning has an important role in the financial management process ? If so, how ?

SECTION – III

Note : i) Answer all questions.

ii) Each question carries ten marks.

iii) Each answer should be given in 50 words.

9 × 10 = 90

6. What do you mean by 'consumer protection' ?
7. State the utility of 'cash flow analysis'.
8. What is meant by 'elasticity of demand' ?
9. How would you test a hypothesis ?
10. Differentiate between 'formal organisation' and 'informal organisation'.
11. Trace out, in brief, the evolution of marketing.
12. Explain the terms 'financial leverage' and 'operating leverage'.
13. What do you understand by 'incentives and fringe benefits' ?
14. Discuss the importance of 'rural banking'.

SECTION – IV

Note : i) Answer all questions.

ii) Each question carries five marks.

iii) Each answer should be given in 30 words.

5 × 5 = 25

Read the paragraph carefully and answer the following questions.

In a hypercompetitive economy with increasingly rational buyers, a company can only win by creating and delivering superior value. This involves five capabilities : understanding customer value ; creating customer value ; delivering customer value ; capturing customer value ; and sustaining customer value. To succeed, a company needs to use the concepts of a *value chain* and a *value-delivery network*.

Michael Porter of Harvard proposed the *value chain* as a tool for identifying ways to create more customer value. Every firm is a synthesis of activities that are performed to design, produce, market, deliver and support its product. The *value chain* identifies nine strategically-relevant activities that create value and cost in a specific business. These nine value-creating activities consist of five primary activities and four support activities.

The firm's task is to examine its costs and performance in each value-creating activity and to look for ways to improve it. The firm should estimate its competitor's costs and performance as benchmarks against which to compare its own costs and performance. It should go further and study the 'best of class' practices of the world's best companies.

The firm's success depends not only on how well each department performs its work, but also on how well the various departmental activities are coordinated. Too often, company departments act to maximise their interests.

There are some core business processes. Strong companies develop superior capabilities in managing their core processes.

To be successful, a firm also needs to look for competitive advantages beyond its own operations into the *value chains* of its suppliers, distributors and customers. Many companies today have partnered with specific suppliers and distributors to create a superior *value-delivery network* (also called a *supply chain*). The partners in the *supply chain* use the most current sales information to manufacture what is selling, rather than for a forecast that may not match current demand. In this system, the goods are pulled by demand rather than pushed by supply.

15. Delivering customer value is important in today's economy. Explain.
16. What are the *primary* value-creating activities ?
17. What are the *support* value-creating activities ?
18. State the core business processes.
19. What is meant by *value-delivery network* ?