

4/23

2504E0088

Candidate's Seat No : _____

**M.Phil. Accountancy Examination
Paper-1**

**Research Methodology Accountancy
April 2019**

Time : 2-30 Hours]

[Max. Marks : 70

Q.1. (A)

(1) "The research process involves a series of interrelated and intricate steps." Discuss this statement with reference to the research process. **(07)**

(2) Describe in detail the Scientific Approach to Research **(07)**

OR

Q.1. (A) Company X, a leading manufacturing of plastic-based house hold appliances, such as buckets, breadboxes, chairs, etc., is considering diversifying into pallets for industrial organizations. You have been engaged as a consultant to assess the market-potential for this product. What information would you require from the manufacturer in order to develop a research proposal? Formulate a Research proposal for the same. **(14)**

(B) Attempt Any Two:

- 1) Distinguish between Pure Research and Applied Research
- 2) State the criteria for evaluating a research study.
- 3) Describe briefly the Format of a Research Report
- 4) Distinguish between Exploratory Research and Conclusive Research. **(04)**

Q.2. (A)

(1) Distinguish between Probability Sampling and Non-Probability Sampling. Also describe in detail various Non-Probability Sampling Methods with illustrations. **(07)**

(2) Describe in Detail various methods of Primary Data Collection along with their advantages and disadvantages. **(07)**

OR

Q.2. (A)

(1) Define a Research Design. Discuss in detail various types of research designs with illustrations. **(07)**

(2) Describe in detail how will you deal with Missing observations and outliers in your data. **(07)**

(B) Attempt Any Two:

- 1) State the precautions to be taken by the Researcher while using secondary sources of Data **(04)**
- 2) Distinguish between Stratified Random Sampling and Systematic Sampling.
- 3) Write a note on Sampling and Non-Sampling Errors
- 4) State the characteristics of a good sample.

Q.3 (A)

(1) The management of ACME appliance store recorded the amounts spent by the 200 customers who came during the last day of a Mega sale. The data on amounts spent were grouped into the categories of Rs.100 each as under: (07)

Amount Spent (Rs.):	0-100	100-200	200-300	300-400	400-500	500-600
No. of Customers:	35	42	50	38	25	10

- (i) What is the average amount spent by the customers?
 (ii) The management decides to send a complimentary gift to each of the top 25% spenders. What is the minimum amount one should spend to qualify for a gift?

(2) Write a detailed note on Measures of Dispersion for a discrete frequency distribution. (07)

OR

Q.3. (A) Find the Average Marks and Standard Deviation, Median, Modal value, Q_1 , Q_3 , D_3 , D_9 , P_{50} , and P_{75} for the following frequency distribution: (14)

Marks	25	30	35	40	45	50	55
No. of Students	20	38	61	108	45	37	15

(B) Attempt Any Three: (03)

- 1) Define Skewness and explain different types of Skewness.
- 2) Define Kurtosis and explain various types of Kurtosis.
- 3) Describe briefly different measurement scales with illustrations.
- 4) Interpret: (1) $r=+1$ (2) $r=-1$ (3) $r=0$

Q.4. (A)

(1) The table below presents the ranks which were assigned by three judges to the works of ten artists: (08)

No.	1	2	3	4	5	6	7	8	9	10
Judge A	5	7	4	1	3	2	9	8	10	6
Judge B	4	8	3	2	7	1	10	6	9	5
Judge C	8	6	2	10	4	1	3	9	5	7

- i. Compute Spearman's Rank Correlation Co-efficient for each pair of rankings and decide
- ii. Which two judges are most alike in their opinions about these artists?
- iii. Which two judges are different in their opinion about their artists?

(2) Attempt Any Two:

(06)

- (i) 500 units from a factory are inspected and 12 are found to be defective; 800 units from another factory are inspected and 12 are found to be defective. Can it be concluded at 5% level of significance that the production at the second factory is better than at the first factory?
- (ii) A filling machine at a soft drink factory is defined to fill bottles of 200 ml with a standard deviation of 10 ml. A random sample of 50 bottles was taken and the average volume of soft drink was computed to be 198 ml per bottle. Test the hypothesis that the mean volume of soft drink per bottle is not less than 200 ml at 1% level of significance.
- (iii) The management of a large hotel chain wants to find out whether the consumption of tea, coffee and milk during breakfast is same for men as for women. A survey was conducted on 500 hotel guests about their gender and the beverage of choice with breakfast. The results are tabulated in the following table:

		Beverages		
		Tea	Coffee	Milk
Gender	Men	54	140	85
	Women	94	62	65

Formulate the situation as a hypothesis testing problem and draw your conclusion at 5% level of significance.

OR

Q.4. (A)

- (1). What is Factor Analysis? Distinguish between Exploratory and Confirmatory factor Analysis. How does it differ from Multiple Regression Analysis? **(07)**
- (2) Write a note on Discriminant Analysis and its Applications. **(07)**

(B) Multiple Choice Questions:

(03)

- 1. For a 95% confidence interval (use $Z = 1.96$), the required sample size with margin of error equal to 100 and estimated population standard deviation equal to 500 is given by:
 - a. 96
 - b. 156
 - c. 500
 - d. 1000
 - e. Not enough information given to answer the question.
- 2. Which of the following statistical procedure is most appropriate when comparing the difference in means of more than three groups?
 - a. t test
 - b. z test
 - c. ANOVA
 - d. None of the above

12-11-0

E 088-4

3. The population of interest is in alphabetic order. Starting with the 8th name, every 9th member thereafter was selected as a member of the sample. The sample therefore consists of 8, 17, 26, 35 and so on. The sampling method used here is _____.

- a. Simple Random Sampling
- b. Convenience Sampling
- c. Stratified Random Sampling
- d. Systematic Sampling

M.Phil. Accountancy Examination**Paper-2****Accountancy****April 2019****Time : 2-30 Hours]****[Max. Marks : 70**

1. What is Fund Flow Statement? How are sources and applications categorised for proper interpretation of Fund Flow statement? (20)

OR

1. Briefly discuss the managerial uses of statement of changes in Financial Position. Explain the technique of preparing a Cash Flow Statement with imaginary figures. (20)
2. How do you analyse and interpret financial statements of a company for reporting on the soundness of its capital structure and solvency. Discuss with illustrations. (20)

OR

2. Explain the common size statement and comparative statement with imaginary figures and discuss its importance in financial statement analysis.(20)
3. Discuss the concept of Learning Curve? What do 80% and 90% learning curve indicate?(15)

OR

3. What is time series? Discuss different methods of finding trend. (15)
4. Distinguish between CPM and PERT? Which one is the most commonly used? Justify your answer.(15)

OR

4. Gujarat Company produces two Products A and B that are produced and sold on weekly basis. The weekly production can not exceed 25 for product A and 35 for Product B because of limited available facilities. The company employs a total of 60 workers. Product A requires 2 man weeks of labour while B requires only one. Profit margin on A is Rs.60 and on B is Rs.40. Formulate it as a linear programming problem and solve for maximum profit and draw graph also.(15)

M.Phil. Accountancy Examination

Paper-3

Accountancy

April 2019

Time : 2-30 Hours]

[Max. Marks : 70

- Q.1 Discuss four functions of Strategic Financial management and Components [14] of Financial Planning..

OR

- Q.1 What is financial policy? Explain interface of financial planning and strategic [14] management along with how a firm can maintain balance between financial goals and sustainable growth.

- Q.2 Attempt any Two: [14]

- (1) Explain Decision Tree Approach of risk -analysis in capital budgeting.
 (2) What is simulation? Explain its method, advantages and disadvantages.
 (3) The following is the data on a capital project being evaluated by management of khushi Ltd.

	Project-J
Annual cost saving (Rs)	40,000
Useful Life (Years)	4
I.R.R. (%)	15
Profitability Index (PI)	1.064
NPV	?
Cost of capital	?
Cost of Project	?
Pay- Back Period	?
Salvage Value(Rs)	0

Find the missing values considering following table of discount factors:

Discount Factor	15%	14%	13%	12%
1 year	0.869	0.877	0.885	0.893
2 year	0.756	0.769	0.783	0.797
3 year	0.658	0.675	0.693	0.712
4 year	0.572	0.592	0.613	0.636
	2.855	2.913	2.974	3.038

P. T. O.

E127-2

(4) The occurrence of rain in a city on a day is dependent upon whether or not it rained on the previous day. If it rained on the previous day, the rain distribution is given by:

Event	No rain	1 cm. rain	2 cm. rain	3 cm. rain	4 cm. rain	5 cm. rain
Probability	0.50	0.25	0.15	0.05	0.03	0.02

If it did not rain the previous day, the rain distribution is given by:

Event	No rain	1 cm. rain	2 cm. rain	3 cm. rain
Probability	0.75	0.15	0.06	0.04

Stimulate the city's weather for 10 days and determine by simulation the total days without rain as well as the total rainfall during the period. Use the following random numbers: 67, 63, 39, 55, 29, 78, 70, 06, 78, and 76 for simulation. Assume that for the first day of the simulation, it had not rained the day before.

(5) Discuss in brief various methods of capital budgeting under risk and uncertainty situations.

- Q.3. (a) Explain in detail categories of Merger and Acquisitions [7]
 (b) Discuss in brief Leveraged Buy-out. [7]

OR

- Q.3 (a) Explain various techniques of Corporate Restructuring in detail. [14]

- Q.4 X company attains a sale of Rs. 6, 00,000 at 80% of its capacity. [14]

The production expenses are given below :

Material cost per unit : Rs. 60	Selling cost :
Labour cost per unit : Rs. 40	Salaries : 8% of sales
Administrative cost :	Travelling expenses : 2% of sales
Office salary : Rs. 90,000	Sales office expenses : 2% of sales
General expenses : 2% of sales	Distribution cost :
Depreciation : Rs. 7,500	Wages (fixed) : Rs.15,000
Rent, rates, and taxes : Rs. 8,750	Rent : 2% of Sales
	Other expenses : 3% of sales

Draw up Flexible Budget to ascertain the cost at 90% and 100% capacity.
 The selling price is Rs. 200 per unit.

OR

- Q.4 Prepare a cash budget for the first six months from the following estimated [14]

E127-3

revenue and expenses :

Month	Total Sales (Rs.)	Materials (Rs.)	Wages (Rs.)	Overheads Production (Rs.)	Selling & Distribution (Rs.)
January	20,000	20,000	4,000	3,200	800
February	22,000	14,000	4,400	3,300	900
March	28,000	14,000	4,600	3,400	900
April	36,000	22,000	4,600	3,500	1,000
May	30,000	20,000	4,000	3,200	900
June	40,000	25,000	5,000	3,600	1,200

Cash balance as on 1st January was Rs. 10,000. A new machinery is to be installed at Rs. 20,000 on credit, to be repaid by two equal instalments in March and April.

Sales commission @ 5 % on total sales is to be paid within a month following actual sales.

Rs. 10,000 being the amount of 2nd call may be received in March. Share premium amounting to Rs. 2,000 is also obtainable with the 2nd call.

Period of credit allowed by suppliers	2 months
Period of credit allowed to customers	1 months
Delay in payment of overheads	1 months
Delay in payment of wages	½ months

Assume cash sales to be 50% of total sales.

Q.5 Attempt any seven:

[14]

1. Define Capital Budgeting?
2. state tax benefits of mergers and acquisition.
3. Define Budget and Budgetary Control.
4. What is the impact of inflation on capital budgeting decision?
5. What is probability Analysis?
6. Explain business unit level strategy?
7. State classification of budgets.
8. What is CAPM?
9. What is capital rationing?
10. What is Sensitivity Analysis?
