

Question Paper Set of

S.Y.B.I.M. – Sem-III

**Regular Exam**

**University of Mumbai**

October, 2019



Prahladrai Dalmia Lions College of Commerce & Economics	
Semester III, Regular & ATKT Examination, October, 2019	
SYB.COM(Investment Management)	Subject: SAPM-I
Marks: 75	Time Allowed: 2 ½ Hours

Note: 1) All questions are compulsory, Subject to internal choice.

2) Figures to the right indicate full marks.

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<b>Q 1 A)</b>	Fill in the Blanks (Any 8)	<b>08</b>																																												
1)	_____ means combination of financial assets and physical asset. ( Bond, Portfolio, Shares)																																													
2)	_____ refers to investment ready to convert into cash position. (Maturity, Duration, Liquidity)																																													
3)	_____ is an alternative to the single index model. (Multi-index model, Superior risk-adjusted, Differential Return Method)																																													
4)	Portfolio management is _____ of many kinds of financial securities i.e. shares, debentures, bonds etc. ( combination, averaging, categories)																																													
5)	According to Markowitz model Portfolio Risk is calculated as _____ (Expected rate of return, Standard deviation, Beta)																																													
6)	The selection of the _____ portfolio depends on the Investor's risk aversion, or conversely on his risk tolerance. ( beta, efficient, over weighted)																																													
7)	Under _____ strategy, adjustment to the portfolio is carried out according to certain predetermined rules and procedures designated as formula plans. (active revision, passive revision, decomposition)																																													
8)	A bond is a _____ instrument. (physical, capital, debt)																																													
9)	Bond prices and interest rate have _____ relation. (direct, inverse, normal)																																													
10)	_____ is a measure of the weighted average life of a bond, which considers the size and timing of each cash flow. (present value, Duration, nominal value)																																													
<b>Q 1 B)</b>	Match the Column (Any 7)	<b>07</b>																																												
<table border="1"> <thead> <tr> <th colspan="2">Group A</th> <th colspan="2">Group B</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Systematic Risk</td> <td>A</td> <td>Measures total risk</td> </tr> <tr> <td>2</td> <td>Investment</td> <td>B</td> <td>Balance between risk and return</td> </tr> <tr> <td>3</td> <td>Diversification</td> <td>C</td> <td>Approach to security analysis</td> </tr> <tr> <td>4</td> <td>Portfolio evaluation</td> <td>D</td> <td>Uncontrollable</td> </tr> <tr> <td>5</td> <td>Gambling</td> <td>E</td> <td>Reducing the risk of loss</td> </tr> <tr> <td>6</td> <td>Risk return trade-off</td> <td>F</td> <td>Uncertain and high return</td> </tr> <tr> <td>7</td> <td>Markowitz Model</td> <td>G</td> <td>Modern portfolio Theory</td> </tr> <tr> <td>8</td> <td>Standard Deviation</td> <td>H</td> <td>Buying of assets</td> </tr> <tr> <td>9</td> <td>Unsystematic risk</td> <td>I</td> <td>Commitment of funds</td> </tr> <tr> <td>10</td> <td>Investment</td> <td>J</td> <td>Controllable</td> </tr> </tbody> </table>			Group A		Group B		1	Systematic Risk	A	Measures total risk	2	Investment	B	Balance between risk and return	3	Diversification	C	Approach to security analysis	4	Portfolio evaluation	D	Uncontrollable	5	Gambling	E	Reducing the risk of loss	6	Risk return trade-off	F	Uncertain and high return	7	Markowitz Model	G	Modern portfolio Theory	8	Standard Deviation	H	Buying of assets	9	Unsystematic risk	I	Commitment of funds	10	Investment	J	Controllable
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<b>Q 2 A)</b>	What do you mean by Investment? Explain any four investment avenues	<b>08</b>																																												



	available for investors.																									
B)	Describe the factors conducive for Investment in India.	07																								
	OR																									
C)	Explain meaning and components of portfolio analysis.	08																								
D)	Explain the difference between investment and speculation	07																								
Q 3 A)	Calculate ERR & Standard Deviation.	08																								
	<table><tr><th>Year</th><th>Probability</th><th>Return on Security A (in %)</th><th>Return on Security B (in %)</th></tr><tr><td>2016</td><td>0.10</td><td>10</td><td>10</td></tr><tr><td>2017</td><td>0.30</td><td>14</td><td>16</td></tr><tr><td>2018</td><td>0.50</td><td>16</td><td>20</td></tr><tr><td>2019</td><td>0.10</td><td>20</td><td>22</td></tr><tr><td></td><td></td><td></td><td></td></tr></table>	Year	Probability	Return on Security A (in %)	Return on Security B (in %)	2016	0.10	10	10	2017	0.30	14	16	2018	0.50	16	20	2019	0.10	20	22					
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C)	Calculate portfolio risk and return.	08																								
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D)	Explain Treynor and Sharpe Measure giving formula.	07																								
Q 4 A)	Explain the meaning of feasible set of portfolios and efficient set of portfolios.	08																								
B)	What do you mean by Risk -Return trade off? What is the importance of Risk-Return trade off in designing a portfolio?	07																								
	OR																									
C)	The details of three portfolios are given below. Compare these portfolios on performance using the sharpe's, treynor's and Jenson's measures. Comment and rank them according to the performance.	15																								
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3	12	11.5	1.8																							
Market	13	12	1.00																							
	The risk free rate of return is 7%.																									

Q 5 A)	A bond of Rs. 100 face value carries a coupon rate of 6% and is redeemable after 5 years at a premium of 5%. If the required rate of return is 10%, what is the present value of the bond? The current market price of the bond is Rs. 115. Advise the investor whether the bond should be purchased or not.	08
B)	A bond of Rs. 1000 has a coupon rate of 9% p.a. and maturity period is 10years. The bond is currently selling at Rs. 1090. What is the yield to maturity in investment of this bond?	07
OR		
C)	Write Short Notes (Any 3)	15
	Interest Rate Risk of Bond	
	Decomposition of performance	
	Call and Put Provisions of Bond	
	Yield to Call	
	Properties of Bond duration	



<b>Prahladrai Dalmia Lions College of Commerce &amp; Economics</b>	
<b>Semester III, Regular &amp; ATKT Examination, October, 2019</b>	
<b>SYB.COM(Investment Management)</b>	<b>Subject: Mutual Fund Management</b>
<b>Marks: 75</b>	<b>Time Allowed: 2 ½ Hours</b>

**Q.I A FILL IN THE BLANKS: (Any 08)**

(08)

- \_\_\_\_\_ is the process of comparing one's business processes to industry bests or best practice from other industries.
- CARE \_\_\_\_\_ rating is in default or is expected to be in default soon.
- \_\_\_\_\_ shows the history of MF's performance.
- \_\_\_\_\_ is mutual fund rating agency.
- \_\_\_\_\_ gives roadmap to your financial decision.
- \_\_\_\_\_ promote investors protection.
- \_\_\_\_\_ scheme of mutual fund can be sold in stock market.
- \_\_\_\_\_ is the process of a business identifying & verifying the identity of its clients.
- \_\_\_\_\_ does not guarantee fixed rate of returns.
- NIFTY is benchmark of \_\_\_\_\_.

**Q.I B TRUE OR FALSE: (Any 7)**

(07)

- The key feature of open-ended schemes is liquidity.
- Pension Scheme launched by the mutual funds also offer tax benefits.
- The aim of growth fund is to provide capital appreciation over the medium to long term.
- Ministry of finance is supervisor of both RBI & SEBI.
- RBI is the apex monetary authority of the country.
- MFs are more liquid than FD.
- SEBI is the apex monetary authority of the country.
- Dividend Payout gives him the benefit of compounding.
- Model portfolio don't consider needs & goals of investors.
- There is no-capital gain or loss in case of FD.

**Q.II A. Explain the advantages of mutual fund.**

(08)

**Q.II B. Explain in detail steps to financial planning.**

(07)

OR

**Q.II C. Grievance mechanism in MF in India.**

(08)

**Q.II D. Explain functional classification of MF product.**

(07)

**Q.III A. What are the drawbacks of investing in MF.**

(08)

**Q.III B. Difference between SIP & STP.**

(07)

OR

**Q.III C. Explain process of building Model Portfolio.**

(08)

**Q.III D. Explain the need for ranking MF.**

(07)

**Q.IVA . Explain difference between growth option & dividend option.**

(07)

**Q.IV B. Explain the need of ethics in MF.**

(08)

OR

Q.IV C. Calculate NAV assuming sales & purchase NAV to be Rs. 20.00 (08)

Opening NAV = Rs.12.5

Oustanding = 40,500

Appreciation in portfolio = 8000

Units subscribed = 20000 units

Units sold =1000 units

Dividend = Rs. 500

Expenses = Rs. 700

Q.IV D. Explain ways to invest in MF. (07)

Q.V A. Explain Life Cycle in financial planning (15)

OR

Q.V B. Write short notes (any 3) (15)

1. SEBI

2. RBI

3. Domestic & off- shore MF

4. Asset allocation

5. Gold exchange traded fund



03/10/19 Extra.

Prahladrai Dalmia Lions College of Commerce & Economics	
Semester III, Regular & ATKT Examination, October, 2019	
SYB.COM(Investment Management)	Subject: Financial Management - I
Marks: 75	Time Allowed: 2 ½ Hours

Note: (1) All questions are compulsory with internal choice.

(2) Round off upto 2 decimals unless specified in the questions.

Q.1) A) Multiple Choice Questions: (Any Eight)

(8)

1. The basic objective of financial management is \_\_\_\_\_.

- a) Maximisation of profits
- b) Profit Planning
- c) Maximisation of shareholders wealth
- d) Financial Discipline

2. \_\_\_\_\_ of an organization is responsible for overseeing the day to day overall financial activities of an organization.

- a) Chief Financial Officer
- b) Treasurer
- c) Cost Accountant
- d) Auditor

3. \_\_\_\_\_ is the source of short term finance.

- a) Trade credit
- b) Equity shares
- c) Bonds
- d) Lease Finance

4. \_\_\_\_\_ capital is that part of the uncalled capital which may only be demanded on winding up of liquidation.

- a) Subscribed Capital
- b) Issued Capital
- c) Reserve Capital
- d) Called Up Capital

5. \_\_\_\_\_ is the most important mode of payment for trade in international trade throughout the world.

- a) Bill of Exchange
- b) Cash credit
- c) Export Assistance
- d) Letter of Credit

6. \_\_\_\_\_ is the value that the current share-holders can get over and above the equity ownership represented by the financial accounts.

- a) EVA
- b) MVA
- c) Free Cash Flow
- d) None of the above.



7. Beta factor and Risk premium are used to calculate cost of equity under \_\_\_\_\_

- a) Capital Asset Pricing Model
- b) Dividend Approach
- c) Earnings Approach
- d) None of the above.

8. \_\_\_\_\_ is the discount rate where NPV is zero.

- a) ARR
- b) IRR
- c) PRR
- d) CRR

9. Earnings after tax divide by number of equity shares gives \_\_\_\_\_

- a) Earnings per share
- b) Dividend per share
- c) Market price per share
- d) Price earning ratio

10. Under \_\_\_\_\_ dividend policy, dividend payout ratio is consistent.

- a) Stable
- b) Regular
- c) Irregular
- d) None of the above

Q.1) B) Match the Followings: (Any Seven)

(7)

Group A		Group B	
1	Preference Shares	A	Earnings per share
2	Equity Shares	B	Fixed Rate of Dividend
3	Commercial Papers	C	Sales
4	Maturity Value	D	Subtracted from original investment
5	Turnover	E	Interest + Principal
6	Capital Budgeting decision	F	Ownership of Company
7	EPS	G	Issue price less than Face Value
8	Salvage Value	H	Regulated by RBI
9	Payback period	I	Replacement of Equipment
10	Issued at Discount	J	Recovery of initial investment

Q.2) A) From the information given you are required to calculate the EVA.

(8)

Balance Sheet

Liabilities	Rs.	Assets	Rs.
Equity Capital	5000000	Building	8000000
Retained Earnings	4000000	Machinery	7000000
Long Term Loan	6000000	Stock	1000000
Creditors	1500000	Debtors	1200000
Provisions	1300000	Bank	600000
	17800000		17800000



The cost of equity and cost of debt is 10% and 12% respectively. Earnings before interest and tax Rs. 18000000. The company pays 30% corporate tax.

Q.2) B) A 6 year deposit of Rs. 50000 is made to earn interest @ 12% p.a. Find out the future value of this deposits if the compounding period is : (1) Annually and (2) Half Yearly. (7)

OR

Q.2) C) What shall be the future value of an annuity of Rs. 100000 (at the beginning of the year) for 5 years at an effective rate of 12% p.a. after 5 years? (8)

Q.2) D) Explain meaning of Finance and types of Finance. (7)

Q.3) The management of a company proposes to purchase a machine. Two machines are available – Machine R and Machine S. From the following information, advise the management which of the two alternatives will be more profitable under the (i) Net Present Value Method and (ii) Profitability Index Method. (15)

Particulars	Machine R	Machine S
Initial Outlay	Rs. 64000	Rs. 75000
Net Cash Inflows p.a.	30000	20000
Estimated life	3 years	5 years

The cost of capital may be taken at 10% p.a.

OR

Q.3) The cash flow streams for two alternative investments AATA and JATA are: (15)

Particulars/Year	AATA	JATA
0	(500000)	(600000)
1	110000	200000
2	200000	150000
3	225000	200000
4	200000	150000
5	150000	200000

Calculate : (1) Discounted Pay Back Period, (2) Net Present Value using 9% discount rate and (iii) Profitability Index for the two alternatives. Which would you choose?

Q.4) Somnath Ltd has furnished you with the following details you are required to ascertain weighted average cost of capital under book value and market value weights. (15)

Sources	Market Value	Book Value	Cost of Capital (%)
10% Loan	200000	200000	7
12% Debentures	320000	280000	8.4
15% Preference Shares	300000	300000	15
Equity Share Capital	280000	220000	18
Total	1100000	1000000	

OR



Q.4) A) Following data relates to Smita Ltd and Josh Ltd.

(8)

Particulars	Smita Ltd	Josh Ltd
K (Cost of Capital)	12%	10%
R (Required Rate of Return)	15%	15%
Earning Per Share	Rs. 50	Rs. 50
Dividend Payout ratio	50%	50%

Find the market price per share using Walters model.

Q.4) B) Namrata Ltd has an EBIT of Rs. 480000 and 10% debentures of Rs. 480000. The overall capitalization rate is 12% based on which you are required to compute the present value of Chandan Ltd. And equity capitalization rate. The company decides to further raise Rs. 60000 through 10% debentures and use the same to pay off the equity shareholders. Compute the proposed total value of the company and proposed equity capitalization rate based on Net Operating Income Approach.

(7)

Q.5) A) The objective of financial management is wealth maximization and not profit maximization. Comment.

(8)

Q.5) B) Explain the factors affecting capital structure.

(7)

OR

Q.5) Write Short Notes: (Any 3)

(15)

1) Time Value of Money

2) EVA

3) Trade Credit

4) Importance of financial management.

5) Cost of Equity



Prahladrai Dalmia Lions College of Commerce & Economics	
Semester III, Regular & ATKT Examination, October, 2019	
SYB.COM(Investment Management)	Subject: Cost Management Accounting
Marks: 75	Time Allowed: 2 ½ Hours

Note: (1) All Questions are Compulsory.

(2) Each Question carries 15 marks.

(3) All working notes in support of your answer should form part of your answer.

Q.1A) Match the columns (Any 8)

(08)

1. Direct cost cannot be allocated to the cost unit.
2. Marginal cost is variable cost.
3. Prime cost includes factory overheads.
4. Fixed cost remains constant irrespective of output.
5. Normal loss is controllable.
6. Balance on Abnormal loss A/c is transferred to costing Profit & Loss A/c.
7. Decrease in variable cost increases BEP.
8. Abnormal gain is valued at the cost of output
9. Controllable variance is under the control of the government.
10. Labour rate variance is favourable when actual rate is lower than standard rate.

Q.1 B) Match the columns: (Any 7)

(07)

A	B
1 Cost of Production	a Not included in cost sheet
2 Fixed cost	b Difference between standard cost and actual cost
3 Standard cost	c Sales less Cost
4 Normal Loss	d Avoidable Loss
5 Variance	e Unavoidable Loss
6 Abnormal Loss	f Not shown in cost sheet but credited to profit & loss a/c
7 Variable cost	g Factory Cost plus Office Overheads
8 Cash Discount Received	h Remain unchanged in per unit
9 Interest in Loan	i Predetermined cost
10 Profit	j Remain unchanged in total

Q. 2 A) The accounts of A Ltd for the year ended 31<sup>st</sup> Dec 2007, shows the following:

(15)

Particular	Rs.
Work Office Salaries	6500
Administrative Office Salaries	12600
Cash Discounts allowed	2900
Carriage outwards	4300
Carriage Inwards	7150
Bad debts written off	6500
Repairs to plant & machinery	4450
Rent, rates taxes, Insurance etc.	
Factory	8500
Office	2000
Sales	461000
Stock of Raw materials	
1 <sup>st</sup> Jan 2007	48000
31 <sup>st</sup> Dec 2007	62800

Materials Purchased	185000
Travelling Expenses	2100
Traveller's Salaries and commission	7700
Productive wages	126000
Depreciation on Plant & machinery	6500
Depreciation on office furniture	300
Director fees	6000
Gas and water - factory	1200
Gas and water- office	400
Manager's Salary(1/4 office & 3/4 factory)	10000
General Expenses	3400

You are required to prepare a cost statement for the year ended 31<sup>st</sup> Dec 2007.

OR

**Q.2 B)** The following information for the year ending 31<sup>st</sup> December 2012 is taken from the books of a company. (15)

Particulars	Amount
Materials Consumed	6,00,000
Direct Wages	4,00,000
Direct Expenses	2,00,000
Indirect Wages	30,000
Spares Consumed	55,000
Workmen welfare Expenses	40,000
Cost of rectifying defective works	15,000
Depreciation on Machinery	25,000
Other Factory Expenses	1,50,000
Sales of factory scrap	15,000
Administrative staff salaries	1,55,000
Other Administrative Expenses	1,10,000
Audit Fees	35,000
Commission Charges	1,20,000
Selling Expenses	25,000
Show room Expenses	35,000
Sales	26,40,000

10,000 units had been produced & sold for the year ending 31<sup>st</sup> Dec. 2012. For the year ending 31<sup>st</sup> December 2013 the following estimates have been made.

- Production & Sales will be 10,000 units
  - Material cost per unit will rise by 25%
  - Wage rates per unit will rise by 20%
  - Direct Expenses per unit will be in the same proportion to wages before
  - Factory expenses will be in the same proportion to wages.
  - Administrative overheads in the same proportion to factory cost & selling
  - Overheads in the same proportion to cost of production as before.
  - Profit desired per unit is 20% on selling price.
- Prepare Cost Sheet showing total cost, cost per unit, total profit and profit per unit for 2012 and 2013

**Q.3 A)** The product of a company passes through three distinct processes to completion. They are known as A, B & C. From past experience it is ascertained that loss is Incurred in each process as under: Process A 2%, Process B 5%, Process C 10%. In each case the percentage of loss is computed on the number of units entering the process concerned. The loss of each process possesses a scrap



value. The loss of processes A & B is sold at Rs.5 per, 100 units and that of process C at Rs. 20 per 100 units.

The output of each process passes immediately to the next process and the Finished units are passed from Process C into stock. The following information is obtained:

Particulars	Process A (Rs.)	Process B (Rs.)	Process C (Rs.)
Materials	6,000	4,000	2,000
Labour	8,000	6,000	3,000
Overheads	1,500	1,749	3,460

20,000 units have been issued to Process A at a cost Rs. 10,000. The output of each process has been as under. Process A – 19,500 units, Process B – 18,800 units, Process C – 16,000 units. There is no work in progress in any process. Prepare Process Accounts, Normal Loss A/c, Abnormal Loss & Gain A/c.(15)

OR

Q.3 B ) Prathmesh Ltd provides you the following information for the year ended 31st March, 2009

Particulars	Process A	Process B	Process C
Raw material (units)	12,000	2,440	2,600
Cost of Raw material (per unit) (Rs.)	5	5	5
Direct Wages (Rs.)	34,000	24,000	15,000
Production Overheads (Rs.)	16,160	16,200	9,600
Normal Loss	4%	5%	3%
Wastage	6%	5%	4%
Scrap per unit of wastage (Rs.)	3	4	5
Output transfer to subsequent process	70%	60%	-
Output sold at the end of the process	30%	40%	100%
Selling price per unit (Rs.)	12	16	17

Prepare Process Account A, B and C.

(15)

Q.4 A) The standard material cost for 10 units of output is:(15)

Materials	Kgs	Rate per kg
A	7	15
B	9	19
C	12	10

The actual cost for 5000 units is as follows:

Materials	Kgs	Rate per kg
A	3600	16
B	4550	20
C	6150	8

Calculate all material variances:

OR

**Q.4 B)** The sales and profit for the last two years are as follows:

(15)

Years	Sales (Rs.)	Profit (Rs.)
2017	4,00,000	20,000
2018	5,00,000	40,000

Calculate: P/v ratio, fixed cost, BEP sales, MOS, sales to earn a profit of Rs 90,000

**Q. 5 A)** What is Reconciliation Statements? What are the causes of disagreement between Costing Profit and Financial Profit? (08)

**Q.5 B)** Disadvantage of marginal costing.

(07)

OR

**Q.5 C)** Write Short notes (Any 3)

(15)

1. Advantage of process costing
2. Disadvantage of standard costing
3. Need for reconciliation
4. Profit volume ratio & margin of safety
5. Factory and office overheads.



<b>Prahladrai Dalmia Lions College of Commerce &amp; Economics</b>	
<b>Semester III, Regular &amp; ATKT Examination, October, 2019</b>	
<b>SYB.COM(Investment Management)</b>	<b>Subject: Foundation Course - III</b>
<b>Marks: 75</b>	<b>Time Allowed: 2 ½ Hours</b>

Note:

1. All Questions are Compulsory
2. Total marks are indicated at the right hand side of the page

Q.1. A) Fill in the blanks with the correct options given below.

(Attempt any 8 out of 10)

(8M)

- a) Investment in bonds give \_\_\_\_\_ rate of return.  
(Fixed / Variable)
- b) RBI has taken initiatives for development in \_\_\_\_\_ literacy.  
(Investment / Financial)
- c) Derivatives are contracts, which are derived from \_\_\_\_\_ asset.  
(Underlying / fixed)
- d) Reward and \_\_\_\_\_ are basis of investment.  
(Returns / Risk)
- e) \_\_\_\_\_ is the commodity market where traders trade in precious metals.  
(Bullion market / Derivatives market)
- f) The \_\_\_\_\_ is the regulatory body for the companies.  
(RBI / SEBI)
- g) \_\_\_\_\_ Risk refers to variability in return due to change in market price investment.  
(Market risk / political risk)
- h) \_\_\_\_\_ is the process of determining risk.  
(Risk identification / risk evaluation)
- i) "\_\_\_\_\_ Lines of defence" model is endorsed for Governance of risk.  
(Two / Three)
- j) BSE stands for \_\_\_\_\_.  
(Bombay Securities Exchange / Bombay stock exchange)

Q.1. B) State whether the following statements are true or false:

Attempt any 7 out of 10

(7M)

- a) Gold ETF consists of only one principal asset i.e. Gold.
- b) Preference shareholders have voting rights.
- c) Directors are not the stakeholders of the company.
- d) There are risk assurance companies providing independent risk assurances.
- e) Corporate governance is a rule laid down by the government.
- f) Risk evaluation is the determination of quantitative and qualitative estimate of risk.
- g) Market risk is an unsystematic risk.
- h) Real estate is a type of investment.
- i) Risk Assurance means to identify risk.
- j) A person alone cannot plan his investment. He has to take help of financial manager.

Q.2. A) What is corporatisation and demutualisation and their importance?

(7M)

Q.2. B) What are the penalties laid down under SCRA for non-compliance?

(8M)

OR

Q. 2. C) Give an overview of Securities Contract Regulations Act and State its importance.

(15M)

- Q.3. A) What is risk management? Explain types of unsystematic risk. (8M)  
 Q.3. B) Explain the four functions of risk management. (7M)

OR

- Q.3. C) What are the expectations of Stakeholders from the companies. (8M)  
 Q.3. B) What is Risk Assurance? What are the challenges of risk faced by the companies? (7M)

Q. 4. A) The following information is obtained from the books of Sunshine Company Ltd., as on 31<sup>st</sup> March 2019. (15M)

Particulars	Amount (Rs.)
Capital:	
10,000 Ordinary shares of Rs. 10 each fully paid up	1,00,000
10,000 Ordinary shares of Rs. 10 each Rs. 7.50 per share paid up	75,000
10,000 Ordinary shares of Rs. 10 each Rs. 5 per share paid up	50,000
General Reserve	1,35,000
Liabilities to Sundry parties	55,000
Fixed assets less depreciation	1,67,000
Commission on issue of shares	6,000
Preliminary expenses	9,000
Floating assets	2,33,000

The profit after tax of the company is maintained at Rs. 34,000 and the normal rate of dividend is 8%. Calculate the value of each type of share by

- (a) Asset-Backing Method  
 (b) Yield Method

OR

- Q. 4. B) Explain the Equity Shares and its features. (7M)  
 Q. 4. C) What are the different types of Investment. (8M)

- Q. 5. A) What do you mean by Financial literacy and its importance. (8M)  
 Q. 5. B) Initiatives taken by RBI in Financial Literacy. (7M)

OR

Q.5. C) Write short notes on: (any 3 out of 5) (15M)

- Liquidity in market.
- Bonds
- Corporate governance
- Fines under SCRA
- Mutual funds



Prahladrai Dalmia Lions College of Commerce & Economics	
Semester III, Regular & ATKT Examination, October, 2019	
SYB.COM(Investment Management)	Subject: Information Technology (IM) - I
Marks: 75	Time Allowed: 2 ½ Hours

Q.1 A Choose correct alternatives. (Any 8)

8M

1. EFT stands for \_\_\_\_\_.
  - a. Easy Fund Transfer
  - b. Equality Fund Transfer
  - c. Electronic Fund Transfer
  - d. Electronic Fund Translation
2. In MS-Word, Header and Footer is available in \_\_\_\_\_ tab.
  - a. Insert
  - b. Home
  - c. Layout
  - d. Review
3. \_\_\_\_\_ are a form of payment made through the internet that is designed to perform the same function as a conventional paper check.
  - a. Credit card
  - b. Debit card
  - c. Digital cheques
  - d. Digital wallet
4. The information of MIS comes from the \_\_\_\_\_.
  - a. Internal source
  - b. External source
  - c. Both internal and external source
  - d. None of the above
5. Which of the following describes an ERP system?
  - a. ERP systems provide a foundation for collaboration between departments
  - b. ERP systems enable people in different business areas to communicate
  - c. ERP systems have been widely adopted in large organisations to store critical knowledge used to make the decisions that drive the organisation's performance
  - d. All of the above
6. File extension of MS-Word 2007 document is \_\_\_\_\_.
  - a. .xlsx
  - b. .docx
  - c. .word
  - d. .jpeg
7. Which enables us to send the same letter to different persons?
  - a. Macros
  - b. templates
  - c. Mail merge
  - d. Cross- reference
8. What is the intersection of a column and a row on a worksheet called ?
  - a. Column
  - b. Value
  - c. Address
  - d. Cell

9. In MS-Excel, Formula always begin with \_\_\_\_\_

- a. \*
- b. /
- c. @
- d. =

10. Which of the following syntax is correct regarding to SUM function in excel?

- a. =sum(A1,B1)
- b. \*sum(A1:B4)
- c. =sum(A1:A9)
- d. /sum(A1:A9)

Q.1 B State whether the following statement is True or False. (Any 7)

7M

- 1 .xlsx is the file extension for MS-Word 2007.
- 2 In MS-Excel by default it show 3 worksheets.
- 3 Macros can be created only in MS-Excel.
- 4 Every person in the organization is a user of the MIS.
- 5 MIS is a necessity of all the organizations.
- 6 Amazon is an example of B2B E-commerce.
- 7 E-commerce can be accessible globally.
- 8 The router is used to forward packets across network segments to reach a certain destination address.
- 9 www protocol use for secure transaction.
- 10 MS-Word file can be converted into PDF file.

Q.2 A Explain the concept of E-Commerce and media convergence.

7M

B Explain the Components of I-way.

8M

OR

Q.2 What is E-Commerce? Explain the concept of E-Commerce with its advantages and disadvantages.

15M

Q.3 A What is ERP? Explain its benefits for the organization.

7M

B Explain the concept of CRM.

8M

OR

Q.3 What is MIS? Explain the Role and Impact of MIS.

15M

Q.4 A Explain the benefits of E-payment system.

7M

B What is E-Payment system? Explain the Credit card and Digital Cash payment system.

8M

OR

Q.4 Explain SET protocol of E-payment systems.

15M

Q.5 A What is bookmark in MS-Word? Write the steps to create bookmark.

7M

B Explain the lookup function with its types, in MS-Excel.

8M

OR

Q.5 Write Short Notes. (Any 3)

15M

- 1 Macro
- 2 Cross-reference
- 3 Mail merge
- 4 Virus
- 5 Agile wallet



Pahladrai Dalmia Lions College of Commerce & Economics	
Semester III, Regular & ATKT Examination, October, 2019	
SYB.COM(Investment Management)	Subject: Fundamentals of Capital Market
Marks: 75	Time Allowed: 2 ½ Hours

8

Q. 1. A) Fill in the blanks by choosing appropriate options ( Any 8)

1) A GDR is a type of depository \_\_\_\_\_.

- a) Instrument
- b) Receipt
- c) Intermediary

2) Any Indian company under permissible securities can issue an \_\_\_\_\_.

- a) ADR
- b) GDR
- c) DR

3) Capital Market is a place where people can buy & sell \_\_\_\_\_.

- a) Securities
- b) Depository Receipt
- c) Treasury Bill

4) Financial Instruments that are used for raising capital resources in the capital market are known as \_\_\_\_\_.

- a) Capital Market Instruments
- b) Hybrid instruments
- c) Debentures

5) Connect savers and entrepreneurial borrowers is a \_\_\_\_\_ of capital.

- a) Feature
- b) Type
- c) Agenda

6) Volume of securities varies from day to day basis as \_\_\_\_\_ fluctuates.

- a) Need
- b) Demand
- c) Spectrum

7) IPO is a route for a company to \_\_\_\_\_ capital.

- a) Bind
- b) Capitalise
- c) Raise

8) Delivery can occur in spot, option or \_\_\_\_\_ contract.

- a) Intraday
- b) Spot
- c) Forward

9) Margin Trading refers to the process whereby individual investors buy more stocks than they can \_\_\_\_\_.

- a) Use
- b) Afford
- c) Supply

10) When a joint stock company declares dividend there has to be a \_\_\_\_\_ date for such benefits.

- a) Cut off
- b) Previous date
- c) Money tenure

7

Q.1 B) State true or False (Any 7)

- 1) The relationship between the DPs and the depository is governed by an agreement made between the two under the Depositories Act, 1998.
- 2) The NSDL, the first depository in India which has been promoted by three premier institutions in India, i.e. Industrial Development Bank of India, UTI and NSE.
- 3) Loans is not a form of ECB
- 4) For accounting purposes, companies issue shares with a par value, which is a nominal amount, such as \$1.
- 5) Sweat equity is the time and effort that people contribute to a project

- 6) With these transactions, commonly known as "principal trades" market makers can enter and adjust quotes to buy, sell, execute and clear orders
- 7) NSDL does not do Stock Lending and Borrowing.
- 8) Volume of trade measures the total number of shares or contracts transacted for a specified security during a specified time period
- 9) Trend lines are a visual representation of support and resistance in any time frame.
- 10) Typically, a company or a financial institution gets a credit rating from only one credit rating agency.

Q2

- a) Explain what is credit rating? Explain the advantages and disadvantages of credit rating. 8
- b) What are capital Markets? Explain different capital market instruments. 7

OR

- c) What is credit rating? What is the need of credit rating? 8
- d) Explain the constitution of SEBI and also explain the different functions of SEBI. 7

Q3

- a) Explain the process of Straight through Processing. Also explain the disadvantages of Straight through Processing. 8
- b) Explain the concept delivery trade and intraday trading. Also explain the difference between intraday trading and delivery trade. 7

OR

- c) What is stock exchange? Explain the Characteristics of a stock exchange. 8
- d) Explain margin trading and also explain the process of margin trading 7

Q4

- a) What are ADR and GDR? Explain the basic mechanism of GDR issue with the help of a diagram. 8
- b) Explain the depository receipt scheme 2014. 7

OR

- c) Explain the Provision of companies act 2013 relating to GDR issue. 8
- d) What are FCEB. State the difference between FCCB V/S FCCB. 7

Q5

- a) Explain the SEBI (Collective Investment Schemes) Regulations, 1999 8
- b) Calculate the index value for the following data using Market Capitalization method and free float method 7

Sr.No	Name of the Stock	Previous Price	Stock	No of Shares	Current Price	Stock
1	A	150		20	650	
2	B	300		12	450	
3	C	450		16	600	
4	D	500		25	550	
5	E	600		50	650	

OR

Write short notes on (Any 3)

- a) Functions of stock exchange
- b) Write a note on trend line
- c) What are ADR's and GDR's
- d) What is book building process?
- e) Note on Book Closure

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