PGIIS - 1293 A - 16
M.F.C. IInd Semester (CBCS) Degree Examination
Commerce (MFC)
(Financial Institutions and Markets)
Paper : HC-201
(New)

Time : 3 Hours   Maximum Marks : 80

SECTION-A

Answer all sub-questions, Each sub-question carries 2 marks.   (5×2=10 : Marks)

1. a)   Enlist the advantages of Book Building.

    b)   What is a secondary market?

    c)   What is off-shore mutual fund?

    d)   What is Financial Engineering?

    e)   Define the term Derivatives

SECTION-B

Answer any three questions.

Each question carries 5 marks

(3×5=15 : Marks)

2.   Who are financial intermediaries? Explain their role briefly.

3.   What is Credit Card? Explain the various types of Credit Cards.

4.   Identify the major components of monetary policy of RBI.

5.   Explain the role of Book Running Lead Managers in New Issue Management.

6.   Explain the functions of Small Industries Development Bank of India

SECTION-C

Answer any three questions.

Each question carries 15 marks.

(3×15=45 : Marks)

7. Explain the functions of various components of Indian Financial System.

8. Examine the prospects of leasing services in India.

9. What is Online Security Trading? Explain the process of online security trading and its advantages.

10. "Venture Capital enhances economic growth". Discuss.

11. Discuss the role of Non-Banking Financial Institutions in economic development of a country like India.

SECTION-D

(Compulsory)

12. "In spite of suitable legislative measures, the Indian financial system remains weak" comment.

(1×10=10)

PGIIS 1294 A - 16
M.F.C IInd Semester (CBCS) Degree Examination
Commerce (MFC)
(Quantitative Techniques for Management)
Paper : HC-202

Time : 3 Hours   Maximum Marks : 80

Instructions :

     Attempt all questions.

SECTION-A
Answer all sub-questions,
Each sub-question carries 2 marks.
(5×2=10 : Marks)

1.   a)   What is skewness?

      b)   If mode is 250, median is 200 find mean?

      c)   Define the term correlation

      d)   State any two assumptions of Binomial Distribution.

      e)   A die is rolled find the probability getting

         i)   Number more then 4

         ii)   Number less then 4

SECTION-B
Answer any three questions.
Each question carries 5 marks
(3×5=15 : Marks)

2.   What is index number? State its uses.

3.   What is central tendency? State its properties

4.   A bag contain 7 white, 5 black and 4 red balls. If two balls are drawn at random from the bag, find the probability that;

      i)   Both are white balls

      ii)   One black and Other is red balls.

5.   Compute the coefficient of correlation between income and weight of six persons and comment on results

Income (Rs in 000)	Weights (in kgs)
100	60
200	65
300	70
400	75
500	80
600	85

6. From the following data compute the two regression equation and compute the husband age when wife age is 16

Husband Age	Wife Age
36	29
23	18
27	20
28	22
28	27
29	21
30	29
31	27
33	29
35	28

SECTION-C

Answer any three questions.

Each question carries 15 marks.

(3×15=45 : Marks)

7. Compute the mode value from the following data.

Marks	Frequency
10	08
15	12
20	36
25	35
30	28
35	18
40	09

8. Fit a straight line trend for the data given below by using the method of least square and estimate the trend value for 2004

Year	Profit (000)
1995	160
1996	172
1997	174
1998	180
1999	183
2000	185
2001	188

9. Construct price index number from the following data by using fishers method.

Commodity	Current Year		Base Year	
	Price	Qty	Price	Qty
A	10	50	5	100
B	05	60	10	50
C	20	40	15	60
D	15	30	10	30

10. Define the term forecasting? Explain the difference between Industry and company forecasting.

11. Explain the properties of poisson and normal distribution.

SECTION-D

(Compulsory)

(1×10=10 : Marks)

12. From the data given below, state which team is more consistent

Goals Scored in a match	Number of Matches	
	Team A	Team B
0	27	01
1	09	05
2	08	08
3	05	09
4	01	27

PGIIS - 1295 A - 16
M.F.C IInd Semester (CBCS) Degree Examination
Commerce (MFC)
(Corporate Tax planning - I)
Paper : HC 203

Time : 3 Hours   Maximum Marks : 80

SECTION-A
Answer all the sub-questions.
Each sub-question carries 2 marks.
(Marks : 5×2 = 10)

1. a) Define direct tax

   b) Who is an assessee?

   c) State the significance of valuation date.

   d) What do you meant by tax holiday?

   e) What is tax return?

SECTION-B
Answer any three of the following
Each question carries 5 marks
(Marks : 3×5 = 15)

2. How do you compute wealth tax liability of a company?

3. What do you mean by capital gain? How do you compute short-term capital gain?

4. What do you mean by inter-head adjustment in set-off of losses?

5. A Ltd. has a taxable income of Rs 2 crore for the assessment year 2015-16. The company has a book profits of Rs. 3 crore for MAT purpose, for the same assessment year. Findout the tax payable by the company. Whether the company is eligible for any credit?

6. B Ltd declares a dividend of Rs. 80 lakh to its shareholders on 6/4/2015. Does it lead to any tax liability? If so, what is it? Explain and compute

7. Discuss the concepts tax planning tax avoidance and tax evasion, with examples.

8. Discuss the tax benefits of demerger to companies and shareholders.

9. Discuss the major deductions. Available to a company from its gross total income.

10. Z Ltd. wants to restructure its capital. It has the following two options :

Particulars	Option - A (Rs)	Option - B (Rs)
Equity capital	4 Crores	2 crores
Debenture (12½)	1 crore	3 crores
Term loans (14½)	1 crore	1 crore
Total :	6 crores	6 crores

Notes :

1. The company expects to get a return @ 22% on its investment before interest and tax.

2. The company wants to pay a dividend of 25% to shareholders.

3. Tax rates are likely to be @ 30% (including Losses)

Compute whick option is more feasible and advisable to the company.

11. Following is the profit and Loss Account of ABC Ltd profit and Loss Account (31/3/2015)

	Rs.		Rs.
To office expenses	10 lakhs	By gross Profit	48 lakhs
Depreciation	08 lakhs		
Interest	10 lakhs	Refund of	
Dividend	10 lakhs	Income tax	2 lakh
Taxes	9 lakhs		
Net Profit	3 lakhs		
	50 lakhs		50 lakhs

Notes :

a) Depreciation as per sec 32 is Rs. 550000

b) Interest due to KSFC but debited to profit and loss account is Rs. 300000

c) Taxes include income tax of Rs. 310,000

d) Refund of income tax relates to 2010-11 A-Y

Find out the taxable income of the company

12. Answer the following question :

B Ltd. has the following assets and liabilities on 31/3/2014 (valuation date) Find out its net wealth and wealth tax liability.

a) Cash at bank : Rs. 5,00,000

b) Cash as per cash book : Rs. 2,10,000

c) Motor cars : Rs 19,00,000

d) Factory building : Rs. 80,00,000

e) Machinery : Rs 64,00,000

f) Shares and debentures : Rs 5,00,00,000

g) Gold : Rs 65,00,000

h) Urban land : Rs 1,10,00,000

i) Money borrowed (outstanding) for purchase of factory building : Rs. 50,00,000

j) Money borrowed (outstanding) for purchase of (urban land) Rs 68,00,000

Urban land was purchased in 1998.

PGIIS - 1296 A - 16
M.F.C IInd Semester (CBCS) Degree Examination
Commerce (MFC)
(Project Planning and Control)
Paper : S.C. 204 B
(New)

Time : 3 Hours   Maximum Marks : 80

Instructions to Candidates:

Answer all sections.

SECTION-A

Answer all sub-questions in one or two sentences each. Each sub-question carries 2 marks.   (5×2=10 : Marks)

1. a)   What is Project Formulation?

    b)   Define MDA

    c)   What do you mean by Means of Finance?

    d)   What is Projected Balance Sheet?

    e)   Expand PAD and PIB.

SECTION-B

Answer any three questions. Each question carries 5 marks   (3×5=15 : Marks)

2.   Write about Government regulatory framework for project.

3.   What are the steps involved in Delhi Method?

4.   Explain what is the consumer willingness to pay?

5.   What are the items found in a cash flow statement?

6.   XYZ Ltd., produced and sold 1,00,000 units of a product at the rate of Rs. 10 per unit. For production of 1,00,000 units it has spent a variable cost of Rs. 6,00,000 at the rate of Rs. 6 per unit and a fixed cost of Rs.2,50,000. The firm has paid interest Rs. 5,000 at the rate of 5 percent and Rs. 1,00,000 debt. Calculate operating leverage.

SECTION-C

Answer any three questions. Each question carries 15 marks. (3×15=45 : Marks)

7. What is environmental scanning? Explain the techniques adopted for environmental scanning.

8. Discuss pre-requisites for successful project implementation.

9. Define Capital Structure. Discuss the important factors that should be considered while determining capital structure.

10. Discuss the principal sources of discrepancy between Social Cost and Benefits on the one hand and Monetary Cost and Benefits on the other.

11. ITC, Ltd have decided to purchase a machine to augment the company's installed capacity to meet growing demand for its products. There are three machines under consideration of the management. The relevant details including estimated yearly expenditure and sales are given below. All sales are on cash. Corporate Income-tax rate is 40%, interest on capital may be assumed to be 10%.

Particulars	Machine-1	Machine-2	Machine-3
Initial Investment required	6,00,000	6,00,000	6,00,000
Estimated annual sales	10,00,000	8,00,000	9,00,000
Cost of Production(estimated):			
Direct Materials	80,000	1,00,000	96,000
Direct labour	1,00,000	60,000	72,000
Factory Overheads	1,20,000	1,00,000	1,16,000
Administration Costs	40,000	20,000	30,000
Selling and Distribution Costs	20,000	20,000	20,000

The economic life Machine-1 is 2 years, while it is 3 years for the other two. The scrap value are Rs. 80,000, Rs.50,000 and Rs. 60,000 respectively. You are required to find out the most profitable investment based on "Payback Method".

(Compulsory)

(1×10=10 : Marks)

12. Green Field Ltd.. Bombay, has to make a choice between three possible investments - Project A. B and C. The immediate capital outlays for each being Rs. 1.10.000. Each will continue for 5 years and it has been decided that a discount rate of 12 percent is acceptable for all the proposals. The cash flows for the three projects are as follows:

Year	1	2	3	4	5
Project-A (in Rs.)	10,000	20,000	30,000	40,000	50,000
Project-B (in Rs.)	20,000	30,000	50,000	30,000	20,000
Project-C (in Rs.)	30,000	40,000	35,000	25,000	20,000

Which project would you recommend and why? Use of the following evaluated techniques:
a) NPV Method and b) PI Method.