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BBABMCN 403

**Fourth Semester B.B.A. Degree Examination, July/August 2023
(NEP-2020) (2022-23 Batch Onwards)
FINANCIAL MARKETS AND SERVICES (DSCC)**

Time : 2 Hours

Max. Marks : 60

Instructions : A single answer booklet containing 40 pages will be provided.
No additional answer sheet will be provided.

SECTION – A (2 marks each)

Answer any five of the following :

(5×2=10)

1. What is capital market ?
2. Write the meaning of commercial paper.
3. List out credit rating agencies in India.
4. What is NSDL ?
5. State the objectives of EXIM Bank of India.
6. What do you mean by conditional loan ?
7. Mention the features of financial system.

SECTION – B (5 marks each)

Answer any four of the following :

(4×5=20)

8. Explain the importance of money market.
9. Briefly describe the SEBI guidelines for listing of shares.
10. Explain the RBI measures for NBFC's.
11. Write a note on NSE.

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12. Explain the functions of merchant banking.
13. Describe the characteristics of financial institutions.
14. Explain the functions of stock exchange.

SECTION – C (10 marks each)

Answer any three of the following :

(3×10=30)

15. Explain the different capital market instruments.
 16. Describe the components of financial system.
 17. Explain the stock market operations.
 18. Explain the different types of leasing.
 19. Explain the objectives and functions of IDBI.
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**Fourth Semester B.B.A. Degree Examination, July/August 2023
(NEP 2020) (2022 – 23 Batch Onwards)
FINANCIAL MANAGEMENT (DSCC)**

Time : 2 Hours

Max. Marks : 60

Instruction : Show working notes wherever necessary.

SECTION – A

(2 Marks each)

Answer **any five** questions.

(5×2=10)

1. What is meant by working capital ?
2. What is investment decisions ?
3. What is doubling period ?
4. What is Internal Rate of Return ?
5. State any four sources of long term finance.
6. What is bonus share ?
7. What is time value of money ?

SECTION – B

(5 Marks each)

Answer **any four** questions.

(4×5=20)

8. A debenture of Rs. 1,500 carries an interest of 10% p.a. It will mature after 5 years. The required rate of return is 10%. Calculate the value of debenture.
9. A project which requires an investment of Rs. 1,00,000 and is expected to generate net cash flows as under :

Year	Cash flow (₹)
1	20,000
2	24,000
3	36,000
4	50,000
5	16,000
6	8,000

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The cost of capital of the company is 10%. Following are the present value factors at 10%.

Year	1	2	3	4	5	6
P.V. Factor at 10%	0.909	0.826	0.751	0.683	0.621	0.564

Determine :

- Net Present Value
- Profitability Index.

10. Blue Bird Ltd., presents the following details from which you are required to calculate EBIT and EPS :

Utilised capacity – 10,000 units

Selling price – Rs. 200 per unit

Variable cost – Rs. 60 per unit

Fixed cost – Rs. 3,00,000

Interest on loan – Rs. 1,00,000

Tax rate – 50%

No. of equity shares – 2000.

- What are the factors influencing capital structure of a firm ?
- Explain the different types of dividend.
- Explain the types of working capital.
- Explain the modern role of a financial manager of a company.

SECTION – C

(10 Marks each)

Answer any three questions.

(3×10=30)

- What are the factors determining the working capital requirement of a firm ?
- What is financial planning ? Explain the steps in financial planning.



17. A proforma cost sheet of a company provides the following :

Elements of Cost	Value as a % of selling price
Material	50%
Direct Labour	10%
Overhead	10%

The following particulars are provided :

- 1) It is proposed to maintain a level of activity at 10,000 units.
- 2) Selling price is Rs. 100 per unit.
- 3) Raw materials are expected to be in the stores for an average of 2 months.
- 4) Materials will be in process on an average of 1 month.
- 5) Finished goods are expected to be in stores for an average of 2 months.
- 6) Credit allowed to debtors is 3 months (Calculated on the basis of cost of sales.)
- 7) Credit allowed by suppliers is 2 months.

Calculate the working capital requirements.

18. Calculate the operating leverage, financial leverage and combined leverage from the following data under financial plans A and B.

Actual production and sales – 40,000 units

Selling price – Rs. 50/ unit

Variable cost – Rs. 25/ unit

Fixed cost – Rs. 2,00,000

	Financial Plans	
	A	B
Equity capital	₹ 10,00,000	₹ 15,00,000
Debt	₹ 10,00,000	₹ 5,00,000
Cost of debt	20%	20%



19. A company is considering an investment proposal to purchase a machine costing Rs. 2,00,000. The machine has expected life of 5 years. The firm uses a straight line method of depreciation. The estimated cash in flows after tax are as follows :

Year	Cash flows after tax (₹)
1	20,000
2	80,000
3	1,20,000
4	1,20,000
5	40,000

Calculate :

- 1) Average rate of return.
- 2) Net present value at 10%.
- 3) Pay back period.

Note :

PV Factor of Re. 1 at 10%.

Year	1	2	3	4	5
PV Factor	0.909	0.826	0.751	0.683	0.621

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BBABMCN 401

**Fourth Semester B.B.A. Degree Examination, July/August 2023
(NEP – 2020) (2022-2023 Batch Onwards)
MANAGEMENT ACCOUNTING (DSCC)**

Time : 2 Hours

Max. Marks : 60

**SECTION – A
(Two marks each)**

Answer **any five** questions.

(5×2=10)

1. What do you mean by an accounting ratio ?
2. What are cash equivalents ?
3. What is margin of safety ?
4. What do you mean by angle of incidence ?
5. Write the meaning of master budget.
6. If current ratio is 2.5 : 1 and current liabilities Rs. 8,00,000, find out current assets.
7. Sale price Rs. 700 per unit
Variable cost Rs. 400 per unit
Fixed cost Rs. 33,00,000
Calculate Break Even Point.

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SECTION – B
(Five marks each)

(4×5=20)

Answer **any four** questions.

8. Anup Ltd. made a profit of Rs. 1,85,000 after considering the following :

Depreciation on fixed asset Rs. 5,000.

Profit on sale of building Rs. 20,000.

Provision for tax Rs. 10,000.

Loss on sale of machinery Rs. 4,000.

Transfer to reserve Rs. 10,000.

Preliminary expenses written off Rs. 2,000.

Interest on investment Rs. 16,000.

Calculate the operating cash profit.

9. Following is the Balance Sheet of a company as on 31-3-2022.

Liabilities	Rs.	Assets	Rs.
Equity Share Capital		Land and Building	1,40,000
Shares of Rs. 10 each	2,00,000	Plant and Machinery	3,50,000
Profit and Loss A/c	30,000	Stock	2,00,000
General Reserve	40,000	Sundry Debtors	1,00,000
12% Debentures	4,20,000	Bills Receivable	10,000
Sundry Creditors	1,00,000	Cash at Bank	40,000
Bills Payable	50,000		
	8,40,000		8,40,000

Calculate :

- a) Current ratio
- b) Quick ratio
- c) Debt equity ratio
- d) Proprietary ratio.

10. Prepare a flexible budget for the production at 80% activity on the basis of the following information :

Production at 50% capacity 10,000 units

Direct material Rs. 80 per unit

Direct labour Rs. 50 per unit

Direct expenses Rs. 15 per unit

Factory expenses Rs. 50,000 (50% fixed)

Administrative expenses Rs. 60,000 (40% fixed).

11. Total sales Rs. 5,00,000

Variable cost Rs. 2,75,000

Profit Rs. 1,08,000

Find :

- 1) Profit volume ratio (P/V ratio)
- 2) Fixed cost
- 3) Break Even Point
- 4) Margin of safety.

12. Explain the role of a Management Accountant.

13. What are the limitations of ratio analysis ?

14. Draw a break even chart and show the following :

- a) BEP
- b) Profit region
- c) Loss region.



SECTION – C
(10 marks each)

Answer any three questions.

(3×10=30)

15. ABC Ltd. furnishes the following information for the year 2021 and 2022.

Year	Cost (Rs.)	Profit (Rs.)
2021	12,00,000	2,00,000
2022	15,00,000	3,00,000

Compute the following :

- Profit volume ratio
- Fixed expenses
- Break even point
- Profit when the sales is Rs. 20,00,000
- The estimated sales when the desired profit is Rs. 2,50,000.

16. From the following information calculate cash flow from operation.

Particulars	31-3-21	31-3-22
	Rs.	Rs.
Sundry creditors	9,000	13,500
Bills payable	7,200	3,600
Outstanding expenses	5,400	9,000
Stock	18,000	21,600
Sundry debtors	27,000	36,000
Bills receivable	9,000	14,400
Prepaid expenses	1,800	900

The company made a profit of Rs. 28,000 after considering the following :

Depreciation on fixed assets Rs. 2,000.

Loss on sale of machinery Rs. 1,000.



Dividend received on investment Rs. 450.

Preliminary expenses written off Rs. 1,250.

Goodwill written off Rs. 1,000.

Transfer to general reserve Rs. 5,000.

Proposed dividend Rs. 10,000.

Profit on sale of building Rs. 4,000.

17. Following details are available from the books of Ocean Ltd.

	June Rs.	July Rs.	August Rs.
Cash sales	3,00,000	3,75,000	4,50,000
Credit sales	5,00,000	6,20,000	6,80,000
Cash purchase	75,000	80,000	85,000
Credit Purchase	1,00,000	1,20,000	1,50,000
Expenses	40,000	50,000	55,000
Closing balance	2,10,000	—	—

Other details :

- 1) 50% of credit sales is realised in the same month and remaining 50% is realised in the next month.
- 2) Creditors for purchases are paid in the following month.
- 3) 50% of expenses are payable in the same month and the remaining 50% is payable in the next month.

Prepare cash budget for July and August.



18. Following are the summarised Profit and Loss A/c and Balance Sheet of Gagan Ltd. as on 31-12-2022.

	Rs.		Rs.
To Op. Stock	1,00,000	By Sales	8,00,000
To Purchases	6,00,000	By Closing Stock	2,00,000
To Gross Profit C/d	3,00,000		
	10,00,000		10,00,000
To Operating Expenses	2,00,000	By Gross Profit b/d	3,00,000
To Non Operating Expenses	10,000		
To Net Profit	90,000		
	3,00,000		3,00,000

Balance Sheet

Liabilities	Rs.	Assets	Rs.
Equity Share Capital	25,00,000	Goodwill	2,00,000
6% Pref. Share Capital	15,00,000	Machinery	25,00,000
General Reserve	2,00,000	Building	17,50,000
Profit and Loss A/c	1,50,000	Furniture	1,00,000
5% Debentures	10,00,000	Stock	2,00,000
Creditors	2,80,000	Debtors	7,10,000
Bills Payable	1,20,000	Bank	2,50,000
		Preliminary Expenses	40,000
	57,50,000		57,50,000



Calculate :

- a) Current ratio
- b) Quick ratio
- c) Debt equity ratio
- d) Fixed assets ratio
- e) Capital gearing ratio
- f) Gross profit ratio
- g) Net profit ratio
- h) Operating ratio.

19. What are the advantages and limitations of Management Accounting ?

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COMFISN 401

**IV Semester Common to All UG Courses Examination, July/August 2023
(NEP 2020) (2022-23 Batch Onwards)
FINANCIAL EDUCATION AND INVESTMENT AWARENESS (SEC)**

Time : 2 Hours

Max. Marks : 30

SECTION – A (10 Marks)

Answer **any two** of the following questions.

(2×2=4)

1. What is Income ?
2. Write any one of the differences between Revenue Expenses and Capital Expenses.
3. Write any two functions of Reserve Bank of India.
4. What is Trend Analysis ?

Answer the following Multiple Choice Questions.

(6×1=6)

5. If you invest, Rs.1,00,000 at an interest rate of 9% pa compounded annually, how many years it will take to double ?
A) 7 B) 8 C) 9 D) 10
6. Which of the following is considered as technological factor under microenvironment factors ?
A) Wireless charging B) Engine efficiency
C) Security in cryptography D) All of the above
7. Name the Ratio that is used to assess a firm's ability to meet its current liability.
A) Current Ratio B) Liquid Ratio
C) Debt Equity Ratio D) Return on Equity Ratio

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8. Accident Insurance Cover available for PMJDY account after 28-08-2018
- A) ₹ 1,00,000
B) ₹ 2,00,000
C) ₹ 2,50,000
D) ₹ 5,00,000
9. The percentage of a bank's total deposits that it needs to maintain as liquid cash is known as
- A) Cash Reserve Ratio
B) Statutory Liquidity Ratio
C) Marginal Standing Facility
D) Base Rate
10. Which of the following is factors of production ?
- A) Land
B) Labour
C) Capital
D) All of these

SECTION – B (10 Marks)

Answer **any two** of the following questions.

(2×2=4)

11. What are the two famous stock exchanges in India ?
12. Expand PPF and APY.
13. What is Asset Allocation ?
14. What are the types of investors according to 'Risk-Return Perception' ?

Answer the following Multiple Choice Questions.

(6×1=6)

15. In Investments, ELSS stands for
- A) Equity Linked Savings Scheme
B) Equity Liquid Saving Scheme
C) Exceptional Liquid and Safe Scheme
D) Enterprise Linked Social Security
16. When you invest in equity shares through IPO, which of these market are you dealing with ?
- A) Primary Market
B) Secondary Market
C) Tertiary Market
D) Commodity Market

17. Risk appetite generally _____ when the number of earning family members increases.
- A) Increases
 - B) Decreases
 - C) There is no correlation between risk appetite and number of earning family members
 - D) Does not change
18. Who facilitates capital raising activities for their clients which include corporations, government and institutions etc. ?
- A) Merchant Bankers
 - B) Brokers
 - C) Clearing House
 - D) Custodian
19. T-Bills are an example of
- A) Money Market Securities
 - B) Capital Market Securities
 - C) Conservative Market Securities
 - D) Aggressive Market Securities
20. Which of these is/are term(s) used in Technical Analysis ?
- A) RSI
 - B) ADX
 - C) Candle Stick
 - D) All of the above

SECTION – C (10 Marks)

Answer **any two** of the following questions.

(2×2=4)

- 21. What do you mean by Net Asset Value ? Write the formula to calculate NAV.
- 22. Expand AMFI and ETF.
- 23. What is Treynor Ratio ? Write the formula to calculate the Treynor Ratio.
- 24. Write any two sources of gathering client data.



Answer the following Multiple Choice Questions.

(6×1=6)

25. Name the participant in Mutual Fund who sets up a mutual fund.
- A) Promoters
B) Sponsor
C) Trustee
D) Fund Manager
26. This funds/scheme have a fixed maturity date. The units are issued at the time of the initial offer and redeemed only on maturity. Which scheme/fund are we referring to ?
- A) Open ended scheme
B) Closed ended scheme
C) Both of the above
D) None of the above
27. Name the participant in Mutual Fund who manages the funds by making investments in various types of securities.
- A) Promoters
B) Sponsor
C) Asset Management Company
D) Fund Manager
28. Which of the following investment avenue gives liquidity, capital appreciation, affordability, tax benefits and relatively risk free returns ?
- A) Real Estate
B) Gold Bonds
C) Mutual Funds
D) Fixed Deposits
29. If risk free return is 5%, and a scheme with standard deviation of 0.5 earned a return of 7%, its Sharpe Ratio would be
- A) 4.5
B) 4
C) 5
D) 5.5
30. Which regulations of SEBI are applicable for advisory services on investment ?
- A) SEBI Listing Obligations and Disclosure Requirements (SEBI LODR) Regulations, 2015
B) SEBI Issue of Capital and Disclosure Requirements (SEBI ICDR) Regulations, 2009
C) SEBI Investment Advisers Regulations, 2013
D) None of these.