

SYBBI set - IV.

April - 2018

UNIVERSITY PAPER

S.Y.B.B.I

SEM-IV

APRIL -2018

Time: 2:30 Hours

Q.1[a] Multiple choice questions. [Any 8] [8]

- i. Difficult user interface is a challenge faced by _____ banking
a.Home b.Mobile c.SMS d.Office
- ii. There are two approaches in data warehousing _____ and bottom up.
a. left right b. top down c. centre down d. centre up
- iii. _____ stores e-cash, e-cheques, card details etc
a. Electric Wallets b. Electric Purses c. Electronic Wallets
d. Electronic bags
- iv. _____ is the process of sorting through large data sets to identify patterns.
a. Data Mining b. Data Warehousing c. Data Scheduling d. Data Sorting
- v. _____ have microprocessors embedded in them so as to serve as storage devices.
a. Virtual Cards b. Prepaid cards c. Smart Cards d. Data Cards
- vi. _____ includes capture of data from various sources for useful analysis.
a.Data Warehouse b.Data mining c. Data centre d.Data blocks
- vii. The SDLC is a conceptual model used in _____
a. Hardware management b. Network management c. Project Management
d. Data Management

viii. _____ adds authenticity to electronically received documents.

- a. Digital cheque b. Digital Name c. Digital Signature d. Digital link

xi. _____ performs multiple tasks.

- a. DBMS b. RDMS c. Data Warehouse d. ODBMS

x. Poor _____ is a limitation of Physical payment system.

- a. maintenance b. mobility c. currency d. money

Q.1[b] State whether given statements are True or False .[any 7] [7]

1. Through SMS banking a client automatically receives information about his account balance
2. NEFT system provides batch settlements at hourly intervals.
3. EFT stands for Electronic Funds Transfer
4. Mobile banking can be done only through app
5. There are 6 Phases in SDLC.
6. The function of mail server is not to receive ,store and deliver the email
7. Powerpoint cannot store the templates that created or downloaded from Microsoft office.
8. Store cards are the same as loyalty cards
9. MICR has 5 digits.
- 10 Data center structure gets more simpler each year as new technologies get added.

Q.2[a] Write a note on Models of Electronic Payment.

[8]

[b] Advantages and Disadvantages of Online Banking. [7]

OR

Q.2[p] List and explain the basic phases of Project Management. [8]

[q] Write a note on Data Centre in detail. [7]

Q.3[a] Write a note on Credit Information Bureau of India Limited(CIBIL). [8]

[b] Write a Short note on Data Warehouse. [7]

OR

Q.3[p] List and explain some recent trends in Banking and information Technology. [8]

[q] Write a note on Smart Quill Pen. [7]

Q.4[a] Write steps for sending and receiving E-Mail via Outlook Express. [8]

[b] Write steps to record a narration before or during a slide show. [7]

OR

Q.4[p] Write a note on ECS. [8]

[q] What is E-Mail and explain 5 advantages of it [7]

Q.5 Write short notes on: [any 3] [15]

- i. MICR.
- ii. Any Banking Software.
- iii. 5 types of Plastic Money
- iv. Boomerang facility in E-Mail
- v. Advantages of Google drive

2017-18

Q. P. Code: 34236

Duration: 2 ½ Hrs.

Max. Marks: - 75

Note: All questions are compulsory subject to internal choice
Figures to the right indicate marks

Q.1 A) Fill in the blanks: (any 8)

(08)

- i) HLV stands for _____.
- ii) The application document used for making the proposal is commonly known as the _____.
- iii) For hospitalization, minimum _____ hours the policyholder has to be admitted in hospital.
- iv) ESIS was established in _____.
- v) Premium paid by insured person is deductible under section _____ of Income Tax.
- vi) Home insurance is a type of _____ insurance.
- vii) The motor vehicle act was established in _____.
- viii) The Workmen's Compensation Act was formed in _____.
- ix) SBI General insurance company is a joint venture between _____.
- x) Property can be insured on _____ cost.

B) State whether the following statements are true or false: (any 7)

(07)

- i) Add on cover option in fire insurance is not paying additional premium.
- ii) Construction of external walls and roofs number of storey includes in fire insurance proposal form.
- iii) Cargo insurance provides coverage against physical damage or loss of goods during shipping, whether by land, sea or air.
- iv) In India, Motor insurance is optional.
- v) Long term home insurance covers the peril arise due to war.
- vi) Through online also insured person can apply for cashless treatment or reimbursement.
- vii) Hull insurance covers the damage of cargo.
- viii) Flexible premium payments is a characteristic of variable life insurance.
- ix) Term insurance plans come with life-long renewability option.
- x) Life insurance covers death due to natural causes as well as due to accidents.

- Q.2. A) List out the advantages of life insurance. (08)
B) List out the documents required to convert proposal into policy. (07)

OR

- ✓P) What are the factors determining life insurance premium? (08)
Q) Explain any two non-traditional SBI life insurance plans. (07)

- Q.3. A) Explain different types of health insurance schemes in India. (08)
B) Write a note on Health Insurance Portability. (07)

OR

- ✓P) What are the benefits of health insurance? (08)
Q) Explain ICICI Lombard health insurance policies. (07)

- Q.4. A) List out the coverage under SBI's simple home insurance. (08)
B) Explain the claim procedure in motor insurance. (07)

OR

- P) Explain SBI motor insurance policies. (08)
Q) Explain the claim procedure of home insurance. (07)

- Q.5. A) Discuss the different risks of insurance. (08)
B) Explain any 5 general rules and regulations of fire insurance. (07)

OR

- Q.5. C) Write short notes on: (any 3) (15)
i. Prospectus
ii. Micro insurance
iii. Road side assistance
iv. Types of vehicles
v. Top up cover

Please check whether you have got the right question paper.

- N.B:
1. All questions are compulsory.
 2. Figures to the right indicate full marks.

Q.1 a) State whether True or False (any 8)

1. One Person Companies were introduced by the Companies Act, 2013.
2. The accounts of SEBI are audited by the Comptroller and Auditor General of India.
3. The maximum number of members of a public limited company are 200.
4. Options and swaps are not examples of derivatives.
5. Capitalisation of reserve is called Bonus issue.
6. The offer document must not be accompanied by the application form.
7. The SEBI enjoys the powers of a civil court.
8. Stamp duty provisions are same in the case of Demat transactions.
9. Checking availability of name is essential before the process of Incorporation.
10. Registration certificates are compulsory for intermediaries.

08

b) Match the following (any 7)

Group A	Group B
1. Ashbury Railway Carriage case	a) Government publication
2. Memorandum of Association	b) Replacement
3. Developing markets	c) 1992
4. Depositories Act	d) Electronic form
5. Fungibility	e) Market makers
6. SEBI	f) 1996
7. De-mat	g) Object clause
8. Official Gazette	h) Doctrine of ultra vires
9. Right issue	i) 1956
10. SCRA	j) Existing shareholders

07

Q.2 Explain the salient features of company form of organization.

OR

- a) Introduce the SEBI act and enumerate its objects.
- b) What are the provisions regarding Finance, Accounts and audit of SEBI? Explain briefly.

15

08

07

Q.3 Write a detailed note on power and function of SEBI.

OR

- a) Write a note on application and grant for recognition on a stock exchange.
- b) Write a note on the advantages of listing

15

08

07

Q.4 Explain the constituents and working of Depositories.

OR

- a) Explain the power of depositories to make bye-laws.
- b) Write a note on NSDL.

15

08

07

Q.5 a) Write a detailed note on-
i) Ultra virus
ii) Indoor Management
iii) constructive notice
OR

15

Q.5 b) Write Short notes on (Any 3)
1. One person company
2. Underwriting
3. Articles of Association
4. Benefits of depositories to Investors
5. Registration certificate for intermediates

15

[Time: 2.30 Hours]

(Total Marks:75)

- N.B: 1. All questions are compulsory.
2. Figures to the right indicate full marks.
3. Draw neat diagram wherever necessary.
4. Attempt all questions.

Q1. (a) State whether the following statements are True/ False (Any Eight) (8)

- i) Trade cycles are recurrent in nature.
- ii) Open economy is the one in which there are no exports and imports.
- iii) Deflation is worse than inflation.
- iv) Objectives of monetary policy are conflicting in nature.
- v) Service tax is an indirect tax.
- vi) Fiscal policy is formulated by central bank.
- vii) Modern theory begins where the Ricardian theory ends.
- viii) Spot exchange rate refers to the rate at which the transaction takes place at a future date.
- ix) When the payments are more than receipts, then there is said to be a surplus in the balance of payment.
- x) Protection is required to protect infant industries.

b) Match the following pairs (Any seven) (7)

Group A	Group B
1) GNP	a) Future date.
2) Value of MPC	b) borrowing of the Government
3) Cash transaction approach	c) Irving Fisher.
4) Quantitative Credit control	d) GDP+ Income from abroad
5) Public Debt	e) lies between zero and one
6) FRBM Act	f) Bank rate
7) Forward exchange rate	g) no restriction on trade
8) Trade deficit	h) 2003 .
9) Heckscher-Ohlin Theory	i) Export minus Import of visible items
10) Free trade policy	h) Factor endowment theory

Q.2 a) Define macroeconomics. What are the importance of macroeconomics? (8)

b) Explain the factors determining consumption function. (7)

OR

c) Explain effective demand with the help of the diagram. (8)

d) Discuss Trade cycle in detail. (7)

Q.3 a) Describe the factors affecting velocity of circulation of money. (8)

b) Discuss the nature of Inflation in a developing country. (7)

OR

c) What is monetary policy? Discuss the objectives of monetary policy. (8)

d) What is money supply? Explain the factors determining money supply. (7)

Q.4 a) What are the factors influencing Incidence of taxation? (8)

b) Enumerate the significance of public expenditure. (7)

OR

c) Explain the principles of sound and functional finance. (8)

d) Explain the burden of Public debt. (7)

Q.5 a) What are terms of trade? Explain the factors determining terms of trade. (8)

b) Explain the Heckscher – Ohlin theory of international trade. (7)

OR

c) Discuss in detail foreign direct investment and foreign portfolio investment. (8)

d) Explain the structure of balance of payment. (7)

Q.5 Write short notes (on any three): (15)

a) Relationship between National income and economic welfare.

b) Fisher's equation of exchange.

c) Fiscal policy.

d) Role of Multinational Corporation.

e) Free trade versus Protection.

Maximum Marks: 75

Duration: 2 ½ hrs

- Note: 1) There are 5 questions with internal choice
2) Each question carries 15 marks.
3) Suitable assumptions and working notes should form the part of your answer.

1) A) Fill in the blanks (any 8): (08)

- 1) A _____ is a place to which costs can be traced or segregated.
- 2) Costs that cannot be identified with the finished products are called _____ costs .
- 3) Carriage outwards is an example of _____ overheads.
- 4) As units manufactured decreases, fixed cost per unit will _____ .
- 5) Dividend received is recorded in _____ accounts only.
- 6) _____ cost is a predetermined cost and relate to each element of cost.
- 7) Idle time variance is associated with _____ variance.
- 8) Contribution is the test of _____ .
- 9) _____ costing is a technique of controlling by bringing out relationship between profit and volume.
- 10) _____ Variance is the difference between Standard cost of labour and Actual cost of labour.

B) Rewrite the given statements and state whether they are true or false (any 7):(07)

- 1) Cost accounting is an essential tool of management.
- 2) Imputed costs are the notional costs that do not involve any cash outlay.
- 3) Sale of scrap of materials is deducted from factory overheads.
- 4) Prime cost is an Indirect Cost.
- 5) Donations paid are recorded in Financial accounts only.
- 6) Bad debts recovered are recorded on the debit side of Financial Profit & Loss Account.
- 7) Purchase manager is responsible for efficient buying of materials.
- 8) Labour rate variance is adverse when actual rate is lower than standard rate.
- 9) Marginal cost is a fixed cost.
- 10) At Breakeven point Total revenue = Total costs.

2) A) Following information is provided to you by Violet Ltd. for the half year ended 31st March, 2016:

Particulars	Rs.
Purchases of raw materials	30000
Direct wages	25000
Rent of factory building	10000
Carriage inwards	1200
Cost of factory supervision	4800
Sale of finished product (15000 units)	75000
Advertisement	6000
Computer purchased	25000
Stock on 1 st October, 2015:	

Raw Materials	5000
Work-in-Progress	1200
Finished goods (1000 units)	4000
Stock on 31 st March, 2016:	
Raw Materials	4200
Work-in-Progress	3000
Finished goods (2000 units)	????
Depreciation on Office Furniture	3000
Other office expenses	2000
Commission on sales (@ Rs. 1 per unit sold)	

Finished goods at the end are valued at Cost of Production.

Prepare a detailed cost sheet.

(15)

OR

B) Indigo Ltd. gives you the following data for the year ended 31st March, 2016:

Particulars	Financial Accounts	Cost Records
Direct Materials (Rs.)	600000	600000
Direct Wages (Rs.)	380000	400000
Factory expenses (Rs.)	250000	20% of Prime cost
Administrative expenses (Rs.)	280000	25% of Factory cost
Selling expenses (Rs.)	190000	10% of Sales
Sales (Rs.)	2000000	2000000
Preliminary expenses written off (Rs.)	50000	----
Interest received	20000	----

Prepare: a) Cost Sheet, b) Financial Profit & Loss A/c and c) Profit Reconciliation Statement

(15)

3) A) Blue Ltd. furnishes you the following information for the month of March, 2016:

Particulars	Budgeted	Actual
Output (units)	30000	32500
Hours	30000	33000
Working days	25	26
Fixed Overheads (Rs.)	60000	58000

Calculate all the fixed overhead variances.

(15)

OR

B) Green Ltd. produces a certain chemical, the standard material cost being:

40% of material X at Rs. 2 per kg

60% of material Y at Rs. 3 per kg.

Standard loss of 20% is expected in production.

During the month of April, 2016, 171 kgs of chemical was produced from the use of 90 kgs of material X at Rs. 1.8 per kg and 110 kgs of material Y at Rs. 3.5 per kg.

Compute all possible Material Variances.

(15)

4) A) Following particulars are submitted to you:

Fixed cost Rs. 4000, Variable cost per unit Rs. 1.5, Selling price per unit Rs. 3 and units sold 5000.

- Calculate:
- i) Profit Volume ratio
 - ii) Break even point (in units)
 - iii) Margin of Safety (in Rupees)
 - iv) Sales (units) to earn a profit of Rs. 5000
 - v) Profit when sales are Rs. 12000
- (15)

OR

B) A company incurred a loss of Rs. 30000 by selling 10000 units. Its variable cost per unit is Rs. 8 and fixed cost amounted to Rs. 50000.

Find:

- i) Profit Volume Ratio
 - ii) Break Even point (units)
 - iii) Profit when company sells 12000 units
 - iv) Sales required to earn a profit of Rs. 40000
 - v) If selling price increases by 15% what will be the new Profit volume ratio?
- (15)

5) A) What is a Coding System? List the advantages of a Coding System. (08)

B) What is Cost Accounting? List the objectives of Cost Accounting? (07)

OR

Write short notes on (any 3):

- A) Cost Unit V/s Cost Centre
 - ~~B) Reasons for disagreement between Costing Profit and Financial Profit~~
 - ~~C) Types of Standards~~
 - D) Limitations of Marginal costing
 - E) Dis-advantages of standard Costing
- (15)

Time: 2:30 hours

Marks: 75

- Note: 1) All questions are compulsory.
2) Figures to the right hand side indicate full marks.
3) Suitable assumptions and working notes should form the part of your answer.

Q1. A. Match the Column (any 8)

(08)

A	B
1. Outstanding Expenses	I. Optimum ordering quantity
2. Cash Working Capital	II. Receivables Management
3. Fluctuation in prices	III. Goods in possession of bank
4. Float	IV. Speculative motive
5. ABC	V. Possession of goods with borrower
6. EOQ level	VI. Lag in payment of expenses
7. Credit Bureau	VII. Cash Cost Working Capital
8. Terms of Payment	VIII. Selective Control
9. Pledge	IX. Difference between book balance and available balance
10. Hypothecation	X. Credit Information

Q1B. State whether following statements are True or False (any 7)

(07)

- 2/10 means 2% cash discount if paid within 10 days under receivables management.
- Classification of debtors into age brackets is called ageing schedule.
- Public deposits are accepted for minimum 24 months
- Lower turnover shows less age of inventory.
- T bills can be issued by both public and private limited companies
- Higher rate of inflation impacts cash management techniques
- Liquidity is the ability to transform security into cash.
- Debtors may be valued at cash or cost under working capital management.
- Increase in current assets leads to increase in working capital.
- Composite leverage is combination of operating and financial leverage.

Q2 A. Suraj Ltd has at present annual turnover of Rs. 58,50,000 and the company grants one month credit to its customers. Company's selling price is Rs.15/- per unit. Bad debt loss is 2% of sales and contribution is Rs.4.5/- per unit. Company's new marketing manager has given three different proposals to make credit policy more liberal to increase company's sales and profit. These proposals are as follows:

Proposal I: To grant one and half month's credit to customers which will increase sales by Rs 7,00,000 with anticipated increase bad debt loss of 1% of sales.

Proposal II: To grant two month's credit to customers which will increase sales to Rs. 68,00,000 with anticipated increase bad debt loss of 2% of sales.

Proposal III: To grant three month's credit to customers which will increase sales to Rs. 75,00,000 with anticipated increase bad debt loss of 4% of sales.

Company expects a return of 20% on its variable cost only. Which of the above proposal would recommend to the company to accept? (15)

OR

Q2B. The following information is available in respect of material- (08)

Re order quantity – 2250 units

Re- order period – 4-6 weeks

Maximum Consumption – 600 units per week

Normal Consumption – 450 units per week

Minimum Consumption – 400 units per week

Calculate a) Re-order Level

b) Minimum Level

c) Maximum Level

d) Average Stock Level

Q2C. Calculate EOQ and Total Cost at EOQ level with the help of following information - (07)

1. Semi Annual Consumptions – 5000kgs
2. Carrying Cost 2% p. a. of Purchase Price
3. Storage cost – 100% of Carrying Cost
4. Ordering Cost – Rs 400 per order
5. Purchase Price – Rs 200 per kg

Q3A. From the following information available, calculate and comment on the same (15)

- | | |
|------------------------|-------------------------|
| i. EPS | iii. Financial Leverage |
| ii. Operating Leverage | iv. Combined Leverage |

Particulars	L	S
Selling Price per unit (Rs.)	37.50	50.00
Variable Cost per unit (Rs.)	25.00	37.50
Quantity (Units)	50,000	62,500
Fixed Costs (Rs.)	75,000	1,00,000

Interest (Rs.)	37,500	62,500
Tax Rate (%)	35	35
Number of Equity Shares	12,500	22,500

OR

Q3B. Jimmy Ltd. is considering methods to finance its investment proposal. It is estimated that initially Rs.20,00,000 will be needed. Two alternative methods of raising funds are available to the firm:

- (a) 50% by 15% Loan and balance by issue of equity shares of Rs.1000 each
 (b) Issue of equity shares of Rs.1000 each.

The appropriate tax rate is 25 per cent.

Assuming operating profits (EBIT) of: (a) Rs.2,80,000 and (b) Rs.3,20,000, which financing proposal would you recommend and why? (15)

Q4A. The expenses budgeted for production of 10,000 units in a factory are furnished below:

(15)

	Per unit (Rs.)
Materials	120
Labour	60
Variable factory overheads	40
Fixed overheads	20
Variable overheads (Direct)	10
Selling Expenses (10% Fixed)	30
Distribution expenses (20% Fixed)	20
Administrative expenses	10
Total cost per unit	<u>310</u>

Prepare a budget for production of 16,000 units.

OR

Q4B. Prepare a Sales Overhead Budget for the months of January, February and March 2018 from the estimates given below – (15)

Advertisement – Rs 10,000 per month

Salaries of the Sales Department – Rs 20,000 per month

Expenses of the Sales Department – Rs 6,000 per month

Counter Salesmen's Salaries and Dearness Allowance – Rs 24,000 per month

Commission to counter salesmen at 1% on their sales per month

Travelling Salesmen's Commission at 10% on their sales and expenses at 5% on their sales on monthly basis

The sales during the period were estimated as follows –

Month	Counter Salesmen Sales (Rs)	Travelling Salesmen's Sales (Rs)
January	3,20,000	40,000
February	4,80,000	60,000
March	5,60,000	80,000

Q5. A. Discuss the need and importance of strategic financial management. (08)

B. Distinguish between financial leverage and operational leverage. (07)

OR

Q5 Write short notes on any 3 (15)

1. Certificate of Deposits
2. Reorder Level and Safety Stocks
3. Advantages of debt financing
4. Commercial Papers
5. Motives for holding Cash

Wealth Management

Q. P. Code : 35062

Duration : 2.5 hours

Marks : 75

Q No 1 A) Say true or False (Any 8)

(8)

1. Financial Literacy is Mainly used in personal Financial matters.
2. Savings means accumulation of funds
3. Risk & Return are Inversely Related to each other
4. Fixed deposits offer a fixed return.
5. Habits are Transparent to us.
6. Specific Risk is also Called Unsystematic Risk.
7. Insurance is pooling of Risks
8. A Risk Profile is an evaluation of Willingness to take Risks.
9. Equity Risk applies to Investment In Shares
10. Currency risk applies to Foreign Investments.

Q No 1 B) Match the Following Any 7

(7)

- | | |
|------------------------------|--|
| 1) Travel Insurance. | a) Subrogation |
| 2) Estate planning attorney. | b) Non Life Insurance |
| 3) Retirement planning. | c) Investment Professional |
| 4) NSC | d) Owners funds |
| 5) Current Ratio | e) Borrowed Funds |
| 6) Debt | f) National Saving certificates |
| 7) Equity | g) Current Assets/ current liabilities |
| 8) Financial Planner | h) Money to be saved for future |
| 9) General Insurance | i) Avoid Probate |
| 10) Subrogation | j) Visitor Insurance. |

Q.2 (A) Explain the meaning & scope of Wealth Management?

(8)

(B) Explain Nature & Scope of Savings and Investment?

(7)

OR

(C) What are the Qualities for Successful investment?

(8)

(D) Explain the Types of Investment Risk.?

(7)

Q.3 (A) Mr. Bhavik is planning to retire this year. The company will pay him a lump sum retirement payment of Rs. 8,00,000 or lifetime annuity of Rs. 60,000 whichever he chooses. Mr. Bhavik is in good health and is estimated to live for at least next 15 years. If the interest rate is 11%, which alternative he should select? (Annuity Factor at 11% for 15 years= 7.190) (8)

(B) Mr. Rajesh has invested Rs. 25,000 in Shree laxmi Balance Mutual Fund Scheme. He sold the mutual fund units and received Rs. 31,500 after 4 years. Calculate CAGR. (7)

Q. P. Code : 35062

OR

(C) The following is the Balance Sheet of Jivan Textile Company Ltd. for the year ended 31st March 2018.

(8)

Balance Sheet as on 31st March 2017

Liabilities	Amount (In Rs.)	Assets	Amount (In Rs.)
Equity Share Capital	4,00,000	Machinery	3,40,000
12% Preference Shares	3,00,000	Premises	6,80,000
Security Premium	2,60,000	Furniture	1,20,000
General Reserves	2,20,000	5% Government Bond	1,16,000
8% Debentures	2,00,000	Debtors	4,00,000
5% Term Loan	1,70,000	Stock	2,60,000
Bank Overdraft	1,20,000	Cash	80,000
Sundry Creditor	2,20,000	Prepaid Expenses	24,000
Provision for Taxation	1,40,000	Preliminary Expenses	10,000
Total	20,30,000		20,30,000

Calculate

- 1) Net Worth
- 2) Working Capital

(D) Mr. Dinesh is 50 years old and plans to retire at the age of 65 years. His current salary is Rs. 10,00,000 p.a and is expected to remain same every year till his retirement. His expenses include-

- a. Personal expenses= Rs. 3,50,000
- b. Tax Payable= Rs. 50,000
- c. Life Insurance Premium= Rs. 50,000

Calculate the Human Life Value assuming the discounting rate of 10% p.a. (PV of Re 1 @ 10% for 15 years= 7.606)

(7)

Q. P. Code : 35062

Q. 4 (A) Explain the Process of financial Planning? (8)

(B) What is Estate Planning? And what are the tools of Estate Planning? (7)

OR

(C) What are the Objectives Of Retirement Planning? (8)

(D) Explain in brief the Characteristics of Insurance. (7)

Q.5 (A) What are the different types of types of Life Insurance Policies? (8)

(B) What are the rights and responsibilities of insured? (7)

OR

Q.5 Write Short Notes (Any Three) (15)

- 1) Insurance Planning
- 2) Investment Alternatives.
- 3) Goal Based Financial Planning
- 4) Human Life Value.
- 5) Mediclaim
