

	<b>M.L. DAHANUKAR COLLEGE COMMERCE</b> <b>EXTERNAL EXAMINATION – OCTOBER 22</b> <b>S.Y.B.COM (BANKING AND INSURANCE)</b> <b>SEMESTER- III</b> <b>SUBJECT: FINANCIAL MANAGEMENT - I</b> <b>Time : 2 ½ hours</b>	<b>Marks:75</b>
<b>Q1A)</b>	<b>Choose the correct option : (any 8 out of 10)</b>	<b>8 marks</b>
1.	Funds obtained by issue of shares is known as _____. a) Debts b) Share Capital c) Loans d) Reserve Funds	
2.	Diversification reduces _____. a) return b) risk c) asset d) capital	
3.	Capital Budgeting is a part of _____. a) Investment Decision b) Working Capital Management c) Marketing Management d) Capital Structure	
4.	Financial risk relates to _____. a) the ability of the firm to pay dividends b) the ability of the firm to access capital markets for additional funds c) the ability of the firm to meet debt obligations as they come due d) the firm's financial risk premium	
5.	Credit risk is also known as _____ risk. a) Liquidity b) Default c) Business d) Industry	
6.	In _____ lease the lessor bears the risk of obsolescence of asset leased. a) Operating Lease b) Finance Lease c) Master Lease d) Leveraged Lease	
7.	_____ is the traditional method of capital budgeting. a) Internal Rate of Return b) Profitability Index c) Pay Back Period d) Benefit Cost Ratio	
8.	The project is accepted, _____. a) if the profitability index is equal to one b) if the profitability index is less than one c) if the profitability index is greater than one d) if funds are limited	
9.	FCFE is a measure of how much cash can be paid to _____ of a company after all expenses, debt and reinvestment. a) Equity shareholders b) Debenture holders c) Bond holders d) Government	
10.	Shareholders wealth increases with the increase in _____. a) Earning per share b) Market value of the firm c) Market price of the equity share d) Dividend & market value of the firm	
<b>Q1B)</b>	<b>State whether following statements are True or False (any 7 out of 10)</b>	<b>7 marks</b>
1.	Different sources have same cost of capital.	
2.	Capital budgeting decisions are long term decisions.	
3.	Pay back method always gives same results compared to NPV method.	
4.	Dividend decision requires an approval of the shareholders in Annual General Meeting.	
5.	The long-term finance sources are equity shares, preference shares, debentures and term loans etc.	
6.	Market value of shares of an under-capitalised company rises.	
7.	Continuous compounding occurs when interest is compounding daily.	
8.	Wealth maximisation is better criteria than profit maximisation.	
9.	WACC is always calculated with reference to book value of different sources of	

	funds.																																																							
10.	Dividend is cash distribution of earnings.																																																							
Q2 A	You are considering investment in one of the following Bonds:	8 Marks																																																						
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	Calculate yield to maturity of each bond. Recommend which bond should be purchased.																																																							
Q2 B	An investment of Rs. 30,000 made on 1-4-2021 provides inflows as follows:	7 Marks																																																						
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	Considering Discounting Factor @ 15%, which alternative would you prefer?																																																							
	<b>OR</b>																																																							
Q2 P	The Income Statement and Balance sheet of KFG Ltd. is given below:	15 Marks																																																						
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	The cost of equity and cost of debt is 14% and cost of debt 8% respectively. The company pays tax @ 30%. You are required to calculate the Economic Value added.																																																							

Q3A	<p>Angad Ltd. has invested in a machine at cost of Rs. 10,00,000. Estimated life 5 years, tax rate 50%, Depreciation on SLM.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Profit before depreciation and tax</th> </tr> <tr> <th></th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>4,00,000</td> </tr> <tr> <td>2</td> <td>6,00,000</td> </tr> <tr> <td>3</td> <td>4,00,000</td> </tr> <tr> <td>4</td> <td>5,00,000</td> </tr> <tr> <td>5</td> <td>4,50,000</td> </tr> </tbody> </table> <p>Calculate Payback Period and Average rate of return (as per both the methods).</p>	Year	Profit before depreciation and tax		Rs.	1	4,00,000	2	6,00,000	3	4,00,000	4	5,00,000	5	4,50,000	15 Marks							
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<b>OR</b>																							
Q3P	<p>A company is considering two mutually exclusive projects. Estimated life 5 years and cost of capital is 8%. The initial cost outlay of Project X is Rs. 40,00,000 and Project Y is Rs. 45,00,000. The future cash inflows from both projects are as under:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Project X</th> <th>Project Y</th> </tr> <tr> <th></th> <th>Rs.</th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>7,00,000</td> <td>23,00,000</td> </tr> <tr> <td>2</td> <td>16,00,000</td> <td>1,20,000</td> </tr> <tr> <td>3</td> <td>18,00,000</td> <td>8,00,000</td> </tr> <tr> <td>4</td> <td>15,00,000</td> <td>28,00,000</td> </tr> <tr> <td>5</td> <td>4,00,000</td> <td>2,60,000</td> </tr> </tbody> </table> <p>Calculate NPV and Profitability Index for both the projects.</p>	Year	Project X	Project Y		Rs.	Rs.	1	7,00,000	23,00,000	2	16,00,000	1,20,000	3	18,00,000	8,00,000	4	15,00,000	28,00,000	5	4,00,000	2,60,000	15 Marks
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Q4A	<p>From the following Capital Structure, Calculate overall cost of capital for XYZ Ltd. Using:</p> <ol style="list-style-type: none"> <li>Book value heights</li> <li>Market value heights</li> </ol> <table border="1"> <thead> <tr> <th>Source</th> <th>Book Value (Rs.)</th> <th>Market Value (Rs.)</th> <th>After tax Cost of Capital %</th> </tr> </thead> <tbody> <tr> <td>Equity Share Capital</td> <td>60,000</td> <td>90,000</td> <td>15</td> </tr> <tr> <td>Retained Earnings</td> <td>20,000</td> <td>-</td> <td>12</td> </tr> <tr> <td>Pref. Share Capital</td> <td>10,000</td> <td>30,000</td> <td>10</td> </tr> <tr> <td>Debentures</td> <td>30,000</td> <td>60,000</td> <td>8</td> </tr> </tbody> </table>	Source	Book Value (Rs.)	Market Value (Rs.)	After tax Cost of Capital %	Equity Share Capital	60,000	90,000	15	Retained Earnings	20,000	-	12	Pref. Share Capital	10,000	30,000	10	Debentures	30,000	60,000	8	15 Marks	
Source	Book Value (Rs.)	Market Value (Rs.)	After tax Cost of Capital %																				
Equity Share Capital	60,000	90,000	15																				
Retained Earnings	20,000	-	12																				
Pref. Share Capital	10,000	30,000	10																				
Debentures	30,000	60,000	8																				
<b>OR</b>																							
Q4P	<p>A company needs Rs. 50,00,000 for construction of new plant. It considers three alternatives:</p> <ol style="list-style-type: none"> <li>Issue of Equity capital for Rs.50 Lakhs</li> <li>Issue of 50% Equity Capital and 50% by Debentures @ 15%</li> <li>Issue of 50% Equity Capital and 50% by Preference Capital @ 12%</li> </ol> <p>The proposed EBIT is Rs. 20,00,000 and tax rate is 50%. Face value of equity share is Rs. 100.</p> <p>As a Finance Manager, which of the above proposal would you recommend ?</p>	15 Marks																					
Q5A	Explain briefly types of debentures.	8 Marks																					
Q5B	Distinction between Operating Leverage and Financial Leverage.	7 Marks																					
<b>OR</b>																							
Q5	Write Short Notes On ( any 3)	15 Marks																					
1	Warrants																						

2	Capital Investment Decision	
3	Cost of retained earnings	
4	Price Earning Ratio	
5	Venture Capital Financing	

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<b>M.L.DAHANUKAR COLLEGE COMMERCE</b> <b>EXTERNAL EXAMINATION – OCTOBER 22</b> <b>S.Y.B.COM (BANKING AND INSURANCE)</b> <b>SEMESTER- III</b> <b>SUBJECT: RISK MANAGEMENT</b>		Marks:75
Time : 2 ½ hours		
<b>Q1A)</b>	<b>Choose the correct option (any 8 out of 10)</b>	<b>8 marks</b>
1.	_____ risk is the risk that arises from stock price volatility. (a) Interest Rate Risk (b) Exchange Rate Risk (c) Equity Risk (d) Commodity Risk	
2.	COSO stands for _____. (a) Committee of Sponsoring Organisation. (b) Committee of Standing Order. (c) Contract of Standing Order. (d) Contract of Sponsoring Organisation.	
3.	_____ was the major contributing factor to the Boston Tea Party protest (a) Credit Crisis of 1772 (b) Great Depression of 1929-39 (c) OPEC Oil Price 1973 (d) Indian Economic Crisis 1991	
4.	_____ is the largest exchange in India in terms of turnover. (a) BSE (b) NSE (c) MCX (d) MSEI	
5.	_____ is primarily interested in price of underlying asset. (a) Hedger (b) Speculator (c) Arbitrageur (d) Government	
6.	_____ has the right to sell the underlying asset without having obligation to sell. (a) Call Option holder (b) Put Option holder (c) Call Option writer (d) Put Option seller	
7.	_____ gives voting right. (a) Equity Shares (b) Preference Shares (c) Debentures (d) Bonds	
8.	_____ gives grade to borrower or borrower's instrument. (a) Banks & NBFCs (b) RBI (c) GST Council (d) Credit Ratings Agency	
9.	_____ Capital is permanently available with Banks. (a) Tier I (b) Tier II (c) Tier I + Tier II (d) Tier I – Tier II	
10.	In _____ Option, option can be exercised at any time up to the maturity date. (a) American (b) European (c) Asian (d) African	
<b>Q1B)</b>	<b>State whether True or False (any 7 out of 10)</b>	<b>7 marks</b>
1.	Market Risk is most commonly known as Systematic Risk.	
2.	Risk where no action is taken due to cost / benefit is generally accepted.	
3.	SENSEX is determined on the basis of 50 selected listed companies.	
4.	Arbitrageur can never make a loss.	
5.	Municipal Bonds are issued by Government of India.	
6.	Future Contract involves counterparty risk.	
7.	Forward rate agreement determines the rate at which contract moves forwards.	
8.	Credit Rating Framework restricts the number of grades to 5 grades only.	
9.	An asset liability committee is also known as deficit management.	
10.	Standard deviation determines the volatility of stock.	

Q2 A	What are the need & importance of Credit Risk Management																
Q2 B	What is the role of Risk Management?	8 Marks															
	<b>OR</b>	7 Marks															
Q2 P	What are the benefits of Stock Indices?																
Q2 Q	What are the components of Enterprise Risk Management (ERM) Management?	8 Marks															
		7 Marks															
Q3 A	What are the characteristics & advantages of Forwards?																
Q3 B	What are the documents to be presented to Bank for Agricultural Loan?	8 Marks															
	<b>OR</b>	7 Marks															
Q3P	Decide amongst the following situations whether the call option shall be exercised or not. Also, state the payoff & profit from the same. Strike / Exercise Price - ₹500 Premium - ₹25 Determine if the expected market price is, ₹480    ₹490    ₹500    ₹510    ₹520    ₹530	8 Marks															
Q3 Q	Calculate the capital adequacy ratio for Reliance Bank Ltd. using the following information: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th>Exposure in Lakhs</th> <th>Risk Weight</th> </tr> </thead> <tbody> <tr> <td>Cash balances with RBI</td> <td>3,500</td> <td>10%</td> </tr> <tr> <td>Balances in Current Accounts with other banks</td> <td>2,000</td> <td>25%</td> </tr> <tr> <td>Other Investments</td> <td>1,000</td> <td>80%</td> </tr> <tr> <td>Non – Funded exposure to real estate</td> <td>3,000</td> <td>100%</td> </tr> </tbody> </table> The Tier I capital consists of ₹650 lakhs and Tier II of ₹350 lakhs		Exposure in Lakhs	Risk Weight	Cash balances with RBI	3,500	10%	Balances in Current Accounts with other banks	2,000	25%	Other Investments	1,000	80%	Non – Funded exposure to real estate	3,000	100%	7 Marks
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Q4 A	What are the types of Credit Risk?																
Q4 B	What is the end use of Risk – Rating made on the Credit Rating Framework?	8 Marks															
	<b>OR</b>	7 Marks															
Q4P	Calculate Mean, Standard Deviation, Covariance and Correlation Coefficient from the following data: <table border="1" style="width: 50%; border-collapse: collapse;"> <thead> <tr> <th>x</th> <th>y</th> </tr> </thead> <tbody> <tr> <td>12</td> <td>10</td> </tr> <tr> <td>15</td> <td>8</td> </tr> <tr> <td>18</td> <td>8</td> </tr> <tr> <td>10</td> <td>14</td> </tr> <tr> <td>9</td> <td>16</td> </tr> <tr> <td>14</td> <td>10</td> </tr> </tbody> </table>	x	y	12	10	15	8	18	8	10	14	9	16	14	10	8 Marks	
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Q4 Q	Currently, a share is trading at ₹100 and the risk-free rate is 8%. Suppose that U=1.4 and D=0.6. Strike / Exercise price of ₹105. Calculate the value of Option as per 1 stage Binomial Model	7 Marks															
Q5 A	Elaborate Indian Economic Crisis 1991.																
Q5 B	Explain the need and importance of Risk Measurement.	8 Marks															
	<b>OR</b>	7 Marks															
Q5	<b>Write Short Notes On ( any 3 )</b>																
1	Credit Crisis of 1772	15 Marks															
2	Mortgage-backed securities																
3	Treasury Bills																
4	Credit Life Cycle																
5	Cross Hedging																

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Q1A)	<b>Multiple Choice Questions (any 8 out of 10)</b>	8 marks
1	Pradhan Mantri Jan Dhan Yojana' (PMJDY) launched by Prime Minister of India on _____. a) 28th August,2014    b) 28th August, 2015    c)15th August, 2014 d) 15th August, 2015	
2.	_____ have been jointly set up by the Government of India, the State Government and the sponsor commercial bank. a) Regional Rural Banks    b) State Bank of India c) Reserve Bank of India    d) Co-operative Banks	
3.	The headquarter of RBI is in _____. a) Kolkata    b) Mumbai    c) Delhi    d) Madras	
4.	_____ document doesn't comes under Officially valid document for identity proof of KYC. a) NRGEA Card    b) Pan Card    c) Electricity Bill    d) Passport	
5.	Total credits in small accounts in one year should not exceed _____. a) 25 lakh    b) 10 lakh    c) 50 thousand    d) 1 lakh	
6.	SBI purchased _____ with order issued by Government of India in 2017. a) Dena Bank    b) Vijaya Bank    c) Bharatiya Mahila Bank    d) Indian Bank	
7.	_____ is an arrangement between a banker and his customer by which the latter is allowed to withdraw over and above his credit limit. a) Overdraft    b) Cash Credit    c) Loan    d) Discounting of Bill	
8.	The main purpose of _____ is to promote saving habit among general public, a) Saving Bank    b) Commercial Bank    c) Agricultural Bank    d) Central Bank	
9.	The traditional investment products for Wealth management are _____.	

	a) Commodities   b) Private Equity   c) Direct Equity   d) Structured Products																															
10.	SIDBI Foundation for Micro Credit was set up with initial corpus of Rs. ____ a) 1 Million   b) 1 Billion   c) 10 Million   d) 50 Lakh																															
Q1B)	<b>Match the following (any 7 out of 10)</b>	<b>7 marks</b>																														
	<table border="1"> <tr> <td>1. 24/7 Service</td> <td>A</td> <td>51% ownership with the government</td> </tr> <tr> <td>2. Public sector bank</td> <td>B</td> <td>Lending of funds</td> </tr> <tr> <td>3. Bank of Patiala</td> <td>C</td> <td>Bill of Exchange</td> </tr> <tr> <td>4. Primary Function of commercial bank</td> <td>D</td> <td>Unorganized Sector</td> </tr> <tr> <td>5. Money Lenders</td> <td>E</td> <td>Agency services</td> </tr> <tr> <td>6. Principles of banking</td> <td>F</td> <td>Subsidiaries of SBI</td> </tr> <tr> <td>7. Agricultural credit apex institution</td> <td>G</td> <td>ATMs</td> </tr> <tr> <td>8. Private sector bank</td> <td>H</td> <td>Shareholding lies with the general public</td> </tr> <tr> <td>9. Secondary function of commercial bank</td> <td>I</td> <td>NABARD</td> </tr> <tr> <td>10. Negotiable Instrument</td> <td>J</td> <td>Liquidity</td> </tr> </table>	1. 24/7 Service	A	51% ownership with the government	2. Public sector bank	B	Lending of funds	3. Bank of Patiala	C	Bill of Exchange	4. Primary Function of commercial bank	D	Unorganized Sector	5. Money Lenders	E	Agency services	6. Principles of banking	F	Subsidiaries of SBI	7. Agricultural credit apex institution	G	ATMs	8. Private sector bank	H	Shareholding lies with the general public	9. Secondary function of commercial bank	I	NABARD	10. Negotiable Instrument	J	Liquidity	
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6. Principles of banking	F	Subsidiaries of SBI																														
7. Agricultural credit apex institution	G	ATMs																														
8. Private sector bank	H	Shareholding lies with the general public																														
9. Secondary function of commercial bank	I	NABARD																														
10. Negotiable Instrument	J	Liquidity																														
Q2 A	Elaborate on primary functions of commercial bank.	8 Marks																														
Q2 B	What are the emerging trends in banking?	7 Marks																														
	<b>OR</b>																															
Q2 P	Explain Stand up India Scheme for Greenfield project.	8 Marks																														
Q2 Q	How do you apply for savings account through online?	7 Marks																														
Q3 A	What are the various measures taken by RBI for financial inclusion?	8 Marks																														
Q3 B	What are the products and services of Universal banking?	7 Marks																														
	<b>OR</b>																															
Q3P	Elaborate on Banking Crisis in India.	8 Marks																														
Q3 Q	What is Banking Ombudsman? Elaborate on appointment of Banking ombudsman.	7 Marks																														



Q4 A	Explain services offered by Merchant Banks.	8 Marks
Q4 B	What is AEPS? Explain the objectives of AEPS.	7 Marks
	<b>OR</b>	
Q4P	Elaborate on Characteristics of banking.	8 Marks
Q4 Q	What are the benefits of Self Help Groups?	7 Marks
Q5 A	Explain the role of NABARD in micro finance.	8 Marks
Q5 B	Explain the products and services offered by Corporate banks.	7 Marks
	<b>OR</b>	
Q5	<b>Write Short Notes On ( any 3 out of 5)</b>	15 Marks
1	Promissory Notes	
2	State Rural Livelihood Mission	
3	Bancassurance	
4	Mutual funds	
5	E-KYC	

**M.L.DAHANUKAR COLLEGE COMMERCE**  
**EXTERNAL EXAMINATION – OCTOBER 22**  
**S.Y.B.COM (BANKING & INSURANCE)**  
**SEMESTER- III**  
**SUBJECT : FINANCIAL MARKETS**

Marks:75

**Time : 2 ½ hours**

Q1A)	<b>Choose the correct option (any 8 out of 10)</b>	8 marks
1.	The abbreviation MCX stands for _____ (a) Marginal Costing Expert (b) Multi Commodity Exchange (c) Multi Controlling Exchange (d) Material Commodity Exchange	
2.	Reasons for investing in commodities is _____ (a) Diversification (b) Protection from Inflation (c) Hedge against the risk (d) All of these	
3.	Applying for fresh issues shares on BSE/NSE is considered as _____ (a) Secondary market investment (b) IPO (c) Debt investment (d) Venture funding	
4.	CRR stands for _____ (a) Cash Reserve Repo (b) Cash Reserve Ratio (c) Cash Repo Ratio (d) Credit Recovery Ratio	
5.	The regulator of Banking system is _____ (a) RBI (b) IRDA (c) SEBI (d) MCA	
6.	Equity Shareholders are considered as _____ of the company (a) Debtholders (b) Owners (c) Auditors (d) Chairman	
7.	The regulator of Equity markets is _____ (a) RBI (b) IRDA (c) SEBI (d) MCA	
8.	The _____ is the oldest stock exchange in India (a) BSE (b) NSE (c) MCX (d) IEX	
9.	Debenture is considered as _____ instrument (a) Debt (b) Equity (c) Cash (d) Current asset	
10.	Factoring is part of _____. (a) Banking (b) Insurance (c) Fund based service (d) Chit fund	

Q1B)	State whether True or False (any 7 out of 10)	7 marks
1.	There can be sustainable development and progress in the economy only if it has an efficient financial system.	
2.	The financial system does not look after pooling of funds from various channels.	
3.	Insurance is a device for risk management.	
4.	The Money market is governed by the RBI.	
5.	A secondary market is a market for issue of new securities for raising funds in the form of either equity or debt.	
6.	Forward contracts are traded on exchanges.	
7.	Both futures and options are permitted in the Indian Commodity derivatives market.	
8.	Commodities are broadly classified as soft and hard commodities.	
9.	Arbitrage does not demands the simultaneous sale and purchase of the same commodities in different markets.	
10.	The NSE is the first stock exchange founded in India.	
Q2 A	Explain the concept of financial system	8 Marks
Q2 B	What are the functions of financial system?	7 Marks
	<b>OR</b>	
Q2 P	Discuss evolution of Indian Financial System	8 Marks
Q2 Q	Discuss the salient features of Indian Financial System post 1990s	7 Marks
Q3 A	Explain the concept of Money Market and mention various types of money market instruments.	8 Marks
Q3 B	What are the features of Money Market?	7 Marks
	<b>OR</b>	
Q3 P	Explain the shortcomings of Money Market.	8 Marks
Q3 Q	What are the participants of Money Market?	7 Marks
Q4 A	Explain the concept of Commodity Market.	8 Marks
Q4 B	Explain the types of Commodities Traded on commodity exchange.	7 Marks
	<b>OR</b>	
Q4 P	Discuss the history of Commodity Market in the India.	8 Marks

Q4 Q	Explain the concept of Spot Commodity market.	7 Marks
Q5 A	Explain the concept of Derivatives market.	8 Marks
Q5 B	Explain the categories of Derivatives.	7 Marks
	<b>OR</b>	
Q5	<b>Write Short Notes On (any 3)</b>	15 Marks
1	NBFCs	
2	SEBI	
3	NSE	
4	Bonus Shares	
5	MCX	

	<b>M.L.DAHANUKAR COLLEGE COMMERCE</b> <b>EXTERNAL EXAMINATION – OCTOBER 22</b> <b>S.Y.B.COM (BANKING AND INSURANCE)</b> <b>SEMESTER- III</b> <b>SUBJECT :Direct Taxation</b>	Marks:75
	<b>Time : 2 ½ hours</b>	
<b>Q1A)</b>	<b>Multiple Choice Questions (any 8 out Of 10)</b>	<b>8 marks</b>
1.	<b>Interest paid on loan taken for the purchase of the house property is deducted from</b> A) Net annual value B) Gross annual value C) Rent received D) None of the above	
2.	<b>Salary received by a partner of a partnership firm is</b> A) Income from salary B) Income from other sources C) Exempt income D) None of the above	
3.	<b>Residential status of an assessee can be</b> A) Different from the previous in the same assessment year B) Different for different assessment year C) None of the above D) All of the above	
4.	<b>Basic condition will be for a person who lives India for employment</b> A) At least 182 days in India B) At least 60 days in the previous year and 365 days in the preceding 4 years C) At least 730 days in preceding 7 years D) All of the above	
5.	<b>For the computation of gross annual value if the actual rent is more than expected rent then we select the _____.</b> A) Actual rent B) Expected rent C) Any of the above D) None of the above	
6.	<b>_____ taxable as a salary income</b> A) Uncommuted pension B) Short term capital gain C) Interest on Bank FD D) Rent received	
7.	<b>_____ is not allowed as a business expenditure.</b> A) Wealth tax B) Bad debt C) Salary D) Wages	
8.	<b>Section 3 of the income tax act 1961 defines</b> A) Assessee	

	B) Previous year C) Assessment year D) Assessment																									
9.	House property is considered as long term capital asset if it is held for at least _____ A) 12 months B) 36 months C) 24 months D) 48 months																									
10.	Gift of rupees 42000 received from a friend is taxable to the extent of _____ A) Not taxable at all B) 50000 C) 42000 D) 51000																									
Q1B)	True or False (any 7 out of 10)	7 marks																								
1.	Once a person is a resident in the previous year he shall be deemed to be resident for the subsequent previous year.																									
2.	Total income of a person is determined on the basis of his citizenship in India																									
3.	Municipal taxes is deducted from net annual value																									
4.	Gratuity shall be fully exempted in the case of the employees of Central Government, State Government and local authority																									
5.	An employee is neither government employee nor covered under the payment of gratuity act 1972, the maximum notified amount of gratuity exempted shall be 20,00,000.																									
6.	Reserve for bad debt can be deducted from profit from business.																									
7.	Depreciation is allowed when it is charged.																									
8..	Capital gain arises from the transfer of capital assets																									
9.	There will be the long term capital gain if the plant & machinery is transferred and held for more than 12 months.																									
10.	Income under the head income from other source is taxable on due basis																									
Q2 A	Mr. Surendra furnishes you the following information for the year ended 31st march 2022  Profit & Loss Account	15 Marks																								
	<table border="1"> <thead> <tr> <th>Debit</th> <th>Amount</th> <th>Credit</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>To Salaries</td> <td>1,40,000</td> <td>By gross profit</td> <td>7,80,000</td> </tr> <tr> <td>To Conveyance</td> <td>30,000</td> <td>By Interest on Bank fixed deposit</td> <td>9,000</td> </tr> <tr> <td>To Staff welfare</td> <td>20,000</td> <td>By Winnings from lottery</td> <td>10,000</td> </tr> <tr> <td>To Printing expenses</td> <td>60,000</td> <td>By Subletting rent</td> <td>5,000</td> </tr> <tr> <td>To LIC premium</td> <td>70,000</td> <td>By Income from mutual fund</td> <td>26,000</td> </tr> </tbody> </table>	Debit	Amount	Credit	Amount	To Salaries	1,40,000	By gross profit	7,80,000	To Conveyance	30,000	By Interest on Bank fixed deposit	9,000	To Staff welfare	20,000	By Winnings from lottery	10,000	To Printing expenses	60,000	By Subletting rent	5,000	To LIC premium	70,000	By Income from mutual fund	26,000	
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To Depreciation	40,000		
To Income tax	25,000		
To Motor car expense	15,000		
To Advertisement	16,000		
To Accounting charges	10,000		
To net profit	4,04,000		
	8,30,000		8,30,000

**Additional information**

1. Salary include salary to proprietor RS 38000
  2. Depreciation as per the income tax rule is 60000
  3. One fifth of motor car expenses are considered personal
  4. He paid mediclaim insurance premium by check rupees 15000
- you are required to compute his taxable income for the assessment year 2022-23

OR

Q2 P

Shri Pratik is a severely handicapped person (86%) is a proprietor of MK & co. following is the profit and loss account for the year and 31st March 2022

15 Marks

Particulars	Amount	Particulars	Amount
To Salaries	2,85,200	By gross profit	10,38,200
To Conveyance	66,100	By Interest on NSC	12,500
To General expenses	45,950	By Gift from friend	51,000
To Interest paid	1,16,200	By Dividend received	1,28,300
To GST paid	46,250		
To Advertisement expenses	31,000		
To RDD	15,000		
To Contribution to PPF	60,000		
To Depreciation	45,000		
To net profit	5,19,400		
TOTAL	12,30,000	TOTAL	12,30,000

Additional information

	<p>a) Depreciation as per income tax is ₹ 51,000.</p> <p>b) Advertisement expenses of ₹ 31,000 are paid in cash.</p> <p>c) General expenses include ₹ 7,500 being medical expenses incurred for Shri Pratik.</p> <p>d) GST includes ₹15000 paid towards penalty for delay in filing of returns.</p> <p>Computer net taxable income of Shri Pratik for assessment year 2022-23.</p>																						
Q3 A	<p>Santosh gives you following information regarding house property owned by him, for the previous year 2021-22</p> <table border="1"> <thead> <tr> <th>Particular</th> <th>SOP (₹)</th> <th>LOP(₹)</th> </tr> </thead> <tbody> <tr> <td>Rent( per month)</td> <td>20,000</td> <td>16,000</td> </tr> <tr> <td>Municipal Valuation (per month)</td> <td>30,000</td> <td>20,000</td> </tr> <tr> <td>Municipal Taxes paid by owner</td> <td>24,000</td> <td>20,000</td> </tr> <tr> <td>Repairs</td> <td>24,000</td> <td>16,000</td> </tr> <tr> <td>Interest on Borrowed Capital</td> <td>80,000</td> <td>56,000</td> </tr> <tr> <td>Fair rent (per month)</td> <td>16,000</td> <td>12,000</td> </tr> </tbody> </table> <p>Compute Income from house property for the A.Y. 2022-23.</p>	Particular	SOP (₹)	LOP(₹)	Rent( per month)	20,000	16,000	Municipal Valuation (per month)	30,000	20,000	Municipal Taxes paid by owner	24,000	20,000	Repairs	24,000	16,000	Interest on Borrowed Capital	80,000	56,000	Fair rent (per month)	16,000	12,000	8 Marks
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Q3 B	<p>Mr. A came to India for the first time on November 1, 2020. During his stay in India upto October 30, 2021.He stayed at Mumbai. Determine his residential status and ordinary resident status for the assessment year 2022-23.</p>	7 Marks																					
	OR																						
Q3P	<p>Mr Ganesh Shinde furnishes the following information for the income and investment for the previous year 2021 22</p> <p>Information regarding the house property</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Let out property</th> <th>Self occupied property</th> </tr> </thead> <tbody> <tr> <td>Fair rent</td> <td>90,000</td> <td>60,000</td> </tr> <tr> <td>Municipal valuation</td> <td>80,000</td> <td>50,000</td> </tr> <tr> <td>rent received</td> <td>1,00,000</td> <td></td> </tr> <tr> <td>municipal tax paid</td> <td>5,000</td> <td>2000</td> </tr> <tr> <td>interest on construction of House property</td> <td>20,000</td> <td>25000</td> </tr> </tbody> </table> <p>Other information</p> <ul style="list-style-type: none"> <li>• He received interest from debenture in Tata Steel limited rupees 20000</li> <li>• He received dividend from UTI ₹ 5000</li> </ul>	Particulars	Let out property	Self occupied property	Fair rent	90,000	60,000	Municipal valuation	80,000	50,000	rent received	1,00,000		municipal tax paid	5,000	2000	interest on construction of House property	20,000	25000	15 Marks			
Particulars	Let out property	Self occupied property																					
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• He paid premium of ₹25000 in approval of pension plan of LIC  
Computer taxable income from of Mr Ganesh Shinde for assessment year  
2022-23

Q4 A

Mr Sumeet, an Indian citizen, furnishes the following information of her  
income earned during the previous year 2021-22.

15 Marks

Sr. no	Particulars	Amount
1.	Professional Fees received in India	18000
2.	Payment received in U.K. for services rendered in India	16000
3.	Income from business in Australia, controlled from India	14000
4.	Income from Agriculture in Bangladesh	12000
5.	Dividend from a foreign company received in the U.K.	10000
6.	Amount brought into India out of the past untaxed profit earned in the U.S.A.	18000

Determine scope of total income if

- Resident and Ordinary resident
- Resident but not Ordinary resident
- Non resident

OR

Q4P

Shri Vinod Gokhale purchased a residential house on 1st August 1998 for  
₹1,20,000, market value of the House on 1st April 2001 was ₹ 3,00,000. He  
incurred ₹ 1,00,000 towards cost of improvement during the previous year  
2003-04. He sold the house on 31st December 2021 for ₹ 30,00,000. He paid the  
brokerage of ₹ 50,000. on 13th January 2022, he purchased a house property  
for ₹ 15,00,000. The cost inflation index for the financial year 2001-02 is 100.  
for the financial year 2003-04 is 109 and for the financial year 2021-22 is 317.  
Compute the income from capital gain for the assessment year 2022-23.

15 Marks

Q5 A	<b>Discuss items specifically taxable under the head-income from other sources.</b>	8 Marks
Q5 B	<b>Define Capital assets under section 2(14).</b>	7 Marks
	<b>OR</b>	
Q5	<b>Write Short Notes On ( any 3)</b>	15 Marks
1	<b>Basic condition of residential status</b>	
2	<b>Gross annual value</b>	
3	<b>Short term capital gain</b>	
4	<b>Deduction under section 80U</b>	
5	<b>Pre construction interest</b>	

	<b>M.L. DAHANUKAR COLLEGE COMMERCE</b> <b>EXTERNAL EXAMINATION, - OCTOBER 22</b> <b>S.Y.B.COM (BANKING AND INSURANCE)</b> <b>SEMESTER- III</b> <b>SUBJECT :IT in Banking and Insurance</b>	<b>Marks:75</b>
	Time: 2 ½ hours	
<b>Q1A)</b>	<b>Choose the correct option (any 8 out of 10)</b>	<b>8 marks</b>
1.	URL Means _____ a) Uniform Resource Locater      b) Uniform Recovery Locator c) Uniform Regular Locator      d) Uniform Ready Locator	
2.	EDI Stands for _____ a) Electronic Data Information    b) Electronic Data Interchange c) Electronic Disk Interchange    d) Electronic Data Intelligent	
3.	_____ is trading in products or services conducted via computer network such as the internet. a) E-Business      b) EPS c) E-Commerce    d) Digital Sale	
4.	Which of the following method cannot be used to edit the content of cell _____. a) Press the Alt key    b) Clicking the formula bar c) Pressing F2          d) Double click the cell	
5.	_____ is short cut key to print document. a) Ctrl + A          b) Ctrl + N c) Ctrl + P          d) Ctrl + F	
6.	What does the Vlookup function do _____. a) Looks up text that contain 'v' b) Check whether text is the same in one cell as in the next c) Find related records d) All of the above	
7.	_____ function helps you calculate the payment you need to make for a loan when you know the total loan amount, interest rate and year. a) Loan    b) PMT      c) NPER    d) EMI	
8.	_____ function is used to count the number of cells that contain numbers. a) ROUND    b) LEFT    c) MAX    d) COUNT	
9.	_____ is a function which records or keystrokes on a computer. a) Virus    b) Keyloggers    c) Salami Attack    d) All of above	
10.	SSL stands for _____. a) Secure Socket Layer    b) Small Socket Layer c) Secure Swith Layer    d) Secure Socket Limit	

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	<b>M.L. DAHANUKAR COLLEGE COMMERCE</b> <b>EXTERNAL EXAMINATION – OCTOBER 22</b> <b>S.Y.B.COM (BANKING AND INSURANCE)</b> <b>SEMESTER- III</b> <b>SUBJECT :IT in Banking and Insurance</b>	Marks:75
	Time: 2 ½ hours	
<b>Q1A)</b>	<b>Choose the correct option (any 8 out of 10)</b>	<b>8 marks</b>
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<b>Q1B) Match the Following (any 7 out of 10)</b>				<b>7 marks</b>
1	Flipkart	A	Select All	
2	RTGS	B	E-Commerce	
3	SWIFT	C	Hardware fault	
4	HUB	D	UPI and Debit Card	
5	Ring	E	Stealing Confidential Information	
6	EPS	F	Basic Network Device	
7	Ctrl + f	G	Society for world Interbank Financial Telecommunication	
8	Ctrl + A	H	Gross Settlement transaction	
9	Phishing	I	Topology	
10	Internal	J	Find text	
<b>OR</b>				
Q2 A	What is E-Commerce and Business? Explain with suitable example?			8 Marks
Q2 B	Explain the different types of E-Commerce?			7 Marks
<b>OR</b>				
Q2 P	What is Intranet, Extranet and Internet?			8 Marks
Q2 Q	Explain WWW, HTTP, HTML, URL?			7 Marks
<b>OR</b>				
Q3 A	What is E-banking? What are the benefits of E-banking?			8 Marks
Q3 B	What is Media Convergence? What are types of Media Convergence?			7 Marks
<b>OR</b>				
Q3P	What is E-banking? Bring out the features of E-banking?			8 Marks
Q3 Q	What is EPS? Explain NEFT, RTGS, IMPS?			7 Marks
<b>OR</b>				
Q4 A	What is Hyperlink? Explain the steps to add Hyperlink to document?			8 Marks
Q4 B	What is Page Layout? Explain option of Page Layout Tab?			7 Marks
<b>OR</b>				
Q4P	Explain the terms in MS-Word 1) Page Layout 2) Page orientation 3) Title Page 4) Bookmark 5) Lists			15 Marks
<b>OR</b>				
Q5 A	Explain different types of Cyber Crimes?			8 Marks
Q5 B	What are charts? Explain types of charts with suitable example?			7 Marks
<b>OR</b>				
Q5	Write Short Notes On ( Any 3)			15 Marks
1	E-Banking Facilities			
2	Compare Router and Bridges.			
3	LAN			
4	Key Logger			
5	URL			

<b>M.L.DAHANUKAR COLLEGE COMMERCE</b> <b>EXTERNAL EXAMINATION – OCTOBER 22</b> <b>S.Y.B.COM (BANKING AND INSURANCE)</b> <b>SEMESTER- III</b> <b>SUBJECT : Management Accounting</b>		<b>Marks:75</b>
<b>Q1A)</b>	<b>Choose the correct alternative (any 8 out of 10)</b>	<b>8</b>
1.	Standard current ratio is _____ a) 2:1 b) 1:2 c) 1:1 d) 100%	
2.	_____ accounting is the process of gathering information and processing it so as to provide quality decisions to the managers to arrive at an economically viable decision. a) Management b) Financial c) Corporate d) Cost Accounting	
3.	Return on capital employed is a _____ ratio. a) Revenue b) Balance Sheet c) Composite d) Turnover	
4.	Depreciation on delivery van is _____ expenditure. a) Non-Operating b) Administration c) Selling and Distribution d) Finance	
5.	Inter corporate deposits will be shown under the schedule of _____. a) Reserves and Surplus b) Share Capital c) Long Term Borrowings d) Tangible Assets	
6.	Working capital refers to _____. a) Capital invested in business b) Capital required to purchase fixed assets c) Capital required for day to day operations of the business d) Investment in shares	
7.	A firm following conservative dividend policy would require _____ amount of working capital. a) More b) Less c) Moderate d) zero	
8.	Stock of finished goods valued at _____ while estimating working capital . a) Selling Price b) Total Cost c) Cost of Raw Material d) Cost of Finished Goods	
9.	When one share is divided it is called as _____. a) Stock split	

	b) Bonus Issue c) Rights Issue d) Dividend payment in kind													
10.	Under _____ Model of dividend policy corporate taxes are absent. a) Walter b) Gordon c) MM d) Chandler													
<b>Q1B)</b>	<b>State whether True or False (any 7 out of 10)</b>	<b>7</b>												
1.	Management accounting is future oriented													
2.	Management accounting helps in decision making.													
3.	Shareholders' funds are also called as net worth .													
4.	Decrease in current assets with corresponding decrease in current liability will not affect working capital.													
5.	Walters Model is based on relevance approach.													
6.	Dividend paid in between the year is called as interim dividend.													
7.	At the time of issue of bonus shares partly paid shares must not be present													
8..	Management accounting is subject to legal requirements,													
9.	Amount of shares forfeited must be deducted in the schedule of share capital.													
10.	Working capital cycle and operating cycle are two different concepts.													
<b>Q2 A</b>	<p>The Board of Directors of New Engineering Ltd. requiring you to prepare working capital statement for a level of activity of 1,56,000 units in the year from the following information. The cost structure per unit is as follows</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td>Raw Material</td> <td>5</td> </tr> <tr> <td>Wages</td> <td>3</td> </tr> <tr> <td>Overheads</td> <td>2</td> </tr> <tr> <td><b>TOTAL COST</b></td> <td><b>10</b></td> </tr> <tr> <td><b>ADD: PROFIT</b></td> <td><b>2</b></td> </tr> <tr> <td><b>SELLING PRICE</b></td> <td><b>12</b></td> </tr> </table> <p>1) Raw material remains in stock for 4 weeks.  2) Material remain in process for 2 weeks.  3) Credit available from suppliers is 4 weeks requirement of materials.  4) The lag in receipts of debtors is 8 weeks.  5) Overheads and wages are paid after 2 weeks.  6) Cash in hand should always be Rs.60,000/-.  7) Out of the total sales 20% of sales are on cash basis.  8) Out of total purchases 30% of the purchases are paid in advance for a period of 3 weeks.  9) Finished goods stock remain warehouse for 3 weeks.  10) Margin of safety to be maintained is 10%</p>	Raw Material	5	Wages	3	Overheads	2	<b>TOTAL COST</b>	<b>10</b>	<b>ADD: PROFIT</b>	<b>2</b>	<b>SELLING PRICE</b>	<b>12</b>	<b>15</b>
Raw Material	5													
Wages	3													
Overheads	2													
<b>TOTAL COST</b>	<b>10</b>													
<b>ADD: PROFIT</b>	<b>2</b>													
<b>SELLING PRICE</b>	<b>12</b>													
	<b>OR</b>													
<b>Q2 P</b>	You are required to prepare a statement showing the working capital required to finance level of activity of 2000 units per month for ARDENT Limited	<b>15</b>												



1. Raw material is in stock for 3 months
2. Materials are in process for 2 months
3. Finished goods are in stock for one month.
4. Credit allowed by suppliers is one month.
5. 10% of purchases were on cash basis.
6. Lag in payment of wages and overhead is one month.
7. Cash balance to be expected is 10% of final net working capital.
8. Credit allowed to the customers is one month.
9. Raw Material Cost is Rs 40 per unit, Direct Wages Rs 25 per unit and direct Expenses are 37.5% of the raw material cost. Profit is Rs 20. per unit

Q3 A From details below calculate 1) Current Ratio 2) Quick Ratio 3) Stock to working capital ratio 4) Proprietary ratio 5) Debt Equity ratio

15

Equity Share Capital	50,000	Furniture	7,500
6% Preference Share Capital	50,000	Machinery	38,750
7% Debentures	10,000	Land and building	55,000
Bank Overdraft	10,000	Goodwill	10,000
Creditors	15,000	Cash in Hand	500
Outstanding Dividend	2,500	Cash at Bank	2,500
Outstanding Expenses	1,750	Bills Receivable	7,500
Provision for tax	5,000	Debtors	17,500
Reserves and Surplus	5,000	Closing Stock	10,000
	<b>1,49,250</b>		<b>1,49,250</b>

OR

Q3P From the following information Calculate 1) Gross Profit ratio 2) Net Profit Ratio 3) Operating Ratio 4) Office Expenses ratio 5) Stock Turnover

15

To Opening stock	10,000	By sales	90,000
To purchases	4,000	By Closing Stock	7,000
To wages	1,000	By dividend on investment	3,000
To office rent	2,750		
To Loss on sale of investment	3,750		
To interest on debentures	1,500		
To exhibition expenses	750		
To electricity Expenses	1,250		
To Depreciation of office Premises	5,000		

	To Net Profit	70,000			
		1,00,000			1,00,000
Q4 A	You are required to calculate the revised number of shares and share capital for the following companies using the information below				8
	Company	Existing share Capital (FV of share Rs 100)	% of Preference to Total Share Capital	Bonus Ratio (Held: Issued)	
	Nestle	50,00,000	zero	1:4	
	HUL	25,00,000	10%	1:2	
	Dabur	30,00,000	20%	1:1	
	Marico	5,00,000	30%	1:3	
Q4 B)	From the following information regarding stock split calculate the revised number of Shares and share capital.				7
	Company	Share Capital	Face Value	Stock split	
	Big Basket	2,00,00,000	100	80	
	Mesho	1,00,00,000	100	10	
	Zepto	50,00,000	10	5	
	Flipkart	25,00,000	10	5	
	Amazon	3,00,00,000	100	75	
	Dunzo	25,00,000	10	8	
	Kissan Connect	1,00,00,000	100	50	
	<b>OR</b>				
Q4 P)	1. Calculate the Market Price of Maruti Limited of Shares using Walter's Model Dividend per share is Rs 6 EPS = Rs 10 Return of investment 15% Cost of Equity 12%				8
	2. Calculate the market value of share of Mahindra and Mahindra as per Gordons Model Earning Per Share = Rs 24 Retention ratio = 75% Growth rate = 16.5% Cost of capital = 18%				
Q4 Q)	Explain the different forms of dividend.				7
Q5A)	What are the factors affecting the working capital requirements ?				8
Q5 B)	State the users and uses of financial statements .				7
	<b>OR</b>				
Q5	<b>Write Short Notes On (Any 3)</b>				15
1	Management Accounting framework				
2	Types of working capital				
3	SEBI guidelines with respect of issue of bonus shares				
4	Du Pont Chart				
5	Advantages of adequate working capital				