



[4385] – 103

Seat No.	
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**P.G.D.F.S. (Semester – I) Examination, 2013**  
**104 : FINANCIAL MANAGEMENT AND QUANTITATIVE METHODS IN**  
**FINANCE**  
**(2008 Pattern)**

Time : 3 Hours

Max. Marks : 70

- Instructions :**
- 1) Q. No. 1 is **compulsory**.
  - 2) Attempt **any two** questions from Section – I and Section – II **each**.
  - 3) Figures to the **right** indicate **full** marks.
  - 4) Use of simple calculator is **allowed**.

1. 'Maximisation of wealth is universally accepted objective of Financial Management'. Discuss. **10**

SECTION – I

2. Emphasize the importance of ratio analysis and also discuss the limitations. **15**
3. Write short notes (**any three**) : **15**
- i) Common size financial statements.
  - ii) Cash flow statement.
  - iii) Time value of money.
  - iv) Financial leverage.
  - v) Bonus shares.

4. A Proforma cost-sheet of a company provides the following particulars :

<b>Element of Cost</b>	<b>Cost per unit Rs.</b>
Raw Material	80
Direct Labour	30
Overheads	60
<b>Total Cost</b>	<b>170</b>
Profit	30
<b>Selling Price</b>	<b>200</b>

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6. A) Explain the terms Par Value, Coupon Rate and Yield-to-Maturity in respect of bonds. **6**
- B) Following are the details in respect of bonds issued by ABC Co. Ltd.
- Coupon rate of interest – 10%
- Par Value – Rs. 10,000
- Years to Maturity – 10 years
- Rate of discounting (required rate of return) – 9%
- Calculate the present value of the bond.
- Use  $[PVAF_{9\%, 10 \text{ years}}] = 6.418$  and  $[PVF_{9\%, 10\text{th year}}] = 0.422$ . **9**
7. A) What are the diversifiable and non-diversifiable risks in respect of a security ? **7**
- B) Explain Capital Asset Pricing Model (CAPM). **8**





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**P.G.D.F.S. (Semester – I) Examination, 2013**  
**106 : FINANCIAL SERVICES – I**  
**(2008 Pattern)**

Time : 3 Hours

Max. Marks : 70

**Instructions:** 1) Answer **any five** questions.  
2) **All** questions carry **equal** marks.

1. "A lease is an agreement whereby the lessor conveys to the lessee, in return for rent the right to use of an asset for an agreed period of time". Elaborate.
2. Write an essay on merchant banking in India.
3. Assess the performance of Mutual Funds in capital formation and business growth in India.
4. "The credit rating represents the credit rating agency's evaluation of qualitative and quantitative information for a company". Evaluate the role of credit rating agencies.
5. What is securitization ? How does it generate the liquidity and profitability to the originators ?
6. Differentiate between Hire Purchase and Installment System.
7. Write short notes on (**any two**) :
  - a) Consumer Finance
  - b) Commercial Paper
  - c) Central Depository Services (India) Limited (CDSIL)
  - d) Credit Cards
  - e) Financial Journalism.



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**P.G.D.F.S. (Semester – I) Examination, 2013**  
**107 : FINANCIAL INSTITUTIONS**  
**(2008 Pattern)**

Time : 3 Hours

Max. Marks : 70

**Note :** i) Attempt **any five** questions.  
ii) **All** questions carry **equal** marks.

1. Elaborate in detail the various functions of development Banks in Indian economy.
2. Elucidate the objectives, operations and financing schemes of EXIM Bank 'or' IDBI.
3. What are the various aspects of 'Project Appraisal' considered by Financial Institutions while taking financial decisions ?
4. "Marketing Strategy and Organization of Marketing Function play a crucial role in effectiveness of Development Banking". Explain.
5. Discuss the role of Commercial Banks and Co-operative Banks in the development of Indian economy.
6. What are the recommendations of Narsimhan Committee in improvement of Financial Institutions ?
7. Write short notes on **any two** of the following :
  - a) Role of RBI
  - b) Guidelines for opening of Foreign Banks in India
  - c) ICICI
  - d) Social Cost Benefit analysis in development banking.



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**P.G.D.F.S. (Semester – II) Examination, 2013**  
**205 : FINANCIAL MARKETS**  
**(2008 Pattern)**

Time : 3 Hours

Max. Marks : 70

**Note :** 1) Solve **any five** questions.  
2) **All** questions carry **equal** marks.

1. How Indian Financial System has evolved over a period of time ?
  2. Discuss various instruments of money market.
  3. Explain the role of investment trusts in respect of industrial finance. State the advantages to small investors.
  4. 'Mobilizing and utilization of fund is a vital function of any development bank'. Discuss in the light of overall development of agricultural and industrial sector.
  5. Explain lending policies of commercial banks in regards to the financing of long term as well as short term funds to industries.
  6. It is said that company should go of underwriting of issues in a depressed economy. Do you agree ? Justify.
  7. Explain the various determinants of deciding interest rate level particularly by financial intermediaries.
  8. Write a note on :
    - i) SEBI
    - ii) Derivatives Trading.
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**P.G.D.F.S. (Semester – I) Examination, 2013**  
**101 : FINANCIAL AND COST ACCOUNTING**  
**(2008 Pattern)**

Time : 3 Hours

Max. Marks : 70

**Instructions :** 1) Attempt **any five** questions.  
2) **All** questions carry **equal** marks.

1. Outline the steps involved in installing a costing system in a manufacturing unit. What are the essentials of an effective costing system ?
2. "Accounting transactions are recorded in a set of books". Explain stating the principal books of accounts and Subsidiary Books.
3. Sale Price - Rs. 50      Variable Cost - Rs. 30  
Fixed cost - Rs. 1,20,000  
Find i) B.E.P. value and volume  
ii) Required sales at a profit of Rs. 30,000  
iii) Margin of Safety  
iv) PV Ratio
4. Define standard cost and standard costing. Write the advantages and disadvantages of standard costing.
5. "Trial Balance is not the conclusive proof of accuracy". Comment.
6. Write short notes on (**any two**) :
  - I) Types of Budgets
  - II) International Accounting Standards
  - III) Margin of Safety
  - IV) Controllable costs and uncontrollable costs
  - V) Cost accounting in Service Sector

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7. From the following particulars :

A) Prepare a cost sheet showing

- I) The cost of material consumed
- II) Prime cost
- III) Production cost
- IV) Total cost and
- V) Profit

B) Calculate

- I) Percentage of production overhead to direct wages
- II) Percentage of general overhead to production cost
- III) Percentage of profit on sales :

	<b>Rs.</b>
Stock of raw materials, 1 <sup>st</sup> January 2011	30,850
Work in progress, 1 <sup>st</sup> January 2011	60,850
Purchases of raw materials	1,43,250
Direct wages	1,78,500
Production overhead expenses	1,42,800
General overhead expenses	1,12,700
Stock of raw materials, 31 <sup>st</sup> December 2011	37,700
Work-in-progress, 31 <sup>st</sup> December 2011	67,750
Sales for the year	8,60,625



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**P.G.D.F.S. (Semester – I) Examination, 2013**  
**103 : TAXATION : DIRECT AND INDIRECT TAXES**  
**(2008 Pattern)**

Time : 3 Hours

Max. Marks : 70

**Instructions :** 1) *All questions carry equal marks.*  
2) *Attempt any five questions.*

1. Discuss in detail the provisions relating to residential status of individuals and companies as per the Income Tax Act, 1961.
2. Elaborate the following concepts with relevant examples under Central Excise Act, 1944 :
  - a) CENVAT credit for input services.
  - b) Transaction Value.
3. Differentiate between the following and quote examples :
  - a) Assessment Year V/s Previous Year
  - b) Capital receipts and expenditure V/s Revenue receipts and expenditure.
4. Elaborate the registration procedure for a courier operator under Service Tax.
5. The following information is given by Ms. Anahita for the year ending 31-3-2012. She has requested you to calculate her taxable income and tax liability.
  - i) Basic Salary p.m. Rs. 38,000/-
  - ii) Dearness Allowance p.m. (part of salary) Rs. 18,000/-
  - iii) Project Allowance p.m. Rs. 20,000/-
  - iv) House Rent Allowance p.m. Rs. 10,000/-
  - v) Royalty as a Author Rs. 7,30,000/-
  - vi) Dividend from TISCO Ltd. Rs. 1,25,000/-

She contributed Rs. 40,000/- towards PPF. She has donated Rs. 5,000/- to National Relief Fund. She stays in a rented house in Pune by paying Rs. 8,000/- p.m.

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6. Following is the data provided by Ms. Xenia for the previous year 2012-13. You are required to calculate her Income from House Property.

Particulars	Amounts in INR		
	House I	House II	House III
<b>Status</b>	<b>Let out</b>	<b>Self Occupied</b>	<b>Self Occupied</b>
Municipal Valuation	6,00,000	22,50,000	35,00,000
Fair Rent	6,25,000	23,22,500	39,36,550
Standard Rent	7,50,000	21,00,000	N.A.
Rent p.m.	65,000	N.A.	N.A.
Municipal taxes @ 5%	Paid by tenant	50% paid by owner	Outstanding
Ground Rent p.a.	68,000	95,000	1,90,000
Insurance	25,000	15,845	16,355
Interest on borrowed capital for current year	1,32,600	1,75,000	5,02,000



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**Post Graduate Diploma in Financial Services (Semester – II)**  
**Examination, 2013**  
**202 : FINANCIAL SERVICES – II**  
**(2008 Pattern)**

Time : 3 Hours

Max. Marks : 70

**Instructions :** 1) Attempt **any five** questions.  
2) **All** questions carry **equal** marks.

1. Explain the principles of portfolio construction. What is the random walk theory ?
2. Explain the terms 'Investment', 'Gambling' and 'Speculation'. Suggest guidelines for an investor to have effective investment portfolio.
3. Explain the concept of marketing mix with respect to the financial-services sector.
4. What are the various forms of portfolio investment and the risks associated with them ? Discuss any two methods of evaluating risk and return.
5. Discuss the efficient frontier approach for optimal portfolio selection.
6. a) Discuss the relevance of an internationally diversified portfolio in the current scenario.  
b) State and explain the general guidelines for equity investment.
7. Short notes (**any 2**) :
  - 1) Capital Asset Pricing Model
  - 2) Features of Investment Programme
  - 3) Fundamentals of Equity Research
  - 4) Investment Management Framework.



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**P.G.D.F.S. (Semester – II) Examination, 2013**  
**203 : INTERNATIONAL FINANCE**  
**(2008 Pattern)**

Time : 3 Hours

Max. Marks : 70

**Instructions :** 1) Attempt **any five** questions.  
2) **All** questions carry **equal** marks.  
3) Figures to the **right** indicates **full** marks.

1. A) What is meaning and importance of high or low sovereign debt rating ? 7  
B) Differentiate between ADR and GDR. 7
2. Explain in detail short and long exchange trading positions. 14
3. Discuss what role IMF had played in Asian Financial Crisis 1997. 14
4. Differentiate between Purchasing Power Parity Theory and Interest Rate Parity Theory. 14
5. Discuss in detail limitations of Fluctuating Interest Rates. 14
6. What is IFC ? State various activities of IFC. 14
7. Explain in detail "Rise of Private World Economy". 14
8. Write short note on **(any two)** : **(2×7=14)**
  - a) Arbitration
  - b) Gold Standard
  - c) Future offshore banking
  - d) Currency SWAP



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**P.G.D.F.S. (Semester – II) Examination, 2013  
204 : COMPANY LAW, FEMA AND SEBI  
(2008 Pattern)**

Time : 3 Hours

Max. Marks : 70

- Note :** 1) *All questions carry equal marks.*  
2) *Figures to the right indicate full marks.*  
3) *Attempt any 5 questions from the following.*

1. 'Articles of Association defines the internal rules and regulations of the Company'. Explain the statement. Also explain the contents of Articles of Association. **14**
2. Explain the provisions of the Companies Act, 1956, regarding Accounts and Audit. **14**
3. Explain the following terms under FEMA : **14**
  - a) Capital Account Transactions
  - b) Foreign Currency
  - c) Authorised Person
4. Write notes (**any 2**) : **14**
  - a) Buy back of shares
  - b) Transfer of shares
  - c) Annual General Meeting
5. What are the objectives and powers of SEBI ? **14**
6. Differentiate between : **14**
  - a) Statutory Meeting Vs. Board Meeting (any 2)
  - b) Ordinary Resolution Vs. Special Resolution
  - c) Private Limited Company Vs. Public Limited Company.