SOMAIYA
VIDYAVIHAR UNIVERSITY

Dr. Shantilal K. Somaiya School of Commerce and Business Studies

QUESTION PAPERS

BRANCH: Bachelor of Commerce	SEM: V
(Banking & Finance)	
	OCT/NOV-2023 2

Sr. No.	Subject	Available
1.	131U05V501 – Management Accounting	
2.	131U05C501 – International Banking & Finance	
3.	131U05C502 – Credit Management	
4.	131U05V503 – Treasury Management	
5.	131U05K501 - Research Methodology	
6.	131U05V503 - Treasury Management	
7.		
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9.		
10.		
11.		
12.		
13.		
14.		
15.		

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Semester (June 2022 to October 2022)				
Examination: End Semester Examination October 2022 (UG Programmes)				
Programme code: Programme: Banking & Finance		**Class: TYBBF**	**Semester: V**	
Name of the Constituent College: S K Somaiya College			Name of the Department: Accounting & Finance	
Course Code: 131U05V501		Name of the Course: Management Accounting		
Duration : 2 Hrs.		Maximum Marks : 60		
Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary 3) Use of Simple Calculator is allowed				

Q No.		Max. Mark
Q.1	**A)** Following is the Balance Sheet of M/s Zeeon Limited as on 31.3.2021 & 31.3.22	**(15)**

Liabilities	2021	2022	Assets	2021	2022
Equity Capital	4,50,000	6,60,000	Building	4,50,000	5,00,000
Retained Earning	2,31,000	2,00,000	Land	80,000	80,000
Provision for Tax	84,000	---	Patents	55,000	65,000
Debentures	2,20,000	1,80,000	A/c Receivable	54,000	46,000
Account Payable	58,000	64,000	Inventories	3,00,000	3,12,000
Current Liabilities	21,000	33,000	Prepaid Expenses	6,000	4,000
			Cash and Bank	1,19,000	1,30,000
	10,64,000	11,37,000		10,64,000	11,37,000

Management decided to compare the Financial Statement of both the years.

OR

B) Following Data is available from the Books of M/s Gigantic Ltd as on 31.3.2021 **(15)**

Liabilities	2020	2021	2022
Equity Capital	10,00,000	10,00,000	10,00,000
Debentures	5,00,000	4,00,000	3,00,000
Reserves and Surplus	1,00,000	1,50,000	2,50,000
Current Liabilities	50,000	70,000	90,000
Total	**16,50,000**	**16,20,000**	**16,40,000**
Assets	**2020**	**2021**	**2022**
Fixed Assets (Cost Less Depreciation)	14,00,00	13,00,000	15,00,000
Investments	2,00,00	2,50,000	40,000
Current Assets	50,000	70,000	1,00,000
Total	**16,50,000**	**16,20,000**	**16,40,000**

Income Statement

Iabilities	2020	2021	2022
Sales	8,00,000	7,00,000	10,00,000
Less: Cost of Goods Sold	5,50,000	4,25,000	6,00,000
Gross Profit	2,50,000	2,75,000	4,00,000
Less: Operating Expenses	1,50,000	1,60,000	2,00,000
Operating Profit	**1,00,000**	**1,15,000**	**2,00,000**
Non-Operating Income	---	15,000	---
Profit Before Tax	1,00,000	1,00,000	2,00,000
Less: Tax Provision	50,000	65,000	1,00,000
Profit After Tax	**50,000**	**35,000**	**1,00,000**

Prepare Trend Analysis and comment

Q.2 **A)** Following is the Balance sheet of Vakratunda Ltd on 31.3.2021   (15)

Liabilities	Amount	Assets	Amount
Preference Share Capital	2,00,000	Fixed Assets	12,00,000
Equity Share Capital	5,00,000	Stock	5,40,000
Reserves	10,00,000	Sundry Debtors	8,00,000
Secured Loans	4,00,000	Advance Income Tax	1,20,000
Current Liabilities	5,40,000	Cash at Bank	7,90,000
Provision	8,10,000		
	34,50,000		34,50,000

Convert above balance sheet into vertical form and calculate following ratios:
Current Ratio, Liquid Ratio, Proprietary Ratio, Stock Turnover Ratio, Capital Gearing Ratio, Debtors turnover ratio after considering the following information Total Sales during the year was Rs. 77,76,000 (including cash sales Rs. 5,76,000) which yielded a gross profit of 25% on sales. The stock on 31/3/2021 was Rs. 4,32,000. The number of days in a year to be considered as 360 days.

OR

B) Calculate following: (5 marks each)
a) M/s ABC ltd has following Balances in their Current assets and Current   (15)
Liabilities

Particulars	Amount	Particulars	Amount
Inventory	3,50,000	Bills Payable	50,000
Sundry Creditors	1,75,000	Marketable Investment	1,10,000
Bills Receivable	90,000	Sundry Debtors	2,00,000
Bank Overdraft	1,50,000	Advance Income Tax	60,000

Calculate Current Ratio and Acid Test Ratio

b) M/s XYZ made Total sales of Rs. 25,00,000 of which 20% is on Cash basis, Gross profit ratio is 2,25,000, Opening Stock is 2,00,000 and Closing stock is 3,00,000.
Calculate Stock Turnover Ratio and Gross Profit Ratio

c) M/s PQR Ltd has total Sales worth Rs. 3,00,000 and Purchases are Rs 1,75,000 during the year 20-21

Balances on 31.3.21	Amount	Balances on 31.3.22	Amount
S. Creditors	40,000	S. Creditors	65,000
Bills Payable	30,000	Bills Payable	5,000
S. Debtors	85,000	S. Debtors	55,000
Bills Receivable	15,000	Bills Receivable	45,000

Calculate Debtors Turnover Ratio and Creditors Turnover Ratio

Q.3	**A)** Following details are extracted from the books of M/s Oxyrich Ltd.	(15)
	a) The per unit cost will be : Raw Material : 7/- Direct Labour: 4/- Overheads: 5/- b) The monthly production will be 1,000 units to be sold at Rs. 20 each c) The raw material and finished goods will remain in stock for 2 months and 3 months respectively d) The process time will be 2 months e) The customers will enjoy 1 ½ month credit f) The raw material will be purchased uniformly every day and payment for them will be made at the end of the month of purchase. g) Wages will be paid fortnightly in arrears h) Expenses will be paid in advance on the 1st day of every month i) 75% of the sales will be for credit. j) The cash balance will be equal to 20% of the total working Capital Company wants you to estimate its working capital requirement.	

<div align="center">OR</div>

B) Following are the Balance Sheets of M/s Concert ltd for the year ended on 31.3.21 and 31.3.22   **(15)**

Liabilities	31/03/09	31/03/10	Assets	31/03/09	31/03/10
Equity Share Capital	1,40,000	1,48,000	Cash	18,000	15,600
Debentures	24,000	12,000	Debtors	29,800	35,400
Creditors	20,720	23,680	Stock in Trade	98,400	85,400
Provision for D.Debts	1,400	1,600	Land	40,000	60,000
Profit & Loss Account	20,080	21,120	Goodwill	20,000	10,000
	2,06,200	**2,06,400**		**2,06,200**	**2,06,400**

a. Dividend were paid Rs. 7,000
b. Land was purchased for Rs. 20,000
c. Goodwill written off Rs. 12,000
d. Debenture load was repaid Rs. 12,000
e. Capital issued in cash Rs. 8,000

Prepare Cash flow Statement as per AS 3 of Companies Act, 2013

Q.4	**Attempt the following (5 marks each)**	(15)
A)	Fill in the Blanks	

1. Debtors Collection period is _____
   a. Efficiency Ratio   2. Profitability Ratio   3. Liquidity Ratio

2. Bills Receivable is classified as _____
   a. Current Asset b. Liquid Asset c. Current and Liquid Asset

3. _____ are the real owner of the company
   a. Equity Share Holder   b. Preference Share Holders   c. Debenture Holders

4. Gross Working Capital is Consist of _____
   a. Total of Fixed Assets   b. Total Assets   c. Total Current Assets

5. Decrease in Current Assets results in _____
   a. Decrease of Operating Cash   b. Increase of Operating Cash   c. Decrease in cash from financing Activity

B) **Match the following:**

	A" Group		B" Group
1)	Decrease in Bills Payable	a)	Outflow of Cash from Investing Activity
2)	Decrease in Bills Receivable		
3)	Issue of Debentures	b)	Outflow of Cash
4)	Finished Goods	c)	Inflow of Cash form Financing Activity
5)	Purchase of Machinery		
		d)	Inflow of Cash
		e)	Total Cost

C)

State Whether following Statements are True or False

a) Overdraft Facility is given to all account holders

b) Lag in payment of overheads increases working capital requirement

c) Cash flow Statement is mandatory as per AS – 3

d) While preparing common size income statement, Net Sales is the Base Figure

e) Increase / Decrease in financial amounts is ascertained by preparing comparative statement analysis

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Semester (June 2022 to October 2022)	
Examination: End Semester Examination October 2022 (UG Programmes)	

Programme code: 05 Programme: Banking & Finance	**Class:** TYBBF	**Semester:** V
Name of the Constituent College: S K Somaiya College	**Name of the Department: Accounting & Finance**	
Course Code: 131U05C501	**Name of the Course: International Banking & Finance**	
Duration: 2 Hrs.	**Maximum Marks: 60**	

Instructions: 1) Figures to the right indicate full marks. 2) For Q.4 rewrite the question with an answer. 3) Use of a simple calculator is allowed.

Question No.		Max. Marks
Q.1 a)	Discuss International Finance in detail? Explain its features.	07
b)	Explain the importance of Balance of Payment.	08
Or		
c)	Describe characteristics of foreign exchange market.	07
d)	Write a detailed note on the International Monetary Fund (IMF).	08
Q.2 a)	Discuss fixed exchange systems. Explain advantages of a fixed exchange rate system.	07
b)	Describe International Payments and settlement system.	08
Or		
c)	Two banks are quote the following USD/INR rates: Bank A 67.30 68.50 Bank B 68.60 68.80 Calculate geographical arbitrage.	07
d)	Calculate cross currency exchange rate. **1. Derive AUD/CAD from:** AUD/ USD 111.15 111.65 USD/CAD 1.0880 1.1530 **2. Derive EUR/CAD from:** EUR/GBP 110.50 110.65 CAD/GBP 1.5789 1.6002	08

Q.3			
a)		Distinguish between Arbitrage and Speculation.	07
b)		Explain Internal Techniques of managing foreign exchange risk.	08
Or			
c)		Write a note on the Role of LIBOR.	07
d)		Discuss Loan Syndication. Explain with example how loan Syndication works.	08
Q.4			
a)		Multiple choice questions:	07

1. Establishing a fixed exchange rate between one national currency and another is called the _____ Peg of currency.
   a. Soft b. Hard c. Floating d. None of these
2. In the spot market, exchange of currencies takes place on _____.
   a. T+1 b. T+2 c. T +0 d. T +4
3. _____ deals in currencies to benefit from movement in currency exchange markets.
   a. arbitrageurs b. hedgers c. speculators d. None of these
4. The _____ requires that an upfront margin to trade on an exchange.
   a. Currency Forwards b. Currency Options c. Currency ETF's d. Currency Futures
5. _____ was introduced at a time wen forex reserves of the country were low.
   a. FERA b. FEMA c. GATT d. None of these
6. _____ can authorize a person/company to deal in foreign exchange.
   a. SEBI b. RBI c. IRDA d. Parliament
7. An investor looking at reducing his risk is known as _____.
   a. Speculator b. Hedger c. Arbitrageur d. Trader

| b) | | True or False. | 08 |

1. Two-Point arbitrage is also called geographical arbitrage.
2. Currency risks could be hedged mainly through forwards, futures, swaps and options.
3. Premium on base currency is always deducted from the spot rate.
4. Bid rate is lesser than Ask rate.
5. Increased demand for a country's exports causes its currency to depreciate.
6. During the Bretton Wood System, GBP was given the status of universal reserve assets.
7. The Gold standard is a system in which international currencies are tied to a specific amount of gold.
8. Differences between value of exports and imports of goods are called BOT.

Semester (June 2022 to October 2022)
Examination: End Semester Examination October 2022 (UG Programmes)

Programme code: 05 Programme: Banking & Finance		Class: TYBBF	Semester: V
Name of the Constituent College: S K Somaiya College		Name of the Department: Accounting & Finance	
Course Code: 131U05C502	Name of the Course: Credit Management		
Duration: 2 Hrs.	Maximum Marks: 60		
Instructions: 1)All questions are compulsory 2)Figures to the right indicate marks			

Question No.		Max. Marks
Q.1	a) What is credit and state its characteristics.	7
	b) Write a note on Administration of credit.	8
	OR	
	c)Explain in detail the advantages and disadvantages of trade credit.	15
Q.2	a) Mention the factors to consider the worthiness of an applicant.	7
	b) What is Receivables in credit management and explain its risks.	8
	OR	
	c)Explain Credit procedure in detail.	15
Q.3	a)State the factors for effective credit management.	7
	b)Write a note on Lien and Pledge.	8
	OR	
	c)Highlight the importance of Credit and Collection policy.	15
Q.4	a)Fill in the blanks:	8
	1._____ interest has been accumulated since the last loan payment.	
	2._____ bills are issued by the government.	
	3.The final payment on debt, which is larger than the standard payment, is called _____.	
	4._____ is the discharge or forgiving of one's debt by a federal court.	
	5._____ is the claim by a creditor or other party against an asset.	
	6._____ is a written promise to pay a certain sum under terms acceptable to both the borrower or lender.	
	7.If the ____ liquidity position is weak, he will find it difficult to allow much credit.	
	8.Overdraft facility is only given to _____ account holders.	
	b)True or False:	7
	1.The norms of appraisal are spelt out in the loan policy.	
	2.The operating cycle must be financed to pay suppliers before being paid.	
	3.Sanctioning power of the authority should be clearly mentioned in the loan policy.	
	4.Credit rating is given in alphanumeric format.	
	5.The higher the cash discount being offered, the smaller the period of trade discount to be taken.	
	6.The documentation process starts with the written liana application.	
	7.The terms of expiry are based on maturity.	

Semester (June 2022 to October 2022)
Examination: End Semester Examination October 2022 (UG Programmes)

Programme code: 05 **Programme: Banking & Finance**	**Class: TYBBF**	**Semester: V**
Name of the Constituent College: **S K Somaiya College**		**Name of the Department: Accounting & Finance**
Course Code: 131U05V503		**Name of the Course: Treasury Management**
Duration : 2 Hrs.		**Maximum Marks : 60**

Instructions: 1) All questions are Compulsory.
              2) Figures to the right indicates full marks
              3) For Question 4 rewrite question with answers.

Question No.		Max. Marks
Q1.	(a) Explain the sources of Liquidity Management.	07
	(b) What is Integrated Treasury and describe its Functions in a bank.	08
	OR	
	(c) Explain steps for effective Global Treasury.	07
	(d) Write a note on CRR and SLR.	08
Q2.	(a) Define the following terms: Forward forex Market, Ask price, Bid Price, Spread, Lot Size, Netting, T-bond	07
	(b) What are the Six leading principals of Global Code.	08
	OR	
	(c) Explain the important methods of Currency Exchange Control.	07
	(d) Describe the ways in which technology enhances treasury function.	08
Q3.	(a) Explain the Responsibilities of Treasurer	07
	(b) Define Internal Audit and Explain its Types.	08
	OR	
	(c) Explain the Role of Treasury Department in a Bank.	07
	(d) Explain the Difference between Internal Audit and External Audit.	08

Q4.(a)	Multiple Choice Questions:	07

Q4.(a) Multiple Choice Questions: 07

1. Auditing is compulsory for_____.

  (a) Small scale Business (b) Partnership Firm (c) All Joint Stock Company

2. _____ is not the type of FOREX Account.

  (a) Micro Account   (b) Macro Account   (c) Standard Account

3. _____ is not the feature of Call Money.

  (a) Large notice period (b) Highly sensitive (c) Short notice period

4. _____ is not the content of the Audit Report.

  (a) Title   (b) Basis of Opinion   (c) Management Opinion

5. One pip is equal to _____.

  (a) 0.0001   (b) 0.0025   (c) 0.01

6. Idea of Checks & Balances was firstly proposed by_____.

  (a) Greeks (b) Italians   (c) Americans

7. Internal Auditor is appointed by _____:

  (a) Management   (b) C&AG   (c) Shareholders.

(b) State whether the statement is true or false.   08

1. Check & Balances are various procedures set in place to increase the risk.

2. Treasurer is responsible for maintaining CRR and SLR requirements.

3. Reduction in settlement risk is one of the benefits of netting.

4. Capital adequacy focus on quantity of assets.

5. Money market deals in assets having liquidity more than one year.

6. T-bonds are pay fixed rate of interest.

7. Revised SA 700 deals with forming an opinion and reporting on financial statements.

8. Verification of loan account is divided into 6 parts.

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October 2022
Examination: Semester Examination (UG Programmes)

Programme code: 05 **Programme: B.COM (Banking & Finance)**		**Class: TY**	**Semester: V**
Name of the Constituent College: S K Somaiya College		**Name of the Department**: Accounting and Finance	
Course Code: 131U05K501	**Name of the Course: Research Methodology**		
Duration: 2 Hr.	**Maximum Marks: 60**		

Instructions: 1) Draw neat diagrams
2) Assume suitable data if necessary

Question No.		Max. Marks
Q1	A. Enumerate the various kinds of research.	8
	B. Distinguish between probability & non-probability sampling methods. OR	7
	C. Define research. Elaborate in length the procedure involved in conducting scientific research.	15
Q2	A. Discuss the various sources of hypotheses generation in research.	8
	B. Elaborate the significance of research design. OR	7
	C. Explain the types of data and various sources of data collection.	15
Q3	A. Explain the importance of research report.	8
	B. Elucidate the essentials involved in a good research report. OR	7
	C. Differentiate between reliability and validity of measurements.	7
	D. Write a short note on Likert scale.	8

Q4	A. **Select the most appropriate answers from the options provided.**
	
	1. A good research report is one which is prepared as per _____
	  a. principles
	  b. rules and regulations
	  c. editing
	  d. standard framework
	
	2. When r = 0, it implies that there is _____ relationship between two variables.
	  a. Positive
	  b. Negative
	  c. Excellent
	  d. Absolutely no
	
	3. Hypothesis which is complementary to the alternative one is _____ hypothesis
	  a. Weak
	  b. Succinct
		8

c. Null

d. Working

4. The _____ is not a method of primary data collection.
a. Interview
b. Observation
c. Experimentation
d. Visualization

5. The first step in research process is _____
a. Literature survey
b. Identification of problem
c. Preparing report
d. Analysis

6. _____ is a subset of the whole.
a. Universe
b. Population
c. Sample
d. Data

7. _____ involves giving credit to the original researchers when you start building on their ideas.
a. Citation
b. Salutation
c. Condemnation
d. Interjection

8. The backbone of personal interview is _____
a. Setting
b. Interviewer
c. Questionnaire
d. Interviewee

B. Match the Columns

A	B
1. Literature review	1.Supplement to written report
2. Hypothesis	2.Measuring feelings and opinions
3. Primary Data	3.Finding gaps
4. Experiment	4. Non-probability approach
5. Oral report	5.Tentative assumption
6. Likert scale	6.Emperical research
7. Quota Sampling	7.Cause & Effect relationship

Semester (June 2022 to October 2022)
Examination: End Semester Examination October 2022 (UG Programmes)

Programme code: 05 Programme: Banking & Finance	Class: TYBBF	Semester: V
Name of the Constituent College: S K Somaiya College	Name of the Department: Accounting & Finance	
Course Code: 131U05V503	Name of the Course: Treasury Management	
Duration : 2 Hrs.	Maximum Marks : 60	

Instructions: 1) All questions are Compulsory.
2) Figures to the right indicates full marks
3) For Question 4 rewrite question with answers.

Question No.		Max. Marks
Q1.	(a) Explain the Objectives of Foreign Exchange Control.	07
	(b) State the Difference between Internal Audit and External Audit.	08
	OR	
	(c) Explain the Statutory Audit and mention the contents of an Audit Report.	07
	(d) What is Cost Center and mention its importance.	08
Q2.	(a) Describe the steps banks should take to make its treasury department more effective globally.	07 08
	(b) Explain treasury and Investment Policy.	
	OR	
	(c) Describe SLR and its Objectivity.	07
	(d) Define Internal Audit and describe the Internal Audit Process.	08
Q3.	(a) Explain: T-bill, Call Money, Commercial Paper, Certificate of Deposit.	07
	(b) Define money Market and how can u classify the sources of funds on different basis.	08
	OR	
	(c) Describe the types of Cost Center.	07
	(d) Explain the Organisational Structure of Treasury department.	08

Q4.(a)	Multiple Choice Questions:		07

Q4.(a) Multiple Choice Questions: 07

1. _____ is a type of FOREX market.

   (a) Hybrid market (b) Speculated market   (c) Forward market

2. _____ is the correct full form of RTGS.

   (a) Reel Time Gross Statement (b) Real Time Gross Statement (c) Real Time Group Statement

3. _____ is not the leading principle of Global Code.

   (a) Governance (b) Execution   (c) Promotion

4. _____ is the content of the Audit Report.

   (a)Date of Signature (b) Internal Auditor Opinion (c) Management Opinion

5. Idea of Checks & Balances was firstly proposed by_____.

   (a) Greeks (b) Italians   (c) Americans

6. Objective of Internal Audit is _____.

   (a) To prevent errors and fraud (b) To detect errors and fraud (c)All of the above

7. _____ is not the method of calculating value at Risk (VaR).

   (a) Variance-covariance method (b) Historical method (c) SWOT method

(b) State whether the statement is true or false.   08

1. One Pip is equal to 0.001

2. Revised SA 700 deals with forming an opinion and reporting on financial statements.

3. Idea of check & balance was first proposed by Greek statesman.

4. Mark to market is not an alternative to historical cost accounting.

5. Public debt is one the factors that influences the Exchange rates.

6. Verification of loan account is divided into 6 parts.

7. Treasurer is responsible for maintaining CRR and SLR requirements.

8. Reduction in settlement risk is one of the benefits of netting.