

PGDI & FA (Sem.-2) Examination

Paper-5

Investment Management

April 2019

Time : 2-30 Hours]

[Max. Marks : 70

Q.1 (A) Attempt any Two**(Marks 10)**

- (1) Discuss the structure and various components of Indian Financial System (IFS).
- (2) 'Repos are the tool in the hand of RBI for managing liquidity in the money market.' – Explain in detail.
- (3) 'As an investor there is a wide array of Investment options are available'- Describe various categories.

Q.1 (B) Attempt any One**(Marks 6)**

- (1) Explain the forward contract, future contract and options.
- (2) What is Market Efficiency? Distinguish the three levels of market efficiency.
- (3) Discuss the concept of Efficient Frontier in Portfolio theory.

Q.2 (A) Attempt any Two**(Marks 10)**

- (1) Write a detailed note on Foreign Exchange Market.
- (2) What is Share buyback? Explain the reasons and rationale of it.
- (3) What are the basic premises of technical analysis?

Q.2 (B) Attempt any One.**(Marks 6)**

- (1) Consider the following information for three mutual funds; P, Q and R, and the Market.

	Mean Return (%)	Standard Deviation (%)	Beta
P	15	20	0.90
Q	17	24	1.10
R	19	27	1.20
Market Index	16	20	1.00

The mean Risk-free rate was 10 %

Calculate the Treynor measure, Sharpe measure and Jensen measure for the three mutual funds and the market Index.

- (2) The following information is given:

	Stock P	Stock Q
Expected Return	12%	26%
Standard Deviation	15%	21%
Coefficient of correlation	0.30	

- i) What is covariance between stock P and Q?
- ii) What is expected return and risk of a portfolio in which P and Q are weighted 3:7?

Q.3 (A) Attempt any One**(Marks 10)**

- (1) "Merchant Bankers play a very important role in issue management activity." State the major obligations and responsibilities of merchant bankers.
- (2) Discuss the key steps involved in portfolio management.

Q.3 (B) Multiple Choice Questions**(Marks 6)**

- (1) Where the offer or invitation to subscribe for shares and debenture is made to less than 50 persons, then such an offer or invitation is known as offering.
 - (a) public (b) private placement (c) rights
- (2) The Beta of the portfolio is of the regression line.
 - (a) Slope (b) intercept
- (3) A call option gives the option holder the right to buy a stock at a fixed price on or before a certain date.
 - (a) True (b) False
- (4) Future contract is standardized forward contract.
 - (a) True (b) False

PGDI & FA (Sem.-2) Examination

Paper-6

Marketing of Financial Services

April 2019

[Max. Marks : 70]

Time : 2-30 Hours]

- Q-1(A). Attempt any TWO.** 10
1. Write the scope of Marketing Management.
 2. Explain company orientation towards the market place.
 3. Explain the factors influencing Consumer Behaviour.
- Q-1(B). Attempt any TWO.** 06
1. Explain nature of Marketing Management.
 2. Explain Porter's 5 forces model.
 3. Explain advantages of Branding.
- Q.2 (A) Attempt any one.** 10
1. Explain the Pre issue and post issue obligations of Merchant banker
 2. Explain different types of mutual fund schemes.
 3. Explain Functions of Banks.
- Q.2 (B) Attempt any two** 06
1. Explain different types of investment banks.
 2. Explain factoring concept briefly
 3. Explain reverse mortgage loan briefly.
- Q-3(A). Attempt any TWO.** 10
1. Explain Marketing Mix of Financial Services.
 2. Explain Product Life-Cycle with diagram.
 3. Explain New Product Development Process.
 4. Explain Market Segmentation of Financial Services.
- Q-3(B). Attempt any TWO.** 10
1. Explain Importance and Benefits of effective communication in Financial Service Industry.
 2. Explain Strategies for successful listening and speaking skills.
 3. Explain Behavioural Aspects of Distribution Channels in financial services.
- Q.4 (A) Attempt any two** 10
1. Describe the various components of communication in detail.
 2. Explain the importance of different non-verbal communication skills in selling of financial services.
 3. Describe bancassurance in detail.
- Q.4 (B) Each question is of one marks** 08
1. NBFCs role in India is?
 - a) To accept demand deposit
 - b) To open current/ saving account
 - c) To issue cheque/ demand draft
 - d) To deliver credit to borrower
 2. IPO Grading in India is done by SEBI.
 - a) True
 - b) False
 3. In Leasing who can claim for depreciation?
 - a) Hire Purchaser
 - b) Lessor
 - c) Hire Seller
 - d) Lessee
 4. Which of the following is important for verbal communication skill?
 - a) Questioning skills
 - b) Listening skills
 - c) Position
 - d) Personality
 5. The term _____ is derived from the Latin word meaning "to move forward".
 6. The components of communication includes the Sender in it. TRUE/FALSE.
 7. Non-Verbal symbols in communication does not include Smile in it. TRUE/FALSE.
 8. Language is one of the barrier in communication. TRUE/FALSE.

P. G. D. in I. & F. A. (Sem.-2) Examination

Taxation : Direct and Indirect Tax

Time : 2-30 Hours]

April 2019

[Max. Marks : 70

Q-1 A Determine taxable income from business of Mr Kartik Patel for the year ended on 31-03-2018

08

Particulars	Rs	Particulars	Rs
To Salary	10,00,000	By Gross Profit	20,00,000
To Insurance premium of plant	1,00,000	By Income tax refund	20,000
To Bad debt reserve	20,000	By Dividend	40,000
To Bad debt	10,000	By House rent	50,000
To Life insurance premium	70,000	By Lottery prize	1,00,000
To Theft by the employees	90,000	By Bad debt recovered	20,000
To Interest on capital	40,000	Commission received	10,000
To Interest on loan	60,000		
To Telephone expenses	20,000		
To Income tax paid	14,000		
To Sales tax paid	1,20,000		
To Penalty	20,000		
To Donation paid	20,000		
To Municipal Taxes paid	40,000		
To Depreciation	20,000		
To Motor car expenses	60,000		
To Net Profit	5,36,000		
	22,40,000		22,40,000

Additional Information:

- 1) Depreciation includes Rs 5,000 for the motor car depreciation, half of the motor car was used for the personal purpose.
- 2) Depreciation allowed by income tax other than motor car comes to Rs 18,000
- 3) Municipal Taxes paid during the year includes Rs 3,000 with respect to house property
- 4) Bad debt recovered includes Rs 3,000 which was not allowed as bad debt by the income tax department in the past years
- 5) Sales tax paid during the year includes Rs 90,000 only

Illegal income not shown in the P & L was Rs 50,000

OR

Q-1 A Explain the term Block of Assets and Provide depreciation as per the "Block of Asset Method" show the closing balance of each block from the given information

08

Following are the balances of various assets as on 01-04-2017

Asset	Amount	Depreciation Rate
Furniture	Rs 200,000	5%
Fixture	Rs 5,00,000	10%
Machinery	Rs 400,000	20%
Plant	Rs 2,00,000	15%

Following transactions are for the previous year 2017-18

Asset	Purchase/Sale	Dep. Rate	Transaction Date	Amount
fixture	Purchase	5%	20-08-2017	Rs 20,000
Furniture	Sale	10%	01-07-2017	Rs 30,000
Machinery	Purchase	15%	01-01-2018	Rs 50,000
Plant	Purchase	20%	01-02-2018	Rs 10,000

Q-1 B Write ANY TWO from the following questions (each carries equal marks)

6

- 1 There are instances where Income of Previous Year is to be charged in the same year, Explain the statement in the light of the definition of Previous Year
- 2 Income of minor is to be added in income of minor's parents? Explain the statement in the light of the definition of "assessee"
- 3 Mr. Rajmohan came to India on 14-10-2017 for a visit of 7 months. He is an Indian citizen. In the earlier years he was in India as follows: -

Years	No. of Days
2016-17	239
2015-16	339
2014-15	Nil
2013-14	117

Find out the Residential Status of Mr. Rajmohan for the A.Y. 2018-19.

- 4 Explain the difference between Direct Tax and Indirect Tax by giving practical examples in brief

- 5 Mr Ram has stayed in india for 59 days in currunt previous year and stayed for 400 days in 2 years preceding previous year, before that he has not visited india atall what will be his residential status (1)
- He is non resident
 - He is resident
 - Equity, preference & debenture in the capital structure
 - None of the above mentioned answer is correct
- 6 Income earned from "Illegal Business" is (1)
- Not to be added while computing total income
 - To be added while computing total income
 - Illegal income is to be added with the double figure while computing total income
 - None of the above mentioned answer is correct
- 7 "Assessment year" is normally of (1)
- 18 months
 - 16 months
 - 12 months
 - 24 months
- 8 Winning from lottery is Rs 5,00,000 and expenses of buying such lottery ticket is Rs 10,000 what from the following is correct? (1)
- Rs 5,00,000 income to be taxed under the head of Business and Profession
 - Rs 4,90,000 is taxed under the head of income from Other Sources
 - Rs 5,00,000 is taxed under the head of income from Other Sources
 - Rs 4,90,000 is to be taxed under the head of income from Business and Profession
- 9 The value of supply of goods and services shall be the
(A) Market Value (B) MRP (C) Transaction value. (D) None of above.
- 10 The order of utilisation of SGST ITC Credit will be :
(A) IGST output tax, CGST output tax and SGST output tax.
(B) CGST output tax, IGST output tax and SGST output tax.
(C) SGST output tax, IGST output tax and no utilisation over CGST output tax.

Q-5 Calculate time of supply in the following case where supply involves movement or making available goods. 08

Case No.	Date of removal of goods/make available	Date of invoice	Date of payment
1	23/12/2018	18/11/2018	26/12/2018
2	23/12/2018	02/01/2019	06/01/2019
3	23/12/2018	02/01/2019	26/12/2018
4	23/12/2018	02/01/2019	18/12/2018
5	23/12/2018	02/01/2019	Bank credit : 20/12/2018 Books : 22/12/2018
6 (Composition dealer)	23/12/2018	02/01/2019	Bank credit : 22/12/2018 Books : 18/12/2018

OR

Q-5 Calculate time of supply in the following case where supply involves continuous supply of goods. 08

Case No.	Date of removal of goods	Date of SOA	Date of invoice	Date of payment
1	08/10/2018 18/10/2018 28/10/2018	05/11/2018	07/11/2018	09/11/2018
2	20/12/2018 25/12/2018	03/01/2019	04/01/2019	28/12/2018

OR

Q-5 Write in detail types of custom duties 08

OR

Q-5 Calculate IGST, CGST, SGST in the following and prepare statement of revenue earned by Central Government and State Governments. Rates of CGST,SGST and IGST are 9%, 9%, 18% respectively. 08

- Supply of goods/services by Rakesh of Gujarat to Sandeep of Gujarat Rs. 20,000.
- Supply of goods/services by Sandeep of Gujarat to Akash of Rajasthan Rs. 24,000.
- Supply of goods/services by Akash of Rajasthan to Saamil of Rajasthan Rs. 30,000.

X-X-X-X-X-X-X-X-X-X-X-X