

M.Com. (HPP) (Sem.-3) Examination
CC 11

Banking Operations

March 2019

[Max. Marks : 70]

Time : 2-30 Hours]

Q-1 (A) Define the term "Bank". Discuss the structure of banking sector in India in detail. (14)

OR

Q-01 (A) (1) Write a note on Banking Instruments. (7)

(2) Differentiate between Wholesale banking and Retail banking. (7)

Q-1 (B) Choose the correct option: (Any four) (4)

(1) Which of the following don't fall under types of lending by banks?

- (a) Fund based lending (c) Asset based lending
(b) Non fund based lending (d) Liability based lending

(2) The first joint stock bank established in India was :

- (a) Bank of India (c) Bank of Bombay
(b) Bank of Allahabad (d) Bank of Mysore

(3) Reforms in banking sector were initiated by Narsimham Committee in

- (a) 1997 (c) 1991
(b) 1951 (d) 1993

(4) The Reserve Bank of India was established in the year:

- (a) 1931 (c) 1934
(b) 1935 (d) 1947

(5) Which of the following is not the tool of central bank to regulate economy:

- (a) CRR (c) Bank rate
(b) OMO (d) Current rate

(6) A scheme under which a specified amount is deposited for fixed term which can not be withdrawn before maturity is known as:

- (a) Fixed deposit (c) Recurring deposit
(b) Reinvestment deposit (d) None of the above

Q-2 (A) Discuss implementation of various pillars of Basel Norms in India. (14)

OR

Q-2 (A) (1) Write a note on Recommendation of Narsimham Committee, 1991. (7)

(2) Explain the relationship between swap ratio and price fluctuations. (7)

Q-2 (B) Choose the correct option: (any 4) (4)

(1) "Basel Committee on Banking Supervision" is also known as _____

- (a) Banking regulation committee (c) Global financial system
(b) Bank for international settlement (d) None of the above
Committee

(2) Capital Adequacy Ratio means:

- (a) Ratio of bank's profits to its risk
(b) Ratio of central bank's deposits to its risks
(c) Ratio of bank's capital to its risks
(d) Ratio of bank's capital to its total deposits

(3) Pillar 1 of Basel norms does not include following type of risk in banking sector:

- (a) Credit risk (c) Market risk
(b) Operational risk (d) specific risk

(4) Under Basel III, what should be the minimum tier 1 capital ratio?

- (a) 9.5% (c) 10.5%
(b) 9% (d) 11.5%

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- (5) Recent merger in banking sector was between:
(a)HDFC- Bank of Madras (c) Kotak bank- ING Vyasa Bank
(b) Dena bank-Vijaya bank-BOB (d) None of the above
- (6) Tier 1 capital includes:
(a) Equity share capital (c) revaluation reserves
(b) Term debt (d) loan reserves

Q-3 (A) Define the meaning of credit risk. Discuss the different models of credit risks in detail.(14)
OR

- Q-3 (A) (1) Write a short note on Swaps. (7)
(2) Explain the concept of "Non-performing Investments" (7)
Or

Q-3 (B) Choose correct option: (Any three) (3)

- (1) From the following which is not the source of treasury profit:
(a) Foreign exchange business (c) Banking insurance products
(b) Securities market products (d) Money market products
- (2) The basic method of estimating credit risk is:
(a) Assessment of NPA (c) Measuring profits
(b) Assessment of losses (d) None of the above
- (3) _____ includes contractual payments on the loan and loan value:
(a) Total return swap (c) credit default swap
(b) Loan portfolio swap (d) dynamic credit swap
- (4) Which is not a part of Non Performing Assets from the following?
(a) Doubtful assets (c) Loss assets
(b) Sub-standard assets (d) Liquid assets
- (5) The term VaR denotes _____:
(a) Value at risk (c) Value appealing risk
(b) Value and risk (d) None of the above

Q-4 (A) Explain payments and settlement system of banking in detail. (14)
OR

- Q-4 (A) (1) Write a note on Electronic Banking. (7)
(2) Mention different parties involved in foreign transaction with a Letter of credit. (7)

Q-4 (B) Choose the correct option: (Any three) (3)

- (1) Which is not the type of letter of credit from the following?
(a) Standby LC (c) Revolving LC
(b) Coverable LC (d) Back to back LC
- (2) The first transaction for RTG was made by :
(a) RBI (c) SBI
(b) BOB (d) BOI
- (3) _____ is prevalent type of plastic money:
(a) Hundis (c) ATM
(b) Bills receivable (d) None of the above
- (4) _____ is not a part of retail payment system:
(a) Cheques (c) ATM
(b) Debit cards (d) Long term loans
- (5) _____ is the regulatory authority for foreign market operations in India:
(a) RBI (c) EXIM
(b) NABARD (d) IDBI

M.Com. (HPP) (Sem.-3) (Financial) Examination

CC 12

Insurance (Financial Services)

Time : 2-30 Hours]

March 2019

[Max. Marks : 70

1 (A) Explain the duties, powers and functions of the IRDA under the IRDA Act, 1999. (14)

OR

1A(i) Define Insurance? Explain various principles of Insurance. (7)

A(ii) Explain the importance of insurance sector to the economy. (7)

1 (B) Multiple Choice Question. (4)

(i) Full form of CBDT .

- (a) Central Board of Direct Taxes (b) Credit Board of Direct Taxes
(c) Commercial Board of Direct Taxes (d) Credit Board of Direct Taxation

(ii) Consumer Protection Act was passed in the year _____.

- (a) 1985 (b) 1986
(c) 1991 (d) 1988

(iii) The Merchant Shipping Act was passed in the year _____.

- (a) 1966 (b) 1954
(c) 1958 (d) 1964

(iv) _____ is a method whereby parties can resolve their disputes privately.

- (a) Alteration (b) Arbitration
(c) Liberalisation (d) Respondentia

2 (A) What is Life Insurance? Explain various features, nature and benefits of Life Insurance.

OR

2A(i) What are the basic Components of a Life Insurance Contract. (7)

2A(ii) Explain various types of Endowment Policies. (7)

2 (B) Multiple Choice Question. (4)

(i) _____ is a contract that provides an income for a specified period of time.

- (a) Annuity (b) Term Life
(c) Guarantee (d) None of the above

(ii) _____ is the process of identifying a person to receive the policy money in the event of the death of the policyholder.

- (a) Assignment (b) Nomination
(c) Alterations (d) Provisions

(iii) _____ means the writing off the policy before its actual maturity.

- (a) Foreclosure (b) Revivals
(c) Lapses (d) Re- assignment

(iv) _____ describes the situation in which one party transfers its rights and duties under a contract to another party.

- (a) Ownership clause (b) Suicide Clause
(c) Assignment Clause (d) Entire – Contract Clause

3(A) Is automobile insurance compulsory in India? What types of insurance covers are available for automobiles? (14)

OR

3A(i) Explain various types of Rural Insurance policies. (7)

3A(ii) What is Social Insurance? Discuss the characteristics and need for Social Insurance. (7)

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3 (B) Multiple Choice Question.

(3)

- (i) Section 2(6 A) of Insurance Act, 1938 defines _____.
- (a) Fire Insurance (b) Health Insurance
(c) Automobile Insurance (d) Social Insurance
- (ii) _____ policy is suited for people , if they anticipate or have a family history of serious diseases like Cancer, Paralysis, Renal Failure and Coronary disease.
- (a) Jeevan Asha (b) Asha Deep
(c) Bhavishya Arogya Insurance Policy (d) Mediclaim
- (iii) Full form of RKBV?
- (a) Rashtriya Krishi Bima Yojana (b) Rakshak Krishi Bima Yojana
(c) Rashtrapati Krishi Bima Yojana (d) Rashtriya Krupa Bima Yojana

4(A) Explain the term "Risk". Explain different types of Risk?

(14)

OR

4A(i) Differentiate between a peril and a hazard and give an example of each.

(7)

4A(ii) Differentiate between Risk and Uncertainty.

(7)

4 (B) Multiple Choice Question.

(3)

- (i) "Risk is measurable uncertainty", who
- (a) A. M. Willet (b) S. F. Herrinton
(c) Frank Knight (d) Lying Fisher
- (ii) Smoking in an oil refinery is an example of _____ Hazard.
- (a) Moral (b) Morale
(c) Societal (d) All of the above
- (iii) _____ risk is the risk that a customer, counter party, or supplier will fail to meet its obligation.
- (a) Credit Risk (b) Market Risk
(c) Operational Risk (d) Other Risk
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Candidate's Seat No : _____

M.Com. (HPP) (Sem.-3) (Financial) Examination
CC 13

Taxes & Financial Services (Financial Services)

Time : 2-30 Hours]

April 2019

[Max. Marks : 70

Question 1(A) Find out the place of supply and calculate GST Liability @ 18% for Mr. X, Chennai. Write notes wherever necessary 14

Sr. No.	Particulars	Amount
1.	Mr. C Chennai supplied goods to spice jet air lines, Chennai flying between Delhi-Mumbai, where goods are loaded from Delhi	60,000
2.	Provided a service of grooming of horse in Chennai	10,000
3.	Organised an event in following cities: Delhi 12000, Chennai 18000, Mumbai 20000.	-
4.	Temporarily imported certain goods from its customer located in China for repairs, after repairs goods were sent back without use.	40,000
5.	Provided an architect services to Mr. K in Dubai for an immovable property situated in Singapore	36,000

OR

Question 1(A)(i)

07

Mr. Anuj is running a consulting firm and also a readymade garment show room, registered in same PAN. Turnover of the showroom is 65 lakh and Receipt of the consultancy firm is 10 Lakh in the preceding financial year. You are required to answer the following:

- Mr. Anuj is eligible for Composition Scheme?
- Whether it is possible for Mr. Anuj to opt for composition only for Showroom?
- Rework, if Mr. Anuj is running a restaurant and well as readymade garment show room, whether he is eligible for composition?
- If the turnover of garment showroom is 75 Lakh in the preceding financial year and there is no consulting firm whether he is eligible for Composition?

Question 1(A)(ii)

07

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Define Supply. Explain the activities falling under Schedule I of CGST Act.

*Question 1(B) Select the most appropriate answer from the given choices. (Any four out of Six) 04

1. What is the time of supply of vouchers when the supply with respect to the voucher is identifiable?
 - a) Date of issue of voucher
 - b) Date of redemption of voucher
 - c) Date of entry in books
 - d) Earlier of a or b or c

2. What is the time of supply of service if invoice is issued within 30 days from the date of providing services?
 - a) Date of invoice
 - b) Date of receiving payment
 - c) Date of providing services
 - d) Earlier of a or b

3. Value of supply under section 15 is
 - a) Wholesale price
 - b) Market price
 - c) Transaction value
 - d) None of the above

4. Which of the following taxes is levied on intra-state supply?
 - a) IGST
 - b) CGST
 - c) CGST/SGST
 - d) Both a & b

5. What is the threshold limit of turnover in the preceding financial year to be eligible for composition scheme?
 - a) 20 lac
 - b) 50 lac
 - c) 75 lac
 - d) 100 lac

6. Where the goods being sent or taken on approval basis for sale or return are removed before the supply takes place, the invoice shall be issued
 - a) Before or at the time of supply
 - b) 6 months from the date of removal
 - c) Earlier of a or b
 - d) None of the above

E0004-3

Question 2(A)

14

What is Stock Broker Business? What is the impact of GST on the services of Stock Brokers.

OR

Question 2(A)(i)

07

Impact of GST on the persons who are involved into business of Re-possession of Goods including Banks.

Question 2(A)(ii)

07

Explain in brief the place of supply applicable in case of transaction in respect to immovable property as well as Training and performance Appraisal services falling under Section 12 of IGST Act

*Question 2(B) Select the most appropriate answer from the given choices. (Any four out of Six)

04

1. GST is levied on supply of all goods and services except:
 - a) Alcoholic liquor for human consumption
 - b) Tobacco
 - c) Health Care Services
 - d) All of the above

2. Royal Biscuit Co. gives a discount of 30% on the list price to its distributors. Thus for a carton of Spicebisk, in the invoice the list price is mentioned as Rs. 200 on which discount is given to arrive at the price of 140. What will be the taxable value?
 - a) 140
 - b) 200
 - c) 60
 - d) None of the above

3. When can the transaction value be rejected for computation of value of supply?
 - a) When buyer and seller are related and price is not the sole consideration
 - b) When buyer and seller are related and price is the sole consideration
 - c) It can never be rejected
 - d) When the goods are sold at very low margins

4. In which of the following situations, taxpayer needs to reverse the credit already taken?
 - a) If payment is not made to the supplier within 45 days from the date of invoice
 - b) If payment is not made to the supplier within 90 days from the date of invoice

M.Com. (HPP) (Sem.-3) (Financial) Examination

CC 14

Mutual Funds (Financial Services)

Time : 2-30 Hours]

April 2019

[Max. Marks : 70

Instruction : Figures to right indicates full marks.

- 1 (a) Explain the growth and history of mutual funds in India. 14
- OR
- 1 (a) (i) Discuss how mutual fund works. 7
(ii) Discuss the objective of mutual fund. 7
- (b) M.C.Qs. (any four out of six) : 4
- (i) was the first mutual fund set up in India.
(1) HDFC (2) UTI (3) SBI (4) BOB
- (ii) Fund was listed on the New York Stock Exchange.
(1) The India Growth (2) The India Balance
(3) SBI Mutual Fund (4) UTI Mutual Fund.
- (iii) services as a link between the investor and securities market.
(1) Bank (2) LIC (3) Mutual Fund (4) RBI
- (iv) is similar to a collective Investment Scheme.
(1) Mutual fund (2) Chit scheme (3) Savings deposit (4) Fix deposit.
- (v) Mutual funds are managed by who have the requisite skills and experience.
(1) Professional managers (2) Supervisors (3) Advisers (4) None of the above.
- (vi) fund is easily converted in to liquidity.
(1) Close ended (2) Open-ended (3) Both (1) & (2) (4) None of the above.
- 2 (a) Define mutual fund and discuss its benefits and limirations in detail. 14
- OR
- 2 (a) (i) Write a note on S.I.P. and lumpsum method of mutual fund. 7
(ii) Write a note on portfolio objective types of mutual fund scheme. 7
- (b) M.C.Qs. (any four out of six) : 4
- (i) Scheme offers continuously sell and repurchase of mutual fund units.
(1) Close ended (2) Open ended (3) Both (4) None.
- (ii) Scheme have a fixed corpes and a stipulated maturity period ranging between two to five years.
(1) Close ended (2) Open ended (3) Both (4) None.
- (iii) Schemes are equity oriented scheme designed on the basis of tax policy with special tax incentives.
(1) Tax savings (2) Sctoral (3) Value (4) Equity.
- (iv) Funds are a hybrid of open ended mutual funds and listed individual stoks.
(1) P/E ratio funds (2) Gold fund (3) Debt fund (4) Exchange traded fund.
- (v) is minimum amount of investment in S.I.P.
(1) 100 Rs. (2) 500 Rs. (3) 1000 Rs. (4) Any amount.
- (vi) Fund provide safety of investments and regular income to investors.
(1) Growth fund (2) Income fund (3) Balanced fund (4) Debt fund.

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- 3 (a) ○ Draw and discuss the structure of mutual funds (organisation). 14
- OR
- 3 (a) (i) Write a note on entry and exit load. 7
(ii) Write a detail note on A.M.C. 7
- (b) M.C.Qs. (any three out of five) : 3
- (i) mutual funds are more risky compared to debt mutual funds.
(1) Equity oriented (2) Balanced (3) MMMF (4) None.
- (ii) The AMC of a mutual fund must have a net worth of at least at all times and this net worth should be in the form of cash.
(1) 5 crore (2) 1 crore (3) 10 crore (4) 100 crore.
- (iii) is responsible for safe keeping of cash and securities of the mutual fund.
(1) Custodian (2) Registrar (3) AMC (4) Trustees.
- (iv) SEBI M.F. regulations permit equity funds to charge a maximum of percent as expense ratio.
(1) 2.55% (2) 2.5% (3) 2.25% (4) 2.00%.
- (v) There are types of loads in mutual funds.
(1) 1 (2) 3 (3) 2 (4) 4.
- 4 (a) Write a detail note on association mutual fund. 14
- OR
- 4 (a) (i) Discuss the SEBI guidelines of mutual funds. 7
(ii) Write a note on U.T.I. 7
- (b) M.C.Qs. (any three out of five) : 3
- (i) AMFI was established in year
(1) 1993 (2) 1995 (3) 1998 (4) 1992
- (ii) UTI was established in year.
(1) 1964 (2) 1968 (3) 1961 (4) 1965
- (iii) regulates structure, market and investorelated activities of mutual funds.
(1) AMFI (2) UTI (3) SEBI (4) RBI.
- (iv) The India fund was lunched in
(1) 1985 (2) 1983 (3) 1988 (4) 1986.
- (v) AVM of a scheme is calculated by multiplying the of a scheme by the number of units issued by that scheme.
(1) NPA (2) NAV (3) Price (4) None.
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M.Com. (HPP) (Sem.-3) (Financial) Examination

CC 15

Housing Finance (Financial Services)

Time : 2-30 Hours]

April 2019

[Max. Marks : 70

Instruction : Figures to right indicates full marks.

1 (a) Discuss in detail Reverse Mort Loan 14

OR

1 (a) (i) Write a note "Housing-Finance Institutions". 7

(ii) Write a note on "Evolution of Housing and Housing Finance in India". 7

(b) Answer the following multiple choice questions by selecting the most appropriate option (any four) 4

(i) Regional Rural Banks were set up to provide credit and other facilities to

(a) Small and Marginal Farmers (b) Agricultural Labours

(c) Artisan and small entrepreneurs (d) All of above

(ii) Housing industry has linkages with over 250 industries.

(a) Forward and backward (b) Up word

(c) Downword (d) All of above

(iii) are provided for repairs and maintenance of existing houses.

(a) House equity loans (b) Home improvement loans

(c) Home extension loans (d) None of above

(iv) is the apex level financial institution for the housing sector.

(a) RBI (b) NHB (c) ARDBS (d) SCBS

(v) Enables senior citizens to mortgage their home with HF1 and convert home equity into tax-free income without having to sell the house.

(a) Reverse mortgage loan (b) Home equity loan

(c) Home extension loan (4) Home improvement loan.

(vi) Period of RML is for maximum

(a) 5 years (b) 10 years (c) 12 years (d) 15 years

2 (a) What do you mean by NBFCs? Discuss in detail various types of NBFCs. 14

OR

2 (a) (i) Write a note on "NBFCs factors" 7

(ii) Write a note on "Role of board of financial supervision in monitoring NBFCs". 7

(b) Answer the following multiple choice questions by selecting the most appropriate option (any four) 4

(i) NBFCs accept deposits from.

(a) Public (b) Shareholders (c) Director (d) All of above

(ii) NBFCs differ from.

(a) Banks (b) Insurance companies (c) Mutual funds (d) All of above

(iii) According to NBFCs acceptance of public (Reserve Bank) Directions 1998, non banking institution is.

(a) Loan company (b) Investment company

(c) Hire Purchase company (d) All of above

(iv) Any company notified by central government as Nidhi Company is

(a) Mutual benefit financial company (b) Loan company

(c) Investment company (d) Equipment learning company.

(v) Mutual benefit financial companies are regulated by.

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- (a) RBI (B) IRDA (C) SEBI. (D) department of company affairs
(vi) Merchant Banking companies are regulated by.

- (a) RBI (B) IRDA (C) SEBI. (D) department of company affairs
3 (a) What do you know about Investment Banking? Discuss advisory services of Investment Banking in detail. 14

OR

- 3 (a) (i) Write a note on 'Types of Investment Banks.' 7
(ii) Write a note on "Post-merger obligations of merchant banking services". 7
(b) Answer the following multiple choice questions by selecting the most appropriate option (any three) 3
(i) Full service Global Investment Banks Operate
(a) On Global basis (b) In particular region (c) at local level (d) None of above.
(ii) specialise in a particular industry or product
(a) Full service global investment banks (b) Regional investment banks
(c) Boutique firms (d) All of above
(iii) are known as "Specialty Investment Banks"
(a) Full service global investment banks (b) Regional investment banks
(c) Boutique firms (d) All of above
(iv) Investment Banks provide fund raising services through.
(a) IPOs (b) FPOs (c) QIPs (d) All of above
(v) To identify emerging industries and times with good potential to invest therein investment banks provide
(a) Private equity advisory (b) Infrastructure advisory
(c) Project advisory (d) Acquisition funding advisory

- 4 (a) What do you mean by ^{leasing} ~~leasing~~? Discuss various types of leases in detail. 14

OR

- 4 (a) (i) Write note on "CRISIL Limited" 7
(ii) Write a note on "Advantages of Factoring". 7
(b) Answer the following multiple choice questions by selecting the most appropriate option (any three) 3
(i) denotes highest safety in terms of timely payment of interest and principal.
(a) AAA (b) BBB (c) CCC (d) DDD
(ii) Fundamental analysis covers analysis of
(a) Liquidity Management (b) Asset quality (c) Profitability (d) All of above
(iii) Factor makes prepayment up to % to client.
(a) 60 (b) 70 (c) 80 (d) 100
(iv) Forfaiting is the discounting of international trade receivables on % without resource basis.
(a) 60 (b) 70 (c) 80 (d) 100
(v) is generally for the whole useful life of the asset
(a) Financial lease (b) Operating lease
(c) Close and open lease (d) Upfront and Back end lease.

X ————— X