

**THIRD AND FOURTH SEMESTER M.A./M.Sc./M.Com. DEGREE  
EXAMINATION, APRIL/MAY 2021**

[PVT/SDE]

(CUCBCSS)

M.Com.

MC 4C 14 – FINANCIAL DERIVATIVE AND RISK MANAGEMENT

(Multiple Choice Questions for SDE Candidates)

**Time : 15 Minutes**

**Total No. of Questions : 20**

**Maximum : 20 Marks**

**INSTRUCTIONS TO THE CANDIDATE**

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
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## MC 4C 14 – FINANCIAL DERIVATIVE AND RISK MANAGEMENT

(Multiple Choice Questions for SDE Candidates)

1. Which of the following is potentially obligated to sell an asset at a predetermined price
  - (A) Put writer
  - (B) A call writer
  - (C) A put buyer
  - (D) A call buyer
2. The option contract that can be exercised only at the date of maturity is called
  - (A) European option
  - (B) American option
  - (C) Bermudan option
  - (D) Call option
3. Asian option and look back options are types of
  - (A) Vanilla option
  - (B) Exotic option
  - (C) Real option
  - (D) Warrants
4. An option contract with underlying asset commodities is
  - (A) Commodity option
  - (B) Currency option
  - (C) Stock index option
  - (D) None of the above
5. The difference between the future price and cash price is
  - (A) Basis
  - (B) Margin
  - (C) Premium
  - (D) Strike price
6. When Swap is combined with Option it is called
  - (A) Swaption
  - (B) Forward Swaps.
  - (C) Swap options
  - (D) All the above

7. The risk that arises due to adverse movements in the price of a financial asset or commodity
- (A) Credit risk
  - (B) Market risk
  - (C) Legal risk
  - (D) Liquidity risk
8. The approach which assumes that the expected basis would be equal to zero
- (A) Normal backwardation approach
  - (B) Contango
  - (C) Expectation hypothesis
  - (D) None of the above
9. The person who takes short position in option contract
- (A) Option writer
  - (B) Option purchaser
  - (C) Option investor
  - (D) None of the above
10. The option contract that would lead to zero cash flow if it were exercised immediately.
- (A) At the money option
  - (B) In the money option
  - (C) Out of the money option
  - (D) None of the above
11. A swap that pays certain fixed amount if the rate is above or below a certain level.
- (A) Barrier swap
  - (B) Digital swap
  - (C) Chooser swap
  - (D) Corridor swap
12. The underlying amount in a swap contract
- (A) Basis
  - (B) Notional principle
  - (C) Vested amount
  - (D) Capital
13. Options on futures contracts are referred to as
- (A) Stock options
  - (B) Futures options
  - (C) American options
  - (D) Individual options
14. The amount paid for an option is the
- (A) Strike price
  - (B) Premium
  - (C) Discount
  - (D) Commission

**Turn over**

15. A contract that requires the investor to sell securities on a future date is called a
- (A) Short contract
  - (B) Long contract
  - (C) Hedge
  - (D) Micro hedge
16. A disadvantage of a forward contract is that
- (A) It may be difficult to locate a counter party
  - (B) The forward market suffers from lack of liquidity
  - (C) The contractors have default risk
  - (D) All the above.
17. Using futures contracts to transfer price risk is called
- (A) Hedging
  - (B) Diversifying
  - (C) Arbitrage
  - (D) Speculating
18. Which of the following investment strategies has unlimited profit potential?
- (A) Writing a call
  - (B) Bull spread
  - (C) Protective put
  - (D) Covered call
19. Which of the following is most similar to a stock broker?
- (A) Pit trader
  - (B) Local
  - (C) Floor broker
  - (D) Futures commission merchant
20. A swap agreement that pays and resets at the same time
- (A) Constant maturity swap
  - (B) In-arrear swap
  - (C) Roller coaster swap
  - (D) Amortizing swap

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MC 3E (HR) 02—MANAGEMENT TRAINING AND DEVELOPMENT

(2017 to 2018 Admissions)

(Multiple Choice Questions for SDE Candidates)

**Time : 15 Minutes**

**Total No. of Questions : 20**

**Maximum : 20 Marks**

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## MC 3E (HR) 02—MANAGEMENT TRAINING AND DEVELOPMENT

(Multiple Choice Questions for SDE Candidates)

1. The diagnostic process of needs assessment often starts with :
  - (A) A job analysis.
  - (B) A gap analysis.
  - (C) A concern.
  - (D) An organizational audit.
2. Training occurs as a result of \_\_\_\_\_.
  - (A) Instruction.
  - (B) Education.
  - (C) Development.
  - (D) All of the above.
3. Training refers to the process of imparting \_\_\_\_\_ skills
  - (A) Specific.
  - (B) General.
  - (C) Important.
  - (D) Overall.
4. The following is (are) the benefit (s) of training :
  - (A) Increased productivity.
  - (B) Reduced accidents.
  - (C) Reduced supervision.
  - (D) Any of the above.
5. Which of the following is an off the job training method ?
  - (A) University degree or certificate course.
  - (B) Under studies.
  - (C) Apprenticeship.
  - (D) Committee assignment.
6. Training and development leads to improve \_\_\_\_\_ and more positive attitudes towards profit orientation.
  - (A) Decision.
  - (B) Attitude.
  - (C) Profitability.
  - (D) None of these.
7. The most flexible type of training in which the employees are trained while performing the tasks and responsibilities associated with the job is classified :
  - (A) Informal training.
  - (B) Formal training.
  - (C) On the job training.
  - (D) Off the job training.

8. The following is vertical expansion of the job :
- (A) Job rotation. (B) Job enrichment.  
(C) Management by objectives. (D) All of the above.
9. \_\_\_\_\_ is widely used for human relations and leadership training.
- (A) Business games. (B) Role playing.  
(C) Case study method. (D) Job rotation.
10. Evaluation of training programs should happen :
- (A) Only at the end.  
(B) By predetermining the evaluation criteria at the planning stage.  
(C) For high-cost programs only.  
(D) None of the above.
11. The cognitive domain hierarchy of learning starts with :
- (A) Knowledge. (B) Receiving.  
(C) Perception. (D) Motivation.
12. The expense of training, materials of training, salary and time of trainees and trainers are classified as :
- (A) Typical cost. (B) Typical benefits.  
(C) Post measure variables. (D) Spaced practice.
13. Which are the four main theoretical perspectives on learning ?
- (A) Behaviourism, cognitivism, sociocultural and economic theory.  
(B) Behaviourism, socialism, constructivism and feminism.  
(C) Behaviourism, socialism, agency theory and positive psychology.  
(D) Behaviourism, cognitivism, experiential learning and social learning.
14. The major difference between training and education is that :
- (A) Education refers more to acquiring specific skills.  
(B) Education is more closely related to learning a particular job.  
(C) Training provides more general knowledge.  
(D) Training narrows the range of responses while education broadens the range.

15. The process of selectively reinforcing a response to change the behavior of a person is associated with :
- (A) Behavioral modeling. (B) Operant conditioning.  
(C) Education. (D) Learning.
16. Which item is NOT an example of an indirect training cost ?
- (A) Overtime. (B) Increased scrap.  
(C) Room and food charges. (D) Low productivity.
17. The kind of learners who uses the training resources by getting their hands on the task are classified as :
- (A) Auditory learners. (B) Tactile learners.  
(C) Massed learners. (D) Visual learners.
18. The expense of training, materials of training , salary and time of trainees and trainers are classified as :
- (A) Typical costs. (B) Typical benefits.  
(C) Post-measure variables. (D) Pre-measures variables.
19. The stage in which the learning curve stops growing and stagnated :
- (A) Learning stage. (B) Discouraging stage.  
(C) Over learning period. (D) Learning plateau stage.
20. The learners who prefer learning by group work practices are called :
- (A) Collaborative Learners. (B) Individual Learners.  
(C) Dependent Learners. (D) Associative Learners.



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MC 3E (HR) 02—MANAGEMENT TRAINING AND DEVELOPMENT

(2017 to 2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all the questions.*

*Each question carries 2 marks.*

1. What is skill acquisition ?
2. What are the techniques of evaluation ?
3. Write a note on Cost benefit analysis.
4. What is Attitudinal Training ?
5. Define E-Learning.

(5 × 2 = 10 marks)

**Part B**

*Answer any four questions.*

*Each question carries 10 marks.*

6. Explain the determination of training objectives.
7. What are the principles of evaluation in training programme ?
8. What are the elements of training climate ?
9. List out the de-merits of Audio Visual Aids in training programme.

**Turn over**

10. Explain how training for total quality management benefits a trainee.
11. Discuss the emerging trends in training and development.

(4 × 10 = 40 marks)

### Part C

*Answer any two questions.*

*Each question carries 15 marks.*

12. State the difference between : a) Training and development ; b) Learning and training ; c) Training and education.
13. Discuss the attitudinal training methods with suitable examples.
14. Explain Cross cultural training with suitable examples.

(2 × 15 = 30 marks)

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DCM 307—CONSUMER BEHAVIOUR

(2017 to 2018 Admissions)

(Multiple Choice Questions for SDE Candidates)

**Time : 15 Minutes**

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## DCM 307—CONSUMER BEHAVIOUR

(Multiple Choice Questions for SDE Candidates)

1. Which of the following is situation in which consumer behaviour occurs ?
  - (A) Communication situation.
  - (B) Purchase situation.
  - (C) Usage situation.
  - (D) All of the above.
2. Injurious consumption occurs when :
  - (A) A product is introduced that does not meet consumer needs.
  - (B) Individual makes consumption decisions that have a negative impact on their long run well being.
  - (C) A firm advertises benefits that the product cannot deliver.
  - (D) Consumers purchase product for symbolic rather than functional reasons.
3. Repeat purchase is closely related to the concept of :
  - (A) Brand image.
  - (B) Brand loyalty.
  - (C) Brand equity.
  - (D) Brand culture.
4. Consumer purchases are influenced strongly by cultural, social, personal and \_\_\_\_\_.
  - (A) Psychographic characteristics.
  - (B) Psychological characteristics.
  - (C) Psychometric characteristics.
  - (D) Supply and demand characteristics.
5. Marketers are always trying to spot \_\_\_\_\_ in order to discover new products that might be wanted.
  - (A) Opinion graphers.
  - (B) Dissonant groups.
  - (C) Cultural shifts.
  - (D) Benchmarks.
6. The cultural shift toward \_\_\_\_\_ has resulted in more demand for casual clothing and simpler home furnishings.
  - (A) Liberal political causes.
  - (B) Conservative political causes.
  - (C) Informality.
  - (D) Downsizing.
7. \_\_\_\_\_ describes changes in an individual's behavior arising from experience.
  - (A) Modeling.
  - (B) Motivation.
  - (C) Perception.
  - (D) Learning.

8. If a consumer tells friends "I like my car more than any other car on the road," then the consumer has expressed an \_\_\_\_\_.
- (A) Rule. (B) Attitude.  
(C) Belief. (D) Cue.
9. Which of the following is NOT one of the five stages of the buyer decision process ?
- (A) Need recognition. (B) Brand identification.  
(C) Information search. (D) Purchase decision.
10. Marketing strategies are often designed to influence \_\_\_\_\_ and lead to profitable exchanges.
- (A) Consumer decision-making. (B) Sales strategies.  
(C) Advertising strategies. (D) Export strategies.
11. Which of Maslow's needs reflects individuals' desires for status, superiority, self respect, and prestige ?
- (A) Safety. (B) Self-actualization.  
(C) Physiological. (D) Esteem.
12. Primary reference groups include \_\_\_\_\_.
- (A) College students. (B) Office colleague.  
(C) Family and close friends. (D) Sports groups.
13. \_\_\_\_\_ is individuals and households who buy goods and services for personal consumption.
- (A) The target market. (B) A market segment.  
(C) The consumer market. (D) The ethnographic market.
14. In large nations, the population is bound to lose a lot of its homogeneity, and thus \_\_\_\_\_ arise.
- (A) Multilingual needs. (B) Cultures.  
(C) Subcultures. (D) Product adaptation requirements.
15. Mobile technology affects consumer behaviour in which of the following ways ?
- (A) It facilitates the use of location based services.  
(B) It stops consumers comparing prices in store.  
(C) It makes consumer decisions very complicated.  
(D) It slows down consumer decision-making.

16. The price of the products and services often influence whether \_\_\_\_\_ and, if so, which competitive offering is selected.
- (A) Consumers will purchase them at all.
  - (B) Consumers see a need to buy.
  - (C) Consumers will decide to buy immediately.
  - (D) People would recommend the product.
17. It is important for marketers to devise communications that offer \_\_\_\_\_ and are placed in media that consumers in the target market are likely to use.
- (A) Consistent message about their products.
  - (B) Better pricing.
  - (C) Product information to the customers.
  - (D) A new marketing strategy.
18. Generally, the consumers purchase decision will be to buy the most preferred brand, but two factors can come between the purchase intention and the purchase decision. These Two factors are best described as being :
- (A) The cost and availability of the product.
  - (B) The attitude of others and the cost of the product.
  - (C) The availability of the product and unexpected situational factors.
  - (D) The attitude of others and unexpected situational factors.
19. Understanding of consumer needs and the develops a marketing mix to satisfy these needs :
- (A) The price influences.
  - (B) The strategic plan.
  - (C) The product influences.
  - (D) The marketing concept.
20. In terms of behaviour ; culture, social class and reference group influences have been related to purchase and \_\_\_\_\_.
- (A) Economic situation.
  - (B) Situational influences.
  - (C) Consumption decisions.
  - (D) Physiological influences.

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DCM 307—CONSUMER BEHAVIOUR

(2017 to 2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all the questions.*

*Each question carries 2 marks.*

1. Differentiate Customers versus Consumers.
2. Expand the CRM.
3. Write a note on Economic decision-making.
4. What is "Purchase Decision" ?
5. What is Consumer Research ?

(5 × 2 = 10 marks)

**Part B**

*Answer any four questions.*

*Each question carries 10 marks.*

6. Explain the importance and nature of consumer's behaviour.
7. Write a note on psychographics.
8. What is Passive decision-making ?
9. What are the problems faced in Cross Cultural Marketing ?

**Turn over**

10. Explain the globalization of consumer markets with examples.
11. What are the emerging issues in consumer behaviour ? Discuss.

(4 × 10 = 40 marks)

### Part C

*Answer any two questions.  
Each question carries 15 marks.*

12. Explain the role of consumer behaviour in marketing with suitable illustration.
13. Differentiate the sub-cultural and cross cultural consumer analysis with examples.
14. Discuss the SERVQUAL and SERVPERF.

(2 × 15 = 30 marks)

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MC 3E (M) 01—ADVERTISING AND SALES MANAGEMENT

(2017 to 2018 Admissions)

(Multiple Choice Questions for SDE Candidates)

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## MC 3E (M) 01—ADVERTISING AND SALES MANAGEMENT

## (Multiple Choice Questions for SDE Candidates)

1. Advertising creates employment as it increases the volume of sales and \_\_\_\_\_.  
(A) Production. (B) Marketing.  
(C) Promotion. (D) Personal selling.
2. The most popular form of advertising and it reaches to masses :  
(A) Social media. (B) Email.  
(C) Radio. (D) Print.
3. What two major communication channels do marketers use to convey their product to consumers ?  
(A) Word-of-mouth and commercials. (B) Personal and non-personal channels.  
(C) Message source and feedback. (D) Print media and events.
4. Which type of advertising objective is the most important for mature products ?  
(A) Informative advertising. (B) Comparison advertising.  
(C) Persuasive advertising. (D) Reminder advertising.
5. Which type of promotional tool is non-public, immediate, customized, and interactive ?  
(A) Segmented advertising. (B) Direct marketing.  
(C) Brand contacts. (D) Public relations.
6. What is the next step after “closing the sale” in personal selling process ?  
(A) The opening. (B) Need and problem identification.  
(C) Dealing with objectives. (D) Follow up.
7. Sales people are same as :  
(A) Sales consultant. (B) Marketing representative.  
(C) Sales engineer. (D) All of these.

8. The selling concept by which sellers and buyers come in direct contact is :
- (A) Sales promotion. (B) Personal selling.  
(C) Public relation. (D) Promotion mix.
9. What are the objectives of personal selling ?
- (A) Close a sale. (B) Know how to deal with buyer.  
(C) Preparing good presentations. (D) All of these.
10. Which among the following is not any stage of personal selling process ?
- (A) The opening. (B) Need and problem identification.  
(C) Selling the product. (D) Negotiations.
11. There are three interrelated elements of rewards for salespeople. One of the elements is Non financial compensation and includes :
- (A) Recognition dinners, certificates of achievement, and features in sales newsletters.  
(B) Larger accounts and sales territories.  
(C) Personal development opportunities, merit salary increases, and promotions.  
(D) Promotions, certificates of achievement, and larger sales territories.
12. Research relating sales people's personal characteristics to sales aptitude and job performance suggests there is no single set of traits and abilities that sales managers can use as criteria for deciding what kind of recruits to hire is known as \_\_\_\_\_.
- (A) Job analysis. (B) Physical examination.  
(C) Projective tests. (D) Training.
13. All of the following would be major sales force management decision steps EXCEPT :
- (A) Designing sales force strategy and structure.  
(B) Supervising salespeople.  
(C) Global management and marketing structures.  
(D) Recruiting and selecting salespeople.

14. A company's compensation plan should reflect its overall marketing strategy. For example, if the strategy is to grow rapidly and gain market share, the compensation plan might include :
- (A) Encouragement for team selling.
  - (B) Rewards for account management.
  - (C) A larger commission component coupled with a new-account bonus to encourage high sales performance.
  - (D) Incentives to manage the product mix.
15. Tests of intelligence tests are known as \_\_\_\_\_.
- (A) Projective tests.
  - (B) Tests of habitual characteristics.
  - (C) Tests of ability.
  - (D) Achievement tests.
16. In which type of compensation plan there is no incentives ?
- (A) Commission based compensation plans.
  - (B) Straight salary compensation plan.
  - (C) Territory volume compensation plans.
  - (D) Profit margin/ revenue based sales compensation plans.
17. Copy testing is also known as :
- (A) Pre Testing.
  - (B) Copy writing.
  - (C) Concurrent testing.
  - (D) Preview.
18. The large volume of advertising in a society is known as \_\_\_\_\_.
- (A) Advertising clutter.
  - (B) Deception.
  - (C) Mass advertising.
  - (D) Large scale advertising.
19. An Ad copy which informs the target group the fact that the manufacturer is established enough to give them the right goods is ?
- (A) Institutional copy.
  - (B) Straight selling copy.
  - (C) Educational copy.
  - (D) Expository copy.
20. Searching and identifying potential buyers for a product is \_\_\_\_\_.
- (A) Selling.
  - (B) Prospecting.
  - (C) Compelling.
  - (D) Canvassing.

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1. What are the types of media ?
2. Define Motivation.
3. Describe sales budget.
4. Define the concept of advertising.
5. Discuss what is meant by sales target.

(5 × 2 = 10 marks)

**Part B**

*Answer any four questions.  
Each question carries 10 marks.*

6. Explain the types and media characteristics.
7. Write notes on recruitment and selection of sales force.
8. Describe the methods of sales training.
9. Discuss the role of advertising agencies.
10. Discuss the social and economic aspects of advertising.
11. Explain in detail about the job description.

(4 × 10 = 40 marks)

**Turn over**

**Part C**

*Answer any two questions.  
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12. Discuss emerging trends in sales management ?
13. Explain in detail qualities of sales manager ?
14. Elucidate the ethical issues in advertising ?

(2 × 15 = 30 marks)

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MC 3E (F) 02—SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

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## MC 3E (F) 02—SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

(Multiple Choice Questions for SDE Candidates)

1. \_\_\_\_\_ include “expensive stocks” that offer big rewards but have big risk.
  - (A) The patient portfolio.
  - (B) Conservative portfolio.
  - (C) Aggressive portfolio.
  - (D) Efficient portfolio.
2. An investor committed money for very short period expect \_\_\_\_\_.
  - (A) Return from price fluctuation.
  - (B) Dividend.
  - (C) Benefit from both price variation and dividend.
  - (D) None of these.
3. The investment process begins with \_\_\_\_\_.
  - (A) Investment policy.
  - (B) Security analysis.
  - (C) Portfolio construction.
  - (D) Fundamental analysis.
4. Systematic risk includes \_\_\_\_\_.
  - (A) Market risk.
  - (B) Interest rate risk.
  - (C) Purchasing power risk.
  - (D) All the above.
5. If the returns of two securities are unrelated, the covariance will be \_\_\_\_\_.
  - (A) Positive.
  - (B) Negative.
  - (C) Zero.
  - (D) One.
6. A fully diversified portfolio contains securities which have \_\_\_\_\_.
  - (A) Only unsystematic risk.
  - (B) Both systematic and unsystematic risk.
  - (C) Only systematic risk.
  - (D) No risk.
7. CML stands for :
  - (A) Convergence Market Line.
  - (B) Critical Market Line.
  - (C) Critical Maturity Line.
  - (D) Capital Market Line.



8. Arbitrage Pricing Theory was introduced by \_\_\_\_\_.
- (A) Charles Dow. (B) Benjamin Graham.  
(C) William Sharp. (D) Stephen S. Rose.
9. Dow Theory relates to \_\_\_\_\_.
- (A) Primary trend. (B) Short term trend.  
(C) Seasonal pattern. (D) Intermediate trend.
10. Which among the following is a market indicator ?
- (A) Oscillators. (B) MACD.  
(C) Odd-lot-index. (D) Moving average.
11. Technical Analysis reflects the idea that stock prices \_\_\_\_\_.
- (A) Move upward over time. (B) Move inversely over time.  
(C) Move in trends. (D) Move randomly.
12. Triangles are \_\_\_\_\_ patterns.
- (A) Continuation. (B) Reversal.  
(C) Support and resistance. (D) None of the above.
13. Process of selling of shares that is not owned by a person is termed as \_\_\_\_\_.
- (A) Hedging. (B) Short-selling.  
(C) Broking. (D) Quoting.
14. Which of the following represents an upper price limit for a stock, based on the quantity of willing sellers ?
- (A) Candle. (B) Trend line.  
(C) Support. (D) Resistance.
15. Barometric approach is used for \_\_\_\_\_.
- (A) Economic forecasting. (B) Trend prediction.  
(C) Price estimation. (D) Dividend forecasting.

16. The last step in fundamental analysis is :
- (A) Economic Analysis. (B) Industry Analysis.  
(C) Company Analysis. (D) Technical Analysis.
17. \_\_\_\_\_ is the discount rate that makes present value of single cash inflow to cost of the bond.
- (A) Current yield. (B) YTC.  
(C) YTM. (D) Spot interest rate.
18. Bond price-yield relationship is referred to as \_\_\_\_\_.
- (A) Concave. (B) Convex.  
(C) Linear. (D) Rectangular hyperbola.
19. The theory of bond immunisation was introduced by \_\_\_\_\_.
- (A) Redington. (B) F. Amling.  
(C) Burton G. Malkiel. (D) Kritzman.
20. Which is the most popular multiplier for valuing shares ?
- (A) EPS/ stock price. (B) P/E Ratio.  
(C) Constant growth mode. (D) One year holding model.

**THIRD AND FOURTH SEMESTER M.A./M.Sc./M.Com. DEGREE  
EXAMINATION, APRIL/MAY 2021**

(PVT/SDE)

(CUCBCSS)

M.Com.

MC 3E (F) 02—SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

(2017 to 2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all the questions.*

*Each question carries 2 marks.*

1. What is meant by security analysis ?
2. What is Interest rate risk ?
3. What do you mean by current yield ?
4. What do you mean by optimal portfolio ?
5. What is MACD ?

(5 × 2 = 10 marks)

**Part B**

*Answer any four questions.*

*Each question carries 10 marks.*

6. Explain Industry analysis.
7. What is Investment ? What are its objectives ?
8. Explain Sharpe Single Index Model.
9. Write a brief essay on the various types of charts used by chartist.
10. Explain Money market securities available for investment.

**Turn over**

11. PQR Ltd has just paid its annual dividend of Rs. 3 per share on the equity shares having face value of Rs.10. The dividend rate is expected to grow at the rate of 8 % p.a. forever. The company belongs to a risk-group for which the equity capitalization rate of 14 % is found to be consistent. What is the intrinsic value of the share ?

(4 × 10 = 40 marks)

### Part C

*Answer any two questions.*

*Each question carries 15 marks.*

12. “Fundamental analysis provides an analytical framework for rational investment decision-making”. Explain.
13. Describe the different phases of portfolio management.
14. The risk and return of two projects are shown below :

	A	B
Expected return	12 %	20 %
Risk	3 %	7 %

An investor plans to invest 80 % of his available funds in Project A and 20 % in Project B. The correlation coefficient between the returns of the project is + 1. Find out the risk and return of the portfolio of A and B.

(2 × 15 = 30 marks)

**THIRD AND FOURTH SEMESTER M.A./M.Sc./M.Com. DEGREE  
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M.Com.

MC 3E (F) 01—FINANCIAL MANAGEMENT

(2017 to 2018 Admissions)

(Multiple Choice Questions for SDE Candidates)

**Time : 15 Minutes**

**Total No. of Questions : 20**

**Maximum : 20 Marks**

**INSTRUCTIONS TO THE CANDIDATE**

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
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## MC 3E (F) 01—FINANCIAL MANAGEMENT

(Multiple Choice Questions for SDE Candidates)

1. Equity shares of phonex Ltd are quoted in the market at Rs. 17. The dividend expected a year hence is Rs. 1.50. The expected rate of dividend growth is 8%. The cost of equity capital to the company is :
  - (A) 11.08%.
  - (B) 13.88%.
  - (C) 15.46%.
  - (D) 16.82%.
2. Which of the following is not a feature of an optimal capital structure ?
  - (A) Profitability.
  - (B) Safety.
  - (C) Flexibility.
  - (D) Control.
3. The cost of debt capital if interest rate is 15% and tax rate is 40% is :
  - (A) 6%.
  - (B) 8.5%.
  - (C) 9%.
  - (D) 10.5%.
4. Which of the following is true regarding the measurement of cash inflows and out flows of a project ?
  - (A) Depreciation amount should be added to PBT.
  - (B) Depreciation amount should be added to PAT.
  - (C) Depreciation should neither be added nor be subtracted from PAT.
  - (D) Both (A) and (B) above.
5. Which of the following statements regarding IRR are true ?
  - (A) A project can have only one IRR.
  - (B) If IRR is less than the firm's cost of capital, the project should be rejected.
  - (C) A project can have multiple IRR depending on the cash flow streams.
6. The composition of a company's capitalization is called :
  - (A) Capital Structure.
  - (B) Financial structure.
  - (C) Long term source.
  - (D) Short term source.
7. If funds are required for productive purpose \_\_\_\_\_ finance is suitable.
  - (A) Debt.
  - (B) Equity.
  - (C) Retained earnings.
  - (D) None of these.

8. The combination of debt and equity that leads to the maximum value of the firm is called :
- (A) Financial structure. (B) Capital structure.  
(C) Optimal capital structure. (D) None of these.
9. A company should follow the policy of \_\_\_\_\_ gear during deflation or depression period.
- (A) High gear. (B) Low gear.  
(C) Medium gear. (D) Any of the above.
10. A project having a profitability index of \_\_\_\_\_ is accepted.
- (A)  $PI < 1$ . (B)  $PI > 1$ .  
(C)  $PI = 1$ . (D) None of these.
11. Earnings yield method is applied when the dividend pay out ratio is :
- (A) Zero per cent. (B) 100 per cent.  
(C) 50 per cent. (D) 20 per cent.
12. A company can increase its value and reduce the overall cost of capital by increasing the proportion of debt in its capital structure according to \_\_\_\_\_ approach.
- (A) Net income approach. (B) Net operating income approach.  
(C) Traditional approach. (D) None of these.
13. To judge the comparative risk of projects having same cost and same NPV which method is used :
- (A) Certainty equivalent method. (B) Sensitivity technique.  
(C) Standard deviation method. (D) Co-efficient of variation method.
14. Depreciation is included in cost in case of :
- (A) Pay back method. (B) NPV.  
(C) Accounting rate of return. (D) Present value index.
15. Capital gearing refers to the relationship between equity capital and \_\_\_\_\_.
- (A) Long term debt. (B) Short term debt.  
(C) Preference capital. (D) None of these.

16. Which of the following factors is/ are considered when a capital structure decision is taken ?
- (A) Cost of capital. (B) Dilution control.  
(C) Floatation cost. (D) All of the above.
17. When a company liberalizes its cash discount policy ?
- (A) It increases the cost of discount.  
(B) It leads to an increase in the average collection period.  
(C) The discount period may be lengthened.  
(D) All of the above.
18. Which of the following is not a motive for holding cash ?
- (A) Transaction purpose.  
(B) Precaution against unexpected expenses.  
(C) Extending loans to group companies.  
(D) Speculation purpose.
19. Which of the following is not a function of a finance manager ?
- (A) Mobilization of funds. (B) Manipulate share price of the company.  
(C) Deployment of funds. (D) Control over use of funds.
20. The objective of financial management is to :
- (A) Maximize the revenue.  
(B) Minimize the expenses.  
(C) Maximize the return on investment.  
(D) Maximize the wealth of the owners by increasing the value of the firm.



**THIRD AND FOURTH SEMESTER M.A./M.Sc./M.Com. DEGREE  
EXAMINATION, APRIL/MAY 2021**

(PVT/SDE)

(CUCBCSS)

M.Com.

MC 3E (F) 01—FINANCIAL MANAGEMENT

(2017 to 2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all the questions.  
Each question carries 2 marks.*

1. What is Global Depository Receipt ?
2. What is Lock Box System ?
3. Define Cost of Capital.
4. What do you mean by Financial Leverage ?
5. What do you mean by Scrip Dividend ?

(5 × 2 = 10 marks)

**Part B**

*Answer any four questions.  
Each question carries 10 marks.*

6. Differentiate between Leasing and Hire Purchase.
7. List out the factors to be considered while estimating Working Capital.
8. Sri Ganesh Industries Ltd. issues 5000 12% debentures of Rs. 100 each at par. The tax rate is 40%. Calculate before tax and after tax cost of debt.
9. The operating and cost data of Ashok Ltd. are as follows :

Sales 40,000 units at Rs. 10 per unit

Variable cost at Rs. 7.50 per unit

Fixed costs Rs. 80,000 (including 15% interest on 2,00,000)

Calculate the operating, financial and combined leverages.

Turn over

10. The operating and cost data of Ashok Ltd. are as follows :

Sales 40,000 units at Rs. 10 per unit

Variable cost at Rs. 7.50 per unit

Fixed costs Rs. 80,000 (including 15% interest on 2,00,000)

Calculate the operating, financial and combined leverages.

11. The earnings per share of a company are Rs. 10. The rate of capitalization is 10% and the retained earnings can be employed to yield a return of 20%. The company is considering a payout of : (a) 20% (b) 40% and (c) 60%. Which of these would maximize the wealth of shareholders as per Walter's Model ?

(4 × 10 = 40 marks)

### Part C

*Answer any two questions.  
Each question carries 15 marks.*

12. Elucidate in detail on determinants of Capital Structure.
13. The following is the sales forecast of a company. The sales are offered net 30 days. 80% of the receivables are collected in the month following the month of actual sales and 10% are collected each month thereafter. 15% of sales are on cash basis. You are required to prepare a schedule of cash inflows for the month of October, November and December.

July	Rs. 4,50,000	October	Rs. 3,00,000
August	Rs. 4,00,000	November	Rs. 2,90,000
September	Rs. 3,75,000	December	Rs. 2,75,000

14. From the following information, calculate (1) Maximum stock level (2) Minimum stock level (3) Reorder level.

Minimum consumption	240 units per day
Normal consumption	300 units per day
Maximum consumption	420 units per day
Reorder Quantity	3600 units
Reorder period	10 to 15 days
Normal reorder period	12 days

(2 × 15 = 30 marks)

**THIRD AND FOURTH SEMESTER M.A./M.Sc./M.Com. DEGREE  
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[PVT/SDE]

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M.Com.

MC 3C 13—RESEARCH METHODOLOGY

(2017 to 2018 Admissions)

(Multiple Choice Questions for SDE Candidates)

**Time : 15 Minutes**

**Total No. of Questions : 20**

**Maximum : 20 Marks**

**INSTRUCTIONS TO THE CANDIDATE**

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
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4. The MCQ question paper will be supplied after the completion of the descriptive examination.

## MC 3C 13—RESEARCH METHODOLOGY

(Multiple Choice Questions for SDE Candidates)

1. Hypothesis refers to :
  - (A) The outcome of an experiment.
  - (B) A conclusion drawn from an experiment.
  - (C) A form of bias in which the subject tries to outguess the experimenter.
  - (D) A tentative statement about the relationship.
2. Which of the following statement is not true ?
  - (A) A research proposal is a document that presents a plan for a project.
  - (B) A research proposal shows that the researcher is capable of successfully conducting the proposed research project.
  - (C) A research proposal is an unorganized and unplanned project.
  - (D) A research proposal is just like a research report and written before the research project.
3. After identifying the important variables and establishing the logical reasoning in theoretical framework, the next process in research process is :
  - (A) To conduct surveys.
  - (B) To generate hypothesis.
  - (C) To focuss group discussions.
  - (D) To use experiments in an investigation.
4. An essential Criterion of Scientific study is :
  - (A) Belief.
  - (B) Value.
  - (C) Objectivity.
  - (D) Subjectivity.
5. Social Science Research \_\_\_\_\_ Problems.
  - (A) Explain.
  - (B) Diagnosis.
  - (C) Recommend.
  - (D) Formulate.
6. \_\_\_\_\_ is a motivation for research in students.
  - (A) Research degree.
  - (B) Research Academy.
  - (C) Research Labs.
  - (D) Research Problem.

7. ICSSR stands for :
- (A) Indian Council for Survey and Research.
  - (B) Indian Council for strategic Research.
  - (C) Indian Council for Social Science Research.
  - (D) Inter National Council for Social Science Research.
8. Converting a question into a Researchable problem is called :
- (A) Solution.
  - (B) Examination.
  - (C) Problem formulation.
  - (D) Problem Solving.
9. Objectives in problem formulation means :
- (A) Questions to be answered.
  - (B) Methods.
  - (C) Techniques.
  - (D) Methodology.
10. When a hypothesis is stated negatively it is called :
- (A) Relational Hypothesis.
  - (B) Situational Hypothesis.
  - (C) Null Hypothesis.
  - (D) Casual Hypothesis.
11. A comprehensive full Report of the research process is called :
- (A) Thesis.
  - (B) Summary Report.
  - (C) Abstract.
  - (D) Article.
12. Which of the following refers to research supported by measurable evidence ?
- (A) Opinion.
  - (B) Empiricism.
  - (C) Speculation.
  - (D) Rationalism.
13. A review that only demonstrates familiarity with an area is rarely published but it often is part of an educational program is which type of review ?
- (A) Integrative reviews.
  - (B) Theoretical reviews.
  - (C) Self-study reviews.
  - (D) Historical reviews.
14. Which of the following is a discrete variable ?
- (A) Height.
  - (B) Age.
  - (C) Miles per gallon.
  - (D) Number of children.

15. The different conditions under which experimental and control groups are put usually referred to as :
- (A) Treatment. (B) Control.  
(C) Causation. (D) Experiment.
16. Questionnaire is filled by :
- (A) Respondent. (B) Everybody.  
(C) Enumerator. (D) None of the above.
17. A Hypothesis from which no generalization can be made is :
- (A) Null Hypothesis. (B) Barren Hypothesis.  
(C) Descriptive Hypothesis. (D) Analytical Hypothesis.
18. A researcher intends to explore the effect of possible factors for the organization of effective mid-day meal interventions. Which research method will be most appropriate for this study ?
- (A) Historical method. (B) Descriptive survey method.  
(C) Experimental method. (D) Ex-post-facto method.
19. The process of examining the collected raw data to detect errors and omissions and to correct these when possible :
- (A) Editing. (B) Coding.  
(C) Tabulation. (D) Classification.
20. In order to augment the accuracy of the study a researcher :
- (A) Should increase the number of sample.  
(B) Should be honest and unbiased.  
(C) Should resort to ethical procedures.  
(D) All the above.

**THIRD AND FOURTH SEMESTER M.A./M.Sc./M.Com. DEGREE  
EXAMINATION, APRIL/MAY 2021**

[PVT/SDE]

(CUCBCSS)

M.Com.

MC 3C 13—RESEARCH METHODOLOGY

(2017 to 2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all the questions  
Each question carries 2 marks.*

1. What is experimental design ?
2. How is a random sample selected ?
3. What is coding of data ?
4. What is the importance of scaling in research ?
5. Name any two statistical software ?

(5 × 2 = 10 marks)

**Part B**

*Answer any four questions.  
Each question carries 10 marks.*

6. What are the quality of researcher ?
7. Describe the types of non-probability sampling.
8. Distinguish between questionnaire and interview schedule.
9. Give an account of the contents of a research report.
10. What are the merits of interview schedule ?
11. Write a notes on : (a) Cross tabulation (b) Multi-collinearity.

(4 × 10 = 40 marks)

**Turn over**

**Part C**

*Answer any two questions.  
Each question carries 15 weightage.*

12. Briefly describe the different steps involved in a research process.
13. Explain the utility of scaling techniques in business research. Also explain the different scaling techniques.
14. What are the characteristics and functions of a research report ?

(2 × 15 = 30 marks)

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**THIRD AND FOURTH SEMESTER M.A./M.Sc./M.Com. DEGREE  
EXAMINATION, APRIL/MAY 2021**

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MC 3C 12—INCOME TAX LAW AND PRACTICE

(2017 to 2018 Admissions)

(Multiple Choice Questions for SDE Candidates)

Time : 15 Minutes

Total No. of Questions : 20

Maximum : 20 Marks

**INSTRUCTIONS TO THE CANDIDATE**

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## MC 3C 12—INCOME TAX LAW AND PRACTICE

(Multiple Choice Questions for SDE Candidates) ,

1. Income Tax Act, 1961 came into force on :
  - (A) 1-1-1961.
  - (B) 1-4-1961.
  - (C) 1-1-1962.
  - (D) 1-4-1962.
2. Income tax was introduced in India for the first time by :
  - (A) Sir John Williams.
  - (B) Sir James Wilson.
  - (C) Sir Joseph.
  - (D) Sir James Paascal.
3. Income Tax Department works under :
  - (A) Central Government.
  - (B) CBDT.
  - (C) State Government.
  - (D) Chief Commissioner of Income Tax.
4. The maximum amount of exemption in respect of gratuity received by an employee covered by the Payment of Gratuity Act is :
  - (A) Rs. 2,50,000.
  - (B) Rs. 5,00,000.
  - (C) Rs. 10,00,000.
  - (D) Rs. 20,00,000.
5. Leave salary received by a government employee during service is :
  - (A) Fully taxable.
  - (B) Fully exempted.
  - (C) Partly taxable.
  - (D) None of these.
6. The exemption of retrenchment compensation received by an employee under Industrial Dispute Act shall not exceed :
  - (A) Rs. 2,50,000.
  - (B) Rs. 3,00,000.
  - (C) Rs. 5,00,000.
  - (D) Rs. 10,00,000.
7. Unrecognised Provident Fund is a provident fund which is not recognised by :
  - (A) Commissioner of Provident Fund.
  - (B) Commissioner of Income Tax.
  - (C) Both (A) and (B).
  - (D) None of these.

8. Standard deduction on the annual value of house property is allowed :
- (A) Only when any expenditure is incurred.
  - (B) Whether any expenditure is incurred or not.
  - (C) None of these.
9. An assessee paid Rs. 64,000 as interest on a loan taken in the P.Y 2018-19 for the renovation of self-occupied house. While computing income from H.P, he is eligible for deduction to the extent of :
- (A) Rs. 64,000.
  - (B) Rs. 30,000.
  - (C) Rs. 1,20,000.
  - (D) Zero.
10. The standard deduction u/s 24(a) shall be \_\_\_\_\_ if the Annual Value of the H.P. is Rs. 60,000.
- (A) Rs. 18,000.
  - (B) Rs. 30,000.
  - (C) Rs. 15,000.
  - (D) Rs. 60,000.
11. If a company spent Rs. 80,000 as preliminary expenses on 31<sup>st</sup> March, 2018, the allowable deduction is :
- (A) Rs. 8,000.
  - (B) Rs. 16,000.
  - (C) Rs. 20,000.
  - (D) Rs. 40,000.
12. For being long term capital gain, the asset should be retained by the assessee for a period of :
- (A) 36 months.
  - (B) More than 36 months.
  - (C) 24 months.
  - (D) 12 months.
13. Which among the following is not a capital asset ?
- (A) Goodwill of business.
  - (B) Jewellery.
  - (C) Car used for business purposes.
  - (D) Agricultural land situated in a village.
14. Which among the following is not chargeable to tax under the head, income from other sources ?
- (A) Winnings from lottery.
  - (B) Interest from bank.
  - (C) Dividend from co-operative society.
  - (D) Profit on sale of the goodwill of a business.

15. The inclusion of others' income in the income of an assessee is called :
- (A) Aggregation. (B) Clubbing.  
(C) Set-off. (D) None of these.
16. Loss in respect of speculation business can be :
- (A) Set-off with profit from non-speculation business.  
(B) Set-off with profit from another speculation business.  
(C) Set-off with income from house property.  
(D) Set-off with income from other sources.
17. The deduction in respect of medical treatment of a dependent who is a person with disability is :
- (A) Rs. 1,50,000. (B) Rs. 1,25,000.  
(C) Rs. 75,000. (D) None of these.
18. With effect from A. Y. 2018-19, donation should be paid in any mode other than cash when it exceeds :
- (A) Rs. 2,000. (B) Rs. 2,500.  
(C) Rs. 3,000. (D) Rs. 10,000.
19. An individual assessee with severe disability is entitled to a deduction of \_\_\_\_\_ while computing his total income.
- (A) Rs. 50,000. (B) Rs. 75,000.  
(C) Rs. 1,25,000. (D) Rs. 1,50,000.
20. The rate of surcharge if total income of an individual assessee exceeds Rs : one crore is :
- (A) 7.5 %. (B) 10 %.  
(C) 15 %. (D) 20 %.

THIRD AND FOURTH SEMESTER M.A./M.Sc./M.Com. DEGREE  
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M.Com.

MC 3C 12—INCOME TAX LAW AND PRACTICE

(2017 to 2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

Part A

*Answer all questions.*

*Each question carries 2 marks.*

1. Define previous year.
2. State the meaning of Annual Value.
3. Mention any *two* exempted income.
4. What is a 'Block Asset' ?
5. What is Short term capital gain ?

(5 × 2 = 10 marks)

Part B

*Answer any four questions.*

*Each question carries 10 marks.*

6. What is Assessment ? Explain its types.
7. State residential Status of an Individual.

Turn over

8. Mr. Balachandra an employee of Government of India is drawing a salary of of rupees 30000 per month and DA of 5000 per month. From the very beginning he was getting entertainment allowance and last year entertainment allowance was doubled At present he is drawing rupees 2000 per month as entertainment allowance. The other packages are ore of rupees 4000 per month he was getting uniform allowance rupees 3000 twice a year It was claimed that whole of it has been spent on uniform he received rupees 20,000 as bonus during the year calculate his taxable salary for 2018-19 .
9. Explain the methods of computing income from business.
10. A, B and C are members of an AOP. They share the profit or loss in the ratio of 1 : 2 : 3. During the previous year the income of AOP is Rs. 6,00,000 and incomes A B and C are Rs. 45,000, Rs. 90,000 and Rs. 1,35,000 respectively. Compute tax liability of AOP and A, B and C for the assessment year 2018-19.
11. Explain : Tax liabilities of Co-operatives and Trusts.

(4 × 10 = 40 marks)

### Part C

*Answer any two questions.*

*Each question carries 15 marks.*

12. Mr.Sundaram is a business man. The particulars of his income are as follows for the assessment year of 2018-19 :

1	Business Income	...	4,82,000
2	Income for House Property (Computed)	...	24,000
3	Interest on Government Securities		20,000
4	Long - term Capital Gains		12,000
5	Winnings from horse race	...	7,000

He has paid life insurance premium amounting to Rs. 5,000.

You are requested to compute his net tax liability.

13. The following details have been supplied by the Karta of a H.U.F Compute the total income for the AY 2018-19 :

	Rs.
(a) Profit from business	2,90,000
(b) Salary received by a member of HUF	10,000
(c) Director's fees received by Karta	8,000
(d) Rent from let out property	20,000
Municipal taxes paid	1,000
(e) Annual municipal value of the joint family house	... 18,000
Municipal taxes paid	1,000
Interest on loan for construction of house	20,000
(f) Interest	5,000
(g) Long-term capital gains from transfer of buildings	10,000
(h) Profit from an AOP (1/4"share)	10,000
(i) Dividend from companies (Gross)	10,000
(j) Donation to N.D.F.	5,000
(k) Medical Insurance Premium on the health of the members :	
of the family	... 6,000
(l) Premium paid on LIC policies	19,000

14. Explicate in detail on Powers and functions of Income tax department.

(2 × 15 = 30 marks)

**THIRD AND FOURTH SEMESTER M.A./M.Sc./M.Com. DEGREE  
EXAMINATION, APRIL/MAY 2021**

[PVT/SDE]

(CUCBCSS)

M.Com.

MC 3C 11—FINANCIAL MARKETS AND INSTITUTIONS

(2017 to 2018 Admissions)

Time : Three Hours

Maximum : 80 Marks

**Part A**

*Answer all the questions.*

*Each question carries 2 marks.*

1. Define Financial System.
2. What are the two types of Commodity Market ?
3. What do you mean by Mutual Fund ?
4. What is meant by Euro Bond ?
5. What do you mean by Indian Depository Receipt ?

(5 × 2 = 10 marks)

**Part B**

*Answer any four questions.*

*Each question carries 10 marks.*

6. What are the Functions of Financial System ?
7. What are the Two Theories of Interest Rates ?
8. What are the Features of Debt Market Instruments ?
9. Explain the detail about SEBI Guidelines on Mutual Fund.

**Turn over**



10. What are the difference between Foreign Portfolio Investment and Foreign Direct Investment ?
11. What is is the Impact of Foreign Capital Flow on the Indian Economy ?

(4 × 10 = 40 marks)

**Part C**

*Answer any two questions.  
Each question carries 15 marks.*

12. Briefly explain the Components of Indian Financial System.
13. What are the various Types of Mutual Funds ?
14. Briefly explain the Foreign Portfolio Investment in India.

(2 × 15 = 30 marks)

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**THIRD AND FOURTH SEMESTER M.A./M.Sc./M.Com. DEGREE  
EXAMINATION, APRIL/MAY 2021**

[PVT/SDE]

(CUCBCSS)

M.Com.

MC 3C 11—FINANCIAL MARKETS AND INSTITUTIONS

(2017 to 2018 Admissions)

(Multiple Choice Questions for SDE Candidates)

Time : 15 Minutes

Total No. of Questions : 20

Maximum : 20 Marks

**INSTRUCTIONS TO THE CANDIDATE**

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
3. Each question is provided with choices (A), (B), (C) and (D) having one correct answer. Choose the correct answer and enter it in the main answer-book.
4. The MCQ question paper will be supplied after the completion of the descriptive examination.

## MC 3C 11—FINANCIAL MARKETS AND INSTITUTIONS

(Multiple Choice Questions for SDE Candidates)

1. Which of the following is not an institutional credit rating agency in Indian financial system ?  
(A) CRISIL. (B) CIBIL.  
(C) CARE. (D) ICRA.
2. SEBI was established in \_\_\_\_\_.  
(A) 1988. (B) 1985.  
(C) 1991. (D) 1990.
3. National Housing bank is a fully owned subsidiary of \_\_\_\_\_.  
(A) HDFC. (B) HSBC.  
(C) RBI. (D) HUDCO.
4. Any company making a public issue of value of more than Rs. \_\_\_\_\_ is required to file a draft offer document with SEBI.  
(A) 100 lakh. (B) 25 lakh.  
(C) 50 lakh. (D) 10 lakh.
5. The device adopted to make profit out of the differences in prices of a security in to different markets is called \_\_\_\_\_.  
(A) Cornering. (B) Prise rigging.  
(C) Arbitrage. (D) Margin trading.
6. \_\_\_\_\_ is the link between the depository and the owner  
(A) Agent. (B) Depository participant.  
(C) Beneficiary. (D) Broker.
7. An issuer need not file an offer document in case of :  
(A) Public issue. (B) Preferential allotment.  
(C) Right issue. (D) Bought out deal.

8. An issue of a minimum size of Rs. \_\_\_\_\_ crore is a mega issue.
- (A) 50. (B) 100.  
(C) 150. (D) 300.
9. Management Development Institute (MDI) was set up by \_\_\_\_\_.
- (A) IDBI. (B) ICICI.  
(C) IFCI. (D) SEBI.
10. The year of establishment of National Multi-Commodity Exchange (NMCE) was \_\_\_\_\_.
- (A) 2002. (B) 2003.  
(C) 2004. (D) 2005.
11. \_\_\_\_\_ is the world's largest exchange in silver and gold.
- (A) NMCE. (B) MCX.  
(C) ICEX. (D) NCDEX.
12. Headquarters of Multi Commodity Exchange in India (MCX) is \_\_\_\_\_.
- (A) New Delhi. (B) Ahmedabad.  
(C) Mumbai. (D) Calcutta.
13. In \_\_\_\_\_ NSE and BSE launched trading in commodities.
- (A) 2016. (B) 2017.  
(C) 2018. (D) 2015.
14. In the year 2018 NMCE merged with \_\_\_\_\_.
- (A) UCX. (B) MCX.  
(C) ICEX. (D) NCDEX.
15. Which of the following statements is false ?
- (A) A bond issuer must pay periodic interest.  
(B) Bond prices remain fixed over time.  
(C) Bonds carry no corporate ownership privileges.  
(D) A bond is a financial contract.

16. According to the Fisher hypothesis, the nominal rate of interest consists of :
- (A) A stable real rate plus a variable risk premium.
  - (B) A real rate plus a liquidity premium plus a risk premium.
  - (C) A stable real rate plus a variable inflation premium.
  - (D) An inflation premium plus a liquidity premium.
17. The ability of central banks to influence short-term interest rates rests upon :
- (A) Government policy.
  - (B) Their role as lenders of last resort.
  - (C) Their supervisory role.
  - (D) Sales of government bonds.
18. According to \_\_\_\_\_ theory of interest, the rate of Interest is the price of credit which is determined by the demand and supply for loanable funds.
- (A) Loanable Fund theory.
  - (B) Productivity theory.
  - (C) Abstinence theory.
  - (D) None of these.
19. The Time- Preference Theory of Interest was expounded by \_\_\_\_\_.
- (A) John Rae.
  - (B) Alfred Marshall.
  - (C) JM Keynes.
  - (D) JB Clark.
20. BOLT was introduced by BSE in the year :
- (A) 1990.
  - (B) 1995.
  - (C) 1992.
  - (D) 1999.