DISTANCE EDUCATION

B.B.A. (Banking) DEGREE EXAMINATION, MAY 2012.

BUSINESS COMMUNICATION

(2005 Onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1.   Explain the layout of a business letter.

2.   Write notes on

    (a)   Status enquiry

    (b)   Trade reference

3.   Explain the importance of collection letter.

4.   State the contents of an order letter?

5.   State the circumstances under which a circular letter can be effectively used.

6.   What are the merits and demerits of agency letters?

7.   What is an agenda? Explain the different types of an agenda.

8.   What are the qualities of a good business report?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Explain the different types of business letters.

10. Draft a letter to an existing customer enquiring about the financial status of a prospective customer.

11. A customer of your company has been supplied with a defective refrigerator. Draft a suitable reply convincing him to accept a new refrigerator as replacement.

12. Draft a letter on behalf of a life insurance company to a policy holder who wishes to surrender his policy, dissuading him from doing so by suggesting to avail the loan facility.

13. Write a circular letter intimating the change of address to customers.

14. Draft the minutes of the twenty fifth annual general meeting of sun info systems Ltd., Delhi assuming the usual transactions.

15. Draft an application with your Bio-data for the post of sales executive in a company dealing with consumer goods.

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DISTANCE EDUCATION

B.B.A. (Banking) DEGREE EXAMINATION, MAY 2012.

PRINCIPLES OF ECONOMICS

(2005 onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1.   Explain the role of capital in production.

2.   What are the uses of national income statistics?

3.   What are the salient properties of Indifference curves in an indifference map?

4.   What are the limitations of consumer's sovereignty?

5.   Distinguish Optimum firm from Representative firm.

6.   Write a note on Collective Bargaining.

7.   Explain the Marginal Cost with illustration and its significance in cost analysis.

8.   Distinguish between rent and quasi-rent.

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9.   What is National Income? Describe how it could be measured.

10.   What is Law of Demand? What are the factors affecting the demand of a product?

11. Explain Economies of Scale and different types of economies with illustrations.

12. What are the essential features of perfectly competitive market?

13. Illustrate how a firm under monopolistic competition determines the price of the product.

14. Briefly discuss about Marginal Productivity Theory of profit.

15. Explain the liquidity preference theory of interest.

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DISTANCE EDUCATION

B.B.A. (Banking) DEGREE EXAMINATION, MAY 2012.

MONEY AND BANKING

(2005 onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1.   Define money. Describe the nature of money.

2.   Write a note on deflation and its effect.

3.   Bring out the constituents of the money market in India.

4.   Write short notes on primary market and secondary market.

5.   Describe the importance of commercial banking in the country.

6.   Explain the features of banking regulation act.

7.   "Central bank is a banker's bank" – Explain.

8.   Explain the role of banks in economic development.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Explain the role and importance of money in a modern economy.

10. Describe the procedure for the construction of price index number.

11. Bring out the fallacy of present Indian money market.

12. Explain he different classifications of banks.

13. Differentiate scheduled and non-scheduled commercial banks.

14. Explain the role of exchange banks in foreign trade.

15. Explain the functions of RBI.

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DISTANCE EDUCATION

B.B.A.(Banking) DEGREE EXAMINATION, MAY 2012.

RURAL BANKING

(2005 onwards)

Time : Three hours   Maximum :100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE of the following.

1. Bring out the factors influencing Rural Finance.

2. Describe the functions of Commercial Banks in developing Institutional infrastructure for rural finance.

3. Explain the concept of rural development Programmes.

4. State the objectives of self Help Groups.

5. Examine the importance of project Appraisal.

6. Discuss the advantages of service Area Approach.

7. Write a note on Lead Bank Scheme.

8. Explain the function of MGOs.

PART B — (4 × 15 = 60 marks)

Answer any FOUR of the following.

9. Critically evaluate the role of co-operative Banks in rural development.

10. Discuss the composition of Indian rural economy.

11. Explain the problems faced in implementing the rural development Projects.

12. Write down the functions performed by Khadi village Industries Commission for rural development.

13. Discuss the various steps involved in appraising a Rural Development project.

14. Explain the concept of priority sector credit.

15. Examine the role and functions of NABARD in rural development.

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DISTANCE EDUCATION

B.B.A. (Banking) DEGREE EXAMINATION, MAY 2012.

FINANCIAL ACCOUNTING

(2005 onwards)

Time : Three hours   Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Explain the "Steps in the process of Accounting".

2. Enter the following transactions in a simple cash book of Shri. Subramanian.

		Rs.
Apr. 1	Commenced business with cash	24,000
5	Bought goods for cash	6,000
10	Goods sold for cash	11,200
13	Paid into bank	2,500
14	Sold goods to Ganesan on credit	9,000
15	Bought goods from Mohan on Credit	13,600
20	Purchased furniture	9,600
Apr. 21	Purchased stationery	160
23	Received Cheque from Ganesan	9,000
25	Paid Mohan	13,600
26	Received commission	740
27	Paid Telephone Charges	300
30	Drawn from Bank	3,800

3. From the following balances extracted at the close of the year ended 31st March 2006, prepare profit and loss account of Mr. Raj as on that date :

	Rs.
Gross profit	55,000
Carriage on sales	500
Office Rent	500
General expenses	900
Discount to customers	360
Interest from bank	200
Travelling expenses	700
Salaries	900
Commission	300
Repairs	500
Telephone expenses	520
Interest (Dr.)	480
Fire Insurance Premium	900
Bad debts	2,100
Apprentice premium (Cr.)	1,500
Printing & Stationery	2,500
Trade expenses	300

4. For their mutual accommodation, Pal draws a bill on Gani for Rs. 8,000 for 3 months on 1.1.2001, Gani accepts the bill and returns it to Pal. Pal discounts the bill with the bank for Rs. 7,900 and remits half the proceeds to Gani. Before maturity Pal remits the amount due to Gani and Gani honours the bill. Show the entries in the books of Pal.

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5. From the following details, ascertain the amount of subscription to be credited to income and expenditure account for the year 1999. Subscription received in 1999 – Rs. 48,000 which include Rs. 4,000 for 1998 and Rs. 8,000 for 2,000. Subscription due but not received at the end of the year 1999 were Rs. 20,000. Subscription received in 1998 in advance for 1999 were Rs. 12,000.

6. A partner makes drawings of Rs. 2,000 p.m. under the partnership deed. Interest is to be charged at 12% p.a. What is the interest that should be charged to the partner if the amount was drawn (a) in the beginning of the month (b) in the middle of the month and (c) at the end of the month.

7. A limited company issued 25000 ordinary shares of Rs.25 each payable Rs. 5 on application, Rs. 10 on allotment and Rs. 5 each on subsequent calls, 20000 shares were fully subscribed and money duly received. You are required to give journal entries.

8. Explain the prudential accounting norms.

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Prepare Trading, profit and loss A/c and balance sheet from the following trial balance of Mr. M. Madan for the year 2006–2007.

	Rs.		Rs.
Sundry debtors	92,000	Madan's Capital	70,000
Plant & Machinery	20,000	Purchase returns	2,600
Interest	430	Sales	2,50,000
Rent, Rates, Taxes		Sundry Creditors	60,000
and Insurance	5,600	Bank Overdraft	20,000

3

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	Rs.		Rs.
Conveyance charges	1,320		
Wages	7,000		
Sales returns	5,400		
Purchases	1,50,000		
Opening stock	60,000		
Madan's drawings	22,000		
Trade Expenses	1,350		
Salaries	11,200		
Advertising	840		
Discount	600		
Bad debts	800		
Business premises	12,000		
Furniture and Fixtures	10,000		
Cash in hand	2,060		
	4,02,600		4,02,600

Adjustments :

(a) Stock on hand 31.3.2007 Rs. 90,000

(b) Provide depreciation on premises at 2.5%; Plant and Machinery at 7.5% and furniture and fixtures at 10%.

(c) Write off Rs. 800 as further bad debts.

10. A partner has withdrawn the following sums of money during the half year ending 30.9.2004.

	Rs.		Rs.
Jan. 15	300	April 20	400
Feb. 18	250	May 16	300
Mar. 10	150	June 18	500
Mar. 26	200		

4

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Interest is to be charged at 8% p.a. Find out the average due date and calculate the amount of interest to be debited to the partner.

11. The Calcutta sports club gives the following receipts and payments A/c for the year ended 31st Dec. 1988.

Receipts	Rs.	Payments	Rs.
To Cash in hand	150	By Groundmen's fees	1,500
To Cash at bank	2,100	By Mowing machine	1,100
To Subscriptions	5,800	By Rent	500
To Tournament fund	1,500	By Salaries to	
To Life Membership	2,000	Coaches	3,600
To Entrance fees	200	By Tournament	
To Donation for		expenses	900
Pavilion	3,000	By Office expenses,	
To Sale of grass	100	postage etc.	2,400
		By Sports equipment Purchased	1,200
		By Cash in hand	350
		By Cash at Bank	3,300
	14,850		14,850

Additional details :

(a) Subscription due on 31.12.1987 and on 31.12.1988 were Rs. 900 and Rs. 800 respectively. Subscriptions received also include subscription for 1999, Rs. 200.

(b) Sports equipment on hand on 31st December 1987 was Rs. 1,100, the value placed on the equipment on hand on 31st December 1988 was Rs. 1,300.

(c) The moving machine was purchased on 1.7.1988 and is to be depreciated at 20% per annum.

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(d) Office expenses include Rs. 300, 1987 and Rs. 400 are still due for payment.

(e) Tournament receipts and expenses are to be separated from general incomes and expenses.

Prepare income and expenditure A/c for the year 1988.

12. Arul and Balu are partners sharing profits in the ratio of 3 : 2. Their balance sheet as on 1st January 1995 was as follows :

Liabilities	Rs.	Assets	Rs.
Sundry creditors	15,000	Plant & Machinery	30,000
Capital accounts :		Furniture	10,000
Arul	30,000	Stock	20,000
Balu	25,000	Debtors	18,000
General Reserve	10,000	Cash	2,000
	80,000		80,000

Charu is admitted as a partner on the above date on the following terms :

(a) He will pay Rs. 10,000 as goodwill for 1/4th share in profits.

(b) The assets are to be valued as under :

Plant and machinery Rs. 32,000. Stock Rs. 18,000, Provision on debtors at 5%.

(c) It was found that creditors included a sum of Rs. 1,400 which was not to be paid.

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(d) There was a liability for compensation to workers amounting to Rs. 2,000.

(e) Charu was to introduce Rs. 20,000 as capital and the capitals of the other partners were to be adjusted in the profit sharing ratio. For this purpose, current accounts were to be opened.

Give journal entries, capital accounts and the balance sheet of the new firm.

13. X Ltd. issued 10,000 equity shares of Rs. 10 each, payable Rs. 3 on application, Rs. 3 on allotment and the balance by two calls. All the calls were duly made and the amount so realized with the exception of the following :

(a) Mr. A holding 100 shares did not pay the amount due on first call.

(b) Mr. B holding 100 shares did not pay the amount due on final call.

All the shares were forfeited and reissued 150 shares (full of A and balance of B) at Rs. 8 per share. Show the forfeiture and reissue entries.

14. The following ledger balances of Mumbai Bank as at 31st March 2004 given below. Prepare profit and loss account and balance sheet as per requirements of law :

	Rs. ('000)
Statutory reserve	1,200
Bad debts written off	128
Operating expenses	182
Current accounts	20,245
Interest paid	160
Deposits accounts	6,920
Profit and Loss A/C B.F.	229

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	Rs. ('000)
Bills receivable for customers	1,500
Discount	244
Endorsement and Guarantee	575
Commission	45
Cash	225
Interest earned	550
Balance with Reserve Bank	2,030
Balance with Foreign banks	1,206
Bills for collection	1,500
Borrowings from Banks	6,482
Cash credits and overdrafts	15,457
Investments	9,882
Bills discounted	6,228
Premises	2,217
Share capital	2,000

The following further information is furnished :

(a) Rebate on bills discounted to be provided of Rs. 64,000

(b) The bank had paid an interim dividend of Rs. 2,00,000 during the year.

15. What is bank reconciliation statement? Why is it prepared periodically?

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DISTANCE EDUCATION

B.B.A. (Banking) / B.B.A. (Banking) (Lateral) DEGREE
EXAMINATION, MAY 2012.

PRACTICE AND LAW OF BANKING — I

(2005 onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Examine the Legal obligation of a banker to maintain
    secrecy in respect of his customer's accounts.

2. What are the main features of fixed deposit?

3. What precautions should a banker take in opening and
    operating an account in the name of a Joint Stock
    Company?

4. Define a cheque. State the requisites of a valid cheque.

5. Who is a holder in due course? What are the rights of a
    holder in due course?

6. Under what circumstances a banker can close his
    customer's account? To whom should he pay the balance?

7. Explain the significance of 'Not Negotiable' and 'Account
    payee' crossing.

8. Discuss in detail the statutory protection granted to a
    paying banker u/s 85 of the N.I. Act.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Describe the subsidiary services of a modern commercial bank.

10. Discuss in detail the statutory protection granted to a collecting banker in India.

11. Define endorsement. Explain with illustrations the different kinds of endorsements and bring out their significance.

12. What risk does a banker incur in opening an account with trustees and executors? What precautions will you take in such cases?

13. Discuss the formalities in which a banker has to observe before opening a new account.

14. Define the terms 'Banker' and 'Customer' and bring out the relationship that exists between them.

15. Define a bill of Exchange and state its essentials. How does it differ from promissory Note?

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DISTANCE EDUCATION

B.B.A. (Banking) / B.B.A. (Banking) Lateral
DEGREE EXAMINATION, MAY 2012.

MANAGEMENT PRACTICE

(2005 onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Explain the modern management and systems approaches.

2. Define decision making. Write the features of decision making.

3. Differentiate between management and administration.

4. What is span of management? Explain its types.

5. What are the guidelines for effective delegation of authority?

6. Explain the process of organising.

7. State the principles of effective communication.

8. Briefly explain the advantages and disadvantages of decentralization.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Define management and explain the principles of F.W. Taylor's scientific management.

10. What is policy? Explain the types of policies.

11. Explain the factors determining an effective span of management.

12. What are the steps involved in selection process made in the Indian Companies / Banks while recruitment.

13. Write short notes on the following :　　　(3 marks each)

    (a) Job enrichment

    (b) PERT and CPM

    (c) Zero base budget

    (d) Procedures

    (e) Grape wine communication

14. Explain the different strategies of departmentation.

15. Discuss the various controlling techniques.

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DISTANCE EDUCATION

B.B.A. (Banking)/B.B.A. (Banking) (Lateral) DEGREE
EXAMINATION, MAY 2012.

BUSINESS STATISTICS

(2005 Onwards)

Time : Three hours　　　　　　　　Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. Explain the use of statistics in business and industry.

2. Define arithmetic mean. What are its merits and demerits?

3. Daily earnings in Rs. (X) of 10 coolies are given. Calculate all the three mean deviations and the corresponding relative measures.

   X : 32　51　23　46　20　78　57　56　57　30

4. Calculate Karl-Pearson's co-efficient of skewness for the following data.

Wage per item (Rs.) :	12	15	20	25	30	40	50
Number of items :	10	25	40	70	32	13	10

5. Compute the co-efficient of correlation between X-Advertisement expenditure and Y-Sales.

X :	10	12	18	8	13	20	22	15	5	17
Y :	88	90	94	86	87	92	96	94	88	85

6. What is interpolation? What are the uses of interpolation?

7. Calculate the cost of living index from the following data :

Group	Food	Fuel	Clothing	Rent	Mis.
Index number	352	220	230	160	190
Weight	48	10	8	12	15

8. Explain the different components of time series.

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

All questions carry equal marks.

9. Give a brief description of different measures of central tendency. Why is arithmetic mean so popular?

10. Find the mean, median and mode.

Salary (Rs. 000') :	3-5	5-8	8-10	10-15	15-20	20-30	30-50	Total
No. of persons :	10	25	52	173	108	36	16	420

11. The weekly salaries of a group of employees are given in the following table. Find the mean and standard deviation of the salaries.

Salary (Rs.) :	75	80	85	90	95	100
No. of persons :	3	7	18	12	6	4

12. Calculate Kelly's coefficient of skewness.

Salary (Rs. 00') :	30-49	50-69	70-89	90-109	110-129	130-149	150-169
No. of employees :	25	40	50	100	80	50	25

13. Calculate Spearman's rank correlation co-efficient :

X :	24	27	31	32	20	25	33	30	28	22
Y :	11	8	5	3	13	10	2	7	9	2

2

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14. From the following data, find out the probable number of students who have got more than 75 marks. Use Lagrange's formula.

    Marks :   0-39   40-49   50-59   60-100
    No. of students :   40   20   15   40

15. Using three year moving averages determine the trend and short-term fluctuations.

Year :   1983 1984 1985 1986 1987 1988 1989 1990 1991 1992

Production : 21   22   23   25   24   22   25   26   27   26

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DISTANCE EDUCATION

B.B.A. (Banking)/B.B.A. (Banking) (Lateral) DEGREE
EXAMINATION, MAY 2012.

BUSINESS (COMMERCIAL) LAW

(2005 Onwards)

Time : Three hours   Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

All questions carry equal marks.

1. What do you mean by undue influence? Differentiate undue influence from coercion.

2. Discuss fully the law relating to minor's contract.

3. What are the differences between sale and agreement to sell?

4. What are the differences between partnership and joint stock company?

5. What is 'doctrine of ultra vires' of the company?

6. What are the various types of company meeting?

7. What are the effects of document not being duly stamped?

8. What is the effect of registration?

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

All questions carry equal marks.

9. Discuss essential elements of a valid contract.

10. State various modes in which a contract is discharged.

11. Discuss fully the mutual rights and duties between partners in a firm.

12. Explain various modes of dissolution of a firm.

13. State the features of company and explain different kinds of company.

14. Explain the provisions regarding the stamp duty under Indian stamp act.

15. Describe the procedure for registration of documents.

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DISTANCE EDUCATION

B.B.A.(Banking)/B.B.A. (Banking) LATERAL DEGREE EXAMINATION, MAY 2012.

FOREIGN EXCHANGE AND FINANCING OF FOREIGN TRADE

(2005 Onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Distinguish between balance of trade and balance of payments.

2. Explain the features of bill of lading.

3. What is exchange control? What are the objectives of exchange control?

4. Explain the method of calculating forward rates based on cross rates.

5. State the features of duty drawback scheme.

6. Explain the methods of dealing with discrepancies in documents.

7. Explain the features of standard policy of the ECGC.

8. Describe the mechanism of letter of credit.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Explain the features of different types of documents used in foreign trade.

10. Define the term foreign exchange. Explain various functions of the foreign exchange department of a commercial bank.

11. Explain the exchange control regulations relating to exports.

12. Explain the procedure to be followed by the banker while accepting export bills for collection.

13. Examine the role of commercial banks in financing project exports.

14. Examine the role of the EXIM Bank in the promotion of foreign trade.

15. Explain the features of different types of letters of credit.

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DISTANCE EDUCATION

B.B.A. (Banking)/B.B.A. (Banking) (Lateral) DEGREE EXAMINATION, MAY 2012.

PRACTICE AND LAW OF BANKING — II

(2005 onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Distinguish between purchase of bills and discounting of bills.

2. What are the cardinal principles of lending by banks?

3. Brief out the differences between hypothecation and mortgage.

4. Explain the concept of lien and its types.

5. What are the essential features of a contract of guarantee?

6. What are non-performing assets?

7. What do you understand by loan appraisal?

8. Define and explain the meaning of industrial sickness.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Explain various forms of advances extended by banks.

10. Discuss the various modes of creating charges on securities.

11. Briefly explain the liabilities of the surety.

12. Explain the various aspects of loan appraisal.

13. Discuss the essential clauses of Indian stampt act with regard to documents executed by borrowers.

14. What are the merits and demerits of lending against goods?

15. Examine the causes for industrial sickness.

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DISTANCE EDUCATION

B.B.A. (Banking)/B.B.A. (Banking) (Lateral) DEGREE
EXAMINATION, MAY 2012.

MARKETING OF BANKING SERVICES

(2005 onwards)

Time : Three hours   Maximum : 100 marks

SECTION A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. What is marketing? What is the scope of bank marketing?

2. What are the elements of marketing risk of banks?

3. What are the bases for market segmentation of banks?

4. What are the selling points of a bank product?

5. What are the constraints in development of bank product?

6. Evaluate the importance of pricing in bank marketing.

7. What are the objectives and need of promotion in bank marketing?

8. Explain various extrinsic rewards that may be offered to bank employees.

SECTION B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. What is social marketing? Explain its process in bank.

10. Explain the environmental variables influencing the marketing strategies of and policies of a bank.

11. Describe the characteristics and design of an ideal layout of bank branch.

12. Comment on product line and product mix of a modern bank.

13. Discuss various internal and external forces that influence the pricing strategy of a bank.

14. Comment upon the role played by advertising in Indian bank marketing.

15. Briefly discuss the scope of training for various categories of bank officials.

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DISTANCE EDUCATION

B.B.A. (Banking)/B.B.A. (Banking) (Lateral) DEGREE
EXAMINATION, MAY 2012.

MANAGEMENT ACCOUNTING

(2005 onwards)

Time : Three hours　　　　　　　　Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Define management accounting. Discuss its scope.

2. Define budget and budgetary control. Give a description of important budgets.

3. What are the merits and demerits of pay-back method?

4. Write a short notes on break-even analysis.

5. What are the limitations of ratio analysis?

6. Write a short notes on 'methods of reporting'.

7. The income statements of a concern are given for the years ending on 31st Dec. 2007 and 2008. Re-arrange the figures in a comparative form and study the profitability position of the concern.

	2007 Rs.	2008 Rs.
Net sales	7,85,000	9,00,000
Cost of goods sold	4,50,000	5,00,000
Operating expenses :		
Administrative expenses	70,000	72,000
Selling expenses	80,000	90,000
Non-operative expenses :		
Interest paid	25,000	30,000
Income tax	70,000	80,000

8. The expenses for the production of 5000 units in a factory are given as follows :

	Per unit
	Rs.
Materials	50
Labour	20
Variable overheads	15
Fixed overheads (Rs. 50,000)	10
Administrative expenses (5% variable)	10
Selling expenses (20% fixed)	6
Distribution expenses (10% fixed)	5
	116

You are required to prepare a budget for the production of 7000 units.

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. A company wishes to arrange overdraft with its bankers during the period April to June. Prepare cash budget from the following data, indicating the extent of bank facilities, the company will require at the end of each month.

	Sales	Purchases	Wages
	Rs.	Rs.	Rs.
February	1,80,000	1,24,800	12,000
March	1,92,000	1,44,000	14,000
April	1,08,000	2,43,000	11,000
May	1,74,000	2,46,000	10,000
June	1,26,000	2,68,000	15,000

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50% of credit sales are realised in the month following sales and the remaining 50% in the second month following. Creditors are paid in the month following the month of purchase. Wages are paid on the first of very next month.

Cash at bank on 1st April Rs. 25,000.

10. From the following information, calculate the net present value of the two projects and suggest which of the following should be accepted assuming a discount rate of 10%.

	Project X	Project Y
Initial investment	Rs. 20,000	Rs. 30,000
Estimated life	5 years	5 years
Scrap value	Rs. 1,000	Rs. 2,000

The profit before depreciation and after taxes (cash flows) are as follows :

	Year 1 Rs.	Year 2 Rs.	Year 3 Rs.	Year 4 Rs.	Year 5 Rs.
Project X	5,000	10,000	10,000	3,000	2,000
Project Y	20,000	10,000	5,000	3,000	2,000

11. Explain the features of any two methods of capital budgeting.

12. The following is the balance sheet of a company as on 31st March.

Liabilities	Rs.	Assets	Rs.
Share capital	2,00,000	Land and buildings	1,40,000
Profit and loss a/c	30,000	Plant and machinery	3,50,000
General reserve	40,000	Stock	2,00,000
12% Debentures	4,20,000	Sundry debtors	1,00,000
Sundry creditors	1,00,000	Bills receivable	10,000
Bills payable	50,000	Cast at bank	40,000
	8,40,000		8,40,000

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Calculate :

(a) Current ratio

(b) Quick ratio

(c) Inventory to working capital

(d) Debt to equity ratio

(e) Proprietary ratio.

13. From the following information relating to A Ltd. Prepare funds flow statement :

	2007	2008		2007	2008
	Rs.	Rs.		Rs.	Rs.
Share capital	3,00,000	4,00,000	Cash	30,000	90,000
Reserve	1,00,000	50,000	Accounts		
Retained earnings	30,000	60,000	receivable	1,05,000	1,50,000
Accounts payable	45,000	1,35,000	Inventories	1,50,000	1,95,000
			Fixed assets	1,90,000	2,10,000
	4,75,000	6,45,000		4,75,000	6,45,000

Additional information :

(a) The company issued bonus shares for Rs. 50,000 and for cash Rs. 50,000

(b) Depreciation written off during the year Rs. 15,000.

14. Distinguish between financial accounting and management accounting.

15. Explain the essential characteristics of a good report.

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DISTANCE EDUCATION

B.B.A. (Banking)/B.B.A. (Banking) (Lateral)
DEGREE EXAMINATION, MAY 2012.

COMPUTERS AND BANKING

(2005 onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. Compare digital computers with analog computers.

2. What is binary number system? Explain with an example.

3. Distinguish between primary memory and secondary memory.

4. What is OS? What are its functions?

5. What is LAN? What are its merits?

6. What is MICR cheque? What are its uses in banks?

7. Write a note on ATMs in banks.

8. What is peer-to-peer networking?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Explain in detail the features of various types of computers.

10. Explain the uses of various output devices.

11. Compare the merits and limitations of various operating systems of digital computers.

12. Explain the various number systems with examples.

13. Write notes on

    (a) Compiler

    (b) Algorithm and

    (c) ROM

14. Explain the functions of various electronic devices used in banks.

15. What are the various operational problems relating to the use of computer technology in banks?

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DISTANCE EDUCATION

B.B.A. (Banking)/B.B.A.(Banking) (Lateral) DEGREE EXAMINATION, MAY 2012.

DEVELOPMENT BANKING

(2005 onwards)

Time : Three hours   Maximum : 100 marks

PART A — (5 × 8 = 40 marks)

Answer any FIVE questions.

1. What are different assistance schemes by IFCI?

2. Write a note on 'Technical development fund of IDBI'?

3. Explain the seed capital assistance by IDBI.

4. What are the objectives of SIDBI?

5. Explain the role of SFCs in industrial development.

6. State the investment method of UTI.

7. How does LIC of India help industries?

8. What are different credit rating agencies in India?

PART B — (4 × 15 = 60 marks)

Answer any FOUR questions.

9. Define development? Explain the need and objections of development banks in India.

10. "Now a days there are much differences between development banks and commercial banks". Do you agree. Explain.

11. Explain various schemes of direct assistance to industries by IDBI.

12. Describe the functions of EXIM bank.

13. Discuss different activities of the UTI.

14. Evaluate the contributions of the ICICI to Indian industries.

15. Explain the advantages and limitations of credit rating.

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