Bms
16|10|2025

Duration: 2 ½ hours   **Marks: 75**

NB: (1) All questions are compulsory having internal option.
     (2) Figures to the right indicate marks allocated to each question.
     (3) Simple calculator is allowed.

1. (A) Select the right option and rewrite the sentence. **(Any 8)**   **(08 Marks)**
   i. Shares are offered by company before commencement of the business is known as ___.
       a. Initial Public Offering (IPO)
       b. Follow on Public Offer (FPO)
       c. New Fund Offer (NFO)
       d. Private Placement (PP)

   ii. ___ refers to the risk which emerges out of controlled and known variables that are industry or security specific.
       a. unsystematic risk
       b. beta
       c. standard deviation
       d. systematic risk

   iii. _____measures the amount of systematic risk a security has relative to the whole market.
       a. Beta
       b. Range
       c. Variance
       d. Standard Deviation

   iv. under -___ portfolio manager has to assess the performance of portfolio over a period of time.
       a. performance evaluation
       b. portfolio revision
       c. portfolio execution
       d. portfolio diversification

   v. Treynor measure consider_____.
       a. systematic risk and beta
       b. unsystematic risk and beta
       c. systematic risk
       d. unsystematic risk

   vi. ____ is the last step in process of portfolio management.
       a. portfolio evaluation
       b. portfolio performance
       c. investment objectives setting
       d. selection of stocks

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vii. The ____ model is a model that describe the relationship between systematic risk and expected return for assets, particularly stocks.
   a. Capital Asset Pricing
   b. Capital Market Line
   c. Security Market Line
   d. Arbitrage Pricing Theory

viii. If an asset's expected return plots above the security market line, the asset is____.
   a. under -priced
   b. overpriced
   c. fairly priced
   d. under-priced with unique risk

ix. Under ___a portfolio manger monitor and review scripts according to market condition.
   a. portfolio revision
   b. portfolio evaluation
   c. portfolio execution
   d. portfolio diversification

x. _____ applies to debt investment.
   a. Interest rate risk.
   b. currency risk
   c. market risk
   d. legal risk

1.(B) Give True or False: (Any 7)   (07 Marks)
   i. Market risk is the risk of investment declining in value of portfolio.
   ii. Portfolio evaluation refers to the evaluation of the revision of the portfolio.
   iii. According to Capital market line, the expected return of any efficient portfolio is a function of total risk.
   iv. Credit risk is the risk of loss from reinvesting principal or income at a lower interest rate.
   v. The minimum maturity of Treasury bill is 28 days.
   vi. Central and state government can issue Gilt-edge Securities.
   vii. Security Market Line graphs define efficient portfolio.
   viii. An aggressive common stock would have a beta equal to zero.
   ix. An over price-priced stock will plot on below the security market line.
   x. Balance or hybrid scheme of mutual funds invest in both fixed income and equity.

2.(A) What are the factors influencing on selection of Investment Alternatives. Explain with examples.
                                                                            (08 Marks)

(B) Explain the online share trading in detail with Merits. (07 Marks)

OR

2. You are a Portfolio Manager Consultant practicing as freelancer. Dr. Mann Desai approached you for his investment planning. His age is 62 years with investible funds of Rs. 5 Crores. He needs guidance in respect of following area. Explain in brief.

i. What are the investment avenues available to him which will give a suitable return with maximum return?

ii. What are the various types of risks? (15 Marks)

3. (A) Calculate Beta for Catch Ltd. (08 Marks)

Year	1	2	3	4	5
Security Return (%)	17	16	17	21	24
Market Return (%)	20	17	18	20	25

3.(B) The rate of Return of Stock Illa Ltd. and Picka Ltd. under different status of economy are given below:

Particulars	Boom	Normal	Recession
Probability	0.30	0.45	0.25
Return of Stock of Illa Ltd. (%)	35	50	80
Return of Stock of Picka Ltd. (%)	75	55	51

Calculate the expected return and standard deviation of return on both the stocks.

(07 Marks)

OR

3. Following is the information about shares of Max Ltd. and Well Ltd. in various economic conditions. Give answers for the questions given below:

Economic Condition	Probability	Expected price of Max Ltd. (Rs.)	Expected price of Well Ltd. (Rs.)
High Growth	0.3	140	150
Low Growth	0.4	110	100
Stagnation	0.2	120	120
Recession	0.1	100	110

a. Which company has more risk to invest?

b. Will your decision change if probabilities are 0.3, 0.2, 0.3, 0.2 respectively?

(15 Marks)

4. (A) Differentiate between Fundamental Analysis and Technical Analysis. (8 Marks)

(B) What are Charts? Explain the types of Charts. (7 Marks)

OR

4. Following information is available relating to Rusha Ltd. And Krisha Ltd.

Particulars	Rusha Ltd. (Rs.)	Krisha Ltd. (Rs.)
Equity Share capital (Rs. 100 face value)	40,00,000	50,00,000
10 % Preference shares	16,00,000	20,00,000
Profit after tax	10,00,000	14,00,000
Proposed Dividend	7,00,000	8,00,000
Market Price per share	140 per share	156 per share

Calculate:
i.   Earning per share
ii.   Price-Earnings Ratio
iii.   Dividend Payout Ratio
iv.   Return on Equity shares
v.   Dividend Yield Ratio
       Also advise to the Investor, which is good for Investing.   (15 Shares)

5. (A) The information for three portfolios is given below:

Portfolio	Average Return on Portfolio (%)	Beta	Standard Deviation
X	13	0.8	0.40
Y	14	0.9	0.35
Z	16	1.2	0.25
Market Index	15	1.0	0.30

Compare these portfolios on performance using Sharpe and Treynor Measures. Risk free rate of return is 10%.   (8 Marks)

5.(B) The Expected return and Beta factor of three securities are as follows:

Securities	Expected Return (%)	Beta
Sagar Cement	18	1.6
Tata Motors	13	1.4
ITC	11	0.8

If the risk-free rate is 7% and market return are 12 %. Calculate returns for each security under CAPM. Advise the securities are undervalued or overvalued or at par.

(07 Marks)

OR

5. Write Short Notes on: (Any Three)   (15 Marks)
   i.   SML and CML
   ii.   Asset Allocation
   iii.   Speculation and Gambling
   iv.   Dow Jones Theory
   v.   Sensex & Nifty

BMS 18/10/2025

DURATION: 2.5Hours   **MARKS: 75**

NOTE: 1. All questions are compulsory.
　　　2. Figures to right indicated marks.
　　　3.Use of simple calculator is allowed

Q.1.　A.　<u>MULTIPLE CHOICE QUESTIONS (ANY 8)</u>   (08)
　　　　　1. _____ represent ownership in a company.
　　　　　　a. Equity　　　b. preference Shares　　c. Bonds　　d. Debentures

　　　　　2. The _____ of shares varies all the time depending on demand and supply.
　　　　　　a. Market value　　b. Book Value　　c. Face Value　　d. Redemption value

　　　　　3. Yield curve is the relationship between interest rate and _____.
　　　　　　a. Shares　　　b. Maturity　　c. Principal.　　d. Bonds

　　　　　4. Insurance Premium provides tax exemption under section ___ Income Tax.
　　　　　　a.80 D　　　b.80 C　　　c. 80 G　　　d. 80 A

　　　　　5. Current Assets are Rs1,00,000, Fixed assets are Rs2,00,000 and current liabilities are Rs50,000 then Current ratio will be _____.
　　　　　　a. 1:1　　　b. 6:1　　　c. 2:1　　　d. 0.5:1

　　　　　6. The advance tax rate for the third quarter is _____ percent.
　　　　　　a.100　　　b.45　　　c. 75　　　d. 15

　　　　　7. _____ is a lumpsum amount paid to an employee on the basis of duration of employment.
　　　　　　a. HRA　　　b. DA　　　c. Basic Salary　　d. Gratuity

　　　　　8. TDS relates to _____.
　　　　　　a. Form 17　　b. Form 18　　c. Form 19　　d. Form 16

　　　　　9. _____ rate is also known as repurchase rate
　　　　　　a. Bank Rate　　b. Interest Rate　　c. SLR　　d. Repo Rate

　　　　　10. Holding period return is the _____ on an asset or portfolio over a period.
　　　　　　a. Tax rate　　b. Cash flow　　c. Total Return　　d. investment

　　B.　<u>STATE WHETHER THE FOLLOWING STATEMENT ARE TRUE OR FALSE</u>　(07)
　　　　1. Wealth manager should provide Professional services diligently.
　　　　2. Yield refers to the annual return on an investment.
　　　　3. Principle of Utmost Good Faith is a very basic and first primary principle of Insurance.

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4. TDS is deducted on Salaries, Interest Payment by banks, commission payment, Rent payments, consultation fees and Professional fees.

5. Advance Tax is also called 'Pay as you earn'.

6. ULIP stands for Unit Life Insurance Plans.

7. Hindu undivided family is not defined in Income Tax Act.

8. Deduction for donation to a charitable trust can be claimed u/s 80 CCC.

9. 20% of basic salary is deducted from employee's salary as contribution towards provident fund.

10. Business loss can be set-off against salary income.

Q.2. A. Discuss the code of ethics for a wealth Manager. (08)
B. Define yield curve. Explain types of yield curve. (07)

OR

Q.2. A. Raj a resident individual submits the following information relevant for the previous year ending 31st March,2025. **15**

Particulars	Rs
Income from Salary	16,00,000
Income from House Property:	
House I	70,000
House II	(52,000)
House III	(25,000)
Profit and Gain of Business or Profession:	
Business I (non-speculative)	2,00,000
Business II (non-speculative)	(75,000)
Business III (speculative)	(1,60,000)
Business IV (speculative)	72,000
Capital Gain:	
Short Term Capital Loss	(83,000)
Long-Term Capital Gain	70,000
Income from other sources:	
Income from Card Games	80,000
Loss on Maintenance of Income of horse race	(1,20,000)
Income from owing and maintaining horse race	2,00,000

Determine the Net income for the Assessment Year 2025-26.

Q.3. A. Define Insurance and explain basic Principles of Insurance. (08)
B. Discuss various types of Investment Risk. (07)

OR

Q.3. **A.** Following is the Balance Sheet of Reliance Ltd as on 31st March,2025.   08

Liabilities	Amount	Assets	Amount
Equity Share Capital	40,000	Plant & Machinery	24,000
Capital Reserve	8,000	Land & Buildings	40,000
Profit & Loss A/c	12,000	Furniture & Fixtures	16,000
8% Debentures	32,000	Stock	12,000
Creditors	16,000	Debtors	12,000
Bank Overdraft	4,000	Bills Receivable	4,000
Bills Payable	8,000	Cash in hand	12,000
	1,20,000		1,20,000

Calculate the following Ratios:
1. Current Ratio
2. Quick Ratio
3. Debt-Equity Ratio
4. Capital Gearing Ratio

B Assuming the total tax liability of Mr. Ram is Rs 50,000 and TDS is Rs2,000. Calculate the Advance Tax Payable on respective due date.   (07)

Q.4. **A.** What is estate planning? Explain its objectives.   (08)
   B. Explain types of will.   (07)

OR

Q.4. **A.** Mr. Rohit purchased a residential house on 01-06-1999 for Rs1,00, 000.He incurred expenses of Rs50,000 towards cost of improvement on 02-07-2003.The fair market value of the house on 01-04-2001 was Rs1,50, 000.He sold the house on 10-10-2023 for Rs30,00, 000.The cost of inflation index for F.Y.2001-02 is 100, F.Y.2003-04 is 109 and for F.Y.2023-24=348.   (08)

   B. Compute the taxable income of Mr. Ramesh for the assessment year 2025-26   (07)
   Income from Capital Gain Rs2,00,000.
   Income from Textile Business Rs3,45,000.
   LIC Premium self Rs35,000p. a (sum assured Rs1,50,000)
   Mediclaim premium of self-policy Rs18,000.
   PF contribution Rs5,000.

Q.5. Discuss the financial objectives in Retirement Planning.   (08)
   Explain types of Annuities.   (07)

OR

Q.5. Write short note on (any three)   15
   1. Characteristics of Insurance
   2. Scope of Wealth Management
   3. Pension Schemes
   4. Financial Goals and Planning
   5. Deductions and Exemptions

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Time : 2 ½ Hours   Marks : 75

Q1) A   Choose the correct alternative (Any 8 out of 10)   (08)

1   The process of locking in the price of an asset today for future delivery
    to avoid price risk is called _____.
    A) Speculation   B) Hedging   C) Arbitrage   D) Margining

2   In a futures contract, the party agreeing to buy the underlying asset in
    the future is said to have a _____ position.
    A) Short   B) Long   C) Neutral   D) Close

3   The margin deposited by traders to protect against default risk in futures
    trading is known as _____.
    A) Call money   B) Initial margin   C) Risk fund   D)
    Maintenance margin

4   The underlying asset in a stock index future is _____.
    A) A single stock   B) A stock market index
    C) A bond   D) A currency

5   The right, but not the obligation, to buy an asset at a specified price
    within a specified time is a _____.
    A) Put option   B) Call option   C) Futures contract   D)
    Swap

6   The buyer of a futures contract expects that the price of the underlying
    asset will _____.
    A) Remain constant   B) Decrease   C) Increase   D) Be
    volatile

7   The difference between the spot price and the futures price is known as
    _____.
    A) Spread   B) Basis   C) Premium   D) Discount

8   In derivatives trading, the act of taking equal and opposite positions in
    correlated assets to profit from mispricing is called _____.
    A) Hedging   B) Speculation   C) Arbitrage   D) Spreading

9   A call option is said to be in the money (ITM) when _____.
    A) Strike price > Spot price   B) Strike price < Spot price
    C) Strike price = Spot price   D) Option is not exercised

10 The standardized nature of futures contracts ensures they are traded
    only through _____.
    A) Brokers' association   B) Organized exchanges   C) OTC
    markets   D) Private contracts

Q1) **B** **State whether True or False (any 7 out of 10)** (07)

1 Futures contracts are standardized agreements traded on recognized stock exchanges.

2 In a forward contract, the terms are standardized by the exchange.

3 The buyer of a call option has the right to sell the underlying asset at a specific price.

4 Margin money acts as a safeguard against default by either party in a futures trade.

5 In-the-money call options occur when the spot price is higher than the strike price.

6 The process of taking opposite positions in different markets to profit from price differences is called hedging.

7 The value of a derivative instrument depends on the price of an underlying asset.

8 Clearing houses guarantee the performance of all futures and options contracts traded on the exchange.

9 Higher volatility in the underlying asset generally increases the option premium.

10 A put option gives the holder the right to buy the underlying asset at a pre-agreed price

Q2 **A** Explain the reasons for investing in commodities (08)

Q2 **B** Explain the advantages and disadvantages of trading in derivatives market? (07)

OR

Q2 **C** Who are the participants in derivatives market (08)

Q2 **D** Difference between forwards and futures (07)

Q3 **A** Explain the following Terminologies: (08)
  i.   long position
  ii.   M to M / Variation margin
  iii.   Naked option
  iv.   Lot Size

Q3 **B** Explain the pricing of future contract (07)

OR

Q3 **C** The spot price of gold is Rs 90,000. The locker rent is Rs 1000 and insurance charges are Rs 750. Interest rate on borrowed funds is 10% pa compounded on monthly basis. What will be the fair value of 3 months futures contracts? (08)

Q3   D   An investor takes the position in the futures market through the   (07)
         following transaction:
         i.   Buys 6 contracts on ADANI Ltd at Rs 2000 with a lot size of 200
              which expires at a final settlement price of Rs 2150.
         ii. Sells SUZLON 5 contracts at Rs 575 with a lot size of 100 which
              expires at Rs 565.
         Determine the net profit or loss for the investor from both the positions.
         Also draw pay off diagrams for the respective positions.

Q4   A   Explain the difference between future and option.   (08)

Q4   B   What is Binomial option Pricing Model? What are its advantages and (07)
         disadvantages?
                                    OR
Q4   C   DCW Futures trade on NSE as one, two- and three-month's contracts. (08)
         Money can be borrowed at 16% pa. What will be the price of one unit
         of new two months futures contract on DCW, if no dividends are
         expected during the two months period assuming spot price of the DCW
         is Rs 3,770?

Q4   D   RIYAZ buys a call option of AR LTD at an exercise price of Rs 600 with (07)
         a premium of Rs 30. Calculate the profit or loss on the option position for
         Justin if the spot price on expiry is as follows:, Rs 580, Rs 590, Rs 600,
         Rs 610, Rs 620, Rs 630, Rs 640, Rs 650, Rs 660, Rs 670. Also draw the
         payoff diagram for the same

Q5   A   What is NSCCL discus its objectives   (08)

Q5   B   Explain various risk management measures.   (07)
                                    OR
Q5   Write Short Notes (any 3)   (15)
     1   Call option
     2   Concept of Convergence
     3   Hedging
     4   VaR (Value at risk)
     5   Basis and Basis Risk

Time : 2: 30 Hours

Total Marks: 75

N.B. 1) Q.1 is compulsory.
    2) Q. 2 to Q.5 are compulsory with internal choice.
    3) Figures to the right indicate full marks.
    4) Working note is the part of your answer.
    5) Students can solve questions either as per old regime or new regime.
    6) Use of simple calculator is allowed.

Q1 A) Choose the correct alternative and rewrite the sentence: (any 08)   08

  1. Residential status of an individual depends on
    a) Citizenship
    b) Number of days stayed in India
    c) Place of birth
    d) Place of employment
  2. Perquisites received by an employee are taxable under
    a) Income from Salaries
    b) Other Sources
    c) Business Income
    d) Capital Gain
  3. Municipal taxes paid by the owner are deductible under
    a) Salaries
    b) Income from House Property
    c) Other Sources
    d) None
  4. Depreciation on block of assets is allowed under
    a) Salaries
    b) Business or Profession
    c) Capital Gains
    d) Other Sources
  5. Maximum deduction under section 80C is
    a) Rs. 1,00,000
    b) Rs.1,50,000
    c) Rs.2,00,000
    d) Rs.1,20,000
  6. Deduction for interest on savings account u/s 80TTA is up to
    a) Rs.20,000
    b) Rs.5,000
    c) Rs.10,000
    d) Rs.15,000

7. Section 80U provides deduction for
   a) Medical insurance
   b) Disabled individuals
   c) Widows
   d) Agricultural income

8. Family pension is taxable under
   a) Salaries
   b) Other Sources
   c) Business Income
   d) House Property

9. Agricultural income from land situated outside India is
   a) Taxable
   b) Exempt
   c) Partly taxable
   d) Exempt up to Rs. 5 lakh

10. Winning from lottery is income chargeable under the head income from _____
    a) Business or Profession
    b) Salary
    c) House Property
    d) Other Sources

Q1 B State whether the following statements are True or False (attempt Any 7)   07

1. Assessment Year is the year in which income of the previous year is assessed to tax
2. The Income-tax Act, 1961 is applicable throughout India including the state of Jammu & Kashmir.
3. Interest on bank deposits is taxable under "Income from Other Sources".
4. Perquisites like rent-free accommodation are part of salary income.
5. Tuition fees paid for children's education is eligible for deduction under section 80C
6. Deduction for interest on savings account for senior citizens is covered under section 80TTB.
7. Capital gains arise only when a capital asset is transferred.
8. Dividend received from an Indian company is completely exempt for the shareholder
9. The "Previous Year" always starts on 1st January and ends on 31st December.
10. Citizenship of India automatically makes a person resident in India for tax purposes

Q.2A   From the following information of Mr. Ravish for the Previous Year 2024-25. Compute his Gross Total Income for the Assessment Year 2025-26 if he is: 15
   a. Resident & Ordinary Resident
   b. Resident but not Ordinary Resident
   c. Non-Resident

Sr. no	Particulars	Rs
1.	Payments received in Kerala, for services rendered in Mumbai.	22,000
2.	Rent from a property in Dubai, received in Berlin.	1,25,000
3.	Amount brought to India, out of past untaxed profits earned in California	48,000
4.	Income from business in Turkey, controlled from Delhi.	1,50,000
5.	Income from Agriculture in Bangladesh, received in Mumbai.	10,000
6.	Rent from property in Punjab	60,000
7.	Rent from house in New Delhi, received in China.	75,000
8.	Dividend received from UK based company.	35,000
9.	Rent from plot in Canada.	1,20,000
10.	Profit from sale of plant and machinery in Assam.	50,000

OR

Q2 B Mr. Andrew is a USA citizen. He came to India on 15th October, 2024 for a visit and was in India till 31st March, 2025. In the earlier previous years, he was in India as under:

15

Previous year	Number of Days	Previous year	Number of Days
2014-15	188	2019-20	300
2015-16	190	2020-21	195
2016-17	185	2021-22	185
2017-18	200	2022-23	100
2018-19	40	2023-24	200

Find out the residential status of Mr. Andrew for the assessment year 2025-26 assuming that he is not a person of Indian origin.

Q3 A Mr. Samir provides the following particulars of assets transferred by him during the previous year ended 31st March, 2025. You are required to compute his income from Capital gains chargeable to tax for Assessment year 2025-26.

A residential house in Chennai was purchased on 12th December, 2001 at a cost of Rs. 18,00,000. He incurred expenses of Rs. 3,00,000 towards improvement in the FY 2009-10 and Rs. 2,50,000 in FY 2016-17. He sold the above house on 16th May, 2024 for Rs. 1,25,00,000.

He incurred transfer expenses of Rs. 1,00,000 on the sale transaction.
He purchased eligible bonds issued by the Rural electrification Corporation (REC) for Rs. 30,00,000 on 26th June, 2024.

Cost Inflation Index are as follows:

Financial year	2001-02	2009-10	2016-17	2024-25
Cost Inflation Index	100	148	264	363

OR

Q3 B Ms. Mahima who is physically disabled to the extent of 40%, works as a teacher in the private school. From the following particulars of income provided for the Previous Year ended 31st March, 2025. You are required to compute her net taxable income for the AY 2025-26. 15

Particulars	Rs
Basic Salary	10,00,000
Dearness allowances	2,00,000
Transport allowances	26,000
Reimbursement of Medical expenses	18,000
Allowances from examination work at school	12,000
Advance Salary received	54,000
Profession Tax paid	2,500
Other information	
Exam remuneration received from Maharashtra Board	5,000
Interest on Debentures	20,000
Interest on Term Deposits with Companies	12,000
Gift from grandfather	85,000
Dividend from Indian Company	7,000

She paid medical insurance premium for her dependent daughter Rs. 25,000.

Q4 A: Mr. Vinesh Sharma provides the following information for the previous year ended 31st March, 2025. You are required to compute his net taxable income for the AY 2025-26. 15

Profit & Loss account for the year ended 31-3-2025

Expenses	Rs	Income	Rs
To Salaries	3,20,000	By Gross Profit	11,00,000
To Staff welfare	15,000	By Profit on sale of import licence	20,000
To Drawings	70,000	By interest on PPF	75,000
To Advertisement	72,000	By interest on bonds	40,000
To Income tax paid	50,000	By Dividend from Co-op bank	15,000
To Interest on business loan	80,000		
To Miscellaneous expenses	35,000		
To Electricity Charges	90,000		
To Contribution to PPF	1,00,000		
To Depreciation	30,000		
To Net Profit	3,88,000		
	12,50,000		12,50,000

Additional information:

1. Miscellaneous expenses include Rs. 20,000 which was paid in cash.
2. Advertisements include Rs. 15,000 as advertisement in the souvenir of political party.
3. Depreciation as per Income tax rules is Rs. 35,000.
4. Interest on business loan, is not paid before the due date for filing the oncome returns.

OR

Q4: B Mr. Samuel owns two houses in Mumbai and Kolkatta, the particulars of which are as follows for the Previous Year 2024-25: **15**

Particulars	Mumbai House	Kolkatta House
Nature of Occupancy	LOP	SOP
Municipal Valuation	2,45,000	5,50,000
Fair rent	2,75,000	-
Rent received	3,00,000	NIL
Municipal taxes	25,000	52,000
Fire insurance premium paid	10,000	10,000
Collection charges	2,000	NIL
Land revenue payable	5,500	3,200
Details of borrowed capital: Interest paid during the year	45,000	42,000
Principal repaid	50,000	25,000
Date on which loan was taken	10-12-2014	25-10-2015

He also received the following income during the PY 2024-25:

a. Won Rs. 20,000 as Lottery prize.
b. Dividend received Rs. 26,000.
c. Royalty received Rs. 35,000.
d. Interest on fixed deposits with SBI Rs. 10,000.

He also contributed Rs. 24,000 towards LIC Pension Fund policy.

You are required to compute the net taxable income for the AY 2025-26.

Q.5 Answer the following

A) State the exempt income under section 10 of Income Tax Act, 1961 **08**

B) Explain the term Assessee and Assessment in detail **07**

OR

Q. 5 Write Short Notes on: (Any Three) **15**

1) Deductions under the head Income from Salary
2) Person
3) Concept of Indexation under the head Capital Gains
4) Leave Encashment
5) Residential status of an individual

15\10\2025

Time: 2.30 Hours

Marks: 75

Note: 1) All questions are compulsory with internal choice
2) Figures to the right indicate full marks

Q 1 A. Choose the correct answers from the given alternatives: (Any Eight)   8

1. ----------principles are to be followed by the business in order to survive in the long run.
(profit motive, ethical, CSR, economic motive)

2. The first rule of crisis communication is to -------------.
(communicate, ignore, take control of the situation, avoid media)

3. Spoken defamation is called-------------.
(slander, insult, libel, grapevine)

4. Reputation assessments are -------------.
(subjective, not possible, fixed, objective)

5. The word ---------------- is short for "weblog".
(blog, skype, twitter, logbook)

6. An E-Zine is an online -------------
(magazine, book, journal, website)

7. A firm's communication always be ----------.
(two-way, one-way, formal, group)

8. A collection of information that is organized so that it can easily be accessed, managed and updated. _
(database, website, library, google)

9. ------------ helps to improve the quality of service.
(feedback, people, product, public relation)

10. PR activity may fail due to ---------------.
(cultural-differences, media differences, service difference)

B. Match the following: (Any Seven)   7

A	B
1. Inner image	a. Maximize positive coverage
2. CSR	b. Strike
3. Corporate identity	c. Employee behavior
4. Situational theory	d. Publicly available
5. Books	e. New friends
6. Media relation	f. Tangible manifestation of the personality of the company
7. Crisis communication	g. Work of literature
8. External blog	h. 15th June 2005
9. Social networking	i. Corporate reputation
10. RTI Act	j. Problem recognition

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Q2. a) How do you justify the need and relevance of corporate communication in contemporary times? 8

b) Explain the meaning of corporate reputation. Bring out the advantages of corporate reputation. 7

OR

c) Enumerate the role of ethics in corporate communication. 8

d) Explain the provisions of the RTI Act. 7

Q3 a) Enumerate the meaning and essentials of public relations. 8

b) Explain the political and legal issues in public relation environment. 7

OR

c) Explain the different aspects of systems theory of public relations with diagram. 8

d) Explain the economic issues in public relations. 7

Q4. a) Explain the different sources of media information. 8

b) Enumerate the different steps to be followed in building effective media relations. 7

OR

c) Describe the benefits of good of employee communication. 8

d) Describe the different guidelines for handling crisis. 7

Q5. a) Describe the functions of communication technology in corporate communication. 8

b) Explain the different types of corporate blogs. 7

OR

c) Write short notes (any three) 15

1. Defamation.
2. Copywrite Act
3. Objectives of public relations
4. Advantages of financial advertising
5. Press release

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14|10|2025

TOTAL MARKS: 75   DURATION: 2 ½ Hours

NOTE:

1) All Questions are compulsory with internal choice options and carry 15 marks each.

2) Figures to the right indicate full marks

3) Use of simple Calculator is allowed

4) Working note should form part of your answer for practical questions.

Q.1) A) Choose the correct option (Any 8):   (08)

1) _____ Logistics is the decision to buy logistics services from external sources rather than operate in house.
(a) Reverse, (b) Green, (c) Outsourcing, (d) Standard

2) _____ warehouse is a combination of both private and public warehouse.
(a) Agricultural, (b) Cold chain, (c) Custom, (d) Contractual

3) _____ is not an objective of inventory management.
(a) Minimising waste, (b) Optimum utilisation of space,
(c) Blockage of investment, (d) Avoid over ordering

4) The primary goal of the _____ logistics cycle is to move products or materials backward through the distribution network.
(a) Green, (b) Reverse, (c) Inbound, (d) Outbound

5) Lack of communication between members of supply chain leads to _____ effect.
(a) Miscommunication, (b) Bull- Whip, (c) Classical, (d) Bad

6) In _____ method of demand forecasting an attempt is made to develop forecast through group consensus.
(a) Delphi   (b) Naive   (c) Consumer Survey   (d) Regression

7) A unit train is also known _____ train.
(a) Resident, (b) Flat car, (c) Block, (d) Freight

8) Elimination of waste is an important characteristic of _____ supply chain.
(a) Lean   (b) Hybrid   (c) Agile   (d) Global

9) _____ is not an I.T. related tool used in Logistics.
(a) EDI, (b) RFID, (c) ERP, (d) S-OS

10) The main objective of _____ is to reduce the number of times the product is handled.
(a) Packaging, (b) Transportation, (c) Material Handling, (d) Warehousing

Q.1) b) True or False (Any 7): (07)

1) Deep water ports are ports which has the capability to accommodate a fully loaded ship.

2) Consumer packaging aims at attractive appeal and information sharing.

3) TOFC is a type of Fishy back.

4) Transportation creates time utility.

5) COFC stands for Container on Flat car.

6) Ensuring perfect order is one of the objective of Packaging function.

7) Double stack container is form of intermodal freight transport.

8) Outbound logistics deals with procurement of spare parts and raw materials.

9) Maritime logistics involves shipment of goods (cargo) and people by sea and other waterways.

10) Regression analysis is a qualitative method of demand forecasting.

Q2) a) Explain the concept of Logistics with the help of any 6 functions of Logistics. (08)

b) What do you mean by Warehousing? Explain Warehousing Strategies (07)

"OR"

c) From the following data calculate a 4 period weighted moving average with weights as 4, 3, 2 and 1. The largest weight is assigned to most recent period and current demand value. Also forecast the demand for 9th month. (10)

Period (Month)	1	2	3	4	5	6	7	8	9
Demand in Units	100	120	130	135	145	150	160	175	?

d) Explain the concept of packaging with the help of its any four functions. (05)

Q.3) a) Explain the concept of Supply Chain Management with the help of steps involved in the process of supply chain. (08)

b) What is Inter Modal Transportation? Explain various Inter Modal Combinations. (07)

"OR"

Q.3) c) What do you mean by customer service? Explain 7R's for achieving perfect order. (08)

d) What are different Global Logistics trends? Justify with examples. (07)

Q.4) a) Distinguish Between 3PL and 4PL   (08)

b) Explain in detail role of Pipeline and Ropeways mode of transportation in building a sustainable economy.   (07)

"OR"

Q.4) c) Explain the concept of EOQ with the help of a diagram and solve the sum on EOQ. The annual demand of an item is 4200 units. The unit cost is Rs. 8. The inventory carrying rate is 30%. The cost of procurement is Rs. 200. Calculate EOQ.   (10)

d) Explain the concepts: (i) Logistics parks, (ii) Dedicated Freight Corridor   (05)

Q.5) a) Case Study: Supply Chain and Logistics Challenges in a Quick Commerce Company-   (15)

FlashCart is a fast-growing Quick Commerce (Q-commerce) startup that delivers groceries and essentials within 15–20 minutes across urban areas. It operates through a network of dark stores and a fleet of delivery riders. While the model attracted rapid user growth, the company soon faced major supply chain and logistics issues that began impacting service quality and profitability.

A key challenge was **inventory mismanagement** at dark stores. Poor demand forecasting and lack of real-time stock visibility led to frequent stockouts of high-demand items and overstocking of slow-moving ones. This resulted in lost sales and declining customer satisfaction.

Last-mile delivery posed another problem. Delivery riders often faced delays due to traffic, inaccurate addresses, and lack of optimized routing. FlashCart's early systems did not support dynamic rider assignment or efficient route planning, leading to missed delivery targets and customer complaints.

Replenishment delays from central warehouses to dark stores further disrupted operations. Without scheduled restocking or proper vehicle planning, stores ran out of key products, increasing downtime and logistical costs.

The company also struggled during **demand surges**, especially during peak hours and bad weather. Limited rider availability, system overloads, and poor workforce planning led to late deliveries and high rider attrition. FlashCart's cost structure worsened due to high rider incentives, low batching efficiency, and low average order values—making the business model financially unsustainable.

To tackle these issues, FlashCart adopted AI-based demand forecasting, real-time inventory tracking, and route optimization software. It also introduced structured replenishment schedules, surge prediction tools, and incentive-based staffing during peak hours. To improve profitability, the company increased minimum order values, batched deliveries more effectively, and removed unprofitable SKUs.

Within six months, these changes yielded significant results: stock-out rates dropped by 35%, on-time deliveries improved from 78% to 91%, and cost-per-delivery fell by 20%. Customer satisfaction (NPS) also rose significantly.

Ultra-fast delivery requires seamless coordination across inventory, logistics, and workforce planning. While the 15-minute model is attractive to consumers, sustainable growth depends on continuous optimization, efficient systems, and cost control.

Answer the below mentioned questions based on the above case:

1) What are the key operational components of Flashcart Q-Commerce firm? How does it aim to fulfil its 15–20-minute delivery promise? **(05)**

2) What are the main supply chain and logistics problems faced by FlashCart? **(05)**

3) Highlight specific solutions related to problems of dark stores, inventory management, delivery, and cost efficiency. **(05)**

"OR"

(15)

Q.5) c) Write short notes on (Any 3):

1) RORO

2) Reverse Logistics

3) RFID and EDI

4) Activity Based Costing

5) Objectives of performance measurement in supply chain.

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