



# UNIVERSITY OF THE PUNJAB

Second Year A/2015  
Examination: B.B.A. (Hons.)

Roll No. ....

Subject: Financial Management (Basic)  
PAPER: 2

TIME ALLOWED: 3 hrs.  
MAX. MARKS: 100

**NOTE:** (i) Answer any FIVE (5) questions. Question No. 1 is compulsory.  
(ii) Extra attempt will not be considered.

## Section 1.

Q 1 a) write short notes on the following

(5\*4=20 marks)

- Time value of money
- Wealth maximization
- Compound interest
- Sinking fund
- Liquidity

b) Briefly answer the following questions

(4\*5=20 marks)

- Differentiate between Accounting and Finance
- Differentiate between simple and compound interest
- Differentiate between liquidity ratios and solvency ratios
- Differentiate between debenture and share

## Section 2

**NOTE: ATTEMPT ANY FOUR QUESTIONS.**  
Question 2.

(15 marks)

- What is the present value of Rs. 10000 to be received after 10 years if investor required rate of return is 10%?
- What is the future value of Rs. 3000 invested for 3 years and compounded at 15% per annum?
- In how many years Rs. 10000 will be converted into Rs. 27000 compounded at the rate of 12% per annum?
- What will be the rate of interest if Rs. 8000 becomes 36000 in 12 years?

### Question 3.

Following is the detail of financial data of a company:

(15 marks)

Cash= Rs. 50000	Marketable securities= Rs. 30000	Accounts receivable = Rs. 25000
Inventories= Rs. 75000	Fixed assets= Rs. 550000	Current liabilities= Rs. 110000
Long term liabilities= Rs. 120000	sales= Rs. 350000	

Requirement: calculate the following ratios

- Quick ratio
- Current ratio

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- c) Working capital
- d) Debt equity ratio
- e) Assets turnover ratio

**Question 4.**

(15 marks)

- a) You want to purchase a retirement annuity that will pay you Rs. 15000 at the end of every year for the next 15 years. The annual interest rate is 8% per annum. What is the price of annuity to be paid today?
- b) If you deposit Rs. 5000 at the end of each year for the next 20 years compounded at 12% per annum, what will be the future value?
- c) Calculate the loan installment at the end of each year for a loan of Rs. 1500000 for 5 years compounded at the rate of 14% per annum?
- d) What is ordinary annuity?

**Question 5.** A company has issued 50,000 corporate bonds of Rs. 100 each at a premium of 5%. The coupon rate is 15%. The bond will be redeemed after 3 years at par value.

(15 marks)

Requirements:

- a) Annual interest payment
- b) How much company will receive at the time of issuance of bonds
- c) How much company will have to pay at the time of redemption
- d) After tax cost of debt to the company if tax rate is 30%

**Question 6.**

(15 marks)

- a) If cost of goods sold is Rs. 750000 and inventory turnover ratio is 5 times, what is the value of average inventory?
- b) If current liabilities Rs. 60000, quick ratio is 1.50:1 and closing inventory is Rs. 30000, calculate the value of current assets?
- c) If fixed assets are Rs. 350000, current assets are Rs. 150000, total liabilities are 70000, calculate the value of equity?
- d) What is the importance of working capital?

**Question 7.** Upon completion of her introductory finance course, Marla Lee was so pleased with the amount of useful and interesting knowledge she gained that she convinced her parents, who were wealthy alums of the university she was attending, to create an endowment. The endowment is to allow three needy students to take the introductory finance course each year in perpetuity. The guaranteed annual cost of tuition and books for the course is \$600 per student. The endowment will be created by making a single payment to the university. The university expects to earn exactly 6% per year on these funds.

- a. How large an initial single payment must Marla's parents make to the university to fund the endowment?
- b. What amount would be needed to fund the endowment if the university could earn 9% rather than 6% per year on the funds?

(15 marks)

**Question 8.** Briefly describe the concept of junk bond, coupon bond, zero coupon bond and floating rate bond?

(15 marks)



# UNIVERSITY OF THE PUNJAB

Second Year A/2015  
Examination: B.B.A (Hons.)

Roll No. ....

**Subject: Principles of Marketing**  
**PAPER: 3**

**TIME ALLOWED: 3 hrs.**  
**MAX. MARKS: 100**

**Note: Attempt any Five questions. All questions carry equal marks.**

Q1.	Define Marketing; also describe the steps in the marketing process.	[20]
Q2. (a)	Briefly explain companywide strategic planning and its four steps.	[10]
(b)	Describe the elements of a customer-driven marketing strategy.	[10]
Q3.	Define the Consumer Market; also elaborate the major types of buying decision behavior.	[20]
Q4.	Define the business market and explain how business markets differ from consumer markets.	[20]
Q5.	Explain Market Segmentation; also describe how companies identify attractive market segments and choose a target marketing strategy.	[20]
Q6.	Define the term product and explain the major classifications of products and services.	[20]
Q7.	Describe Product Life-Cycle; also Explain how companies find and develop new-product ideas.	[20]



# UNIVERSITY OF THE PUNJAB

Second Year A/2015  
Examination: B.B.A (Hons.)

Roll No. ....

Subject: Visual Programming Concept  
PAPER: 4

TIME ALLOWED: 3 hrs.  
MAX. MARKS: 80

**Question # 01** Write the selected option (A,B,C,D) on your answer sheet against each of the following. [1\*10=10]

1. \_\_\_\_\_ bar contains a set of tools to provide controls in the Form.
  - A. Status
  - B. Tool
  - C. Menu
  - D. Progress
2. \_\_\_\_\_ is a data type that can be used to declare a text of maximum 10 million characters.
  - A. String.
  - B. Numeric
  - C. Single precision
  - D. Date
3. The \_\_\_\_\_ statement checks in the module for usage of any undeclared variables and reports an error to the user.
  - A. Looping
  - B. Iteration
  - C. Dim
  - D. External
4. Dynamic arrays can be declared when the user may not know the \_\_\_\_\_ of the array at design time.
  - A. Exact column.
  - B. Exact variable
  - C. Exact value
  - D. Exact size
5. Variables are named storage locations in memory, the value of which does not change during program \_\_\_\_\_.
  - A. Design
  - B. Execution
  - C. Debug
  - D. Modification
6. In event-driven programming an event is generated by:
  - A. The system
  - B. A user's action.
  - C. The program itself.
  - D. Both a and b.
  - E. All of the above.
7. Which is a valid statement for declaring a variable?
  - A. Const Form As Integer
  - B. Const myForm As Integer
  - C. Dim Form As Integer
  - D. Dim myForm As Integer

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8. Where you write Visual Basic code for your application?

- A. Form Layout Window
- B. The Code Editor Window
- C. The Project Explorer Window
- D. Form designer

9. When variables are passed by reference (ByRef) to a SUB program,

- A. Only the memory addresses of the variables are passed.
- B. A value of a variable is passed.
- C. A copy of the variable is passed.
- D. None of the above

10. The left side of an assignment statement will hold:

- A. A variable.
- B. An object property.
- C. An expression.
- D. Both a and b.

**Question # 2. Write True or False as your answer for the following.**

[1×10=10]

1. We have three (3) types of procedures in Visual Basic.
2. A function procedure returns a value to the calling code which is different from a sub procedure.
3. The arguments are the values passed to the parameters of a procedure or function.
4. The private access modifier is the default access mode in Visual Basic.
5. The statement Dim intGrades(1 To 10) As Integer reserves memory for exactly 10 elements.
6. The statement intCount = intCount + 1 is a counter statement.
7. The statement Dim intGrades (1 to 10) As integer reserves memory for exactly 10 elements.
8. A Select Case statement must have at least 3 cases
9. Visual Basic projects can have more than one form
10. We can call a sub procedure by using the function name.

**Question # 3 Write a brief description about each of the following.**

[3×10=30]

1. What is IDE (Integrated Development Environment) of VB? Write down five major elements of VB IDE
2. What do you understand by event-driven programming in VB? Write down a few events of a VB form.
3. What are the decision structures in VB? Describe Do While loop structure with an example
4. What is IDE (Integrated Development Environment) of VB? Write down five major elements of VB IDE.
5. What is a Combo box? When to use a Combo Box instead of a List Box?
6. What is the difference in passing values ByRef or ByVal to a procedure?
7. What are the different types of error? explain briefly
8. What is the diff. Between function and sub procedures?
9. What are the different types of control in VB? Explain?
10. What are the different looping statements used in Visual Basic?

**Question # 4 Attempt any three questions from the following.**

[3×10=30]

1- Write a program which takes input from user until user entered 0 and display the sum of input number.

2-Input an integer value representing the weekday(1,2,...,7) and give the day of the week. (Monday, Tuesday, ... Sunday).

3-input two numbers 'a' and 'n' from user And calculate a n.  
where  $a^n = a \times a \times \dots \times a$

4-input a number and display its length. for Example, for number=89732, 5 will be display

5-input a 4 digit number and display each digit of it on separately on screen.

Sample Run:

Enter 4 digit Number: 5619

5

6

1

9



# UNIVERSITY OF THE PUNJAB

Second Year A/2015  
Examination: B.B.A (Hons.)

Roll No. ....

Subject: Introduction to Micro Economics  
PAPER: 5

TIME ALLOWED: 3 hrs.  
MAX. MARKS: 100

## Section 1

Attempt all Questions

- |       |  |    |
|-------|--|----|
| 1.    | Define the following terms. All questions carry equal marks. | 20 |
| i.    | Absolute Advantage   | 2  |
| ii.   | Exports  | 2  |
| iii.  | Market   | 2  |
| iv.   | Law of Demand  | 2  |
| v.    | Normal Goods   | 2  |
| vi.   | Efficiency   | 2  |
| vii.  | Excludability  | 2  |
| viii. | Implicit Cost  | 2  |
| ix.   | Accounting Profit  | 2  |
| x.    | Pure Competition   | 2  |

## Section 2

Attempt any Four Questions.

- |    |   |    |
|----|---|----|
| 2. | What is Market equilibrium? How equilibrium price and quantity is determined in market and what happens if equilibrium price is disturbed? Use two market diagrams to explain how an increase in state subsidies to public colleges might affect tuition and enrollments in both public and private colleges.   | 20 |
| 3. | Define Price Elasticity of Supply. Discuss its determinants. What is the formula for measuring the price elasticity of supply? Suppose the price of apples goes up from Rs.900 to Rs. 1000 a box. In direct response, A Farms supplies 1200 boxes of apples instead of 1000 boxes. Compute the coefficient of price elasticity (midpoints approach) for farm's supply. Is its supply elastic, or is it inelastic? | 20 |
| 4. | Define public goods and common resources. Discuss some important public good and common resources.  | 20 |
| 5. | Define consumer surplus and explain it with the help of graph. Also explain what this consumer surplus measures?  | 20 |
| 6. | Define and draw a production function that exhibits diminishing marginal product of labor. Draw an associated total cost curve. Provide the explanation of the shapes of two curves.  | 20 |
| 7. | How does the demand curve faced by a purely monopolistic seller differ from that confronting a purely competitive firm? Why does it differ? Of what significance is the difference? Why is the pure monopolist's demand curve not perfectly inelastic?  | 20 |





# UNIVERSITY OF THE PUNJAB

Second Year A/2015  
Examination: B.B.A. (Hons.)

Roll No. ....

Subject: Financial Accounting (Advanced)  
PAPER: 7

TIME ALLOWED: 3 hrs.  
MAX. MARKS: 100

*Instructions: Attempt FIVE (5) questions including question No. 1 which is compulsory. All questions carry equal marks.*

## Objective Part

Q.No. 1

Briefly explain any ten (10) terms given below:-

(40)

1. Voluntary Association
2. Memorandum of Association
3. Underwriting Commission
4. Prospectus
5. Goodwill
6. Under Subscription
7. Formula for Value of Right
8. Bonus Shares
9. Working Capital Ratio
10. Debt Equity Ratio
11. Debtors Turnover Ratio
12. Unclaimed dividend
13. Separate legal Entity
14. Share Premium
15. Contingent liability

Q.No. 2 (15)

## Subjective Part

A company had an authorized capital of Rs. 1,00,000 divided into 10,000 shares of Rs. 10/- each. The company issued all the shares to the public for subscription at par value.

Applications for 13,000 shares were received. No allotment was made to applicants for 3,000 shares & their application money was refunded.

**Requirement:** You are required to pass the necessary journal entries and show how the items will appear in the company Balance Sheet.

Q.No. 3 (15)

The extracts are taken from the draft Balance sheet of Abid Limited as on 31<sup>st</sup> December 2009:

Authorized capital:

60,000 ordinary shares of Rs. 100 each	60,00,000
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Issued, subscribed and paid up capital:

25,000 shares of Rs. 100 each	25,00,000
Reserve Fund	16,50,000
Share Premium	6,60,000

The Board of Directors recommended to issue bonus shares at the rate 15 shares of Rs. 100 each for every 50 shares held at present. For this purpose, Rs. 4,00,000 are to be provided out of the Share Premium and balance out of reserve fund.

The Board also recommended to issue right shares of the company @ 30 shares of Rs. 100 each for every 50 shares at a premium of Rs. 20 per share. The approval of controller of Capital issue had already been obtained.

**Requirement:** You are required to pass the necessary journal entries and also redraft the Balance Sheet as on 31<sup>st</sup> December 2009, after the above arrangements.

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**Q.No. 4 (15)**

A Company has outstanding 10% debentures of Rs.2,00,000 on 1<sup>st</sup> January 2012. The company pays interest on 30<sup>th</sup> June and 31<sup>st</sup> December every year. It purchased debentures of Rs. 15,000 for cancellation on 1<sup>st</sup> May, 2012 at Rs. 102 cum interest.

It further purchases for redemption debentures of Rs. 30,000 on 1<sup>st</sup> September, 2012 at 95 ex-interest.

**Required:** You are required to pass the necessary journal entries in the books of the company for 2012.

**Q.No. 5 (15)**

The following is the Balance Sheet of Gohar Enterprises Limited as on 30.06.2014.

LIABILITIES	RS.	ASSETS	RS.
Equity share capital	4,00,000	Goodwill	2,40,000
Reserve & Surpluses	80,000	Fixed assets	5,60,000
Profit and loss account	1,20,000	Stock	1,20,000
12% Mortgage loan	2,00,000	Investment (Short term)	40,000
Sundry creditors	1,60,000	Cash	1,20,000
Bank overdraft	40,000		
Provision for taxation	80,000		
<b>Total</b>	<b>10,80,000</b>	<b>Total</b>	<b>10,80,000</b>

From the balance sheet given above, work out the following ratios:-

- Current Ratio
- Proprietary Ratio
- Debt-equity Ratio
- Acid Test Ratio

**Q.No. 6 (15)**

You are given the following particulars of a business having three departments:

Particulars	Purchases	Opening stock	Sales
Department X	200 pieces	100 pieces	180 pieces @ Rs.15 per piece
Department Y	1,400 pieces	400 pieces	1500 pieces @ Rs.18 per piece
Department Z	400 pieces	60 pieces	450 pieces @ Rs.6 per piece

**Additional information:**

Purchases were made at a total cost of Rs. 5,100.

The percentage of gross profit on turnover is the same in each case.

Purchases and sales price are constant for the last 2 years.

**Requirement:** You are required to prepare Departmental Trading Account.

**Q.No. 7 (15)**

Define a Public Limited Company. What is the procedure for its formation?





# UNIVERSITY OF THE PUNJAB

Second Year A/2015  
Examination: B.B.A. (Hons.)

Roll No. ....

Subject: Corporate Law/Company Law  
PAPER: 8

TIME ALLOWED: 3 hrs.  
MAX. MARKS: 100

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**NOTE: Attempt any FIVE questions. All questions carry equal marks.**

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Q 1) Write brief Notes on the following

- a) Promoters
- b) Redeemable Capital
- c) Chief Executive
- d) Subsidiary

(4\*5)

Q 2) What are the contents of Memorandum of Association, what are the limitations as to the name of a company (20)

Q 3) What are the powers of directors. Narrate any 10 powers (20)

Q 4) What are the contents of prospectus, explain each. (20)

Q 5) What is an Extra Ordinary General Meeting (EGM). Explain the matters to be discussed ordinarily in an EGM (20)

Q 6) What is transfer & transmission of share. Explain each & elaborate the difference between the two. (20)

Q 7) What are the remedies available for the applicant if his application for allotment of shares is unsuccessful. (20)



# UNIVERSITY OF THE PUNJAB

Second Year A/2015  
Examination: B.B.A. (Hons.)

Roll No. ....

Subject: Introduction to Macro Economics  
PAPER: 9

TIME ALLOWED: 3 hrs.  
MAX. MARKS: 100

**NOTE: Attempt any FIVE questions including Q.1, which is compulsory.**

Q-1	<b>SECTION 1</b> i. Define and discuss in few words the concept of Gross Domestic product. ii. Define Consumer Price Index and what is the purpose of calculating it? iii. Write down the formula of calculating GDP Deflator. iv. List down the determinants of Productivity. v. Define Financial markets. vi. What are the functions of money? vii. Differentiate Real GDP and Nominal GDP. viii. Briefly explain the concept of Diminishing returns and catch-up effect. ix. Who is responsible for setting monetary policy in any country? x. Define unemployment.	4*10=40
Q-2	<b>SECTION 2</b> Explain The Fisher Effect.	15
Q-3	Define Money, its functions and the kinds of money.	15
Q-4	Explain the Theory of efficiency wages.	15
Q-5	Discuss the Saving and Investment in National Income Accounts.	15
Q-6	Define Productivity, explain the role and determinants of productivity.	15
Q-7	Explain the meaning of nominal interest rate and real interest rate.	15



# UNIVERSITY OF THE PUNJAB

Second Year A/2015  
Examination: B.B.A (Hons.)

Roll No. ....

**Subject: Statistics (Elementary)**  
**PAPER: 10**

**TIME ALLOWED: 3 hrs.**  
**MAX. MARKS: 100**

## Section 1

Attempt all Questions

1. Define the following terms. All questions carry equal marks. 20
  - i. Inferential statistics 2
  - ii. Discrete Variable 2
  - iii. Positively Skewed Distribution 2
  - iv. Harmonic Mean 2
  - v. Correlation 2
  - vi. Equally Likely Events 2
  - vii. Random Sampling 2
  - viii. Type 2 Error 2
  - ix. Level of Significance 2
  - x. Hyper-geometric Distribution 2

## Section 2

Attempt any Four Questions.

2. The following data represent the number of appointments made per 15-minute interval by telephone solicitation for a lawn-care company. Assume these are population data. 20

Number of Appointments	Frequency of Occurrence
0-under 1	31
1-under 2	57
2-under 3	26
3-under 4	14
4-under 5	6
5-under 6	6

3. Calculate Mean and draw histogram. 20
- 4a. Calculate upper quartile, lower quartile and standard deviation of above data. 10
- 4a. According to Nielsen Media Research, approximately 67% of all U.S. households with television have cable TV. Seventy-four percent of all U.S. households with television have two or more TV sets. Suppose 55% of all U.S. households with television have cable TV and two or more TV

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sets. A U.S. household with television is randomly selected. What is the probability that the household has cable TV or two or more TV sets? What is the probability that the household has cable TV or two or more TV sets but not both?

- b. According to the Bureau of Labor Statistics, the average annual salary of a worker in Detroit, Michigan, is \$35,748. Suppose the median annual salary for a worker in this group is \$31,369 and the mode is \$29,500. Is the distribution of salaries for this group skewed? If so, how and why? Which of these measures of central tendency would you use to describe these data? Why? 10
5. Is it possible to predict the annual number of business bankruptcies by the number of firm births (business starts) in the United States? The following data published by the U.S. Small Business Administration, Office of Advocacy, are pairs of the number of business bankruptcies (1000s) and the number of firm births (10,000s) for a six-year period. Use these data to develop the equation of the regression model to predict the number of business bankruptcies by the number of firm births. Discuss the meaning of the slope. 20

Business Bankruptcies (1000)	Firm Births (10,000)
34.3	58.1
35.0	55.4
38.5	57.0
40.1	58.5
35.5	57.4
37.9	58.0

6. A population consists of 3, 3, 4, 4, 6, 6, and 8. Calculate the sample means for all possible random samples of size 2 that can be drawn from this population without replacement. Also compare the population mean and variance with the mean and variance of sampling distribution of sample means. 20
- 7a. A process is in control when the average amount of instant coffee that is packed in a jar, is 6 oz. The standard deviation is 0.2oz. A sample of 100 jars is selected at random and the sample average is found to be 6.1 oz. Is the process out of control? 10
- b. A random sample of nine individuals from a large city gave a mean height of 68 inches and the unbiased estimate  $s^2$  of population variance found from the same sample was 4.5 inches. Test the hypothesis that the mean height of the individuals of the city is 68.5 using 5% level of significance. 10



# UNIVERSITY OF THE PUNJAB

Second Year A/2015  
Examination: B.B.A. (Hons.)

Roll No. ....

**Subject: Money & Banking**  
**PAPER: 11**

**TIME ALLOWED: 3 hrs.**  
**MAX. MARKS: 100**

## Section – 1

**NOTE:** Attempt any four questions from Section 1. All Questions carry equal Marks.

Q: 1	Define Central Bank & explain its functions.	15
Q: 2	Explain in detail the concept of i) Inflation ii) Stagflation	15
Q: 3	Write in detail the process of credit creation of a Commercial Bank also explain limitations.	15
Q: 4	Define Barter System and its Inconvenience.	15
Q: 5	Define Letter of Credit and explain the procedure of establishment of Letter of Credit.	15
Q: 6	What are the major functions of a modern Commercial Bank?	15
Q: 7	Critically examine Quantity Theory of Money and explain its limitation.	15

## Section – 2

**NOTE:** Give short note / brief answer to all of the following.

**Max Marks: 40**

1-	Open Market Operation	4
2-	Cash Credits	4
3-	Overdraft	4
4-	Saving Account	4
5-	Fixed Deposit	4
6-	Discounting of Bills of Exchange	4
7-	Irrevocable Letter of Credit	4
8-	Qualities of Good Money	4
9-	Confirmed Letter of Credit	4
10-	SLR	4