

ANALYSIS OF CA INTERMEDIATE FM & ECO PAPER OF NOV. 2022

FACULTY : - CA, CPA VINOD KUMAR AGARWAL

(ALL INDIA RANK-HOLDER IN FOUNDATION, INTERMEDIATE AND FINAL)

SECTION A - FINANCIAL MANAGEMENT

Q.NO.	MARKS	TOPIC	REMARK
1.a	5	CHAPTER 10 - UNIT - IV - MANAGEMENT OF RECEIVABLES	<i>A very easy question on Baumol Model</i>
1.b	5	CHAPTER 3 - FINANCIAL ANALYSIS AND PLANNING	<i>A very good question on Ratio Analysis</i>
1.c	5	CHAPTER 4 - COST OF CAPITAL	<i>A very good question on WACC. Concept of Ex-Interest and Cum-Dividend was used</i>
1.d	5	CHAPTER 8 - RISK ANALYSIS IN CAPITAL BUDGETING	<i>A very easy question on Capital Budgeting and Risk analysis. Anyone can do it easily.</i>
2	10	CHAPTER 6 - FINANCING DECISIONS - LEVERAGES	<i>A very easy question on Leverage. From Given Leverage, prepare Profit and Loss account</i>
3	10	CHAPTER 7 - INVESTMENT DECISIONS (CAPITAL BUDGETING)	<i>A very good question on Capital Budgeting. Making a choice between 2 alternatives.</i>
4	10	CHAPTER 7 - INVESTMENT DECISIONS (CAPITAL BUDGETING)	<i>A very good question on Capital Budgeting. Decision relating to purchase of new machine using NPV and PI method.</i>
5.a	4	CHAPTER 5 - FINANCING DECISIONS - CAPITAL STRUCTURE	<i>Calculation of Value of Firm, cost of equity and value of equity using MM approach. Seems to be mistake in the question</i>
5.b	6	CHAPTER 4 - COST OF CAPITAL	<i>A very good question on calculation of cost of equity, cost of debt and cost of pref. shares and Marginal cost of capital</i>
6.a	4	CHAPTER 2 - TYPES OF FINANCING	<i>Question on Yankee Bond and its features - Theory</i>
6.b	4	CHAPTER 1 - SCOPE AND OBJECTIVE OF FINANCIAL MANAGEMENT	<i>Task of Treasury Department - theory</i>
6.c	2	CHAPTER 5 - FINANCING DECISIONS - CAPITAL STRUCTURE	<i>OVER-CAPITALISATION and its consequences</i>
6.c (Or)	2	CHAPTER 1 - SCOPE AND OBJECTIVE OF FINANCIAL MANAGEMENT	<i>Factors considered in deciding source and Quantum of Capital</i>



SECTION B - ECONOMICS FOR FINANCE

Q.NO.	MARKS	TOPIC	REMARK
7.a	3	CHAPTER 1 - NATIONAL INCOME	A very easy question MPC, MPS and Saving Function
7.b	2	CHAPTER 4 - UNIT 5- INTERNATIONAL TRADE - INTERNATIONAL CAPITAL MOVEMENTS	Question on FDI and FII
7.c	3	CHAPTER 3- UNIT 2- MONEY MARKET - CONCEPT OF MONEY SUPPLY	Question on Money Supply and Money Multiplier, use of E-Wallet
7.d	2	CHAPTER 2 - PUBLIC FINANCE	Question on price Ceiling and Price Floor
8.a.(i)	3	CHAPTER 4- UNIT 4- INTERNATIONAL TRADE - EXCHANGE RATE AND ECONOMIC EFFECTS	A very good question on Currency appreciation. Link between Exchange rate and Inflation
8.a.(ii)	2	CHAPTER 2 - UNIT 4- PUBLIC FINANCE - FISCAL POLICY	Question on Discretionary Fiscal Policy
8.b.(i)	3	CHAPTER 1 - NATIONAL INCOME	A very easy question on calculation of missing figures in national income like intermediate consumption, profit and NDF at Factor cost
8.b.(ii)	2	CHAPTER 1 - NATIONAL INCOME	Question on Deflationary Gap
9.a.(i)	3	CHAPTER 3- UNIT 3- MONEY MARKET - MONETARY POLICY	Cash Reserve ratio
9.a.(ii)	2	CHAPTER 1 - NATIONAL INCOME	Net Exports - its significance
9.b.(i)	3	CHAPTER 4- UNIT 2- INTERNATIONAL TRADE - INSTRUMENTS OF TRADE POLICY	Various Types of tariffs
9.b.(ii)	2	CHAPTER 2 - UNIT 1 - PUBLIC FINANCE - FISCAL FUNCTIONS- AN OVERVIEW	Good Question on Fiscal Function
9.a.(i)	3	CHAPTER 3- UNIT 3- MONEY MARKET - MONETARY POLICY	Cash Reserve ratio
9.a.(ii)	2	CHAPTER 1 - NATIONAL INCOME	Net Exports - its significance
9.b.(i)	3	CHAPTER 4- UNIT 2- INTERNATIONAL TRADE - INSTRUMENTS OF TRADE POLICY	Various Types of tariffs
9.b.(ii)	2	CHAPTER 2 - UNIT 1 - PUBLIC FINANCE - FISCAL FUNCTIONS- AN OVERVIEW	Good Question on Fiscal Function
10.a.(i)	3	CHAPTER 4- UNIT 5- INTERNATIONAL TRADE - INTERNATIONAL CAPITAL MOVEMENTS	Different Types of FDI
10.a.(ii)	2	CHAPTER 2 - UNIT 2- PUBLIC FINANCE - MARKET FAILURE	Question on Externality
10.b.(i)	3	CHAPTER 3- UNIT 3- MONEY MARKET - MONETARY POLICY	Liquidity Adjustment Facility
10.b.(ii)	2	CHAPTER 2 - UNIT 2- PUBLIC FINANCE - MARKET FAILURE	Reasons for Market Failure
10.a.(i)	3	CHAPTER 1 - NATIONAL INCOME	Treatment of Certain transactions in national income
10.a.(ii)	2	CHAPTER 4- UNIT 3- INTERNATIONAL TRADE TRADE NEGOTIATIONS	WTO
10.b.(i)	3	CHAPTER 2 - UNIT 2- PUBLIC FINANCE - MARKET FAILURE	Major Aspects of Market Failure
10.b.(ii)	2	CHAPTER 3- UNIT 2- MONEY MARKET - CONCEPT OF MONEY SUPPLY	Liquidity Trap
10.b.(ii)(OR)	2	CHAPTER 3- UNIT 2- MONEY MARKET - CONCEPT OF MONEY SUPPLY	Empirical Analysis of Money Supply
10.a.(i)	3	CHAPTER 4- UNIT 5- INTERNATIONAL TRADE - INTERNATIONAL CAPITAL MOVEMENTS	Different Types of FDI

Note – On the whole, the paper was very easy and student can easily score 70 plus.

Most of the questions from either ICAI module or past examinations or RTP.

Almost all questions are covered in our class notes.

All the Best!!!

