



SOMAIYA

VIDYAVIHAR UNIVERSITY

Dr. Shantilal K. Somaia School of Commerce and Business Studies

QUESTION PAPERS

BRANCH: Master of Commerce (Banking & Finance)	SEM: IV
	APR-2024

Sr. No.	Subject	Available
1.	131P24V401 – Credit Management	
2.	131P24C401 – Financial Management	
3.	131P24V402 – International Finance	
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April 2024

Examination: End Semester Examination (UG/PG Programmes)

Programme code: 24		Class: SYMBF	Semester: IV
Programme: Banking & Finance			
Name of the Constituent College: S K Somaiya		Name of the Department: Accounting & Finance	
Course Code: 131P24V401	Name of the Course: Credit Management		
Duration : 2 Hr.	Maximum Marks : 60		
Instructions: 1) Draw neat and clear diagrams with pencil whenever necessary 2) Assume suitable data if necessary			

Question No.		Max. Marks	CO Attainment
Q.1	a) What are the Key points of Credit Facilities?	08	CO 1
	b) Explain Dimensions of Credit Appraisal.	07	CO 2
	OR		
	a) What is Validation of Proposal?	08	CO 1
	b) Elaborate Internal & External Rating in Credit Management.	07	CO 2
Q.2	a) Elaborate the steps for advances against Pledge.	07	CO 3
	b) What are the common types of Lien in credit Management?	08	CO 3
	OR		
	a) What are the types of securities?	08	CO 3
	b) Note down the difference between simple and equitable mortgage.	07	CO 3
Q.3	a) Which are the documents, where registration is compulsory?	07	CO 4
	b) Describe the impact of death of Borrower & Guarantor	08	CO 4
	OR		
	a) Explain Supervision & Follow up as components of loan.	07	CO 4
	b) What are the remedies for un-stamped/under-stamped documents?	08	CO 4
Q.4	Concept Based Questions.		
	a) Assignment in Credit Management	05	CO3
	b) Timeline of Registration of Loan Documents	05	CO2
	c) Negative Lien	05	CO4



April 2024

Examination: End Semester Examination (UG/PG Programmes)

Programme code: 24		Class:	Semester: IV
Programme: Banking & Finance		SYMBF	
Name of the Constituent College: S K Somaiya		Name of the Department: Accounting & Finance	
Course Code: 131P24C401	Name of the Course: Strategic Financial Management		
Duration: 2 Hr.	Maximum Marks: 60		
Instructions: 1) Draw neat and clear diagrams with pencil whenever necessary 2) Assume suitable data if necessary			

Question No.		Max. Marks	CO																									
Q 1	a) There are two projects A and B. Each involves an investment of Rs50,000. The expected cash inflows and the certainty co-efficient are as under:	8	CO2																									
	<table><tr><th>Year</th><th colspan="2">Project A</th><th colspan="2">Project B</th></tr><tr><th></th><th>Cash Inflow</th><th>Certainty Equivalent Coefficient</th><th>Cash Inflow</th><th>Certainty Equivalent Coefficient</th></tr><tr><td>1</td><td>35000</td><td>0.8</td><td>25000</td><td>0.9</td></tr><tr><td>2</td><td>30000</td><td>0.7</td><td>35000</td><td>0.8</td></tr><tr><td>3</td><td>20000</td><td>0.9</td><td>20000</td><td>0.7</td></tr></table>	Year	Project A		Project B			Cash Inflow	Certainty Equivalent Coefficient	Cash Inflow	Certainty Equivalent Coefficient	1	35000	0.8	25000	0.9	2	30000	0.7	35000	0.8	3	20000	0.9	20000	0.7		
	Year	Project A		Project B																								
		Cash Inflow	Certainty Equivalent Coefficient	Cash Inflow	Certainty Equivalent Coefficient																							
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2	30000	0.7	35000	0.8																								
3	20000	0.9	20000	0.7																								
	Risk -free cut off rate is 10%. Suggest which of the two projects. Which should be preferred?																											
	b) From the following project details calculate the sensitive of the (i) Project Cost (ii) Annual Cash Flow (iii) Cost of Capital. Which variable is most sensitive?	7	CO2																									
	<table><tr><td>Project Cost</td><td>Rs24000</td></tr><tr><td>Annual Cash Flow</td><td>Rs9000</td></tr><tr><td>Life of the Project</td><td>4 years</td></tr><tr><td>Cost of Capital</td><td>14%</td></tr></table>	Project Cost	Rs24000	Annual Cash Flow	Rs9000	Life of the Project	4 years	Cost of Capital	14%																			
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Annual Cash Flow	Rs9000																											
Life of the Project	4 years																											
Cost of Capital	14%																											
	The annuity factor at 14% for 4 years is 2.9137 and at 18% for 4 years are 2.6667.																											
	Or																											
	c) Explain in detail the concept of Corporate Value Addition along with its elements. Also elaborate its importance.	15	CO1																									
Q 2	a) State the significance of strategy in financial decision making.	8	CO1																									
	b) Elaborate in detail about Strategy V/s Planning in Strategic Corporate Finance.	7	CO1																									
	Or																											
	c) Describe the concept of crowd funding and explain all its categories. State the reason for crowd funding.	15	CO4																									
Q 3	a) Describe the concept of deep discount bonds along with its characteristics.	8	CO4																									
	b) Explain the concept of convertible preference share with its advantages.	7	CO4																									
	Or																											
	c) Define corporate restructuring. Explain the reason and characteristics of	15	CO3																									

	corporate restructuring.		
Q 4	<p>Read the following passage and solve the question given below. (Each question carries 3 marks each)</p> <p>The merger between Vodafone and Idea Cellular represents a significant milestone in the Indian telecommunications sector, reshaping the competitive landscape and creating one of the largest telecom operators in the country. With Vodafone's extensive global experience and Idea Cellular's strong presence in the Indian market, the merger aimed to leverage synergies in network infrastructure, spectrum holdings, and operational capabilities. The rationale behind the merger lies in the intensifying competition in the telecom industry, driven by the emergence of Reliance Jio and technological advancements like 5G. By joining forces, Vodafone and Idea sought to enhance their competitive position, improve service quality, and offer a wider range of products and services to their customers. From a financial perspective, the merger aimed to drive efficiencies through cost savings, economies of scale, and increased revenue opportunities. However, the merger faced regulatory hurdles, including approvals from the Competition Commission of India (CCI) and the Department of Telecommunications (DoT), which delayed the integration process. Despite these challenges, the merged entity is poised to capitalize on India's growing demand for telecom services, with a combined subscriber base and network infrastructure that positions it as a formidable player in the industry. Overall, the Vodafone-Idea merger represents a strategic move to navigate the evolving telecom landscape, with the potential to drive growth and innovation in the years to come.</p> <ol style="list-style-type: none"> What were the primary motivations behind the merger between Vodafone and Idea Cellular, and how did the combined entity aim to leverage synergies? Discuss the competitive factors driving the need for consolidation in the Indian telecommunications industry and how the Vodafone-Idea merger addressed these challenges. Explain the regulatory hurdles faced by Vodafone and Idea in completing the merger process, and how did these challenges impact the integration timeline? Evaluate the potential financial benefits of the merger, including cost savings, economies of scale, and revenue opportunities, and their implications for the merged entity. Assess the strategic positioning of the merged entity in the Indian telecom market post-merger and discuss the opportunities and challenges it faces in capitalizing on its combined strengths. 	15	CO3



April 2024		
Examination: End Semester Examination April 2024 (UG/PG Programmes)		
Programme code: 24 Programme: Banking & Finance	Class: SYMBF	Semester: IV
Name of the Constituent College: S K Somaiya College	Name of the Department: Accounting & Finance	
Course Code: 131P24V402	Name of the Course: International Finance	
Duration: 2 Hrs.	Maximum Marks: 60	
Instructions: 1) Draw neat diagrams 2) Assume suitable data if necessary 3)		

Question No.		Max. Marks	CO Attainment
Q.1	a) What is International Finance? Elaborate on the importance of International Finance.	07	CO 1
	b) Explain the functions of the foreign exchange market.	08	CO 2
	Or		
Q.2	c) Elaborate on advantages and disadvantages of Floating Exchange Rate System.	15	CO 1
	a) What are the drawbacks of Purchasing Power Parity?	07	CO 2
	b) Write a note on Systematic and Unsystematic Risk.	08	CO 2
Q.3	Or		
	c) Distinguish between ADR and GDR.	07	CO 2
	d) Write a note on Shadow Banking.	08	CO 4
Q.4	a) Distinguish between Arbitrage and Speculation.	07	CO 3
	b) What are the reasons for the growth of International Banking?	08	CO 3
	Or		
Q.4	c) Write a note on Interest Rate Parity.	07	CO 2
	d) Explain the parties involved in ADR/GDR issue.	08	CO 2
	Questions based on Forex Arithmetic (5 Marks Each)	15	
	a. GBP/USD 1.6666/1.7777 USD/GBP 60.1111/60.2222 Calculate Cross Currency Exchange Rate for GBP/INR.		CO 1
	b. EUR/INR 77.2222/5555 Calculate Mid Rate, Spread and Percentage spread.		CO 1
	c. The following are the quotes of USD/INR from two different banks. Find arbitrage opportunities for ₹ 1 million contract. Bank A 47.98/48.53 Bank B 48.64/48.84		CO 2