

K. J. Somaiya Institute of Technology, Sion, Mumbai-22
(Autonomous College Affiliated to University of Mumbai)

May-June 2025		
B. Tech Program: Computer Engineering Scheme II		
Regular Examination: LY Semester: VIII		
Course Code: ILC8042 Course Name: Finance Management		
Date of Exam: 26/5/25	Duration: 2.5 Hours	Max. Marks: 60

- (1) All questions are compulsory.
(2) Draw neat diagrams wherever applicable.
(3) Assume suitable data, if necessary.

Q. No.	Questions	Max Marks	CO	BT level
Q 1	Solve any two questions out of three: (05 marks each)	10		
a)	List characteristics of the Indian finance system.		CO1	U
b)	Differentiate between Ordinary Annuity and Annuity Due with examples.		CO2	U
c)	Define Financial Ratio Analysis and list any four types of financial statements used.		CO3	U
Q 2	Solve any two questions out of three: (05 marks each)	10		U
a)	Describe how inventories, receivables, and cash are managed under Working Capital Management.		CO4	U
b)	Explain the Accounting Rate of Return (ARR) method. What are its advantages and disadvantages in investment decisions?		CO5	U
c)	Describe the Stock Market Ratios and Capital Structure Ratios. How do they assist investors?		CO3	U
Q.3	Solve any two questions out of three. (10 marks each)	20		U
a)	What is the effect of global trade war on Indian finance system? explain in detail.		CO2	U
b)	Explain the role and classification of Financial Institutions such as Commercial Banks, Investment-Merchant Banks, and Stock Exchanges.		CO1	U
c)	Compare and contrast the Gordon, Walter, and Modigliani-Miller approaches to Dividend Policy.		CO6	U
Q.4	Solve any two questions out of three. (10 marks each)	20		U
a)	Discuss various sources of finance available to a business, distinguishing between long-term and short-term sources.		CO5	U

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b)	What are the different types of Financial Ratios? Explain the purpose of Liquidity, Profitability, and Efficiency Ratios.	CO3	U
c)	What is the importance of managing receivables in Working Capital Management?	CO4	U
