



SOMAIYA

VIDYAVIHAR UNIVERSITY

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

QUESTION PAPERS

BRANCH: Master of Commerce (Banking & Finance)	SEM: II
	APR-2026

Sr. No.	Subject	Available
1.	231P24C201 – Business Finance	
2.	231P24C202 – Business Ethics & CSR	
3.	231P24C203 – Banking Laws & Practice	
4.	231P24C204 – Lending & Credit Management	
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6.		
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14.		
15.		



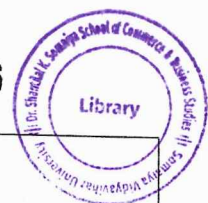
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16 APR 2026

Commerce
MBF
Sem-II



March/April 2026 Examination: End Semester Examination (PG Programmes)		
Programme code: 05	Class: FYMBF	Semester: II
Programme: Banking & Finance		
Name of the School: Dr. Shantilal K Somaiya School of Commerce and Business Studies	Name of the Department: Accounting & Finance	
Course Code: 231P24C201	Name of the Course: Business Finance	
Duration : 2 Hr.	Maximum Marks : 60	
Instructions: 1) Assume suitable data if necessary 2) Simple Calculator is allowed		

Q No.		Max. Marks	CO												
Q1	Attempt the following questions (3 X 5 Marks)	(15)													
A)	Mr. Manan deposits Rs. 10,000 in recurring deposit account for 5 years @ 9% interest p.a. find out the maturity amount.		CO3												
B)	Distinguish between Debentures and Shares		CO2												
C)	Explain working capital of Manufacturing concern.		CO4												
Q 2	Neha, a young professional in Bengaluru, has witnessed significant changes in the way financial transactions and investments are made over the past few years. She now prefers using digital payment apps like Google Pay and PhonePe instead of cash. She has also started investing in mutual funds through online platforms and occasionally explores stock trading via mobile applications. Additionally, Neha reads about the increasing role of fintech companies, the rise in financial inclusion through schemes promoted by the Reserve Bank of India, and the growing popularity of digital banking and Unified Payments Interface (UPI). She also notices that more people in rural areas are gaining access to banking services and digital finance. Based on the above case, discuss the growth and emerging trends in the Indian financial system.	(15)	CO1												
OR															
B)	Explain Hire Purchase System and Why Business uses Hire Purchase system.	(8)	CO2												
C)	Explain Venture Capital Funding and Explain different stages involved in Venture Capital Funding.	(7)	CO2												
Q 3	Following information is provided by Mr. Umesh who is considering purchasing two machines. On following basis, you are required to find which one is the best.	(15)	CO3												
A)	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Machine X</th> <th>Machine Y</th> </tr> </thead> <tbody> <tr> <td>Cost of Machine</td> <td>4,00,000</td> <td>4,90,000</td> </tr> <tr> <td>Machine Hours P.a.</td> <td>3,000</td> <td>4,000</td> </tr> <tr> <td>Output Per Hour</td> <td>10 Units</td> <td>8 Units</td> </tr> </tbody> </table>	Particulars	Machine X	Machine Y	Cost of Machine	4,00,000	4,90,000	Machine Hours P.a.	3,000	4,000	Output Per Hour	10 Units	8 Units		
Particulars	Machine X	Machine Y													
Cost of Machine	4,00,000	4,90,000													
Machine Hours P.a.	3,000	4,000													
Output Per Hour	10 Units	8 Units													

Raw Material	Rs. 6/- p.u.	Rs. 8/- p.u.
Overheads	Rs. 30/- Per Hr.	Rs. 45/- per Hr.
Wages	Rs. 50/- per Hr.	Rs. 70/- Per Hr.
Selling Price	Rs. 20/- p.u.	Rs. 26/- p.u.
Scrap Value of Machine	Nil	10,000
Rate of Depreciation	5%	5%

Advise Mr. Umesh regarding acquisition of any of the two machines under:

- Payback Period Method
- Accounting Rate of Return Method

OR

Q 3

B) Maitri Ltd is considering two projects for its upcoming assignment:

Net Profit before Tax is as follows:

<i>Particulars</i>	<i>Project 1</i>	<i>Project 2</i>	<i>Discounting Factor @ 8%</i>
Cost	3,30,000	4,40,000	---
Scrap Value	30,000	40,000	---
Life in Years	5 years	5 years	---
Year 1	40,000	50,000	0.926
Year 2	50,000	90,000	0.857
Year 3	80,000	80,000	0.794
Year 4	1,00,000	1,20,000	0.735

Consider income tax @ 30%.

You are requested to compare the project on the basis of:

- Discounted Payback Period
- And Net Present Value method.

(15)

CO3

Q 4

A) PQR Ltd., a consumer goods company, maintains a minimum level of cash, inventory, and receivables throughout the year to ensure smooth operations. However, during festival seasons, the company increases production and inventory levels to meet higher demand, requiring additional funds. Identify and explain the different types of working capital used by PQR Ltd. based on the above situation.

(15)

CO4

OR

B) You are required to prepare a statement showing the estimate of working capital required to finance the level of activity of 52,000 units per year from the following information, obtained from the books of XYZ LTD.

Particulars (Per Unit ₹)

Particulars	₹ per unit
Raw Materials	32
Direct Labour	11
Overheads	27
Total Cost	70

(15)

CO4

Profit 14

Selling Price 84

Additional Information

1. Raw materials are in stock on an average for 2.5 months.
2. Materials are in process on an average for 1 month.
3. Finished goods are in stock on an average for 1 month.
4. Credit allowed by creditors is 1.5 months.
5. Credit allowed to debtors is 2 months.
6. Lag in payment of wages is 1 month.
7. Cash on hand and at bank is expected to be ₹25,000.





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M B F
Sem-IT

20 APR 2020

March/April 2026		
Examination: End Semester Examination (PG Programmes)		
Programme code: 24	Class: FYMBF	Semester: II
Programme: Banking & Finance		
Name of the School: Dr. Shantilal K Somaiya School of Commerce and Business Studies		Name of the Department: Accounting & Finance
Course Code: 231P24C202	Name of the Course: Business Ethics & CSR	
Duration : 2 Hr.	Maximum Marks : 60	
Instructions: 1) Draw neat diagrams 2) Assume suitable data if necessary		

Question No.		Max. Marks	CO
Q1	<p>Read the following case and answer the question given below:</p> <p>Infosys, one of India's leading IT firms, faced a whistleblowing controversy in 2019. A group of anonymous employees raised concerns against top management, including CEO Salil Parekh, alleging unethical accounting practices. The whistleblowers claimed that the company was recognizing revenue prematurely and bypassing standard accounting norms to show better financial performance.</p> <p>The whistleblowers sent detailed complaints to the company's board and regulatory authorities, highlighting possible violations of corporate governance and ethical standards. This created a dilemma for the organization—whether to dismiss the allegations and protect its reputation or to conduct a transparent investigation that could temporarily harm investor confidence. Infosys chose to initiate an independent investigation to examine the claims thoroughly.</p> <p>Although the investigation later found no substantial evidence of wrongdoing, the incident highlighted the importance of whistleblowing mechanisms in organizations. It emphasized the need for transparency, accountability, and protection for employees who raise concerns, while also showing how companies must handle such situations carefully to maintain trust among stakeholders.</p> <p>Questions:</p> <ol style="list-style-type: none"> 1. What issues were raised by the whistleblowers? 2. How did the company respond to the allegations? 3. What lessons can organizations learn from this case? 	05 05 05	CO1, CO2
Q2	<ol style="list-style-type: none"> a. Write a note on work ethos. b. "Corporate ethics is essential for long-term success." Discuss. <p>OR</p>	08 07	CO2 CO1

	<p>c. ABC Ltd. focuses on profit-making, quality products, and fair employee wages. Recently, it has also started activities like donating to schools and adopting eco-friendly practices. However, the management believes CSR should be limited mainly to business operations.</p> <p>(i) Analyse the scenario using the Concentric Circle Model of CSR.</p>	15	CO3
Q 3	<p>a) Elucidate the concept of managerial ethics and its importance.</p> <p>b) Explain the concept of ethics in marketing and advertising with suitable examples.</p> <p>Or</p> <p>c) LMN Ltd., a fast-growing company, focuses only on profit maximization and ignores environmental concerns, employee welfare, and community development. Over time, it faces criticism from the public, strict government regulations, and a decline in its brand image.</p> <p>(i) Analyze the above situation and explain the need for Social Responsibility.</p>	08 07 15	CO1 CO2 CO3
Q 4	<p>(a) Chemvora Ltd., a chemical manufacturing company, exports its products to international markets. Recently, it faced rejection of its goods due to non-compliance with environmental standards. The company does not have a formal environmental management system, proper waste disposal practices, or environmental audits in place. The management is now considering adopting international environmental standards to improve its global reputation.</p> <p>(i) Analyze the case with reference to the provisions of ISO 14000.</p> <p>(ii) Identify the key environmental management requirements the company must fulfill under ISO 14000.</p> <p>Or</p> <p>(b) Prime International Corporation, a multinational company, operates in different regions of India. In urban areas, it focuses on environmental sustainability and employee welfare, while in rural areas, it invests in education and healthcare. The company's CSR activities are also influenced by government regulations, consumer expectations, cultural values, and pressure from stakeholders.</p> <p>(i) Analyse the above case and explain the factors influencing Corporate Social Responsibility.</p>	15 15	CO4 CO4



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MBF
Sem. II

22 APR 2026

March/April 2026		
Examination: End Semester Examination (PG Programmes)		
Programme code: 24	Class: FYMBF	Semester: II
Programme: Banking & Finance		
Name of the School: Dr. Shantilal K Somaiya School of Commerce and Business Studies		Name of the Department: Accounting & Finance
Course Code: 231P24C203	Name of the Course: Banking Laws and Practice	
Duration : 2 Hr.	Maximum Marks : 60	
Instructions: 1) Draw neat diagrams 2) Assume suitable data if necessary 3)		

Question No.		Max. Marks	CO
Q 1	Jackpot Ltd. is a bank, and they provided loan of Rs. 5 crores to Sonia Ltd. on credit basis against immovable property. After providing sufficient time limit Sonia Ltd. fails to pay loan money. a. Can Jackpot Ltd. file a case against Sonia Ltd.? State reason. b. Explain rules related to mortgage under Banking Laws. c. Explain any 3 types of mortgages.	15	CO 3
Q 2	a. Explain the concept of CAMEL and its usage in Banking Sector. b. Explain Section 138 of Negotiable Instrument Act. OR c. Write a note on the activities which bank can perform as per RBI Act. d. Write a note on ATM and describe its types.	08 07 08 07	CO 1 CO 2 CO 3 CO 4
Q 3	a. Define Contract of Guarantee. b. Explain the concept of UPI under Banking Sector and how it is useful? OR c. Explain the concept of letter of credit along with any 5 types d. Write a note on Deposits/inoperative Accounts in Banks.	08 07 08 07	CO 2 CO 4 CO 3 CO 2
Q 4	a. Explain different types of bank customers in India? b. Write a note on advantages of technologies in development of banking sector. OR c. What is the role of RBI as per RBI Act, 1934? d. Explain section 7 of IBC, 2016.	08 07 08 07	CO 2 CO 4 CO 1 CO 1


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24 APR 2028

March/April 2026		
Examination: End Semester Examination (PG Programmes)		
Programme code: 24	Class:	Semester: II
Programme: Banking & Finance	FYMBF	
Name of the School: Dr. Shantilal K Somaiya School of Commerce and Business Studies	Name of the Department: Accounting & Finance	
Course Code: 231P24C204	Name of the Course: Lending & Credit Management	
Duration : 2 Hr.	Maximum Marks : 60	
Instructions: 1) Draw neat diagrams 2) Assume suitable data if necessary		
3) Q1 is COMPULSORY		

Question No.		Max. Marks	CO
Q1	<p>Punjab and Maharashtra Co-operative (PMC) Bank, once one of India's largest multi-state cooperative banks, became the centre of a major financial scandal in 2019 due to fraudulent lending practices involving real estate developer Housing Development and Infrastructure Ltd. (HDIL). PMC Bank had sanctioned loans worth over ₹6,000 crore to HDIL and its group entities, which accounted for around 70–73% of the bank's total loan book, violating prudential lending norms that restrict excessive exposure to a single borrower.</p> <p>Modus Operandi of the Fraud</p> <p>Senior bank officials, including the Managing Director and Chairman, colluded with HDIL promoters to:</p> <ul style="list-style-type: none"> Sanction large unsecured loans to HDIL despite its weak financial position Create thousands of fictitious loan accounts to hide the real exposure Manipulate the bank's core banking system so that these loans were not visible to auditors or RBI inspectors Submit falsified financial statements and inspection data to regulators <p>As a result, the bank continued to show healthy financial performance while actually accumulating huge non-performing assets (NPAs).</p> <p>Regulatory Action and Impact</p> <p>In September 2019, the Reserve Bank of India (RBI) discovered the irregularities and imposed restrictions on PMC Bank's operations, including limits on withdrawals by depositors. Initially, customers were allowed to withdraw only ₹1,000, which caused panic and protests among depositors. The scam led to:</p> <ul style="list-style-type: none"> Collapse of depositor confidence in cooperative banks Criminal investigations against bank officials and HDIL promoters Freezing and attachment of assets to recover funds <p>Key Issues Highlighted by the Scam</p> <ul style="list-style-type: none"> Failure of internal controls and corporate governance Conflict of interest and connected lending Weak regulatory supervision of cooperative banks High concentration risk in lending 	15	CO1,2,3,4

	<p>Question 1 (5 Marks) Explain how PMC Bank violated basic banking principles and lending norms in its dealings with HDIL.</p>		
	<p>Question 2 (5 Marks) Discuss the methods used by PMC Bank officials to conceal bad loans from regulators and auditors. What weaknesses in the banking system did this expose?</p>		
	<p>Question 3 (5 Marks) Analyse the impact of the PMC Bank scam on depositors and the cooperative banking sector in India. Suggest two regulatory reforms that could prevent such frauds in the future.</p>		
Q 2	<p>a) "Loans and Credit are different finance mechanism" explain this statement and elaborate on the principles of credit.</p> <p style="text-align: center;">OR</p> <p>b) Amit Sharma, aged 32, applies for a home loan of ₹50 lakhs from a commercial bank. The lender wants to know what is credit score & how does a lender assess the credit worthiness of an individual borrower.</p> <p>c) In a conference you are required to discuss credit appraisal with suitable examples.</p>	15 8 7	CO1 CO2 CO2
Q 3	<p>a) Mr. Raghav is your colleague and wants to understand from you about the 6 Cs of credit in the financial system.</p> <p style="text-align: center;">OR</p> <p>b) Ms. Sudha Murthy is planning to buy a house and take a home loan she is come to you for advice. In detail explain her about Fixed Vs Floating ROI, differences and benefits with drawback drawback of each type so she can decide the best type.</p>	15 15	CO2 CO3
Q 4	<p>a) "Documentation must provide adequate support for the decision made". with this statement as base we need to discuss what is document, why do we need document & importance of document, process & precautions in documentations.</p> <p style="text-align: center;">OR</p> <p>b) Initiate a lecture for a group of UG students about the 6 common mortgagages in India & difference between equitable & registered mortgage.</p>	15 15	CO4 CO3