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BE SEM VIII (choice based) summer 2026 INFT

Duration: 3hrs [Max Marks: 80]

19/5/26

N.B. : (1) Question No 1 is Compulsory.
(2) Attempt any three questions out of the remaining five.
(3) All questions carry equal marks.
(4) Assume suitable data, if required and state it clearly.

1 Attempt any FOUR (20 marks) [20]

a Describe any two money market instruments
b Differentiate Returns and Risk.
c What are the objectives of corporate finance
d What is the Profitability Index?
e What is the limitation of financial statement analysis?

2 a Explain in detail the structure of the Indian banking system. [10]
b What is Capital Budgeting? Discuss the various factors that influence the capital budgeting decisions. [10]

3 a Discuss the types and various financial ratios in detail. [10]
b What are all the different financial statements? Explain with examples [10]

4 a Explain following sources of finance [10]
1. Equity
2. Debt
3. Trade credit
4. Commercial paper

b Discuss the Modigliani-Miller Approach in dividend policy. [10]

5 a ABC Ltd has EBIT (Net operating Income) is Rs 50,000; Cost of Equity is at 15% and Cost of Debt is at 8%. Total Capital is 400,000. Calculate value of the firm under different combinations of capital structure. Using leverage (Debt to Capital) [10]
1. 20%
2. 50%
3. 80%

b What are all the factors influencing working capital requirements? [10]

6 a Differentiate between ordinary annuity and annuity due with examples. [10]
b What do you mean by dividends and its importance? Discuss the factors affecting the dividend decision of the company [10]

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