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PRESIDENCY UNIVERSITY

Presidency University Act, 2013 of the Karnataka Act No. 41 of 2013 | Established under Section 2(f) of UGC Act, 1956
Approved by AICTE, New Delhi | Approved By BCI
Bengaluru

Even Semester Mid Term, March 2026

Date: 12/03/2026

Time: 09:30 AM - 11:00 AM

Course Code: MGT2021

Course Name: Finance for Engineers

Semester: Sixth Semester

Max. Marks: 50

Weightage: 50%

CO - Levels	CO1	CO2
Marks	44	46

PART-A: Answer Following Questions. 10 M

Qn.No	Questions	M	CO	BT
1	Define the concept of finance in financial management.	2	CO1	BT1
2	Name the three main types of finance.	2	CO1	BT1
3	List any three major financial decisions of a firm.	2	CO2	BT1
4	Define the meaning of capital budgeting.	2	CO2	BT1
5	Name the traditional and modern capital budgeting methods.	2	CO2	BT1

PART-B: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT								
6	From the following information, compute the Income Statement (Trading and Profit & Loss Account) for the year ended 31 March 2025.	10	CO1	BT2								
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Particulars</th> <th style="width: 50%;">Amount (₹)</th> </tr> </thead> <tbody> <tr> <td>Opening Stock</td> <td>20,000</td> </tr> <tr> <td>Purchases</td> <td>80,000</td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>		Particulars	Amount (₹)	Opening Stock	20,000	Purchases	80,000					
Particulars	Amount (₹)											
Opening Stock	20,000											
Purchases	80,000											

Sales	1,50,000
Wages	10,000
Carriage Inwards	2,000
Rent	6,000
Salaries	12,000
Office Expenses	4,000

7 The following is the financial information for ABC Ltd. Compute a balance sheet of ABC Ltd.

10

CO1

BT2

Particulars	Amount
Equity share capital	25,00,000
Non-current Assets	30,00,000
Reserves and surplus	5,00,000
Investments	5,00,000
Long term loans	15,00,000
Current assets	15,00,000
Current liabilities	5,00,000

PART-C: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
8	A company provides the following details:	10	CO1	BT2

	<ul style="list-style-type: none"> • Net Income: ₹40,000 • Depreciation: ₹12,000 • Increase in Inventory: ₹6,000 • Decrease in Accounts Payable: ₹4,000 • Purchase of Equipment: ₹25,000 • Sale of Land: ₹15,000 • Loan Taken: ₹50,000 • Loan Repaid: ₹20,000 <ul style="list-style-type: none"> • Summarize the Cash Flow Statement. 			
9	Describe the nature and objectives of financial statements and explain the three types of financial statements.	10	CO1	BT2

PART-D: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
10	<p>A project requires an investment of ₹2,00,000. It generates cash inflows of ₹50,000, ₹60,000, ₹70,000, ₹60,000, ₹40,000 over 5 years.</p> <p>Project B Investment: ₹30,000</p> <p>Cash inflows (per year): 10,000, 12,000, 8,000, 6,000</p> <p>Calculate Payback Period</p>	10	CO2	BT3
11	Explain the concept of net present value and discuss its merits and demerits.	10	CO2	BT3

PART-E: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
12	<p>A company is considering two projects with the following cash flows. Calculate NPV at 10% discount rate.</p> <p>Project X: Initial outlay ₹1,00,000; inflows: ₹30,000, ₹40,000, ₹50,000, ₹30,000. Project Y: Initial outlay ₹1,00,000; inflows: ₹20,000, ₹30,000, ₹40,000, ₹60,000.</p>	10	CO2	BT3
13	Illustrate the steps involved in the capital budgeting process, along with the different kinds of capital budgeting decisions.	10	CO2	BT3