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Bengaluru

Mid Term Examinations - October 2026

Date: 05/10/2026 **Time:** 02:00 PM - 03:30 PM

Course Code: FIN1005 **Course Name:** Finance Essentials for Decision Making

Semester: Sixth Semester **Max. Marks:** 50 **Weightage:** 50%

CO - Levels	CO1	CO2
Marks	128	142

PART A: Answer Following Questions. 10 M

Q.N.	Questions	M	CO	BT
1	Define Finance.	2	CO1	BT1
2	Define Financial Management.	2	CO1	BT1
3	Identify and list the major forms of business organization.	2	CO1	BT1
4	State the formula for calculating Cost of Goods Sold (COGS).	2	CO2	BT2
5	Explain Ratio Analysis and its purpose.	2	CO2	BT2

PART B : Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
6	Prepare the format of an Income Statement/Statement of Profit and Loss, clearly showing the major components from Revenue to Profit after Tax.	10	CO1	BT3
7	Prepare the format of a Balance Sheet in the proper classification of assets, equity and liabilities.	10	CO1	BT3

PART C: Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
8	Differentiate between Money Market and Capital Market with respect to maturity period, instruments, participants, purpose and examples.	10	CO2	BT4

9	Prepare the Income Statement of ITC Limited for the year ended 31st March 2026 using the following figures: **Particulars** / **Amount (₹)** Sales Revenue 18,50,000 Opening Stock 2,50,000 Purchases 7,20,000 Closing Stock 3,10,000 Salaries & Wages 2,80,000 Rent 85,000 Utilities 48,000 Office Expenses 52,000 Selling Expenses 68,000 Repair & Maintenance 42,000 Insurance 30,000 Depreciation 45,000 Other Income 55,000 Interest 60,000 Taxes 1,10,000	10	CO2	BT3

PART D: Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**
10	Differentiate between Primary Market and Secondary Market with reference to meaning, purpose, participants, transaction mechanism and examples.	10	CO1	BT4
11	From the following list of balances, prepare the Balance Sheet of Greenx Pvt. Ltd. as at 31 March 2025 in the proper format: **Particulars** / **Amount (₹)** Tangible Assets 14,50,000 Trade Payables 1,50,000 Share Capital 12,00,000 Cash and Cash Equivalents 2,50,000 Long-term Borrowings 5,50,000 Inventories 3,50,000 Reserves and Surplus 4,50,000 Short-term Borrowings 2,00,000 Intangible Assets 2,50,000 Long-term Provisions 80,000 Current Investments 1,50,000 Short-term Provisions 70,000 Long-term Loans and Advances 2,50,000	10	CO1	BT3

PART E: Answer Any 1 Following Questions. 10 M				
Q.N.	**Questions**	**M**	**CO**	**BT**
12	Compare Shareholder Wealth Maximization and Profit Maximization as objectives of financial management. Explain their differences with respect to time value of money, risk, cash flows and long-term decision-making.	10	CO2	BT3

13	The following information is available for ABC Ltd.: **Particulars** | **Amount (₹)** Cash | 25,000 Debtors | 35,000 Stock | 60,000 Creditors | 30,000 Bills Payable | 20,000 Net Profit | 50,000 Sales | 4,00,000 Debt | 1,20,000 Equity | 1,50,000 **Calculate the following financial ratios and interpret the results:** a) Current Ratio b) Net Profit Ratio c) Debt–Equity Ratio	10	CO2	BT3