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**BENGALURU**  
**School of Law**  
**Mid - Term Examinations - November 2024**

**Semester:** III

**Course Code:** BBL2001

**Course Name:** Financial Management

**Program:** BBA LLB HONS

**Date:** 05-11-2024

**Time:** 9:30am – 11:00am

**Max Marks:** 50

**Weightage:** 25%

**Instructions:**

*(i) Read all questions carefully and answer accordingly.*

*(ii) Do not write anything on the question paper other than roll number.*

**Part A**

**Answer ALL the Questions. Each question carries 2marks.**

**5Qx2M=10M**

- |   |  |         |          |     |
|---|--|---------|----------|-----|
| 1 | Define Finance.                        | 2 Marks | Remember | C01 |
| 2 | Describe the Financial Management.     | 2 Marks | Remember | C01 |
| 3 | Write a short note on FVA.             | 2 Marks | Remember | C02 |
| 4 | Define Time Value of Money.            | 2 Marks | Remember | C02 |
| 5 | Write a short note on Doubling Period. | 2 Marks | Remember | C02 |

**Part B**

**Answer ALL Questions. Each question carries 10 marks.**

**4Qx10M=40M**

- |    |  |          |                   |     |
|----|--|----------|-------------------|-----|
| 6  | Finance is the process of management of money which includes activities such as investing, borrowing, lending, budgeting, saving, and forecasting. With reference to the above statement, Explain the importance of Finance.                               | 10 Marks | Understa<br>nding | C01 |
| Or |  |          |                   |     |
| 7  | Finance functions are practices and activities focused on managing a business's financial resources to generate profits. They are critical in acquiring and managing financial resources and contributing to the productivity of other business functions, | 10 Marks | Understa<br>nding | C01 |

planning, and decision-making activities. With reference to the above context, Discuss the aims and functions of finance.

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|----|---|----------|-------------------|-----|
| 8  | Financial management is the process of planning, organizing, and controlling an organization's financial resources. It involves monitoring, protecting, and reporting on a company's finances, including: bank transactions, loans, debts, investments, and other sources of funding. With reference to the above, Explain the goals of financial management.   | 10 Marks | Understa<br>nding | CO1 |
| Or |   |          |                   |     |
| 9  | The Financing Decision is a crucial decision that is to be made by the financial manager, the decision is about the financing-mix of an organization. Financing Decision is focused on the borrowing and allocation of funds required for the investment decisions of the firm. With reference to the above statement, Discuss the various types of financial decision.   | 10 Marks | Understa<br>nding | CO1 |
| 10 | Calculate the future value of Rs.7000 invested for 5 years at a rate of interest of 15% compounded (i) Yearly (ii) Half yearly and (iii) Quarterly. According to Compound table , compound value factor for Re.1 in 5 years at rate 15%.  | 10 Marks | Applying          | CO2 |
| Or |   |          |                   |     |
| 11 | Find out the present value of Rs. 10,000 receivable after 3 years at the rate of 12% interest. Calculate present value:<br>(i) Yearly<br>(ii) Half yearly and<br>(iii) Quarterly  | 10 Marks | Applying          | CO2 |
| 12 | Calculate the future value of annuity at the end of 5 years of the following series of deposits at 9% rate of interest<br>i. Rs.1000 at the end of first year<br>ii. Rs.2000 at the end of second year<br>iii. Rs.3000 at the end of third year<br>iv. Rs.4000 at the end of fourth year<br>v. Rs.5000 at the end of fifth year.  | 10 Marks | Applying          | CO2 |
| Or |   |          |                   |     |
| 13 | Calculate the present value of annuity from the following series of payments made at the end of each year for a period of 5 years at 8% discount rate.<br>i. Cash flow at the end of 1st year – Rs.2,000<br>ii. Cash flow at the end of 2nd year – Rs.4,000<br>iii. Cash flow at the end of 3rd year – Rs.6,000<br>iv. Cash flow at the end of 4th year – Rs.8,000<br>v. Cash flow at the end of 5th year – Rs.10,000 | 10 Marks | Applying          | CO2 |