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PRESIDENCY UNIVERSITY

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Bengaluru

Mid Term Examinations - October 2026

Date: 07/10/2026 **Time:** 09:30 AM - 11:00 AM

Course Code: BBL2001 **Course Name:** Financial Management

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

CO - Levels	CO1	CO2	CO3
Marks	24	46	20

PART A: Answer Following Questions. 10 M

Q.N.	Questions	M	CO	BT
1	What is financial management?	2	CO1	BT1
2	What is wealth maximization?	2	CO1	BT1
3	Define present value.	2	CO2	BT1
4	What is an annuity due?	2	CO2	BT1
5	State the future value formula for a single cash flow.	2	CO2	BT1

PART B : Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
6	Explain the finance function and discuss its major aims. Also explain the importance of finance in business.	10	CO1	BT2
7	Explain the meaning of financial management and discuss the major financial decisions and their significance.	10	CO1	BT2

PART C: Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
8	A company invests ₹1,50,000 for 5 years at 9% p.a. Calculate the future value of the investment.	10	CO2	BT3
9	An investor will receive ₹20,000 at the end of each year for 6 years. At a discount rate of 10%, calculate the present value of the ordinary annuity.	10	CO2	BT3

PART D: Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT
10	An investment generates ₹25,000, ₹35,000, ₹45,000 and ₹55,000 at the end of Years 1–4, @ 2% p.a., calculate the present value of these uneven cash flows.	10	CO2	BT3
11	An investor deposits ₹20,000 at the beginning of every year for 5 years at 10% p.a. Calculate the future value of the annuity due at the end of Year 5.	10	CO2	BT3

PART E: Answer Any 1 Following Questions. 10 M

Q.N.	Questions	M	CO	BT

12	Define capital structure. Explain the various components of capital structure.	10	CO3	BT2
13	Discuss the factors that influence a company’s capital structure decision.	10	CO3	BT2