

School of Finance and Commerce

Department of Finance and Commerce

Mid Term Examination

Exam Date: 27 Sep 2023

Time : 90 Minutes

Marks : 50

Sem III - MBAF0902 - Financial Modeling Using Excel

Your answer should be specific to the question asked

Draw neat labeled diagrams wherever necessary

- 1) Explain the importance of excel in financial modelling. K2 (2)
- 2) Define the financial modeling. K1 (3)
- 3) Explain how financial modeling important for businesses. K2 (4)
- 4) A person need 100 thousand rupees at the end of each year infinitely. Explain how much money we have to deposit right now if bank provide 12% interest per annum. K2 (6)
- 5) Identify the difference between cost of debt and cost of equity. K3 (6)
- 6) If a stock is selling at Rs. 250 with current dividend of Rs. 10. Identify the dividend growth rate of this stock, assuming a required rate of return of 12%. K3 (9)
- 7) A project cost 250 thousand which expected life of 5 years and expected cash inflows are 100 thousand ruppess each year during their life. Cost of capital is 10%. Examine whether we have to accept project or not. K4 (8)
- 8) Analyze the future value of an investment of 5,000 with an annual interest rate of 7% compounded annually after 5 years. K4 (12)

OR

Analyze the flat annual payment required to pay off a 13%, 5-year loan of 100,000 K4 (12)