

School of Law**Integrated Bachelor of Business Administration - Bachelor of Law
Mid Term Examination - May 2024****Duration : 90 Minutes
Max Marks : 50****Sem II - J1UC202T - Financial Management**General Instructions*Answer to the specific question asked**Draw neat, labelled diagrams wherever necessary**Approved data hand books are allowed subject to verification by the Invigilator*

- 1) How do financial instruments facilitate transactions within the formal financial market? K2 (2)
- 2) What are the primary components of the formal financial market? K1 (3)
- 3) Why is maximizing shareholder wealth considered a primary goal of financial management? K2 (4)
- 4) What are financial decisions, and how do they impact the overall financial health of a company? K2 (6)
- 5) Explain the principles of sound financial planning and their application in real-world scenarios. K3 (6)
- 6) Explain how inflation affects the time value of money. K3 (9)
- 7) Explain the relationship between compounding frequency and the effective rate of interest. K4 (8)
- 8) Provide examples of how the time value of money concept is applied in real estate investment analysis. K4 (12)

OR

How do financial institutions use time value of money techniques in offering loans and mortgages? K4 (12)