

| SET | TYPE | MARKS | QUESTION | CO | PI | Bloom's Level | Accessible For My Institute | ANSWER-ONE | ANSWER-ONE-STATUS | ANSWER-TWO | ANSWER-TWO-STATUS |
|-----|----------------|-------|---|-----|----|---------------|--|------------|-------------------|--|-------------------|
| A | SINGLE-CORRECT | 1 | calculate the present value of Rs800 received at the end of 15 years assuming a 5% time preference rate | CO2 | | Apply | | 470.1235 | Incorrect | 315.8137 | Incorrect |
| A | SINGLE-CORRECT | 1 | Exactly 10 years from now, Raj Sharma will start receiving a pension of Rs3,000 a year. The payment will continue for sixteen years. How much is the pension worth now, if Raj Sharma's interest rate is 10% | CO2 | | Apply | | 9954 | Correct | 23472 | Incorrect |
| A | SINGLE-CORRECT | 1 | A bank has offered you an annuity of Rs 1500 for 20 years if you invest 10000 today. What rate of return would you earn? | CO2 | | Understand | | 6.67% | Incorrect | 14% | Correct |
| A | SINGLE-CORRECT | 1 | You invested in the shares of a company which has promised to pay you an annual dividend of Rs1000 perpetually. If your required rate of return is 12% per annum, what is the present value of dividend | CO2 | | Apply | | 6333.33 | Incorrect | 6000 | Incorrect |
| A | SINGLE-CORRECT | 1 | Compute the present value for a bond that promises to pay interest of Rs150 a year for thirty years and Rs1000 at maturity. The first interest payment is paid one year from now. Use the rate of discount 8% | CO2 | | Understand | | 1777 | Incorrect | 1688.03 | Incorrect |
| A | SINGLE-CORRECT | 1 | you buy a house for Rs5 lakh and immediately make a cash payment of Rs1 Lakh. You finance the balance amount at 12% for 20 years with equal annual instalment. How much are the annual instalments? | CO2 | | Understand | | 53551.51 | Correct | 54000 | Incorrect |
| A | SINGLE-CORRECT | 1 | A company paid a dividend of Rs10 at the end of last year(i.e year 0). The dividend is expected to grow at 8% each year for 15 years. If the discount rate is 10 %, what is the present value of dividends? | CO2 | | Understand | | 120.01 | Incorrect | 129.93 | Correct |
| A | SINGLE-CORRECT | 1 | The only viable goal for financial management is | CO1 | | Understand | profit maximization | | Incorrect | wealth maximization | Correct |
| A | SINGLE-CORRECT | 1 | the basic objective of financial management is | CO1 | | Understand | maximization of profits | | Incorrect | maximization of shareholder's wealth | Correct |
| A | SINGLE-CORRECT | 1 | finance function involves | CO1 | | Understand | procurement of finances only | | Incorrect | expenditure of funds only | Incorrect |
| A | SINGLE-CORRECT | 1 | the goal of wealth maximization takes into consideration | CO1 | | Understand | risk related to uncertainty of returns | | Incorrect | timing of expected returns | Incorrect |
| A | SINGLE-CORRECT | 1 | financial management is mainly concerned with | CO1 | | Understand | arrangements of funds | | Incorrect | all aspects of acquiring and utilizing means of financial resources of firm's activities | Correct |

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|---|----------------|--|-----|------------|--------------|-------------------------------|-------------|-------------------------------|-----------|
| A | SINGLE-CORRECT | relationship between annual effective rate of interest and annual nominal rate of interest is, if frequency of compounding is more than 1 | CO1 | Understand | My Institute | effective rate < nominal rate | Incorrect | effective rate > nominal rate | Correct |
| A | SINGLE-CORRECT | if annual effective rate of interest is 10.25% per annum and nominal rate of return is 10 % per annum, what is the frequency of compounding | CO1 | Understand | My Institute | | 1 Incorrect | | 2 Correct |
| A | SINGLE-CORRECT | If \$1,000 is invested at an annual interest rate of 5% compounded annually, what will be the future value after 3 years? | CO2 | Understand | My Institute | \$1,157.63 | Correct | \$1,102.50 | Incorrect |
| A | SINGLE-CORRECT | What is the future value of an ordinary annuity of \$500 paid annually for 5 years at an interest rate of 4% per annum? | CO2 | Understand | My Institute | \$2,500.00 | Incorrect | \$2,666.53 | Incorrect |
| A | SINGLE-CORRECT | How much should be saved annually for 5 years at an interest rate of 5% per annum to accumulate \$3,000? | CO2 | Understand | My Institute | \$528.32 | Correct | \$550.00 | Incorrect |
| A | SINGLE-CORRECT | Jane invests \$5,000 in a savings account that offers a 4% annual interest rate, compounded continuously. What will be the balance in her account after 3 years? | CO2 | Apply | My Institute | \$5,624.48 | Incorrect | \$5,637.48 | Correct |
| A | SINGLE-CORRECT | Mark invests \$1,000 at the end of each year for 4 years into an account that offers a 5% annual interest rate, compounded annually. What will be the future value of Mark's investment at the end of 4 years? | CO2 | Apply | My Institute | \$4,310.00 | Incorrect | \$4,150.25 | Incorrect |
| A | SINGLE-CORRECT | John invests \$500 at the beginning of each year for 5 years into an account that offers a 6% annual interest rate, compounded annually. What is the future value of John's annuity due at the end of 5 years? | CO2 | Apply | My Institute | \$2,950.00 | Incorrect | \$2,833.56 | Incorrect |

| ANSWER-THREE | ANSWER-THREE-STATUS | ANSWER-FOUR | ANSWER-FOUR-STATUS | ANSWER-FIVE | ANSWER-FIVE-STATUS | ANSWER-SIX | ANSWER-SIX-STATUS |
|---|---------------------|--|--------------------|-------------|--------------------|------------|-------------------|
| 384.8136785 | Correct | | 400 Incorrect | | | | |
| 9077 | Incorrect | none of above | Incorrect | | | | |
| 12% | Incorrect | None the above | Incorrect | | | | |
| 8333.33 | Correct | | 8000 Incorrect | | | | |
| 1788.044834 | Correct | None of the above | Incorrect | | | | |
| 50000 | Incorrect | | 60000 Incorrect | | | | |
| 125.93 | Incorrect | can't say assets | Incorrect | | | | |
| sales maximization | Incorrect | maximization | Incorrect | | | | |
| ensuring financial discipline in the organization | Incorrect | none of the above | Incorrect | | | | |
| safe custody of funds only | Incorrect | procurement and effective utilization of funds | correct | | | | |
| amount of returns expected | incorrect | all the above | correct | | | | |
| efficient management of every business | Incorrect | none of the above | Incorrect | | | | |

effective rate =
nominal rate Incorrect none of the above Incorrect

3 Incorrect none of the above Incorrect

\$1,500.00 Incorrect \$1,157.50 Incorrect

\$2,710.40 Correct \$2,750.00 Incorrect

\$564.47 Incorrect \$500.00 Incorrect

\$5,700.00 Incorrect \$5,800.24 Incorrect

\$4,246.50 Correct \$4,331.00 Incorrect

2987.66 Correct \$2,905.63 Incorrect