

Third Semester Internal Examination, September 2026
Minor Course in Commerce
Financial Strategy for Startups
COM3MN201

Time: 1 Hr

Max Marks: 35

Name:	Marks Scored	Section A		Total Marks
Class:		Section B		
		Section C		

Section A

(Each question carries 3 marks, Max marks for section – 7)

1. Define Financial Management.
2. What do you mean by Time Value of Money?
3. If A deposits an amount of ₹10,000 at 6% interest, in how many years will this amount double? Solve this problem by using the Rule of 72 and Rule of 69.

Section B

(Each question carries 6 marks, Max marks for section – 18)

4. What are the objectives of Financial Management?
5. Calculate the compound value when ₹10,000 is invested for 3 years at 8% interest p.a. ?
6. Compare NPV method with the IRR method.
7. The cost of the project is ₹10,000 and the cash inflows are: 1st year 1000, 2nd year 2,500, 3rd year 1,500, 4th year 3,000, and 5th year 3,000.

Section C

(Answer any one question, Each question carries 10 marks)

8. "Every manager has to take three major decisions while performing the finance function". Explain them and discuss the inter relationship among them.
9. Project X initially costs Rs. 25,000. It generates the following cash inflows.

Year	Cash flows
1	₹ 10,000
2	₹ 9,000
3	₹ 8,000
4	₹ 7,000
5	₹ 6,000

Taking the cut-off rate as 10%, suggest whether the project should be accepted or not.

PV factors at 10% are given below:

Year 1	Year 2	Year 3	Year 4	Year 5
0.909	0.826	0.751	0.683	0.621