



ALLAMA IQBAL OPEN UNIVERSITY
Semester Terminal Exam Autumn 2020

Program /level:	BBA/Graduation	Maximum Marks	100
Title /Course Code	Financial Management (8422)	Pass marks	50

Instructions for Exams:

1. Attempt All Questions.
2. Write answers in your own words and avoid copying from an internet source or any book.
3. Be precise, avoid unnecessary details, answer to each question must be between 600-800 words.
4. Students are advised to upload their answer sheets/solutions on LMS portal as soon as they complete their answers and not to wait for 8:30 PM.
5. Submissions after due date & time will not be entertained. Attach undertaking with each course code which were allowed to attempt in Urdu.
6. If plagiarism found, Student may be declared fail.

Q. No.	Questions	Marks
1	Download the annual report of any commercial bank for year 2018 and 2019 and perform liquidity and profitability analysis and interpret the results.	33
2	As an investor you must have your investment objective and in order to meet you must develop a hypothetical two securities portfolio. Compute the risk and return of that portfolio so that you can meet your investment objective.	33
3	As a student of finance, you read about agency theory. Explain how this theory help a manager to achieve the objective of shareholder wealth maximization.	34