

- 5 _____ on debenture or term loans has to be paid whether there is any profit or not.
 A Payment B Dividend
 C Interest D All of these
- 6 Adjusted present value was first studied by Stewart Myers, a professor at the MIT Sloan school of Management and them, in _____
 A 1975 B 1973
 C 1972 D 1971
- 7 A magic of trading on equity is that trading on equity magnifies –
 A Loss B Profit
 C None D Both profit and loss
- 8 _____ cost represents the cost which has already been incurred financing project.
 A Implicit B Future
 C Historical D Explicit
- 9 Negotiable instrument Act is of _____
 A 1991 B 1981
 C 1995 D 1982
- 10 Combine the attributes of equity shares and debentures
 A Bond B Equity shares
 C Bonus share D Preferences share

Part – B (Do as Directed)

(10)

- 1 Under liberal dividend policy maximum amount of profit is distributed as dividend. (true/false)
- 2 Stock dividend is known as.....
- 3 A _____ is available for calculating EFR but it is advisable to understand the fundamentals behind it.
- 4 Estimate capital requirement can also be estimated as a ratio of fixed investments. (true/false)
- 5 What is operating risk?
- 6 According to Modigliani and Miller, the net operating income approach explains the relationship between cost of funds and cost of capital in three propositions. (true/false)
- 7 _____ is a barometer through which performance of an industrial unit can be measured.
- 8 Discount factor is known as.....
- 9 How many parties are included in bill of exchange?
- 10 The firm operating within the in situational framework operate son the micro economics. (true/false)
