

B-Blue
officer

Roll Number: _____

Thapar Institute of Engineering & Technology , Patiala
(Deemed University)

School of Humanities & Social Sciences

End Semester Examination-2022

B. E. (2ENC, CI)	Course Code: UHU018
	Course Name: Introduction to Corporate Finance
04th June 2022	Day and Time: Thursday, 11:15 to 01:15 Hours
Time: 2 Hours, M. Marks: 30	Name of Faculty: P.K. Singh

Instructions:

- Attempt all five questions.
- Attempt all the parts of questions at one place.

Please do mention page no. on the first page of the Answer Sheet.

S.N.		Marks
Q.1	Explain types of financial decisions and factors affecting financial decisions.	6
Q.2	Define financial Statements and three major financial statements.	6
Q.3	Explain Present value and Net present value with equations.	6
Q.4	a. Detailed capital budgeting and its importance. b. Define money multiplier with the help of derivations.	3+3
Q.5	Define dividend distribution policies and how can it be distributed in share holders?	6

-----X-----X-----

B-Bilal
Office Captain

Roll No.....

THAPAR UNIVERSITY
SCHOOL OF HUMANITIES AND SOCIAL SCIENCES

B.E(2ENC, 2CI)

10. Minutes.

Instructors: Pawan Kumar Singh

MST June 04, 2022

UHU018: Introduction to Corporate finance

QUIZ: Total MCQ 10

1. According to Walter, the firm should pay 100% dividend if –

- a. $r > k$
- b. $r = k$
- c. $r < k$
- d. None of these

2. The rate of discount at which NPV of a project becomes zero is also known as

- a. Average Rate of Return
- b. Internal Rate of Return
- c. Alternative Rate of Return
- d. None of the above

3. Who propounded the dividend irrelevance theorem to share valuation –

- a. Myron Gordon
- b. Modigliani and Miller
- c. James E. Walter
- d. None of the above

4. Investment can be defined as

- a. Person's dedication to purchasing a house or flat
- b. Use of capital on assets to receive returns
- c. Usage of money on a production process of products and services
- d. Net additions made to the nation's capital stocks

5. Which report gives a review on the profitability of a business?

- a. Statement of changes in equity
- b. Cash flow statement
- c. Balance sheet
- d. Income statement

6. Which of the following options is not recorded in the Balance sheet?

- a. Cash

b. Rent expenses

c. Building

d. Goodwill

7. A bond's duration is higher when

- a. The coupon rate is higher
- b. The coupon rate is lower
- c. Yield to maturity is higher
- d. None of the above

8. Current assets are also known as:

- a. Cash
- b. Assets
- c. Invested capital
- d. Working capital

9. Which among the following is the near money?

- a. Bonds
- b. Insurance policy
- c. Securities
- d. All of these

10. In order to encourage investment in the economy, the Central Bank may _____

- a. Reduce Cash Reserve Ratio
- b. Increase Cash Reserve Ratio
- c. Sell Government securities in the open market
- d. Increase Bank Rate

Answer here:

Q1	Q2	Q3	Q4	Q5
Q6	Q7	Q8	Q9	Q10