

**Class: T.Y.B.M.S**

**Subject: Sample questions SEM VI**

**Paper Name: Strategic Financial Management**

**Paper Code: 86011**

---

1. A \_\_\_\_\_ is the issuance by a company of its common stock to its common shareholders without any consideration.
  - a) Cash dividend
  - b) Stock dividend
  - c) Bonus dividend
  - d) Property dividend
2. \_\_\_\_\_ also exercise influence upon dividend policy.
  - a) Trade cycles
  - b) Business cycles
  - c) Earnings
  - d) Dividend
3. \_\_\_\_\_ model shows the relevance of dividend policy and its bearing on the value of the share.
  - a) Walter
  - b) Gordon
  - c) Modigliani
  - d) Dividend
4. Risk and \_\_\_\_\_ are quite inherent in capital budgeting decisions.
  - a) Management
  - b) Investment
  - c) Uncertainty
  - d) Profit
5. The coefficients are subjectively or \_\_\_\_\_ established by the decision maker.
  - a) Objectively
  - b) Certainly
  - c) Inversely
  - d) Variably
6. The expected monetary value can be found out by multiplying the monetary values of the possible events by the \_\_\_\_\_.
  - a) Probabilities
  - b) Sensitivity
  - c) Equivalent
  - d) Possibilities
7. \_\_\_\_\_ is an absolute measure of risk.
  - a) Standard deviation
  - b) Mean
  - c) Median
  - d) Coefficient
8. \_\_\_\_\_ are goals you set that revolve around finances or money.
  - a) Financial goals
  - b) Corporate goals
  - c) Profit goals
  - d) Survival goals
9. Board meetings shall be held at least \_\_\_\_\_ times a year.
  - a) Five
  - b) Four
  - c) Three
  - d) One
10. MVA is also known as \_\_\_\_\_.
  - a) Marginal Value added

- b) Market Value added
- c) Monetary value added
- d) Money Value added

11. Sales Margin = \_\_\_\_\_/Sales value \*100

- a) Income
- b) Profit
- c) Purchase
- d) Loss

12. Capital Turnover = \_\_\_\_\_/Capital

- a) Profit
- b) Assets
- c) Sales
- d) Purchase

13. A \_\_\_\_\_ merger involves a merger between two firms operating and competing in the same kind of business activity.

- a) Vertical
- b) Horizontal
- c) Conglomerate
- d) Combined

14. Rebate on Bills discounted is also known as \_\_\_\_\_.

- a) Discount received
- b) Discount paid
- c) Cash credit
- d) Overdraft

15. Commercial Paper was introduced in India in the year \_\_\_\_\_.

- a) 1920
- b) 1990
- c) 1950
- d) 1940