

TAMILNADU PUBLIC SERVICE COMMISSION
SPECIAL HALF YEARLY EXAMINATIONS AND LANGUAGE TESTS -
OCTOBER - 2020

FINANCIAL MANAGEMENT
(FOR ASSISTANT / DEPUTY COLLECTORS)

Time : 1½ Hours

Maximum Marks : 50

(WITHOUT BOOKS)

Answer ALL questions.

Each question carries one mark. (50 × 1 = 50)

1. Executive finance function includes _____
2. Financial management is mainly concerned with _____.
3. Capital budgeting is related to _____.
4. The cost of capital of a long term debt is generally _____.
5. Over capitalisation is associated with _____.
6. _____ are entitled to dividend at a fixed rate.
7. Trading on equity is a situation where ROI is more than _____ rate.
8. Cost of capital consists of both business risk and _____.

[Turn over

9. For financial decision-making relevant cost are _____.
10. Issue of bonus shares is an indication of _____.
11. Which one this is an element of investment _____.
12. _____ is more dangerous than under capitalisation.
13. While evaluating capital investment proposals, the time value of money is considered in case of _____.
14. The term finance lease and _____ synonymous.
15. Financial leverage is also termed as _____.
16. _____ is the most inexpensive method of acquiring funds.
17. Networking capital is that portion of a firms current assets which is financed by _____.
18. The term permanent working capital is also termed as _____.
19. _____ is a trade off between cost of carrying cash and the necessity of maintaining liquidity.
20. Stock dividend is also termed as _____.
21. The excess of current assets over current liabilities can be expressed as _____.
22. Net present value is a popular method which follows _____.

23. Fixed assets are those which are of _____ nature.
24. _____ is the annual average yield on a project.
25. Capital budgeting is also known as _____.
26. Profitability index is also termed as _____.
27. Retained earnings have _____ to the firm.
28. Business risk is also called as _____.
29. Term loans are used for _____.
30. Equity share are entitled to dividend on the basis of _____.
31. A firms equity multiplier is an indication of its _____ position.
32. Commercial paper is _____.
33. The principle value of a bond is called the _____.
34. A highly leverage firm is _____ risky than its peers.
35. Commercial paper can be issued by _____.
36. The number of days until the firm is past due to a supplier is called the _____.
37. The term capital refers to _____.

38. Under capitalisation is associated with _____.
 39. Financial management is a _____.
 40. Financial management applies only to _____.
 41. The optimum capital structure is obtained when the market value _____.
 42. MM approach is similar to _____.
 43. The value of a levered firm is higher than that of an unlevered firm on account of _____.
 44. Credit standard is _____.
 45. Clean letter of credit is _____.
 46. Retained earnings is _____ to the concern.
 47. Closing stock of work-in-progress is converted into _____.
 48. Watered capital capital is _____.
 49. Over trading is _____.
 50. Ownership securities are _____.
- _____