

Cooch Behar Panchanan Barma University
Assignment 1
M.Com. 4th Semester
Paper: COM 406 F (Advanced Financial Management)

GROUP-A

Answer the following questions:

5x4 = 20

1. Define the term leverage. Explain the impact of operating leverage.
2. Write a note on 'trading on equity'.
3. Write a short note on Stable Dividend Policy.
4. What are the various forms of dividend? Explain.

GROUP-B

Answer the following questions:

1x10 = 10

1. Financial leverage is also known as _____
2. Operating leverage x Financial leverage = _____
3. A firm will have favorable leverage if it's _____ are more than the debt cost.
4. Degree of Financial Leverage = _____
5. Operating Leverage = _____
6. _____ is the distribution of profits of a company among its shareholders.
7. Bonus issue amounts to _____ in the amount of accumulated profits.
8. The par-value of share gets reduced in case of _____.
9. Companies using the _____ dividend policy choose to rely on internally generated equity to finance any new projects.
10. Stability in dividend creates _____ among investors.