



BIJU PATNAIK INSTITUTE OF INFORMATION TECHNOLOGY
& MANAGEMENT STUDIES, BHUBANEWAR

Semester: 5th Sem. (I-MBA)
Batch : 2022-27
Subject: Financial Management

Date: 2024
Quiz Test
Duration: 10 Min
Full Marks: 10

1. A company has the following capital structure and after-tax costs for the different sources of funds.

Sources of funds	Book value (Rs)	Market value (Rs)	After tax cost (%)
Equity share capital	50000	90000 (including retained earnings)	15
Retained earnings	10000		15
Preference share capital	25000	25000	10
Debentures	15000	15000	8

You are required to calculate the weighted average cost of capital using