

Gurudas College  
Internal Assessment  
V semester  
Paper ECOA DSE -5 B (1)  
Financial Economics  
Economics Honours  
Year-2021

Time: 30 minutes

Full Marks:10

**Answer the following two questions (3\*2)**

1. What are the basic result of Modigliani Miller Theorem?
2. In brief discuss the basic idea of CAPM model.

**Answer the following four questions (4\*1=4)**

- 3a. What is debt capital?
- b. What is SWAP?
- c. What is a preferential share?
- d. How do you define risk aversion?