



DAFFODIL INSTITUTE OF INFORMATION TECHNOLOGY (DIIT)

Third Year, Sixth Semester

BBA (Honours) in Tourism and Hospitality Management (THM)

Fundamentals of Finance

CHAPTER-4

BONDS & CONVERTIBLE SECURITIES

1. What is bond? Is it same as debenture? What are the features of a bond? (2014)
2. Explain the pros and cons of debenture from the company's and shareholder's point of view. (2003)
3. Discuss the sources of intermediate term financing. Discuss the different types of intermediate term financing variable for business enterprises in Bangladesh. (2002)
4. Why would a firm borrow bank funds at higher rates instead of issuing commercial paper? (2003)
5. What is a bond indenture? (2007)
6. State the provisions of bond indenture. (2007)
Or. Describe the provisions of bond indenture. (2010)
7. Define convertible securities. What are the features of convertible securities? (2008)
8. What is the conversion features? How do convertible's and other contingent securities affect EPS? (2009)
9. When the market price of the stock rises above the conversion price, why may a convertible security not be converted? How can the call feature be used to force conversion in this situation? (2009)
10. Illustrate Bond refunding. (2010)
11. Explain precisely the relationship between the coupon interest rate and yield to maturity; and the par value and market value of a bond. (2011)
12. What is the conversion value? What are the characteristics of convertible bond? (2013)
13. Briefly describe the methods for determining the value of convertible bond? (2013)
14. Discuss the advantage and disadvantage of financing with debt. (2013)
15. Differentiate between Yield to Maturity and Yield to Call. (2013, 2016)