(100) IRR is the internal rate of return which is basically the rate of return associated with some investment project.

For example - Suppose that an investment project, say A, is made with some lumpsum amount. Now assume that this investment project 'A' gives a return of 10% per year. This is called the IRR (Internal Rate of Return).

Rate of Interest: Since the investment is financed by the loans, therefore an investor has to pay a sum of amount at a fixed rate is called rate of interest.

Present Value: Present value is calculated of the future values. It is generally calculated ~~when~~ to decide whether the investment project is profitable or not. Since the investment project gives a certain rate of return till the life of the the project.

Therefore, all the incomes generated in the investment project are future income flow and hence, we calculated the present value of all these future incomes so that we can compare the total return of investment and cost of Capital.

Here, Cost of Capital = Money Borrowed —— (i)

and P.V. of all future incomes =

Total rate of return —— (ii)

Now, if we subtract (i) from (ii),

i.e., P.V. of all future incomes −

Cost of Capital

which is called Net Present value (NPV or Profit).

If NPV = 0 = Profit

It means that

P.V. of all future incomes = Cost of Capital

$$\therefore \frac{\text{Benefit}}{\text{Cost}} = \frac{0}{\text{cost}} = 0$$

$\therefore$ Answer is (0, 0).