

Examination: M.Com Business Finance

Section 1 - Section 1**Question No.1**

4.00

Bookmark

Dividing net sales by average debtors would yield:

- Debtors turnover ratio
- Collection period ratio
- Return on sales ratio
- Inventory turnover ratio

Question No.2

4.00

Bookmark

Job costing is suitable for _____.

- service industries
- sugar industries
- business
- job order

Question No.3

4.00

Bookmark

Bank should open letter of credit on behalf of the ----- only

- non customer
- outside
- irregular customer
- regular customer

Question No.4

4.00

Bookmark

All insurance contract are contract of indemnity except _____ and _____

- fire, marine insurance
- life,fire accident
- Life, Personal accident
- life, general insurance

Question No.5

4.00

Bookmark

The Theory X and Theory Y of Motivation was propounded by:

- Peter Drucker
- McGregor
- Fredrick Herzberg
- Maslow

Question No.6

4.00

Bookmark

If the cost of the asset is Rs. 21000, its scrap value being Rs. 1000, the annual amount of depreciation at 10 % pa will be:

- Rs. 2100
- Rs. 2500
- Rs. 2200
- Rs. 2000

Question No.7

4.00

Bookmark

If the BCR (Benefit Cost Ratio) of a project is unity, then NPV is:

- Zero
- 1
- 1
- > 1

Question No.8

4.00

Bookmark

Good restaurants serving pure vegetarian food are very hard to _____.

- come by
- go through
- get in
- take to

Question No.9

4.00

Bookmark

The multi rate assessment is known as:

- MBO
- 360 degree feedback
- Checklist
- Graphic rating Scale

Question No.10

4.00

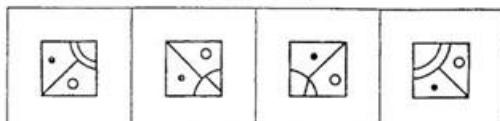
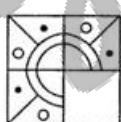
Bookmark

The average of a probability distribution is

- Opportunity Value
- Normal Value
- Expected Value
- Conditional Value

Question No.11

4.00

Bookmark 

- | | | | |
|-------------------------|-----------------------|-----------------------|-----------------------|
| (A) | (B) | (C) | (D) |
| <input type="radio"/> B | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <input type="radio"/> D | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <input type="radio"/> C | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |
| <input type="radio"/> A | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |

Question No.12

4.00

Bookmark

Statements: Some bats are snakes, No snake is dangerous
 Conclusion:

- I. Some dangerous animals are snakes
- II. Some bats are not dangerous.

- If only conclusion II follows
- If neither I nor II follows
- If either I or II follows
- If only conclusion I follows

Question No.13

4.00

Bookmark

In the case of companies, the compulsory audit was introduced by:

- Companies Act of 2013
- Companies Act of 1913
- Companies Act of 1923
- Companies Act of 1956

Question No.14

4.00

Bookmark

The ratio establishes the relationship between profit before interest and tax and fixed interest charges is _____.

- dividend yield ratio
- fixed dividend cover ratio
- interest cover ratio.
- debt service coverage ratio

Question No.15

4.00

Bookmark

The best indicator of economic development of any country is?

- Its gross production
- Its agriculture
- Its per capita income
- Its transport

Question No.16

4.00

Bookmark

Under Section 56 of the Income Tax Act of 1961, gifts received by staff from their companies will be taxed if the same exceeds:

- Rs. 100000
- Rs. 50000
- Rs. 200000
- Rs. 75000

Question No.17

4.00

Bookmark

Direction is a managerial function performed by

- Subordinates
- Middle level management
- Top level management
- Lower level management

Question No.18

4.00

Bookmark

NPA stands for

- Non Performing Asset
- Non Performance Asset
- Numerical Performance Asset
- Net Performing Asset

Question No.19

4.00

Bookmark

Costs that are traceable to the cost units are called:

- Fixed costs
- Indirect costs
- Overall costs
- Direct costs

Question No.20

4.00

Bookmark

Which of the costing methods is used by the electricity generating company:

- Batch costing method
- Unit costing method
- Operating costing method
- Process costing method

Question No.21

4.00

Bookmark

Under which of the section of the Income Tax Act of 1961, is the income of the political parties exempt?

- Under section 11A of the Act
- Under section 12A of the Act
- Under section 10A of the Act
- Under section 13A of the Act

Question No.22

4.00

Bookmark

The type of ratio that is used to determine the ability of the firm to honour its commitments towards the payment of interest and principal is:

- Debt service ratio
- Debt-equity ratio
- Operating ratio
- Liquidity ratio

Question No.23

4.00

Bookmark

Quoting PAN is mandatory for every single transaction above:

- Rs. 2 lakh
- Rs. 3 lakh
- Rs. 4 lakh
- Rs. 1 lakh

Question No.24

4.00

Bookmark

Based on the information given, answer the below question.

1. A,B,C,D,E and F are travelling in a bus.
2. There are two reporters, two mechanics, one photographer and one writer in the group.
3. Photographer A is married to D who is a reporter.
4. The writer is married to B who is of the same profession as that of F.
5. A,B,C,D are two married couples and no one in this belong to the same profession.
6. F is the brother of C.

How is C related to F?

- Sister
- Brother-in-law
- Brother
- Cannot be determined

Question No.25

4.00

Bookmark

In a code language, 321 means "Hot Black Coffee", 536 means "Very Hot Summer", and 589 means "Summer and Winter". Which digit stands for "Very" ?

- 9
- 6
- 5
- 3

Question No.26

4.00

Bookmark

An overstatement of WIP at end of a period will result in:

- Understatement of current assets
- Overstatement of gross profit
- Understatement of gross profit
- Overstatement of cost of goods sold

Question No.27

4.00

Bookmark

Based on the given information, answer the following question.

1. Six friends P,Q,R,S,T and U are members of a club and play different games of Football, Cricket, Tennis, Basketball, Badminton and Volleyball
2. T who is taller than P and S plays Tennis.
3. The tallest among them plays Basketball.
4. The shortest among them plays volleyball.
5. Q and S neither play Volleyball nor Basketball.
6. R plays Volleyball
7. T is between Q who plays Football and P in order of height

What does S Play?

- Cricket
- Badminton
- Either Cricket or Badminton
- None of the above

Question No.28

4.00

Bookmark

The test that measures a person's strength, dexterity and co-ordination is called:

- Psychomotor test
- Aptitude Test
- Proficiency Test
- Job Knowledge test

Question No.29

4.00

Bookmark

Macro economics is the study done on

- Small entrepreneurs
- Money matters of many companies
- Individuals
- Money matters of a nation

Question No.30

4.00

Bookmark

Which of the following would not reflect a working capital decision

- The amount of inventory to keep on hand.
- Whether to invest in a new machine
- Whether to grant credit to customers
- The amount of cash to keep in the bank

Question No.31

4.00

Bookmark

Goodwill, Copyright and Trademarks should be classified as—.

- Intangible assets
- Fictitious assets
- Tangible assets
- Current assets

Question No.32

4.00

Bookmark

An offer made to the public in general which anyone can accept and do the desired act is

- special offer.
- general offer.
- cross offer.
- counter offer

Question No.33

4.00

Bookmark

The use of financial leverage has the potential to maximize:

- EPS
- MPS
- DPS
- DY

Question No.34

4.00

Bookmark

Which one of the following accounting conventions stipulates that contingent assets appear as a footnote in the balance sheet?

- Conservation
- Materiality
- Consistency
- Disclosure

Question No.35

4.00

Bookmark

The credit purchase transactions of goods is recorded in:

- The Purchase Day Book
- The Creditors Book
- The Sales Day Book
- The Cash Book

Question No.36

4.00

Bookmark

Choose the correct meaning of the italicized idiom.

Anil got me into trouble by giving a *false colour* to my statement.

- Giving a wrong colour box
- Giving a wrong character
- Colouring the sentence
- Giving good impression

Question No.37

4.00

Bookmark

Assertion: - India's president is appointed on a five-year term

Reason: -PratibhaPatil was appointed as India's first woman president in 2007

- A is true but R is false
- Both A and R are true and R is not the correct explanation of A
- A is false but R is true
- Both A and R are true and R is the correct explanation of A

Question No.38

4.00

Bookmark

Choose the correct meaning of the italicized idiom.

Sheela's work seems to be a *Penelope's web*.

- Declining
- In her best form
- Difficult
- Endless

Question No.39

4.00

Bookmark

Study the following information carefully and answer the question below it

The Director of an MBA college has decided that six guest lectures on the topics of Motivation, Decision Making, Quality Circle, Assessment Centre, Leadership and Group Discussion are to be organised on each day from Monday to Sunday.

- (i) One day there will be no lecture (Saturday is not that day), just before that day Group Discussion will be organised.
- (ii) Motivation should be organised immediately after Assessment Centre.
- (iii) Quality Circle should be organised on Wednesday and should not be followed by Group Discussion
- (iv) Decision Making should be organised on Friday and there should be a gap of two days between Leadership and Group Discussion

How many lectures are organised between Motivation and Quality Circle?

- Four
- Two
- Three
- One

Question No.40

4.00

Bookmark

Ramesh had a cold and couldn't go to the party, so I bought him a cake to make up for his _____

- disappointment
- disillusion
- depression
- disgust

Question No.41

4.00

Bookmark

The principle of 'unity of command' implies

- Unity amongst subordinates
- Instructions from staff authority
- Instructions from line authority
- Unity of thought and action

Question No.42

4.00

Bookmark

The contract of insurance is made between the two parties i.e. _____ and _____

- agents, policyholders
- agents, insured
- agents, manager
- Insurer, Insured

Question No.43

4.00

Bookmark

What is the time limit for holding of a Financial Asset, to be called Short Term Capital Asset?

- Not more than 24 months.
- Not more than 12 months.
- Not more than 36 months.
- Not more than 6 months.

Question No.44

4.00

Bookmark

An amount that becomes payable only on the occurrence of an event is called:

- Short-term liability
- Contingent liability
- Current liability
- Provision

Question No.45

4.00

Bookmark

To increase a given present value, the discount rate should be adjusted

- true
- Downward
- Upward
- false

Question No.46

4.00

Bookmark

The loss on sale of furniture of a non-profit organization is reflected in its:

- The Profit and Loss Account
- The Cash Account
- Receipts and Payments Account
- The Income and Expenditure Account

Question No.47

4.00

Bookmark

Identify the underlined part of speech:

Sorry, I don't know any foreign languages

- adverb
- adjective
- noun
- pronoun

Question No.48

4.00

Bookmark

Examination of alternative course of action is an activity connected with:

- Organizing function
- Control function
- Direction function
- Planning function

Question No.49

4.00

Bookmark

Choose the correct meaning of the italicized idiom.

He had great difficulty to *save his bacon* when he was blackmailed.

- Save pork
- Put bacon in the refrigerator
- Threaten somebody
- Escape death

Question No.50

4.00

Bookmark

Which one of the following accounting equations is correct?

- Assets = Liabilities – Owner's Equity
- Assets + Liabilities = Owner's Equity.
- Assets = Liabilities + Owner's Equity
- Assets = Owner's Equity

Question No.51

4.00

Bookmark

It takes eight hours for a 600 km journey, if 120 km is done by train and the rest by car. It takes 20 minutes more, if 200 km is done by train and the rest by car. The ratio of the speed of the train to that of the cars is:

- 2:3
- 1:4
- 3:4
- 1:2

Question No.52

4.00

Bookmark

Where fully paid shares are issued to the promoters of the company, account that must be debited is:

- The Goodwill Account
- The Promotional Expenses Account
- The Bank Account
- The Share Capital Account

Question No.53

4.00

Bookmark

Choose the best antonym of the italicized word.

Ravi and Raghu are really *obstinate* men.

- understanding
- friendly
- considerate
- compliant

Question No.54

4.00

Bookmark

Which of the following are not objectives of auditing?

- Ascertain the profit and preparation of P/L Account, Balance sheet.
- Give a true and fair view of financial amount.
- To submits the accounts to Government of India.
- Detection and prevention of frauds and errors.

Question No.55

4.00

Bookmark

The term 'trading-on-equity' means:

- On-line share trading
- Using more equity funds in the capital structure of a firm
- Equity trading in the stock market
- Using more long-term debt in the capital structure of a firm

Question No.56

4.00

Bookmark

Which of the following is not the most commonly used measure of stock market ratio:

- Liquidity ratio
- Debt to equity ratio
- Price to earnings ratio
- Price to book ratio

Question No.57

4.00

Bookmark

Preliminary Expenses are an example of:

- Investment.
- Fictitious assets
- Fixed Assets
- Current assets

Question No.58

4.00

Bookmark

Contribution margin is equal to _____

- Sales – profit
- Sales — fixed cost-profit.
- Fixed cost - loss.
- Profit + variable cost.

Question No.59

4.00

Bookmark

Choose the best synonym of the italicized word.

Each one of us is the subject of *derision* at some time or the other in our life.

- irony
- laughter
- ridicule
- criticism

Question No.60

4.00

Bookmark

A type of budget designed to provide budgeted costs for any level of activity actually attained is:

- Flexible budget
- Fixed budget
- Discretionary budgets
- Budgetary control

Question No.61

4.00

Bookmark

Scheduled Bank is

- Foreign banks
- Lead Banks
- Private Banks
- Banks included in 2nd Schedule of RBI Act 1934

Question No.62

4.00

Bookmark

Interim audit may be ordered for

- Quarter
- Quarter or six months
- Quarter and six months
- Six months

Question No.63

4.00

Bookmark

The _____ defines a company's relations with the outside world.

- Articles of association
- Statement in lieu of prospectus
- Memorandum of association
- Prospectus

Question No.64

4.00

Bookmark

Choose the missing term: 3F,6G,11I,18L, ?

- 26N
- 28Q
- 27O
- 27P

Question No.65

4.00

Bookmark

Any transaction between a current account and another current account does not affect _____.

- funds
- working capital
- capital
- profit

Question No.66

4.00

Bookmark

The expenditure incurred in an accounting period, the benefits of which are derived for long future period is known as:

- Revenue expenditure
- Deferred revenue expenditure
- Capital expenditure
- Routine expenditure

Question No.67

4.00

Bookmark

The method of depreciation adopted for mines is:

- Reducing balance method
- Annuity method
- Straight line Method
- Depletion method

Question No.68

4.00

Bookmark

A contract which cannot be enforceable in a court of law _____.

- Voidable contract
- Void contract
- Valid contract
- All the above

Question No.69

4.00

Bookmark

_____ means transfer of rights of an insured to another person.

- Transfer
- Assignment
- Selling
- Subrogation

Question No.70

4.00

Bookmark

Wages paid to a labour who was engaged in production activities can be termed as.

- Direct cost.
- Indirect cost.
- Sunk cost.
- Imputed cost.

Question No.71

4.00

Bookmark

Margin of Safety is the excess of the difference between:

- Actual sales and break-even sales
- Actual sales and standard sales
- Standard sales and actual sales
- Break-even sales and actual sales

Question No.72

4.00

Bookmark

Income which accrue outside India from a business controlled from India is taxable in case of:

- Not ordinarily resident only
- Non-resident
- Both ordinarily resident and NOR
- Resident only

Question No.73

4.00

Bookmark

The budget which usually takes the form of budgeted profit and loss account and balance sheet is known as _____.

- Flexible budget.
- Master budget.
- Purchase budget.
- Cash budget .

Question No.74

4.00

Bookmark

The coefficient of correlation ranges between

- 1 and 100
- 1 and +1
- minus infinity and plus infinity
- 0 and 1

Question No.75

4.00

Bookmark

Excess of acquired share of equity (net assets) over and above the amount of purchase price is called:

- Revenue reserve
- Goodwill
- Minority interest
- Capital reserve

Question No.76

4.00

Bookmark

Obtain the missing term.

300, 296, 287, 271, ?, 210

- 246
- 250
- 244
- None of the above

Question No.77

4.00

Bookmark

Fixation of standards, measurement of performance, comparison, and correction of deviation are the steps in_____.

- organizing
- Planning
- Control process
- Staffing

Question No.78

4.00

Bookmark

At BEP, contribution is equal to:

- Margin of safety
- Fixed cost
- Marginal cost
- Variable cost

Question No.79

4.00

Bookmark

If sales are Rs. 160000 and P/V ratio is 80 %, the amount of variable cost will be:

- Rs. 32000
- Rs. 28000
- Rs. 64000
- Rs. 16000

Question No.80

4.00

Bookmark

The theory of dividend irrelevance was propounded by:

- Modigliani and Miller
- Myron Gordon
- James E. Walter
- Martin

Question No.81

4.00

Bookmark

Cost of intangible fixed assets are _____ over their useful lives.

- Allocated
- Amortised
- Charged
- Depreciated

Question No.82

4.00

Bookmark

The secretary of a company may be _____.

- only an individual.
- Shareholders.
- group of persons.
- only body corporate

Question No.83

4.00

Bookmark

Select the option which improves the underlined part of the sentences.

The Prime Minister called on the President.

- by
- No improvement
- to
- in

Question No.84

4.00

Bookmark

Total utility is maximum when marginal utility is

- Positive
- Zero
- Negative
- Rising

Question No.85

4.00

Bookmark

Where a contract has to be inferred from the conduct of parties, it is called

- Express contract.
- Tacit contract.
- Implied contract.
- Unlawful contract.

Question No.86

4.00

Bookmark

The maximum number of members of a public limited company is

- Twenty
- Fifty
- Unlimited
- seventy

Question No.87

4.00

Bookmark

Which of the following statements about preferred stock is false?

- Preferred stock never matures
- Dividend payments to preferred stockholders are made from the firm's before-tax earnings
- Some preferred stock is callable
- Most preferred stock is cumulative

Question No.88

4.00

Bookmark

Section 44 AA of the Income Tax Act of 1961 deals with:

- Unearned income
- Residential income
- Presumptive income
- Residual income

Question No.89

4.00

Bookmark

Find out the missing term:

1, 2, 3, 6, 11, 20, 37, 68, ?

- 105
- 126
- 124
- 125

Question No.90

4.00

Bookmark

Contribution means

- Fixed cost plus profit
- Variable cost plus profit
- Sales less fixed cost
- Fixed cost minus profit

Question No.91

4.00

Bookmark

The degrees of freedom for a contingency table of two rows and two columns in the case Chi-square test will be :

- 3
- 1
- 2
- 0

Question No.92

4.00

Bookmark

The experiment of tossing a coin, the possible outcomes are Head T and these two events are

- independent events
- Dependent events
- Mutually exclusive events
- Mutually exclusive and exhaustive events

Question No.93

4.00

Bookmark

Interim dividend is always shown:

- In P&L Appropriation a/c
- In P&L a/c
- On the assets side of the balance sheet
- On the liabilities side.

Question No.94

4.00

Bookmark

When the sale proceeds of pledged security is not sufficient to pay off secured creditors fully, the balance due to them should be added to:

- Equity share capital
- Preferential creditors
- Preference Share capital
- Unsecured creditors

Question No.95

4.00

Bookmark

Under the Income Tax Act of 1961, donation by a single individual is reduced from Rs. 20000 to:

- Rs. 10000
- Rs. 2000
- Rs. 5000
- Rs. 15000

Question No.96

4.00

Bookmark

With respect to depreciation, technological advancements make old equipment obsolete; therefore, the:

- Replacement cost will exceed the market price
- Historical costs will be overstated
- Book value can exceed the market value
- Market value can exceed the book value

Question No.97

4.00

Bookmark

Expand IAASB

- International Accounting and Assurance Standards Board
- International Auditing and Accounting Standards Board
- International Auditing and Assurance Standards Board
- Independent auditor who appointed without qualification

Question No.98

4.00

Bookmark

A project's cost is Rs. 2500. Its total present value of estimated future cash inflows generated for a period of five years is Rs. 2725. The amount of net wealth generated by the project is:

- Rs. 225
- Rs. 205
- Rs. 235
- Rs. 215

Question No.99

4.00

Bookmark

The contract of indemnity is a_____.

- wagering contract.
- quasi-contract.
- contingent contract
- void agreement

Question No.100

4.00

Bookmark

Internal control is the:

- Overall control of environment by an client with related to accounts for control of its operations
- Overall control of environment established by management of an enterprise for effective and efficient monitoring and control of its operations
- Overall control of environment established by government for control of its operations
- Overall control of environment by an auditor with related to accounts for control of its operations

ENTRANCE EXAMINATION FOR ADMISSION, MAY 2012.

M.Com. (BUSINESS FINANCE)

COURSE CODE : 351

Register Number :

*Signature of the Invigilator
(with date)*

COURSE CODE : 351

Time : 2 Hours

Max : 400 Marks

Instructions to Candidates :

1. Write your Register Number within the box provided on the top of this page and fill in the page 1 of the answer sheet using pen.
2. Do not write your name anywhere in this booklet or answer sheet. Violation of this entails disqualification.
3. Read each of the question carefully and shade the relevant answer (A) or (B) or (C) or (D) in the relevant box of the ANSWER SHEET using HB pencil.
4. Avoid blind guessing. A wrong answer will fetch you -1 mark and the correct answer will fetch 4 marks.
5. Do not write anything in the question paper. Use the white sheets attached at the end for rough works.
6. Do not open the question paper until the start signal is given.
7. Do not attempt to answer after stop signal is given. Any such attempt will disqualify your candidature.
8. On stop signal, keep the question paper and the answer sheet on your table and wait for the invigilator to collect them.
9. Use of Calculators, Tables, etc. are prohibited.

31. Working capital gap is
- (A) Equal to current assets plus current liabilities including bank borrowings
 - (B) Equal to current assets less current liabilities including bank borrowings
 - (C) Equal to current assets less current liabilities excluding bank borrowings
 - (D) None of the above
32. A cash market is
- (A) The market in the actual financial instrument on which an options contract is based
 - (B) The market for short term funds
 - (C) Market in which financial securities are issued
 - (D) The market which deal with on the spot delivery of currency
33. Which of the following is not a fundamental concept in Corporate Finance?
- (A) Net present value.
 - (B) The relationship between risk and return.
 - (C) The business cycle.
 - (D) Double-entry book-keeping.
34. Which of the following is not a defining quality of a bond?
- (A) Dividend yield
 - (B) Maturity
 - (C) Face value
 - (D) Coupon payment frequency
35. The optimum capital structure obtained when the market value
- (A) Per equity shares is the minimum
 - (B) Per equity shares is the maximum
 - (C) Per preference share is the minimum
 - (D) Per preference share is the maximum
36. _____ indicates the impact of changes in sales on operating income.
- (A) Marginal leverage
 - (B) Asset leverage
 - (C) Financial leverage
 - (D) Operating leverage

52. The current ratio of the firm is 5 : 3. Its net working capital is Rs. 20,000. The value of its current assets will be
(A) Rs. 30,000 (B) Rs. 50,000 (C) Rs. 20,000 (D) Rs. 60,000

53. In case of an unregistered firm a partner cannot
(A) get a share in profit (B) get interest on his capital
(C) file a suit against another partner (D) get interest on loan

54. The term 'Internal Reconstruction' includes
(A) Reduction of share capital
(B) Variation of share holder's rights
(C) Alternation of share capital
(D) All of the above

55. Financial derivatives are mainly used for
(A) Speculative activities (B) Creating more risk
(C) Heading risks (D) Earning income

56. Which of the following is the most appropriate management control technique for timely completion of a project?
(A) Organization chart (B) Management by objectives
(C) PERT (D) Span of control

57. The loss arising due to inherent characteristic of the process which is unavoidable is called
(A) Unavoidable cost (B) Normal loss
(C) Abnormal loss (D) Avoidable loss

58. Which is the smallest organizational sub unit for which separate cost allocation is attempted?
(A) Cost unit (B) Cost centre
(C) Costing (D) Management costing

59. A segment of the business entity by which both revenues are received and expense are incurred or controlled
(A) Profit centre (B) Cost unit
(C) Cost centre (D) Process and centre

76. Which of the following approaches the logic that the return required by the investors is directly based on the risk profile of a company?

 - (A) Bond yield plus risk premium approach
 - (B) Realized yield approach
 - (C) Earnings price ratio approach
 - (D) Bond yield approach

77. The Industrial Policy Resolution was considered as the economic constitution of India in the year

 - (A) 1948
 - (B) 1956
 - (C) 1991
 - (D) None of the above

78. Internal environment in financial capabilities includes

 - (A) Strategic funds
 - (B) Capital structure
 - (C) Procurement of funds
 - (D) All of these

79. Who has propounded of the theory X and Y of motivation?

 - (A) Graicunas
 - (B) Gillirth
 - (C) Doughlas McGregor
 - (D) Vroom

80. Horizontal co-ordination is related to

 - (A) Co-operation
 - (B) Interested parties
 - (C) Differential level of management
 - (D) Equal level of management

81. Depreciation is included in costs in case of

 - (A) Payback method
 - (B) Accounting rate of return method
 - (C) Present value index method
 - (D) Internal rate of return method

82. Interest payable on debentures is

 - (A) a charge against profit
 - (B) an appropriation of profit
 - (C) both a charge and appropriation of profit
 - (D) none of the above

83. The Apex institution with regard to rural credit is

 - (A) NABARD
 - (B) RBI
 - (C) RRB
 - (D) ARDC

84. E-Banking promote
(A) International Trade (B) Inter Regional Trade
(C) Pollution-free societies (D) All the above

85. A risk free stock has a beta of
(A) -1 (B) Zero (C) 0.5 (D) 1

86. The first development financial institution in India that has got merged with a bank is
(A) IDBI (B) ICICI (C) IDFC (D) UTI

87. The rate at which discounting the bills of first class banks is done by RBI is called
(A) Bank Rate (B) Prime Lending Rate
(C) Loan Rate (D) Discounting Rate

88. C.R.A. is banking parlance stands for
(A) Credit Rating Association (B) Credit Rating Agency
(C) Credit Risk Assessment (D) None of these

89. Which of the following cannot be declared as insolvent?
(A) Minors (B) Lunatics
(C) Corporations (D) All of these

90. Gilt edged securities refer to
(A) Government securities
(B) Securities issued by municipal corporations
(C) Securities issued by first class companies
(D) None of these

91. Banking ombudsman means
(A) Person appointed to recover dues from defaulting borrowers
(B) A person to whom customer can approach for redress of his grievances
(C) A person appointed to settle dispute between employees and management
(D) A person appointed by RBI to oversee the functioning of Foreign Banks

92. At what frequency can Banks pay interest on Saving Bank Account as per RBI guidelines
(A) Monthly (B) Quarterly
(C) Half Yearly (D) Yearly

ENTRANCE EXAMINATION FOR ADMISSION, MAY 2013.

M.Com. (BUSINESS FINANCE).

COURSE CODE : 351

Register Number :

*Signature of the Invigilator
(with date)*

COURSE CODE : 351

Time : 2 Hours

Max : 400 Marks

Instructions to Candidates :

1. Write your Register Number within the box provided on the top of this page and fill in the page 1 of the answer sheet using pen.
2. Do not write your name anywhere in this booklet or answer sheet. Violation of this entails disqualification.
3. Read each question carefully and shade the relevant answer (A) or (B) or (C) or (D) in the relevant box of the ANSWER SHEET using HB pencil.
4. Avoid blind guessing. A wrong answer will fetch you -1 mark and the correct answer will fetch 4 marks.
5. Do not write anything in the question paper. Use the white sheets attached at the end for rough works.
6. Do not open the question paper until the start signal is given.
7. Do not attempt to answer after stop signal is given. Any such attempt will disqualify your candidature.
8. On stop signal, keep the question paper and the answer sheet on your table and wait for the invigilator to collect them.
9. Use of Calculators, Tables, etc. are prohibited.

1. The presence of fixed return funds in the capital structure of a firm
 - (A) Super-leverage
 - (B) Operating leverage
 - (C) Financial leverage
 - (D) Combined leverage
2. According to Walter, firm should pay 100% dividend if
 - (A) $r > k$
 - (B) $r = k$
 - (C) $r < k$
 - (D) none of above
3. Yield on investment is also called as
 - (A) ARR
 - (B) IRR
 - (C) NPV
 - (D) Pay-Back method
4. Delphi technique is associated with:
 - (A) Decision-making
 - (B) Planning
 - (C) Coordination
 - (D) Leadership
5. Management and administration are:
 - (A) Same
 - (B) Different
 - (C) Partly same and partly different
 - (D) None of the above
6. Training method dealing with solving problems in various correspondence'
 - (A) In-basket training
 - (B) Vestibule training
 - (C) Management game
 - (D) T-group training
7. Planning means the following
 - (A) Forecasting
 - (B) Looking back
 - (C) Departmentation
 - (D) None of the above
8. Functional method of organization was invented by:
 - (A) F.W. Taylor
 - (B) Henry Fayol
 - (C) Robertson
 - (D) Elton Mayo
9. Buyer behaviour is influenced by the
 - (A) Buyer's environment
 - (B) Customer
 - (C) Sale
 - (D) Purchase
10. Which concept of marketing is based on the assumption that superior products sell themselves?
 - (A) Production
 - (B) Marketing
 - (C) Societal
 - (D) Product

35. Manager delegates authority when
- (A) Job is very difficult and hazardous
 - (B) Job requires skills and knowledge which he does not possess
 - (C) Manager needs to overburden and punish his subordinates
 - (D) Manager cannot look after the demanding tasks of the job by himself
36. When the top management pays attention on strategic and key issues and lower level management on day-to-day routine work, it is called as _____
- (A) Management by objectives
 - (B) Management by exception
 - (C) Participative management
 - (D) Decentralised Management
37. The process of control involves
- (A) Bringing contentment among workforce
 - (B) Taking corrective course of action
 - (C) Bringing harmony in activities
 - (D) Comparing actuals with planned ones
38. A new component of top executive compensation in the recent decades is
- (A) Hefty travel allowance
 - (B) "Golden handshake"
 - (C) Rural compensatory allowance
 - (D) Employee stock option
39. Which of the following does not provide finance for business establishments?
- (A) IDBI
 - (B) IFCI
 - (C) UTI
 - (D) SIDBI
40. Find the odd one out
- (A) NABARD
 - (B) IFCI
 - (C) IDBI
 - (D) RRB
41. The degree of financial leverage reflects the responsiveness of
- (A) Operating income to changes in total revenue
 - (B) EPS to changes in EBIT
 - (C) EPS to changes in total revenue
 - (D) None of the above
42. The overall capitalisation rate and the cost of debt remain constant for all degrees of financial leverage is advocated by
- (A) Traditional Approach
 - (B) Net Income Approach
 - (C) Net Operating Income Approach
 - (D) M-M-Approach

43. Which of the following is not included in the assumptions on which Myron Gordon proposed a model on stock valuation ?
- (A) Retained earnings, the only source of financing
 - (B) Finite life of the firm
 - (C) Taxes do not exist
 - (D) Constant rate of return on firm's investment
44. BRICS includes
- (A) Bhutan, Romania, Indonesia, Chile and South Korea
 - (B) Brazil, Russia, Indonesia, Chile and Sudan
 - (C) Brazil, Russia, India, China and South Africa
 - (D) Britain, Russia, India, Czechoslovakia, Sri Lanka
45. Out of the following, one is not related with WTO :
- (A) TRIPS
 - (B) Ministerial Conference
 - (C) TRIMS
 - (D) TRAI
46. The commercial banks do not perform one function out of the following :
- (A) Mobilisation of savings
 - (B) Giving Loans and Advances
 - (C) Issuing Currency Notes
 - (D) Financing Priority Sectors
47. One of the items is not related with e-banking :
- (A) Demand Draft
 - (B) SPNS
 - (C) ECS
 - (D) ATM
48. Factoring and forfeiting have not taken off in the Indian economy due to lack of expertise and experience. One is not included in the factoring services rendered.
- (A) Purchase of book debts and receivables.
 - (B) Prepayment of debts partially or fully
 - (C) Giving advice
 - (D) Covering the credit risk of the suppliers
49. Which one is not the form of FDI ?
- (A) Purchase of existing assets in foreign currency
 - (B) New Investment in property, plant, equipment
 - (C) Making investment in the mutual funds
 - (D) Transfer of many types of assets

66. Which of the following is not one of the qualities which makes debt attractive to firms?
- (A) The cost of debt is generally less than the cost of share capital and hence can lower the overall cost of capital for a firm.
(B) Debt interest only gets paid when the company is making a profit.
(C) It reduces the amount of corporate tax payable by firms by reducing the amount of taxable profit.
(D) The required return on debt is lower because, from the lender's point of view, debt is less risky than equity.
67. Which of the following is not a money market instrument?
- (A) Bonds. (B) Treasury bills.
(C) Certificates of deposit (CDs). (D) Commercial paper (CP).
68. Which of the following is not a defining quality of a bond?
- (A) Dividend yield. (B) Maturity.
(C) Face value. (D) Coupon payment frequency.
69. As which type of cash flow is an equity share usually valued?
- (A) An annuity cash flow. (B) A risk-free cash flow.
(C) A perpetuity cash flow. (D) An erratic cash flow.
70. Under which of the following market efficiency regimes would technical analysis not generate abnormal returns?
- (A) Weak market efficiency. (B) Semi-strong market efficiency.
(C) Strong form market efficiency. (D) All three.
71. Stock invest facility is not available to -----
- (A) An individual investor (B) A limited company
(C) A mutual fund (D) A co-operative society
72. A firm needs cash for making transaction in the day to day operations. This is -----
- (A) Transaction motive (B) Precautionary motive
(C) Speculative motive (D) Specific motive
73. Business risk is also called -----
- (A) Operating risk (B) Financial risk
(C) Political risk (D) Market risk

74. One of the following is not a mutual fund generator
(A) ONGC (B) LIC (C) UTI (D) SBI
75. The policy concerning quantum of profits to be distributed as dividend is called as ----
(A) Tax policy (B) Investment policy
(C) Dividend policy (D) Price policy.
76. A company issues one right share for every 4 shares held at a subscription price of Rs.60 per share. The current market price of the share is Rs.80. Value of the right is
(A) Rs.4 (B) Rs.5 (C) Rs.15 (D) Rs.20
77. Which of the following methods does a firm resort to avoid dividend payments?
(A) Share splitting (B) Declaring bonus shares
(C) Rights Issue (D) All of the above
78. Net salvage value of fixed assets is equal to
(A) Excess of salvage value over book value
(B) Excess of book value over salvage value
(C) Working capital requirement in the first year
(D) Salvage value of fixed assets less any income tax payable on the excess of salvage
79. Which of the following is/are not considered for cost-benefit analysis of capital investment decisions?
(A) Opportunity costs (B) Sunk costs
(C) Common fixed costs (D) Both (B) and (C) above
80. In a capital budgeting decision incremental cash flows mean
(A) Cash flows which are increasing
(B) Cash flows occurring over a period of time
(C) Cash flows directly related to the project
(D) Difference between cash inflows and cash outflows for each and every expenditure
81. If the life span of 2 projects is different, the appraisal method useful for evaluating the projects is
(A) Accounting rate of return (B) Net present value
(C) Internal rate of return (D) Annual capital charge

82. Net benefit-cost ratio of a project is equal is
- (A) Present value of cash inflows/initial investment
 - (B) Net present value of cash flows/initial investment
 - (C) Benefit-cost+1
 - (D) Initial investment/Net present value of cash inflows
83. Which of the following is not a current asset?
- (A) Cash in hand
 - (B) Cash in transit
 - (C) Goods on consignment
 - (D) None of the above
84. Permanent investment means, investments in
- (A) Current Assets
 - (B) Fixed Assets
 - (C) Fixed Assets and core current assets
 - (D) Land and buildings only
85. Which of the following is a spontaneous source of financing working capital?
- (A) Trade credit
 - (B) Letter of credit
 - (C) Cash credit
 - (D) Overdraft
86. Shelf stock refers to
- (A) Perishable goods
 - (B) Items that are to be packaged and sold
 - (C) Items that are stored by the firm and sold with little or no modifications
 - (D) Accessories which are not part of the standard equipment
87. Lead time refers to
- (A) Work-in- Process time
 - (B) The time gap between placing of the order and procuring the material
 - (C) The period in which a whole lot of inventory is consumed
 - (D) The time finished goods lie as inventories
88. Which of the following costs are not associated with inventories?
- (A) Ordering cost
 - (B) Carrying cost
 - (C) Costs of running out stocks
 - (D) Cost of long term debt locked in inventories.

89. ABC analysis is useful for
- (A) Beginners to have a basic idea about management of inventories
 - (B) Analyzing inventories based on their movement
 - (C) Better control of inventories
 - (D) None of these
90. The Just-in-Time inventory system is difficult to implement because
- (A) It is a Japanese system
 - (B) It requires reliable suppliers who are easily accessible
 - (C) It requires the use of highly sophisticated manufacturing systems
 - (D) The traditional formula for EOQ cannot be applied
91. Which of the following is true for leveraged beta?
- (A) Leveraged beta represents fundamental operational risk.
 - (B) Leveraged beta represents financial risk from leverage.
 - (C) Leveraged beta represents fundamental operational risk plus financial risk from leverage.
 - (D) Leveraged beta represents fundamental operational risk minus financial risk from leverage.
92. Why is it generally believed that there is an optimal capital gearing ratio?
- (A) There is a precise gearing ratio at which the benefit of the tax shield is exactly matched by the increasing risk of financial distress.a
 - (B) There is a precise gearing ratio at which the risk of the tax shield is exactly matched by the increasing benefit of financial distress.
 - (C) There is a precise gearing ratio at which the benefit of the tax shield is exactly matched by the increasing risk of agency.
 - (D) There is a precise gearing ratio at which the benefit of managerial motivation is exactly matched by the increasing risk of agency
93. Pecking order theory suggests which of the following?
- (A) Internal funds, debt, and external equity have the same risk-adjusted return.
 - (B) Debt is preferred to external equity and internal funds.
 - (C) External equity is preferred to debt which is preferred to internal funds.
 - (D) Internal capital is preferred to debt which is preferred to external funds.

M.Com
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ENTRANCE EXAMINATION FOR ADMISSION, MAY 2011.

M.Com. (Business Finance)

COURSE CODE : 351

Register Number :

*Signature of the Invigilator
(with date)*

COURSE CODE : 351

Time : 3 Hours Max : 400 Marks

Instructions to Candidates :

1. Write your Register Number within the box provided on the top of this page and fill in the page 1 of the answer sheet using pen.
2. Do not write your name anywhere in this booklet or answer sheet. Violation of this entails disqualification.
3. Avoid blind guessing. A wrong answer will fetch you – 1 mark and the right answer will fetch 4 marks.
4. Each question carries FOUR possible answers. Fill the brackets given at the extreme right of the respective questions with the right answers.
5. Do not write anything in the question paper. Use the white sheets attached at the end for rough works.
6. Do not open the question paper until the start signal is given.
7. Do not attempt to answer after stop signal is given. Any such attempt will disqualify your candidature.
8. On stop signal, keep the question paper on your table and wait for the invigilator to collect them.
9. Use of Calculators, Tables, etc. are prohibited.

1. Which of the following is not a flaw in a contract?
(A) Inadequacy of consideration (B) Wager in nature
(C) Illegality of object (D) Uncertainty of object ()

2. An agreement made under coercion, renders the contract
(A) Valid (B) Void
(C) Voidable (D) Illegal ()

3. Under which of the following modes is a contract said to have been discharged by operation of law?
(A) Performance of the contract by both the parties
(B) Mutual consent of both the parties
(C) Lapse of time in performance of the contract
(D) Insolvency of either of the parties ()

4. The bailment of goods as security for payment of a debt is called
(A) Lien (B) Mortgage
(C) Hypothecation (D) Pledge ()

5. The liability of a hotel keeper in respect of goods belonging to a guest is that of a
(A) Pawnee (B) Surety
(C) Bailee (D) Acceptor ()

6. A pledge is
(A) A general contract of promise
(B) A contract of agency
(C) A contract of indemnity
(D) A special type of contract of guarantee ()

7. The grace period allowed in case of a bill, except where it is payable on demand is
(A) 2 days (B) 3 days
(C) 5 days (D) 7 days ()

8. Which Principle of Management emphasizes replacement of rule of thumb method?
(A) Decision theory (B) Administrative theory
(C) Scientific Management theory (D) Contingency theory ()
9. The number of subordinates a superior can effectively handle is called
(A) Organising people (B) Span of control
(C) Co-ordination (D) Direction ()
10. "Sensitivity Training" is a function of
(A) Planning (B) Directing
(C) Leadership (D) Staffing ()
11. "Cost or market price whichever is less" comes under
(A) Conservatism Concept
(B) Cost Concept
(C) Going Concern Concept
(D) Money Measurement Concept ()
12. Management by exceptions means
(A) To complete the work in time
(B) To give directions to subordinates so that they may complete the work in time
(C) To manage policy matters at the top and leave the rest to be handled by subordinates
(D) To deal with labour and subordinates to complete work in time. ()
13. The concept of human relations was developed by
(A) Robert Owen (B) V.V. Giri
(C) Elton Mayo (D) Edvin B. Filipoo ()
14. Marketing refers to the
(A) Sale of product
(B) Goods and services are exchanged too each other
(C) Goods distribution
(D) All of these ()

15. Which one of the following is not an element of marketing mix?
(A) Promotion (B) Place
(C) Product (D) None of these ()
16. Which of the following point is responsible for effective market segmentation?
(A) Substantiality (B) Easy accessibility
(C) Measurability (D) All of these ()
17. The sales concept of marketing is
(A) Production oriented (B) Consumer oriented
(C) Promotion oriented (D) Social oriented ()
18. Which among the following is not a feature of marketing?
(A) Integrated management (B) Consumer orientation
(C) Profit Maximisation (D) All of these ()
19. The concept of Marketing Myopia was given by
(A) Peter Drucker (B) Philip Kotler
(C) Theodore Hevitt (D) Henry Fayol ()
20. The concept of Four C's was given by
(A) Mc Carthy (B) Robert Lauterborn
(C) Kotler (D) No one ()
21. Four P's of Marketing were given by
(A) H. Fayol (B) Peter Drucker
(C) Mc Carthy (D) Philip Kotler ()
22. If Fixed cost are expected to remain unaltered, that would be irrelevant in
(A) The make or buy decision (B) Product decision
(C) Product mix decision (D) Sales planning ()
23. The net profit will be maximised when
(A) Contribution is minimised (B) Contribution is maximised
(C) Fixed cost is increased (D) Fixed cost remains same ()

24. Which of the following is not a function of a finance manager?
(A) Mobilization of funds
(B) Deployment of funds
(C) Control over use of funds
(D) Manipulate share price of the company ()
25. The objective of financial management is to
(A) Generate the maximum net profit
(B) Generate the maximum retained earnings
(C) Generate the maximum wealth for its shareholders
(D) Generate maximum funds for the firm at the least cost ()
26. In Private company maximum number of members permissible is
(A) 5 (B) 10
(C) 25 (D) 50 ()
27. Which of the following is not a money market instrument?
(A) Treasury bills (B) Certificate of deposits
(C) Debentures (D) Call Money ()
28. Private Banks
(A) Should not be registered as public limited companies
(B) Need not adhere to capital adequacy norms determined by RBI
(C) Are covered by the Banking Regulation Act, 1949
(D) Both (A) and (B) above ()
29. The minimum maturity of treasury bills is
(A) 14 days (B) 28 days
(C) 45 days (D) 60 days ()
30. If a Loan of Rs.3,00,000 is to repaid in 6 annual instalments with a coupon rate of 12% p.a. then the equated annual instalment will be
(A) Rs. 71,967 (B) Rs. 72,975
(C) Rs. 74,005 (D) Rs. 75,995 ()

38. The first commercial bank in India to launch a Mutual Fund is
(A) State Bank of India (B) Canara Bank
(C) ICICI Bank (D) HDFC Bank ()

39. Who can be a lessor?
(A) An Individual (B) A Firm
(C) A Body of Corporate (D) All the above ()

40. Banking Sector reforms are recommended by
(A) Janakiraman Committee (B) Nadkarni Committee
(C) Narasimhan Committee (D) L.C. Gupta Committee ()

41. Which of the following cannot be declared as insolvent?
(A) Minors (B) Lunatics
(C) Corporations (D) All of these ()

42. A public company must have at least
(A) Two directors (B) Three directors
(C) Seven directors (D) Five directors ()

43. In Banking terms by deposit we mean
(A) Time Deposits (B) Money at call and short notice
(C) Money kept in a bank account (D) None of these ()

44. A savings account cannot be opened by
(A) A Minor (B) An Illiterate person
(C) A firm (D) A sports club ()

45. There cannot be a holder in due course of a cheque bearing
(A) 'A/c Payee' Crossing (B) 'X Co' Crossing
(C) Special Crossing (D) 'Not Negotiable' Crossing ()

46. Cash Credit limits are allowed to be parties against
(A) Shares (B) Goods
(C) Plant and Machinery (D) Land and Buildings ()

47. The stock exchange publishes an official list of share prices
(A) Daily (B) Weekly
(C) Fortnightly (D) Monthly ()
48. The term Gild edged securities refers to
(A) Shares of private limited companies
(B) Shares of Cooperative societies
(C) Shares of Gold Mining companies
(D) None of these ()
49. Depreciation means
(A) Fall in the market value (B) Loss due to obsolescence
(C) Loss due to influence of time (D) All the above ()
50. Contingent liabilities are shown under
(A) Net worth (B) Term liabilities
(C) Current liabilities (D) None of these ()
51. In the Union Budget 2010-11 the income tax rate for the income between Rs. 1,80,000 and Rs. 3,00,000 is fixed at
(A) 10% (B) 15%
(C) 20% (D) NIL ()
52. Which of the following are the sources of funds?
(A) Income from investments (B) Sale of fixed assets
(C) Sale of investments (D) All of these ()
53. The proportion of term liabilities to net worth is ascertained by
(A) Debt-equity ratio (B) Proprietary ratio
(C) Capital gearing ratio (D) Acid test ratio ()
54. Valuation Balance sheet is prepared by
(A) Life Insurance Companies (B) General Insurance Companies
(C) Government Companies (D) Public Utility Companies ()

55. Income tax deductions is available under the section
(A) 80 (B) 86
(C) 10 (D) 89 ()
56. CARE is a
(A) Advisory body for the planning commission
(B) Credit Rating Agency
(C) Credit Controlling Agency
(D) None of the above ()
57. HRA is a
(A) Fully taxable allowance (B) Partially taxable allowance
(C) Fully exempted allowance (D) None of the above ()
58. What is MAT?
(A) Minimum Alternative Tax (B) Minimum Advance Tax
(C) Maximum Alternative Tax (D) Maximum Advance Tax ()
59. Who is the present Finance Minister in India?
(A) P.Chidhamparam (B) Manmohan singh
(C) Pranab Mukharji (D) None of the above ()
60. Tonnage Tax is applicable to
(A) Shipping business (B) Software business
(C) Textile business (D) None of the above ()
61. Accounting Standard is a
(A) Rules (B) Concepts
(C) Methods (D) Guidelines ()
62. In custom Act the difference between normal value and export value is known as
(A) Anti dumping (B) Dumping margin
(C) Duty draw back (D) None of the above ()

63. A statement which emerges after the marshalling of entries relating to a person, an assets or item of expense or income for a particular period is known as
(A) Accounts (B) Journal
(C) Accounting (D) None of all ()

64. For calculation of income tax dividend coming under the head of
(A) Salary (B) Income from Business
(C) Income from Other Sources (D) None of all ()

65. Choose wrong matching
(A) ABC Analysis → Inventory control
(B) Cash discount → Settlement discount
(C) Incremental contribution → Additional Sales \times P V ratio
(D) Ageing schedule → Company solvency position ()

66. HIFO is a method which used to determine
(A) Pricing material issue (B) Method of costing
(C) Method of profit (D) Cost price method ()

67. Theory "X" states that
(A) Workers exercise self-direction
(B) Workers have inherent liking for work
(C) Workers prefer to be directed
(D) Workers have a desire to be innovative and creative ()

68. The term 'CENVAT' is associated with
(A) Transportation (B) Auditing
(C) Banking (D) Taxation ()

69. The recent financial melt down emerged first in
(A) USA (B) UK
(C) India (D) China ()

70. The successor to Mr.P.Chidambaram as Finance Minister of India was
(A) Man Mohan Singh (B) Jaswant Singh
(C) Pranab Mukerjee (D) Praful Patel ()

71. The term NSE relates to
(A) National Spot Exchange (B) National Stock Exchange
(C) National Share Evaluation (D) Non Stock Enterprises ()

72. State bank of India was known before nationalization as
(A) Federal Bank (B) Presidency Bank
(C) Imperial Bank (D) None of the above ()

73. The phrase 'lenders of last resort' refers to
(A) World Bank
(B) Reserve Bank of India
(C) Industrial Development Bank of India
(D) Yes Bank ()

74. Which bank in India was renamed as 'AXIS BANK'
(A) UTI Bank (B) Auxilliary Bank
(C) American bank (D) State Bank ()

75. The term Scientific Management is associated with
(A) H. Maslow (B) Peter F Drucker
(C) F. W. Taylor (D) None of the above ()

76. The influence of staff authority exists within the chain of command mainly because it has got
(A) Specialized competence and skill
(B) Power to seek accountability
(C) Command prerogatives
(D) None of the above ()

77. Banking Regulation Act 1956 deals with the
(A) Management of a bank right from starting to till it's winding up
(B) Methods of functioning of the bank during office hours
(C) One banks relationship with other banks
(D) None of the above ()
78. The utility of a commodity is
(A) The usefulness of a commodity
(B) The useless of the commodity
(C) The capacity of that commodity to satisfy human wants
(D) None of the above ()
79. The present commerce and Industries Minister for the Government of India is
(A) Mr. P. Chidhambaran (B) Mr. Pranab Kumar Mukarjee
(C) Mr. Kamal Nath (D) Mr. Kapil Sibal ()
80. Securities and Exchange Board of India is a
(A) Regulatory body of the Money Market
(B) A Regulatory body of the Capital Market in India
(C) A Regulatory body of the Stock Exchange in India
(D) None of the above ()
81. Articles of Association is an important document which deals with the
(A) Internal Management of the Company
(B) Information to the outsiders
(C) Powers and duties and rights of the different employees in the organization
(D) All of the above ()
82. Average variable cost or AVC =
(A) $(AC + MC)/Quantity$ (B) $TVC/ Quantity$
(C) $(TVC + TFC)/ Quantity$ (D) $TC/ Quantity$ ()
83. Watered capital means
(A) Over capitalization
(B) Under capitalization
(C) Part of capital not represented by assets
(D) Excessive capital ()

84. Paired 't' test is used for testing
(A) The difference between the Proportions of two samples
(B) Difference between the means of two independent samples
(C) Difference between the means of two dependent samples
(D) None of the above ()
85. When shares are forfeited, Capital Account debited by
(A) Nominal value of shares (B) Paid-up amount of shares
(C) Called up amount of shares (D) Forfeited amount of shares ()
86. When all partners are insolvent the loss is borne by
(A) Government (B) Creditors
(C) Partners (D) Employers ()
87. If large values of one item are associated with the small values of the other it is case of
(A) Chi square (B) Positive Correlation
(C) Negative Correlation (D) Non sense Correlation ()
88. Which of the following Index numbers is used for measuring the changes in the general level of prices?
(A) Consumer Price Index Numbers (B) Cost of Living Index Numbers
(C) Fisher's Ideal Index Numbers (D) Wholesale Price Index ()
89. "Statistics is the science which deals with the methods of collecting, classifying, presenting, comparing and interpreting numerical data collected through some light on any sphere of equity" is the definition given by
(A) King (B) Bowley
(C) Buddinton (D) Seligman ()

95. The main objective of Micro Finance System is
(A) Credit supply to poor
(B) Financial Services Inclusion to poor
(C) Involvement in Business to poor
(D) Upliftment to poor ()
96. The commonly used method of absorbing factory over head is
(A) Prime cost (B) Machine hours
(C) Labour cost (D) Material cost ()
97. Which one below is not a Apex bank?
(A) RBI (B) IDBI
(C) State Bank of India (D) NABARD ()
98. IMF Stands for
(A) International machinery fund (B) International monetary fund
(C) Indian machinery fund (D) Indian monetary fund ()
99. SEC means
(A) Security & Exchange commission
(B) Stock Exchange Commission
(C) Script Exchange Commission
(D) Special Exchange Commission ()
100. NYSE is acronym for
(A) New York Stock Exchange
(B) New York script Exchange
(C) New York special Exchange
(D) National York securities Exchange ()

PU M Com Business Finance

1 of 100

122 PU_2015_351

Which one among the following has not started Commercial Banking?

- SIDBI
- UTI
- IDBI
- ICICI

2 of 100

194 PU_2015_351

The Government appoints which type of authorities for the purposes of this Act.

- Courts of industry
- Work committee
- Labour courts
- All of the above

3 of 100

165 PU_2015_351

Total leverage is a combination of:-

- Financial leverage and operating leverage
- Various costs
- Operating leverage and EPS
- Financial leverage and EPS

4 of 100

206 PU_2015_351

The theory of Absolute Cost Advantage is given by:-

- Ohlin and Heckscher
- Adam Smith
- FW Taylor
- David Ricardo

5 of 100

180 PU_2015_351

According to the companies Act, 2013, which of the following is/are treated as 'non-current investment'?

- Investment in Govt. Securities
- Investment in Bonds
- Investment in Mutual Funds
- All of the above

6 of 100

198 PU_2015_351

In which year was the EXIM Bank established?

- 1982

- 1984
- 1983
- 1985

7 of 100

196 PU_2015_351

The pro founder the popular capital structure theory _____.

- Masalow
- Modigiliani and Miller
- J. S Mill
- Adam smith

8 of 100

193 PU_2015_351

A person who is or has been a Judge of a High Court may be president of:-

- District Forum
- State Commission
- National Commission
- Parliamentary Committee

9 of 100

181 PU_2015_351

Who states that " Every agreement and promise enforceable at law is a contract"?

- Sir William Anson
- David M. Walker
- Sir Pollock
- Sir Salmond

10 of 100

104 PU_2015_351

The process of environmental analysis consists of the following sequential steps:-

- Monitoring Forecasting, Scanning and Assessment
- Scanning, Monitoring, Forecasting and Assessment
- Assessment, Monitoring, Forecasting and Scanning
- Monitoring, Scanning, Forecasting and Assessment

11 of 100

213 PU_2015_351

'Bird in hand' argument is given by:-

- MM Mode,
- Walker's Model,
- Gordon's Model,
- Residuals Theory

12 of 100

133 PU_2015_351

If the current ratio is 2:1 and working capital is ₹60,000, what is the value of the Current Assets?

- ₹ 1,00,000
- ₹ 1,20,000
- ₹ 60,000
- ₹ 1,80,000

13 of 100

137 PU_2015_351

Which subject is relevant to the study of consumer behavior?

- Psychology
- Sociology
- Economics
- All the above

14 of 100

162 PU_2015_351

Dolex is:-

- Bond
- Tax
- Sensex
- Share

15 of 100

135 PU_2015_351

Which is used for short-term sales achievement?

- Public Relations
- Sales Promotion
- Personal Selling
- Advertising

16 of 100

125 PU_2015_351

In accounting, profit prior to incorporation is treated as:-

- Revenue Reserve
- Capital Reserve
- Secret Reserve
- General Reserve

17 of 100

160 PU_2015_351

The term 'Consumer' is defined in Section 2(f) of Competition Act, 2002. Accordingly, which of the following persons will be treated as a consumer?

- Saint buys 10 machines for commercial purpose

- Rishi buys 100 shirts for resale
- Muni buys 5 trousers for personal use
- All of the above

18 of 100

158 PU_2015_351

According to the FEMA, 1999, who is empowered to appoint the 'Adjudicating Authority'?

- Supreme Court of India
- The Central Government
- The SEBI
- The Reserve Bank of India

19 of 100

183 PU_2015_351

The principal auditor, as per clarification issued by the ICAI, does not have any right to:-

- Incorporate the branch audit report in his audit report
- Visit branches
- Seek information necessary for audit purpose
- Inspect working papers of the branch auditor

20 of 100

155 PU_2015_351

The 'Securities Appellate Tribunal' (SAT) is a:-

- Regulatory body established by SEBI
- Judicial body established by Supreme Court
- Quasi-judicial body established by Central Government
- Remedial body established by RBI

21 of 100

211 PU_2015_351

At the time of admission of a new partner, general reserve is transferred to:-

- Old partner's Capital Account
- Profit & Loss Account
- Profit and Loss Adjustment Account
- Balance Sheet

22 of 100

152 PU_2015_351

The term RuPay is known as:-

- Card Payment Network
- Foreign Exchange settlement mechanism
- New Currency of RBI
- Credit Card for Farmers

23 of 100

150 PU_2015_351

Repo Rate, Reverse Repo Rate, CRR, SLR etc. Are the instruments of:-

- Monetary Policy of the Central Govt. of India
- Monetary Policy of the Central Govt. of India
- Credit Policy of the Reserve Bank of India
- Monetary and Credit Policy of the Reserve Bank of India

24 of 100

167 PU_2015_351

_____ risk refers to risk which is caused due to factors unique or related to a firm or industry.

- Market
- Credit
- Unsystematic
- Systematic

25 of 100

209 PU_2015_351

Assets Management company is formed:-

- To manage bank's assets,
- To run a stock exchange,
- To construct infrastructure projects,
- To manage mutual funds investments,

26 of 100

210 PU_2015_351

To indicate the functions of management, the catch word POSDCORB was coined by:-

- Peter Drucker
- Ernest Dale
- Luther Gulik
- Henri Fayol

27 of 100

131 PU_2015_351

When average cost is declining?

- Marginal cost must be rising.
- Marginal cost must be declining.
- Marginal cost must be below average cost.
- Marginal cost must be above average cost.

28 of 100

124 PU_2015_351

Which one is not the source of External Finance?

- Export Credit

- World Bank Group
- Foreign Direct Investment
- WTO funds

29 of 100

153 PU_2015_351

According to the Section 15Z of the SEBI Act, 1992 if any person aggrieved by the decision or order of the 'Securities Appellate Tribunal (SAT), he may file an appeal to the:-

- Reserve Bank of India
- Supreme Court
- SEBI
- Capital Markets Commission

30 of 100

191 PU_2015_351

According to the payment of Gratuity Act, 1972, gratuity shall be paid to:-

- The employee
- The nominee of the employee
- The legal heir of the employee
- All of the above

31 of 100

214 PU_2015_351

EOQ is the quantity that minimizes:-

- Total Interest Cost,
- Total Inventory Cost,
- Safety Stock Level,
- Total Ordering Cost,

32 of 100

195 PU_2015_351

Demand has the following elements:-

- Time
- Price
- Quantity
- All of the Above

33 of 100

168 PU_2015_351

Which among these is not a component of International Liquidity?

- Foreign currencies held by the Central Bank
- Dollar reserves of countries other than USA
- SDRs
- Gold held by Central Bank

34 of 100

132 PU_2015_351

Income and Expenditure Account of non-profit organization is a:-

- Nominal Account
- Representative Personal Account
- Personal Account
- Real Account

35 of 100

164 PU_2015_351

_____ is an expression of market sensitivity of investment or how volatile it is compared with the normal volatility of market.

- Beta
- Marginal rate of return
- Risk free return
- Market return

36 of 100

138 PU_2015_351

Who did give the concept of hierarchy of needs?

- Fredrick Herzberg
- Victor Vroom
- A.H. Maslow
- Douglas McGregor

37 of 100

161 PU_2015_351

Which of the following agreements prohibited under Section 3(1) of the Competition Act, 2002?

- Agreement of resale price maintenance
- Tie-in agreement
- Agreement of exclusive distribution
- All of the above

38 of 100

120 PU_2015_351

Which one is more appropriate for cost of retained earnings?

- Expected rate of return by the investor.
- Opportunity cost to the firm.
- Weighted Average Cost of Capital.
- Risk free rate of return

39 of 100

192 PU_2015_351

Which of the following is a correct statement?

- The COPRA extends to the whole of India

- The COPRA was amended in the year 2011
- The COPRA shall apply to all goods and services
- The COPRA was enacted in the year 1981

40 of 100

184 PU_2015_351

Where fixed production overhead is debited to work in progress as standard hours of work times the standard absorption rate, a favorable overhead volume variance is debited to:-

- Profit and loss account
- Production overhead control account
- Overhead volume variance account
- Work-in-progress account

41 of 100

157 PU_2015_351

According to FEMA, 1999, all postal notes, postal orders, cheques, drafts etc. shall be treated as:-

- Currency note
- Currency
- Cash instruments
- Non-cash instruments

42 of 100

212 PU_2015_351

Dividend Payout Ratio is:-

- DPS \div EPS,
- Pref. Dividend \div PAT,
- Pref. Dividend \div Equity Dividend,
- PAT \div Capital,

43 of 100

108 PU_2015_351

Which one of the following is not a measure of dispersion?

- Standard Deviation
- Range
- Mean Deviation
- Quartile

44 of 100

182 PU_2015_351

Which of these things is included in the term 'Goods'?

- Foreign currency
- Food served in a hotel
- Food supplied by air-line company to its stray customers
- An actionable claim or right

45 of 100

109 PU_2015_351

If $b_{xy} = 0.25$ and $b_{yx} = 0.6$ correlation coefficient is:-

- 0.89
- 0.30
- 0.40
- 0.16

46 of 100

134 PU_2015_351

What is customer value?

- Opportunity cost to a firm.
- Post purchase dissonance.
- Ratio between the customer's perceived benefits and the resources used to obtain these benefits.
- Excess of satisfaction over expectation.

47 of 100

105 PU_2015_351

Which one of the following is not the fundamental procedure that should be considered for the collective bargaining?

- Prenegotiation phase
- Selection of Negotiators
- Tactic and Strategy of Bargaining
- None of the above

48 of 100

121 PU_2015_351

Which among the following is not a voluntary method for prevention and settlement of disputes?

- Collective bargaining
- Joint Consultation
- Standing Orders
- Works Committee

49 of 100

123 PU_2015_351

The powers of Controller of Capital Issues of India is now shifted to:-

- AMFI
- SEBI
- Ministry of Corporate Affairs
- Ministry of Finance

50 of 100

156 PU_2015_351

In India, who is empowered to issue directions to authorized persons?

- RBI

- IRDA
- FEMA
- SEBI

51 of 100

163 PU_2015_351

Capital Budgeting refers to the:-

- Demand and Supply of capital
- Managerial technique of planning capital expenditures of the company
- Overall cost of capital
- Process of determining marginal cost of capital

52 of 100

151 PU_2015_351

At present, the largest source of 'National Income' in India is:-

- Service Sector
- Transport Sector
- Manufacturing Sector
- Agriculture Sector

53 of 100

197 PU_2015_351

Ultimately _____ was replaced by the _____ on 1st January 1995.

- GATT, WTO
- GATS, WTO
- IMF, GATT
- WTO, GATT

54 of 100

107 PU_2015_351

The concept of 'Rolling Plan' in India was introduced by the:-

- Janta Government
- BJP Government
- Congress Government
- Left Government

55 of 100

136 PU_2015_351

Public distribution system relates to:-

- Marketing system
- Selling system
- Industrial system
- Retailing system

56 of 100

207 PU_2015_351

The theory of Relative Factor Endowments is given by:-

- Ohlin and Heckscher
- FW Taylor
- Adam Smith
- David Ricardo

57 of 100

208 PU_2015_351

The theory of Comparative cost advantage is given by:-

- FW Taylor
- Ohlin and Heckscher
- David Ricardo
- Adam Smith

58 of 100

106 PU_2015_351

The purpose of job evaluation is:-

- Promotion
- Transfer to a better job
- Wage Determination
- Fixation of Responsibility

59 of 100

154 PU_2015_351

A public issue must be kept open for at least:-

- 15 working days
- 10 working days
- 3 working days
- 30 working days

60 of 100

166 PU_2015_351

If the financial institution may like to keep margin of 25% on Assets. If the tangible assets are 80% while intangible assets are 20%, than maximum finance that FIs will give will be:-

- 60%
- 100%
- 75%
- 80%

61 of 100

248 PU_2015_351

Principle of Equality is applicable to_____.

- Sales Tax

- Custom Duty
- Income Tax
- Excise Duty

62 of 100

227 PU_2015_351

At present the par value of the shares is:-

- Equal to 10
- A fixed one
- Equal to 5
- Variable

63 of 100

222 PU_2015_351

The aggressive investor buys more of:-

- Gold
- Money market instruments
- Equity shares
- Options and futures

64 of 100

244 PU_2015_351

CST is applicable to _____.

- Imports
- Exports
- Inter State Sales
- Intra State Sales

65 of 100

246 PU_2015_351

CENVAT is related to _____.

- Sales Tax
- Custom Duty
- Income Tax
- Excise Duty

66 of 100

249 PU_2015_351

Section 80G is related to _____.

- Royalty
- Research Institution
- Donation
- Technical Service

67 of 100

229 PU_2015_351

The rolling settlement period introduced in the stock exchange is:-

- T+1
- T + 5
- T+3
- T+2

68 of 100

253 PU_2015_351

Select the odd one in the following:-

- State Level Sales Tax
- Excise Duty
- Custom Duty
- CST

69 of 100

247 PU_2015_351

Octroi is applicable when the transaction between_____.

- Municipalities
- States
- Countries
- Districts

70 of 100

238 PU_2015_351

Excise duty is calculated on the basis of:-

- Value of Goods
- Expenditure
- Income
- Value of Assets

71 of 100

237 PU_2015_351

Example of indirect tax_____.

- Wealth Tax
- Income Tax
- Gift Tax
- Custom Duty

72 of 100

236 PU_2015_351

The person liable to pay tax is called_____.

- Partnership Firm
- Company

- Assessee
- Individual

73 of 100

228 PU_2015_351

The minimum number of shares to be applied for is:-

- Any lot fixed by the issuer
- 100
- 200
- 300

74 of 100

223 PU_2015_351

Investment made on a house property is a:-

- Non-financial investment
- Financial investment
- Economic investment
- Non-negotiable financial investment

75 of 100

224 PU_2015_351

The open-ended schemes are:-

- Have fixed period of maturity
- Open for a particular period
- Open on a continuous basis
- Listed in the stock exchanges

76 of 100

242 PU_2015_351

What is chargeable under the head Income from other sources_____.

- Dividend
- House Property Income
- Salary
- Capital Gain

77 of 100

252 PU_2015_351

Indian Tax system is not_____.

- Regulated
- Formal
- Multiple
- Unregulated

78 of 100

239 PU_2015_351

Passing tax liability from one person to another is applicable _____.

- Custom Duty
- Wealth Tax
- Gift Tax
- Income Tax

79 of 100

243 PU_2015_351

What is the Tax rate of Domestic Company on their income for the Assessment Year 201-1-15

- _____.
- 30%
 - 40%
 - 30% (22)
 - 10%

80 of 100

226 PU_2015_351

In a private placement, shares are offered through:-

- Brokers
- Prospectus
- A letter of offer
- Investment bankers

81 of 100

293 PU_2015_351

Which of the following is alternatively called corporate venturing?

- Act of starting a new venture
- Intrapreneurship
- Offering new products by an existing company
- Entrepreneurship

82 of 100

274 PU_2015_351

EVA is used for:-

- Rewarding performance within the firm
- Measuring performance within the firm
- Improving performance within the firm
- All of these options

83 of 100

292 PU_2015_351

Which one of the following is the process of entrepreneurs developing new products that over time make current products obsolete?

- New business model

- Creative destruction
- Planned renovation
- Anatomization

84 of 100

276 PU_2015_351

Anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need is called a(n):-

- Idea
- Service.
- Product.
- Demand.

85 of 100

267 PU_2015_351

The "beta" is a measure of:-

- Market risk
- Total risk
- Interest rate risk
- Unique risk

86 of 100

266 PU_2015_351

If held for possible resale, long-term government bonds have:-

- Interest rate risk
- Default risk
- Market risk
- Systematic Risk

87 of 100

294 PU_2015_351

SBA stands for:-

- Small business administration
- Small business adequacy
- Small business accountants
- Small business advisors

88 of 100

277 PU_2015_351

_____ is products bought by individuals and organizations for further processing or for use in conducting a business.

- Services
- Specialty products
- Consumer products

- Industrial products

89 of 100

262 PU_2015_351

The payback period rule accepts all projects for which the payback period is:-

- Greater than the cut-off period
- Positive
- An integer
- Less than the cut-off period

90 of 100

297 PU_2015_351

Making a purchase you had not planned is called:-

- Comparison shopping.
- A warranty.
- Consumer shopping.
- Impulse buying.

91 of 100

273 PU_2015_351

A firm has an average investment of \$1,000 during the year. During the same time the firm has an after tax earnings of \$120. If the cost of capital is 10%, what is the net return on investment?

- 12%
- 7
- 2%
- 10%

92 of 100

265 PU_2015_351

A firm owns a building with a book value of \$100,000 and a market value of \$250,000. If the building is utilized for a project, then the opportunity cost ignoring taxes is:-

- \$300,000
- \$150,000
- \$100,000
- \$250,000

93 of 100

296 PU_2015_351

Who is an entrepreneur?

- a) Someone who invests time and money to start a business
- b) Someone who makes a lot of money.
- c) Someone who takes a risk to make a profit.
- d) Both a & c

94 of 100

264 PU_2015_351

Preferably, cash flows for a project are estimated as:-

- Earnings after taxes
- Cash flows after taxes
- Earnings before taxes
- Cash flows before taxes

95 of 100

291 PU_2015_351

The entrepreneur was distinguished from capital provider in:-

- 17th century
- Middle ages
- 19th & 20th century
- 18th century

96 of 100

272 PU_2015_351

In a large, public company, monitoring is delegated to the:-

- CEO
- Board of directors
- Shareholders
- Auditors

97 of 100

278 PU_2015_351

The stage is the product life cycle that focuses on expanding market and creating product awareness and trial is the:-

- Maturity stage.
- Decline stage.
- Growth stage.
- Introduction stage.

98 of 100

268 PU_2015_351

Diversification works because:-

- Inherent credit risk
- Co variance in variables
- Market risk is eliminated
- Of correlation coefficients

99 of 100

271 PU_2015_351

What is the cost of capital for a firm with market value of debt of \$10 million and market value of equity of \$90 million, given a cost of equity at 10% and a cost of debt at -1%? Assume no taxes.

- 6.4%

- 7.4%
- 9.4%
- 8.4%

100 of 100

263 PU_2015_351

The IRR is defined as:-

- The discount rate that makes NPV equal to zero
- The discount rate used in the NPV method
- The difference between the cost of capital and the present value of the cash flows
- The discount rate used in the discounted payback period method

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207 PU_2016_351_E

The basic goal of financial management is:-

- Maximising the profit
- Minimising the business risk
- Maximising the rate of dividend
- Maximising the shareholders' wealth in the long run

2 of 100

210 PU_2016_351_E

Bad loans in banking terminology are generally known as:-

- BPOs
- NPAs
- Prime Asset
- Performing assets

3 of 100

157 PU_2016_351_E

According to factories Act 1948 adolescence period is age group between:-

- 18-21
- 15-18
- 15- 20
- 13-18

4 of 100

212 PU_2016_351_E

A machinery is purchased for Rs. 3,00,000 and Rs. 50,000 is spent on its installation. Rs. 5,000 is spent on fuel. What will be the amount of capital expenditure?

- Rs. 3,55,000
- Rs. 3,50,000
- Rs. 3,00,000
- Rs. 3,45,000

5 of 100

118 PU_2016_351_E

Which of the following is NOT an example of compressed data?

- Data array
- Ogive
- Histogram

- Frequency distribution

6 of 100

175 PU_2016_351_E

Re-order level is calculated as:-

- Maximum consumption x Maximum re-order period
- Maximum level - Minimum level
- Minimum consumption x Minimum re-order period
- 1/2 of (Minimum + Maximum consumption)

7 of 100

125 PU_2016_351_E

The most effective form of business organization for raising capital is the:-

- Joint venture
- Partnership
- Corporation
- Proprietorship

8 of 100

117 PU_2016_351_E

For the sample size greater than 30, the sampling distribution of MEAN is approximately which distribution?

- Chi-Square distribution
- Normal distribution
- t distribution
- Binomial distribution

9 of 100

153 PU_2016_351_E

A partner liable to third parties after discovering the facts, is the real partner but does not appear in any way as partner is:-

- Dormant partner
- Nominal partner
- Secret partner or Dormant partner
- Secret partner

10 of 100

119 PU_2016_351_E

Name the business organization which has the feature of 'separate legal entity'.

- HUF
- Partnership

- Sole proprietorship
- Cooperative society

11 of 100

178 PU_2016_351_E

The term 'funds' as used in 'funds flow statement' means:-

- Current liabilities
- Cash
- Current assets
- Current asset minus current liabilities

12 of 100

129 PU_2016_351_E

Diversification is one way in which insurance companies can protect themselves against:-

- Moral hazard
- Parameter change
- The law of large numbers
- Random fluctuation

13 of 100

184 PU_2016_351_E

The use of management accounting is:-

- Compulsory to some and optional to others
- Legally obligatory
- Compulsory
- Optional

14 of 100

206 PU_2016_351_E

Capital budgeting decisions are generally:-

- Irrevocable
- Reversible
- Irreversible
- Revocable

15 of 100

215 PU_2016_351_E

Which one is not an important objective of Financial Management?

- Profit Maximization
- Value Maximization

- Wealth Maximization
- Maximization of social benefits

16 of 100

149 PU_2016_351_E

Statutory duties of a company auditor are determined by:-

- Agreement between Client and Auditor enforced by Law
- Companies ACT 2013
- Articles of Association
- Memorandum of Association

17 of 100

156 PU_2016_351_E

Caveat emptor means:-

- Buyer to perform due diligence before making a purchase
- Ancient principle for protection of Buyers
- Seller should intimate all functional and future prospectus of subject matter of contract
- Flow of information between the parties

18 of 100

115 PU_2016_351_E

Determinant of the maximum profit for a firm is _____.

- Average cost
- Both average cost and price
- The output level
- Price

19 of 100

179 PU_2016_351_E

Which of the following results in the flow of funds?

- Creditors issued bills payable
- Transfer to general reserve
- Building sold on credit
- Loss on the sale of machinery

20 of 100

116 PU_2016_351_E

Suppose you are told that there is a direct relationship between TWO VARIABLES: PRICE AND RAIN FALL.

- A lack rain causes prices to rise

- Prices tend to be low when rainfall is high
- Prices tend to be high when rain fall is high
- A large amount of rain causes prices to rise

21 of 100

154 PU_2016_351_E

Indian sale of goods Act came in force on:-

- 1st June, 1930
- 1st July, 2000
- 1st July, 1930
- 1st June, 2000

22 of 100

183 PU_2016_351_E

Which of the following is not a responsibility center?

- Profit center
- Production center
- Cost center
- Revenue center

23 of 100

214 PU_2016_351_E

Normally Demand curve slopes:-

- Vertical
- Downward
- Upward
- Horizontal

24 of 100

120 PU_2016_351_E

In a cooperative society the principle followed is:-

- One share one vote
- Multiple votes
- One man one vote
- Dual votes

25 of 100

127 PU_2016_351_E

Select the expanded form of ULIP used in insurance:-

- Unit Linked Insurance Policy

- Unit Linked Investment Policy
- Umbrella Life Insurance Policy
- Universal Life Insurance Policy

26 of 100

159 PU_2016_351_E

A good secretary should have qualities:-

- a) Sound Accounting, finance, law and business knowledge
- b) Accuracy, time sense and Action orientation
- c) Experienced and motivated personality
- d) Both a & b

27 of 100

182 PU_2016_351_E

The branch of accounting which primarily deals with processing and presenting accounting data for internal use is:-

- Cost accounting
- Inflation accounting
- Management accounting
- Financial accounting

28 of 100

219 PU_2016_351_E

Good marketing is no accident, but a result of careful planning and _____.

- selling
- execution
- research
- strategies

29 of 100

188 PU_2016_351_E

Goodwill should be classified as a:-

- Floating asset
- Intangible asset
- Liquid asset
- Current asset

30 of 100

147 PU_2016_351_E

Which of the following does not call for physical verification in the process of Auditing?

- Stamp
- Intellectual capital recorded
- Human Resource Value
- Good will

31 of 100

145 PU_2016_351_E

Which of the following is not the method of audit evidence?

- Computation
- Inspection
- Observation
- Accounting statistics

32 of 100

150 PU_2016_351_E

Contracts in which manifestation of assent is purely acts, rather than words is:-

- Default contract
- Implied contract
- Quasi contract
- Expressed contract

33 of 100

124 PU_2016_351_E

The form of business organization that has the largest sales volume is:-

- Partnership
- Sole Proprietorships
- Corporations
- Cooperatives

34 of 100

211 PU_2016_351_E

An association of cement manufacturers is an example of:-

- Diagonal combination
- Horizontal combination
- Lateral combination
- Vertical combination

35 of 100

122 PU_2016_351_E

A type of Cooperative that focuses on retail business such as grocery, general merchandise, etc.

- Consumers Cooperative
- Producers Cooperative
- Multi-purpose Cooperative
- Credit Cooperative

36 of 100

126 PU_2016_351_E

In insurance the, contingency insured against is usually the _____.

- Loss of profit
- Financial loss
- Certain financial loss
- Uncertain financial loss

37 of 100

187 PU_2016_351_E

An entry of Rs. 500 was wrongly posted to wages account instead of machinery account, as wages are to be capitalized. It is an error of:-

- Principle
- Commission
- Clerical error
- Omission

38 of 100

213 PU_2016_351_E

Which of the following errors are not disclosed by Trial Balance?

- Errors of Principle
- Errors of Omission
- Compensatory Errors
- All the three

39 of 100

186 PU_2016_351_E

Accounting Standard - 2 is dealt with:-

- Depreciation accounting
- Revenue recognition
- Valuation of inventories
- Cash flow statements

40 of 100

205 PU_2016_351_E

The pay-back period refers to:-

- The time required to attain break-even point
- The number of instalments to make payment
- The number of years a project takes to recover its investment (original) cost
- The time-lag between investment and commissioning of the project

41 of 100

209 PU_2016_351_E

In capital budgeting, the term capital rationing implies:-

- That limited funds are available for investment
- That no retained earnings are available
- That no fresh investment is required in current year
- That no external funds can be raised

42 of 100

177 PU_2016_351_E

Which of the following is the test of long term liquidity of a business?

- Interest coverage ratio
- Stock turnover ratio
- Current ratio
- Operating ratio

43 of 100

216 PU_2016_351_E

To manage a business well is to manage its future and to manage the future is to manage information is termed as:-

- Management information system
- Future information system
- Marketing information system
- General information system

44 of 100

128 PU_2016_351_E

'AamAdmiBimaYojana' is an insurance scheme for rural landless households introduced by:-

- Life Insurance Co
- National Insurance Co
- ICICI Life Prudential Co.
- UTI

45 of 100

151 PU_2016_351_E

An insurance contract is:-

- Contract of Obligation
- Contract of retrospective Guarantee
- Contract of guarantee
- Contract of indemnity

46 of 100

189 PU_2016_351_E

In the absence of an agreement to the contrary, partners share profits and losses in:-

- the ratio of their capitals in the beginning of the year
- the ratio of average capital
- equal ratio
- the ratio of their capitals at the end of the year

47 of 100

185 PU_2016_351_E

According to which of the following accounting concept, even proprietor of a business is treated as a creditor to the extent of his capital?

- Cost concept
- Business entity concept
- Dual aspect concept
- Money measurement concept

48 of 100

152 PU_2016_351_E

Duties of bailee exclude:-

- Not to make any unauthorized use of goods
- To return goods in specie
- Not to setup adverse title
- To disclose known facts relating to goods bailed

49 of 100

208 PU_2016_351_E

Which of the following is? Not A type of direct marketing?

- Retail marketing
- Telemarketing
- Direct mail marketing
- Email direct marketing

50 of 100

158 PU_2016_351_E

Mortgage of movable property is called:-

- Sub mortgage
- Anomalous mortgage
- Hypothecation
- Charge

51 of 100

148 PU_2016_351_E

The subsequent auditor of the company can be appointed by the:-

- Share Holders
- Central Government
- Board of Directors
- Company management at approval of shareholders and promoters

52 of 100

121 PU_2016_351_E

The minimum of members allowed in cooperative society is:-

- 20
- 10
- 2
- 7

53 of 100

218 PU_2016_351_E

In the model of consumer behaviour given by Philip Kotler, what constitutes the marketing stimuli?

- Marketing environment
- Four P's of marketing
- Consumer needs and wants
- None of the above

54 of 100

217 PU_2016_351_E

The set of all actual and potential buyers of a product is known as:-

- Industry
- Customer group
- Market
- None of the above

55 of 100

123 PU_2016_351_E

What is government agency that regulates Cooperatives?

- Cooperative Authority of India
- Federation of Credit Cooperatives
- All India cooperative society
- Cooperative Development Authority

56 of 100

180 PU_2016_351_E

Preparation of cash flow statement is:-

- required under Companies Act
- required under the Income Tax Act
- mandatory
- recommendatory

57 of 100

176 PU_2016_351_E

Which of the following assets is not a quick asset for the purpose of calculating acid test ratio?

- Debtors less provision for bad and doubtful debts
- Cash
- Stock
- Short term bills receivable

58 of 100

181 PU_2016_351_E

Cash payments to employees is a cash flow from:-

- Financing activities
- Investing activities
- Operating activities
- It is not a cash flow

59 of 100

146 PU_2016_351_E

Which of the following is known as backbone of Auditing?

- Verification of Assets
- Vouching
- Internal Audit
- Internal Check

60 of 100

155 PU_2016_351_E

Which of the following equations is correct?

- Share premium = Issue price - Par value
- Share premium = Issue price/Par value
- Share premium = Issue price + Par value
- Share premium = Issue price x Par value

61 of 100

258 PU_2016_351_M

Lapping is:-

- A method of vouching the cash transactions
- Technique of correction of cash payments from employees
- A device to detect miss use of cash collected from debtors
- A malpractice under which cashier makes private use of money for some time

62 of 100

246 PU_2016_351_M

Because GE is organized into different divisions, one for each business, it is known as a:-

- poorly managed firm
- multidivisional enterprise
- multi-corporate concern
- multi-business unit

63 of 100

249 PU_2016_351_M

Which is not the assumption of marginal utility analysis?

- Cardinal measurability of utility
- Constancy of the marginal utility of money
- Ordinal measurability of utility
- Rationality of human behavior

64 of 100

255 PU_2016_351_M

The right of company to have lien on shares is conferred by:-

- The contract with share holders
- Companies Act 1956
- The Memorandum of association
- The Articles of association

65 of 100

237 PU_2016_351_M

Diversification reduces:-

- Unique risk
- Interest rate risk
- Market risk
- Inflation risk

66 of 100

257 PU_2016_351_M

Internal audit facilitates:-

- Cost Audit
- Final Audit
- Internal control
- Internal check

67 of 100

238 PU_2016_351_M

If the price of the Japanese Yen declines considerably against the British Pound:-

- it is always because of British government interference
- it is always because of Japanese government interference
- Japanese goods are relatively cheaper for British consumers
- British goods are relatively cheaper for Japanese consumers

68 of 100

228 PU_2016_351_M

Placing a rupee value on the worth of a job is known as:-

- Pay grades
- Single-rate system
- Job pricing
- Pay ranges

69 of 100

259 PU_2016_351_M

Group of nations that are gathered to work for common goals in regulation of international level trade is called:-

- economic community
- geographical community
- socio-economic community
- geo-political community

70 of 100

247 PU_2016_351_M

The purpose of central banks is:-

- to ensure the stability of the financial system
- only to control the availability of money and to ensure low inflation
- to control the availability of money and credit to ensure low inflation, high growth, and the stability of the financial system
- only to ensure that the economy sees high growth

71 of 100

227 PU_2016_351_M

Communication between two members of a project team from different function, but the same level of authority is _____ communication.

- Lateral
- Diagonal
- Downward
- UP ward

72 of 100

239 PU_2016_351_M

Which of the following is not a reason to erect trade barriers?

- Protect local jobs
- Encourage local production
- Promote import activity
- Reduce reliance on foreign suppliers

73 of 100

236 PU_2016_351_M

Degree of Financial Leverage (DFL) express the relationship between:-

- EPS and P/E
- EPS and EBIT
- EPS and sales
- EPS and EAIT

74 of 100

226 PU_2016_351_M

Workers' compensation benefits fall into all of these major categories except:-

- Death benefits
- Medical care
- Retirement benefits

- Disability income

75 of 100

229 PU_2016_351_M

Which of the following is a document of the title to the goods?

- Bill of entry
- Letter of credit
- Bill of lading
- Certificate of origin

76 of 100

256 PU_2016_351_M

The directors of a public company can issue rights shares to the shareholders if:-

- The sanction of the company law board is obtained
- They pass a resolution in board meeting to that effect
- The shareholders pass a special resolution to that effect
- None of the above

77 of 100

248 PU_2016_351_M

For a monopolist, price is 16 and marginal revenue is 4, the elasticity of demand will be:-

- 4/3
- 1/4
- 3/4
- 4

78 of 100

225 PU_2016_351_M

Human Resource Management aims to maximize employees as well as organizational:-

- Performativity
- Effectiveness
- Economy
- Efficiency

79 of 100

245 PU_2016_351_M

One drawback to the technology of today is:-

- it can keep employees too busy to stay in touch with their employers and organizations
- it can reduce the need for familiar methods of communication such as telegraph and faxes
- it can decrease waste and efficiency in organizations

- it can actually accelerate the speed at which crises can strike a nation

80 of 100

235 PU_2016_351_M

The option is at the money when:-

- Strike price > Stock price
- Stock price = strike price
- There is a high premium
- Stock price > strike price

81 of 100

287 PU_2016_351_D

When prices show a rising trend through which method of inventory valuation lower income and lower valuation of stock can be resulted?

- LIFO
- FIFO
- Simple Average method
- Weighted Average method

82 of 100

289 PU_2016_351_D

Cost Unit is defined as:-

- Centers concerned with earning an adequate return on investment
- A location, person or an item of equipment or a group of these for which costs are ascertained and used for cost control
- Centers having the responsibility of generating and maximizing profits
- Unit of quantity of product, service or time in relation to which costs may be ascertained or expressed

83 of 100

278 PU_2016_351_D

In country A, it takes 10 labor hours to produce cloth and 20 labor hours to produce grain. In country B, it takes 20 labor hours to produce cloth and 10 labor hours to produce grain. Which country should produce grain?

- B
- A
- Both A and B should produce grain
- No country should produce grain

84 of 100

299 PU_2016_351_D

Which account is not a liability account?

- Accounts payable

- Cash
- Accrued Expenses
- Notes Payable

85 of 100

295 PU_2016_351_D

Which of the following will not be used in calculation of Earnings per Share (EPS)?

- Profit after Tax,
- Preference Dividend,
- PBIT
- Number of Equity Shares

86 of 100

297 PU_2016_351_D

What the minimum amount is of paid up capital required to start up a Public Limited Company?

- 100000
- 200000
- 700000
- 500000

87 of 100

265 PU_2016_351_D

Capital Redemption Reserve account is available for:-

- re-organisation of share capital
- redemption of redeemable preference shares
- redemption of redeemable debentures
- issue of bonus shares

88 of 100

277 PU_2016_351_D

Book building is managed by the:-

- Lead manager
- Registrar and book runner
- registrar
- Book runner and lead manager

89 of 100

276 PU_2016_351_D

The principle of subrogation applies to:-

- Fire and marine insurance

- Marine insurance only
- Fire Insurance only
- Life insurance only

90 of 100

286 PU_2016_351_D

Consider the following stages, an auditor has undergo before commencing a new audit:-

- i. Ascertain the scope of audit work
- ii. Knowledge about business of his client
- iii. The agreement with the client
- iv. Instruction to and information from the client

What is the correct sequence?

- (iii), (i), (iv) (ii),
- (iii), (i), (ii), (iv)
- (i), (ii), (iii), (iv)
- (iii), (ii), (iv) (i),

91 of 100

267 PU_2016_351_D

Income from asset transferred to spouse will be taxable in the hands of transferor if:-

- asset was transferred for an adequate consideration
- asset was transferred for inadequate consideration
- asset was transferred before marriage
- asset has been transferred in pursuance of an agreement to live apart

92 of 100

275 PU_2016_351_D

FRANCO price cover:-

- Only charges for placing the goods near the ship
- Only cost freight and insurance
- Only cost of loading the goods on board the ship
- All charges necessary for sending the goods to the buyers place of business

93 of 100

268 PU_2016_351_D

Which of the following does not follow the scalar chain?

- Divisional structure
- Informal organisation
- Formal organisation

- Functional structure

94 of 100

266 PU_2016_351_D

What is the amount of gross profit or loss when?

Cost of goods sold = Rs. 7,900

Sales = Rs. 11,000

Purchases = Rs. 3000

- Rs. 4,900
- Rs. 100 (loss)
- Rs. 8,000
- Rs. 3100

95 of 100

298 PU_2016_351_D

The valuation of the firm and its cost of capital are independent of its capital structure. Which among the following four theories of Capital Structure works on this theory?

- Net Operating Income Approach
- Traditional Approach
- Modigliani-Miller Approach
- Net Income Approach

96 of 100

296 PU_2016_351_D

The rate of interest paid by the company is not fixed in _____.

- Equity Warrants
- Zero Coupon Bonds
- Floating Rate Bonds
- Deep Discount Bonds

97 of 100

285 PU_2016_351_D

The mode has all of the following disadvantages except:-

- The mode is unduly affected by extreme values
- Every value in a data set may be a mode
- A data set may have no mode value
- A multimodal data set is difficult to analyse

98 of 100

279 PU_2016_351_D

Which of the following theories holds that countries will produce and export products that use large amounts of production factors that they have in abundance?

- The theory of absolute advantage
- Mercantilism
- The factor endowment theory
- None of the above

99 of 100

288 PU_2016_351_D

Auditor has to ensure that the premiums received on shares cannot be used for which of the following?

- For writing off the preliminary expenses of the company
- For distributing dividend
- For writing off the discount on company's debentures
- For premium payable on redemption of preference shares

100 of 100

269 PU_2016_351_D

Theoretically, with the issue of rights share the value of existing shares:-

- will increase
- may increase or decrease
- will not change
- will reduce

Sr No.	MCom Business Finance
1	Choose the missing term out of the given options: ____aa__ba__bb__ab__aab
Alt1	aaabb
Alt2	babab
Alt3	bbaab
Alt4	bbbba
2	Choose word from the given options which bears the same relationship to the third word, as the first two bears: Hour : Second :: Tertiary : ?
Alt1	Intermediary
Alt2	Primary
Alt3	Ordinary
Alt4	Secondary
3	Select the lettered pair that has the same relationship as the original pair of words: Stickler :Insist
Alt1	Laggard: Outlast
Alt2	Braggart: Boast
Alt3	Haggler: Concede
Alt4	Trickster: Risk
4	Select the lettered pair that has the same relationship as the original pair of words: Necromancy : Ghosts
Alt1	Romance: Stories
Alt2	Magie: Amulets
Alt3	Alchemy: Gold
Alt4	Sorcery: Spirits
5	Find out the number that has the same relationship as the numbers of the given pair: MAD: JXA: RUN: ?
Alt1	ORK
Alt2	OSQ
Alt3	PRJ
Alt4	UXQ
6	Spot the defective segment from the following:
Alt1	Keep the miscreants
Alt2	at your arm's length
Alt3	for
Alt4	they will pull the wool over your eyes
7	The terrorists held the tourists ----- for ransom.
Alt1	as hostages
Alt2	hostages
Alt3	hostage

Alt4	captives
8	If I ----- wealthy, I would have got many friends.
Alt1	had been
Alt2	were
Alt3	was
Alt4	am
9	Choose the option closest in meaning to the given word: NEOLOGISM
Alt1	inoculation
Alt2	coinage
Alt3	consistency
Alt4	mirth
10	Choose the antonymous option you consider the best: SUAVE
Alt1	crestfallen
Alt2	polite
Alt3	rough
Alt4	cherished
11	In a certain code, REFRIGERATOR is coded as ROTAREGIRFER. Which wordwould be coded as NOITINUMMA ?
Alt1	ANMOMIUTNI
Alt2	AMNTOMUIIN
Alt3	AMMUNITION
Alt4	NMMUNITIOA
12	Traffic : Road in the same way as Alt1 Aeroplane : Aerodrome Alt2 Blood : Veins Alt3 Roots : Tree Alt4 Car : Garage
13	The following information is given: One of M.Gopi, his wife, their son and Mr.Gopi's mother is an architect and another is a doctor. (i) If the doctor is younger than the architect, then the doctor and the architect are not blood relatives. (ii) If the doctor is a woman, then the doctor and the architect are blood relatives. (iii) If the architect is a man, then the doctor is a man. Whose occupation is known by this information?
Alt1	Mr. Gopi is the doctor
Alt2	Mr. Gopi's son is the architect
Alt3	Mrs. Gopi is the doctor
Alt4	Mr. Gopi's mother is the doctor

14	Gopal was ranked 5th from the top and 16th from the bottom in a test. How many students were there in his class
Alt1	19
Alt2	21
Alt3	22
Alt4	20

15	Median of 10o, 5o, -2o, -1o, -5o, 15o is
Alt1	-2o
Alt2	-1o
Alt3	2o
Alt4	3o

16	Which of the following is 'OXYMORON'?
Alt1	Found Missing
Alt2	TIT-TAT
Alt3	GOTO
Alt4	Misunderstood

17	There are 5 persons in a class. Each one is shaking hand with the other. Find the total number of hand shakes?
Alt1	5
Alt2	10
Alt3	20
Alt4	60

18	Of the 26 Capital letters, how many are symmetrical along with vertical and horizontal axes.
Alt1	4
Alt2	3
Alt3	6
Alt4	5

19	There are 30 boys and 60 girls in a village . There are 70 men and 40 women in that village. What is the percentage of boys in that village?
Alt1	0.1
Alt2	0.25
Alt3	0.2
Alt4	0.15

20	There are N students in a class and only 8 of them are girls. If 11 boys added to the class,how many students in the class are boys?
Alt1	N+3
Alt2	N-3
Alt3	N-19

Alt4	19
21	A large amount spent on special advertisement is–
Alt1	Capital Expenditure
Alt2	Revenue Expenditure
Alt3	Revenue Loss
Alt4	Deferred Revenue Expenditure
22	According to going concern concept a business entity is assumed to have–
Alt1	A long life
Alt2	A small life
Alt3	A very short life
Alt4	A definite life
23	What does management audit imply ?
Alt1	Complete audit
Alt2	Detailed audit
Alt3	Efficiency audit
Alt4	Interim audit
24	The liability of the shareholders of a public limited company is limited to the extent of–
Alt1	Par value of the share
Alt2	Paid up value of the shares
Alt3	Market price of the shares
Alt4	Intrinsic value of the shares
25	Share premium account can be used for–
Alt1	Paying tax liability
Alt2	Meeting the cost of issue of shares or debentures
Alt3	Paying Dividend on shares
Alt4	Meeting the loss on sale of old asset
26	In common size Balance Sheet analysis we evaluate–
Alt1	Increase or decrease over two years is analysed
Alt2	Only increase over two years is analysed
Alt3	Only decrease over two years is analysed
Alt4	All assets and liabilities are expressed in terms of percentage of total
27	Increase in fixed asset due to purchase is–
Alt1	Source of fund
Alt2	Fund from operation
Alt3	Use of fund
Alt4	None of the above
28	The Branch of Accounting which is concerned with the processing and presenting data for decision making is known as–
Alt1	Common Dollar Accounting

Alt2	Social Accounting
Alt3	Cost Accounting
Alt4	Management Accounting

29	The first Stock Exchange in India was established in–
Alt1	Kolkata
Alt2	Delhi
Alt3	Mumbai
Alt4	Chennai

30	Grapevine communication is a type of–
Alt1	Formal communication
Alt2	Informal communication
Alt3	Horizontal communication
Alt4	Vertical communication

31	Which of the following is not a component of ‘SWOT Analysis’ ?
Alt1	Threats
Alt2	Strengths
Alt3	Weaknesses
Alt4	Options

32	What is the theory of social responsibility that focuses on how companies respond to issues, rather than trying to determine their ultimate social responsibility, called ?
Alt1	Corporate social performance
Alt2	Corporate social responsiveness
Alt3	Stewardship principle
Alt4	Enlightened self-interest

33	The process of evaluating employees is called–
Alt1	Performance appraisal
Alt2	Recruitment
Alt3	Induction
Alt4	Job evaluation

34	Which one of the following is not correct?
Alt1	Mutual Fund ensures its participants a professional management of portfolio selection
Alt2	Mutual Fund schemes can be open-ended and/or close ended
Alt3	Balanced Mutual Fund aims at earning current income and capital appreciation
Alt4	Mutual Fund is an investment company and a merchant banker

35	“A body of persons elected or appointed to meet on an organised basis for the discussion and dealing of matters brought before it.” It is called–
Alt1	Functional organisation
Alt2	Formal organisation
Alt3	Committee organisation
Alt4	Informal organisation

36	Donations received for the special purpose will be taken to the–
Alt1	Income and Expenditure Account
Alt2	Assets side of the Balance Sheet
Alt3	Liabilities side of the Balance Sheet
Alt4	Receipts and Payments Account

37	Market segmentation means–
Alt1	Grouping of buyers
Alt2	Grouping of sellers
Alt3	Grouping of middle men
Alt4	Grouping of producers

38	Standard costing is a technique of–
Alt1	Planning
Alt2	Organising
Alt3	Coordination
Alt4	Control

39	The principle of ‘Unity of Command’ was introduced by–
Alt1	Elton Mayo
Alt2	Henry Fayol
Alt3	F. W. Taylor
Alt4	Urwick

40	Motivation - Hygiene Theory was propounded by–
Alt1	Abraham H. Maslow
Alt2	Fredrick Herzberg
Alt3	Peter F. Druker
Alt4	Argyris Chris

41	Planning is a–
Alt1	Primary function
Alt2	Secondary function
Alt3	Supplementary function
Alt4	None of the above

42	Who is called ‘The Father of Scientific Management’?
Alt1	Elton Mayo
Alt2	Henry Fayol
Alt3	E. F. L. Breach
Alt4	F. W. Taylor

43	Garner Vs. Murray rule applies in case of–
Alt1	Admission of a partner
Alt2	Dissolution of a firm
Alt3	Retirement of a partner

Alt4	Death of a partner
44	Bonus Shares are issued to–
Alt1	Equity Shareholders
Alt2	Preference Shareholders
Alt3	Debenture Holders
Alt4	Secured Creditors
45	In India, which Bank was the first to introduce Bonds with Floating Rates for retail investors ?
Alt1	Bank of Baroda
Alt2	United Commercial Bank
Alt3	Punjab National Bank
Alt4	State Bank of India
46	Liberalization means
Alt1	Reducing number of reserved industries from 17 to 8
Alt2	Liberating the industry, trade and economy from unwanted restrictions
Alt3	Opening up of economy to the world by attaining international competitiveness
Alt4	Free determination of interest rates
47	_____ is an economic system based on the principle of free enterprise.
Alt1	Capitalism
Alt2	Socialism
Alt3	Mixed Economy
Alt4	Marxism
48	Which among these is not a method of privatisation?
Alt1	Denationalisation
Alt2	Franchising
Alt3	Sale of Business
Alt4	All of these
49	The pre-liberalisation era of Indian Economy was under the grip of
Alt1	Unemployment
Alt2	Under-employment
Alt3	Fiscal Deficit
Alt4	Unfavorable and alarming balance of payment
50	The Industrial policy resolution was passed first in
Alt1	1931
Alt2	1947
Alt3	1956
Alt4	1999
51	All the unique traits and patterns of adjustment of the individual is known as
Alt1	Personality
Alt2	Responsibility

Alt3	Creativity
Alt4	Authority

52	Organizational _____ is the systematic process by which an organization brings a new employee into its culture.
Alt1	Socialization
Alt2	Development
Alt3	Behavior
Alt4	Structure

53	When a firm's average revenue is equal to its average cost, it gets _____.
Alt1	Super profit
Alt2	Normal profit
Alt3	Sub normal profit
Alt4	None of the above

54	Given the price, if the cost of production increases because of higher price of raw materials, the supply
Alt1	Decreases
Alt2	Increases
Alt3	Remains same
Alt4	Any of the above

55	The cost recorded in the books of accounts are considered as
Alt1	Total cost
Alt2	Marginal cost
Alt3	Average cost
Alt4	Explicit cost

56	The brand choice is heavily influenced by reference group in which stage of Product life cycle?
Alt1	Introduction
Alt2	Growth
Alt3	Maturity
Alt4	Decline

57	In marketing mix, which four P's are covered
Alt1	Product, Price, Place, Promotion
Alt2	Product, Price, Penetration Promotion
Alt3	Product, Price
Alt4	Product, Price, Positioning, Promotion

58	Finance Function comprises
Alt1	Safe custody of funds only
Alt2	Expenditure of funds only
Alt3	Procurement of finance only
Alt4	Procurement & effective use of funds

59	The term "capital structure" refers to:
Alt1	long-term debt, preferred stock, and common stock equity.
Alt2	current assets and current liabilities.
Alt3	total assets minus liabilities.
Alt4	shareholders' equity.

60	The kinked demand curve explains
Alt1	Price rigidity
Alt2	Price flexibility
Alt3	Demand rigidity
Alt4	Demand flexibility

61	In the case of an inferior good, the income effect
Alt1	Partially offsets the substitution effect
Alt2	Is equal to the substitution effect
Alt3	Reinforces the substitution effect
Alt4	More than offsets the substitution effect

62	Market with one buyer and one seller is called
Alt1	Monopsony
Alt2	Monopoly
Alt3	Oligopsony
Alt4	Bilateral Monopoly

63	FEMA was formerly known as
Alt1	Foreign Exchange Regulation Act
Alt2	Foreign Exchange Management Act
Alt3	Foreign Exchange Maintenance Act
Alt4	Foreign Exchange Banking Act.

64	'Debtors' is a _____
Alt1	Liability
Alt2	Current liability
Alt3	Current asset
Alt4	Fixed asset

65	The audit committee of a listed company shall meet at least –
Alt1	3 times in a year
Alt2	4 times in a year
Alt3	5 times in a year
Alt4	6 times in a year

66	The appointment of a statutory auditor under section 224A is with reference to 25% of
Alt1	Paid-up capital
Alt2	Issued capital
Alt3	Subscribed capital
Alt4	Only equity capital

67	A casual vacancy arising out of resignation of company's auditor can be filled by
Alt1	Company in general meeting by ordinary resolution
Alt2	Company in general meeting by special resolution
Alt3	Board of Directors
Alt4	Audit committee

68	The portfolio investment by foreign institutional investors is called
Alt1	FDI
Alt2	FII
Alt3	Balance
Alt4	SDR

69	Theory of comparative advantage was presented by:
Alt1	Adam Smith
Alt2	Ricardo
Alt3	Hicks
Alt4	Arshad

70	What would encourage trade between two countries:
Alt1	Differential tax system
Alt2	Different tax system
Alt3	National currencies
Alt4	Reduced tariffs

71	The term 'assessment year' is defined in
Alt1	Section 3(8)
Alt2	Section 3(9)
Alt3	Section 2(8)
Alt4	Section 2 (9)

72	Trade between two countries takes place when:
Alt1	Cost ratios of commodities are equal
Alt2	Cost ratios of commodities are different
Alt3	Cost ratios of commodities are high
Alt4	Cost ratios of commodities are low

73	As per the provisions of the Companies Act 1956, the form of proxy must be deposited with the company at least
Alt1	24 hours before the time of AGM
Alt2	36 hours before the time of AGM
Alt3	48 hours before the time of AGM
Alt4	72 hours before the time of AGM

74	Journal is the book of _____ entry
Alt1	Good
Alt2	Bad

Alt3	Normal
Alt4	First

75	Which one of these statistics is unaffected by outliers?
Alt1	Mean
Alt2	Interquartile range
Alt3	Standard deviation
Alt4	Range

76	Insurance Regulatory and Development Authority (IRDA), the regulatory body for Indian insurance industry, has its head office situated at which city?
Alt1	Bangalore
Alt2	Chennai
Alt3	Hyderabad
Alt4	Mumbai

77	When was Life Insurance sector nationalised?
Alt1	1834
Alt2	1907
Alt3	1938
Alt4	1956

78	Which among the following is the act of taking on a risk for a fee?
Alt1	Guidewire
Alt2	Initial Public Offering
Alt3	Predictive analytics
Alt4	Underwriting

79	What is 'fiat money'?
Alt1	The currency is backed by Government Guarantee
Alt2	The currency is backed by tangible assets
Alt3	The currency is backed by gold reserves
Alt4	The currency is backed by budgetary support

80	On liquidation of company, the preferential payment in respect of salary or wages is restricted to
Alt1	Rs. 10, 000
Alt2	Rs. 20, 000
Alt3	Rs. 50, 000
Alt4	Rs. 75, 000

81	A list of 5 pulse rates is: 70, 64, 80, 74, 92. What is the median for this list?
Alt1	74
Alt2	70
Alt3	64
Alt4	80

82	In Vroom's Expectancy theory, Expectancy indicates
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Alt1	Advancement
Alt2	Award
Alt3	Accounting
Alt4	Probability of achieving that outcome

83	Specific and detailed guide to action is called
Alt1	Rule
Alt2	Procedure
Alt3	Policy
Alt4	Strategy

84	Which of the following is associated with CENVAT?
Alt1	Gift Tax
Alt2	Wealth Tax
Alt3	Income Tax
Alt4	Indirect Tax

85	What is the full form of LIBOR?
Alt1	Local Indian Bank Offered Rate
Alt2	London-India Bureau Of Regulations
Alt3	Liberal International Bank Official Ratio
Alt4	London Inter Bank Offered Rate

86	Which of the following defines 'Para Banking' services?
Alt1	Utility services provided by banks
Alt2	Services provided through business correspondents
Alt3	Services provided to armed forces personnel
Alt4	Eligible financial services rendered by banks

87	Which is known as the arrangement when more than one banks allow credit facilities to one party in coordination with each other?
Alt1	Amortization
Alt2	Consortium
Alt3	Moratorium
Alt4	Subvention

88	Which one of these can be delegated
Alt1	Power
Alt2	Authority
Alt3	Responsibility
Alt4	Accountability

89	Which one of the following factors is not important in organization design?
Alt1	Information technology
Alt2	Strategy
Alt3	Environment
Alt4	Relationships

90	A sale of Rs. 50,000 to A was entered as a sale to B. This is an example of _____
Alt1	Error of omission
Alt2	Error of commission
Alt3	Compensating error
Alt4	Error of principle

91	Which one among the following formulates the fiscal policy in India?
Alt1	Planning Commission
Alt2	Finance Commission
Alt3	The Reserve Bank of India
Alt4	Ministry of Finance

92	Queuing theory is associated with
Alt1	Sales forecasting
Alt2	Inventory control
Alt3	Waiting time
Alt4	Production Control

93	What is Call Money?
Alt1	Money borrowed or lent for a day or overnight
Alt2	Money borrowed for more than one day but up to 3 days
Alt3	Money borrowed for more than one day but up to 7 days
Alt4	Money borrowed for more than one day but up to 14 days

94	Policy of Protection in trade:
Alt1	Facilitates trade
Alt2	Protects foreign producers
Alt3	Protects local producers
Alt4	Protects exporters

95	What are NEFT and RTGS about?
Alt1	Cheque truncation process
Alt2	Electronic fund transfer from bank to bank
Alt3	Electronic payment products within a bank
Alt4	Various deposit products

96	In accounting, cost which is predicted to be incurred or future cost is classified as
Alt1	Calculated cost
Alt2	Incurred cost
Alt3	Actual cost
Alt4	Budgeted cost

97	Practice by seller of offering same product at different prices to different customers is classified as
Alt1	price incurrence
Alt2	price discrimination
Alt3	price targeting

Alt4	price engineering
98	Rate of required return to cover risk of investment in absence of inflation is classified as
Alt1	real rate of return
Alt2	required rate of return
Alt3	nominal rate of return
Alt4	average rate of return
99	In cost accounting, types of inventory do not include
Alt1	direct materials inventory
Alt2	work in process inventory
Alt3	finished goods inventory
Alt4	indirect material inventory
100	Which one of the following is a financial ratio that gives a measure of a company's ability to meet its financial losses?
Alt1	Cash Reverse Ratio
Alt2	Leverage Ratio
Alt3	Statutory Liquidity Ratio
Alt4	Loan-to-Value Ratio