

PU M Com Business Finance

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Which one among the following has not started Commercial Banking?

- SIDBI
- UTI
- IDBI
- ICICI

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

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

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Total leverage is a combination of:-

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

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The theory of Absolute Cost Advantage is given by:-

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

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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

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In which year was the EXIM Bank established?

- 1982

- 1984
- 1983
- 1985

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The pro founder the popular capital structure theory _____.

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

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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

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

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

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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

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'Bird in hand' argument is given by:-

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

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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

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Which subject is relevant to the study of consumer behavior?

- Psychology
- Sociology
- Economics
- All the above

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Dolex is:-

- Bond
- Tax
- Sensex
- Share

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Which is used for short-term sales achievement?

- Public Relations
- Sales Promotion
- Personal Selling
- Advertising

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

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

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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

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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

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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

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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

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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

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The term RuPay is known as:-

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

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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

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

- Market
- Credit
- Unsystematic
- Systematic

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Assets Management company is formed:-

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

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

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

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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.

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Which one is not the source of External Finance?

- Export Credit

- World Bank Group
- Foreign Direct Investment
- WTO funds

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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

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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

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EOQ is the quantity that minimizes:-

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

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Demand has the following elements:-

- Time
- Price
- Quantity
- All of the Above

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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

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

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

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_____ 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

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Who did give the concept of hierarchy of needs?

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

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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

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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

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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 198-1

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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

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

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

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Dividend Payout Ratio is:-

- $DPS \div EPS$,
- $\text{Pref. Dividend} \div PAT$,
- $\text{Pref. Dividend} \div \text{Equity Dividend}$,
- $PAT \div \text{Capital}$,

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

- Standard Deviation
- Range
- Mean Deviation
- Quartile

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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

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If $b_{yx} = 0.25$ and $b_{xy} = 0.6$ -1 correlation coefficient is:-

- 0.89
- 0.30
- 0.40
- 0.16

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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.

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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

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

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

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

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

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

- RBI

- IRDA
- FEMA
- SEBI

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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

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

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

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

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

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

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

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Public distribution system relates to:-

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

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The theory of Relative Factor Endowments is given by:-

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

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The theory of Comparative cost advantage is given by:-

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

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The purpose of job evaluation is:-

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

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

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

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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%

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Principle of Equality is applicable to_____.

- Sales Tax

- Custom Duty
- Income Tax
- Excise Duty

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At present the par value of the shares is:-

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

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The aggressive investor buys more of:-

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

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CST is applicable to _____.

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

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CENVAT is related to _____.

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

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Section 80G is related to _____.

- Royalty
- Research Institution
- Donation
- Technical Service

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

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

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Select the odd one in the following:-

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

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Octroi is applicable when the transaction between_____.

- Municipalities
- States
- Countries
- Districts

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Excise duty is calculated on the basis of:-

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

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Example of indirect tax_____.

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

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The person liable to pay tax is called_____.

- Partnership Firm
- Company

- Assessee
- Individual

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

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

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Investment made on a house property is a:-

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

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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

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What is chargeable under the head Income from other sources_____.

- Dividend
- House Property Income
- Salary
- Capital Gain

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Indian Tax system is not_____.

- Regulated
- Formal
- Multiple
- Unregulated

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Passing tax liability from one person to another is applicable_____.

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

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

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

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In a private placement, shares are offered through:-

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

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Which of the following is alternatively called corporate venturing?

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

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EVA is used for:-

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

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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

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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.

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The "beta" is a measure of:-

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

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

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

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SBA stands for:-

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

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

- Services
- Specialty products
- Consumer products

Industrial products

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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

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Making a purchase you had not planned is called:-

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

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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%

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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

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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

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

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

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The entrepreneur was distinguished from capital provider in:-

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

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

- CEO
- Board of directors
- Shareholders
- Auditors

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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.

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Diversification works because:-

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

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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%

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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