Examination: M.Com Business Finance	
SECTION 1 - SECTION 1	
Question No.1	
Opportunity cost help in	
Ascertainment of cost	
<ul> <li>Controlling cost</li> </ul>	
<ul> <li>Making managerial decisions</li> </ul>	
<ul> <li>Increasing profit</li> </ul>	
Question No.2	
Performance appraisal is also known as	
Exit interview	
Performance evaluation	
Performance management	
Performance interview	
Question No.3	
The process of analysing the investors demand for share during initial public offer is	
Price range	
Biding	
Price discovery	
Book building	
Question No.4	
Narasimham Committee submitted its report in	
<u> </u>	
Question No.5	
The monetary policy is announced by the	
Governor of RBI	
Prime Minister	
President of India	
│ ○ SEBI	

Question No.6
The shape of indifference curve in case of complementary goods is
S S
O V
○ U
Question No.7
The relationship between a banker and a customer is that of
custodian and beneficiary
Bailer and bailee
Principal and agent
<ul> <li>Creditor and Debtor</li> </ul>
Question No.8
Groups created by managerial decision in order to accomplish stated
goals of the organization are called
<ul> <li>Interest groups</li> </ul>
Formal groups
Informal groups
Question No.9
Which one of the following demands states consumers are adequately
buying all the products put into the market place?
Latent demand
Overfull demand
<ul> <li>Irregular demand</li> </ul>
Full demand
Question No.10
The first commandment in marketing is
<ul><li>Know the customer</li></ul>

Question No.11
The central bank's 'Lender of the last resort'-implies,
Financial facilities to commercial banks
Bill discounting
<ul> <li>custody of foreign exchange reserves</li> </ul>
<ul> <li>offset interbank indebtedness</li> </ul>
Question No.12
Question No. 12
The process of transforming an illiquid assets into a security through financial engineering, is referred as  Securitization
Amortization
○ Writing off
Commercialisation
Question No.13
The World's First electronic stock market is
○ KOSPI
○ NASDAQ
○ Nikkie
<ul><li>Dow Jones</li></ul>
Question No.14
The authority responsible for filing income tax return on behalf of political party is
Trustee
Chief Executive Officer
<ul> <li>Leader of the Political party</li> </ul>
<ul> <li>Agent</li> </ul>
Question No.15
"Dividend is not relevant in determining the value of the company" Who among the following held this opinion?
○ Modigliani-Miller
J.E.Walter
<ul><li>Ezra Soloman</li></ul>
Question No.16

A time series is a set of data collected at  Convenient Intervals  Regular Intervals  Random Intervals  Irregular intervals
Question No.17  What's the real potential of e-commerce? Generating Revenue Buying and selling on the internet and WWW Improving efficiency Making a profit
When the internal rate of return of a project is more than the hurdle rate, the Net Present Value would be  Negative Zero Positive Uncertain
Question No.19  dividend is the usual method of paying dividend.  Scrip Cash Property Stock
A,B and C are partners sharing profits in the ratio of 2:2:1. C retired. The new profit sharing ratio between A and B will be 4:2 3:1 2:1 1:1
Question No.21  is defined as the ability to learn, understand and deal with novel

situations.  Skill
<ul><li>Aptitude</li><li>Attitude</li></ul>
Intelligence
Question No.22
When margin of safety is 20% and P/V ratio is 60% the profit will be
<u>1</u> 2%
<b>33.13%</b>
<b>35</b> %
O 30%
Question No.23
Who is the langest shareholder country in IMES
Who is the longest shareholder country in IMF?  USA
India
China
Japan
- July Supuli
Question No.24
Cost accounting mainly helps the management in
Fixing prices of the products
Earning extra profits
Providing information to the management for decision-making
<ul> <li>Identifying the inefficiencies</li> </ul>
Question No.25
Question No.23
Claim for personal injury in any certain consumer cases are billed on the
basis of
Price bundling
Complementary pricing
Price framing
Contingency pricing
Question No.26
The Main objective of an enterprise is
Maximization of profit

Minimization of cost
Maximization of production
Maximization of owner's wealth
Question No.27
Under Indian contract Act, a banker can open an account in the name of
person who is a
Married women
<ul> <li>Lunatic</li> </ul>
Drunkard
○ Minor
Question No.28
The manner in which a person understands someone or something is called
<ul> <li>Stimulus</li> </ul>
<ul><li>Attitude</li></ul>
<ul><li>Perception</li></ul>
Super ego
Question No.29
VSAT technology is first followed for online trading by
○ NSE
○ ISE
OTCEI
○ BSE
Question No.30
An organization that employees can join in order to have their interests
and goals better represented  ☐ Trade Union
Joint Management Council
<ul><li>Employment Agency</li><li>Work Council</li></ul>
- VVOIR Council
Question No.31
Non-probability sampling method is
Raw Sampling
○ Cluster Sampling

<ul><li>Audit Sampling</li><li>Quota Sampling</li></ul>
Question No.32
The method by which advertisers market their products without sending people away from the site they are visiting are  Banners Skycrapers Video and audio Pop-ups
Question No.33
Merger of two companies under the Board for Industrial and Financial Reconstruction (BIFR) supervision is known as  offer for sale
<ul> <li>Negotiated merger</li> </ul>
Arranged merger  -
Reverse merger
Question No.34
In case of materials, the key factor will be Inefficient planning by purchase department Low market demand Restrictions imposed by Quota Insufficient advertising
Question No.35
Corporations are controlled and directed by which one of the following?  Corporate code Corporate ethics Corporate Mechanism Corporate Governance
Question No.36
In India which of the following is prepared on the guidelines of AS -3?  Fund Flow Statements  Balance sheet of a company  Cash Flow Statement  Consolidated Financial Statement

Question No.37	
The level of significance is the probability of committing the Standard error Probable error Type II error Type I error	
Question No.38	
Money market facilitates  New issue of securities Short term financing capital formation transfer of resources	
Question No.39	
A contractual relationship in which international firm permits a host country firm to run a business on the model developed by the international firm is  Contract firming  licensing franchising strategic alliance	
Question No.40	
The prime cost may be considered as  Fixed Cost  Sunk Cost  Variable Cost  Direct Cost	
Question No.41	
The consumer fix a price on their own, which businesses accepts ir  B2G model B2C model C2C model B2B model	1

Question No.42
The prudential norm in opening a bank account is that of
Know your customer
Priority advances
Performing asset
Anywhere banking
Question No.43
While evaluating capital investment proposals, the time value of money is considered in case of
Accounting rate of return method
Profitability index
○ Pay-back period
Discounted cash flow method
Question No.44
When goods are repossessed by the hire vendor, the balance in asset
account is transferred to
Profit and loss account
Hire Vendor account.
Hire Purchaser Account
Goods Repossessed Account
Question No.45
Which one of the following is not the correct property of normal distribution?
<ul> <li>Standard deviation is the sole parameter of the distribution</li> </ul>
<ul> <li>Uni-model distribution</li> </ul>
<ul> <li>Continuous distribution</li> </ul>
<ul> <li>Equality of central values (Mean, Mode and Median)</li> </ul>
Question No.46
To examine whether the company is pursuing its best opportunities with respect to markets, products and channels is a purpose of which one of the following types of marketing control?
Annual- plan control
Strategic control
Profitability control

Question No.47
Hawthorne experiment were conducted by
○ Kurt Levin
○ Moreno
○ Kolberg
George Elton Mayo
Question No.48
The Working capital required for a particular season is
Net Working Capital
Circulating Working Capital
Permanent Working Capital
Variable Working Capital
Question No.49
The new concept of "Old age Homes" is expanding due to
Complexity of life
<ul> <li>Corporate Crowd</li> </ul>
Consumer affluence
Increase in life expectancy
Question No.50
The risk that a company or bank is unable to meet its short term financial demands is
☐ Interest rate risk
<ul> <li>Liquidity risk</li> </ul>
○ Credit risk
○ Capital risk
Question No.51
When Accounting Standard Board of India is Constituted?
1918
<b>2007</b>
<b>1977</b>
O 1969
Question No.52

The amount of interest is credited by hire purchaser to  Installment account
Hire vendor account
Interest account
Assets account
Question No.53
A document issued to the exporter by the common carrier transporting the merchandise is
<ul><li>Bill of exchange</li></ul>
<ul><li>Bill of lading</li></ul>
Draft
<ul><li>Letter of credit</li></ul>
Question No.54
Which one of the following initiatives is not the strategy for managing shortage of employees in an organisation?
<ul><li>Employee training</li></ul>
<ul> <li>Hire temporary employees</li> </ul>
<ul> <li>Attempt to reduce turnover</li> </ul>
<ul> <li>Offer incentives to postpone retirement</li> </ul>
Question No.55
Good will is
○ a hidden asset
○ a fictitious asset
<ul><li>a tangible asset</li></ul>
Question No.56
Which among the following is not included in Seven P's of Marketing mix given by Booms and Bitner?
<ul><li>Process</li></ul>
<ul><li>Politics</li></ul>
<ul><li>Physical evidence</li></ul>
People
Question No.57

Which one of the following does not belong to regulatory bodies in India?

○ IRDA
○ FMC
SEBI
○ PFRDA
Question No.58
A transaction in which parties agree to sell and repurchase the same security is known as  Repos Reverse repos
<ul><li>Auctioning</li></ul>
Switching
Question No.59
A free rein leader is also known asleader
 Autocratic
<ul><li>Democratic</li></ul>
Laissez faire
<ul><li>Participative</li></ul>
Question No.60
Hypothesis testing is a part of
Statistics
Marketing
Business
<ul><li>Economics</li></ul>
Question No.61
In dissolution, Garner Reserve is transferred to
Capital accounts of partners
Realization Account
Bank Account
None of these
140He of those
Question No.62
Which of the following terms includes the task, duties and responsibilities
of a particular job?

<ul><li>Job Enrichment</li><li>Job Analysis</li></ul>
Question No.63
Section 41 of the Indian Partnership Act, 1932, deals with  Dissolution by Notice Dissolution by Court Compulsory Dissolution None of these
Question No.64
A firm enjoys maximum control over the price of its product under Imperfect Comprtition Oligopoly Perfect competition Monopoly
Question No.65  Suppose the average weight of nine persons is 50 kg. Average weight of the first five persons is 45 kg., whereasan average weight of the last five persons is 55 kg. Then the weight of the 5 <sup>th</sup> member will be 45.0 kg  52.5 kg  50.0 kg  47.5 kg
Question No.66
<ul> <li>which one of the following is agricultural income under Income Tax Act?</li> <li>Income from diary farm, poultry farm, etc.</li> <li>Income from the sale of replanted trees where denuded parts of forests are replanted and subsequent operations in forestry are carried out.</li> <li>Dividend from company engaged in agriculture</li> <li>Income from the land used for storing agricultural produce</li> </ul>
Question No.67
Negative Correlation is

<ul><li>0</li><li>1</li></ul>
Question No.68
Accounting Standard 19 deals with  Leases
<ul><li>Revenue Recognition</li><li>Earnings per share</li><li>Valuation of Inventories</li></ul>
Question No.69
Which of the following is not a method of granting advances for working capital requirement  Cash credit Bill discounting Overdraft Letter of credit
Question No.70
VRML is used to create System configuration 3D interactive vector graphics Electronic documents Security features
Question No.71
FERA has been replaced by  SBU SEBI FEMA CROA
Question No.72
When fixed cost is Rs. 10,000 and P/V ratio is 50%, the break-even point will be  Rs. 45,000 Rs. 50,000 Rs. 20,000 Rs. 40,000

Question No.73
The overall capitalisation rate and the cost of debt remain constant for all degrees of financial leverage is advocated by  Net Income Approach
Traditional Approach
M-M-Approach
<ul> <li>Net Operating Income Approach</li> </ul>
Question No.74
Project evaluation is a step of
Capital Budgeting
Sales Budget
Cash Budget
© EOQ
Question No.75
ITR 2 is filled by individual or HUF not having income under the head income from
<ul><li>Capital Gain</li></ul>
<ul><li>Other source</li></ul>
<ul><li>House property</li></ul>
<ul><li>Business of Profession</li></ul>
Question No.76
Question No.76
Profit or loss on revaluation at the time of retirement must be transferred to the partners in
<ul><li>Capital ratio</li></ul>
<ul><li>old profit sharing ratio</li></ul>
<ul><li>Gaining ratio</li></ul>
None of these
Question No.77
Foreign Investment can be made through which of the following routes

- i) Foreign Direct Investment (FDI)ii) Foreign Portfolio Investment (FPI)

- iii) Private Equity Investment (PEI) iv) Foreign Venture Capital Investors (FVCI)

Choose the correct answer from the code given below

(i), (ii) & (iv)	
○ (i) & (iv)	
(i), (ii), (iii) &(iv)	
○ (i), (iii) & (iv)	
Question No.78	
What does the high payout ratio indicate?	
<ul> <li>The management is not ploughing back enough profit</li> </ul>	
<ul> <li>The management is ploughing back profit</li> </ul>	
<ul> <li>The company Is earning high profit</li> </ul>	
<ul><li>A high Earning Per Share (EPS)</li></ul>	
Question No.79	
Student's t distribution was discovered by	
Student's t-distribution was discovered by    William S. Gosset	
Pierce Siman Laplace	
Ronald A. Fisher	
Karl Pearson	
Question No.80	
Marketing of services aims at	
Profit Making	
<ul> <li>User's satisfaction</li> </ul>	
Resources utilization	
<ul> <li>Profit making through user's satisfaction</li> </ul>	
Question No.81	
The concept of "Collective Bargaining" was first originated by	
○ Maslow	
○ Watson	
<ul> <li>Sidney and Beatrice Webb</li> </ul>	
Jack Philips	
Question No.82	
Cross elasticity of demand between tea and sugar is	
○ Zero	
○ Infinity	
<ul><li>Positive</li></ul>	

Negative
Question No.83
The URLs of a commercial site would have the domain onet edu org com
Question No.84
Working capital of the firm is not affected by Redemption of debentures Sale of plant and machinery in cash Issue of equity shares Realisation of cash from debtors
Question No.85
The nature of GST in India is
Question No.86  Which is calculated by dividing shareholders funds by the total assets?  Debt Ratio Liquid Ratio Gross Profit Proprietary Ratio
Question No.87
A company sells its products at Rs.15 per unit. In a period if it produces and sells 8000 units, it incurs a loss of Rs.5 per unit. If the volume is raised to 20,000 units and it earns a profit of Rs.4. Variable cost per unit will be  Rs.5 per unit  Rs.9 per unit  Rs.6 per unit  Rs. 4,5 per unit

Question No.88
Which is a non-personal Salesmanship?  Advertising Product
Productivity
O Dealer
Question No.89
refers to tendency of people to see their own traits in other people Halo effect Projection
Perceptual defense
Expectancy
Question No.90
A and B are sharing profits in the ratio of 2:5, "C" is admitted for ¼ the share, then the new ratio is
12:6:7
2:5:4
6:15:7
Question No.91
Loan to marginal and small farmers are provided by  IDBI
○ RBI
○ RRBs
○ SIDBI
Question No.92
A computer network that links devices within a building or group of adjacent buildings   Wide Area Network
<ul> <li>Local Area Network</li> </ul>
Internet

**Question No.93** 

Standard Costs are  Average costs  Normal costs  Reasonably attainable costs
Ideal costs
Question No.94  In Amalgamation of firms, if assets are not taken over by new firm, they are transferred to  New Firms Account Realization Account Partners Capital Account Revaluation Account
For performance assessment of employees, "Helping to meet legal requirements" is the application of which one of the following?  Organisational maintenance purpose Administrative purpose Documentation purpose Developmental purpose
Question No.96  The rate of interest per month on default in furnishing income tax return by individual is  2%  4%  3%  1%
Question No.97  In order to carry forward loss and set off against future profits , the assesse is required to file  Return of Income Belated Return Return of Loss Compulsory Return

**Question No.98** 

According to Garner Vs. Murray's case rule, the deficiency of insolvent partner shall be distributed by solvent partners in  Profit sharing ratio Capital ratio Sacrificing ratio None of these
Question No.99
Questionnaire, checklist, interview, observation are the techniques of
oi
<ul><li>Job description</li></ul>
<ul><li>Job design</li></ul>
<ul> <li>Job specification</li> </ul>
Question No.100
Balance of Payment includes components
Forex Account, Trade Account, Funds Account
<ul> <li>Revenue Account, P&amp;L Account, Capital Account, Official Account</li> </ul>
<ul> <li>Trade Account, Acivity Account, Revenue Account, Currency Account</li> </ul>
<ul> <li>Current Account, Capital Account, Unilateral Payments and Official Settlement Account</li> </ul>