

Roll No.-----

Paper Code

280/281

(To be filled in the
OMR Sheet)

प्रश्नपुस्तिका क्रमांक
Question Booklet No.

565236

O.M.R. Serial No.

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प्रश्नपुस्तिका सीरीज
Question Booklet Series

D

BBA-Part-I (Second Semester) Examination, July-2022
F010201T (A+B)

Organisational Behavior + Business Finance

Time : 3:00 Hours

Maximum Marks-200

जब तक कहा न जाय, इस प्रश्नपुस्तिका को न खोलें

- निर्देश : -**
1. परीक्षार्थी अपने अनुक्रमांक, विषय एवं प्रश्नपुस्तिका की सीरीज का विवरण यथास्थान सही- सही भरें, अन्यथा मूल्यांकन में किसी भी प्रकार की विसंगति की दशा में उसकी जिम्मेदारी स्वयं परीक्षार्थी की होगी।
 2. इस प्रश्नपुस्तिका में 200 प्रश्न हैं, जो दो खण्डों में विभाजित हैं। प्रथम खण्ड में 100 एवं द्वितीय खण्ड में 100 प्रश्न हैं। इस प्रकार परीक्षार्थियों को प्रत्येक खण्ड से 75-75 प्रश्नों के उत्तर देने हैं। इस प्रकार परीक्षार्थी को कुल 150 प्रश्नों के उत्तर देने हैं। प्रत्येक प्रश्न के चार वैकल्पिक उत्तर प्रश्न के नीचे दिये गये हैं। इन चारों में से केवल एक ही उत्तर सही है। जिस उत्तर को आप सही या सबसे उचित समझते हैं, अपने उत्तर पत्रक (O.M.R. ANSWER SHEET) में उसके अक्षर वाले वृत्त को काले या नीले बाल प्वाइंट पेन से पूरा भर दें। यदि किसी परीक्षार्थी द्वारा किसी प्रश्न का एक से अधिक उत्तर दिया जाता है, तो उसे गलत उत्तर माना जायेगा।
 3. प्रत्येक प्रश्न के अंक समान हैं। आप के जितने उत्तर सही होंगे, उन्हीं के अनुसार अंक प्रदान किये जायेंगे।
 4. सभी उत्तर केवल ओ०एम०आर० उत्तर पत्रक (O.M.R. ANSWER SHEET) पर ही दिये जाने हैं। उत्तर पत्रक में निर्धारित स्थान के अलावा अन्यत्र कहीं पर दिया गया उत्तर मान्य नहीं होगा।
 5. ओ०एम०आर० उत्तर पत्रक (O.M.R. ANSWER SHEET) पर कुछ भी लिखने से पूर्व उसमें दिये गये सभी अनुदेशों को सावधानीपूर्वक पढ़ लिया जाय।
 6. परीक्षा समाप्ति के उपरान्त परीक्षार्थी कक्ष निरीक्षक को अपनी ओ०एम०आर० शीट उपलब्ध कराने के बाद ही परीक्षा कक्ष से प्रस्थान करें।
 7. निगेटिव मार्किंग नहीं है।

महत्वपूर्ण : -

प्रश्नपुस्तिका खोलने पर प्रथमतः जाँच कर देख लें कि प्रश्नपुस्तिका के सभी पृष्ठ भलीभाँति छपे हुए हैं। यदि प्रश्नपुस्तिका में कोई कमी हो, तो कक्ष निरीक्षक को दिखाकर उसी सीरीज की दूसरी प्रश्नपुस्तिका प्राप्त कर लें।

K-280

SEAL
SEAL

(First Section) प्रथम खण्ड

To be filled in the OMR Sheet

(Paper Code-280)

F010201T-A (Organisational Behavior)

1. When we draw a general impression about an individual on the basis of a single characteristic, it is known as ?
 - (A) Selective perception
 - (B) Halo Effect
 - (C) Contrast Effects
 - (D) Stereotyping
2. What sort of goals does Management By Objectives (MBO) emphasize ?
 - (A) Tangible, verifiable and measurable
 - (B) Achievable, controllable and profitable
 - (C) Challenging, emotional and constructive
 - (D) Hierarchical, attainable and effective
3. Basis of Autocratic Model of OB is :
 - (A) Leadership
 - (B) Economic resources
 - (C) Power
 - (D) Partnership
4. The Hawthorne experiment was conducted by :
 - (A) William Gilbreth
 - (B) F.W. Taylor
 - (C) Henry Fayol
 - (D) Elton Mayo
5. According to operant conditioning, when behavior is not reinforced, what happens to the probability of that behavior occurring again :
 - (A) It increases
 - (B) It declines
 - (C) It remains unchanged
 - (D) It becomes zero

6. Conflict resolution method uses which of these tricks :
- (A) Avoid appearance of conflict
 - (B) Use of pressure, power and authority
 - (C) Provide favorable information to both parties
 - (D) Redistribution of duties and responsibilities
7. Which is not the need as proposed by Abraham Maslow ?
- (A) Esteem
 - (B) Self-actualization
 - (C) Money
 - (D) Social
8. A motive can be explained as :
- (A) A value for a product to a person
 - (B) An inner state that directs the behaviors towards achieving goals
 - (C) An inner state that makes the person to get inattentive
 - (D) Inert state of mind
9. Sociable, talkative, assertive etc. are features of :
- (A) Introversion
 - (B) Agreeableness
 - (C) Extroversion
 - (D) Conscientiousness
10. Which of the following is/are need of motivation by Maslow ?
- (A) Achievement need
 - (B) Need for power
 - (C) Physiological needs
 - (D) Need for affiliation
11. According to _____ employees love work as play or rest.
- (A) X theory
 - (B) Y theory
 - (C) Z theory
 - (D) None of these

12. In high collectivist cultures, leaders need to emphasize :
- (A) Long-term implications of the change on the wider community
 - (B) Short-term implications of the change on the wider community
 - (C) Material implications of the change on the wider community
 - (D) Personal implications of the change on the wider community
13. Believes, attitudes, traditions and expectations which are shared by group members is called :
- (A) Group norms
 - (B) Group communication
 - (C) Group cohesiveness
 - (D) Group structure
14. Two people see the same thing at the same time yet interpret it differently. Where do the factors that operate to shape their dissimilar perceptions reside :
- (A) The perceivers
 - (B) The target
 - (C) The timing
 - (D) The context
15. What role did the meat play in Pavlov's experiment with dogs ?
- (A) An unconditioned response
 - (B) A conditioned stimulus
 - (C) A conditioned response
 - (D) An unconditioned stimulus
16. Herzberg's, hygiene factor include :
- (A) Possibility of growth
 - (B) Status
 - (C) Advancement and recognition
 - (D) All of the above

17. If a person responds the same way over time, attribution theory states that the behavior shows:
- (A) Distinctiveness
 - (B) Consensus
 - (C) Consistency
 - (D) Continuity
18. According to Mintzberg, one of management's interpersonal role is :
- (A) Spokesperson
 - (B) Leader
 - (C) Negotiator
 - (D) Monitor
19. In Maslow's hierarchy needs which of the following pair of needs is ranked as "lower order needs"?
- (A) Physiological and safety needs
 - (B) Physiological and social needs
 - (C) Self actualization and safety needs
 - (D) Social and esteem needs
20. The cognitive process through which an individual selects, organizes but misinterprets environmental stimuli is known as :
- (A) Perception
 - (B) Projection
 - (C) Selective Perception
 - (D) Mis-perception

21. In Vroom's expectancy theory, valance means :
- (A) An individual's preference for a particular outcome
 - (B) Incentives based on performance
 - (C) Performance standards
 - (D) Knowledge of planning
22. Who developed Johari window ?
- (A) Cohen and Willits
 - (B) Joe Luft and Harry Ingham
 - (C) Clayton Alderfer
 - (D) Robinson
23. Which one is not the characteristics of the stimulus inputs ?
- (A) Size
 - (B) Repetition
 - (C) Intensity
 - (D) Cost
24. The basis of custodial model is :
- (A) Partnership
 - (B) Power
 - (C) Economic
 - (D) Leadership
25. The three stages of the change process are :
- (A) Unfreezing, Adjustment and Refreezing
 - (B) Adjustment, Unfreezing and Refreezing
 - (C) Adjustment, Unfreezing and Re-Adjustment
 - (D) Adjustment, Re-Adjustment and Unfreezing

26. Two factor theory of motivation was proposed by :
(A) A.H. Maslow
(B) Frederick Herzberg
(C) Douglas McGregor
(D) McClelland
27. Which of the following is not a trait dimension in Big 5 personality trait ?
(A) Extroversion
(B) Agreeableness
(C) Ego
(D) Emotional Stability
28. What do we call it when we judge someone on the basis of our perception ?
(A) Categorizing
(B) Halo effect
(C) Prototyping
(D) Stereotyping
29. When grocery stores installed scanners to read the product price, this was an example of managing what change category ?
(A) Technology
(B) People
(C) Competitors
(D) Structure
30. A technique to bring changes in the entire organization, rather than focusing attention on individuals to bring changes easily :
(A) Organizational development
(B) Organizational change
(C) Organizational culture
(D) Organizational conflicts

31. Which of the following is NOT an important issue relating to goal-setting theory ?
- (A) Goal specificity
 - (B) Feedback
 - (C) Equity among workers
 - (D) Defining the goal
32. Which of the following is/ are not direct method to solve intergroup conflicts ?
- (A) Persuasion
 - (B) Domination by the management
 - (C) Removing key figures in conflict
 - (D) Problem solving
33. Behaviour, power, and conflict are central areas of study for _____.
- (A) Sociologist
 - (B) Anthropologists
 - (C) Social psychologists
 - (D) Operations analysts
34. Forces affecting organizational behavior are :
- (A) People
 - (B) Environment
 - (C) Technology
 - (D) All of the above
35. _____ is largely childish, irrational, never satisfied, demanding and destructive of others.
- (A) Ego
 - (B) Super ego
 - (C) Negative ego
 - (D) Id

36. Thematic Apperception Test (TAT) is designed to understand :
(A) Perception of individual
(B) Learning of individual
(C) Personality of individual
(D) None of these
37. Cognitive theory of learning was given by :
(A) Pavlov
(B) Piajet
(C) Tolman
(D) Skinner
38. OB is the study of study in the organization :
(A) Human
(B) Human behavior
(C) Employer
(D) Employees
39. Which organization theory can be understood by IF and THEN relationship ?
(A) System approach
(B) Scientific approach
(C) Process approach
(D) Contingency approach
40. In organizations, people who act as catalysts and assume the responsibility for managing the change process are called _____.
(A) Change masters
(B) Operations managers
(C) Change agents
(D) Charismatic leaders

41. Transformational change is often carried out :
(A) By middle managers
(B) Top down
(C) Bottom up
(D) After extensive consultation
42. _____ is a Study of man, his work and Culture :
(A) Anthropology
(B) Psychology
(C) Social psychology
(D) Sociology
43. In expectancy theory, expectancy means :
(A) Advancement
(B) Probability of achieving outcome
(C) Award
(D) Recognition
44. Which one is not the theory of learning ?
(A) Operant Conditioning theory
(B) Stimulus response theory
(C) Conceptual theory of perception
(D) Theory of conditioning
45. Neo-classical behavioral science approach was proposed by :
(A) Luthans
(B) Mary Parker Follet
(C) Marshall
(D) Elton Mayo

46. Which of the following is not correct for the organizational behavior ?
- (A) Organizational behavior is an integral part of management
 - (B) Organizational behavior helps in analysis of behavior
 - (C) Organizational behavior is goal-oriented
 - (D) Organizational behavior is disciplinary approach
47. Organizational behavior focuses at 3 levels :
- (A) Individuals, Organization, Society
 - (B) Society, Organization, Nation
 - (C) Employee, Employer, Management
 - (D) Individual, Groups, Organization
48. Meso organization behavior is related with :
- (A) Group behavior
 - (B) Individual behavior
 - (C) Organizational behavior
 - (D) None of these
49. Organization charts are used :
- (A) As manual and statues that define relationship between various offices
 - (B) To formalize things apart from social legitimacy
 - (C) For providing a picture of the organization at a glance
 - (D) For providing plan of action and the responsibilities of all employees
50. Theory X is a theory of :
- (A) Learning
 - (B) Motivation
 - (C) Controlling
 - (D) Financial Planning

51. Herzberg's Dual factor theory is known as the :
(A) Motivation Hygiene theory
(B) ERG theory
(C) Equity theory
(D) Need theory
52. Who proposed "bureaucratic structure" is suitable for all organization ?
(A) Elton Mayo
(B) Henry Fayol
(C) F.W. Taylor
(D) Max Weber
53. Which one is not the element of Johari window ?
(A) Private area
(B) Dark area
(C) Personal area
(D) Blind area
54. _____ is a relatively permanent change in behavior that occurs as a result of experience.
(A) Behavior modification
(B) Learning
(C) Motivation
(D) Skills
55. Which is not the reason for formation of a group ?
(A) Affiliation
(B) Self-esteem
(C) Money
(D) Power

56. Manager's options for change essentially fall into what three categories :
- Environment, technology and mission
 - Structure, technology and people
 - Mission, structure and people
 - Mission, environment and process
57. Which one is not a Need Based Theory of motivation ?
- Vroom's theory
 - F. Herzberg's theory
 - McClelland's theory
 - Maslow's theory
58. Basis of Collegial Model of OB is :
- Economic resources
 - Power
 - Leadership
 - Partnership
59. A change agent is the individual who ?
- Supports change
 - Opposes change
 - Helps implement change
 - Initiates change
60. Which of the following is a method of measuring attitude ?
- Opinion survey
 - Interview
 - Scaling techniques
 - All the above

61. What does consensus refers to in attribution theory ?
- (A) Different people respond the same way in the same situation
 - (B) There is general agreement about a perception
 - (C) There is general agreement about how people desire to respond to the same situation
 - (D) Different people perceive a situation similarly
62. Which of the following is a reason that the study of organizational behavior is useful?
- (A) Human behavior does not vary a great deal between individuals and situations
 - (B) Human behavior is not random
 - (C) Human behavior is not consistent
 - (D) Human behavior is rarely predictable
63. Which of the following is not the feature of a group ?
- (A) Collective Identity
 - (B) Shared Goal Interest
 - (C) Conflict
 - (D) Interaction
64. _____ is an attempt through a formal program to integrate employee's needs and wellbeing with the intention of improved productivity, better involvement and satisfaction :
- (A) Job Redesign
 - (B) Quality Circle
 - (C) Alternative Work schedule
 - (D) Quality of Work life

65. Tensed, insecurity and nervousness are features of :
- (A) Emotional instability
 - (B) Agreeableness
 - (C) Extroversion
 - (D) Conscientiousness
66. Goal setting theory is pioneered by :
- (A) Stacy Adams
 - (B) Edwin Locks
 - (C) F.W. Taylor
 - (D) Charms
67. The group formed by an organization to accomplish narrow range of purposes within a specified time :
- (A) Formal group
 - (B) Task group
 - (C) Functional group
 - (D) Interest group
68. Which of the following is/are not organizational factors causing stress ?
- (A) Task demand
 - (B) Role demand
 - (C) Role conflict
 - (D) Satisfaction

69. Transactional Analysis is a method of analyzing and understanding :
(A) Organizational behavior
(B) Interpersonal behavior
(C) Human behavior
(D) Group behavior
70. _____ is reality and practical oriented part of thinking.
(A) Ego
(B) Super Ego
(C) Negative Ego
(D) Id
71. Experiments performed by Ivan Pavlov led to what theory :
(A) Classical conditioning
(B) Operant conditioning
(C) Social learning
(D) Behavior shaping
72. Which one of the following is a feature of McGregor's Theory X ?
(A) Workers enjoy responsibility
(B) Workers like to be directed
(C) Workers like to show initiative
(D) Workers view physical and mental effort as a natural part of work
73. Organizational Culture is :
(A) The way in which organizations are managed
(B) A set of beliefs, values and attitudes shared by everyone in the organization
(C) Both (A) & (B)
(D) None

74. Determining how tasks are to be grouped is part of which management function ?
- (A) Planning
 - (B) Organizing
 - (C) Controlling
 - (D) Leading
75. The theory which differentiate leaders from non-leaders by focusing on personal qualities and characteristics is :
- (A) Situational theory
 - (B) Trait theory
 - (C) Behavioral theory
 - (D) None of the above
76. Which of the following framework is used in the development of the overall model of organizational behavior ?
- (A) The cognitive framework
 - (B) The behavioristic framework
 - (C) The social learning framework
 - (D) All of the above
77. McClelland's theory of needs focuses on all of the following except :
- (A) Power
 - (B) Achievement
 - (C) Affiliation
 - (D) Actualization
78. The degree of attachment of the members to their group is :
- (A) Intergroup behavior
 - (B) Group norms
 - (C) Group decision making
 - (D) Group cohesiveness

79. Which of the following is not the component of Johari window ?
- (A) The Open Self
 - (B) The Known Self
 - (C) The Blind Self
 - (D) The Hidden Self
80. Scientific Management approach is developed by :
- (A) Elton Mayo
 - (B) Henry Fayol
 - (C) F.W. Taylor
 - (D) A. Maslow
81. An extent to which an organization achieves its predetermined objectives within given resources and without undue strain to its members :
- (A) Organization behavior
 - (B) Organizational culture
 - (C) Organizational spirit
 - (D) Organizational effectiveness
82. _____ advocated that humans are essentially motivated by levels of needs :
- (A) Maslow
 - (B) Elton Mayo
 - (C) Follet
 - (D) Ivan Pavlov
83. Satish has a low absenteeism rate. He takes responsibility for his health and has good health habits. He is likely to have a (an) :
- (A) Internal locus of control
 - (B) External locus of control
 - (C) Core locus of control
 - (D) High emotional stability level

84. A company that decides to decentralize its sales procedures is managing what change category ?
- (A) Technology
 - (B) Structure
 - (C) Competitors
 - (D) People
85. What do we call the view that we can learn both through observation and direct experience ?
- (A) Situational learning theory
 - (B) Classical learning
 - (C) Social learning theory
 - (D) The Pavlov principle
86. Which of the following is not true of classical conditioning ?
- (A) Classical conditioning is passive
 - (B) Classical conditioning can explain simple reflexive behaviors
 - (C) Learning a conditioned response involves building an association between a conditioned stimulus and an unconditioned stimulus
 - (D) A neutral stimulus takes on the properties of a conditioned stimulus
87. Mr. Balu is late for work each day by about ten minutes. How would attribution theory describe this behavior ?
- (A) It shows consensus
 - (B) It shows similarity
 - (C) It shows reliability
 - (D) It shows consistency

88. According to Fred Luthans and his associates, which of the following is considered a part of traditional management :
- (A) Disciplining
 - (B) Decision making
 - (C) Exchanging routine information
 - (D) Acquiring resources
89. What are main components of Attitudes ?
- 1. Cognitive
 - 2. Affective
 - 3. Behavioral
 - 4. Natural
- (A) Only 1 & 4
 - (B) Only 1, 2 & 3
 - (C) Only 2, 3 & 4
 - (D) Only 4, 3 & 1
90. The field of organizational behavior is primarily concerned with :
- 1. The behavior of individual and groups
 - 2. How resources are effectively managed
 - 3. Control processes and interactions between organizations, external context
- (A) Only 1 & 3
 - (B) Only 2 & 3
 - (C) Only 1 & 2
 - (D) All 1, 2, & 3
91. Raju believes that men perform better in oral presentations than women. What shortcut has been used in this case ?
- (A) The halo effect
 - (B) The contrast effect
 - (C) Stereotyping
 - (D) Projection

92. According to Robert Katz, when managers have the mental ability to analyze and diagnose complex situations, they possess :

- (A) Technical skills
- (B) Conceptual skills
- (C) Problem-solving skills
- (D) Leadership skills

93. Which of the following statement (s) is/are true ?

- (A) Perception is a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment
- (B) Attitude is sum total of ways in which an individual reacts and interacts with others
- (C) Both (A) & (B) are true
- (D) None of (A) & (B) are true

94. Shobha is an honest and straightforward person. She believes her employees are all similarly honest and straightforward, ignoring signs that they may be manipulating her :

What perceptual shortcut is Shobha most likely using ?

- (A) Contrast effect
- (B) Halo effect
- (C) Stereotyping
- (D) Projection

95. Which of the following leadership behaviours are identified by the path-goal theory?

- (A) Participative, achievement-oriented, directive and supportive
- (B) Supportive, employee-oriented, laissez-faire and participative
- (C) Achievement-oriented, supportive, humanistic and directive
- (D) Directive, participative, supportive and laissez-faire

96. Praveen is dissatisfied with his job but believes that his supervisor is a good man who will do the right thing. Praveen has decided that if he just waits, conditions will improve. Praveen's approach to this problem is termed as :
- (A) Exit
 - (B) Voice
 - (C) Loyalty
 - (D) Neglect
97. What is the process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment ?
- (A) Interpretation
 - (B) Environmental analysis
 - (C) Outlook
 - (D) Perception
98. A learned pre-disposition to respond in a consistently favorable or unfavorable manner with respect to a given object :
- (A) Perception
 - (B) Attitude
 - (C) Behavior
 - (D) Personality
99. Most of the learning that takes place in the class room is :
- (A) Classical conditioning
 - (B) Operant conditioning
 - (C) Cognitive learning
 - (D) Social learning
100. Which of the following is/are not a method of managing stress ?
- (A) Time management
 - (B) Supervisor training
 - (C) Role Analysis Techniques (RAT)
 - (D) Rorschach test

F010201T-B (Business Finance)

1. Closing cash balance of last month must be the _____ of subsequent month.
 - (A) Opening cash balance
 - (B) Total cash budget
 - (C) Cash requirement during the month
 - (D) Maximum balance of the cash
2. In long term undistributed profit is a _____.
 - (A) Source of funds
 - (B) Application of funds
 - (C) Use of profit
 - (D) All of these
3. At the time of increasing debt fund in the firm-
 - (A) Firms increases the risk
 - (B) Firm reduces the risk
 - (C) No increases not decrease
 - (D) None of these
4. A small firm wants to sell gift items at the time of Dipawali, firm needs for this-
 - (A) Permanent working capital
 - (B) Temporary working capital
 - (C) Both type of capital
 - (D) None of these
5. If firm has more and over liquidity
 - (A) Profit will increase
 - (B) profit will reduce
 - (C) Profit will constant
 - (D) None of these
6. Operating cycle is generally more in what type of business?
 - (A) Production business
 - (B) Sale purchase business
 - (C) Service providing business
 - (D) None of these

7. which one is true?
- (A) Net working capital = Gross working capital + Liabilities
 - (B) Net working capital = Gross working capital - Liabilities
 - (C) Gross working capital = Net working capital - Liabilities
 - (D) None of these
8. In firm follow more liberal credit policy, working capital of the firm will-
- (A) Increase
 - (B) Decrease
 - (C) Constant
 - (D) May Increase or decrease
9. What are the factors for determine working capital requirements?
- (A) Nature of business
 - (B) Size of business
 - (C) Credit policy
 - (D) All of above
10. EPS-
- (A) $(\text{EBIT} - \text{I} - \text{T} - \text{PD}) / \text{No of equity}$
 - (B) Earning for equity / No of equity
 - (C) $(\text{EBT} - \text{T} - \text{PD}) / \text{No of equity}$
 - (D) All of these
11. Company pays a fixed dividend on-
- (A) Equity share holders
 - (B) Preference share holders
 - (C) Debenture
 - (D) (B) and (C)

12. What is the cost of equity, $D1 = 5,000$, $P0 = 1,00,000$, $G = 0\%$?
- (A) 10%
 - (B) 5%
 - (C) 0%
 - (D) 15%
13. Preference shares holders have preference in the payment of-
- (A) Dividend
 - (B) Capital payment
 - (C) Both
 - (D) None of these
14. For investor, debenture holders are more secure than the-
- (A) Equity share holders
 - (B) Preference share holders
 - (C) Both
 - (D) None of these
15. WACC is the-
- (A) Weighted Average Cost of Preference Capital
 - (B) Weighted Average Cost of Equity Capital
 - (C) Weighted Average Cost of Capital
 - (D) None of these
16. What type of capital is the highest risk and highest expected return capital for investor?
- (A) Equity share capital
 - (B) Preference capital
 - (C) Debenture
 - (D) Loan

17. What is cost of transaction of take and repaid of capital from the investors?
- Flotation cost of capital
 - Capital cost
 - Venture capital
 - All of these
18. Equity share holders receive?
- Dividend
 - Interest
 - Both
 - None of these
19. What is the formula of cost of equity?
- $K_e = (D_1/P_0) + g$
 - $K_e = (D_1/P_0) + i$
 - $K_e = (D_0/P_1) + g$
 - $K_e = (P_1/D_0) + g$
20. Cost of capital includes-
- Cost of equity share capital
 - Cost of preference share capital
 - Cost of debenture
 - All of the above
21. Cost of equity-
- Minimum EPS expectation of equity share holders
 - Minimum sale expectation of equity share holders
 - Minimum contribution expectation of equity share holders
 - Minimum EBIT expectation of equity share holders

22. Debenture holders receive-
- (A) Interest
 - (B) Dividend
 - (C) Both
 - (D) None of these
23. Trading on equity-
- (A) Only equity
 - (B) Only debt
 - (C) Equity less and debenture more
 - (D) Debenture less and equity more
24. Under which term business has the ultimate goal of the concern is to improve the market value of its shares-
- (A) Profit maximization
 - (B) Wealth maximization
 - (C) Both (A) and (B)
 - (D) None of these
25. Capital structure do not include-
- (A) Equity share capital
 - (B) Debenture
 - (C) Retained earning
 - (D) Creditors
26. Sale = 1,50,000 EBIT = 50% of sale Interest = 25,000 Tax rate = 50% No of equity = 5000 What is the EPS?
- (A) 2
 - (B) 3
 - (C) 4
 - (D) 5

27. Venture Capital Provider gains the benefit of Market Value and Book Value-
- (A) Always
 - (B) Some time
 - (C) Both (A) and (B)
 - (D) None of these
28. Which type of preference shares have right to claim dividends for those years which have on profits?
- (A) Cumulative preference
 - (B) Non-Cumulative preference
 - (C) Redeemable preference shares
 - (D) Non-Redeemable preference shares
29. What type of capital is the highest risk capital?
- (A) Venture capital
 - (B) Equity Shares from Secondary Market
 - (C) Unsecured debenture
 - (D) Unsecured loan
30. Capital structure includes-
- (A) Equity shares
 - (B) Preference shares
 - (C) Debentures
 - (D) All of these
31. Which of the followings are the sources of finance?
- (A) Equity share capital
 - (B) Preference share capital
 - (C) Both
 - (D) None of these

32. OL = 2 and CL = 4, What will be the FL?

- (A) 4
- (B) 3
- (C) 2
- (D) 1

33. $\frac{\% \text{ Change in EBT}}{\% \text{ Change in contribution}} = ?$

- (A) OL
- (B) FL
- (C) CL
- (D) None of these

34. If EBIT is the 50% of sale-

- (A) EBIT = fixed cost
- (B) EBIT = variable cost
- (C) EBIT = fixed cost + variable cost
- (D) Fixed cost = variable cost

35. Sale = 10,00,000, Contribution = 30% of sale, EBIT = 1,00,000, What will be the variable cost?

- (A) 3,00,000
- (B) 7,00,000
- (C) 1,00,000
- (D) 5,00,000

36. Debenture Holders are more secure than the-

- (A) Equity share holders
- (B) Preference share holders
- (C) Both
- (D) None of these

37. Which term refers to the kind and proportion of different securities for raising funds?
- (A) Capitalization
 - (B) Capital structure
 - (C) Source of finance
 - (D) None of these
38. Under which term business has the ultimate goal of the concern is to improve the market value of its shares?
- (A) Profit maximization
 - (B) Wealth maximization
 - (C) Both (A) and (B)
 - (D) None of these
39. Which term refers to the process of determining the quantum of funds that a firm needs to run its business?
- (A) Capitalization
 - (B) Capital structure
 - (C) Both
 - (D) None of these
40. Under which type of plan, employees receive the right to purchase a certain number of shares in the company at a predetermined price-
- (A) Employee stock option plan
 - (B) Right shares
 - (C) IPO
 - (D) None of these

41. Which type of preference shareholders have right to convert their holding into equity shares after a specific period?
- (A) Convertible preference shareholders
 - (B) Non-Convertible preference shareholders
 - (C) Cumulative preference
 - (D) Non-Cumulative preference
42. If the preference shares have a fixed maturity period it becomes-
- (A) Cumulative preference
 - (B) Non-Cumulative preference
 - (C) Redeemable preference shares
 - (D) Non-Redeemable preference shares
43. Which type of preference shares have right to claim dividends for those years which have on profits?
- (A) Cumulative preference
 - (B) Non-Cumulative preference
 - (C) Redeemable preference shares
 - (D) Non-Redeemable preference shares
44. Preference Shares holders have preference in the payment of-
- (A) Dividend
 - (B) Capital payment
 - (C) Both
 - (D) None of these
45. Tax on profit benefits will be received to a company when the company issued-
- (A) Equity shares
 - (B) Preference shares
 - (C) Debentures
 - (D) All of these

46. Which of the followings are the sources of finance?
- (A) Equity share holders
 - (B) Preference share holders
 - (C) Creditors
 - (D) All of these
47. Which types of shareholders have voting rights?
- (A) Equity share holders
 - (B) Preference share holders
 - (C) Both
 - (D) None of these
48. Which type of shareholders are the real and direct owners of the company?
- (A) All equity share holders
 - (B) Preference share holders
 - (C) Sweat equity share holders
 - (D) None of these
49. Outstanding salary is a-
- (A) Source of finance
 - (B) Use of finance
 - (C) Both
 - (D) None of these
50. For short term high profit, which following profit strategy will be beneficial?
- (A) Wealth maximization
 - (B) Profit maximization
 - (C) Both
 - (D) None of these

51. _____ is the discount rate that makes the net present value (NPV) of a project zero.
- (A) ARR
 - (B) NPV
 - (C) The Internal Rate of Return (IRR)
 - (D) None of these
52. Debt service ratio indicates that the-
- (A) Earning available for the payment of interest and debt installment
 - (B) Earning available for the payment of dividend
 - (C) Earning available for the payment of purchase
 - (D) None of these
53. 107. Proprietary ratio is calculated by-
- (A) Total assets/Total outside liability
 - (B) Total outside liability/Total tangible assets
 - (C) Fixed assets/Long term source of fund
 - (D) Proprietors' Funds/total assets
54. _____ is a dividend paid to shareholders in addition to the regular dividend.
- (A) A stock split
 - (B) A stock dividend
 - (C) A regular dividend
 - (D) None of these

55. A _____ is the expected cash dividend that is normally paid to shareholders.
- (A) Stock split
 - (B) Stock dividend
 - (C) Extra dividend
 - (D) Regular dividend
56. A _____ is a payment of additional shares to shareholders in lieu of cash.
- (A) Stock split
 - (B) Stock dividend
 - (C) Extra dividend
 - (D) Regular dividend
57. A _____ occurs when there is an increase in the number of shares outstanding by reducing the par value of stock.
- (A) Stock split
 - (B) Stock dividend
 - (C) Extra dividend
 - (D) Regular dividend
58. The dividend-payout ratio is equal to-
- (A) The dividend yield plus the capital gains yield
 - (B) Dividends per share divided by par value per share
 - (C) Dividends per share divided by current price per share
 - (D) None of these

59. If a firm has a DOL of 5 at Q units, this tells us that-

- (A) If sales rise by 5%, EBIT will rise by 5%
- (B) If sales rise by 1%, EBIT will rise by 1%
- (C) If sales rise by 5%, EBIT will fall by 25%
- (D) If sales rise by 1%, EBIT will rise by 5%

60. What are the sources of short term working capital?

- (A) Borrowings from Banks
- (B) Trade credit
- (C) Advance receives
- (D) All of the above

61. The term 'Financial Statement' covers-

- (A) Profit & loss statement
- (B) Balance sheet and profit & loss statement appropriation account
- (C) Profit & loss statement and balance sheet
- (D) All of above are false

62. Working capital requirements depends on the credit policy of-

- (A) The company
- (B) The suppliers
- (C) Both
- (D) None

63. Share premium, profit and loss account, balance of profit are the examples of-
- (A) Current assets
 - (B) Permanent liabilities
 - (C) Fixed assets
 - (D) Reserve and Surplus
64. The term non-current account refers to-
- (A) Capital
 - (B) Liabilities
 - (C) Long term liabilities
 - (D) Both (A) & (C)
65. In Walter model formula D stands for-
- (A) Dividend per share
 - (B) Direct dividend
 - (C) Dividend earning
 - (D) None of these
66. Reserves & Surplus are which form of financing?
- (A) Security financing
 - (B) Internal financing
 - (C) Loans financing
 - (D) International financing

67. The term "capital structure" refers to-

- (A) Long-term debt, preferred stock, and common stock equity
- (B) Current assets and current liabilities
- (C) Total assets minus liabilities
- (D) Shareholder's equity

68. Permanent working capital-

- (A) Varies with seasonal needs
- (B) Includes fixed assets
- (C) Is the amount of current assets required to meet a firm's long-term minimum needs
- (D) Includes accounts payable

69. If the following are balance sheet changes: Rs. 5,005 decrease in accounts receivable, Rs. 7,000 decrease in cash Rs. 12,012 decrease in notes payable Rs. 10,001 increase in accounts payable a "use" of funds would be the-

- (A) Rs. 7,000 decrease in cash
- (B) Rs. 5,005 decrease in accounts receivable
- (C) Rs. 10,001 increase in accounts payable
- (D) Rs. 12,012 decrease in notes payable

70. A firm's operating cycle is equal to its inventory turnover in days (ITD)-
- (A) Plus its receivable turnover in days (RTD)
 - (B) Minus its RTD
 - (C) Divide its RTD
 - (D) None of these
71. The rate of interest offered by the fixed deposit scheme of a bank for 365 days and above is 12%. What will be the status of Rs. 20000, after two years if it is invested at this point of time?
- (A) Rs. 28032
 - (B) Rs. 24048
 - (C) Rs. 22056
 - (D) Rs. 25088
72. _____ refers to the length of time allowed by a firm for its customers to make payment for their purchases.
- (A) Holding period
 - (B) Pay-back period
 - (C) Average collection period
 - (D) Credit period

73. _____ refers to a firm holding some cash to meet its routine expenses that are incurred in the ordinary course of business.
- (A) Speculative motive
 - (B) Transaction motive
 - (C) Precautionary motive
 - (D) Compensating motive
74. When _____ is greater than zero the project should be accepted?
- (A) Internal rate of return
 - (B) Profitability index
 - (C) Net present value
 - (D) Modified internal rate of return
75. In _____ approach, the capital structure decision is relevant to the valuation of the firm.
- (A) Net income
 - (B) Net operating income
 - (C) Traditional
 - (D) Miller and Modigliani
76. Gross profit formula is-
- (A) Sale - COGS
 - (B) COGS + opening stock
 - (C) Opening stock + purchase
 - (D) None of these

77. Value of the firm usually based on?
- (A) The value of pref. shares
 - (B) The value of equity
 - (C) the value of debt
 - (D) The value of assets plus liabilities
78. The Formula of profitability index is-
- (A) Present value of future inflow/Initial investment
 - (B) Present value of future inflow - Initial investment
 - (C) Initial Investment/Present value of future inflow
 - (D) Initial Investment + Present value of future inflow
79. The basic requirement for a firm's marketable securities-
- (A) Safety
 - (B) Yield
 - (C) Marketability
 - (D) All of the above
80. In finance, "Gross working capital" means the same thing as-
- (A) Total assets
 - (B) Fixed assets
 - (C) Current assets
 - (D) Current assets minus current liabilities
81. Every year same dividend per share payment with some growth-
- (A) Will increase the market value of shares
 - (B) Will reduce the market value of shares
 - (C) Both
 - (D) None of these

82. Which type of shares company gives to the employees-
- (A) Employees stock option plan
 - (B) Bonus shares
 - (C) Both
 - (D) None of these
83. Split of shares by a company, impacts-
- (A) Share face value will split
 - (B) Stock exchange price will split
 - (C) Number of share will increase
 - (D) All of the above
84. Company can buy back their shares-
- (A) Yes, With some restrictions
 - (B) Never, Not possible
 - (C) Yes, Without any restriction
 - (D) None of these
85. Current ratio is 2:5. Current liability is Rs.30000. The net working capital is-
- (A) Rs. 18,000
 - (B) Rs. 45,000
 - (C) Rs. (-) 45,000
 - (D) Rs.(-) 18000
86. _____ and _____ carry a fixed rate of interest and are to be paid off irrespective of the firm's revenues.
- (A) Debentures, dividends
 - (B) Debentures, bonds
 - (C) Dividends, bonds
 - (D) Dividends, treasury notes

87. _____ is the length of time between the firm's actual cash expenditure and its own cash receipt.
- (A) Net operating cycle
 - (B) Working capital cycle
 - (C) Net profit cycle
 - (D) Gross operating cycle
88. Face value of share is-
- (A) Registered value of share
 - (B) Price show in stock exchange
 - (C) Net assets / Number of shares
 - (D) None of these
89. If a company issues bonus shares the debt equity ratio will-
- (A) Remain unaffected
 - (B) Will be affected
 - (C) Will improve
 - (D) None of the above
90. Company may give dividend though-
- (A) Bonus share
 - (B) Sweat equity share
 - (C) Both
 - (D) None of these
91. Earnings per share = 20, Rate of return = 15%, Cost of capital = 10%, Dividend payout ratio = 60%. Find price of share as per Walter model-
- (A) 50
 - (B) 60
 - (C) 70
 - (D) None of the above

92. Stock of Raw Material = 20,000, Raw material consumption per annum: 3,00,000
find out raw material conversion period-
- (A) 24 days
 - (B) 20 days
 - (C) 15 days
 - (D) None of the above
93. Current assets includes-
- (A) Cash
 - (B) Stock
 - (C) Debtors
 - (D) All of these
94. Operating cycle includes-
- (A) Raw material conversion period
 - (B) Finished goods stock period
 - (C) Receivable conversion period
 - (D) All of these
95. Inventory turnover ratio =
- (A) $\text{COGS} / \text{average inventory}$
 - (B) $\text{Average inventory} / \text{COGS}$
 - (C) $\text{Closing inventory} / \text{COGS}$
 - (D) None of these
96. Dividend payout ratio =
- (A) $\text{Dividend per share} / \text{Earning per share}$
 - (B) $\text{Earnings per share} / \text{Dividend per share}$
 - (C) $\text{Dividend per share} / \text{Market price of share}$
 - (D) $\text{Dividend per share} / \text{Book value of share}$

97. Liquid ratio=
(A) Liquid assets /Current liability
(B) Liquid assets /Liquid liability
(C) Current assets /Liquid liability
(D) None of these
98. Debt equity ratio=
(A) Debt/equity
(B) Equity/debt
(C) Equity dividend/ debt
(D) None of these
99. If sales is Rs 5,00,000 & net profit is Rs 1,20,000 net profit ratio is-
(A) 24%
(B) 41%
(C) 60%
(D) None of the these
100. The formula of current ratio is-
(A) Current liabilities/Current assets
(B) Current assets/Current liabilities
(C) Current assets- Current liabilities
(D) Current assets+ Current liabilities

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97. Liquid ratio -
- (A) Liquid assets / Current liability
 - (B) Liquid assets / Liquid liability
 - (C) Current assets / Liquid liability
 - (D) None of these

98. Debt equity ratio -
- (A) Debt/equity
 - (B) Equity/debt
 - (C) Equity divided by debt
 - (D) None of these

99. If sales is Rs 2,00,000 & net profit is Rs 1,20,000 net profit ratio is -
- (A) 24%
 - (B) 41%
 - (C) 60%
 - (D) None of the these

100. The formula of current ratio is -
- (A) Current liabilities / Current assets
 - (B) Current assets / Current liabilities
 - (C) Current assets - Current liabilities
 - (D) Current assets / Current liabilities

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