

Roll No.-----

Paper Code

280/281

(To be filled in the
OMR Sheet)

प्रश्नपुस्तिका क्रमांक
Question Booklet No.

O.M.R. Serial No.

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प्रश्नपुस्तिका सीरीज
Question Booklet Series

C

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

(First Section) प्रथम खण्ड
To be filled in the OMR Sheet
(Paper Code-280)
F010201T-A (Organisational Behavior)

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

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

11. 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
12. 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
13. Which of the following is not the feature of a group ?
- (A) Collective Identity
 - (B) Shared Goal Interest
 - (C) Conflict
 - (D) Interaction
14. _____ 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

15. Tensed, insecurity and nervousness are features of :
- (A) Emotional instability
 - (B) Agreeableness
 - (C) Extroversion
 - (D) Conscientiousness
16. Goal setting theory is pioneered by :
- (A) Stacy Adams
 - (B) Edwin Locks
 - (C) F.W. Taylor
 - (D) Charms
17. 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
18. Which of the following is/are not organizational factors causing stress ?
- (A) Task demand
 - (B) Role demand
 - (C) Role conflict
 - (D) Satisfaction

19. Transactional Analysis is a method of analyzing and understanding :
- (A) Organizational behavior
 - (B) Interpersonal behavior
 - (C) Human behavior
 - (D) Group behavior
20. _____ is reality and practical oriented part of thinking.
- (A) Ego
 - (B) Super Ego
 - (C) Negative Ego
 - (D) Id
21. Experiments performed by Ivan Pavlov led to what theory :
- (A) Classical conditioning
 - (B) Operant conditioning
 - (C) Social learning
 - (D) Behavior shaping
22. 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
23. 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

24. Determining how tasks are to be grouped is part of which management function ?
- (A) Planning
 - (B) Organizing
 - (C) Controlling
 - (D) Leading
25. 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
26. 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
27. McClelland's theory of needs focuses on all of the following except :
- (A) Power
 - (B) Achievement
 - (C) Affiliation
 - (D) Actualization
28. The degree of attachment of the members to their group is :
- (A) Intergroup behavior
 - (B) Group norms
 - (C) Group decision making
 - (D) Group cohesiveness

29. 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
30. Scientific Management approach is developed by :
- (A) Elton Mayo
 - (B) Henry Fayol
 - (C) F.W. Taylor
 - (D) A. Maslow
31. 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
32. _____ advocated that humans are essentially motivated by levels of needs :
- (A) Maslow
 - (B) Elton Mayo
 - (C) Follet
 - (D) Ivan Pavlov
33. 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

34. A company that decides to decentralize its sales procedures is managing what change category ?
- (A) Technology
 - (B) Structure
 - (C) Competitors
 - (D) People
35. 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
36. 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
37. 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

38. 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
39. 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
40. 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
41. 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

42. 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
43. 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
44. 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
45. 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

46. 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
47. 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
48. 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
49. Most of the learning that takes place in the class room is :
- (A) Classical conditioning
 - (B) Operant conditioning
 - (C) Cognitive learning
 - (D) Social learning
50. 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

51. 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
52. 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
53. Basis of Autocratic Model of OB is :
- (A) Leadership
 - (B) Economic resources
 - (C) Power
 - (D) Partnership
54. The Hawthorne experiment was conducted by :
- (A) William Gilbreth
 - (B) F.W. Taylor
 - (C) Henry Fayol
 - (D) Elton Mayo
55. 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

56. 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
57. Which is not the need as proposed by Abraham Maslow ?
- (A) Esteem
 - (B) Self-actualization
 - (C) Money
 - (D) Social
58. 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
59. Sociable, talkative, assertive etc. are features of :
- (A) Introversion
 - (B) Agreeableness
 - (C) Extroversion
 - (D) Conscientiousness
60. 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
61. According to _____ employees love work as play or rest.
- (A) X theory
 - (B) Y theory
 - (C) Z theory
 - (D) None of these

62. 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
63. 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
64. 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
65. 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
66. Herzberg's, hygiene factor include :
- (A) Possibility of growth
 - (B) Status
 - (C) Advancement and recognition
 - (D) All of the above

67. If a person responds the same way over time, attribution theory states that the behavior shows:
- (A) Distinctiveness
 - (B) Consensus
 - (C) Consistency
 - (D) Continuity
68. According to Mintzberg, one of management's interpersonal role is :
- (A) Spokesperson
 - (B) Leader
 - (C) Negotiator
 - (D) Monitor
69. 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
70. 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

71. In Vroom's expectancy theory, valence means :
- (A) An individual's preference for a particular outcome
 - (B) Incentives based on performance
 - (C) Performance standards
 - (D) Knowledge of planning
72. Who developed Johari window ?
- (A) Cohen and Willits
 - (B) Joe Luft and Harry Ingham
 - (C) Clayton Alderfer
 - (D) Robinson
73. Which one is not the characteristics of the stimulus inputs ?
- (A) Size
 - (B) Repetition
 - (C) Intensity
 - (D) Cost
74. The basis of custodial model is :
- (A) Partnership
 - (B) Power
 - (C) Economic
 - (D) Leadership
75. 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

76. Two factor theory of motivation was proposed by :
- (A) A.H. Maslow
 - (B) Frederick Herzberg
 - (C) Douglas McGregor
 - (D) McClelland
77. Which of the following is not a trait dimension in Big 5 personality trait ?
- (A) Extroversion
 - (B) Agreeableness
 - (C) Ego
 - (D) Emotional Stability
78. What do we call it when we judge someone on the basis of our perception ?
- (A) Categorizing
 - (B) Halo effect
 - (C) Prototyping
 - (D) Stereotyping
79. 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
80. 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

81. 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
82. 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
83. Behaviour, power, and conflict are central areas of study for _____.
- (A) Sociologist
 - (B) Anthropologists
 - (C) Social psychologists
 - (D) Operations analysts
84. Forces affecting organizational behavior are :
- (A) People
 - (B) Environment
 - (C) Technology
 - (D) All of the above
85. _____ is largely childish, irrational, never satisfied, demanding and destructive of others.
- (A) Ego
 - (B) Super ego
 - (C) Negative ego
 - (D) Id

86. Thematic Apperception Test (TAT) is designed to understand :
- (A) Perception of individual
 - (B) Learning of individual
 - (C) Personality of individual
 - (D) None of these
87. Cognitive theory of learning was given by :
- (A) Pavlov
 - (B) Piaget
 - (C) Tolman
 - (D) Skinner
88. OB is the study of _____ in the organization :
- (A) Human
 - (B) Human behavior
 - (C) Employer
 - (D) Employees
89. Which organization theory can be understood by IF and THEN relationship ?
- (A) System approach
 - (B) Scientific approach
 - (C) Process approach
 - (D) Contingency approach
90. 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

91. Transformational change is often carried out :
- (A) By middle managers
 - (B) Top down
 - (C) Bottom up
 - (D) After extensive consultation
92. _____ is a Study of man, his work and Culture :
- (A) Anthropology
 - (B) Psychology
 - (C) Social psychology
 - (D) Sociology
93. In expectancy theory, expectancy means :
- (A) Advancement
 - (B) Probability of achieving outcome
 - (C) Award
 - (D) Recognition
94. 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
95. Neo-classical behavioral science approach was proposed by :
- (A) Luthans
 - (B) Mary Parker Follet
 - (C) Marshall
 - (D) Elton Mayo

96. 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
97. Organizational behavior focuses at 3 levels :
- (A) Individuals, Organization, Society
 - (B) Society, Organization, Nation
 - (C) Employee, Employer, Management
 - (D) Individual, Groups, Organization
98. Meso organization behavior is related with :
- (A) Group behavior
 - (B) Individual behavior
 - (C) Organizational behavior
 - (D) None of these
99. Organization charts are used :
- (A) As manual and statutes 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
100. Theory X is a theory of :
- (A) Learning
 - (B) Motivation
 - (C) Controlling
 - (D) Financial Planning

(Second Section) द्वितीय खण्ड
[To be filled in the OMR Sheet]
(Paper Code-281)
F010201T-B (Business Finance)

1. _____ 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
2. 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
3. 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
4. _____ 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

5. A _____ is the expected cash dividend that is normally paid to shareholders.
- (A) Stock split
 - (B) Stock dividend
 - (C) Extra dividend
 - (D) Regular dividend
6. 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
7. 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
8. 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

9. 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%
10. What are the sources of short term working capital?
- (A) Borrowings from Banks
 - (B) Trade credit
 - (C) Advance receives
 - (D) All of the above
11. 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
12. Working capital requirements depends on the credit policy of-
- (A) The company
 - (B) The suppliers
 - (C) Both
 - (D) None

13. 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
14. The term non-current account refers to-
- (A) Capital
 - (B) Liabilities
 - (C) Long term liabilities
 - (D) Both (A) & (C)
15. In Walter model formula D stands for-
- (A) Dividend per share
 - (B) Direct dividend
 - (C) Dividend earning
 - (D) None of these
16. Reserves & Surplus are which form of financing?
- (A) Security financing
 - (B) Internal financing
 - (C) Loans financing
 - (D) International financing

17. 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
18. 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
19. 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

20. 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
21. 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
22. _____ 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
23. _____ 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

24. 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
25. 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
26. Gross profit formula is-
- (A) Sale - COGS
 - (B) COGS + opening stock
 - (C) Opening stock + purchase
 - (D) None of these
27. 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
28. 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

29. The basic requirement for a firm's marketable securities-
- (A) Safety
 - (B) Yield
 - (C) Marketability
 - (D) All of the above
30. 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
31. 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
32. Which type of shares company gives to the employees-
- (A) Employees stock option plan
 - (B) Bonus shares
 - (C) Both
 - (D) None of these
33. 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

34. Company can buy back their shares-
- (A) Yes, With some restrictions
 - (B) Never, Not possible
 - (C) Yes, Without any restriction
 - (D) None of these
35. 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
36. _____ 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
37. _____ 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
38. 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

39. 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
40. Company may give dividend though-
- (A) Bonus share
 - (B) Sweat equity share
 - (C) Both
 - (D) None of these
41. 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
42. 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
43. Current assets includes-
- (A) Cash
 - (B) Stock
 - (C) Debtors
 - (D) All of these

44. Operating cycle includes-
- (A) Raw material conversion period
 - (B) Finished goods stock period
 - (C) Receivable conversion period
 - (D) All of these
45. 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
46. 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) $\text{Dividend per share} / \text{Book value of share}$
47. Liquid ratio=
- (A) $\text{Liquid assets} / \text{Current liability}$
 - (B) $\text{Liquid assets} / \text{Liquid liability}$
 - (C) $\text{Current assets} / \text{Liquid liability}$
 - (D) None of these
48. Debt equity ratio=
- (A) $\text{Debt} / \text{equity}$
 - (B) $\text{Equity} / \text{debt}$
 - (C) $\text{Equity dividend} / \text{debt}$
 - (D) None of these

49. 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
50. 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
51. 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
52. In long term undistributed profit is a _____.
- (A) Source of funds
 - (B) Application of funds
 - (C) Use of profit
 - (D) All of these
53. 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

54. 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
55. If firm has more and over liquidity
- (A) Profit will increase
 - (B) profit will reduce
 - (C) Profit will constant
 - (D) None of these
56. 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
57. 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
58. In firm follow more liberal credit policy, working capital of the firm will-
- (A) Increase
 - (B) Decrease
 - (C) Constant
 - (D) May Increase or decrease

59. What are the factors for determine working capital requirements?
- (A) Nature of business
 - (B) Size of business
 - (C) Credit policy
 - (D) All of above
60. 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
61. Company pays a fixed dividend on-
- (A) Equity share holders
 - (B) Preference share holders
 - (C) Debenture
 - (D) (B) and (C)
62. What is the cost of equity, $D_1 = 5,000$, $P_0 = 1,00,000$, $G = 0\%$?
- (A) 10%
 - (B) 5%
 - (C) 0%
 - (D) 15%
63. Preference shares holders have preference in the payment of-
- (A) Dividend
 - (B) Capital payment
 - (C) Both
 - (D) None of these

64. For investor, debenture holders are more secure than the-
- (A) Equity share holders
 - (B) Preference share holders
 - (C) Both
 - (D) None of these
65. 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
66. 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
67. What is cost of transaction of take and repaid of capital from the investors?
- (A) Flotation cost of capital
 - (B) Capital cost
 - (C) Venture capital
 - (D) All of these
68. Equity share holders receive?
- (A) Dividend
 - (B) Interest
 - (C) Both
 - (D) None of these

69. What is the formula of cost of equity?
- (A) $K_e = (D_1/P_0) + g$
 - (B) $K_e = (D_1/P_0) + i$
 - (C) $K_e = (D_0/P_1) + g$
 - (D) $K_e = (P_1/D_0) + g$
70. Cost of capital includes-
- (A) Cost of equity share capital
 - (B) Cost of preference share capital
 - (C) Cost of debenture
 - (D) All of the above
71. Cost of equity-
- (A) Minimum EPS expectation of equity share holders
 - (B) Minimum sale expectation of equity share holders
 - (C) Minimum contribution expectation of equity share holders
 - (D) Minimum EBIT expectation of equity share holders
72. Debenture holders receive-
- (A) Interest
 - (B) Dividend
 - (C) Both
 - (D) None of these
73. Trading on equity-
- (A) Only equity
 - (B) Only debt
 - (C) Equity less and debenture more
 - (D) Debenture less and equity more

74. 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
75. Capital structure do not include-
- (A) Equity share capital
 - (B) Debenture
 - (C) Retained earning
 - (D) Creditors
76. 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
77. 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
78. 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

79. What type of capital is the highest risk capital?
- (A) Venture capital
 - (B) Equity Shares from Secondary Market
 - (C) Unsecured debenture
 - (D) Unsecured loan
80. Capital structure includes-
- (A) Equity shares
 - (B) Preference shares
 - (C) Debentures
 - (D) All of these
81. Which of the followings are the sources of finance?
- (A) Equity share capital
 - (B) Preference share capital
 - (C) Both
 - (D) None of these
82. $OL = 2$ and $CL = 4$, What will be the FL ?
- (A) 4
 - (B) 3
 - (C) 2
 - (D) 1
83. $\frac{\% \text{ Change in } EBT}{\% \text{ Change in contribution}} = ?$
- (A) OL
 - (B) FL
 - (C) CL
 - (D) None of these

84. If EBIT is the 50% of sale-
- (A) $EBIT = \text{fixed cost}$
 - (B) $EBIT = \text{variable cost}$
 - (C) $EBIT = \text{fixed cost} + \text{variable cost}$
 - (D) $\text{Fixed cost} = \text{variable cost}$
85. 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
86. Debenture Holders are more secure than the-
- (A) Equity share holders
 - (B) Preference share holders
 - (C) Both
 - (D) None of these
87. 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

88. 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
89. 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
90. 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
91. 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

92. 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
93. 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
94. Preference Shares holders have preference in the payment of-
- (A) Dividend
 - (B) Capital payment
 - (C) Both
 - (D) None of these
95. 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
96. Which of the followings are the sources of finance?
- (A) Equity share holders
 - (B) Preference share holders
 - (C) Creditors
 - (D) All of these

97. Which types of shareholders have voting rights?
- (A) Equity share holders
 - (B) Preference share holders
 - (C) Both
 - (D) None of these
98. 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
99. Outstanding salary is a-
- (A) Source of finance
 - (B) Use of finance
 - (C) Both
 - (D) None of these
100. For short term high profit, which following profit strategy will be beneficial?
- (A) Wealth maximization
 - (B) Profit maximization
 - (C) Both
 - (D) None of these

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