

B.com Sem-6 FFM

No.	Question	Ans . A	Ans. B	Ans. C	Ans. D	Ans.
1	Which is not function of financial management?	Financial planning	formulation of financial policy	payment of money	Tax planning	C
2	According to guthman and dugal,the financial planning,procurement of funds,financial control these activity are connected with...	Direction	Administration	Budget	Integration	B
3	Which financial need is considered in traditional financial approach?	procurement of fund	sources of fund	financial needs	application of funds	D
4	Which financial need is considered in traditional financial approach?	Long term	needs of development	Routine needs	Accidental needs	C
5	Which form of business is considered in traditional finance?	Company	Sole properitorship	partnership firm	Co-operative society	A
6	Which of the following matter is not considered in modern financince?	Procurement of funds	financial motivational	Application funds	Financial control	B
7	Which of the following is not the function of financial administrative	Income expenditure a/c	inspection of document	Distribution of income	process of adcquisition of funds	C
8	Which of the following is not related with the functions of finance manager?	Estimator of financial needs	acquisition of financial resources	Amount of total reserve fund	formulation of finance policy	D
9	Which of the following is not the function of ideal capital structure?	Dynamic	Attraction to the investor	flexibility	increase in income of state	D

10	Which factor is not affecting capital structure?	Risk of business	control on management	recruitment of finance manager	Needs of fund in future	C
11	Which external factor is not affecting structure?	Psychology of investors	Structure of tax	Rate of interest	Fashion	D
12	Trading on equity means...	Payment of interest to debenture holders	Do the business for benefit of equity share holders	Decrease in no of equity share holders	Decrease in pref. share holders	B
13	Which is the obstacle for equity share holders?	High income	stable income	High interest on debt.	Low div. of pref. share	C
14	Which is not the limitation of trading on equity?	Stable regular income	Burden of fixed assets	Problems in maintenance of secret	Expenses of borrowing capital	A
15	According to Stuart, What is working capital?	Short term capital	Temporary capital	movable capital	Temporary capital	C
16	According to linked What is working capital?	Current Asset - fixed asset	Total current assets	Total current Liabilities	Current Assets – Current Liabilities	D
17	According to J.S. Mill what is working capital?	Sum of current assets	Sum of current liabilities	Current assets - current liabilities	Current assets - fixed assets	A
18	Which is not the feature of working capital?	Movable capital	No problem of dep	No variability	Liquidity of cash	D
19	Which is the feature of working capital?	Investment in fixed assets	calculation of depreciation	No variability	Cash liquidity	D

20	Which capital is used to meet irregularity of inventory and payment of overtime salary?	Permenent working capital	Seasonal working capital	temporary working capital	movable working capital	C
21	Which working capital is used to meet the demand of value clothes,raincoat and kite?	current working capital	seasonal working capital	short term capital	occasional working capital	B
22	Which working capital is used in fire,accidental,earthquack, and other natural calamiting..	Special working capital	Short term working capital	contingent working capital	Ad-hoc working capital	A
23	Which factor is not affecting the estimation of working capital?	Demand of product	competitior's product	conditions of purchase & sale	Time in process	B
24	Which is the source of irregular working capital?	Share capital	Debenture	Financial institutions	Public deposits	D
25	Which is the source of permanent working capital?	Public deposits	Cash credit	Debenture	bank loan	C
26	Which matter is not considered in cost of capital?	Expenses to raise the capital	No of competitors	Expected rate of Earnings	Fixed rate of Earnings	B
27	Which of the following is not showing the importance of cost of capital?	Useful in finance decision	Useful in project management	Useful in capital budgeting	Modern technology	D
28	Which is not the characteristics of capital budgeting?	Queries regarding policy matters	Function of bottom level management	Complicated dicision making	Need of business estimation	B
29	Which is not the objective of capital budgeting?	Security of capital	Finacial planning	Control on capital expenditure	All of above	A
30	Which factor is not affecting dividend policy?	Income of the company	Life of the company	Proportion of reserve	Type of machine	D

31	Which factor is affecting dividend policy?	Estimation of profit	Proportion of reserve	Position of cash liquidity	All of above	D
32	Which is not the benefit of fixed dividend policy?	Reinvestmet of profit	progress and deelopment	Increase in price of shares	Planning of tax	C
33	Which is the limitaion of fixed dividend policy?	Problems in tax planning	Problem in maintance of efficiency	Variabilty in capital investment	Problem in raising the capital	C
34	Which is the limitaion of variable dividend policy?	Cash liquidity	Fund for expantion	Financial planning	Taxes	C
35	Which matter is not considered in Payback period method in capital budgeting?	Depreciation	Taxes	Cash received	Non of these	A
36	Which period is considered in Payback period method in capital budgeting?	Short period	Long period	Period is not considered	Expected period	C
37	In how many days the dividend warrant should be sent after declaring the dividend?	21 days	42 days	30 days	15 days	B
38	Bombay stock exchange was established in India in...	1877	1850	1866	1927	A
39	Who can trade in listed stock exchanges?	Any one	Subscribed brokers	Citizens of India	Aauthorised person of stock market	B
40	Which securities are traded in stock market?	Equity shares	Debenture	Government securities	All of above	D

41	Which is not the function of stock market?	Provide liquidity to securities	Evaluation of securities	Trading on behalf of investors	Capital formation in large scale	C
42	Which service is not given by stock market?	Liquidity to securities	Information regarding new directors	No chances of cheating	Information regarding the price of shares	B
43	Which services are not provided to the industries by the stock market?	Decrease in underwriting commission	Continuous advertisement of the company	Contracts of exports	Large capital formation	C
44	Which services are not provided to the nation by the stock market?	Economic growth	Control on company	Motivation to investors	remove poverty	D
45	Which services are provided to the nation by the stock market?	Telecast the information of price of shares	Control on company	Economic growth	All of above	D
46	Which benefit is not received by listing of the shares?	Large advertising	Tax relief	Attraction to the investors	Decrease in cost of capital	B
47	Which is advantage of listed company for the investors?	Easy transfer of shares	Speculation in shares	Decrease in cost of capital	All of above	D
48	If company wants to give 20% dividend, How much percentage of profit should be transferred to Reserve Account?	15%	20%	10%	30%	C
49	How much maximum dividend can be paid with the permission of Central Government?	6%	5%	4%	8%	C
50	Trading on Equity means	Pay interest to Debenture holder	Work for equity share holder's	Reduce equity share holders	Reduce pref.share holders	B

			benefit			
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