

MCQ (SYLLABUS-2022)

FM + BDA

- Time value of money explains that:
 - a unit of money received today is worth more than a unit received in future
 - a unit of money received today is worth less than
 - a unit received in future a unit of money received today and at some other time in future is equal
 - none of the above
- Time value of money facilitates comparison of cash flows occurring at different time periods by:
 - compounding all cash flows to a common point of time
 - discounting all cash flows to a common point of time using
 - either (1) or (2)
 - Neither (1) nor (2).
- If the nominal rate of interest is 10 per cent per annum and frequency of compounding is 4 i.e. quarterly compounding, the effective rate of interest will be:
 - 10.25% per annum
 - 10.38% per annum
 - 10% per annum
 - none of the above
- Relationship between annual effective rate of interest and annual nominal rate of interest is, if frequency of compounding is more than 1:
 - Effective Rate < Nominal rate
 - Effective Rate > Nominal rate
 - Effective Rate = Nominal rate
 - none of the above
- If annual effective rate of interest is 10.25% per annum and nominal rate of return is 10% per annum what is the frequency of compounding?
 - 1
 - 3
 - 2
 - 4
- A student takes a loan of Rs. 50,000 from SBI. The rate of interest being charged by SBI is 10% per annum. What would be the amount of equal annual instalment if he wishes to pay it back in five instalments and first instalment, he will pay at the end of year 5?
 - Rs. 11,000
 - Rs. 19,310
 - Rs. 15,000
 - None of the above
- How much amount should an investor invest now in order to receive five annuities starting from the end of this year of Rs. 10,000 if the rate of interest offered by bank is 10% per annum?
 - Rs. 40,000
 - Rs. 45,000
 - Rs. 37,910
 - none of the above



To Buy Classes Visit Our Website
WWW.SUMITRASTOGICLASSES.COM
and Contact Us for Further Queries On
8826965733, 9811229279 and 9560978857

8. A bank offers 12% compound interests payable quarterly. If you deposit Rs.2,000 now, how much it will grow at the end of 5 years?
- (a) Rs.3,050
(b) Rs.3,430
(c) Rs.3,612
(d) Rs.3,722
9. A company wants to repay a loan of Rs. 5,00,000, 10 years from today. What amount should it invest each year for 10 years if the funds can earn 8% per annum? The first investment will be made at the beginning of this year.
- (a) Rs. 50,000
(b) Rs. 31,950
(c) Rs. 40,000
(d) Rs. 32,950
10. Risk of two securities having different expected return can be compared with:
- (a) standard deviation of securities
(b) variance of securities
(c) coefficient of variation
(d) means
11. A portfolio consists of two securities and the expected return on two securities is 12% and 16% respectively. Calculate return of portfolio if first security accounts for 40% of portfolio.
- (a) 14%
(b) 14.40%
(c) 16%
(d) 12%
12. If the rate of interest is 12%, what are the doubling periods as per the rule 72 and the rule of 69 respectively?
- (a) 5 Years and 5.2 Years
(b) 5.8 Years and 5.3 Years
(c) 6 Years and 6.1 Years
(d) 6.5 Years and 6.6 Years
13. To create a minimum variance portfolio, in what proportion should the two securities be mixed if the following information is given $S_1 = 10\%$, $S_2 = 12\%$, $P_{12} = 0.6$?
- (a) 0.72 and 0.28
(b) 0.70 and 0.30
(c) 0.60 and 0.40
(d) 0.50 and 0.40
14. A portfolio consisting of two risky securities can be made risk less i.e., $S_p = 0$, if:
- (a) the securities are perfectly positively correlated
(b) the securities are perfectly negatively correlated
(c) if the correlation ranges between 0 to 1
(d) if the correlation ranges between -1 to +1
15. Efficient portfolios are those portfolios, which offer (for a given level of risk)
- (a) maximum return
(b) minimum return
(c) average return
(d) positive return



To Buy Classes Visit Our Website
WWW.SUMITRASTOGICLASSES.COM
and Contact Us for Further Queries On
8826965733, 9811229279 and 9560978857

16. CAPM accounts for –
 - (a) systematic risk
 - (b) unsystematic risk
 - (c) both of the above
 - (d) moderate risk
17. Assets Management company is formed:
 - (a) To manage bank's assets
 - (b) To manage mutual funds' investments
 - (c) To construct infrastructure projects
 - (d) To run a stock exchange
18. Prime duty of a merchant banker is –
 - (a) Maintaining records of clients
 - (b) Giving loans to clients Working as a Capital
 - (c) Market Intermediary
 - (d) None of the above
19. Basic objective of a money market mutual fund is:
 - (a) Guaranteed rate of return
 - (b) Investment in short-term securities
 - (c) Both (1) and (2)
 - (d) None of (1) and (2)
20. Short selling refers to:
 - (a) Buying shares and then selling them on the same day
 - (b) Selling shares without owning them
 - (c) Selling some shares out of a large holding
 - (d) Continuously selling shares in lots.
21. Which of the following is not regulated by SEBI?
 - (a) Foreign Institutional
 - (b) Investors Foreign
 - (c) Direct Investment
 - (d) Mutual Funds Depositories
22. Which of the following is true for mutual funds in India?
 - (a) Exit load is not allowed
 - (b) Entry load is allowed
 - (c) Entry load is not allowed
 - (d) Exit load allowed is some cases
23. Which of the following is not available in India?
 - (a) Index Options
 - (b) Index Futures,
 - (c) Commodity Options
 - (d) Commodity Futures
24. Which of the following is the benefit of Depositories?
 - (a) Reduction in the share transfer time to the buyer
 - (b) Reduced Risk of stolen, fake, forged shares
 - (c) No Stamp duty on transfer of shares in dematerialized form
 - (d) All of the above

25. Credit Rating of a debt security is:
- (a) Guarantee of Repayment
 - (b) Merely opinion
 - (c) Positive suggestion
 - (d) Negative suggestion
26. The first computerised online stock exchange in India was:
- (a) NSE
 - (b) OTCEI
 - (c) BSE
 - (d) MCX
27. Which of the following derivative is not traded on Indian Stock Market?
- (a) Index Options
 - (b) Stock Futures
 - (c) Index Futures
 - (d) Forward Rate Agreements
28. How many depositories are there in India?
- (a) 2
 - (b) 3
 - (c) 0
 - (d) 1
29. Secondary Market in India is regulated by:
- (a) Reserve Bank of India
 - (b) Securities and Exchange Board of India
 - (c) Ministry of Finance
 - (d) Forward Market Commission
30. _____ funds do not have a fixed date of redemption.
- (a) Open ended funds
 - (b) Close ended funds
 - (c) Diversified funds
 - (d) Both A and B.
31. In India, NIFTY and SENSEX are calculated on the basis of:
- (a) Market Capitalization
 - (b) Paid up Capital Free-float
 - (c) Capitalization Authorized
 - (d) Share Capital
32. The type of collateral (security) used for short-term loan is:
- (a) Real estate
 - (b) Plant & Machinery
 - (c) Stock of good
 - (d) Equity share capital
33. Which of the following is a liability of a bank?
- (a) Treasury Bills
 - (b) Commercial papers
 - (c) Certificate of Deposits
 - (d) Junk Bonds.



To Buy Classes Visit Our Website
WWW.SUMITRASTOGICLASSES.COM
and Contact Us for Further Queries On
8826965733, 9811229279 and 9560978857

34. Commercial paper is a type of:
- (a) Fixed coupon
 - (b) Bond Unsecured short term debt
 - (c) Equity share capital
 - (d) Government Bond
35. Which of the following is not a spontaneous source of short-term funds?
- (a) Trade credit
 - (b) Accrued expenses
 - (c) Provision for dividend
 - (d) All of the above
36. In India, Commercial Papers are issued as per the lines issued by –
- (a) Securities and Exchange
 - (b) Board of India Reserve Bank of India
 - (c) Forward Market
 - (d) Commission RBI
37. Commercial paper is generally issued at a price:
- (a) Equal to face value
 - (b) More than face value
 - (c) Less than face value
 - (d) Equal to redemption value
38. Which of the following is not applicable to commercial paper?
- (a) Face Value
 - (b) Issue Price
 - (c) Coupon Rate
 - (d) None of the above
39. Accounting Ratios are important tools used by –
- (a) Managers
 - (b) Researchers
 - (c) Investors
 - (d) All of the above
40. Net Profit Ratio Signifies:
- (a) Operational Profitability
 - (b) Liquidity Position
 - (c) Big-term Solvency
 - (d) Profit for Lenders
41. Working Capital Turnover measures, the relationship of Working Capital with:
- (a) Fixed Assets
 - (b) Sales
 - (c) Purchases
 - (d) Stock
42. Dividend Pay-Out Ratio is:
- (a) PAT Capital
 - (b) $DPS \div EPS$ Pref.
 - (c) $Dividend \div PAT$ Pref.
 - (d) $Dividend \div Equity$ Dividend



To Buy Classes Visit Our Website
WWW.SUMITRASTOGICLASSES.COM
and Contact Us for Further Queries On
8826965733, 9811229279 and 9560978857

43. DuPont Analysis deals with:
- Analysis of Current Assets
 - Analysis of Profit
 - Capital Budgeting
 - Analysis of Fixed Assets
44. In Net Profit Ratio, the denominator is:
- Net Purchases
 - Net Sales
 - Credit Sales
 - Cost of goods sold
45. Inventory Turnover measures the relationship of inventory with:
- Average Sales
 - Cost of Goods Sold
 - Total Purchases
 - Total Assets
46. The term 'EVA' is used for:
- Extra Value Analysis
 - Economic Value Added
 - Expected Value Analysis
 - Engineering Value Analysis.
47. Return on Investment may be improved by:
- Increasing Turnover
 - Reducing Expenses
 - Increasing Capital Utilization
 - All of the above
48. In Current Ratio, Current Assets are compared with:
- Current Profit
 - Current Liabilities
 - Fixed Assets
 - Equity Share Capital
49. ABC Ltd. has a Current Ratio of 1.5: 1 and Net Current Assets of Rs. 5,00,000. What are the Current Assets?
- Rs. 5,00,000
 - Rs. 10,00,000
 - Rs. 15,00,000
 - Rs. 25,00,000
50. There is deterioration in the management of working capital of XYZ Ltd. What does it refer to?
- That the Capital Employed has reduced
 - That the Profitability has gone up
 - That debtor's collection period has increased
 - That Sales has decreased
51. Which of the following does not help to increase Current Ratio?
- Issue of Debentures to buy Stock
 - Issue of Debentures to pay Creditors
 - Sale of Investment to pay Creditors
 - Avail Bank Overdraft to buy Machine

52. Debt to Total Assets Ratio can be improved by:
- Borrowing
 - More Issue of Debentures
 - Issue of Equity Shares
 - Redemption of Debt
53. Ratio of Net Income to Number of Equity Shares known as:
- Price Earnings Ratio
 - Net Profit Ratio
 - Earnings per
 - Share Dividend per Share
54. Trend Analysis helps comparing performance of a firm –
- With other firms
 - Over a period of firm
 - With other industries
 - With other companies
55. A Current Ratio of less than one means:
- Current Liabilities < Current Assets
 - Fixed Assets > Current Assets
 - Current Assets < Current Liabilities
 - Share Capital > Current Assets
56. A firm has Capital of Rs. 10,00,000; Sales of Rs. 5,00,000; Gross Profit of Rs. 2,00,000 and Expenses of Rs. 1,00,000. What is the Net Profit Ratio?
- 20%
 - 50%
 - 10%
 - 40%
57. XYZ Ltd. has earned 8% Return on Total Assets of Rs. 50,00,000 and has a Net Profit Ratio of 5%. Find out the Sales of the firm.
- Rs. 4,00,000
 - Rs. 2,50,000
 - Rs. 80,00,000
 - Rs. 83,33,333
58. Suppliers and Creditors of a firm are interested in:
- Profitability Position
 - Liquidity Position
 - Market Share Position
 - Debt Position
59. Which of the following is a measure of Debt Service capacity of a firm?
- Current Ratio
 - Acid Test Ratio
 - Interest Coverage Ratio
 - Debtors Turnover
60. Gross Profit Ratio for a firm remains same but the Net Profit Ratio is decreasing. The reason for such behaviour could be:
- Increase in Costs of Goods
 - Sold If Increase in Expense
 - Increase in Dividend
 - Decrease in Sales

61. Which of the following statements is correct?
- (a) A Higher Receivable Turnover is not desirable
 - (b) Interest Coverage Ratio depends upon Tax Rate
 - (c) Increase in Net Profit Ratio means increase in Sales Lower Debt-Equity Ratio means lower Financial Risk
 - (d) Financial Risk
62. Debt to Total Assets of a firm is 2. The Debt to Equity would be:
- (a) 0.80
 - (b) 0.25
 - (c) 1.00
 - (d) 0.75
63. Which of the following helps analysing return to equity Shareholders?
- (a) Return on Assets
 - (b) Earnings Per Share
 - (c) Net Profit
 - (d) Ratio Return on Investment
64. Return on Assets and Return on Investment Ratios belong to:
- (a) Liquidity Ratios
 - (b) Profitability Ratios
 - (c) Solvency Ratios
 - (d) Turnover
65. XYZ Ltd. has a Debt Equity Ratio of 1.5 as compared to 1.3 Industry average. It means that the firm has:
- (a) Higher Liquidity
 - (b) Higher Financial
 - (c) Risk Higher Profitability
 - (d) Higher Capital Employed
66. Ratio Analysis can be used to study liquidity, turnover, profitability, etc. of a firm. What does Debt-Equity Ratio help to study?
- (a) Solvency
 - (b) Liquidity
 - (c) Profitability
 - (d) Turnover
67. In Inventory Turnover calculation, what is taken in the numerator?
- (a) Sales
 - (b) Cost of Goods
 - (c) Sold Opening Stock
 - (d) Closing Stock
68. Statement of cash flows are included in:
- (a) Ind AS - 3
 - (b) Ind AS - 6
 - (c) Ind AS - 7
 - (d) Ind AS - 113
69. Cost of capital refers to:
- (a) Flotation Cost
 - (b) Dividend
 - (c) Required Rate of Return
 - (d) None of the above



To Buy Classes Visit Our Website
WWW.SUMITRASTOGICLASSES.COM
and Contact Us for Further Queries On
8826965733, 9811229279 and 9560978857

70. Which of the following sources of funds has an implicit cost of capital?
(a) Equity Share
(b) Capital Preference Share
(c) Capital Debentures
(d) Retained earnings
71. Which of the following has the highest cost of capital?
(a) Equity shares
(b) Loans
(c) Bonds
(d) Preference shares
72. Cost of capital for Government securities is also known as:
(a) Risk-free Rate of Interest Maximum
(b) Rate of Return
(c) Rate of Interest on Fixed Deposits
(d) None of the above
73. Cost of capital for bonds and debentures is calculated on:
(a) Before Tax basis
(b) After Tax basis Risk-free
(c) Rate of Interest basis
(d) Compound interest
74. Weighted Average Cost of Capital (WACC) is generally denoted by:
(a) k_a
(b) k_w
(c) k_0
(d) k_c
75. Which of the following cost of capital require tax adjustment?
(a) Cost of Equity Shares
(b) Cost of Preference Shares
(c) Cost of Debentures
(d) Cost of Retained Earnings
76. Which is the most expensive source of funds?
(a) New Equity Shares
(b) New Preference Shares
(c) New Debts
(d) Retained Earnings
77. Marginal cost of capital is the cost of:
(a) Additional Sales
(b) Additional Funds
(c) Additional Interests
(d) Additional Revenue
78. In case the firm is all-equity financed, the WACC would be equal to:
(a) Cost of Debt
(b) Cost of Equity
(c) Neither (1) nor (2)
(d) Both (1) and (2)

79. In order to calculate Weighted Average Cost of capitals (WACC) weights may be based on:
- (a) Market Values
 - (b) Target Values
 - (c) Book Values
 - (d) All of the above
80. Firm's cost of capital is the average cost of:
- (a) All sources
 - (b) All borrowings
 - (c) Share capital
 - (d) Share, Bonds and Debentures
81. An implicit cost of increasing proportion of debt is:
- (a) Tax should would not be available on new debt
 - (b) P/E Ratio would increase
 - (c) Equity shareholders would demand higher return
 - (d) Rate of Return of the company would decrease.
82. Cost of redeemable preference share capital is:
- (a) Rate of Dividend
 - (b) After Tax Rate of Dividend
 - (c) Discount Rate that equates PV of inflows and out-flows relating to capital
 - (d) None of the above
83. Which of the following is true?
- (a) Retained earnings are cost free
 - (b) External Equity is cheaper than Internal
 - (c) Equity Retained Earnings are cheaper than External Equity
 - (d) Retained Earnings are costlier than External Equity
84. Capital Budgeting is a part of:
- (a) Investment Decision
 - (b) Working Capital Management
 - (c) Marketing Management
 - (d) Capital Structure
85. Capital Budgeting deals with:
- (a) Long-term Decisions
 - (b) Short-term Decisions
 - (c) Both (1) and (2)
 - (d) Neither (1) nor (2)
86. Which of the following is not used in Capital Budgeting?
- (a) Time Value of Money
 - (b) Sensitivity Analysis
 - (c) Net Assets Method
 - (d) Cash Flows
87. Capital Budgeting Decisions are:
- (a) Reversible
 - (b) Irreversible
 - (c) Unimportant
 - (d) All of the above

88. Which of the following is not incorporated in Capital Budgeting?
(a) Tax-Effect
(b) Time Value of Money
(c) Required Rate of Return
(d) Rate of Cash Discount
89. Which of the following is not a capital budgeting decision?
(a) Expansion Programme
(b) Merger
(c) Replacement of an Asset
(d) Inventory Level
90. A sound Capital Budgeting technique is based on:
(a) Cash Flows Accounting
(b) Profit Interest
(c) Rate on Borrowings
(d) Last Dividend Paid
91. Which of the following is not a relevant cost in Capital Budgeting?
(a) Sunk Cost
(b) Opportunity
(c) Cost Allocated Overheads
(d) Both (1) and (3) above
92. Capital Budgeting Decisions are based on:
(a) Incremental Profit
(b) Incremental Cash
(c) Flows Incremental Assets
(d) Incremental Capital
93. Which of the following does not affect cash flows proposal?
(a) Salvage Value
(b) Depreciation Amount
(c) Tax Rate Change
(d) Method of Project Financing
94. Cash Inflows from a project include:
(a) Tax Shield of Depreciation
(b) After-tax Operating
(c) Profits Raising of Funds
(d) Both (1) and (2)
95. Which of the following is not true with reference capital budgeting?
(a) Capital budgeting is related to asset replacement decisions
(b) Cost of capital is equal to minimum required return
(c) Existing investment in a project is not treated as sunk cost
(d) Timing of cash flows is relevant
96. Which of the following is not followed in capital budgeting?
(a) Cash flows Principle
(b) Interest Exclusion Principle
(c) Accrual Principle
(d) Post-tax Principle



To Buy Classes Visit Our Website
WWW.SUMITRASTOGICLASSES.COM
and Contact Us for Further Queries On
8826965733, 9811229279 and 9560978857

97. Depreciation is incorporated in cash flows because it:
- (a) Is unavoidable cost
 - (b) Is a cash flow Reduces
 - (c) Tax liability
 - (d) Involves an outflow
98. Which of the following is not true for capital budgeting?
- (a) Sunk costs are ignored
 - (b) Opportunity costs are excluded
 - (c) Incremental cash flows are considered
 - (d) Relevant cash flows are considered
99. Which of the following is not applied in capital budgeting?
- (a) Cash flows be calculated in incremental terms
 - (b) All costs and benefits are measured on cash basis
 - (c) All accrued costs and revenues be incorporated
 - (d) All benefits are measured on after-tax basis
100. Evaluation of Capital Budgeting proposals is based on Cash Flows because:
- (a) Cash Flows are easy to calculate
 - (b) Cash Flows are suggested by SEBI
 - (c) Cash is more important than profit
 - (d) Cash Flows are suggested by RBI
101. Which of the following is not included in incremental A flows?
- (a) Opportunity Costs
 - (b) Sunk Costs
 - (c) Change in Working
 - (d) Capital Inflation effect
102. A proposal is not a Capital Budgeting proposal if it:
- (a) is related to Fixed Assets
 - (b) brings long-term benefits
 - (c) brings short-term benefits only
 - (d) has very large investment
103. In Capital Budgeting, Sunk cost is excluded because it is:
- (a) of small amount
 - (b) not incremental
 - (c) not reversible
 - (d) All of the above
104. Savings in respect of a cost is treated in capital budgeting as:
- (a) An Inflow
 - (b) An Outflow
 - (c) Opening balance
 - (d) Closing balance
105. _____ ignores the time value of money.
- (a) Internal Rate of Return (IRR)
 - (b) Average Rate of Return (ARR)
 - (c) Net Present Value (NPV)
 - (d) Profitability Index (PI)

106. The discounted cash flows techniques are:
- (a) Net Present Value (NPV)
 - (b) Internal Rate of Return (IRR)
 - (c) Profitability Index (PI)
 - (d) All of the above
107. Working capital is calculated as ____.
- (a) Core current assets less core current liabilities
 - (b) Current assets less current liabilities
 - (c) Core current assets less current liabilities
 - (d) Liquid assets less current liabilities
108. The basic current liabilities are ____.
- (a) accounts payable and bills payable
 - (b) bank overdraft
 - (c) outstanding expenses
 - (d) All of the above
109. There are two concepts of working capital – gross and ____
- (a) Zero
 - (b) Net
 - (c) Cumulative
 - (d) distinctive
110. Working capital is also known as ____ capital.
- (a) Current asset
 - (b) Operating
 - (c) Projecting
 - (d) Operation capital
111. ____ Working Capital refers to the firm's investment in current assets.
- (a) Zero
 - (b) Net
 - (c) Gross
 - (d) Distinctive
112. In finance, "working capital" means the same thing as ____ assets.
- (a) Current
 - (b) Fixed
 - (c) Total
 - (d) All of the above
113. ____ working capital refers to the difference between current assets and current liabilities.
- (a) Zero
 - (b) Net
 - (c) Gross
 - (d) Distinctive
114. A ____ net working capital will arise when current assets exceed current liabilities.
- (a) Summative
 - (b) Negative
 - (c) Excessive
 - (d) Positive

115. A _____ net working capital occurs when current liabilities are in excess of current assets.
- (a) Positive
 - (b) Negative
 - (c) Excessive
 - (d) Zero
116. X Ltd. distributes its products to more than 500 retailers. The company's collection period is 30 days and keeps its inventory for 20 days. The operating cycle would be:
- (a) 40 Days
 - (b) 43 Days
 - (c) 45 Days
 - (d) 50 Days
117. _____ refers to the funds, which an organisation must possess to finance its day-to-day operations.
- (a) Retained earnings
 - (b) Fixed capital
 - (c) Working Capital
 - (d) All of the above
118. Investment in current assets should be _____
- (a) just adequate
 - (b) more
 - (c) less
 - (d) maximum
119. _____ varies inversely with profitability.
- (a) Risk
 - (b) Assets
 - (c) Liquidity
 - (d) Revenue
120. Capital intensive firms rely on _____
- (a) debt
 - (b) retained earnings
 - (c) short term
 - (d) debts equity
121. On the basis of _____, working capital is classified as gross working capital and net working capital.
- (a) Concept
 - (b) time
 - (c) future
 - (d) work
122. _____ cycle analyses the accounts receivable, inventory, and accounts payable cycles in terms of a number of days?
- (a) Business
 - (b) Current asset
 - (c) Operation
 - (d) Operating

123. _____ Method is not used for calculating working capital cycle.
- Trial and error method
 - Regression analysis method
 - Percentage of sales method
 - Operating cycle approach
124. On the basis of _____, working capital may be classified as:
1) Permanent or fixed working capital. 2) Temporary or variable working capital.
- Concept
 - time
 - future
 - work
125. Operating cycle is also called as _____
- Business cycle
 - Working capital cycle
 - Working cycle
 - Current asset cycle
126. Spontaneous financing consists of _____
- a line of credit
 - short-term loans
 - accounts receivable
 - accounts payable
127. Conversation of marketable securities into cash entails a fixed cost of Rs.1,000 per transaction. What will be the optimal conversation size as per Baumol model of cash management?
- Rs. 315,628
 - Rs. 316,228
 - Rs. 317,678
 - Rs. 318,426
128. Average collection period is 2 months, cash sales and average receivables are Rs.5,00,000 and Rs.6,50,000 respectively. The sales amount would be
- Rs. 40,00,000
 - Rs. 42,00,000
 - Rs. 44,00,000
 - Rs. 48,50,000
129. If the current ratio is 2.4:1 and working capital is Rs.25,20,000, find the amount of current assets and current liabilities.
- Current Assets Rs. 43,20,000 and Current Liabilities Rs.18,00,000
 - Current Assets Rs. 44,00,000 and Current Liabilities Rs.18,50,000
 - Current Assets Rs. 45,50,000 and Current Liabilities Rs. 19,00,000
 - Current Assets Rs. 46,60,000 and Current Liabilities Rs. 19,30,000
130. Operating leverage helps in analysis of:
- Business
 - Risk Financing
 - Risk Production
 - Risk Credit Risk

131. Which of the following is studied with the help of financial leverage?
- Marketing Risk
 - Interest Rate Risk
 - Foreign Exchange Risk
 - Financing risk
132. Combined Leverage is obtained from OL and FL by their:
- Addition
 - Subtraction
 - Multiplication
 - Any of these
133. High degree of financial leverage means:
- High debt proportion
 - Lower debt proportion
 - Equal debt and equity
 - No debt
134. Operating leverage arises because of:
- Fixed Cost of Production
 - Fixed Interest
 - Cost Variable
 - Cost Step Cost
135. Financial Leverage arises because of:
- Fixed cost of production
 - Variable Cost
 - Interest Cost
 - Step Cost
136. Operating Leverage is calculated as:
- $\text{Contribution} \div \text{EBIT}$
 - $\text{EBIT} \div \text{PBT}$
 - $\text{EBIT} \div \text{Interest}$
 - $\text{EBIT} \div \text{Tax}$
137. Financial Leverage is calculated as:
- $\text{EBIT} \div \text{Contribution}$
 - $\text{EBIT} \div \text{PBT}$
 - $\text{EBIT} \div \text{Sales}$
 - $\text{EBIT} \div \text{Variable Cost}$
138. Which combination is generally good for firms?
- High Operating leverage, High Financial leverage
 - Low Operating leverage, Low Financial leverage
 - High Operating leverage, Low Financial leverage
 - Moderate Operating leverage. Moderate Financial leverage
139. Combined leverage can be used to measure the relationship between:
- EBIT and EPS
 - PAT and EPS
 - Sales and EPS
 - Sales and EBIT

140. Financial Leverage is zero if:
- (a) EBIT = Interest
 - (b) EBIT = Zero
 - (c) EBIT = Fixed Cost
 - (d) EBIT = Pref. Dividend
141. Business risk can be measured by:
- (a) Financial leverage
 - (b) Operating leverage
 - (c) Combined leverage
 - (d) All of the above
142. Financial Leverage measures relationship between
- (a) EBIT and PBT
 - (b) EBIT and EPS
 - (c) Sales and PBT
 - (d) Sales and EPS
143. Use of Preference Share Capital in Capital structure
- (a) Increases Operating leverage
 - (b) Increases Financial leverage
 - (c) Decreases Operating leverage
 - (d) Decreases Financial leverage
144. Relationship between change in sales and change in EPS is measured by:
- (a) Financial leverage
 - (b) Combined leverage
 - (c) Operating leverage
 - (d) All of the above
145. Numerical data may be expressed as:
- (a) In the form of text
 - (b) In the form of numbers
 - (c) In the form of images
 - (d) All of the above
146. The descriptive data may be deciphered as:
- (a) May be deciphered in the form of qualitative information
 - (b) May be deciphered in the form of quantitative information
 - (c) May be deciphered in the form of information from informal sources
 - (d) All of the above
147. Data represented in the form of picture is termed as:
- (a) Graphic data
 - (b) Qualitative data
 - (c) Quantitative data
 - (d) All of the above
148. Which of the following is/are the reason for digitization?
- (a) Helps in work processing
 - (b) Requires less physical storage space
 - (c) Digitized records may be accessed by more than one person simultaneously
 - (d) All of the above

149. To make the data turn into user friendly information, it should go one/more of following core steps:
- (a) Collection of data
 - (b) Organising the data
 - (c) Data processing
 - (d) All of the above
150. Any data expressed as a number is a _____ data.
- (a) graphical
 - (b) descriptive
 - (c) numerical
 - (d) None of the above
151. Classifying equities into small-cap, mid-cap, and large-cap categories are the examples of _____ Scale
- (a) Nominal
 - (b) Ordinal
 - (c) Interval
 - (d) Ratio
152. Which of the following is a phase for a process of digitization?
- (a) Justification of the proposed digitization project
 - (b) Assessment
 - (c) Planning
 - (d) All of the above
153. Data science plays an important role in:
- (a) Risk analytics
 - (b) Customer data management
 - (c) Consumer analytics
 - (d) All of the above
154. The primary benefit of data distribution is:
- (a) the estimation of the probability of any certain observation within a sample space
 - (b) the estimation of the probability of any certain observation within a non-sample space
 - (c) the estimation of the probability of any certain observation within a population
 - (d) the estimation of the probability of any certain observation without a nonsample space
155. Binomial distribution applies to attributes:
- (a) that are categorised into two mutually exclusive and exhaustive classes
 - (b) that are categorised into three mutually exclusive and exhaustive classes
 - (c) that are categorised into less than two mutually exclusive and exhaustive classes
 - (d) that are categorised into four mutually exclusive and exhaustive classes
156. The geometric distribution is a discrete distribution that assesses:
- (a) the probability of the occurrence of the first success
 - (b) the probability of the occurrence of the second success
 - (c) the probability of the occurrence of the third success
 - (d) the probability of the occurrence of the less success
157. The probability density function describes:
- (a) the characteristics of a random variable
 - (b) the characteristics of a non-random variable
 - (c) the characteristics of a random constant
 - (d) the characteristics of a non-random constant

158. When independent variables with standard normal distribution are squared and added, the _____ distribution occurs.
- Normal
 - Chi square
 - Exponential
 - Lognormal
159. The procedure that organises data into a meaningful order to make it simpler to comprehend, analyse, and visualise, is called _____
- Data validation
 - Data sorting
 - Data aggregation
 - Data analysis
160. Following is a widely used graph for data Visualisation:
- Bar chart
 - Pie chart
 - Histogram
 - All of the above
161. Following are the objectives of data visualisation:
- Making a better data analysis
 - Faster decision making
 - Analysing complicated data
 - All of the above
162. Following is the scope of DPA:
- Defining significant meaning (relevant information) required by each audience member in every scenario.
 - Obtaining the proper data (focus area, historic reach, extensiveness, level of detail, etc.)
 - Determining the needed frequency of data refreshes (the currency of the data)
 - All of the above
163. Maps may be used for displaying:
- Pin code
 - Country name
 - State abbreviation
 - All of the above
164. A scatter plot displays several unique data points:
- on a single graph
 - On two different graphs
 - On four different graphs
 - None of the above
165. A _____ chart depicts tasks that must be accomplished before others may begin, as well as the allocation of resources.
- | | |
|------------|-------------|
| (a) Bubble | (c) Scatter |
| (b) Gantt | (d) Density |
166. _____ is a set of skills that aims to identify, find, modify, format, and present data in a manner that ideally conveys meaning and provides insight.
- Data Presentation Architecture
 - Data Presentation Hierarchy
 - Data Visualization Architecture
 - None of the above

167. Which of the following is a data discovery platform that enables users to make quicker, more informed choices by speeding analytics, uncovering new business insights, and enhancing the precision of outcomes?
- (a) Microsoft Excel
 - (b) Microsoft Power
 - (c) BI QlikView
 - (d) Tableau
168. Which of the following is/ are the benefit/ benefits of data analytics?
- (a) Improves decision making process
 - (b) Increase in efficiency of operations
 - (c) Improved service to stakeholders
 - (d) All of the above
169. Which of the following is/ are the technique/s of data mining?
- (a) Association rules
 - (b) Neural network
 - (c) Decision tree
 - (d) All of the above
170. XML is the abbreviated form of:
- (a) Extensible mark-up language
 - (b) Extended mark-up language
 - (c) Extendable mark-up language
 - (d) Extensive mark-up language
171. XBRL is the abbreviated form of:
- (a) extensible Business Reporting Language extensive Business
 - (b) Reporting Language extended
 - (c) Business Reporting Language extensive
 - (d) Business Reporting Language
172. Which of the following is/ are the types of cloud computing?
- (a) Private cloud
 - (b) Public cloud
 - (c) Hybrid cloud
 - (d) All of the above
173. On the basis of the type of “signal” or “feedback” provided to the learning system, which of the following is not a type of machine learning?
- (a) Supervised learning
 - (b) Unsupervised learning
 - (c) Semi supervised learning
 - (d) Robotic Process learning
174. In recent years, business intelligence has expanded to incorporate more procedures and activities designed to enhance performance. These procedures consist of:
- (a) Data mining
 - (b) Reporting
 - (c) Querying
 - (d) All of the above

ANSWER

1	A	36	B	71	A	106	D	141	B
2	C	37	C	72	A	107	B	142	B
3	B	38	D	73	B	108	D	143	B
4	B	39	D	74	C	109	B	144	B
5	C	40	A	75	C	110	B	145	B
6	B	41	B	76	A	111	C	146	A
7	C	42	B	77	B	112	A	147	A
8	C	43	B	78	B	113	B	148	B
9	B	44	B	79	D	114	D	149	D
10	C	45	B	80	A	115	B	150	C
11	B	46	B	81	C	116	D	151	A
12	C	47	D	82	C	117	C	152	D
13	A	48	B	83	C	118	A	153	D
14	B	49	C	84	A	119	C	154	A
15	A	50	C	85	A	120	A	155	A
16	A	51	D	86	C	121	A	156	A
17	B	52	D	87	B	122	D	157	A
18	C	53	C	88	D	123	A	158	B
19	B	54	B	89	D	124	B	159	B
20	B	55	C	90	A	125	B	160	D
21	B	56	A	91	D	126	D	161	D
22	D	57	C	92	B	127	B	162	D
23	C	58	B	93	D	128	C	163	D
24	D	59	C	94	D	129	A	164	A
25	B	60	B	95	C	130	A	165	B
26	B	61	D	96	C	131	D	166	A
27	D	62		97	C	132	C	167	C
28	A	63		98	B	133	A	168	D
29	B	64		99	C	134	A	169	D
30	A	65		100	C	135	C	170	A
31	C	66	A	101	B	136	A	171	A
32	C	67	B	102	C	137	B	172	D
33	C	68	C	103	B	138	C	173	B
34	B	69	C	104	A	139	C	174	D
35	C	70	D	105	B	140	B		