

Business Studies

Section Id :	46419941
Section Number :	1
Section type :	Online
Mandatory or Optional :	Mandatory
Number of Questions :	50
Number of Questions to be attempted :	40
Section Marks :	200
Maximum Instruction Time :	0
Sub-Section Number :	1
Sub-Section Id :	464199114
Question Shuffling Allowed :	Yes

Question Number : 251 Question Id : 4641991755 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Identify the characteristic of Management from the given statement.

"An organization interacts with its external environment which consists of various social, economic and political factors. In order to be successful, an organization must change itself and its goals according to the need of the environment."

- (1) Management is a continuous process.
- (2) Management is an intangible force.
- (3) Management is a dynamic function.
- (4) Management is multi-dimensional.

Question Number : 252 Question Id : 4641991756 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Which of the following studies given by F.W. Taylor helps in deciding the amount and frequency of rest intervals ?

- (1) Time Study
- (2) Fatigue Study
- (3) Motion Study
- (4) Method Study

Question Number : 253 Question Id : 4641991757 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Which principle of Management stresses on Right place for everything and Right place for everyone ?

- (1) Equity
- (2) Order
- (3) Initiative
- (4) Unity of Command

Question Number : 254 Question Id : 4641991758 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Match List-I with List-II.

List-I		List-II
Characteristic		Concept
(A) More debt can be used if debt can be raised at a lower rate	(I)	Cost of debt
(B) Since interest is a deductible expense, cost of debt is affected by the tax rate	(II)	Risk Consideration
(C) If a firm's business risk is lower, its capacity to use debt is higher and vice-versa	(III)	Tax Rate
(D) A public issue of equity may reduce the managements' holding in the company	(IV)	Control

Choose the **correct** answer from the options given below :

- (1) (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
- (2) (A) - (I), (B) - (III), (C) - (II), (D) - (IV)
- (3) (A) - (I), (B) - (II), (C) - (IV), (D) - (III)
- (4) (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Question Number : 255 Question Id : 4641991759 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Match List-I with List-II on the basis of Techniques of scientific management given by Taylor :

List-I		List-II
Explanation		Concept
(A) Benchmarks which must be adhered to during Production	(I)	Fatigue study
(B) Separation of planning and execution functions	(II)	Method Study
(C) Rest intervals are decided	(III)	Standardisation
(D) Finding out one best way of doing the job	(IV)	Functional Foremanship

Choose the **correct** answer from the options given below :

- (1) (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
- (2) (A) - (I), (B) - (III), (C) - (II), (D) - (IV)
- (3) (A) - (I), (B) - (II), (C) - (IV), (D) - (III)
- (4) (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Question Number : 256 Question Id : 4641991760 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Controlling is a systematic process involving sequential steps. Choose the correct sequence of Steps of Controlling Process.

- (A) Analysing deviations
- (B) Measurement of actual performance
- (C) Setting performance standards
- (D) Comparison of actual performance with standards

Choose the **correct** answer from the options given below :

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

Question Number : 257 Question Id : 4641991761 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Select the correct sequence of steps of the staffing process from the steps given below.

- (A) Placement and Orientation
- (B) Recruitment
- (C) Estimating the Manpower Requirements
- (D) Selection

Choose the **correct** answer from the options given below :

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

Question Number : 258 Question Id : 4641991762 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

A company's target production is 5000 units in a year. Ram, The manager of the company is able to produce 5000 units, but at a higher production cost. Then Ram is _____.

- (A) Effective as he was able to attain the targeted production at minimum cost
- (B) Efficient as he was able to attain the targeted production at a higher cost
- (C) Effective as well as efficient
- (D) Effective but not efficient because of high production cost
- (E) Efficient but not effective

Choose the **correct** answer from the options given below :

- (1) (D) only
- (2) (A), (C) and (E) only
- (3) (A), (B), (C) and (D) only
- (4) (C) and (E) only

Question Number : 259 Question Id : 4641991763 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Identify the techniques of Scientific management which are specified by F.W. Taylor.

- (A) Functional Foremanship
- (B) Kanban
- (C) Method study
- (D) Motion study
- (E) Kaizen

Choose the **correct** answer from the options given below :

- (1) (A), (B) and (C) only
- (2) (A), (B), (C) and (E) only
- (3) (A), (D) and (E) only
- (4) (A), (C) and (D) only

Question Number : 260 Question Id : 4641991764 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Identify the style of Leadership discussed in the following paragraph.

Mr. Ashish, a Manager in Sahni Group of Companies, does not believe in the use of power unless it is absolutely essential. His followers are given a high degree of independence to formulate their own objectives and ways to achieve them. The group members work on their own tasks resolving issues themselves. Mr. Ashish is there only to support them and supply them the required information to complete the task assigned.

- (1) Laissez faire style of leadership
- (2) Democratic style of leadership
- (3) Autocratic style of leadership
- (4) We style of leadership

Question Number : 261 Question Id : 4641991765 Question Type : MCQ Option Shuffling : No

Correct Marks : 5 Wrong Marks : 1

Match List-I with List-II.

List-I Dimensions	List-II Examples
(A) Legal Environment	(I) Customs and Tradition
(B) Technological Environment	(II) Political conditions
(C) Political Environment	(III) Judgements
(D) Social Environment	(IV) Advancements in computers

Choose the **correct** answer from the options given below :

- (1) (A) - (IV), (B) - (III), (C) - (II), (D) - (I)
- (2) (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
- (3) (A) - (III), (B) - (IV), (C) - (II), (D) - (I)
- (4) (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Question Number : 262 Question Id : 4641991766 Question Type : MCQ Option Shuffling : No

Correct Marks : 5 Wrong Marks : 1

The settlement cycle in NSE is _____ days.

- (1) T+5
- (2) T+3
- (3) T+1
- (4) T+2

Question Number : 263 Question Id : 4641991767 Question Type : MCQ Option Shuffling : No

Correct Marks : 5 Wrong Marks : 1

Which is the correct sequence of steps in the process of planning ?

- (A) Developing premises.
- (B) Implementing the plan.
- (C) Setting objectives.
- (D) Identifying alternative courses of action and evaluating them.
- (E) Selecting an alternative.

Choose the **correct** answer from the options given below :

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

Question Number : 264 Question Id : 4641991768 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

What is the correct sequence of steps in the process of organising ?

- (A) Identification and division of work
- (B) Assignment of duties
- (C) Establishing reporting relationships
- (D) Departmentalisation

Choose the **correct** answer from the options given below :

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

Question Number : 265 Question Id : 4641991769 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

What is the correct sequential order of needs according to Maslow's theory ?

- (A) Self actualisation needs
- (B) Esteem needs
- (C) Affiliation needs
- (D) Physiological needs
- (E) Security needs

Choose the **correct** answer from the options given below :

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

Question Number : 266 Question Id : 4641991770 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Match List-I with List-II.

List-I		List-II	
Function of Management		Merit/Meaning	
(A) Planning	(I)	Bridging the gap between where we are and where we want to go	
(B) Motivation	(II)	Process of instructing, guiding and leading people to achieve organisational objectives	
(C) Directing	(III)	Inducement to act in a certain manner	
(D) Controlling	(IV)	Ensuring activities are performed as per plans	

Choose the **correct** answer from the options given below :

- (1) (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
- (2) (A) - (I), (B) - (III), (C) - (II), (D) - (IV)
- (3) (A) - (I), (B) - (II), (C) - (IV), (D) - (III)
- (4) (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Question Number : 267 Question Id : 4641991771 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Organisational barriers include :

- (A) Status
- (B) Rules and regulations
- (C) Complexity in Organisation
- (D) Lack of Attention

Choose the **correct** answer from the options given below :

- (1) (A), (B) and (D) only
- (2) (A), (B) and (C) only
- (3) (A), (B), (C) and (D)
- (4) (B), (C) and (D) only

Question Number : 268 Question Id : 4641991772 Question Type : MCQ Option Shuffling : No

Correct Marks : 5 Wrong Marks : 1

The external sources of recruitment are :

- (A) Transfers
- (B) Campus Recruitment
- (C) Advertisements
- (D) Web Publishing

Choose the **correct** answer from the options given below :

- (1) (A), (B) and (D) only
- (2) (A), (B) and (C) only
- (3) (A), (B), (C) and (D)
- (4) (B), (C) and (D) only

Question Number : 269 Question Id : 4641991773 Question Type : MCQ Option Shuffling : No

Correct Marks : 5 Wrong Marks : 1

The key aspects of motivation are :

- (A) External feeling
- (B) Improves performance
- (C) Complex process
- (D) Positive or negative

Choose the **correct** answer from the options given below :

- (1) (A), (B) and (D) only
- (2) (A), (B) and (C) only
- (3) (A), (B), (C) and (D)
- (4) (B), (C) and (D) only

Question Number : 270 Question Id : 4641991774 Question Type : MCQ Option Shuffling : No

Correct Marks : 5 Wrong Marks : 1

If any of the parties is not satisfied by the order of District Commission, he can appeal against such order to the State Commission on the grounds of facts or law within a period of _____ from the date of order.

- (1) 30 days
- (2) 40 days
- (3) 45 days
- (4) 3 months

Question Number : 271 Question Id : 4641991775 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

For the redressal of consumer grievances, the Consumer Protection Act 2019 provides for setting up of a three-tier enforcement machinery. Identify the Redressal Agency Under The Consumer Protection Act

"It has a jurisdiction to entertain complaints where value of goods and services paid as consideration exceeds one crore but does not exceed ten crore rupees".

- (1) District Commission
- (2) State Commission
- (3) National Commission
- (4) Supreme Court

Question Number : 272 Question Id : 4641991776 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

The informal organisation offers the benefit of :

- (1) Prescribed lines of communication are not followed. This leads to faster spread of information as well as quick feedback.
- (2) There is no ambiguity in the role that each member has to play as duties are specified. This also helps in avoiding duplication of effort.
- (3) Unity of command is maintained through an established chain of command.
- (4) Effective accomplishment of goals by providing a framework for the operations to be performed and ensuring that each employee knows the role he has to play.

Question Number : 273 Question Id : 4641991777 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Interaction among people at work gives rise to a network of social relationships among employees called _____.

- (1) Informal organisation
- (2) Formal organisation
- (3) Functional organisation
- (4) Divisional organisation

Question Number : 274 Question Id : 4641991778 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

XYZ company fails to achieve the target of 20% increase in sales. A meeting was called by the director of the company where Marketing manager blamed the Production manager for not meeting the increase in demand to supply, while Production manager blamed the Finance manager for not procuring raw material on time. Identify the concept of management lacking here.

- (1) Controlling
- (2) Staffing
- (3) Coordination
- (4) Financial Planning

Question Number : 275 Question Id : 4641991779 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

National Stock Exchange was incorporated in _____.

- (1) 1992
- (2) 1993
- (3) 2001
- (4) 1947

Question Number : 276 Question Id : 4641991780 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Identify which of the following is not a merit of external sources of recruitment ?

- (1) Wider choice
- (2) Simple process
- (3) Fresh talent
- (4) Qualified personnel

Question Number : 277 Question Id : 4641991781 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

A consumer registered his complaint to the nodal officer of the company's grievance cell. Which consumer right is being exercised by the consumer ?

- (1) Right to be Heard
- (2) Right to Seek Redressal
- (3) Right to be Informed
- (4) Right to Safety

Question Number : 278 Question Id : 4641991782 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

"Planning helps the manager to look into future and make a choice amongst alternative courses of action."

Identify the importance of Planning in the above statement.

- (1) Planning promotes New ideas
- (2) Planning provides Direction
- (3) Planning facilitates Decision Making
- (4) Planning reduces Risk of Uncertainty

Question Number : 279 Question Id : 4641991783 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Which feature of Planning function of Management is discussed in the statement - "All other Managerial functions are performed within the framework of plans drawn" ?

- (1) Planning is pervasive
- (2) Planning is futuristic
- (3) Planning is continuous
- (4) Planning is primary function of management

Question Number : 280 Question Id : 4641991784 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Grouping of the activities on the basis of Products is related to :

- (1) Functional Organisation
- (2) Centralised Organisation
- (3) Decentralised Organisation
- (4) Divisional Organisation

Question Number : 281 Question Id : 4641991785 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

"Some times targets are set too high and can't be achieved in current circumstances. Controlling helps in reviewing and revising them." Identify the importance of Controlling from the above statement

- (1) Controlling helps in accomplishing organisational goals
- (2) Controlling helps in judging the accuracy of standards
- (3) Controlling helps in efficient use of resources
- (4) Controlling facilitates coordination in action

Question Number : 282 Question Id : 4641991786 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Which Instrument of Money Market is also known as "Bridge Financing" ?

- (1) Commercial Paper
- (2) Call Money
- (3) Certificate of Deposit
- (4) Commercial Bill

Question Number : 283 Question Id : 4641991787 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Match List-I with List-II.

List-I	List-II
Marks	Product
(A) ISI Mark	(I) Electrical goods
(B) FPO Mark	(II) Food Products
(C) Hallmark	(III) Jewellery
(D) Agmark	(IV) Agricultural Products

Choose the **correct** answer from the options given below :

- (1) (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
- (2) (A) - (I), (B) - (III), (C) - (II), (D) - (IV)
- (3) (A) - (I), (B) - (II), (C) - (IV), (D) - (III)
- (4) (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Question Number : 284 Question Id : 4641991788 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

"It may be difficult to know the extent of the relative impact of the social, economic, political, technical or legal factors on change in demand of a product in the market." Identify the feature of Business Environment from the given statement.

- (1) Complexity
- (2) Relativity
- (3) Uncertainty
- (4) Inter-Relatedness

Question Number : 285 Question Id : 4641991789 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

"The extent and nature of government intervention in business" is _____ Dimension of business environment.

- (1) Economic
- (2) Social
- (3) Legal
- (4) Political

Question Number : 286 Question Id : 4641991790 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Which of the following is not the characteristic or quality of a successful Entrepreneur ?

- (1) Adaptability
- (2) Translate ideas into commercial success
- (3) Less risk taker
- (4) Skilled individual

Question Number : 287 Question Id : 4641991791 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Planning requires application of mind involving foresight, intelligent imagination and sound judgement.

Which feature of planning is being highlighted in this statement ?

- (1) Planning involves decision making.
- (2) Planning is a primary function of management.
- (3) Planning is continuous.
- (4) Planning is a mental exercise.

Question Number : 288 Question Id : 4641991792 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Match List-I with List-II.

List-I	List-II
Functional Areas	Standards
(A) Production	(I) Cost
(B) Marketing	(II) Sales Volume
(C) Human Resource Management	(III) Labour Relations
(D) Finance	(IV) Liquidity

Choose the **correct** answer from the options given below :

- (1) (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
- (2) (A) - (I), (B) - (III), (C) - (II), (D) - (IV)
- (3) (A) - (I), (B) - (II), (C) - (IV), (D) - (III)
- (4) (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Question Number : 289 Question Id : 4641991793 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Money supply in the economy and public debt are the examples of one of the dimensions of Business environment. Identify the dimension.

- (1) Social Environment
- (2) Legal Environment
- (3) Political Environment
- (4) Economic Environment

Question Number : 290 Question Id : 4641991794 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Recruitment is considered to be a positive process because :

- (1) There is infusion of new blood
- (2) Vacancies are filled from internal sources
- (3) More and more prospective Candidates are attracted to apply
- (4) Vacancies are filled from outside organisation

Sub-Section Number : 2
Sub-Section Id : 464199115
Question Shuffling Allowed : No

Question Number : 291 Question Id : 4641991795 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Consider the following passage and answer the questions.

Gen-X enterprises is the company producing and selling cell phones. After earning reasonable profits for few years, company planned to venture into the following areas to serve the existing customer in the same manner as it has been doing for last decade.

- (a) Computer education
- (b) Organising elephant race
- (c) Spreading information about family planning
- (d) Organising mountaineering treks

“Gen-X enterprises is the company producing and selling cell phones”. As per this statement which aspect has been marketed by the company ?

- (1) Physical Product
- (2) Services
- (3) Events
- (4) Information

Question Number : 292 Question Id : 4641991796 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Consider the following passage and answer the questions.

Gen-X enterprises is the company producing and selling cell phones. After earning reasonable profits for few years, company planned to venture into the following areas to serve the existing customer in the same manner as it has been doing for last decade.

- (a) Computer education
- (b) Organising elephant race
- (c) Spreading information about family planning
- (d) Organising mountaineering treks

Which aspect has been marketed by company by rendering computer education ?

- (1) Services
- (2) Events
- (3) Information
- (4) Experience

Question Number : 293 Question Id : 4641991797 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Consider the following passage and answer the questions.

Gen-X enterprises is the company producing and selling cell phones. After earning reasonable profits for few years, company planned to venture into the following areas to serve the existing customer in the same manner as it has been doing for last decade.

- (a) Computer education
- (b) Organising elephant race
- (c) Spreading information about family planning
- (d) Organising mountaineering treks

Which aspect has been marketed by organising elephant race ?

- (1) Events
- (2) Experience
- (3) Place
- (4) Idea

Question Number : 294 Question Id : 4641991798 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Consider the following passage and answer the questions.

Gen-X enterprises is the company producing and selling cell phones. After earning reasonable profits for few years, company planned to venture into the following areas to serve the existing customer in the same manner as it has been doing for last decade.

- (a) Computer education
- (b) Organising elephant race
- (c) Spreading information about family planning
- (d) Organising mountaineering treks

Which aspect has been marketed by spreading information about family planning ?

- (1) Idea
- (2) Experience
- (3) Events
- (4) Service

Question Number : 295 Question Id : 4641991799 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Consider the following passage and answer the questions.

Gen-X enterprises is the company producing and selling cell phones. After earning reasonable profits for few years, company planned to venture into the following areas to serve the existing customer in the same manner as it has been doing for last decade.

- (a) Computer education
- (b) Organising elephant race
- (c) Spreading information about family planning
- (d) Organising mountaineering treks

Which aspect has been marketed by organising a mountaineering trek ?

- (1) Experience
- (2) Events
- (3) Ideas
- (4) Information

Sub-Section Number : 3
Sub-Section Id : 464199116
Question Shuffling Allowed : No

Question Number : 296 Question Id : 4641991800 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Read the following passage and answer the following questions.

A finance manager in an outlet raised ₹ 3.5 crore through a mix of debt and equity in a ratio of 4 : 3 to open a new outlet, but the actual amount required was ₹ 3 crore. The aim of the finance manager is to maximize the shareholder's wealth. Keeping this in mind, he reinvested the excess amount of ₹ 50 lakh in a fixed deposit carrying 6% interest p.a. while the cost of capital is 10% p.a.

'To open a new outlet' indicates which financial decision ?

- (1) Short-term investment decision
- (2) Long-term investment decision
- (3) Financing decision
- (4) Dividend decision

Question Number : 297 Question Id : 4641991801 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Read the following passage and answer the following questions.

A finance manager in an outlet raised ₹ 3.5 crore through a mix of debt and equity in a ratio of 4 : 3 to open a new outlet, but the actual amount required was ₹ 3 crore. The aim of the finance manager is to maximize the shareholder's wealth. Keeping this in mind, he reinvested the excess amount of ₹ 50 lakh in a fixed deposit carrying 6% interest p.a. while the cost of capital is 10% p.a.

When ROI of the company is higher, it can choose to use _____ to _____ its EPS.

- (1) Equity, increase
- (2) Earning, increase
- (3) Equity, decrease
- (4) Debt, increase

Question Number : 298 Question Id : 4641991802 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Read the following passage and answer the following questions.

A finance manager in an outlet raised ₹ 3.5 crore through a mix of debt and equity in a ratio of 4 : 3 to open a new outlet, but the actual amount required was ₹ 3 crore. The aim of the finance manager is to maximize the shareholder's wealth. Keeping this in mind, he reinvested the excess amount of ₹ 50 lakh in a fixed deposit carrying 6% interest p.a. while the cost of capital is 10% p.a.

"The aim of the finance manager is to maximize the shareholder wealth". It is reflected as an aim of :

- (1) Financial Management
- (2) Marketing Management
- (3) Financial Leverage
- (4) Capital Structure

Question Number : 299 Question Id : 4641991803 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Read the following passage and answer the following questions.

A finance manager in an outlet raised ₹ 3.5 crore through a mix of debt and equity in a ratio of 4 : 3 to open a new outlet, but the actual amount required was ₹ 3 crore. The aim of the finance manager is to maximize the shareholder's wealth. Keeping this in mind, he reinvested the excess amount of ₹ 50 lakh in a fixed deposit carrying 6% interest p.a. while the cost of capital is 10% p.a.

To open an outlet, funds required was amounting to ₹ 3 crore, but the actual fund raised from the market was ₹ 3.5 crore. This situation is _____.

- (1) Ideal Finance
- (2) Idle Finance
- (3) Debt Financing
- (4) Equity Financing

Question Number : 300 Question Id : 4641991804 Question Type : MCQ Option Shuffling : No
Correct Marks : 5 Wrong Marks : 1

Read the following passage and answer the following questions.

A finance manager in an outlet raised ₹ 3.5 crore through a mix of debt and equity in a ratio of 4 : 3 to open a new outlet, but the actual amount required was ₹ 3 crore. The aim of the finance manager is to maximize the shareholder's wealth. Keeping this in mind, he reinvested the excess amount of ₹ 50 lakh in a fixed deposit carrying 6% interest p.a. while the cost of capital is 10% p.a.

Finance manager raised _____ through owner's fund and _____ through borrowed fund.

- (1) 15,00,000, 20,00,000
- (2) 20,00,000, 15,00,000
- (3) 1,50,00,000, 2,00,00,000
- (4) 2,00,00,000, 1,50,00,000