

Sample Question for TYBFM	Answer1	Answer2	Answer3	Answer4
ORGANISATIONAL BEHAVIOUR				
Use of power is advocated by _____ model	autocratic	custodial	selective	collegial
_____ level of organisational behaviour studies how two employees interact with each other and how their actions affect each other.	Group	Individual	Interpersonal	Interorganisational
At _____ level of organisational behaviour studies how factors such as individual attitude, personality and motives affect the employee behaviour at work.	Interorganisational	Individual	Intergroup	Group
_____ is the study of people in relation to their social environment or culture.	Sociology	Psychology	Anthropology	Geography
Which of the followings is NOT one of the goals of organisational behaviour	Describe	Understand	Predict	Salary
The law of _____ differences is a belief that each person is different from all the others.	Interorganisational	Group	Intergroup	Individual
_____ is at the heart of collegial model.	Compensation	Training	Recruitment	Partnership
The _____ effect involves the tendency to judge all aspects of a person's behaviour or character on the basis of a single attribute.	Eva	Cello	Halo	Avon
"Women are not good leaders" is an example of _____.	Appreciation	Judgement	Leadership	Stereotyping
Job related feelings are _____ in nature	lasting	temporary	confusing	misplaced
_____ is the degree to which a person relates to a job	attitude	conflict	job involvement	perception
_____ is a sign of job involvement	absenteeism	high performance	conflict	indifference
involvement with enthusiasm is called employee _____	engagement	disengagement	productivity	attitudes
The degree to which an employee identifies with the organization is called _____	engagement	productivity	commitment	satisfaction
the degree to which an employee believes the organization values their well being is known as _____	POS	DOS	SOS	MOS
job satisfaction is _____ in nature	unidimensional	multidimensional	narrow	broad
One of the factors affecting job satisfaction are _____ factors	impersonal	attitudinal	personal	psychological
_____ is based on the assumption that there is more than one way of negotiating	distributive	target	integrative	resistance point

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Setting _____ deadline is a distributive bargaining strategy	budget	resources	project	time
The motive in integrative bargaining is to create _____ situations	lose / win	win / lose	win/win	lose/lose
Those who have entered in the workforce from 2000 onwards and are under the age of 38 as on 2019, are called as _____.	Baby boomers	Xers	Millennials	Gen Y
Ability to control others based on ones knowledge is called _____ power	reward	coercive	expert	legitimate
_____ power leads to compliance in employees	reward	coercive	personal	expert
_____ is the level of stress that the person can tolerate before negative feelings about stress and affects performance.	Groupthink	Stress threshold	Larger	Smaller
The term _____ behaviour describes how individuals in a group act together without planned direction.	herd	human	employee	employer
people join _____ because man is a social anima	groups	camps	parties	organizational
_____ behaviour describes how people act in an unplanned manner	herd	community	collective	group
Groups are formed to achieve _____ objectives	common	disjointed	uncommon	non linear
A designated work group is called _____ group	informal	formal	illegal	command
There are _____ stages in group development	three	four	five	six
A set of expected behaviour attributed to a position in social setting is called _____	goals	role	perception	norms
Group norms on employee behaviour was part of _____ studies	power role	Allocation	Hawthorne	mutual benefit
The tendency to adjust ones behaviour with norms of the group iss called _____	status	power roles	conformity	norming
_____ is the prestige, rank, position given to an individual	power role	position	status	formal roles
The degree to which members are attracted to others in the group is called _____	cohesiveness	bonding	loafing	conformity
_____ is the reduction in motivation to work in a group as against individually	loafing	bonding	conformity	cohesiveness

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the tendency of performance to improve or decline in presence off others is called social _____	motivation	status	performance	facilitation
Types of groups are _____	Formal	Directive	semiformal	freedom
A _____ group is a group composed of individuals who report directly to a given manager.	task	marketing	HR	command
A group of fans of J. K. Rowling's books is an example of _____ group.	work	interest	story	friends
Stress becomes destructive when _____ -	the communication channels becomes effective	resources are available	the level of stress become excessive	employee gets training
Example of events that may lead to trauma is:	natural disaster	promotion	job enlargement	job satisfaction
_____ is the transformations in thee structure of the organization	planning	staffing	organizing	change
Study to measure response to change was conducted by _____	friedman	herzberg	roethlisberger	fayol
"Mere observation of a group tends to change the group" is called _____ effect	Hawthorne	iceberg	equilibrium	perception
_____ is expressed in the form of behaviours that attempt to delay and discredit implementation of change	Resistance	Revolt	Dissatisfaction	threats
_____ resistance happens due to lack of knowledge	logical	psychological	sociological	cultural
When employee is asked to complete a work within a day which usually requires a time of one week, he is put under _____ workload.	qualitative	quantitative	office	admin
A _____ is any event that requires a modification in the individuals accustomed way of life.	marriage	job change	life change	promotion
To overcome stress one need to practice _____.	meditation	sleeping for less than 5 hours	avoiding calls from relatives	more responsibilities
Venture Capital and private Equity				
Venture capital and growth capital both are parts of _____.	Private equity	Mezzanine Financing	Venture Capital	LBO
Private Equity funds typically have fixed life spans of about _____ years.	5-6 years	8-10 years	7-9 years	8-9 years

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When a fund exits its investment through an _____, it does so through an offering of shares to the public of either: the portfolio company or the parent holding company,	IPO	Promoter buy-back	Sale to other PE	Mergers and acquisitions
The _____ can easily look out for a full exit from its investment in a relatively short time and for an easily demonstrated price.	i)Promoter	Venture capitalist	Sponsor	Director
The _____ concern that an exit of the fund in the IPO tells the investors that the company has limited upside,which is the wrong message to send.	Promoter	Venture capitalist	Sponsor	Underwriter
A sale of portfolio company to another private equity firm, also known as _____ in private equity.	Secondary Sale	Buy back	IPO	Mergers and Acquisitions
PE generally disposes of the investments within relative time frame of _____ years.	5-6 years	7-8 years	3-5 years	4-6 years
_____ is a risk of default in payment of interest or principal on a specified date.	Liquidity risk	Price Risk	Credit risk	Regulatory risk
_____ is the risk of doing a transaction which is not as per the prevailing rules and laws of the country.	Liquidity risk	Price Risk	Credit risk	Regulatory risk
_____ is the risk that the organization will suffer financial loss due to uncertainty in legal proceedings.	Legal risk	Operating Risk	Credit risk	Regulatory risk
Third -stage financing also known as _____ financing .	seed	mezzanine	start-up	expansion
Acquisition capital as the capital used to acquire	other assets	liabilities	assets	R&D
Income rights are defined under _____ and they are usually entitled to a fixed dividend	ordinary share	equity share	preference share	preferred ordinary share
provide various forms of instalment credit ranging from hire purchases to leasing	clearing banks	finance houses	mezzanine firms	merchant bank
.....is the most vital section and is usually written at late	executive summary	market analysis	background on the company	marketing
Demonstrate the company's growth prospects over, haveyear period	two to five	three to five	one to five	one to three

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The entrepreneur needs to convince the venture capital firm that there is opportunity for the business and its	products & services	planning	marketing	sales
The termrefers financial investment in highly risky and growth oriented venture with the objective of earning a high rate return.	venture capital	merchant bank	leasing	arbitrager
Is needed for developing a product in the initial stages.	seed capital	start-up capital	second round financing	ultimate round
Sits between public equity and outright ownership in terms of the investment horizon and the degree of corporate control.	venture capital	private equity	growth capital	LBO
In the private equity market vary widely in size and their reasons raising capital as well as in other ways.	intermediaries	investors	issuers	venture capitalist
.....are vital link between investor issuer and regulator.	investment advisor	investment manager	venture capitalist	intermediaries
PE investment is typically a transformational, value-added, strategy.	value investment	growth investment	active investment	passive investment
A PE fund must source & complete successful transaction to generate&... The raising of further funds.	risk & returns	profit & loss	risk & reward	profit & support

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is stable for institutional investor.	returns	interest	risk	profit
Private equity is a term financial investment	medium to long	short to medium	very long term	short to long
_____ is a PE strategy that uses a significant amount of debt financing to acquire equity of the investee firm.	Leveraged Buyout	Growth Capital	Distressed Buyout	Fund of Funds
_____ is usually financed by a bank loan to obtain a mature company.	Growth Capital	Leveraged Buyout	Distressed Buyout	Fund of Funds
In _____ investee firm must have assets to service the loan taken by the PE firm to acquire its stake.	Growth Capital	Distressed Buyout	Leveraged Buyout	Fund of Funds
In _____ the cost of acquisition of the firm is met by borrowed money.	Growth Capital	Distressed Buyout	Fund of Funds	Leveraged Buyout
_____ is the amount of cash the firm has after spending its cost of operations and capital.	Free cash flow	EBITDA	Gross profit	Cost of goods sold
A firm being bought out by leverage must have _____ existing debts on its books.	high	less	large	maximum
The purpose of leveraged buyout is to allow companies to make large acquisitions without _____.	due diligence	debt	having to commit large capital	free cash flow
A _____ is unsecured debt that is paid off after senior debt but before equity holders.	low- profit debt	breakeven-profit debt	low-yield debt	high-yield debt
In _____, shareholders sell their interest to the PE firm potentially merging the two companies.	Stock Purchase	Growth Capital	Asset Purchase	Fund of Funds
In _____, the target firm sells its assets to the buying group.	Stock Purchase	Growth Capital	Asset Purchase	Fund of Funds
_____ is provided to relatively mature companies that require capital to expand.	Leveraged Buyout	Growth Capital	Distressed Buyout	Fund of Funds
_____ is provided to later- stage companies with substantial revenue.	Leveraged Buyout	Fund of Funds	Distressed Buyout	Growth Capital
Growth capital removes _____ risk.	concept	investment	exchange	credit
Which of the following is not a reason for growth capital investors to invest in firms.	Acquiring new markets	New business idea	Expansion of business	Strategic development
Growth equity investors invest more in _____ businesses.	new technology	new business models	traditional	early-stage
In _____, the PE firm purchases a company that is in financial difficulties.	Leveraged Buyout	Growth Capital	Distressed Buyout	Fund of Funds

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There are restrictions on the _____ of shares that can be bought back in a year.	investment	percentage	credit	credit
_____ is permitted only from free reserves or from the securities premium account,	investment	buy back	leverage buyout	credit
_____ is a document which contains all the relevant information about the company, promoters, projects, financial details, objectives of raising the money, terms of the issue, etc.	Offer document	Bye-laws	Memos	Policies
A successful PE exit is an indicator of _____ of the company.	assets and liabilities	good performance	risk and return	expenses
Currency fluctuations lead to _____ risk.	exchange rate	market	credit	counterparty
A strong ecosystem for _____ and early stage investments can attract more VC/PE investments in India.	lenders	regulators	entrepreneurship	counterparty
_____ is a strategy where a company takes on significant additional debt with the purpose of either paying a large dividend or repurchasing shares	Mezzanine Capital	Growth Capital	Distressed Buyout	Leveraged Recapitalization
The regulatory bodies have to take measures to bring about _____ in regulations.	harmonization	growth	separation	decentralisation
Risk Management				
Standard deviation is a _____ method that sheds light on historical volatility	Mathematical	Statistical	Accounting	Approximation
The sensitivity of stock prices to market movement is measured by _____	Beta	Alpha	Return	Variance
If return on stock is more than return on index , this means beta of stock is _____	Equal to Zero	Less than 1	Equal to 1	Greater than 1
Maximum loss on a given asset over a given period of time at a given confidence level is _____	Premium	Margin	Value at Risk	Basis
A risk where a given security or asset cannot be traded quickly in the market to prevent a loss is _____ risk.	Liquidity	Financial	Credit	Market
A buyer wants to buy 10 shares of ABC Ltd. at Rs. 50 : whereas best sell order is at Rs. 75 : what is spread in this transaction ?	Rs. 50	Rs. 75	Rs. 25	Rs. 10
A buyer wants to buy 100 shares of DLF Ltd. at Rs. 250 : whereas best sell order is at Rs. 280 : what is 'Bid ' price?	100	250	280	30

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_____ price is price at which seller wants to sell.	Call	Put	Bid	Ask
_____ price is price at which seller wants to sell.	Call	Put	Bid	Ask
_____ is risk that arises from functioning of an organization	strategic Risk	Business Risk	Non -Business Risk	Operational Risk
_____ cannot be Measured.	Risk	Returns	Uncertainty	States of economy
An investors brought 50 share of ABC LTD at Rs. 500 per share . After 2 year investor sold the share at Rs.600 per share. During the period, he earned dividend Rs. 500 . He also paid Commission of Rs.1000 to the broker. Calculate Return earned by the investor.	16%	17%	18%	19%
The Firm with _____ credit rating has an excellent debt repaying capacity	AAA	AA	A	BBB
The AAA rated firms have excellent _____ repaying capacity	Capital	Debt	Interest	Dividend
_____ is a measure of reputation of firm	Character	Capital	Credit Rating	Capacity
There are _____ kind of Liquidity risk	one	Two	Three	Four
The _____ of an assets rate of return can be found as sum of squared deviation of each possible rate of return from expected rate of return multiplied by probability that the rate of return occurs	Standard Deviations	variance	value at risk	Beta
_____ is the risk that arises from Volatility of interest rate in economy	Interest rate risk	Credit Risk	legal risk	Equity risk
_____ arises if there is maturity mismatch between Liabilities and offsetting assets	Term structure risk	Basis risk	options risk	commodity risk
_____ is associated with environment in which company functions	credit risk	financial risk	Business risk	commodity Risk
_____ refer to time needed for trading a certain amount of asset at a given price	Impact cost	Marker depth	Immediacy	value at risk
_____ is defined as actual or potential threat of negative effects on living organisms and environment by wastes, resource depletion etc. coming out of an organizations activities	Regulatory risk	compliance risk	Environmental risk	Dispute risk
_____ risk arises if there is maturity mismatch between liabilities and offsetting assets	Term structure	Regulatory risk	compliance risk	Environmental risk
Lack of counterparty results into _____ risk	Insurance	Liquidity	dividend	Credit

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_____ analysis consists of Economic, Industry and Company analysis	Fundamental	Technical	Statistical	Financial
_____ industries are closely related to economic developments	Growth	Cyclical	Defensive	Seasonal
According to _____ analysis, security prices are determined by the supply and demand for securities	Industry	Company	Technical	Economy
_____ trade in Derivative Market solely with an intention of earning profits.	Broker	Hedger	Speculator	Arbitrageurs
An agreement whereby one party pays a fixed price and second party pays market rate for same quantity of commodity is _____	Commodity Swap	Interest rate Swap	Currency Swap	Equity Swap
Increasing number of sectors in portfolio, Investment in safer securities, Inclusion of derivatives in portfolio and Alternative investment strategies are techniques of _____	Making profits	Diversification	Wealth Maximisation	Reducing Taxes
With diversification, _____ risk remains unchanged .	Systematic	Unsystematic	Interest Rate	Liquidity
If Risk free return is 6% , Market return is 15% and Beta of a portfolio is 1.01 ; calculate expected return of portfolio as per CAPM	15%	6%	15.09%	9%
There are 70 chances that stock ABC will rise by 20 and probability that it will decline by 10 is 30 . Calculate expected returns .	10%	11%	12%	14%
An investor bought 20 shares of BEST Ltd. at Rs. 100 per share and sold it after 2 years at Rs. 180 per share. During the period , he earned a dividend of Rs. 70 . Calculate return earned by the investor.	Rs. 1670	Rs. 1500	Rs. 1530	Rs. 1600
Returns of PQR Ltd. are -10%, 5% and 20% with respective probabilities of 0.30, 0.40 and 0.30 ; Calculate Expected Return.	11%	5%	7%	-10%
Amount of risk that an organisation can actually bear is _____	Risk appetite	Risk Tolerance	Risk Culture	Risk Capacity

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_____ is concerned with and ensure that the company is fulfilling its tax liability and follows all laws and regulations	Government	Employees	Customers	Suppliers
_____ is combination of Equity and Mortgage REIT.	Mutual Funds	Hybrid REIT	Mortgage REIT	Equity REIT
Current account convertibility allows free inflows and outflows for all purposes other than for capital purposes such as investments and loans.	Current Account	Capital account	Currency	Exchange Rate
_____ exposure effects the financials of the group when it translates its assets, liabilities and income to home currency from various currencies.	Transaction	Translation	Economic	Financial
_____ means to delay a payment in case firm expects currency to depreciate in future	Exposure Netting	Leading	Lagging	Swap
An importer buys goods worth \$ 1000, when spot rate is 1 \$ = Rs. 46 ; Calculate the gain / loss if spot rate at the time of payment (after 3 months) is 1 \$ = Rs. 47	Profit of Rs. 46,000	Loss of Rs. 46,000	Profit of Rs. 1000	Loss of Rs. 1000
A _____ is a bond which is issued in several countries at the same time.	Foreign Bonds	Euro Bonds	Global Bonds	Domestic Bonds
Duration Properties - Higher yield, _____ duration	No change in	Shorter	Longer	Small change
The yield curve inverts when longer term rates are actually _____ than short term interest rates.	Lower	Higher	Incremental	No change
A _____ yield curve may arise from normal or inverted yield curve, depending on changing economic conditions.	Irregular	Flat	Inverted	Normal
If a 12.5 % bond sells in the market for Rs. 104.50, Current yield is _____	11.96%	8.36%	10%	12%
A bond is currently trading at Rs. 110 and have a face value of Rs. 100. Maturity is of 7 years and annual coupon is 15%. Calculate YTM.	12.92%	42.86%	15.65%	10%
An agreement where two or more parties agree to exchange interest obligation over a period of time is called _____	Commodity Swap	Interest rate Swap	Currency Swap	Equity Swap
Yield curve is used to show the relationship between _____ and maturity.	Returns	Profits	Yield	Interest Rate

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Mutual Fund Management				
_____ is the expense that occurs at the time of New Fund Offer.	entry load	exit load	Transaction cost	Initial Issue Expenses
The financial statement of the fund are prepared on _____ basis.	accrual	spread	sunk cost	issue
what is the holding period for debt funds to classify as short term capital gains?	12 months or less	12 months or more	36 months or less	36 months or more
Calculate the NAV if the repurchase price is Rs. 20 and the exit load is 2%	19.6	18	17	16
NAV at the beginning of the investment is Rs. 20 and at the end of the investment period is Rs. 30. Dividend for the period is Rs. 5. What's the HPR?	79	80	75	73
A scheme has 520 crores of net assets and the expense of 5.20 crores. What is its expense ratio?	4.20%	1%	10%	2.50%
High yield (junk-bond funds focus on relatively risky bonds issued by firms that are subject to	Default risk	Interest rate risk	Exchange risk	Management risk
The possibility that interest rates may rise an example of	Political risk.	Exchange rate Risk.	Interest rate risk.	Liquidity risk
Sponsor must hold at least % of the AMC's net worth.	42%	45%	40%	35%
AMC's net worth has to be at least	5 crore	10 Crore	15 crore	20 crore
The UTI is governed by	UTI Act	CLB	DCA	AMCs
For taxation purpose funds with allocation in equity are classified as equity funds.	40% or more	60% or more	65% or more	75% or less
Full form of DDT:	Different distribution tax	Distribution dividend tax	Dividend distribution tax	Duties distribution tax
An _____ is a document that provides financial information about a mutual fund, including expenses and past performance.	annual report	Prospectus	Financial statement	Balance sheet
As interest rate rises, _____ of the bond falls and vice versa	dividend	tax	price	inflation
Tax saving funds offer tax benefits to investors under section ____ of the Income Tax Act, 1961.	80A	81D	81C	80C
The information in the _____ should be in simple language and in a clear and easily understandable manner.	offer document	red herring prospectus	KID	NFO
Although mutual funds are highly liquid, _____ funds can be purchased and sold only at the end of the day.	debt	open-ended	closed-ended	money market
_____ plans have a lower expense ratio excluding distribution expenses, commission, etc.,	indirect	direct	quant	assured return scheme

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In _____ option mutual fund will re-invests all the profits earned by the fund in the same scheme, this results in increase in NAV of the scheme.	growth	dividend	dividend reinvestment	quant
_____ option is suitable for investors who want regular income without redemption of units.	growth	dividend	dividend reinvestment	quant
A mutual fund has a beginning balance of 100 million earns interest of 10 million, receives dividends of 15 million, and has expenses of 5 million. If 10 million shares are outstanding, what is the NAV?	10.5	11	12	12.5
Closed-ended funds have _____	no maturity	maturity	free entry	free exit
A passively managed fund simply follows a _____	stock	bond	benchmark	derivative
_____ fund invest both in equity shares and debt (fixed income) instruments in the proportion indicated in their offer documents, with the objective of providing both growth and regular income.	growth	gilt	capital protection fund	balanced
_____ continuously offer new units to the public at a price based on the current value of the fund's net assets plus any sale charges.		adviser	agent	principal underwriters
The call money market is regulated by _____	SEBI	RBI	AMFI	IRDA
_____ associated with a fund can be defined as the variability or fluctuations in returns generated by it.	Risk	Return	Profits	Losses
_____ risk is the general market fluctuations which affect all securities.	Credit	Market	Political	Economical
_____ risk is the fluctuations in the fund due to specific securities present in it.	Credit	Market	Political	Unsystematic
_____ risk is the sum of systematic and unsystematic risk and is measured in terms of standard deviation of the fund's returns.	Credit	Total	Political	Unsystematic
_____ risk is measured in terms of Beta which is fluctuations in the NAV or market.	Credit	Economic	Systematic	Unsystematic
_____ is calculated by relating returns on a mutual fund with returns in the market.	Standard deviation	Beta	Sharpe	Treynor
An investor purchase a unit of mutual fund for Rs. 20 and received Rs. 4 as dividends. At redemption the NAV was Rs. 25. What would be the holding period return on this fund?	50%	45%	40%	41%
_____ is the income generated plus the change in price of the investment, all divided by the initial investment.	Holding period return	Profits	NAV	Dividends

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_____ is the key factor of performance measurement and a decisive factor in determining manager's skill.	Risk	Return	Profits	Losses
The risk that you may lose the invested money is _____ risk.	Market	Capital	Credit	Economic
The risk of the investee firm not declaring dividend or even going bankrupt is called _____ risk.	Business	Capital	Credit	Economic
The risk that is associated with every kind of investment is called _____ risk.	Market	Capital	Credit	Economic
Fund managers try to eliminate _____ risk by fund management.	Market	Capital	Credit	Economic
Risks associated with the nature of the scheme is called _____ risk	Market	Scheme	Credit	Economic
The risk of losses made by the fund at the back of the investment expertise of the AMC is called _____ risk.	Market	Scheme	Investment	Economic
The risk associated with the political climate of a country is called _____ risk.	Political	Scheme	Credit	Economic
_____ is the measure of dispersion in returns.	Mean	Median	Standard Deviation	Regression
_____ reflects the sensitivity of a stock or fund to a market index.	Standard deviation	Beta	Sharpe	Treynor
_____ is the measure of bond's sensitivity to changes in interest rates.	Standard deviation	Beta	Sharpe	Duration
The longer the duration, the _____ is the sensitivity of bond prices to interest rates.	lower	smaller	higher	neutral
_____ measures the average time required for the investor to receive the investment and interest on it.	Standard deviation	Beta	Duration	Treynor
_____ ratio is the ratio of total expenses of the fund to its NAV.	expense	Profits	risk	Losses
Indices are used for _____ mutual funds.	measuring risks	measuring standard deviation	benchmarking	managing portfolio
The _____ of the fund does not have any impact on its returns.	management	expenses	NAV	sponsors
Appreciation in the value of investments is called _____	market returns	dividend reinvestment	risk	capital gains
Corporate Restructuring				
The Post-Merger Integration process must involves a significant change in the _____ culture of the acquired business.	Human Resource	Integration	management	Production
Post-Merger Integration are sought with an aim of trying to control the _____ feed by the involved businesses.	Production	products and services	Manufacture	Production
Management involves the <u>utilisation</u> of _____	Resources.	Analysis	Culture	Reserve

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The Capitalisation of the _____ company determines its success or failure	Holding	Buy Back	Mergered	joint venture
Fair market value is one of the valuation criteria for measuring the _____ of post merged company.	Failure	success	Both	None of above
Post-Merger Integration is an incredibly challenging process that senior executives are required to undertake in parallel to managing their core business operations.	Junior	senior	General	All of the above
The earning performance of the merged company can be measured by return on total assets and return on _____.	net worth	Liabilities	Share capital	joint venture
Under Section _____ of the Income Tax Act, 1961 carry forward and setting off of accumulated losses and unabsorbed depreciation of the amalgamating company is allowed against the future profits of the amalgamated company in order to encourage revival of sick units.	72A	71A	71 B	72B
The merged firm would enjoy Higher debt capacity because the combination of _____ firms provide greater stability to the earnings level.	One	two or more	ZERO	None
Merger of two or more firms has been used as a dominant business strategy to seek _____ growth and diversification.	Stable	Medium	Slow	Rapid
Post-Merger reorganization means reorganization of each and every aspects of the company's _____ area.	Human Resource	Integration	Management	Functional
_____ Integration requires high quality management.	Demerger	Post -Merger	Buyout	Joint venture
_____ is part of corporate restructuring leads to change in the structure of organization.	Demerger	Merger	Buyout	Joint venture
_____ in case of post merger has to lead more favorable then that of pre-merger	Terms of employment	Earning	Net profit	Capitalisation
_____ is an important tools for successful merger.	Communication	Earning	Net profit	Capitalisation
When existing company is dissolved to form few _____ companies, it is called as _Split up	New	old	existing	all of the above
_____ means the action of an organization or government selling or liquidating an asset or subsidiary.	Merger	Joint venture	Takeover	Disinvestment

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Takeover means an acquirer takes over the control of the _____ company	Joint venture	target	Disinvestment	Demerger
Strategic Alliance parties work together or a single project for a _____ period of time.	finite	infinite	Disinvestment	Franchising
_____ may be defined as an arrangement where one party grants another party the right to use trade name.	Alliance	Franchising	Slump sale	Joint venture
_____ is defined as the procedure that is involved in changing the organization of business.	Corporate Restructuring	Communication	Ownership	Capital Structure
Corporate Restructuring is an expression by which company can _____ its business operations & reinforce its position.	consolidate	Communication	Ownership	Capital Structure
Financial restructuring has been done for improving _____ financial performance to gain market opportunities.	New	old	existing	Poor
_____ restructuring brings new & advance technologies in order to achieve & improve productivity & performance.	Organizational	Corporate	Financial	technologies
Organizational restructuring _____ the efficiency & effectiveness of the organization	increase	decrease	All the above	None of above
_____ is a combination of two or more business into one business	Merger	Buyout	Joint Venture	De-merger
Acquisition an act of acquiring effective control by _____ company over assets of another company.	1	2	3	4
Demerger form of _____ in which entities of business operations are segregated in one or more components.	Corporate Restructuring	Communication	Ownership	Capital Structure
_____ is defined as an management where one party allows another party the right to use its trade name	Strategic Alliance	Joint venture	Disinvestment	Franchising
Corporate restructuring may be one time exercise for an organization but it may have _____ influence on the business.	perpetual	restructuring	Corporate	Technological
_____ is a tool for obtaining synergy, dynamism and perpetuity	Corporate Restructuring	Communication	Ownership	Capital Structure
Corporate restructuring is an inorganic _____ strategy.	Growth	Communication	Ownership	Capital
LPG paved way to a _____ corporate restructuring in India.	Capital	Creditors	strong	week
Corporate restructuring is tool for developing Idle cash into _____ venture.	Profitable	Loss	Joint	Capital

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Financial restructuring deals with restructuring of capital base and raising finance for _____ project.	New	Old	Existing	Continue
The Competition Act, 2002 regulates the various forms of business combinations through _____.	Competition Act, 2002	SEBI regulation	Competition Commission of India	Companies Act, 2013
The Indian _____ contains several provisions that deal with the taxation of different categories of mergers and acquisitions.	Competition Act, 2002	Income tax Act, 1961	Competition Commission of India	Companies Act, 2013
The _____ of investors can be minimized through adequate transparency and disclosures.	Risk	Return	Certain	Uncertain
_____ deals with accounting for amalgamations.	Accounting Standard 14	Accounting Standard 11	Accounting Standard 13	Accounting Standard 15
A company in one country can be acquired by an entity (another company) from other countries is called_____.	Cross border merger	Intra border merger	Poison pill merger	None of the above
Before the _____ of share, the company shall file with the Registrar of companies a letter of offer in e-form SH-8.	Merger	Buy – back	Joint Venture	De-merger
The company shall file with the_____, along with the letter of offer, a declaration of solvency in e-form SH-9.	Registrar of companies	SEBI regulation	Competition Commission of India	RBI
_____ is the process of reshuffling or reorganizing the financial structure, which primarily comprises of equity capital and debt capital.	Financial restructuring	Organizational restructuring	Corporate restructuring	Technological restructuring
Debt Restructuring is more commonly used as a financial tool than compared to _____.	Debt restructuring	Corporate restructuring	Financial restructuring	Equity restructuring
_____ the cost of capital for healthy companies is long term borrowings type of Debt capital.	Increasing	Reducing	stable	Debt
._____ types of short term borrowings include inter-corporate deposits, clean bills and clean over draft.	High	Long	Medium	Short
Equity Restructuring includes reshuffling of the shareholders capital and the reserves that are appearing in the_____.	Balance sheet	profit and loss	Trading	Manufacturing
Equity Restructuring mainly deals with the concept of _____.	capital reduction	Equity restructuring	Corporate restructuring	Financial restructuring
Medium term foreign currency denominated ECB with the minimum average maturity period of _____ years.	10	3or 5	30	40

Sample Question for TYBFM	Answer1	Answer2	Answer3	Answer4
_____ term foreign currency denominated ECB with the minimum average maturity period of 10 years.	High	Long	Medium	Short
Strategic Corporate Finance				
Assume a company in which the cost of Debt Capital is 4% and the cost of Equity Capital is 15%; Proportion of Debt is 40% and 60% is Equity. Calculate WACC	0.016	0.106	0.09	0.074
Debt Equity ratio in capital of Axis Ltd. is 30:70 Cost of Debt is 5.5% and cost of Equity is 13% Calculate WACC	0.1075	0.0165	0.091	0.0745
Debt Equity ratio in capital of SBI Ltd. is 90:10 Cost of Debt is 7.5% and cost of Equity is 15% Calculate WACC	0.0675	0.015	0.0825	0.0525
_____ considers both investment and financial decisions.	Dividend Planning	Financial Planning	Asset management	Risk management
Net Profit Before Interest and Taxes of XYZ Ltd. Is 5 lakhs, Company has 10% debentures amounting to Rs. 10 lakhs, tax rate applicable to company is 40% and it has 20000 equity shares of Rs. 100 each. EPS of XYZ Ltd. Is	Rs. 12	Rs. 40	Rs. 50	Rs. 36
Net Profit Before Interest and Taxes of XYZ Ltd. Is 8 lakhs, Company has 8% debentures amounting to Rs. 10 lakhs, tax rate applicable to company is 25% and it has 20000 equity shares of Rs. 100 each. EPS of XYZ Ltd. Is	Rs. 27	Rs. 54	Rs. 18	Rs. 28
No. Of existing equity shares = 10 lakhs , Market price of shares = Rs. 60, Net Earnings = Rs. 90 lakhs; Calculate the cost of equity share capital.	12%	18%	15%	9%
No. Of existing equity shares = 1 lakhs , Market price of shares = Rs. 50, Net Earnings = Rs. 5 lakhs; Calculate the cost of equity share capital.	10%	15%	20%	12%
Proceeds Ltd. issued Rs. 100lakhs 8% debentures of Rs. 100 each. Tax rate is 25%. Calculate the cost of Debentures	12%	6%	5%	10%
Capital provided by firms of professionals	IPO	FDI	Venture Capital	Bank Loan
Funding with high degree of risk	FDI	Bank Loan	IPO	Venture Capital

Sample Question for TYBFM	Answer1	Answer2	Answer3	Answer4
In this transaction a new independent management team is brought in to facilitate the acquisition alongside the private equity investors.	MBI	MBO	FDI	FII
It is an investigation or audit of a potential investment or product	Planning	Due Diligence	Funding	Implementing
Equity Shareholders are	Creditors	Owners	Suppliers	Consultants
The rate of dividend on Equity shares is	Fixed	Fluctuating	Not Fixed	recurring
What you want to achieve is a	Mission	Vision	Target	Goal
Defining values and beliefs is a	Strategy	Philosophy	target	Goal
Every person in the organization, from the boardroom to the backroom	Should be fully committed to the vision of the organisation	Should know the procedures of managing a organisation	Should know shareholder's rights	Should do their work.
The "course and direction" that we intend to follow over the next several years is	Risk	Return	Strategy	Management
Evaluating the performance of a plan and making the necessary adjustments is	Monitoring	Informing	Implementing	Modifying
A _____ is required to manage the cash flows within the company	Strategic Planning	Financial Planning	Cost planning	Budgeting
_____ decision is about when, where and how should a business acquire funds	Finance	Dividend	Liquidity	Investment
According to Maracon Model, management maintains value for shareholders if	Market value is > Book vale	Market Value = Book value	Market value < Book value	Security is not marketable
The benefit forgone from the next best alternative is	Relevant costs	Irrelevant costs	Opportunity costs	Avoidable costs
The costs that already incurred and cannot be recovered are	Sunk costs	Committed costs	Non-cash expenses	General overhead costs
_____ Cost of an item represents the total cost of its ownership, and includes all the cots that will be incurred during the life of the item	Traditional	Activity based	Target	Life cycle
The costs incurred to avoid or minimize the number of defects at first place are	Prevention costs	Appraisal costs	Internal failure costs	External failure costs

Sample Question for TYBFM	Answer1	Answer2	Answer3	Answer4
If P/E ratio of a firm is 4, EPS is Rs. 10 and no. Of equity shares are 10 lakhs; calculate Market capitalisation .	Rs. 40	40 lakhs	100 lakhs	400 lakhs
No. Of existing equity shares = 2000 , Market price of shares = Rs. 125 , Net Earnings = Rs. 25,000 Calculate the cost of equity share capital	10%	5%	15%	20%
Maximising _____ wealth has become the new corporate paradigm	Shareholder's	Government's	Customer's	Debenture holder's
Shareholder's wealth = number of shares owned × _____	MPS	EPS	EVA	MVA
The term _____ refer to a part of profit.	Dividend	Interest	Discount	Premium
Profit which is not distributed is known as _____	Operating profit	Dividend	Retained Earning	Interest
Calculate EVA if NOPAT = Rs. 10,00,000 ; Capital Investment = Rs. 19,00,000 ; WACC = .150 or 15.00%	Rs. 7,15,000	Rs. 19,00,000	Rs. 10,00,000	Rs. 9,00,000
Net operating profit after tax - Cost of capital is	MVA	EVA	Shareholder Value Added	CVA
_____ is primarily concerned with reducing earnings volatility.	Risk management	Credit management	Cash management	Cost management
The effectiveness of the risk management strategy is evaluated _____	Frequently	Sometimes	Annually	Daily
_____ deals with optimum finance of the company.	Financial Accounting	Management Accounting	Cost Accounting	Corporate Finance
Debt Equity ratio in capital of ABB Ltd. is 20:80 Cost of Debt is 5% and cost of Equity is 12.5% Calculate WACC	0.1	0.09	0.01	0.11
Debt Equity ratio in capital of BPCL Ltd. is 40:60 Cost of Debt is 5.5% and cost of Equity is 13% Calculate WACC	0.022	0.078	0.056	0.1
Net Profit Before Interest and Taxes of XYZ Ltd. Is 6 lakhs, Company has 10% debentures amounting to Rs. 10 lakhs, tax rate applicable to company is 40% and it has 20000 equity shares of Rs. 100 each. EPS of XYZ Ltd. Is	Rs. 60	Rs. 15	Rs. 50	Rs. 40

Sample Question for TYBFM	Answer1	Answer2	Answer3	Answer4
Net Profit Before Interest and Taxes of XYZ Ltd. Is 5 lakhs, Company has 8% debentures amounting to Rs. 10 lakhs, tax rate applicable to company is 30% and it has 10000 equity shares of Rs. 100 each. EPS of XYZ Ltd. Is	Rs. 29.40	Rs. 42.50	Rs. 45	Rs. 35
No. Of existing equity shares = 10000 , Market price of shares = Rs. 60, Net Earnings = Rs. 1,20,000; Calculate the cost of equity share capital.	20%	25%	12%	15%
No. Of existing equity shares = 20000 , Market price of shares = Rs. 40, Net Earnings = Rs. 1 lakhs; Calculate the cost of equity share capital.	15%	12.50%	10%	7.50%
Following is not an Initial Cost	R & D	Quality Control	Designing	Cost of Transport
Infrastructure Finance is for	Infrastructure Projects	Government Expenditure	Municipal Expenditure	Private Sector
Capital Budgeting involves	short- term and long-term requirements	decisions of debt-equity ratio	Selection of profitable investment option	Monitoring
_____ costing allocates the costs of manufacturing a product according to the activities needed to produce the item.	Traditional	Activity based	Target	Life cycle
Counterparty risk is a risk	To each party of a contract	To some parties of a contract	To one party of a contract	To not a single party
Calculate EVA if NOPAT = Rs. 33,80,000 ; Capital Investment = Rs. 13,00,000 ; WACC = .056 or 5.60%	Rs. 13,00,000	Rs. 33,80,000	Rs. 33,07,200	Rs. 20,80,000