# A

### **120 MINUTES**

- 1. The process of analysing the environment for the identification of factors which have impact on or have implication for the business is called:
  - A) Forecasting B) Assessment
  - C) Scanning D) Evaluation
- 2. A monetary policy which tries to contract economic activities during an expansionary phase and expanding economic activities in a contractionary phase of a business cycle is:
  - A) Expansionary monetary policy
  - B) Contractionary monetary policy
  - C) Counter cyclical monetary policy
  - D) Discretionary monetary policy
- 3. Which one of the following is not a constituent of invisible account of the Balance of Payment?
  - A) Foreign travel B) Investment income
  - C) Merchandise trade D) Transfer payment
- 4. Which one of the following is not a disadvantage of fixed exchange rate policy?
  - A) Persistent imbalance in balance of payment
  - B) Stability in exchange rate
  - C) Lack of independence in monetary policy
  - D) Speculation
- 5. Name of economic system which is dominated by market forces:
  - A) Capitalism B) Socialism
  - C) Mixed economy D) Feudalism
- 6. Net factor income from abroad when deducted from GNP will result in:
  - A) NNP B) NDP
  - C) GDP D) Per Capita Income
- 7. As per terms of WTO, patent rights are available for a minimum of:
  - A) 12 years B) 14 years
  - C)
     16 years
     D)
     20 years
- 8. The rate at which a banker is willing to buy foreign currency is:
  - A) Ask rate B) Bid rate
  - C) Offer rate D) Cross rate

9.	I. Economic phenomenon, su studied in micro-economics	te whether the followings statements are true or false: Economic phenomenon, such as rate of unemployment and inflation are studied in micro-economics. Fiscal policy deals with manipulation of levels of Government spending and Taxation.			
	<ul><li>A) I and II are true</li><li>C) I is true and II is false</li></ul>	B) D)	I and II are false I is false and II is true		
10.	FEMA was passed in the year: A) 1991 B) 1999		C) 2000 D) 2001		
11.	<ul><li>Withdrawal of State from an indust</li><li>A) Modernisation</li><li>C) Globalisation</li></ul>	ry parti B) D)	tially or fully is known as: Liberalisation Privatisation		
12.	<ul> <li>Scanning the external environment of a business enables it to identify:</li> <li>A) Opportunities and Threats B) Opportunities and Strength</li> <li>C) Strength and Weaknesses D) Threats and Strength</li> </ul>				
13.	<ul> <li>The apex body of economic planning in India is:</li> <li>A) Ministry of Planning</li> <li>B) NITI Aayog</li> <li>C) Ministry of Economic Affairs</li> <li>D) Planning Commission</li> </ul>				
14.	The Brettonwood twins comprises ( A) ADB C) IMF	of Worl B) D)	rld Bank and: ABN-AMRO Federal Reserve		
15.	<ul> <li> is defined as systematic asse a business firm.</li> <li>A) Social audit</li> <li>C) Social interaction</li> </ul>	essment B) D)	t of the social impact of the activities of Social responsibility Social benefit	f	
16.	<ul> <li>FDI stands for:</li> <li>A) Foreign Domestic Investment</li> <li>B) Foreign Direct Import</li> <li>C) Foreign Duty Inflows</li> <li>D) Foreign Direct Investment</li> </ul>				
17.	Which Act was replaced with the in A) FERA C) POTA	ntroduct B) D)	ction of Competition Act of 2002? MRTP SEBI		
18.	The environment created by applicate boundaries of global business is known (A) Social environment				

A)Social environmentB)Technological environmentC)Cultural environmentD)Economic environment

19	The analysis and	designing o	of application s	systems can be efficient	ly handled by:
1).	1 no unui yoto unu	designing 0	' uppneution .	ysterns can be entreferit	i y munulou 0 y.

- A) Data entry operators
- B) Computer programmers
- C) System analysts D)
- D) Computer operators
- 20. What type of commerce occurs when a firm sells its products over internet to other firms?
  - A) B2B B) B2C
  - C) C2B D) Enterprise commerce

#### 21. The term encryption is associated with:

- A) E Commerce B) Data entry
- C) Communication of data D) Data processing

#### 22. Which one of the following is not a feature of critical information?

- A) Correctness B) Economy
- C) Timeliness D) Completeness
- 23. A system is called ------ when the inputs, process and the outputs are known with certainty.
  - A) Probabilistic B) Deterministic C) Open D) Close

#### 24. Accounting system is an example of:

- A) Probabilistic system B) Open system
- C) Deterministic system D) Closed system

#### 25. Transfer of a negotiable instrument can be effected by:

- A) Endorsement B) Delivery of possession
- C) Endorsement and delivery D) Noting by notary public

26. The rate at which RBI discounts the bills of commercial banks is known as:

- A) PLR B) Bank rate
- C) Discount rate D) Reverse reportate

#### 27. Credit cards are also known as:

- A) Plastic money B) Soft money
  - C) Hard money D) Electronic money

#### 28. Capital goods market deals with:

- A) Non-durable goods B) Durable goods
- C) Consumer goods D) Necessities

### 29. Under which of the following stages of product life cycle sales growth tends to slow down?

- A) Declining stage B) Growth stage
- C) Maturity stage D) Introduction stage

### 30. Which one of the following is not a factor while deciding demographic market segments?

- A) Age B) Sex
- C) Family size D) Climatic conditions

- 31. In BCG matrix a firm enjoying high market share operating in an industry offering a high growth rate is an example of:
  - A) Star B) Question mark
  - C) Cash cow D) Dog

## 32. Profits reported by enterprises will be the highest in which stage of industry life cycle?

- A) Introduction B) Growth
- C) Decline D) Saturation

#### 33. Which one of the following is not a generic strategy as per Porter?

- A) Differentiation B) Price leadership
- C) Cost leadership D) Cost focus

#### 34. Pick out the one which is not an advantage of outsourcing from the following:

- A) Better bargaining B) Self sufficiency
- C) Flexibility D) Savings in investment

#### 35. Where exactly we want to place our business pertains to:

- A) Our mission B) Our policy
- C) Our vision D) Our tactics

#### 36. Merging with a raw material supplier is an example of:

- A) Horizontal diversification
- B) Vertical diversification
- C) Conglomerate diversification
- D) Capacity expansion
- 37. During what stage of strategic management, a firm's specific internal strengths and weaknesses are determined?
  - A) Formulation B) Implementation
  - C) Evaluation D) Feedback
- 38. Effective strategic planning involves alignment of a firm's internal competencies with:
  - A) Managerial skills B) External environment
  - C) Communication networks D) Critical success factors
- 39. A discrete element of organization which is treated separately for strategic management purposes is known as:
  - A) Project B) SBU
  - C) Division D) Department

#### 40. Identify a constituent of legal environment from the following:

- A) Resource constraints B) Import restriction
- C) Logistics bottlenecks D) Employee turnover

#### 41. The authoritarian leadership style supports:

- A) Theory X B) Theory Y
- C) Theory Z D) Theory of Laissez fare

- 42. Decentralisation of higher order results in:
  - A) Small organization
  - B) Multiple decision levels
  - C) Vertical organization structures
  - D) Delay in decision making
- 43. Which one of the following is the last link in the communication process in an organization?
  - A) Decoding B) Encoding
  - C) Selection of channel D) Feed back
- 44. According to Herzberg's two factor theory, which one of the following is treated as a hygiene factor?
  - A) Recognition B) Promotion
  - C) Interpersonal relations D) Achievement
- 45. Pick from the following, one which is not an advantage of MBO:
  - A) Flexibility B) Clarity in tasks
  - C) Facilitating smooth change D) Clarity in individual roles

46. The process of adding higher responsibility with an existing job position to make the job more challenging or demanding is:

- A) Job design B) Job enlargement
  - C) Job enrichment D) Job specification

47. Which one of the following is not an example of downward communication?

- A) Promotion orders
- B) Transfer policy
- C) Performance appraisal report
- D) Break down summary

48. Which one of the following selection method is most suitable to assess the temperament possessed by a candidate?

- A) Intelligence test B) Psychological test
- C) Skill test D) Knowledge test

49. An interpersonal conflict resolution approach guided by lower level assertiveness with higher order cooperativeness is:

- A) Forcing B) Accommodating
- C) Avoiding D) Manipulating

50. The process involved in monitoring the subordinate level performance, comparing with set targets and suggesting rectification is popularly known as:

- A) Organising B) Directing
- C) Controlling D) Co-ordinating

51. Zero Base Budget prepared every year falls under:

A)

- Standing plan B) Single use plan
- C) Flexible plan D) Contingency plan

52.	The principle of Henry Fayol which insists that every subordinate should report to							
	only one superior is:	D)	Equirit de correce					
	<ul><li>A) Unity of direction</li><li>C) Unity of command</li></ul>	B) D)	Espirit-de-corpse Scalar chain					
	c) Onity of command	D)	Scalar cham					
53.	in the total capital of a firm is popularly							
	known as: A) Capitalisation decision	B)	Capital structure decision					
	C) Dividend decision	D)	Retention decision					
54.	Time required to recover the initial cash outlay of a project is:							
	A) Gestation period	B)	Economic life					
	C) Payback period	D)	Project life cycle					
55.	55. If net profit after tax is Rs. 3,00,000, retention ratio is 40 % and number of equity shares outstanding is 1,00,000, what is EPS?							
	A) Rs. 3	B)	Rs. 1.80					
	C) Rs. 1.50	D)	Rs. 1.20					
56.	While managing working capital, an important principle to be kept in mind is that liquidity varies inversely with;							
	A) Risk	B)	Investment in current assets					
	C) Profitability	D)	Cash in hand					
57.		and curr	rent liabilities are Rs.12,000. What is					
	the value of inventory?	<b>2</b> 000	$(1)$ $\mathbf{p}_{-1}(000$ $\mathbf{p})$ $\mathbf{p}_{-2400}$	0				
	A) Rs.8,000 B) Rs.12	2,000	C) Rs.16,000 D) Rs.24,00	0				
58.	8. The proportion of equity in the capital structure is $\frac{1}{4}$ and that of debt is Rs. $\frac{3}{4}$ . It's cost of equity is 12 % and after tax cost debt is 8 %, what is WACC?							
	A) 6% B) 7%		C) 8% D) 9%					
59.	Pick the one which is not an assumption of MM approach to capital structure:							
	A) Market is imperfect							
	<ul><li>B) There exists no corporate taxes</li><li>C) Money can be borrowed at risk free rates</li></ul>							
	e rates							
	D) No floatation costs exist							
60.	0. If the risk and return associated with an asset is borne by lessee during the entire economic life, it is the case of:							
	A) Outright purchase	B)	Sale and lease back					
	C) Operating lease	D)	Financial lease					
61.	Loss of bad debts reverts back to th							
	A) Reverse factoring	B)	Recourse factoring					
	C) Direct factoring	D)	Non-recourse factoring					
62. A transaction where financial securities are issued against a pool of assets								
02.	A) Securitisation	B)	Credit Default Swaps					
	C) Credit Linked Notes	D)	Total Return Swaps					
	·	,	1.					

63.	A firm's earnings before interest is Rs. 2,40,000 and its interest burden is Rs. 80,000 p.a. What is the degree of financial leverage?					
	A) 2 B) 1.5	C) 1 D) 0.5				
64.	<ul> <li>Which one of the following sources of capital doesn't involve floatation cost?</li> <li>A) Retained earnings B) Equity capital</li> <li>C) Preference capital D) Debentures</li> </ul>					
65.	Revenue is required to be recognized aprinciple followed above:A)MatchingB)C)CostD)	÷				
66.	6. Which International Accounting Standard deals with the preparation of cash statement?					
	A) IAS 1 B) IAS 3	C) IAS 7 D) IAS 9				
67.	Closing entries are recorded in:A)LedgerB)Balance sheetC)Balance sheet					
68.	Sinu's capital as on 1.1.2014 was Rs. 50,000, interest on drawings Rs. 5,000,interest on capital Rs. 8,000, drawings Rs. 15,000 and profit for the year 2014 isRs. 8,000. What is his capital balance as on 31.12.2014?A)Rs. 55,000B)Rs. 46,000C)Rs. 64,000D)Rs. 72,000					
69.	Copyrights are:A)Tangible assetsB)C)Intangible assetsD)					
70.	<ul> <li>The balance of Income and Expenditure account is:</li> <li>A) Closing cash balance</li> <li>B) Profit or loss</li> <li>C) Closing capital balance</li> <li>D) Surplus or deficit</li> </ul>					
71.	If original cost of an asset bought on 1.4.2013 is Rs. 3, 00,000 and is subject to depreciation @ 15 % on WDV basis, what will be the WDV of the asset as on 31.3.2015?					
	A)         Rs. 2,16,750         B)           C)         Rs. 2,55,000         D)					
72.	<ul> <li>For a liability which can be determined with substantial accuracy:</li> <li>A) A reserve should be created</li> <li>B) A provision should be created</li> <li>C) An absolute liability should be created</li> <li>D) An appropriation of profit should be made</li> </ul>					

- 73. The market value of assets of a company is Rs. 22,00,000 and the amount required to settle outside liabilities amounted to Rs.4,00,000. If the number of equity shares outstanding is 2,00,000 what will be its intrinsic value?
  - A) Rs. 11 B) Rs. 18 C) Rs. 9 D) Rs. 8
- 74. Excess of purchase consideration over net asset value of the vender company is recognized in the books of the purchasing company as:
  - A) Goodwill B) Capital Reserve
  - C) Profit on acquisition D) Loss on acquisition
- 75. State whether the following statements are true or false:
  - I. Loss on realization is transferred to the capital account of the partners in the ratio of their capitals.
  - II. The liability of the partners are joint and several
  - A) I is true and II is false B) I is false and II is true
  - C) Both I and II are true D) Both I and II are false
- 76. Opening bill receivable balance is Rs. 2,00,000. Bills received during the year amounted to Rs. 3,00,000 bill matured and duly met during the year amounted to Rs. 4,20,000, bill dishonoured and returned amounted to Rs. 30,000. What is the total value of outstanding bills as on the closing date?
  - A) Rs. 80,000 B) Rs. 60,000
  - C) Rs. 50,000 D) Rs. 40,000
- 77. Which one of the following accounts/statements is not prepared by Electricity Companies under Double Accounts System?
  - A) Revenue A/c
  - B) Receipts and Expenditure on Capital A/c
  - C) General Balance Sheet
  - D) Valuation Balance Sheet
- 78. Which of the following is not a source of fund?
  - A) Issue of shares B) Issue of Debentures
  - C) Increase in working capital D) Sale of asset
- 79. Which one of the following is not applicable to a hire purchase contract?
  - A) It is an agreement for sale
  - B) Hirer is a bailee and vendor is bailor
  - C) Title to goods passes on last payment
  - D) Seller may take repossession upon default of the hirer
- 80. Midhun purchased goods costing Rs. 4,00,000 for a joint venture business with Subin. Subin sold 75 % of the goods for Rs. 4,50,000. Balance goods were taken over by Midhun at cost less 10 %. What is the profit made by the joint venture?
  - A)Rs. 1,50,000B)Rs. 1,40,000C)Rs. 1,60,000D)Rs. 50,000

81.	81. What is the accounting treatment of cost of goods sent on consignment in the books of the consignor?				
		to trading A/c	B)	Debited to purchase A/c	
		to Purchase A/c	D)	Debited to trading A/c	
82.		of affairs prepare itors are shown une		he time of liquidation of a company	
	A) List B		B)	List C	
	C) List D		D)	List F	
83. Which one of the following is not a method of costing?				-	
	A) Process of A)	-	B)	Unit costing	
	C) Marginal	costing	D)	Contract costing	
84.	Stores ledger de	picts:			
	A) Quantity	-	B)	Value only	
		intity and value	D)	Pending purchase orders	
85.	. If sales is Rs. 6,00,000, variable cost Rs. 4,80,000 and fixed cost is Rs. 60,000 what will be the break-even point?				
	A) Rs. 3,60,		B)	Rs. 3,00,000	
	C) Rs. 2,40,	000	D)	Rs. 1,20,000	
86.	In the above que	estion, what will be	the mar	ain of safety?	
00.	A) Rs. 3,60,	-	B)	Rs. 3,00,000	
	C) Rs. $2,40$ ,		D)	Rs. 1,20,000	
	-),,		-)		
87.	Quick ratio is an				
	A) Liquidity		B)	Current ratio	
	C) Working	capital ratio	D)	Acid test ratio	
88.	A flow of fund r	esults in:			
		n cash only	B)	Change in working capital	
	· -	n capital invested	D)	Change in sales	
00	D 1 1 1	·			
89.	A) Master b	is an example of:	B)	Cash budget	
		al budget	D)	Production budget	
	C) I unction	ai budget	D)	i loudetion budget	
90.	Material mix van	riance added with n	naterial	yield variance gives you:	
	,	cost variance	B)	Material price variance	
	C) Material	rate variance	D)	Material usage variance	
91. Value of land acquired for constructing factory build			tory building is an example of		
91.	A) Sunk cos		B)	Opportunity cost	
	)	onary cost	D)	Notional cost	
	-, 2.501000		= )		

- 92. Which one of the following is added with profit as per financial accounts in order to arrive at profit as per cost accounts?
  - A) Over absorption of factory overhead
  - B) Under absorption of selling overhead
  - C) Over valuation of closing stock in financial books
  - D) Under valuation of opening stock in financial books
- 93. Total liabilities of a business is Rs. 4,50,000 and fixed assets amounted to Rs. 3,60,000.If the current ratio is 3:1, what will be the current liabilities?
  - A)Rs. 1,00,000B)Rs. 1,20,000C)Rs. 30,000D)Rs. 1,50,000
- 94. In the above question, if the value of inventories is Rs.45,000 what will be the quick ratio?
  - A)2:1B)2.5:1C)3:1D)1.5:1
- 95. When work completed and certified is 60 % of contract price, what portion of notional profit is transferred to WIP reserve?
  A) 1/3 B) 2/3 C) 1/2 D) 3/4

96. Which one of the following is not an avoidable cause affecting labour turnover?

- A) Poor working conditions B) Unattractive compensation package
- C) Marriage of employee D) Shift timings

97. Which one of the following is not a method of overhead absorption?

- A) Overtime rate B) Percentage of prime cost
- C) Labour hour rate D) Machine hour rate
- 98. If the inventory turnover ratio is 12 times, what will be the average inventory holding period?
  - A) 4 months B) 3 months C) 2 months D) 1 month
- 99. Portion of materials lost during manufacturing process, which has no realizable value is:
  - A) ScrapB) DefectiveC) WasteD) Spoilage

#### 100. The technique of costing which uses variance computed for cost control is:

- A) Budgetary control B) Standard costing
- C) Uniform costing D) Marginal costing
- 101. A company divides the population of its product users into three groups based on degree of use. If the researcher then draws a random sample from each user group independently, then the type of sample is:
  - A)RandomB)StratifiedC)JudgmentD)Quota

- 102. Which of the following is non-probability sampling?
  - A) Snowball B) Random
  - C) Cluster D) Stratified
- 103. What is the defining characteristic of experimental research?
  - A) Resistance to manipulation
  - B) Manipulation of the independent variable
  - C) The use of open-ended questions
  - D) Focuses only on local problems

#### 104. Which of these is not a method of data collection?

- A) Questionnaires B) Interviews
- C) Contemplation D) Observations
- 105. Which type of research addresses major societal change?
  - A) Experimental research
  - B) Action research
  - C) Social research
  - D) Historical comparative research
- 106. Which is the preferred measure of central tendency if the data are severely skewed?
  - A) Mean B) Median C) Mode D) Range

#### 107. A statistical test used to compare 2 or more group means is known as:

- A) One-way analysis of variance
- B) t-test for correlation coefficients
- C) Post hoc test
- D) Simple regression
- 108. This is the difference between a sample statistic and the corresponding population parameter:
  - A) Standard error B) Sampling error
  - C) Difference error D) None of the above
- 109. Where do you provide a step-by-step account of what the researcher and participants did during the research study?A) Introduction B) Abstract C) Design D) Summary
- 110. This is the process of transforming qualitative research data from written interviews or field notes into typed text:
  - A) Segmenting B) Coding
  - C) Transcription D) Memoing
- 111. When assessing Internet based literature, which of the following is NOT important?
  - A) The credibility of the author
  - B) The authenticity of the site
  - C) The date of access
  - D) The layout of the site

- 112. Attitudes are best measured using:
  - A) Closed questions

C)

- B) Ranking questions
- Likert's scale D) Open ended questions
- 113. When there is no column and no row without assignment. In such case, the current assignment is:
  - A) Maximum B) Optimal C) Minimum D) Zero

#### 114. In a CPM/PERT network a dummy activity is necessary when:

- A) Two activities have the same starting node
- B) Two activities have the same ending node
- C) A node does not actually connect to another node
- D) When two activities share the same starting and ending node

#### 115. Testing of hypothesis is:

- A) Inferential statistics B) Descriptive statistics
- C) Data preparation D) Data analysis
- 116. If the correlation coefficient between X and Y is 0.50, what percentage of total variation remains unexplained by the regression equation?
  - A) 25 B) 50 C) 75 D) 100
- 117. When testing the difference between two proportions, the null hypothesis is usually stated as:
  - A) Proportion 1 is greater than proportion 2
  - B) The population proportions are unequal
  - C) The population proportions are equal
  - D) The pooled proportion equals the pooled variance
- 118. In testing a given hypothesis, the maximum probability with which we would be willing to risk a Type I error is known as:
  - A) Type II error B) Confidence Interval
  - C) Standard Error D) Significance Level
- 119. In a company, the mean wage of employees is Rs.279.77 and that of median wage is Rs 279.06. What will be the mode? 277.(4) = 270.77
  - A) 277.64 B) 279.77 C) 279.06 D) 277
- 120. Which of the following represent continuous data?
  - A) Number of shares sold each day in the stock market
  - B) Total value of shares sold each day in the stock market
  - C) Length of 500 bolts produced in a factory
  - D) Yearly incomes of college professors