

12. Which of the following industries is most suitable for Unit Costing format?
 A) Sugar
 B) Refining of petroleum
 C) Biscuit manufacturing
 D) Hotel business
13. If inventory holding cost is 5 paise per month, annual requirement is 12,000 units and production set up cost per set up is Rs. 162, what will be the Economic Batch Quantity?
 A) 1200 Units
 B) 1500 Units
 C) 1800 Units
 D) 2400 Units
14. The per centage of completion of a contract is 28, then what portion of the notional profit can be transferred to costing profit and loss a/c?
 A) $\frac{2}{3}$
 B) $\frac{1}{3}$
 C) $\frac{1}{4}$
 D) Nil
15. In process costing, scrap value equivalent of abnormal gain units is:
 A) Credited to respective Process A/c
 B) Debited to respective Process A/c
 C) Credited to normal loss A/c
 D) Debited to normal loss A/c
16. Interest on own capital appearing in the cost books will:
 A) Increase financial profits
 B) Reduce financial profits
 C) Increase costing profits
 D) Reduce costing profits
17. If a particular overhead amounts to Rs.60,000 at 4000 units level of production and Rs.40,000 at 2000 units level of production, what will be the total overhead expenditure when 6000 units are produced in the factory?
 A) 1,20,000
 B) 70,000
 C) 80,000
 D) 1,00,000
18. Given, standard quantity of material required for producing one unit as 10 kg., standard price per unit as Rs.24/kg. against a total actual material cost of Rs.2,50,000. If the actual production is 1000 units what is material cost variance?
 A) 5000 (F)
 B) 5000 (A)
 C) 10,000 (F)
 D) 10,000 (A)
19. In a cash flow statement, interest on debenture payable by a manufacturing company is shown under:
 A) Cash flow on account of investment activities
 B) Cash flow on account of financing activities
 C) Cash flow on account of operating activities
 D) Fund from operations.
20. A company is reporting its current ratio at 2.2 and liquid ratio at 1.2 times. If its current liability is Rs. 10,00,000, what is the value of its stock?
 A) Rs. 8,00,000
 B) Rs.10,00,000
 C) Rs.12,00,000
 D) Rs.14,00,000

21. Market price of equity shares of a company is Rs. 30 per share. The firm had paid dividend of Rs. 2 per share last year. The management is of the view that the dividend can grow at a consistent rate of 8 % p.a. What will be the cost of equity of the company?
- | | |
|------------|------------|
| A) 14.20 % | B) 15.20 % |
| C) 16.20 % | D) 17.20 % |
22. At Internal rate of return of discount, Net Present Value of a project will be:
- | | |
|----------------|----------------|
| A) Equal to 1 | B) More than 1 |
| C) Less than 1 | D) Zero |
23. Increasing sales without a corresponding increase in working capital is known as:
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| A) Extended operating cycle | B) Over trading |
| C) Over capitalization | D) Under capitalisation |
24. The technique of using debt capital to augment the returns of the equity shareholders is called:
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| A) Financial leverage | B) Operating leverage |
| C) Trading on equity | D) Both A and C but not B |
25. Risk and time value of money is taken care of by which one of the following maximization strategies?
- | | |
|------------|-----------------|
| A) Value | B) Wealth |
| C) Profits | D) Market share |
26. What will be the operating leverage if units sold are 20,000, variable cost per unit is Rs.20, selling price per unit Rs 30 and fixed cost is Rs.1,00,000?
- | | |
|------|------|
| A) 3 | B) 4 |
| C) 2 | D) 5 |
27. A firm exposed to higher level gearing assumes:
- | | |
|-----------------------|-------------------|
| A) Interest rate risk | B) Financial risk |
| C) Currency risk | D) Business risk |
28. Non-profit making investment requirements should be funded using:
- | | |
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| A) Debt alone | B) Equity alone |
| C) Preference shares alone | D) Retained earnings |
29. The process of finding out the present value of a future sum of money is called:
- | | |
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| A) Compounding | B) Discounting |
| C) Compound growth | D) None of these |
30. For a project having initial investment of Rs.2,00,000 and annual cash inflows for the first 4 years as 80,000, 1,00,000, 60,000 and 90,000, Pay back period is:
- | | | | |
|---------------|---------------|---------------|------------|
| A) 2.33 years | B) 2.66 years | C) 2.50 years | D) 3 years |
|---------------|---------------|---------------|------------|

31. Under which leasing format lessor undertakes to finance only a part of the money required to purchase the asset:
 A) Finance lease B) Leveraged lease
 C) Sale and lease back D) Operating lease
32. 'Statement of Changes in Working Capital' is prepared in conjunction with which among the following?
 A) Cash Flow Statement B) Funds Flow Statement
 C) Profit & Loss Account D) Bill of Lading
33. High bad debts to sales ratio indicates:
 A) High sales B) Speedy recovery
 C) Collection efficiency D) Poor credit evaluation
34. Which one of the following is not a function performed by a factor?
 A) Discounting of bills B) Customer ledger management
 C) Collection efforts D) Financing of receivables
35. If annual demand is 2500 units, EOQ is 500 units and re-order period is 8 to 12 days, how many orders the firm need to place in order to reduce the ordering cost?
 A) 9 B) 8
 C) 6 D) 5
36. If you deduct total fixed assets from long term liabilities what will be the outcome?
 A) Gross working capital B) Net working capital
 C) Total current assets D) Total current liabilities
37. Which one of the following concept is behind the charging of depreciation on fixed assets in Profit and Loss a/c?
 A) Business entity B) Materiality
 C) Accounting period D) All of the above
38. AS 20 deals with:
 A) Earning Per Share B) Impairment of assets
 C) Intangible assets D) Accounting for fixed assets
39. Sundry debtors a/c is an example of:
 A) Nominal a/c B) Personal a/c
 C) Real a/c D) Fictitious a/c
40. As per Transfer to General Reserves Rules, if a company wants to declare a dividend of 25 %, what is the minimum % of current year's profit that is to be transferred to general reserves?
 A) 2.50 % B) 5 %
 C) 7.50 % D) 10 %

41. Which one of the following is not a contingent liability?
 A) Called up capital on partly paid investments
 B) Claim against the company pending before a court of law
 C) Tax claim pending in appeal
 D) Arrears of dividend on cumulative preference shares
42. Donation received by a non-profit making organization for construction of a building is an example of:
 A) Income
 B) Expenditure
 C) Capital receipt
 D) Revenue receipt
43. If you deduct opening balance of creditors from the sum of closing creditors and cash paid to creditors, you get:
 A) Net purchase
 B) Cash purchases
 C) Credit purchase
 D) Gross purchase
44. In consignment accounts, the commission payable for guaranteeing debt is known as:
 A) Normal
 B) Business
 C) Over riding
 D) Del credere
45. Which account under stock and debtors system helps in ascertaining the profit made by the branch?
 A) Branch adjustment a/c
 B) Branch stock a/c
 C) Branch debtors a/c
 D) Branch expense a/c
46. X and Y were sharing profits and losses in the ratio of 3 : 2. If Z is admitted into the firm for $\frac{1}{4}$ of its share, what is the sacrificing ratio of X and Y?
 A) 2 : 3
 B) 3 : 2
 C) 9 : 4
 D) 6 : 9
47. If the intrinsic value of an equity share is less than its market value, which of the following is the most reasonable conclusion?
 A) The share has a low level of risk
 B) The share offers a high dividend payout ratio
 C) The market is undervaluing the share
 D) The market is overvaluing the share
48. Balance available in Capital Redemption a/c is finally:
 A) Debited to General Reserve a/c
 B) Credited to General Reserve a/c
 C) Debited to Capital Reserve a/c
 D) Credited to Capital Reserve a/c
49. A company having 10,000 equity shares outstanding has reported an average annual profit after interest and tax for the last 3 years at Rs. 25,000, Rs. 28,000 and Rs. 31,000 respectively. If the share holders' expected return is 7 %, what will be its value of equity shares?
 A) Rs. 40
 B) Rs. 50
 C) Rs.100
 D) Rs. 120

50. To which account is the cost of goods sold on hire purchase transferred?
- Sales Account
 - Purchases Account
 - Hire Purchase Trading Account
 - None of these
51. If the ex-interest quote for 12 % Debentures (face value of Rs. 100) on 1st October, 2012 is Rs. 105 and the due date of interest falls on 30th June and 31st December, what is the price a buyer needs to pay for the above Debenture?
- | | |
|------------|------------|
| A) Rs. 102 | B) Rs. 105 |
| C) Rs. 108 | D) Rs. 97 |
52. Which one of the following is not a ground for members' voluntary winding up?
- Occurrence of an event mentioned in the Company's Articles of Association
 - By a special resolution passed in the general body meeting
 - Directors failing to declare the solvency of the company
 - Expiry of fixed period of duration as mentioned in the Articles.
53. Which one of the following statement doesn't relate to realization account prepared by a partnership firm?
- It deals with all assets and outsiders' liabilities
 - Profit or loss is distributed to all the partners
 - Prepared at the time of admission
 - Expenses associated with disposal of assets is debited in this account.
54. When preference shares are redeemed out of profits of the Company, an amount equal to the nominal value of such shares needs to be transferred to:
- | | |
|------------------------|-----------------------------------|
| A) Share Capital a/c | B) Capital redemption reserve a/c |
| C) Capital reserve a/c | D) Security premium a/c. |
55. If one wants to register an industrial undertaking in India, which enactment is to be referred to?
- Factories Act
 - Indian Registration Act
 - Companies Act
 - Industrial (Development & Regulation) Act
56. Special Drawing Rights relates to:
- | | |
|--------------------------|-----------------------|
| A) Reserve Bank of India | B) Commercial Banks |
| C) IMF | D) Co-operative Banks |
57. For the protection of 'Nilambur Teak' the Government is planning to get:
- | | |
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| A) Trade Mark | B) Copyright |
| C) Geographical Indication | D) Trade Name |

58. Trading in which one of the following exchanges was suspended by SEBI during 2013?
 A) NSE B) BSE C) NSEL D) NSDL
59. Scanning the internal environment will facilitate an enterprise to identify:
 A) Threats and opportunities B) Opportunities and Strengths
 C) Weaknesses and threats D) Strength and weaknesses
60. Who is the current Governor of RBI?
 A) C. Rangarajan B) Raghuram Rajan
 C) Subba Rao D) Montek Singh Ahluwalia
61. Passing of Companies Bill 2012 is related to:
 A) Legal environment B) Political environment
 C) Technological environment D) Cultural environment
62. Movement of capital across national frontiers in a manner that grants the investor control over the acquired assets is:
 A) Foreign Institutional Investment
 B) Global Depository Receipt
 C) Foreign Direct Investment
 D) American Depository Receipt
63. Which one of the following is not a tool of Monetary policy?
 A) C R R B) Subsidy
 C) Open Market Operation D) Repo rate
64. Pick the right order in the life cycle of an industry from the list given below:
 A) Expansion—Pioneering—Stagnation—Declining
 B) Expansion—Stagnation—Pioneering—Declining
 C) Pioneering---Expansion—Stagnation—Declining
 D) Pioneering—Stagnation—Expansion—Declining
65. An item included in the following category is freely importable into India.
 A) Restricted List B) Negative List
 C) Open General License D) Scheduled List
66. The term 'World Bank' refers to which two institutions?
 A) IBRD & IMF B) IBRD & IDA
 C) IBRD & WTO D) IMF & IDA
67. Vedanta in Odisha state was recently in the news due to:
 A) Environmental Protection B) Corporate fraud
 C) Corporate failure D) Tax evasion
68. Current account transactions in India are:
 A) Non-convertible B) Partially convertible
 C) Fully convertible D) Partially non-convertible

69. Consider the following statements
- I. EXIM Bank promotes Indian exports through a wide variety of lending Programmes
 - II. EXIM Bank was established to provide assistance in raising capital in international markets.
- A) Both I and II are correct.
 - B) I is correct and II is false
 - C) II is correct and I is false
 - D) Both are false
70. Pick out the odd one from the following.
- A) IDBI
 - B) SEBI
 - C) RBI
 - D) IRDA
71. Removing the trade barriers in force within a country for facilitating international trade is known by the name:
- A) Privatisation
 - B) Liberalisation
 - C) Modernisation
 - D) Globalisation
72. An economy which is fully controlled or regulated in all respects by State intervention is:
- A) Market driven economy
 - B) Capitalist economy
 - C) Socialist economy
 - D) Mixed economy
73. “Team spirit should be promoted to develop a culture of unity in the organization” which management principle is underlying in this statement ?
- A) Unity of control
 - B) Esprit de corps
 - C) Unity of command
 - D) Equity
74. Assumptions an organization will be making while framing its plans is known as:
- A) Premises
 - B) Policies
 - C) Programmes
 - D) Rules
75. Which one of the following functions is not generally performed by a line manager?
- A) Operational decision making
 - B) Delegating authority
 - C) Providing expert advices
 - D) Exercising veto powers.
76. Z theory of motivation was propounded by:
- A) Ouchi
 - B) Herzberg
 - C) Maslow
 - D) Mc Gregor
77. The technique of delegating routine matters at lower level and paying attention to critical matters at top level is:
- A) Management by participation
 - B) Management by exception
 - C) Management by intuition
 - D) Management by trial and error
78. Putting oneself in another man’s shoes while negotiating conflicts is popularly known as:
- A) Sympathy
 - B) Harmony
 - C) Empathy
 - D) Mentoring

79. Pick the correct order from the given choices:
 A) Recruitment—Selection—Placement—Induction
 B) Selection—Recruitment—Placement—Induction
 C) Recruitment—Selection—Induction—Placement
 D) Recruitment—Placement—Selection—Induction
80. The leadership style of treating followers as members of a family, guiding and protecting them is:
 A) Charismatic
 B) Paternalistic
 C) Laissez faire
 D) Democratic
81. Which one of the following is not an organizational barrier in communication?
 A) Poor retention
 B) Status
 C) Hierarchy
 D) Rules
82. A conflict arising due to competition for resources, task interdependence, jurisdictional ambiguity and status struggle is:
 A) Organisational conflict
 B) Intra individual conflict
 C) Inter group conflict
 D) Inter personal conflict.
83. Vestibule training is imparted in which environment?
 A) Work site
 B) Class room
 C) Training Centre
 D) Virtual
84. The benefits associated with synergy in group dynamics can be reaped by:
 A) Departmentalisation
 B) Merger
 C) Demerger
 D) Decentralisation
85. Which one of the following is not a characteristic feature of a standard normal distribution?
 A) Mean is equal to zero
 B) Standard deviation is equal to one
 C) The area under a normal curve has a probability density function equal to one
 D) Asymmetrical about its mean
86. Name the technique used to explain or predict the dependent variable on the basis of two or more independent variables:
 A) Factor analysis
 B) Z test
 C) Analysis of variance
 D) Students' t Test
87. Name the sampling technique which ensures the representation of various homogenous subgroups drawn from a heterogeneous population:
 A) Cluster random sampling
 B) Judgment sampling
 C) Stratified random sampling
 D) Quota sampling
88. Testing the efficacy of an advertisement is an example of which type of research?
 A) Applied research
 B) Pure research
 C) Basic research
 D) Historical research

89. By data integrity one can ensure:
- A) Data simplicity
 - B) Data privacy
 - C) Data security
 - D) Data validity
90. Give the proper sequence from the following activities while undertaking a research:
- A) Defining the problem --- Setting hypotheses --- Stating objectives --- Prescribing Methodology
 - B) Defining the problem --- Stating objectives --- Setting hypotheses --- Prescribing Methodology
 - C) Stating objectives --- Defining the problem --- Setting hypotheses --- Prescribing Methodology
 - D) Stating objectives --- Defining the problem --- Prescribing Methodology --- Setting hypotheses
91. A persistent tendency for the results of a sample to deviate in one direction from the true value of the population parameter is known as:
- A) Random sampling error
 - B) Respondent error
 - C) Sample bias
 - D) Non-response error
92. In a table, the labels given for the rows are called:
- A) Caption
 - B) Sub-heading
 - C) Stub
 - D) Side-heading
93. A subjective judgment by an expert as to the appropriateness of the measurement is known as:
- A) Construct validity
 - B) Content validity
 - C) Predictive validity
 - D) Concurrent validity
94. A higher ratio of variance between groups to variance within groups suggests that the results:
- A) Are statistically significant
 - B) Are statistically insignificant
 - C) Are either significant or insignificant
 - D) None of these
95. Verify the validity of the following statements.
- I. Type I error is an error caused by rejecting the null hypothesis when it is true
 - II. Type II error caused by failure to reject the null hypothesis when the alternative hypothesis is false
- A) Both the statements are correct
 - B) I is correct and II is wrong
 - C) Both the statements are false
 - D) I is wrong and II is correct

96. A measurement technique that involves presenting the respondent with two objects and asking the respondent to pick the preferred object is:
- A) Sorting
 - B) Filtering
 - C) Paired comparison
 - D) Ranking
97. Which one of the following is not an argument against corporate social responsibility?
- A) Absence of standard guidelines on totally acceptable responsibility
 - B) Danger of dominance of business values
 - C) Conflicts of costs and benefits
 - D) Self regulation reduces Government's intervention.
98. Which one of the following is a weakness to be considered in drafting a strategic advantage profile?
- A) Aged plant and machinery
 - B) Decentralised and delegated staff
 - C) High tech management information system
 - D) Young and motivated people
99. Which one of the following is not an attribute of core competence?
- A) Core competence is base for all products
 - B) Core competence makes the success
 - C) Core competence can be copied
 - D) Core competence is a bundle of skills and technologies.
100. Pick one reason from the following list which does not support a retrenchment strategy:
- A) Poor performance
 - B) Threat to survival
 - C) Redeployment of resources
 - D) Surplus resources
101. The unification of different kinds of businesses under one flagship company is known by the name:
- A) Conglomerate merger
 - B) Circular merger
 - C) Horizontal merger
 - D) Vertical merger
102. In a BCG Model of portfolio analysis, an enterprise experiencing high growth rate and market share domination is known by the name:
- A) Cash Cow
 - B) Dog
 - C) Star
 - D) Question Mark
103. A continuous and stepwise improvement in existing technology, processes and equipments without making huge investments is known as:
- A) Poka-Yoke
 - B) Kaizen
 - C) Six sigma
 - D) JIT
104. Which one of the following is not a feature of a learning organization?
- A) Positive attitude towards change
 - B) Isolated individual adaptation
 - C) Knowledge as competitive advantage
 - D) Leadership through enabling others

105. A structure of strategic implementation which uses dual channels of authority and accountability is:
 A) Vertical structure B) Horizontal structure
 C) Matrix structure D) Flat structure
106. Which of the following is a two tailed test?
 A) $H_0: = 100 \text{ Met.}, H_1: > \text{Rs } 100 \text{ Met.}$
 B) $H_0: = 60, H_1: < 60$
 C) $H_0: = \text{Rs } 400, H_1: \mu \neq \text{Rs } 400$
 D) None of the above
107. How many ways two letters can be arranged from the first four English alphabets?
 A) 6 B) 12 C) 24 D) 48
108. Big M method in Linear programming is used to solve:
 A) Minimisation problems B) Maximisation problems
 C) Cycling D) Degeneracy
109. How many types of time estimates are used in PERT?
 A) 1 B) 2 C) 3 D) 4
110. The area between -3 and $+3$ under standard normal curve is:
 A) 95 % B) 66.66 % C) 100 % D) 99.73 %
111. If relationship between two variables are plotted on a two dimensional graph and a vertical line is obtained, then it suggests that correlation between the variables is:
 A) Zero B) Positive C) Négative D) Infinity
112. Five red balls and Eight black balls were mixed in a bag and two balls are drawn one at a time with replacement of the first drawn ball. Then what will be the probability that both the balls drawn are red?
 A) $10/26$ B) $10/169$ C) $25/169$ D) $5/169$
113. While plotting regression lines in a graph paper, dependent variables are shown on:
 A) X axis B) Y axis
 C) Z axis D) None of the above
114. If the sample size is increased, the resultant sampling error:
 A) Becomes zero B) Increases
 C) Decreases D) Remains constant
115. The major instrument used by commercial banks to comply with the norms of SLR and CRR is:
 A) Money at call B) Commercial Bills
 C) Certificate of deposits D) Commercial papers
116. Which one of the following terms is closely associated with clearing in Banks?
 A) RTGS B) DFHI
 C) ECS D) NEFT

117. Obtaining the scanned image of physical cheque and transmitting it electronically for faster fund transfers is known as:
- A) E-money
 - B) E-wallet
 - C) Electronic Fund Transfer
 - D) Truncation
118. Bundling all the products for the purposes of fixing the price or sales promotion by an enterprise is known as:
- A) Tying up
 - B) Segmentation
 - C) Differentiation
 - D) Harmonisation
119. Which among the following is generally considered as the 5th 'P' of marketing?
- A) Personal selling
 - B) Promotion
 - C) Packaging
 - D) Public Relations
120. A set of buyers sharing common needs or characteristics that the company decides to serve is:
- A) Market segment
 - B) Retail market
 - C) Target market
 - D) Whole sale market

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