1. How many management principles were contributed by Henry Fayol?
   A) 12   B) 14   C) 15   D) 16

2. Who was instrumental in relating human motivation with hierarchy of needs?
   A) Elton Mayo   B) Douglas McGregor
   C) Abraham Maslow   D) F W Taylor

3. The resultant organization structure when a horizontal set of divisional reporting relationships is superimposed on a hierarchical functional structure is:
   A) Functional structure   B) Divisional structure
   C) Hybrid structure   D) Matrix structure

4. Pick out the correct sequence involved in the process of decision making:
   1. Developing and evaluating alternative solutions to the problem
   2. Diagnosing, defining and identifying the source of the problem
   3. Collection and analysis of information for solving the problem
   4. Choosing the best alternatives
   5. Communicating and implementing the decision

   A) 1,2,3,4,5   B) 2,1,3,4,5
   C) 2,3,1,4,5   D) 2,3,5,1,4

5. Match the items in List I with the items in List II

List I		**List II**
a)	Uniqueness or distinctiveness	(1) Objectives
b)	Operational definition of goals	(2) Mission
c)	Pre-designed plan of action	(3) Strategy
d)	Long term direction of the organisation	(4) Tactics

   A) (a)—(1), (b)—(2), (c)—(3), (d)—(4)
   B) (a)—(2), (b)—(1), (c)—(4), (d)—(3)
   C) (a)—(4), (b)—(3), (c)—(2), (d)—(1)
   D) (a)—(3), (b)—(4), (c)—(2), (d)—(1)

6. Who among the following does not belong to neo-classical school of management?
   A) Henry Fayol   B) Elton Mayo
   C) Douglas McGregor   D) Abraham Maslow

7. The limitation of the number of subordinates who can be effectively supervised by a manager in the discharge of their management duties is known as:
   A) Esprit de corps   B) Unity of Direction
   C) Unity of Control   D) Span of Control

8. Give the correct sequence with regard to induction of a new employee in his/her job:
   1. Encounter stage
   2. Pre-arrival stage
   3. Metamorphosis stage

   A) 2, 3, 1   B) 1, 3, 2   C) 2, 1, 3   D) 3, 2,1

9. According to Herzberg which one of the following is not a hygienic factor?
   A) Status   B) Achievement
   C) Job Security   D) Technical supervision

10. Ability of a person to look at things or problems from another person's point of view is known as:
    A) Self-awareness   B) Objectivity
    C) Empathy   D) Emotional maturity

11. Assertion (A) : Formal organization is a safety valve for employee frustration and other emotional problems.
    Reason (R) : Employees may relieve emotional pressures by discharging them with someone else in an open and friendly way in a formal environment.

    A) Both (A) and (R) are true and (R) is the correct explanation of (A)
    B) Both (A) and (R) are true but (R) is not the correct explanation of (A)
    C) (A) is true but (R) is false
    D) Both (A) and (R) are false

12. Which one of the following is not a benefit of Organisation Development?
    A) Cultural incompatibility   B) Greater motivation
    C) Lower employee turnover   D) Better resolution of conflicts

13. Which one of the following is not an organizational barrier of communication?
    A) Hierarchy   B) Status relationship
    C) Retention quality   D) Functional specialization

14. Which one of the following is not a criteria of sustainable competitive advantage?
    A) Substitutable capabilities   B) Valuable capabilities
    C) Rare capabilities   D) Costly to imitate capabilities

15. An integrated set of actions taken to produce goods or services that serve the needs of a particular competitive segment is known as:
    A) Differentiation strategy   B) Cost leadership strategy
    C) Segmentation   D) Focus Strategy

16. The presence of one of the following directors in the Board of a company is against the principle of sound corporate governance. Identify:
    A) Independent director   B) Interested director
    C) Functional director   D) Managing director

17. Identify the one which is not a disadvantage of strategic management:
    A) It believes in holistic approach only
    B) It is analytical only
    C) It is non-political
    D) It is revolutionary

18. In a BCG matrix an enterprise located with high growth rate and strong market share is a:
    A) Star   B) Cash Cow
    C) Dog   D) Question mark

19. Exploring strategic implications of global warming is best described as:
    A) An external environmental analysis
    B) Scenario planning
    C) Futures forecasting
    D) PESTLE analysis

20. Which one of the following is not one of Porter's three generic strategies that results in competitive advantage?
    A) Differentiation   B) Cost Leadership
    C) Turnaround   D) Focus

21. The economic system in which business enterprises and factors of production are privately owned or controlled is known as:
    A) Socialism   B) Capitalism
    C) Mixed economy   D) Federalism

22. Annual Budgets of Government of India are prepared as part of:
    A) Economic Policy   B) Industrial Policy
    C) Monetary Policy   D) Fiscal Policy

23. If a member has less currency with the IMF than its quota, the difference is called:
    A) Reserve   B) Margin
    C) Reserve tranche   D) Reserve margin

24. Which one of the following is not part of an enterprise's macro environment?
    A) Political   B) Internal
    C) Economic   D) Technological

25. The Major objective of WTO is:
    A) Regulating domestic trade
    B) Restricting undesirable trade practices
    C) Liberalising international trade
    D) Prohibiting smuggling of goods

26. The country that attracts the largest FDI inflow is:
    A) USA   B) China   C) Brazil   D) India

27. Identify the institution not included in the international financial and monetary system.
    A)   IMF   B)   WTO
    C)   World Bank   D)   Bank of International Settlements

28. The phenomenon of a country exporting a product at a price substantially below the cost of production is known as:
    A)   Price discrimination   B)   Price skimming
    C)   Full cost pricing   D)   Dumping

29. Which one of the following is a characteristic of a free trade zone?
    A)   Common economic policy   B)   Common import tariffs
    C)   Common currency   D)   No internal trade barriers

30. Pick out the export promotion scheme having its objective to neutralize the incidence of customs duty on imports from the following:
    A)   Duty Free Replenishment   B)   Duty Entitlement Pass Book
    C)   Export Credit Guarantee   D)   Export Promotion of Capital Goods

31. The term used for acquiring technology from other countries is known as:
    A)   Franchising   B)   Foreign collaboration
    C)   Technology transfer   D)   Strategic alliance

32. Assertion (A): The Indian economy could survive in the recent global recession due to its strong banking system.
    Reason (R) :   The Indian economy contains a large amount of black money.

    A)   Both (A) and (R) are correct and (R) is not the explanation of (A)
    B)   Both (A) and (R) are correct and (R) is the explanation of (A)
    C)   (A) is correct, but (R) is incorrect.
    D)   Both (A) and (R) are incorrect.

33. The target of disinvestment policy of Government of India are:
    A)   Public Limited Companies   B)   Public Sector Undertakings
    C)   Private Limited Companies   D)   Statutory Corporations

34. Match the items in List I with the items in List II
    List I   **List II**
    (a)TPS   (1) support non-routine decision making
    (b) ESS   (2) help managers in maintaining relationship with customers
    (c)DSS   (3) helping senior managers in decision making
    (d)CRMS   (4) keeping track of elementary transactions and processes

    A)   (a)—(1), (b)—(2), (c)—(3), (d)—(4)
    B)   (a)—(2), (b)—(1), (c)—(4), (d)—(3)
    C)   (a)—(4), (b)—(3), (c)—(1), (d)—(2)
    D)   (a)—(3), (b)—(4), (c)—(1), (d)—(2)

35. The criterion which enable the assessment of capacity of the software to meet the users' requirement is known as:
    A)   Functionality   B)   Scalability
    C)   Compatibility   D)   Suitability

36. Which one of the following is not a prominent characteristic of effective information?
    A)   Timeliness   B)   Accuracy
    C)   Completeness   D)   Economy

37. Under which one of the following phase of the system development process the task of developing a technical blueprint and specifications for a solution that fulfills the business requirements is undertaken?
    A)   System initiation   B)   System implementation
    C)   System analysis   D)   System design

38. The most important attribute of information quality that a manager requires in MIS is:
    A)   Relevance   B)   Media
    C)   Presentation   D)   Scalability

39. Which one of the following is not an information system application?
    A)   Database management system
    B)   Decision support system
    C)   Expert system
    D)   Management information system

40. Which one of the following is not a part of system analysis phase?
    A)   Decision analysis phase   B)   Requirements analysis phase
    C)   Design analysis phase   D)   Problem analysis phase

41. A machinery is purchased for Rs. 3,00,000 and Rs. 50,000 is spent on installation. Rs. 5000 is spent on fuel. What will be the amount of capital expenditure?
    A)   Rs. 3,00,000   B)   Rs. 3,50,000
    C)   Rs. 3,55,000   D)   Rs. 2,50,000

42. Accounting Standards in India are issued by:
    A)   IASB   B)   IFRS   C)   MCA   D)   ASB

43. Match the following :
    List A   **List B**
    a) Closing stock valuation   1) AS 3
    b) Capitalisation of patents   2) AS 6
    c) Cash from operations   3) AS 26
    d) Charging of depreciation   4) AS 2

    A)   (a)—(1), (b)—(2), (c)—(3), (d)—(4)
    B)   (a)—(2), (b)—(1), (c)—(4), (d)—(3)
    C)   (a)—(4), (b)—(3), (c)—(1), (d)—(2)
    D)   (a)—(3), (b)—(4), (c)—(1), (d)—(2)

44. Pick the odd one out from the following:
   A) Power
   B) Wages
   C) Salesmen commission
   D) Freight inward

45. Provision no longer required that is written back is shown in the final accounts under:
   A) Income side
   B) Expenditure side
   C) Asset side
   D) Liability side

46. Net profit after interest and tax for the current year is Rs. 4 lakhs. The company proposes to pay a dividend of 30 % on its paid up capital of Rs. 200 lakhs. What should be the minimum amount to be transferred to general reserve as per the provisions of Transfer to General Reserve Rules?
   A) Rs. 200,000
   B) Rs. 100,000
   C) Rs. 50,000
   D) Rs. 40,000

47. Opening capital account balance as per statement of affairs prepared on the first day of the accounting period stood at Rs. 7,50,000 and closing capital account balance remained at Rs. 9,75,000 for a business which is following single entry system of book keeping. The drawings amounted to Rs. 1,50,000
   What is the profit made by the enterprise?
   A) Rs.3,15,000
   B) Rs. 2,25,000
   C) Rs. 1,35,000
   D) Rs. 3,75,000

48. A golf club functioning in the city received a total of Rs. 3,50,000 as subscription during the accounting year 2015-16. On the opening day, subscription outstanding was Rs. 15,000 and subscription received in advance pertaining to the current accounting year was Rs. 18,000. If subscription outstanding as on the closing day of the accounting year stood at Rs. 6,000, what will be subscription income that can be taken into the income and expenditure account?
   A) Rs. 3,59,000
   B) Rs.3,56,000
   C) Rs. 3,47,000
   D) Rs. 3,41,000

49. Which one of the following reserves is available for distribution of dividend to shareholders?
   A) Capital redemption reserve
   B) Capital reserve
   C) General reserve
   D) Secret reserve

50. Identify the one which can be a possible balancing figure in sundry debtors account:
   A) Cash purchase
   B) Cash Sales
   C) Credit purchase
   D) Credit Sales

51. The market value of assets of a company is Rs. 50,00,000 and the amount required to settle outside liabilities amounted to Rs.30,00,000. If the number of equity shares outstanding is 10,000 what will be its net asset value?
   A) Rs. 500
   B) Rs. 300
   C) Rs. 200
   D) Rs. 100

52. Under pooling of interests method all costs associated with the amalgamation are
    A) Capitalised
    B) Expended as incurred
    C) Treated as deferred revenue expenditure
    D) Contingent liability

53. A new company is not formed under which one of the following formats:
    A) Amalgamation   B) Absorption
    C) Internal reconstruction D) External reconstruction

54. Which one of the following is not a contingent liability?
    A) Claim of a customer pending before court of law
    B) Workmen's compensation fund
    C) Investments in partly paid shares
    D) Bills Receivable discounted

55. Capital base of a company stood at Rs. 5,00,000. Average rate of return earned by it on its capital base was 20 %, whereas the industry average rate of return comes to 12%. What is the value of goodwill, if it is computed based on 3 years purchase of super profits?
    A) Rs. 40,000   B) Rs. 60,000
    C) Rs. 80,000   D) Rs. 1,20,000

56. Which one of the following is not treated as capital receipt of a non-profit making organization?
    A) Specific Donation   B) Life Membership Fees
    C) Legacy   D) Sale of news papers

57. Depreciation appearing in trial balance will be shown in:
    A) Balance sheet   B) Profit and Loss a/c
    C) Both A and B   D) Trading A/c

58. Which one of the following transactions affects both sides of a balance sheet?
    A) Proposed dividend   B) Issue of bonus shares
    C) Issue of shares for cash D) Conversion of Debentures into shares

59. If the debit as well as the credit aspect of a single transaction are entered in the cash book itself, it is known as:
    A) Opening entry   B) Closing entry
    C) Transfer entry   D) Contra entry

60. Which method of depreciation is specially suited to natural resources (mines, quarries, sand pits, etc.)?
    A) Annuity method   B) Depletion method
    C) Revaluation method   D) Sum of digits method

61. Match correctly the items listed in I with those listed in II

   List I   **List II**
   (i) PERT   (a) Construction Project
   (ii) CPM   (b) R&D work
   (iii) Events   (c) Represented in arrows
   (iv) Activities   (d) Represented by nodes

   A) (i) - (a); (ii) - (b); (iii) - (c); (iv) - (d)
   B) (i) -(b); (ii) -(a); (iii) - (d); (iv) - (c)
   C) (i) - (d); (ii) - (a); (iii) - (b); (iv) -(c)
   D) (i) - (b); (ii) - (c); (iii) - (a); (iv) -(d)

62. The objective functions and constraints are linear relationship between:
   A) Variables   B) Constraints
   C) Functions   D) All of the above

63. State whether the statements below are true or false:
   Statement I: The cells in the transportation table can be classified into occupied cells and unoccupied cells.
   Statement II: Optimal solution is a feasible solution (not necessarily basic) which maximizes the total cost.
   A) Both the statements are correct
   B) Both the statements are wrong
   C) Statement I is correct while II is wrong
   D) Statement I is wrong while II is correct

64. State whether the statements below are true or false:
   Statement I: All linear programming problems may not have unique solutions
   Statement II: The artificial variable technique is a device that does not get the starting basic feasible solution.
   A) Both the statements are correct
   B) Both the statements are wrong
   C) Statement I is correct while II is wrong
   D) Statement I is wrong while II is correct

65. The variables assigned with the value zero are called:
   A) Non-basic Variables   B) Basic variables
   C) Surplus variables   D) Slack variables

66. The North West Corner rule
   A) Is used to find an initial feasible solution
   B) Is used to find an optimal solution
   C) Is based on the concept of minimizing opportunity cost
   D) None of these

67. A box contains 2 tennis, 3 cricket and 4 squash balls. Three balls are drawn in succession with replacement. What is the probability that all are cricket balls?
   A) 1/27   B) 2/27   C) 3/27   D) 1/9

68. State whether the statements below are true or false:
    Statement I: Binomial distribution has a mean of zero and a standard deviation of one.
    Statement II: Binomial distribution is used for making inferences about proportions

    A) Both the statements are correct
    B) Both the statements are wrong
    C) Statement I is correct while II is wrong
    D) Statement I is wrong while II is correct

69. The power of a test:
    A) Decreases as the size of the sample increases
    B) Is the chance of rejecting the null hypothesis when it is true
    C) Is greater if the effect of interest is larger than if it is smaller.
    D) Increases as the significance level decreases

70. Match correctly the items listed in I with those listed in II
List I	List II
(i) Random Sampling	(a) Mesokurtic
(ii) Normal Distribution	(b) Probability Sampling
(iii) Discrete Variable	(c) Consistence Performance
(iv) Coefficient of Variation	(d) Categorical

    A) (i) - (a); (ii) - (b); (iii) - (c); (iv) - (d)
    B) (i) -(b); (ii) -(a); (iii) - (d); (iv) - (c)
    C) (i) - (d); (ii) - (a); (iii) - (b); (iv) -(c)
    D) (i) - (b); (ii) - (c); (iii) - (a); (iv) -(d)

71. The sampling procedure in which the interviewer is asked to interview 55 teachers, 30 civil servants and 45 farmers is called:
    A) Stratified sampling   B) Accidental sampling
    C) Spatial sampling   D) Quota sampling

72. Statement I: When you calculate 95% confidence interval you can be "95% confident" that your interval will include the population parameter.
    Statement II: When you calculate 95% confidence interval, the process you used will capture the true parameter 95% of the time in the long run.
    A) Both the statements are correct
    B) Both the statements are wrong
    C) Statement I is correct while II is wrong
    D) Statement I is wrong while II is correct

73. What is the standard deviation of a sampling distribution called?
    A) Sampling error   B) Sample error
    C) Standard error   D) Simple error

74. For a two tailed test of hypothesis alpha = 0.05, the acceptance region is
   A) Between the two critical values
   B) Outside the two critical values
   C) To the left of the positive critical value
   D) To the right of the negative critical value

75. The procedure by which numbers are assigned to opinions, attitudes, etc. is:
   A) Scaling   B) Measurement
   C) Sampling   D) Data collection

76. An alphabetical listing of terms with their meaning is:
   A) Appendix   B) Glossary
   C) Literature cited   D) Bibliography

77. Match correctly the items listed in I with those listed in II
   List I   **List II**
   (i)   Ordinal   (a) Ratio
   (ii) Interval   (b) Name
   (iii) Nominal   (c) Response
   (iv) Dependent   (d) Rank

   A) (i) - (a); (ii) - (b); (iii) - (c); (iv) - (d)
   B) (i) -(b); (ii) -(a); (iii) - (d); (iv) - (c)
   C) (i) - (d); (ii) - (a); (iii) - (b); (iv) -(c)
   D) (i) - (b); (ii) - (c); (iii) - (a); (iv) -(d)

78. Probability of second event in situation if first event has been occurred is classified as:
   A) Series Probability   B) Conditional Probability
   C) Joint Probability   D) Dependent Probability

79. If the Standard Deviation of a population is 9, the population variance is:
   A) 9   B) 81   C) 3   D) 18

80. In most situations, parametric tests:
   A) have the same power as nonparametric tests.
   B) are less powerful than nonparametric tests.
   C) are more powerful than nonparametric tests.
   D) are less sensitive than nonparametric tests.

81. A project having a positive NPV will have a profitability index:
   A) Equal to 1   B) Less than 1
   C) Greater than 1   D) 0

82. An unlevered firm is a firm having:
   A) No debt   B) No equity
   C) Maximum debt   D) Minimum debt

83. Assertion (A) : When firms find it difficult to raise capital from the market ploughing back of profit is a better option.
    Reason (R) : Ploughing back of profit prevents dilution of existing equity holders' interest.

    A) Both (A) and (R) are true and (R) is the correct explanation of (A)
    B) Both (A) and (R) are true but (R) is not the correct explanation of (A)
    C) (A) is true but (R) is false
    D) Both (A) and (R) are false

84. A project with an initial cash out lay of Rs. 12,00,000 is expected to generate cash flows of Rs. 4,00,000, Rs. 3,00,000, Rs. 4,00,000, Rs. 2,00,000 and Rs. 5,00,000 from year 1 to 5 respectively. What will be the payback period of the project?
    A) 3 years   B) 4 years   C) 3.5 years   D) 3.75 years

85. The risk of being unable to cover required obligations such as interest and preference dividends is known as:
    A) Operations risk   B) Financial risk
    C) Business risk   D) Asset risk

86. A strategy by which a firm financing all its working capital requirements, with long term funds is known as:
    A) Hedging approach   B) Matching approach
    C) Conservative approach   D) Trade off approach

87. Inventory carrying costs and ordering costs:
    A) move in the same direction   B) are independent of one another
    C) move in opposite directions   D) will be always equal

88. A leverage resulting from the presence of debt in the capital structure is known as:
    A) Financial leverage   B) Operating leverage
    C) Working capital leverage   D) Combined leverage

89. Which one of the following is not an assumption of Net Income approach of capital structure?
    A) Cost of debt less than cost equity
    B) No taxes
    C) Cost of debt and cost of equity will remain constant
    D) Valuation of a firm is independent of its capital structure

90. Match the following with List A and List B with regard to dividend policies:
List A	List B
a) Relationship between return and cost of capital	1) Gordon
b) Growth model	2) MM Model
c) Dividend irrelevance model	3) Walter

    A) (a)—(1), (b)—(2), (c)—(3)   B) (a)—(2), (b)—(1), (c)—(3)
    C) (a)—(3), (b)—(2), (c)—(1)   D) (a)—(3), (b)—(1), (c)—(2)

91. If the interest rate per annum remains constant, which one of the following formats will give maximum benefit to a depositor?
    A) Daily compounding
    B) Monthly compounding
    C) Half yearly compounding
    D) Annual compounding

92. State whether the following statements are true or false in relation to IRR:
    Statement I : As a criterion to accept capital investment decisions, actual IRR of the project needs to be compared with the required rate of return of the enterprise.
    Statement II : If the IRR exceeds the hurdle rate, the project will be rejected.

    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

93. Which one of the following capital budgeting techniques gives you always the same decision outcome with regard to mutually exclusive investment proposals?
    A) NPV and IRR
    B) NPV and PI
    C) IRR and PI
    D) IRR and Payback period

94. Relationship between firms's sales revenue and its earnings before interest and taxes is its:
    A) Operating leverage
    B) Financial leverage
    C) Composite leverage
    D) Total leverage

95. Cash cycle of a business enterprise is influenced by the following factors, except:
    A) Depreciation policy
    B) Collection policy
    C) Production policy
    D) Purchase policy

96. Goods which are brought frequently without much planning or shopping efforts and are also consumed quickly are known as:
    A) Industrial goods
    B) Specialty goods
    C) Shopping goods
    D) Convenience goods

97. Who coined the term 'marketing mix'?
    A) Neil H Borden
    B) E Jerome McCarthy
    C) James Cultion
    D) Peter F Drucker

98. Give the correct sequence of marketing planning:
    A) Goal setting—Creating strategy—Allocating resources—SWOT analysis
    B) Goal setting— SWOT analysis—Allocating resources— Creating strategy
    C) Goal setting— SWOT analysis— Creating strategy—Allocating resources
    D) SWOT analysis -Goal setting—Creating strategy--Allocating resources—

99. In which of the following stages of a product's life cycle, degree of competition will be the minimum?
    A) Introduction
    B) Growth
    C) Maturity
    D) Decline

100. When a need is supported by ability to buy, it becomes:
  A) Satisfaction B) Value C) Sales D) Demand

101. Select the correct sequence of value analysis process:
  A) Internal differentiation analysis—Internal cost analysis—Vertical linkage analysis
  B) Vertical linkage analysis—Internal cost analysis— Internal differentiation analysis
  C) Internal cost analysis—Vertical linkage analysis-- Internal differentiation analysis
  D) Internal cost analysis—Internal differentiation analysis—Vertical linkage analysis

102. Match correctly the items listed in I with those listed in II with regard to Activity Based Costing.

  List I (Activities)   List II (Cost Drivers)
  (i) Issue of purchase orders   (a) No. of inspections
  (ii) Quality control   (b) No. of employees
  (iii) Advertisement efforts   (c) % increase in sales
  (iv) Training   (d) No. of purchase order

  A) (i) - (a); (ii) - (b); (iii) - (c); (iv) - (d)
  B) (i) -(b); (ii) -(a); (iii) - (d); (iv) - (c)
  C) (i) - (d); (ii) - (a); (iii) - (c); (iv) -(b)
  D) (i) - (d); (ii) - (c); (iii) - (a); (iv) -(b)

103. State whether the following statements are true or false in relation to cost control and cost reduction:
  Statement I : Cost reduction seeks adherence to standards whereas cost control is a challenge to the standards themselves .
  Statement II : Cost control aims at achieving the predetermined costs, whereas cost reduction aims at reduction of costs.

  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

104. Which one of the following is not a method of costing?
  A) Process costing   B) Job costing
  C) Marginal costing   D) Batch costing

105. The term 'Sunk Costs' refers to
  A) Costs that are directly influenced by unit managers
  B) Past costs that are now irrevocable
  C) Costs that should be incurred in a particular production process
  D) Benefits lost from rejecting the next best alternative

106. In a period of rising prices FIFO method of pricing the issues will result in:
   A) Overstating profit and closing stock
   B) Understating profit and closing stock
   C) Overstating profit and closing stock reflects current prices
   D) Understating profit and overstating closing stock

107. If time allowed for a job is 10 hours, time taken for the job is 8 hours and rate per hour is Rs. 50, what will be the bonus entitlement of the worker?
   A) Rs. 50   B) Rs. 40   C) Rs. 20   D) Rs. 10

108. Overtime premium paid to factory workers is:
   A) Distribution OH   B) Factory OH
   C) Administration OH   D) Selling OH

109. Identify the pair which is not matching in relation to overheads:
   Item of cost   **Basis of cost allocation**
   A) Insurance of plant   Value of plant
   B) Power   Floor area
   C) Canteen   No. of employees
   D) Lighting   No. of light points

110. When compared to joint products, byproducts:
   A) Needs further processing
   B) Identifiable prior to separation
   C) Have relatively small disposal value
   D) Have almost the same economic importance

From the following information, answer question nos. **111 to 115**.

Selling price per unit Rs. 25; variable cost per unit Rs. 15; total fixed cost Rs. 2,00,000.

111. What is PV ratio?
   A) 20 %   B) 25 %   C) 40 %   D) 50 %

112. What is BEP in units?
   A) 10,000   B) 20,000   C) 30,000   D) 50,000

113. What is sales value where there is neither profit nor loss?
   A) Rs.4,00,000   B) Rs. 4,50,000
   C) Rs. 5,00,000   D) Rs. 6,00,000

114. What is the sales in units required to earn a profit of Rs. 1,00,000?
   A) 30,000   B) 40,000   C) 50,000   D) 60,000

115. What is the profit when sales is Rs. 10,00,000?
   A) Rs. 1,00,000   B) Rs. 2,00,000
   C) Rs. 3,00,000   D) Rs. 4,00,000

116. Abnormal gain in a process occurs when?
    A)   Actual losses are greater than the normal losses level
    B)   Costs are reduced through increased machine speed
    C)   Actual losses are less than the normal level
    D)   When the process output is lesser than planned

117. If net working capital is Rs.2,50,000 , current ratio is 3.5:1 and quick ratio is
    2.25:1, what is the amount of inventory?
    A)   Rs. 100,000   B)   Rs.125,000
    C)   Rs.250,000   D)   Rs. 200,000

118. Which one of the following is not a long term solvency ratio?
    A)   Fixed assets turnover ratio   B)   Proprietary ratio
    C)   Debt equity ratio   D)   Owners funds to total assets ratio

119. Interest received on investment made by a manufacturing company will be shown
    in a cash flow statement under:
    A)   Operating activity   B)   Investment activity
    C)   Financing activity   D)   None of these

120. Which one of the following is not a Profitability ratio?
    A)   Return on capital employed   B)   Operating ratio
    C)   Fixed asset turnover ratio   D)   EPS

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