

1. The Chairman of the Planning Commission is:
A) Dr. Manmohan Singh B) P. Chidambaram
C) Dr. Montek Singh Ahluwalia D) Pranab Mukherjee

2. The market is controlled by a centralized authority in a
A) Capitalist economy B) Socialistic economy
C) Mixed economy D) All the above

3. CSR is
A) Corporate Security Ratio
B) Corporate Statutory Records
C) Corporate Social Responsibility
D) Corporate Statutory Responsibility

4. The period of the Tenth Five Year Plan is:
A) 2002-2007 B) 1992-1997
C) 1985-1990 D) 1980-1985

5. Which one of the following is a prominent variable for fixing Human Development Index?
A) Net National Product B) Gross Domestic Product
C) Gross National Product D) Per Capita Income

6. Cash Reserve Ratio (CRR) is
A) The cash reserve maintained by commercial banks with the RBI
B) The cash maintained by the RBI with commercial banks
C) The cash maintained as reserve by the commercial banks in their lockers
D) None of the above

7. The buying and selling of short-term commercial bills and securities to control the volume of credit by the RBI is termed
A) Credit control B) Selective credit control
C) Open market operation D) Credit market operation

8. As per the Income Tax Act the financial year immediately preceding the assessment year is known as:
A) Current year B) Previous year
C) Financial year D) None of the above

9. The increase in national income at current prices reflects the combined influence of:
A) The increase in the production of real goods and services
B) The rise in prices
C) Both the above
D) None of the above

10. The combination of Gross Domestic Savings (GDS) and net Capital Inflow (CI) is known as:
- A) Gross Domestic Capital Formation (GDCF)
 - B) Gross Domestic Product (GDP)
 - C) Net Domestic Product (NDP)
 - D) Net Domestic Capital (NDC)
11. GATT stands for:
- A) Government Aided Tariff Treaty
 - B) General Agreement on Trade and Tariff
 - C) Generally Accepted Trade Tariff
 - D) Government Agreed Tariff on Trade
12. A sign that individualizes the goods or services of a given enterprise and distinguishes them from its competitors is called
- A) Copyright
 - B) Patent
 - C) Registered mark
 - D) Trademark
13. Who was the Central Minister for Commerce when the Industrial Policy 1991 was introduced?
- A) Anand Sharma
 - B) K. Karunakaran
 - C) P. Chidambaram
 - D) Yaswanth Sinha
14. Which of the following is **not** included under the balance payment on current account?
- A) Visible trade relating to imports and exports
 - B) Invisible items like receipts and payments for services
 - C) Unilateral transfers like donations
 - D) Inter Governmental transfer of funds
15. Permanent Account Number (PAN) is allotted by
- A) Income Tax Department
 - B) The Election Commission of India
 - C) The Registration Department of the State Government
 - D) Scheduled Commercial Banks
16. The Committee appointed by SEBI in the year 2003 for suggesting how best to further improve the Corporate Governance (CG) practices was:
- A) National Committee on Corporate Governance
 - B) The Kumarmangalam Birla Committee
 - C) The Ambani Committee
 - D) The Narayana Murthy Committee
17. The popular name of International Bank for Reconstruction and Development (IBRD) established in 1945 is:
- A) EXIM Bank
 - B) World Bank
 - C) ADB
 - D) IMF

18. India ratified the WTO agreement in the year:
 A) 1994 B) 2001
 C) 2004 D) 2009
19. Information systems that monitor the elementary activities and transactions of the organizations are:
 A) Management-level systems B) Operational-level systems
 C) Knowledge-level systems D) Strategic-level systems
20. Which of the following individuals typically have less formal, advanced educational degrees and tend to process rather than create information?
 A) Knowledge workers B) Executives
 C) Systems analysts D) Data workers
21. Management Information Systems usually:
 A) Serve managers interested in weekly, monthly, and yearly results; not day-to-day activities
 B) Help managers make decisions that are unique, rapidly changing, and not easily specified in advance
 C) Provide managers with a generalized computing and telecommunications capacity that can be applied to a changing array of problems
 D) Perform and record the daily routine transactions necessary to the conduct of business
22. Pick out a feature from the following which best suits a digital firm:
 A) Work and work place at one location
 B) Longer and rigid business process cycles
 C) Flat organization structure
 D) Low and selective use of technology
23. Identifying customers and markets using data on demographics, markets, consumer behavior, and trends is an example of a/an:
 A) Operational-level sales and marketing information system
 B) Knowledge-level sales and marketing information system
 C) Management-level sales and marketing information system
 D) Strategic-level sales and marketing information system
24. Which of the following is a network of facilities for procuring materials, transforming raw materials into intermediate and finished products, and distributing the finished products to customers?
 A) Production chain B) Primary chain
 C) Supply chain D) Distribution chain
25. A study that aims at identifying the causes of a problem and the possible solution for it, is termed:
 A) Diagnostic study B) Evaluation study
 C) Descriptive research D) Case analysis

26. The process of conducting experiments on a symbolic model representing a phenomenon is called:
- A) Experimentation B) Simulation
C) Observation D) Field experiment
27. Item analysis is:
- A) Finding out which items form a variable and placing them together
B) The method wherein the respondents are asked to rank their choices with respect to the items
C) Evaluation of each item on the basis of how well it discriminates between those persons whose total score is high and low
D) None of the above
28. Which of the following is **not** a sampling methodology?
- A) Validity sampling B) Stratified random sampling
C) Simple random sampling D) Quota sampling
29. The SD Scale was developed by Charles F. Osgood. The SD Scale is:
- A) Standard Deviation Scale B) Semantic Differential Scale
C) Self Description Scale D) Simple Definition Scale
30. Which of the following is **not** a Measure of Central Tendency?
- A) Mode B) Mean
C) Range D) Median
31. The multivariate statistical technique that can be used in cases where there is a high degree of inter-correlation, and can be used for grouping a large number of variables into few independent dimensions is:
- A) Factor Analysis B) Discriminant Analysis
C) Correlation Analysis D) All the above
32. Which of the following is a Non-parametric Test?
- A) F-test B) Chi-square test
C) Z-test D) T-test
33. A time series is:
- A) A set of ordered observations of a quantitative variable taken in successive points in time in terms of years, months, weeks, days, etc.
B) A set of ordered observations of a qualitative variable taken in successive points in time in terms of years, months, weeks, days, etc
C) A set of information that stretches over a predetermined period of time interval
D) None of the above
34. Multiple Regression Analysis, Factor Analysis, Multivariate Analysis of Variance, etc. are examples of:
- A) Inferential analysis B) Descriptive analysis
C) Both A and B D) None of these

35. Sample size mainly depends on:
- A) Skill of the investigator
 - B) The availability of time for data collection
 - C) The availability of the finance with the data collector
 - D) Size and nature of the population
36. The arithmetic mean of a set of 10 values is 100. If a value 155 is added, the arithmetic mean of the 11 values is:
- A) 102
 - B) 101
 - C) 105
 - D) 110
37. Effectiveness is often discussed in management theory. Select the option which best defines effectiveness in relation to management.
- A) Effectiveness is concerned with 'doing things right'
 - B) Effectiveness is primarily a question of 'doing the right things'
 - C) Effectiveness is the ratio of input and output
 - D) Effectiveness is doing things in an efficient manner
38. The systems approach to organisations is based on three major elements – select the option that lists them
- A) Targets, outputs and feedback
 - B) Inputs, throughputs and outputs
 - C) Effectiveness, efficiency and strategy
 - D) None of the above
39. Fayol lists fourteen so-called 'principles of management'. One of the principles refers to the right to give orders – which principle does this refer to?
- A) Discipline
 - B) Authority
 - C) Unity of command
 - D) Order
40. Which item best describes what Taylor was passionately interested in?
- A) Business strategy
 - B) The role of the external environment in management
 - C) The motivation of workers
 - D) The efficiency of working methods
41. In 1952 Urwick produced a consolidated list of ten principles that included the principle that no one should be responsible for more than 5 or 6 direct subordinates whose work is interlocked. What is the correct label for this principle?
- A) Specialisation
 - B) Coordination
 - C) Authority
 - D) Span of control
42. A familiar name for T-group training is:
- A) Vestibule training
 - B) Sensitivity training
 - C) Role playing
 - D) Management game
43. An indicator for the extent of decentralization is
- A) Level of accountability
 - B) Level of responsibility
 - C) Degree of power
 - D) Level of delegation of authority

44. Which term is usually applied to the vertical extension of job responsibilities?
 A) Job enrichment B) Job simplification
 C) Job Enlargement D) Job satisfaction
45. Learning organizations was popularised by:
 A) Taylor B) Mayo
 C) Mc Greggor D) Senge
46. Who was the proponent of Management By Objectives (MBO)?
 A) Peter F. Drucker B) Elton Mayo
 C) Henry Fayol D) Harold Koontz.
47. The duty to act according to the authority that has been given to an individual at work is:
 A) Responsibility B) Delegation
 C) Professionalism D) Probity
48. Dual or multiple lines of authority is found in which type of organisation?
 A) Decentralised B) Modular
 C) Multidivisional D) Matrix
49. PERT is used in:
 A) Computer programming B) Critical path method
 C) Repetitive projects D) Non repetitive projects
50. In an assignment problem
 A) One agent can do parts of several tasks
 B) One task can be done by several agents
 C) Each agent is assigned to its own best task
 D) None of the above
51. The point $(x, 3)$ satisfies the inequality, $-5x - 2y \leq 13$. In that case the smallest possible value of x is:
 A) -3.8 B) 3.8
 C) 0 D) -1.4
52. A bag contains 5 white balls and 3 black balls. Two balls are taken at random without replacement. What is the probability that both balls drawn are black?
 A) $\frac{3}{28}$ B) $\frac{9}{64}$
 C) $\frac{6}{8}$ D) $\frac{6}{64}$
53. In the context of testing hypotheses, Type II error occurs when
 A) H_0 is rejected when H_0 is true
 B) H_0 is rejected when H_1 is true
 C) H_0 is accepted when H_1 is true
 D) H_1 is accepted when H_0 is true
54. A correlation coefficient between two independent variables is:
 A) 0 B) +1
 C) 0.5 D) -1

55. Method of least squares is used for:
 A) Multivariate analysis B) Correlation
 C) ANOVA D) Regression
56. In the process of evaluating location alternatives, the transportation model method minimizes the
 A) Total demand B) Total supply
 C) Total shipping cost D) Number of destinations
57. The word strategy has its origin from:
 A) Commerce B) Business
 C) Military D) Government
58. A defensive strategy like divestment may be suitable for which of the following SWOT output situation?
 A) High opportunities and high strength
 B) High opportunities and low strength
 C) High threats and high strength
 D) High threats and low strength
59. Business strategy provides which of the following
 A) Crisis management B) Competitive advantage
 C) Solving day to day problems D) None of the above
60. Which of the following uses a vertical industrial network?
 A) Coca-Cola B) Ford
 C) General Motors D) OASIS
61. Preparing short-term budgets is an example of a finance and accounting information system operating at the:
 A) Operational level B) Management level
 C) Knowledge level D) Strategic level
62. TPM stands for
 A) Total Productivity Management
 B) Total Productive Maintenance
 C) Total Process Management
 D) Total Produce Management
63. Six Sigma level of quality is
 A) 6 defects per 100 B) 600 defects per 1000
 C) 3.4 defects per 1000000 D) 0.6 defects per 100
64. PDCA method of quality improvement was proposed by
 A) Ishkaur B) Garvin
 C) Deming D) Crosby

65. Which one of the following is a mis-match?
 A) I Generation—Product benchmarking
 B) II Generation—Global benchmarking
 C) III Generation—Process benchmarking
 D) IV Generation—Strategic benchmarking
66. Enterprise systems support:
 A) Manufacturing processes
 B) Financial and accounting processes
 C) Human resource processes
 D) All of the above
67. Which of the following is not a fixed asset?
 A) Building
 B) Patents
 C) Goodwill
 D) Bank balance
68. Which of the following are not a revenue reserve?
 A) General reserve and Investment allowance reserve
 B) Capital reserve and Revaluation reserve
 C) Both A and B above
 D) None of the above
69. Gross profit is the difference between
 A) Net sales and cost of goods sold
 B) PAT and dividends
 C) Net sales and cost of production
 D) Net sales and net purchases
70. Recording of capital contributed by the owner as liability ensures the adherence of principle of:
 A) Single entry
 B) Double entry
 C) Separate entry
 D) Materiality
71. The basic concept(s) related to balance sheet is/are
 A) Cost concept
 B) Business entity concept
 C) Both the above
 D) None of the above
72. The basic concept related to P&L Account is
 A) Realization Concept
 B) Cost concept
 C) Profit concept
 D) Differentiation concept
73. As per the double entry concept
 A) $\text{Capital} = \text{Assets} + \text{Liabilities}$
 B) $\text{Capital} = \text{Assets} - \text{Liabilities}$
 C) $\text{Capital} - \text{Liabilities} = \text{Assets}$
 D) $\text{Capital} + \text{Assets} = \text{Liabilities}$
74. Only the significant events which affect the business must be recorded as per the principle of:
 A) Separate entity
 B) Accrual
 C) Materiality
 D) Going concern

75. P&L account is prepared for a period of one year by following
- A) Time period concept B) Consistency concept
C) Cost concept D) Conservatism concept
76. Pick out the one which is not a feature of joint venture:
- A) Relation between the parties is that of principal and the agent
B) Relationship is terminated as soon as venture is over
C) Profit belongs to the co-venturers
D) Account sale is not sent by one co-venturer to another
77. Which of the following will result in a decrease in the net profit?
- A) Payment of loan
B) Payment to creditors
C) Commission paid to sales person
D) Purchase on land
78. How is discount received shown in final accounts?
- A) As an expense in P&L account
B) As an expense in trading account
C) As an income in P&L account
D) As an income in trading account
79. Which one of the following costs is not considered while valuing the consignment stock?
- A) Packaging and forwarding charges
B) Freight
C) Consignee's commission
D) Insurance
80. If a discount allowed Rs.50 was wrongly recorded as discount received, what is the effect on net profit?
- A) Net profit overstated by Rs 100
B) Net profit under stated by Rs 100
C) Net profit overstated by Rs 50
D) Net profit under stated by Rs 50
81. The entry to record the purchase of goods where the supplier grants the purchases in credit terms:
- A) Debit purchases Credit cash
B) Credit purchases Debit a/c payable
C) Debit purchases Credit a/c payable
D) Debit purchases Credit notes payable
82. Determine a firm's total asset turnover (TAT) if its net profit margin (NPM) is 5 percent, total assets are Rs.8 million, and ROI is 8 percent.
- A) 1.60 B) 2.05
C) 2.50 D) 4.00

83. As per the judgement in Garner Vs Murray, in the absence of any agreement to the contrary, the deficiency of the insolvent partner's capital a/c must be borne by other solvent partners:
- A) In proportion to their capital a/c after dissolution of the firm
 - B) In proportion to their capital a/c before dissolution of the firm
 - C) According to profit sharing ratio
 - D) According to gaining ratio
84. If a share of Rs 10 on which Rs.6 has been paid is forfeited, it can be reissued at the minimum price of:
- A) Rs.6 per share
 - B) Rs.10 per share
 - C) Rs.4 per share
 - D) Rs.2 per share
85. Debt equity ratio is calculated to determine:
- A) The long term financial solvency of a business concern
 - B) The short term financial solvency of a business concern
 - C) Both the above
 - D) None of the above
86. For a particular concern the total fixed assets amounts to Rs.2,25,000/- and the long term funds is Rs.3,00,000/-. In such a situation the fixed assets ratio is:
- A) 0.25
 - B) 0.50
 - C) 0.75
 - D) 0.85
87. EPS stands for:
- A) Equity Per Share
 - B) Earning Per Share
 - C) Equity Price of Share
 - D) Earning Price of Share
88. Turnover ratios are:
- A) Concerned with measuring the efficiency in asset management
 - B) Concerned with the turnover of personnel per annum
 - C) Concerned with measuring the efficiency in liabilities management
 - D) All the above
89. ROI is calculated using which of the following formula?
- A) Sales/Working capital
 - B) Cost of Goods sold/ Capital employed
 - C) Profit before taxes and interest/Capital employed
 - D) Profit before taxes and interest/ Working capital
90. According to the International Accounting Standard No.7, the term 'fund' refers to:
- A) Cash or Cash at Bank
 - B) Cash or Cash Equivalent or Working Capital
 - C) Working Capital
 - D) None of the above
91. A statement in summary form indicating changes in items of financial position between two balance sheet dates and showing sources and applications of funds is:
- A) Funds Flow Statement
 - B) Working Capital Statement
 - C) Cash Statement
 - D) Capital Flow Statement

92. 1. Cash flow statement shows the cause for the change in cash
2. Cash flow analysis is a tool for short term financial planning
A) Statement 1 is true B) Statement 2 is true
C) Statements 1 and 2 are true D) Both statements are false
93. Issue of shares, debentures and ploughing back of profits are:
A) Long term source of funds B) Medium term source of funds
C) Short term source of funds D) None of the above
94. Modigliani – Millar approach is a:
A) Working Capital Theory B) Capital Structure Theory
C) Depreciation approach D) Balancing Theory
95. Cost of equity capital is:
A) The minimum rate of return which the firm must earn on the equity capital
B) The minimum cost to be paid to the equity share holders
C) The minimum cost to be paid to the bankers for inducing bankers to subscribe to capital
D) All the above
96. Capital rationing is applied in a situation where
A) It is difficult to bring in required amount of capital
B) Financial institutions are doubtful or not sure of the viability of the project
C) A large number of investment proposals compete for limited funds
D) The dividend is converted into capital for completion of a new project
97. If prime cost works out to Rs.1,04,000 and factory overhead is 20 % on works cost, what will be the works cost?
A) 1, 24,000 B) 1,28,000
C) 1,30,000 D) 1,40,000
98. Which of the following cost is unaffected by changes in volume of output or activity within a specified range of activity or output for a given budget period?
A) Fixed cost B) Variable cost
C) Mixed cost D) None of the above
99. The quantity of inventory at which the total cost of inventory comprising of acquisition / ordering/ set-up costs and carrying cost is the minimum is called:
A) EOQ B) ECQ
C) TOQ D) All the above
100. If the price of a material is Rs.15 per unit and the annual consumption is 4,000 units, the interest and storekeeping charges are 20% of the value and the cost of placing of an order and receiving the goods is Rs.60, how much material should be ordered at one time?
A) 250 units B) 300 units
C) 400 units D) 500 units

101. Gantt Task and Bonus Plan is more of a:
 A) A bonus system B) A differential piece rate system
 C) Both the above D) None of the above
102. Difference between time booked and time kept is known as:
 A) Overtime B) Idle time
 C) Normal time D) Standard time
103. During inflationary phase, which pricing method would result in the lowest cost of material used?
 A) FIFO B) LIFO
 C) Weighted average D) Base Stock
104. The overhead recovery rate (in terms of per cent of direct material cost) can be calculated using the equation:
 A) $(\text{Estimated factory overhead costs} \div \text{Estimated units of production}) \times 100$
 B) $(\text{Estimated factory overhead costs} \div \text{Estimated direct materials costs}) \times 100$
 C) $(\text{Estimated factory overhead costs} \div \text{Estimated indirect materials costs}) \times 100$
 D) $(\text{Estimated direct cost} \div \text{Estimated direct material costs}) \times 100$
105. Which of the following method of charging depreciation is used in cost accounting?
 A) Straight line B) Diminishing balance
 C) Written down balance D) Output basis
106. As per the provisions of the Companies Act of 1956, cost audit of a company should be done by:
 A) Cost Accountant B) Chartered Accountant
 C) Certified Financial Analyst D) Certified Chartered Analyst
107. Current ratio is 2.5: 1 and networking capital is Rs. 60,000 then what will be the value of current assets?
 A) Rs.1, 20,000 B) Rs.80, 000
 C) Rs.75, 000 D) Rs.1, 00,000
108. The process of assigning direct and indirect manufacturing costs to various cost centres is known as:
 A) Overhead absorption B) Cost allocation
 C) Budgeting D) Implicit costing
109. Job ranking method and job grading method are:
 A) Methods of job evaluation B) Methods of job assignment
 C) Methods of job rating D) Methods of merit rating

110. When direct materials are issued for production, the journal entry is:
- A) Work-in-progress Inventory A/c Dr.
 To Materials Inventory A/c
 - B) Materials Inventory A/c Dr.
 To Work-in-progress Inventory A/c
 - C) Materials Inventory A/c Dr.
 To Direct materials A/c
 - D) None of the above
111. The sale proceeds realized from by-products is:
- A) Deducted from cost of overhead
 - B) Deducted from working capital
 - C) Deducted from factory cost
 - D) Deducted from expenses
112. ICMA has defined ----- as ‘that form of specific order costing which applies where similar articles are manufactured in batches either for sale or for use within the company’.
- A) Job costing
 - B) Contract batch costing
 - C) Order costing
 - D) Batch costing
113. In Cost Accounting, bad debts are normally
- A) Treated as overheads
 - B) Treated as expenses
 - C) Treated as inventory
 - D) Excluded
114. If an expense for advertisement of permanent nature such as hoardings, sign boards, etc. is incurred, the cost is:
- A) Capitalized and depreciation is charged to selling overheads
 - B) Allocated directly to the respective departments
 - C) Treated as selling overhead
 - D) Allocated directly to advertisement department
115. Scheduled Banks are those which are entered in which Schedule of the RBI Act?
- A) First Schedule
 - B) Second Schedule
 - C) Third Schedule
 - D) Fourth Schedule
116. Market segmentation is:
- A) Dividing the total market into a set of sub-markets on certain characteristics
 - B) Dividing the total market according to the profit projections
 - C) Dividing the total market according to convenience
 - D) None of the above
117. Which of the following statement(s) is/are true?
- A) A Promissory Note has two parties
 - B) A Bill of Exchange has three parties
 - C) Both the above statements are true
 - D) None of the above statements is true

118. The four Ps of Marketing are:
A) Product, Price, Place, Parties
B) Product, Profit, Promotion, Place
C) Product, Promotion, Place, Planning
D) Product, Price, Promotion, Place
119. A name, term, symbol, or design intended to differentiate the product or service from the competitors:
A) Branding
B) Promotion
C) Strategy
D) Segmentation
120. The present Governor of RBI is
A) Suba Rao
B) Bimal Jalal
C) Y.V.Reddy
D) R.N.Malhotra
