

1. Which aspect of the strategic management process does environmental analysis and competitor analysis represent?
  - A) Strategic program component
  - B) Strategic implementation and control
  - C) Formulation of strategic marketing program
  - D) Strategic opportunity analysis
  
2. ----- is a desired future state that every organization attempts to realize.
  - A) Strategy
  - B) Goal
  - C) Policy
  - D) Procedure
  
3. Consumer decision making is essentially a ----- process
  - A) Search
  - B) Problem solving
  - C) Involvement
  - D) Evaluation
  
4. Arrange the following steps in the correct order of perceptual process.  
Memory—Exposure—Interpretation—Attention
  - A) Exposure –Attention—Interpretation—Memory
  - B) Attention—Exposure—Interpretation—Memory
  - C) Attention—Interpretation—Memory—Exposure
  - D) Exposure—Memory—Attention--Interpretation
  
5. When an individual is caught between two or more positive but mutually exclusive goals, it is known as -----
  - A) Approach-Approach conflict
  - B) Approach – Avoidance conflict
  - C) Avoidance- Avoidance conflict
  - D) None of these
  
6. The process of using an established relationship between a stimulus and response to bring out the learning of the same response to a different stimulus is called-----
  - A) Operant conditioning
  - B) Cognitive conditioning
  - C) Classical conditioning
  - D) Reasoning
  
7. A person who accompanies another on a shopping trip primarily to aid in the purchase process by providing symbolic and social aids is called-----
  - A) Market maven
  - B) Purchase pal
  - C) Buyer
  - D) None of these
  
8. In terms of BCG growth –share matrix, business in high growth industries with high market shares are termed -----
  - A) Stars
  - B) Cash cows
  - C) Question marks
  - D) None of these



**Answer question 17 to 20 from the following information in respect of a company.**

Current Ratio = 2.5, Quick Ratio = 1.5, Working capital = Rs.60, 000, Bank overdraft = Rs.10, 000, Proprietary Ratio (fixed assets to proprietary funds) = 0.75, Reserves and Surplus = Rs.40, 000.

17. How much is the current liability?  
A) Rs.60000 B) Rs.100000  
C) Rs.40000 D) None of these
18. How much is the quick assets?  
A) Rs. 40000 B) Rs. 60000  
C) Rs.100000 D) None of these
19. How much is the current assets?  
A) Rs.60000 B) Rs.40000  
C) Rs.100000 D) None of these
20. How much is the share capital?  
A) Rs.100000 B) Rs.150000  
C) Rs.220000 D) None of these
21. Sales of a company is 20, 000 units with a variable cost of Rs.20 per unit and Rs.30 as selling price. Fixed cost is Rs.100, 000. What is the degree of operating leverage?  
A) 2.0 B) 3.0  
C) 5.0 D) None of these
22. Moon Company sells its product for Rs.6 a unit. Next year, fixed expenses are expected to be Rs.200, 000 and variable expenses are estimated at Rs.4 a unit. How many units must Moon sell to generate net operating income of Rs.40, 000?  
A) 20,000 units B) 60,000 units  
C) 100,000 units D) 120,000 units
23. For a company, the EBIT is Rs.1120, Profit before tax is Rs.320, Tax rate is 50% and fixed cost is Rs.700. What is the degree of financial leverage?  
A) 1.5 B) 2.5  
C) 3.5 D) None of these
24. What is the most appropriate goal of a firm?  
A) Shareholder's wealth maximization  
B) Profit maximization.  
C) Gross margin enhancement  
D) EPS maximization
25. Which method provides accurate choice of mutually exclusive projects in case the firm is not subject to capital rationing.  
A) Internal rate of return B) Profitability index  
C) Payback period D) Net present value

26. Pick one of the given assumptions of capital structure which is not a proposition given by Modigliani and Miller:
- A) Capital markets are imperfect
  - B) Investors are rational
  - C) There is no corporate taxes
  - D) Investors have homogenous expectations
27. Three statements are given in respect of Lease financing. State which statement (s) is/are correct?
- Statement 1 - Lessee is not entitled to claim depreciation tax shield.  
Statement 2 - Lessee can charge the entire lease rental for tax purpose.  
Statement 3 - Lessee has the claim over the asset's salvage value.
- A) Statement 1 only is correct
  - B) Statements 1 and 2 are correct
  - C) All the statements are correct
  - D) Statements 2 and 3 are correct
28. Merger of two or more companies involved in different stages of production or distribution of a product or service is called -----
- A) Horizontal merger
  - B) Diagonal merger
  - C) Vertical merger
  - D) Conglomerate merger
29. Three statements are given with regard to the essential qualities of a measurement scales in research. State which statement(s) is/are correct?
- Statement 1- Reliability= Repeated measurements giving consistent results.  
Statement 2- Validity = It should measure what it is supposed to measure.  
Statement3- Sensitivity= Ability of the measurement to indicate change.
- A) Statement 1 is only correct
  - B) Statements 1 and 2 only are correct
  - C) All the three statements are correct
  - D) All the three statements are wrong
30. Which of the following scale is the most versatile scale in terms of the power of statistical analysis?
- A) Nominal scale
  - B) Ordinal scale
  - C) Interval scale
  - D) Ratio scale
31. A question in the questionnaire in which a response is suggested or implied is called -----
- A) Suggested question
  - B) Loaded question
  - C) Leading question
  - D) Double barreled question
32. ----- is not a non probability sampling technique
- A) Convenient sampling
  - B) Quota sampling
  - C) Systematic sampling
  - D) Judgment sampling

33. A technique to explain or predict the dependent variable on the basis of two or more independent variables is:
- A) Factor analysis                      B) ANOVA  
C) Z Test                                  D) t Test
34. ----- is not an appropriate statistical test for data collected in ordinal scale.
- A) Wilcoxon test                      B) Mann-Whitney U test  
C) Median test                        D) Chi-Square test
35. ----- is not a non sampling error
- A) Editing error  
B) Actual lying by the respondent  
C) Misinterpretation of question by the respondent  
D) Deliberate selection of sample
36. A sampling technique in which initial samples are selected using probability methods but additional units are obtained from the information supplied by the initial units is called -----
- A) Judgment sampling              B) Quota sampling  
C) Convenient sampling            D) Snowball sampling
37. In hypothesis testing Type I error is -----
- A)  $H_0$  is true but the test result accepts it  
B)  $H_0$  is true but the test result rejects it  
C)  $H_0$  is false but the test result accept it  
D)  $H_0$  is false but the test result reject it
38. Marketing intelligence system is a -----
- A) Internal data source  
B) External data source  
C) Both internal and external data source  
D) Neither internal nor external data source
39. In statistical hypothesis testing, large sample refers to a sample size of -----
- A) Greater than 10                      B) Greater than 20  
C) Greater than 30                      D) None of these
40. Parametric statistical tests are applied in social research when the data is collected in -----
- A) Nominal scale only              B) Interval scale only  
C) Ratio scale only                    D) Interval or ratio scale
41. A and B are partners in the ratio of 2:1. They admit C for 25% shares who contributes Rs.3, 000 for his share of goodwill. The total value of the goodwill of the firm is -----
- A) Rs.3000                              B) Rs.6000  
C) Rs.9000                              D) None of these

42. If the gross profit is Rs.30, 000 and the expenses resulting in the application of funds are Rs.7, 000 then funds from operation is -----  
A) Rs.23, 000                      B) Rs.37, 000  
C) Rs.30, 000                      D) None of these
43. If the net profit is Rs.90, 000 after writing off the preliminary expenses of Rs.10, 000 then the funds from operation is -----  
A) Rs.90000                      B) Rs.80000  
C) Rs.100000                      D) None of these
44. Mr. X and Mr. Y are partners sharing profits in the ratio of 4:3. Mr. Z joins and the new profit sharing ratio is 7:4:3. What is the sacrificing ratio?  
A) 1:2                              B) 2:6  
C) 1:3                              D) None of these
45. Stock of raw materials at the beginning of the period is Rs.30, 000 and stock at the end of the period is Rs.60, 000. During the period materials worth Rs.180, 000 has been purchased out of which materials worth Rs.10, 000 was of poor quality and hence returned to the supplier. What is the actual consumption of materials for the production during the period?  
A) Rs.140000                      B) Rs.150000  
C) Rs.210000                      D) None of these
46. The closing stock of the finished inventory at the end of a period is Rs.6, 00, 000 and sales during the period is Rs.10, 00, 000. Production during the period is Rs.15, 00, 000 of which goods worth Rs.50, 000 was bad and returned to the factory for re processing. What is the opening stock of finished inventory?  
A) Rs. 100, 000                      B) Rs.50, 000  
C) Rs.150, 000                      D) None of these

Answer questions numbers 47 to 49 from the following information.

A company purchased an established business for Rs.400000 payable Rs.130000 in cash and the balance by equity shares of Rs.10 each at a discount of 10%.

47. What is the journal entry for purchase of business in the books of the purchasing company?  
A) Debit Vendor company with Rs.400000 and credit business purchase account with Rs.400000.  
B) Debit business purchase account with Rs.400000 and credit Vendor company with Rs.400000.  
C) Debit business purchase account with Rs.400000 and credit cash account with Rs.400000  
D) Debit cash account with Rs.400000 and credit Vendor company with Rs.400000

48. What is the journal entry for payment of cash of Rs.130000?
- A) Debit business purchase account with Rs.130000 and credit cash account with Rs.130000
  - B) Debit Vendor company with Rs.130000 and credit cash account with Rs.130000
  - C) Debit cash account with Rs.130000 and credit Vendor company with Rs.130000
  - D) Debit business purchase with Rs.130000 and credit Vendor company with Rs.130000
49. What is the journal entry for issue of equity share at 10% discount to Vendor company?
- A) Debit Vendor company with Rs.270000, credit equity share with Rs.270000
  - B) Debit Vendor company with Rs. 300000 and credit equity share with Rs.300000
  - C) Debit Vendor company with Rs.270000, Debit Discount on issue of shares with Rs.30000 and credit Equity shares with Rs.300000.
  - D) Debit equity shares with Rs.300000 and credit Vendor company with Rs.270000 and credit discount on issue of shares with Rs.30000
50. Under CPP method of inflation accounting assets are presented at -----
- A) Economic value
  - B) Current replacement cost
  - C) Net realizable value
  - D) Historical cost adjusted to general price level changes
51. Which one of the following inventory valuation ensures as nearly as possible the matching of current cost with current revenue?
- A) FIFO
  - B) HIFO
  - C) LIFO
  - D) Standard price
52. ----- is not an account concept
- A) Money measurement
  - B) Business entity
  - C) Dual aspect
  - D) Consistency
53. A business is having an adjusted net profit of Rs.1, 00, 000 and capital employed is Rs.6, 00, 000. Its goodwill is taken as 3 years purchase of super profit and the expected rate of return is 10%. What is the value of goodwill?
- A) Rs.3, 00, 000
  - B) Rs.5, 00, 000
  - C) Rs.1, 20, 000
  - D) None of these
54. In conventional accounting, the amount spent on human resources is taken as-----
- A) Capital expense
  - B) Revenue expense
  - C) Deferred revenue expense
  - D) Revenue and deferred revenue expense

55. Profit on re-issue of forfeited shares is transferred to -----  
 A) General reserve                      B) Profit and loss account  
 C) Capital redemption reserve      D) Capital reserve
56. Match list A with list B of the table given below. Select the correct answer using the codes given in the list.

| List A                                   | List B                         |
|--|--------------------------------|
| a. Preliminary expenses                  | 1.Capital expenditure          |
| b. Traveling expense of sales man        | 2.Revenue expenditure          |
| c. Profit on sale of a part of the asset | 3.Capital expenditure          |
| d. Paid for the purchase of machinery    | 4.Deferred revenue expenditure |

| CODES | a | b | c | d |
|-------|---|---|---|---|
| A)    | 1 | 2 | 3 | 4 |
| B)    | 4 | 2 | 3 | 1 |
| C)    | 2 | 3 | 1 | 4 |
| D)    | 3 | 4 | 2 | 1 |

57. A voyage account is prepared for a -----  
 A) Voyage                                      B) Accounting period  
 C) Calendar year                              D) Financial year
58. In consignment transaction, Del Credere commission is given to the consignee to cover -----  
 A) Normal loss                                      B) Loss due to bad debt  
 C) Abnormal loss                                      D) Capital loss
59. Receipt and payment account records receipts and payments of ----- nature  
 A) Revenue                                      B) Capital  
 C) Both revenue and capital                      D) Deferred revenue

**Answer questions 60 to 63 from the following information.**

|        | Period I    | Period II   |
|--------|-------------|-------------|
| Sales  | Rs.100, 000 | Rs.150, 000 |
| Profit | Rs.10000    | Rs.20, 000  |

60. What is the profit volume ratio of the firm?  
 A) 10%                      B) 20%                      C) 30%                      D) 40%
61. How much is the fixed cost?  
 A) Rs.25000                      B) Rs.30000  
 C) Rs.10000                      D) None of these
62. How much sales is necessary to get a profit of Rs.30, 000?  
 A) Rs.300, 000                      B) Rs.400, 000  
 C) Rs.200, 000                      D) Rs.100, 000



63. What is its break even sales?  
 A) Rs.300, 000                                      B) Rs.200, 000  
 C) Rs.100, 000                                      D) Rs.50, 000

**Answer questions 64 to 68 from the following information.**

| Particulars            | Amount in Rs.       |
|------------------------|---------------------|
| Raw materials consumed | 1, 60, 000          |
| Direct wages           | 80, 000             |
| Factory overhead       | 16, 000             |
| Office overhead        | 10% of factory cost |
| Selling overhead       | 12, 000             |
| Units produced         | 40, 000             |
| Units sold             | 36, 000             |
| Selling price          | 100 per unit        |

64. What is the work cost?  
 A) Rs.2, 40, 000                                      B) Rs.2, 81, 000  
 C) Rs.2, 56, 000                                      D) Rs.2, 53, 400
65. What is the total cost of production?  
 A) Rs.2, 40, 000                                      B) Rs.2, 81, 600  
 C) Rs.2, 56, 000                                      D) Rs.2, 53, 400
66. What is the cost of goods sold?  
 A) Rs.2, 40, 000                                      B) Rs.2, 81, 600  
 C) Rs.2, 56, 000                                      D) None of these
67. What is the cost of sales?  
 A) Rs.2, 64, 240                                      B) Rs.2, 81, 600  
 C) Rs.2, 56, 000                                      D) None of these
68. What is the profit?  
 A) Rs.90, 560    B) Rs.92, 560  
 C) Rs.95, 760    D) None of these
69. Conversion cost is the sum total of:  
 A) Direct material cost and direct wages  
 B) Direct wages, direct expenses and factory overheads  
 C) Indirect wages and factory overheads  
 D) Factory overheads alone
70. What will be the shut down point, if fixed cost is Rs. 80,000, shut down cost Rs.60,000 and contribution per unit is Rs. 8?  
 A) 2500 Units    B) 10000 Units  
 C) 6000 Units    D) 17500 Units
71. Increase in capacity reduces the margin of safety if:  
 A) Total cost remains unchanged  
 B) Fixed cost at new capacity is increased  
 C) Fixed cost increases and sales grow  
 D) Variable costs per unit increases

72. Batch costing is popularly used in ----- among the following industries  
 A) Construction industries      B) Oil industries  
 C) Garment making units      D) Car making
73. Escalation clause is generally included in ----- costing  
 A) Batch costing      B) Job costing  
 C) Contract costing      D) Standard costing
74. Annual consumption of a factory is 600 units. Ordering cost is Rs.6 per order. Carrying cost is 20% of the unit cost. Cost per unit of material is Rs.2.40. EOQ is  
 A) 212 units (approx.)      B) 315 units (approx.)  
 C) 122 units (approx.)      D) None of these
75. Three statements are given about wages payment system. State which statement (s) is/are correct.  
 Statement 1- When the time saved increases the bonus under Halsey plan also keeps on increasing.  
 Statement 2-When the time saved is 50% of the standard time, then bonus under Halsey plan and Rowan plans are the same.  
 Statement 3-When the time saved is below 50% of the time allowed bonus under Rowan plan is lesser than that of Halsey plan.  
 A) Statement 1 only is correct  
 B) Statement 1 and 2 are correct  
 C) All the statements are correct  
 D) All the statements are wrong
76. A factor which influences all other budgets is called -----  
 A) Factor budget      B) Functional budget  
 C) Fixed factor budget      D) Key factor budget
77. Three statements are given in respect of budgeting. State which statement(s) is correct?  
 Statement 1-Master budget incorporates all functional budgets  
 Statement 2-A budget manual spells out all duties and responsibilities of persons involved in budgeting.  
 Statement 3- Flexible budgets changes with level of activity.  
 A) Statement one only is correct  
 B) Statement two only is correct  
 C) Statements one and two are only correct  
 D) All the three statements are correct

78. Two statements are given in respect of differential costing. State which statement(s) is/are correct?  
 Statement 1-Fixed costs are excluded from marginal costs where as differential cost takes in to consideration changes in fixed cost due to changes in level of activity.  
 Statement 2-Differential costs do not find a place in accounting records.
- A) Statement 1 only is correct  
 B) Statement 2 only is correct  
 C) Both statements are correct  
 D) Both statements are wrong
79. Democratic leadership style goes with -----  
 A) X theory  
 B) Y theory  
 C) Z theory  
 D) None of these
80. Which principle of management lays stress on team work and unity among personnel?  
 A) Equity  
 B) Order  
 C) Unity of direction  
 D) Esprit de corps
81. In line and staff organization the authority lies in -----  
 A) Line  
 B) Staff  
 C) Both line and staff  
 D) Neither line nor staff
82. Full delegation is called -----  
 A) Alter ego  
 B) Non ego  
 C) Shelter ego  
 D) Ego
83. A system of shared meaning held by members that distinguishes the organization from other organizations is known as -----  
 A) Organizational climate  
 B) Organizational culture  
 C) Organizational behavior  
 D) Organizational structure
84. Arrange the following steps in group development.  
 Storming—Forming—Performing---Norming
- A) Forming—Norming—Storming—Performing  
 B) Forming—Performing—Norming—Storming  
 C) Forming—Storming—Norming—Performing  
 D) Norming—Storming—Forming—Performing
85. The way in which individuals translate power bases into specific actions is -----  
 A) Power distance  
 B) Power tactics  
 C) Power action  
 D) Power order
86. Job enrichment involves ----- expansion of job.  
 A) Vertical  
 B) Horizontal  
 C) Diagonal  
 D) Circular

87. The way the elements of job are organized is called -----  
 A) Job structure                                  B) Job organization  
 C) Job design                                      D) Job rotation
88. Mr. X is a senior manager of a company at Delhi. The company wants him to be at Delhi. His family consisting of wife and two children are at Mumbai. They want Mr. X to be at Mumbai. What type of conflict is it?  
 A) Role conflict                                    B) Place conflict  
 C) Situation conflict                              D) Family conflict
89. A situation in which a choice has to be made between two equally undesirable alternatives is called -----  
 A) Ethical choice                                 B) Ethical decision  
 C) Ethical dilemma                               D) Ethical alternatives
90. The process of recording the time spent by workers on various jobs in a factory is known as -----  
 A) Time keeping                                    B) Time adjusting  
 C) Time booking                                  D) Job booking
91. As per FEMA, a person resident in India means a person who stayed in India for more than ----- days during the preceding year  
 A) 91    B) 181    C) 182    D) 365
92. Under Consumer Protection Act, every member of the District Forum shall hold office for a term of ----- or up to the age of 65 years.  
 A) 3 years    B) 4 years    C) 5 years    D) 2 years
93. Three statements are given in respect of Foreign Direct Investment. State which statements are correct?  
 Statement 1— In FDI the investor retains control over the investment.  
 Statement 2— FDI are governed by long term consideration such as govt. policy, political stability etc.  
 Statement 3— In FDI the investors have direct responsibility for promotion and management  
 A) Statement 1 only is correct  
 B) Statements 1 and 2 are correct  
 C) All the three statements are correct  
 D) Statements 2 and 3 only are correct
94. IMF was established in -----  
 A) 1935    B) 1940    C) 1942    D) 1946
95. ----- is not an objective of GATT  
 A) Raising standard of living  
 B) Ensuring full employment  
 C) Ensuring world peace  
 D) Developing full use of resources

96. World Trade Organization was established in -----  
 A) 1947                      B) 1995                      C) 2001                      D) 2005
97. Two statements are given in respect of time orientation aspect of culture. State which statement (s) is/are correct?  
 Statement 1—Monochronic culture focuses on doing many things at a time.  
 Statement 2--- Polychronic culture focuses on doing one thing at a time.
- A) Statement 1 only is correct  
 B) Statement 2 only is correct  
 C) Both the statements are correct  
 D) Both the statements are wrong
98. Minimum number of members to form a public company is ----- and maximum is -----  
 A) 2 and 50    B) 7 and 50  
 C) 50 and unlimited    D) 7 and unlimited
99. ----- contains rules and regulations relating to the internal management of a company.  
 A) Memorandum of Association  
 B) Articles of Association  
 C) Prospectus  
 D) None of these
100. Credit policy of the RBI is a part of -----  
 A) Monetary policy    B) Fiscal policy  
 C) Budgetary policy    D) Industrial policy
101. As per RBI measures of money stock, M3 stands for -----  
 A) Currency with public plus demand deposits with banks and other deposits with RBI  
 B) M1 plus post office savings bank deposits  
 C) M1 plus post office savings bank deposits and time deposits with banks  
 D) M1 plus time deposits with banks
102. Three statements are given in respect to warranty. State which statements are correct?  
 Statement 1—Warranty is collateral to the main purpose of the contract.  
 Statement 2—Buyer has right to cancel the contract on breach of warranty.  
 Statement 3—Buyer can claim damages.
- A) Statement 1 only is correct  
 B) Statements 1 and 2 only are correct  
 C) All the statements are correct  
 D) Statements 1 and 3 only are correct

103. Dumping aimed to clear unsold stock at a lower price in the overseas market is called -----  
 A) Distress dumping                      B) Predatory dumping  
 C) Persistent dumping                      D) Price dumping
104. -----is not a principle of multilateral trade  
 A) Non discrimination                      B) Market access  
 C) Reciprocity                                D) Political system
105. Countries which follow a unified internal and external tariff system is called-----  
 A) Customs union                            B) Free trade area  
 C) Common market                          D) Economic union
106. Chairman of the Planning Commission of India is -----  
 A) President of India                        B) Prime Minister of India  
 C) Finance Minister of India              D) Speaker of Lok Sabha
107. Cross border trade conducted where commodities are exchanged for commodities is called -----  
 A) Commodity trade                        B) Counter trade  
 C) Cross border trade                        D) Exchange trade
108. The extent of linear relationship between two variables X and Y is determined by -----  
 A) Coefficient of correlation              B) Coefficient of determination  
 C) Probable error                            D) Standard error.
109. The coefficient of correlation is independent of -----  
 A) Changes of scale only  
 B) Changes of origin only  
 C) Both changes of scale and origin  
 D) None of these
110. What is the probability that a leap year selected at random will contain either 53 Thursdays or 53 Fridays.  
 A)  $\frac{2}{7}$     B)  $\frac{3}{7}$   
 C)  $\frac{5}{7}$     D) None of these
111. Baye's theorem is associated with -----  
 A) Prior probabilities  
 B) Conditional probability  
 C) Mutually exclusive probability  
 D) None of these
112. Vogel's approximation method is used in solving-----problems.  
 A) Transportation  
 B) Linear programming  
 C) Net work analysis  
 D) Linear programming and network analysis

113. In network analysis the earliest start time for the following activity minus the earliest completion time for this activity is called -----  
 A) Independent float                      B) Free float  
 C) Interfering float                      D) Optimum float
114. ----- is not a basic assumption underlying linear programming  
 A) Infinite choice                      B) Certainty  
 C) Continuity                      D) Proportionality
115. In network analysis the deliberate reduction of activity time by putting extra resources is called -----  
 A) Disposal                      B) Crashing  
 C) Cutting                      D) Looping
116. In E-Commerce, Electronic Data Interchange Mechanism does not extend ----- to the user.  
 A) Application service                      B) Exchange service  
 C) Translation service                      D) Communication service
117. A collection of data designed to be used by different people is called a-----  
 A) Data base                      B) RDBMS  
 C) DBMS                      D) None of these
118. Four major E-commerce drivers are -----        -----        ----- and -----  
 A) Computers—networks—information---- people  
 B) Market----- Sales-----people-----profit  
 C) Computers-----people-----market-----profit  
 D) Networks----information---sales -----profit
119. ----- means information is free from bias.  
 A) Accuracy                      B) Speed  
 C) Relevancy                      D) None of these
120. In MIS when the user is presented with too much information than what is necessary for decision making it is called-----  
 A) Information bias                      B) Information overload  
 C) Information filtering                      D) None of these

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