



8. ----- is an important tool of profit planning  
 A) Ratio analysis                      B) Cost-volume profit analysis  
 C) Fund flow analysis                D) Cash flow analysis
9. Calculate the gross profit ratio from the following information:  
 Sales - 1,00,000, Purchases - 60000, sales returns - 10000, purchases returns - 15000,  
 opening stock 20000 and closing stock 5000  
 A) 23.33 %            B) 13.33 %            C) 43.33 %            D) 33.33 %
10. The relationship between dividend per share and market price per share is  
 A) Dividend Payout Ratio            B) P/E Ratio  
 C) Dividend Yield Ratio            D) Operating Ratio
11. Comparison of two or more firms with the objective of providing information  
 regarding the competitive position of participating companies to improve profitability  
 and productivity of those companies is called:  
 A) Inter-firm comparison            B) Intra-firm comparison  
 C) Both A & B                        D) Industry Comparison
12. Internal source of funds include  
 I. Public Deposits                      II. Funds from long term loans  
 III. Increase in share capital        IV. Funds from operations  
 A) III & IV only                        B) III only  
 C) IV only                                D) I & II only
13. Depreciation is treated as a source of fund because  
 I. Value of closing inventory may include depreciation of fixed asset as an  
 element of cost  
 II. Depreciation does not generate funds but it saves funds  
 III. It reduces taxable income  
 IV. Depreciation results in reduction of asset  
 A) I, II & III only                      B) II, III & IV only  
 C) I & IV only                            D) III & IV only
14. Find out the source of cash from the following?  
 A) Purchase of fixed assets            B) Cash from operations  
 C) Decrease in unsecured loans      D) Payment of dividend
15. The risk analysis technique which provides more than one estimate of the future  
 return of a project is:  
 A) Standard deviation                B) Probability assignment  
 C) Coefficient of variation            D) Sensitivity analysis

16. The current market price of an equity share is Rs.90. The current dividend per share is Rs.4.50. In case the dividends are expected to grow at the rate of 7%, calculate the cost of equity capital  
 A) 12 %                      B) 12.5 %                      C) 13 %                      D) 14 %
17. Calculate the payback period for the projects A and B with the following inflows:-  
 A-25000, 15000,10000, Nil, 12000,6000 and B-10000,12000,18000,25000,8000, 4000. Investment for both the projects is Rs.50000.  
 A) 2 years, 3 years                      B) 3years, 3.4years  
 C) 4 years, 4.4 years                      D) 5 years, 5.5 years
18. Irrelevance concept of dividend was introduced by  
 A) Myron Gordon                      B) John Lintner  
 C) James Walter                      D) Modigliani and Miller
19. One of the methods of expediting cash inflows is:  
 A) Preparing cash budget                      B) Lock box system  
 C) Consideration of short costs                      D) None of these
20. Proportional value analysis is another name for  
 A) JIT analysis  
 B) VED analysis  
 C) Flexible manufacturing system  
 D) ABC analysis
21. Identify the correct sequence to be followed by purchases department.  
 i. exploring sources of supply    ii. Checking and passing of bills for payment  
 iii. receiving purchase requisition    iv. receiving and inspecting materials  
 v. preparation and execution of orders  
 A) i, iii, ii, iv, v                      B) i ,ii, iii, v, iv  
 C) iii, i, v, iv ,ii                      D) iii, ii, i, iv, v
22. Management Grid was developed by  
 A) F.W.Taylor                      B) Blake and Mouton  
 C) Urwick                      D) Henry Fayol
23. Proper management technique in a given situation depends on the nature and condition of that situation. This theory is called  
 A) Y Theory                      B) System Theory  
 C) Contingency Theory                      D) None of the above
24. The Principle of Span of Control was propounded by  
 A) Fayol                      B) V.A Graicunas  
 C) Elton Mayo.                      D) F.W.Taylor



32. **Assertion:** A manager delegates authority and responsibility  
**Reasoning:** Manager wants to shrink his responsibility
- A) Both assertion and reasoning are correct  
 B) Assertion is wrong but reasoning is correct  
 C) Assertion is correct but reasoning is wrong  
 D) Both assertion and reasoning are wrong
33. Match the following:
- | I  |                  | II   |   |
|----|------------------|------|---|
| a) | Hungarian method | i.   | first calculates average outcome for each course of action and selects the maximum number |
| b) | Maximax          | ii.  | Compromise between maximax and minimax  |
| c) | Hurwicz          | iii. | Minimum of maximum  |
| d) | Rationality      | iv.  | Assignment  |
|    |                  | v.   | Maximizes maximum pay-off   |
- A) a-ii, b-iii, c-i, d-iv      B) a-iv, b-v, c-ii, d-i  
 C) a-ii, b-v, c-iii, d-iv      D) a-iv, b-iii, c-i, d-ii
34. Match the following:
- |    |           |      |                       |
|----|-----------|------|-----------------------|
| a) | Maslow    | i.   | Hygiene Theory        |
| b) | Herzberg  | ii.  | X and Y Theory        |
| c) | Ouchi     | iii. | Need Hierarchy Theory |
| d) | Mc Gregor | iv.  | Z Theory              |
- A) a-i, b- ii, c- iii, d- iv      B) a-ii, b- i, c- iv, d- iii  
 C) a-iv, b- iii, c- ii, d- i      D) a-iii, b- i, c- iv, d- ii
35. Cognitive dissonance indicates
- A) Buying indifference      B) Pre-purchase behavior  
 C) Post-purchase behaviour      D) Buying behaviour
36. Statistic refers to characteristic of
- A) Population      B) Sample  
 C) Mean      D) None of the above
37. Match the items of A with items of B:
- | A  |                      | B    |                        |
|----|----------------------|------|------------------------|
| a) | t test               | i.   | secondary data         |
| b) | regression test      | ii.  | stratified sampling    |
| c) | published sources    | iii. | hypothesis test        |
| d) | probability sampling | iv.  | quota sampling         |
|    |                      | v.   | multi-variate analysis |
- A) a-v, b- i, c-ii, d- iv      B) a-v, b- iii, c-i, d- iv  
 C) a- iii, b- v, c- i, d- ii      D) a-v, b- ii, c-i, d-iv

38. Cluster sampling is a type of  
 A) Probability sampling                      B) Non-probability sampling  
 C) Multi stage sampling                      D) None of these
39. A decision to reject a hypothesis when it is true is:  
 A) Type I error                                  B) Type II error  
 C) Type III error                                D) Both Type I and Type II errors
40. The commonly used levels of significance are  
 A) 2 % and 1 %    B) 6 % and 5 %    C) 5 % and 1 %    D) 1 % and 4 %
41. Run test is an example of  
 A) Parametric test                              B) Non-parametric test  
 C) Both A & B                                  D) None of these
42. Chi square test is used to  
 A) Test the goodness of fit                      B) Test independence of attributes  
 C) Test homogeneity                              D) All of the above
43. A statement of purpose that distinguishes one business from other firms is  
 A) Mission            B) Objectives            C) Goals                D) Vision
44. The external environment of business does not include  
 A) Suppliers                                      B) Marketing intermediaries  
 C) Public    D) Management structure and nature
45. Turnaround strategy is otherwise known as:  
 A) Cut back strategy  
 B) Divestment strategy  
 C) Liquidation strategy  
 D) Harvest strategy
46. In a BCG matrix high market share in slow growth industries is represented by  
 A) Cash Cow                                      B) Stars  
 C) Question marks                                D) Dogs
47. Michael Porter's competitive forces do not include  
 A) Rivalry among existing firms              B) Threat of new entrants  
 C) Threat of substitutes                          D) Strength and weakness of a company
48. Johari Window is a technique in  
 A) Perception                                      B) Learning  
 C) Transaction analysis                          D) None of these

49. Non-financial motivators do not include  
 A) Participation B) Medical reimbursement  
 C) Recognition D) Job enrichment
50. In Alderfer's Theory, R denotes  
 A) Resourcefulness B) Respectfulness  
 C) Relatedness D) None of these
51. Redesigning jobs for making it more challenging to employees:  
 A) Job enlargement B) Job enrichment  
 C) Job specification D) Job description
52. T-group training is otherwise called  
 A) Grid training B) Class room training  
 C) On the job training D) Sensitivity training
53. Match the following:
- | <b>I</b> |                     | <b>II</b> |   |
|----------|---------------------|-----------|---|
| a)       | opportunity cost    | i.        | costs which can be eliminated             |
| b)       | out of pocket costs | ii.       | predetermined costs                       |
| c)       | standard costs      | iii.      | costs ascertained after being incurred    |
| d)       | historical costs    | iv.       | costs which involves payment to outsiders |
|          |                     | v.        | cost of the next alternative              |
- A) a-i, b-ii, c-iii, d-iv B) a-ii, b-iii, c-i, d-v  
 C) a-v, b-iv, c-ii, d-iii D) a-v, b-ii, c-iii, d-i
54. Which one of the following financial statement analysis techniques helps one to overcome size disparity problems associated with Firms under comparison:  
 A) Trend analysis B) Common size analysis  
 C) Horizontal analysis D) Vertical analysis
55. If the purchase consideration is calculated by considering all the payments, the method is called  
 A) Lump sum method B) Net asset method  
 C) Net payment method D) Intrinsic value method
56. Which among the following software is used in research analysis?  
 A) ERP B) TALLY C) SAP D) SPSS
57. A statistical technique used to test the equality of three or more samples means:  
 A) ANCOVA B) ANOVA C) Chi-square D) t-test
58. Discounted cash flow method for investment appraisal does not include  
 A) IRR B) NPV C) ARR D) PI
59. Which of the following is not an international financial institution?  
 A) IMF B) World Bank C) IDA D) IDBI

60. The Indian Accounting Standard on “Statement of Cash Flow” on convergence is  
 A) Ind AS 10    B) Ind AS 3    C) Ind AS 8    D) Ind AST
61. The strategy of introducing a product with high price is  
 A) Skimming strategy    B) Penetration strategy  
 C) Pull strategy    D) Push strategy
62. Which of the following term is used to represent proportionate relationship between debt and equity?  
 A) Capital budgeting    B) Capital structure  
 C) Cost of capital    D) Operating leverage
63. Profits prior to incorporation are considered as  
 A) General reserve    B) Secret reserve  
 C) Revenue reserve    D) Capital reserve
64. If the current ratio is 2:1 and the working capital is Rs.80000 find the current assets  
 A) Rs.160000    B) Rs.100000    C) Rs.60000    D) Rs.120000
65. **Assertion:** Ratio analysis is one of the tools for assessing the financial performance of an organization  
**Reasoning:** Ratio analysis is not the only one technique for assessing the financial performance of an organization
- A) Assertion is true but Reasoning is false  
 B) Assertion is false but Reasoning is true  
 C) Both are true and Reasoning is the correct explanation of Assertion  
 D) Both are true and Reasoning is not the correct explanation of Assertion
66. Match the following:
- | <b>A</b>                   | <b>B</b>               |
|----------------------------|------------------------|
| i. Accounting principles   | a) materiality         |
| ii. Accounting assumptions | b) IASB                |
| iii. Modifying principles  | c) revenue recognition |
| iv. Accounting standards   | d) money measurement   |
- A) i-a, ii-c, iii-b, iv-d    B) i-d, ii-a, iii-b, iv-c  
 C) i-b, ii-a, iii-c, iv-d    D) i-c, ii-d, iii-a, iv-b
67. State which of the following statements are correct  
**i.** Working capital is the amount of funds required for the operation of an enterprise  
**ii.** Circulating capital is the capital which changes from one form to another
- A) i and ii are correct    B) i and ii are wrong  
 C) i is correct and ii is wrong    D) i is wrong and ii is correct
68. When the Debtors Turnover Ratio is 3, what is the debt collection period?  
 A) 2 months    B) 3 months    C) 4 months    D) 5 months

69. HRM does not include
- |                   |                          |
|-------------------|--------------------------|
| A) Job enrichment | B) Performance appraisal |
| C) Job evaluation | D) Sales promotion       |
70. Match the following:
- | I                          | II                             |
|----------------------------|--------------------------------|
| a) Structural ratios       | i. capital structure           |
| b) Ordering quantity       | ii. dividend policy            |
| c) Bonus shares            | iii. financing working capital |
| d) Matching approach       | iv. inventory management       |
| A) a- i, b-ii, c-iii, d-iv | B) a-iii, b-iv, c-i, d-ii      |
| C) a-iii, b-iv, c-ii d-i   | D) a-ii, b-iv, c-i, d-iii      |
71. Identify the correct sequence in connection with the process of environmental analysis:
- A) Scanning-Monitoring-Assessment -Forecasting  
 B) Scanning-Monitoring-Forecasting-Assessment  
 C) Monitoring-Scanning-Forecasting-Assessment  
 D) Monitoring-Scanning-Assessment-Forecasting
72. Which of the following tests is used to measure the ratio of two sample variances?
- |                    |           |
|--------------------|-----------|
| A) chi square test | B) F test |
| C) t test          | D) Z test |
73. The impact of changes in sales on earnings before interest and tax is measured with the help of:
- |                       |                       |
|-----------------------|-----------------------|
| A) financial leverage | B) operating leverage |
| C) super leverage     | D) none of these      |
74. Which one of the following statements is correct?
- A) Increase in capital are debits and decrease in capital are credits  
 B) Increase in assets are credits and decrease in assets are debits  
 C) Increase in expenses are credits and decrease in expenses are debits  
 D) Increase in liabilities are credits and decrease in liabilities are debits
75. Plans which form the guidelines for decision making is called
- |           |             |              |         |
|-----------|-------------|--------------|---------|
| A) policy | B) strategy | C) procedure | D) rule |
|-----------|-------------|--------------|---------|
76. The concept of budget where all the activities are required to be started from scratch
- |                     |                    |
|---------------------|--------------------|
| A) Master budget    | B) Cash budget     |
| C) Zero base budget | D) Flexible budget |
77. Standard error means
- A) Inter-quartile range of the data  
 B) Standard deviation of data  
 C) Standard deviation of the sampling distribution  
 D) Standard deviation of population



87. When two companies join together and form a new one, the action is called:  
 A) Merger B) Strategic alliance  
 C) Acquisition D) None of these
88. The main objective of cost accounting is to  
 A) Comply with norms issued by the Government of India from time to time  
 B) Assist management in decision making  
 C) Maximise profits and minimize losses  
 D) Prepare cost accounts in line with accounting standards
89. Identify the correct sequence:  
 i. collection of data ii. statement of the problem  
 iii. sampling iv. data analysis v. review of literature  
 A) i, iii, iv, v, ii B) ii, iii, v, i, iv C) iii, ii, iv, v, i D) ii, v, iii, i, iv
90. Which of the following does not match?  

<b>I</b>	<b>II</b>
a) interest is tax deductible expense	i. cost of debt capital
b) realised yield approach	ii. cost of equity capital
c) extended yield approach	iii. cost of retained earning
d) dividend capitalization approach	iv. bonus issue

 A) a and i B) b and ii C) c and iii D) d and iv
91. 360 degree method is related to  
 A) Job evaluation B) Employee morale  
 C) Retrenchment D) Performance appraisal
92. Consider the following items-  
 i. prepaid expense ii. debentures iii. bank overdraft iv. Interest outstanding  
 Which of these are examples of current liability?  
 A) i, ii, iii, iv B) i and ii only C) iii and iv only D) ii and iii only
93. **Assertion:-** Premium received on issue of shares is credited to share premium account  
**Reasoning:** Since share premium is not a trading profit, it is not distributed as dividend to shareholders  
 A) Both Assertion and Reasoning are correct  
 B) Both Assertion and Reasoning are wrong  
 C) Assertion is correct and Reasoning is wrong  
 D) Assertion is wrong and Reasoning is correct
94. With regard to trading blocks, FTA stands for:  
 A) Foreign Trade Area B) Free Trade Area  
 C) Foreign Tax Agreement D) Foreign Travel Assistance

95. Which is not a type of value in value analysis?  
 A) Exchange value                      B) Fair value  
 C) Cost value                              D) Use value
96. **Statement:** Cost control aims at achieving the predetermined costs but cost reduction aims at reduction of costs  
**Reasoning:** Cost control is exercisable only when costs are predetermined and cost reduction involves permanent reduction of cost
- A) Statement is correct, Reasoning is wrong  
 B) Statement is wrong, Reasoning is correct  
 C) Both Statement and Reasoning are wrong  
 D) Both Statement and Reasoning are correct
97. If the cash outlay of a project is Rs.37500 and present value of cash inflow is Rs.50000, calculate the Profitability Index?  
 A) 1                      B) 1.67                      C) 1.33                      D) 1.2
98. If the cost of materials is Rs.160000, wages is Rs.240000 and manufacturing expenses is Rs.100000, What is the works cost?  
 A) Rs.400000    B) Rs.500000    C) Rs.200000    D) Rs.600000
99. Production is against specific orders in  
 A) Unit costing                      B) Process costing  
 C) Product costing                      D) Job costing
100. From the following particulars, calculate  
 i. contribution ii. Breakeven point in units iii. What will be selling price per unit if the breakeven point is brought down to 25000 units, if fixed expenses is Rs.150000, Variable cost per unit Rs.10 and Selling price per unit Rs.15?  
 A) Rs. 4, 20000 units, Rs.10    B) Rs.5, 30000 units, Rs.16  
 C) Rs.3.5, 40000 units, Rs.14    D) Rs.3, 35000 units, Rs.12
101. Projects which involve creation of new production limit and jobs, assets, technology transfer are called  
 A) Green field investments    B) Brown field investments  
 C) Blue field investments    D) None of these
102. Match the following
- | <b>I</b> |                  | <b>II</b> |   |
|----------|------------------|-----------|---|
| a)       | Horizontal FDI   | i.        | manufacture products which are not manufactured by parent companies at home |
| b)       | Vertical FDI     | ii.       | Same production extended to other countries                                 |
| c)       | Conglomerate FDI | iii.      | Expansion of a firm into another stage of production process                |
- A) a-i, b-ii, c-iii    B) a-i, b-iii, c-ii    C) a-ii, b-iii, c-i    D) a-ii, b-i, c-iii

103. In LLP artificial variables are introduced in the constraints having:  
 A) Either  $\geq$  or  $=$  signs                      B) With  $\leq$  or  $=$  signs  
 C) Either  $\geq$  or  $\leq$  signs                      D) Only  $=$  sign
104. An activity which only determines the dependency of one activity on another is referred to as  
 A) Dummy activity                      B) Independent activity  
 C) Faulty activity                      D) None of these
105. One of the methods to find the basic feasible solution in a transportation problem is  
 A) Stepping Stone Method                      B) North West Corner Rule Method  
 C) Vogel's Approximation                      D) Both B & C
106. Which one of the following is not a technique of operations research?  
 A) net worth analysis                      B) linear programming  
 C) replacement theory                      D) Dynamic programming
107. Find out the credit sales from the following information:  
 Opening debtors Rs.16200, Cash received from debtors Rs.84000, Goods returned by debtors Rs.4500, closing debtors Rs.22000  
 A) Rs. 93300    B) Rs.95300    C) Rs.94300    D) Rs.92300
108. The following information relate to Statement of Affairs. Find the odd one?  
 A) It is prepared on the basis of incomplete records  
 B) It is prepared to show the financial position  
 C) It is prepared on any date to find out capital  
 D) It is difficult to locate errors in the value of assets and liabilities
109. Which of the following is not a property of binomial distribution?  
 A) mean increases as 'n' increases, with 'p' remaining constant  
 B) mean=np  
 C) discrete probability distribution  
 D) positively skewed distribution
110. Which of the following is not a procedure involved in calculation of one way ANOVA?  
 A) SSC                      B) SSE                      C) SSR                      D) SST
111. Identify the correct sequence in testing of hypothesis  
 i. Calculate the value of test statistic    ii. Specify the level of significance  
 iii. Decide the appropriate test    iv. Set up null hypothesis  
 A) i, iii, ii, iv    B) ii, iii, iv, i    C) iv, iii, ii, i    D) iv, iii, i, ii
112. Which one of the following is not an activity ratio?  
 A) Fixed assets turnover ratio    B) P/E ratio  
 C) Debtors turnover ratio    D) Creditors turnover ratio

113. Which of the following does not come under the Maslow's need hierarchy?  
 A) Physiological needs                      B) Safety needs  
 C) Social needs                                D) Psychological needs
114. Who coined the term Zero Base Budgeting?  
 A) Pete Pyher                                  B) Abraham Maslow  
 C) Peter Drucker                                D) Alderfer
115. *The Philosophy of Management* is a book written by  
 A) F.W.Taylor                                  B) Urwick  
 C) Elton Mayo                                  D) Oliver Sheldon
116. Which of the following is a relative measure of dispersion?  
 A) Variance                                      B) Coefficient of variation  
 C) Standard deviation                        D) None of these
117. Which of the following is not a feature of a strategy?  
 A) strategy relates the organization with environment  
 B) strategy is a relative combination of actions  
 C) strategic decisions are taken basically on the information generated within the organization  
 D) strategy is an overall plan of action
118. Conservative concept refers to  
 A) Taking into account profit received and likely losses  
 B) Taking profit into account  
 C) Taking into account only profit received  
 D) Taking only loss into account
119. Which of the following is the hygiene factor in Herzberg's Two Factor Motivation Theory?  
 A) Working condition                        B) Recognition  
 C) Achievement                                D) Responsibility
120. Match the following:
- | <b>I</b> |                   | <b>II</b> |  |
|----------|-------------------|-----------|--|
| a)       | Independent float | i.        | time by which an activity may be delayed without affecting total project duration                              |
| b)       | Total float       | ii.       | time by which an activity may be delayed without delaying the start of any succeeding activity                 |
| c)       | Free float        | iii.      | Error in network   |
| d)       | Dangling          | iv.       | Activities on critical path  |
|          |                   | v.        | portion of total float within which an activity can be delayed without affecting float of preceding activities |
- A) a-ii, b-i, c-iii, d-v                      B) a-iii, b-ii, c-i, d-v  
 C) a-i, b-v, c-iv, d-ii                      D) a-v, b-i, c-ii, d-iii