

1. The difference between a parameter and a statistic is known as:
A) Standard error B) Sampling error
C) Probabilistic error D) Non sampling error
2. In Stratified Random Sampling there is:
A) Heterogeneity within the strata
B) Homogeneity within the strata
C) Homogeneity outside the strata
D) All of these
3. A scale for which classification is possible:
A) Nominal scale B) Interval scale
C) Ordinal scale D) Lickert scale
4. Match the following:
- | <u>List I</u> | <u>List II</u> |
|-------------------|-----------------------------|
| a. Ordinal scale | (i) Length |
| b. Ratio scale | (ii) Colour of eye |
| c. Interval scale | (iii) Rating of performance |
| d. Nominal scale | (iv) Temperature |
- A) a-ii, b-i, c-iv, d-iii B) a-iii, b-ii, c-iv, d-i
C) a-i, b-ii, c-iv, d-iii D) a-iii, b-i, c-iv, d-ii
5. State whether the following statements are true or false:
I. When the null hypothesis is true and our test accepts it, this is called type I error.
II. When the area of rejection is located in both tails of the distribution it is called one tailed test.
- A) Both are true B) Both are false
C) I is true and II is false D) I is false and II is true
6. Large Sample Theory is applicable when:
A) $n \geq 30$ B) $n \leq 30$ C) $N \geq 50$ D) $n \leq 50$
7. Calculated value of Chi square is always:
A) Negative B) Positive C) 1 D) 0

8. Match the items of List I with items of List II

List I

- a. F test
- b. chi square test
- c. standard error
- d. systematic sampling

List II

- i. testing goodness of fit
- ii. equality of variance of two population
- iii. Standard deviation of sampling distribution
- iv. random sampling

- A) a-ii, b- i, c- iii, d- iv
- C) a-iii, b- iv, c- i, d- ii

- B) a-ii, b- iii, c- i, d- iv
- D) a-iii, b- ii, c- i, d- iv

9. In a two tailed test with 95 % confidence interval for the population mean is construed as:

- A) $\bar{X} \pm \sigma$
- B) $\bar{X} \pm 1.96 \sigma$
- C) $\bar{X} \pm 2.58 \sigma$
- D) $\bar{X} \pm 1.64 \sigma$

10. If the sample size $n = 16$ and standard deviation $s = 2$, standard error of the same mean will be:

- A) 8
- B) 2
- C) 1
- D) 0.5

11. State whether the following statements are true or false:

- I. Both null and alternate hypotheses are stated in terms of population parameters.
- II. Null hypothesis is a hypothesis stating the presence of difference.

- A) I is true and II is false.
- B) I is false and II is true
- C) Both are true
- D) Both are false

12. 'N' indicates:

- A) Size of sample
- B) Size of sample and population
- C) Size of population
- D) None of these

13. State whether the following statements are true or false:

- I. If two variances are unequal their ratio will be unity
- II. t test is used for testing the difference between two sample means.

- A) I is true and II is false
- B) I is false and II is true
- C) Both are true
- D) Both are false

14. 3 red, 2 white and 4 black balls are kept in a box. What is the probability of drawing a black ball given that a ball already drawn without replacement is a red one?

- A) $3/9$
- B) $3/8$
- C) $4/9$
- D) $4/8$

15. In a given data of one way ANOVA between groups, mean square is 22.5 and within group mean square is 4.5. The value of F would be:

- A) 0.2
- B) 2.5
- C) 5
- D) 18

26. Match the items in **List I** with **List II**:
- | <u>List I</u> | | <u>List II</u> | |
|---------------|---------------------|----------------|--------------------|
| a. | Production strategy | (i) | Pricing |
| b. | Marketing strategy | (ii) | Multi skilling |
| c. | Financial strategy | (iii) | Plant location |
| d. | HR strategy | (iv) | Dividend decisions |
- A) a - iii, b - i, c - iv, d - ii B) a - ii, b - i, c - iv, d - iii
 C) a - iii, b - ii, c - iv, d - i D) a - iii, b - iv, c - i, d - ii
27. Which one of the following is not a merit of BCG Matrix?
- A) Prioritise corporate resource allocation
 B) Rationalise invest, expand and divest strategies
 C) Ignores businesses with an average growth rate
 D) Adds to strategist's tool kit
28. Match the following in the context of suitable organisation structure while implementing strategies:
- | <u>List I</u> | | <u>List II</u> | |
|---------------|------------------|----------------|---|
| a. | Functional | (i) | Special tasks with finite completion time |
| b. | Decentralisation | (ii) | Dual chain of command |
| c. | Matrix | (iii) | Uses principle of specialisation |
| d. | Team | (iv) | Transfer of decision making power |
- A) a - iii, b - i, c - iv, d - ii B) a - ii, b - i, c - iv, d - iii
 C) a - iii, b - ii, c - iv, d - i D) a -iii, b - iv, c - ii, d - i
29. MBO concept is introduced by:
- A) F.W Taylor B) Michael Porter
 C) Peter Drucker D) Adams
30. Which one of the following is not a determinant in the MARS model of individual behaviour?
- A) Motivation B) Aggressiveness
 C) Role perception D) Situational factors
31. Japanese Management is associated with:
- A) Theory Z B) Theory X
 C) Theory Y D) None of these
32. Which one of the following is not a motivator as per Herzberg's theory of motivation?
- A) Growth B) Salary
 C) Recognition D) Advancement

40. Match the following:
- | <u>List I</u> | | <u>List II</u> | |
|---------------|-------------------|----------------|--|
| a. | Elton Mayo | (i) | Relates human motivation to hierarchy of needs |
| b. | Abraham Maslow | (ii) | Effect of working conditions on output |
| c. | Douglas Mc Gregor | (iii) | Principles of management |
| d. | Henry Fayol | (iv) | Emphasise human characteristics through theory X and Y |
- A) a - i, b - ii, c - iv, d - iii B) a- ii, b - iv, c - i, d - iii
 C) a - iii, b - i, c - iv, d - ii D) a - ii, b - i, c - iv, d - iii
41. Match the following:
- | <u>List I</u> | | <u>List II</u> | |
|---------------|----------------------------|----------------|----------------------------|
| a. | Socio cultural environment | i. | Enactment of legislation |
| b. | Natural environment | ii. | Convertibility of currency |
| c. | Economic environment | iii. | Availability of water |
| d. | Political environment | iv. | Secular pattern |
- A) a- ii, b - iii, c - iv, d - i B) a - iv, b - iii, c - ii, d - i
 C) a - iv, b - ii, c - i, d - iii D) a - ii, b - iii, c - i, d - iv
42. State whether the following statements are true or false:
- I.** Stagnation or decline in economic growth of countries result in intense competition among the companies to retain their market share and or to increase their market share.
- II.** Under capitalistic economic system, major factors of production and distribution are owned, managed and controlled by the State
- A) Both are true B) Both are false
 C) I is false and II is true D) I is true and II is false
43. Which one of the following legislations is having a direct impact on foreign trade?
- A) Factories Act B) Competition Law
 C) FEMA D) Environmental Protection Act
44. IGST stands for:
- A) Integrated Goods and Services Tax
 B) International Goods and Services Tax
 C) Indian Goods and Services Tax
 D) Inter State Goods and Services Tax
45. Revision of Repo rates can be classified as:
- A) Fiscal policy B) Industrial policy
 C) Exim policy D) Monetary policy
46. Which one of the following is an exclusive item in the State List?
- A) Import duty B) Excise duty on non-alcoholic items
 C) Excise duty on alcohol D) Income Tax

47. Who is the current vice-Chairman of Niti Aayog?
 A) Aravind Subramanian B) Aravind Panagariya
 C) Nandan Nilekani D) Raghuram Rajan
48. Gap between the Government's total spending and sum of its revenue receipts and non-debt capital receipts is:
 A) Revenue deficit B) Capital deficit
 C) Fiscal deficit D) Balance of payment
49. Ethics in business falls under:
 A) Economic environment B) Political environment
 C) Natural environment D) Socio-cultural environment
50. Which one is not an example for regional economic integration?
 A) SAARC B) GCC C) ICC D) ASEAN
51. Match the following
- | <u>List I</u> | <u>List II</u> |
|--------------------------------|--|
| a. Resource seeking FDI | i. Penetration to new markets |
| b. Market seeking FDI | ii. Acquire better factors of production |
| c. Strategic asset seeking FDI | iii. Investment to enhance efficiency |
| | iv. Investment to prevent gain of resource to a competitor |
- A) a-i, b-ii, c-iii B) a-i, b-iii, c-ii
 C) a-ii, b-i, c-iv D) a-ii, b-i, c-iii
52. TRIMS agreement was signed during which round of WTO?
 A) Tokyo Round B) Geneva Round
 C) Uruguay Round D) Doha Round
53. India is a member of which one of the following regional trade association?
 A) APEC B) NAFTA C) AFTA D) BRICS
54. Darjeeling Tea got its protection under:
 A) Copy Rights Act
 B) Geographical Indication of goods (Registration & Protection) Act
 C) Patent Act
 D) Trade and Merchandise Act
55. Life Insurance Corporation of India is an example of:
 A) Central Board B) Departmental Undertaking
 C) Statutory Corporation D) Public Sector Company
56. Which one of the following is not directly related with exports?
 A) DTA B) SEZ C) EOU D) EPZ

57. A collection of programs that enable a user to create and maintain a database is
 A) ESS B) DSS C) TPSD D) DBMS
58. Which one of the following is not true about information?
 A) Properly arranged and organised
 B) Derived from data
 C) Is in raw form
 D) Is understood and used by users
59. A system which reacts to its environment for improving its functioning is known as:
 A) Closed system B) Adaptive system
 C) Conceptual system D) Natural system
60. Information sub-system involved in processing purchase requisition, purchase orders, manufacturing orders, shipping order and bill of lading, etc. is known as :
 A) Production subsystem B) Marketing subsystem
 C) Logistics subsystem D) Information processing subsystem
61. Find out the credit purchases from the following information
 Opening creditors Rs.7200, Cash paid to creditors Rs.36500, Goods returned to creditors Rs.3200, closing creditors Rs.8600
 A) Rs. 41100 B) Rs.42100 C) Rs.41300 D) Rs.41500
62. When opening debtors is Rs.20,000, credit sales during the period Rs.2,00,000, bad debts Rs. 5,000, discount allowed Rs. 3,000 and closing debtors Rs. 30,000, what will be the amount collected from debtors during the period?
 A) Rs.1,82,000 B) Rs. 1,87,000
 C) Rs. 1,92,000 D) Rs. 1,98,000
63. Dividend payable is a liability appearing in the balance sheet. Which prominent accounting concept is behind this treatment?
 A) Money Measurement B) Cost concept
 C) Business entity D) Conservatism
64. State whether the following statements are correct or not:
I. Inventory is to be valued at cost or net realisable value whichever is higher.
II. During initial phase depreciation under WDV will be more
 A) I is true and II is false B) I is false and II is true
 C) Both are true D) Both are false
65. A plant is bought at Rs. 2,00,000, the consideration being settled by the issue of share capital. An amount of Rs. 20,000 is payable as transportation charges and Rs. 10,000 as installation charges on account of the above plant. If the asset is subject to depreciation @ 15 % on WDV basis, what will be its depreciation for the second year?
 A) Rs. 45,000 B) Rs. 34,500 C) Rs.29,325 D) Rs. 31,500

73. Average annual profit of a company for the last 5 years was Rs. 1,50,000. Normal rate of return expected is 10 % on a capital investment of Rs. 10,00,000. If super profits are capitalised, what will be the value of goodwill?
 A) Rs. 10 lakhs B) Rs. 5 lakhs C) Rs. 3 lakhs D) Rs. 2 lakhs
74. As per AS 14, in order to treat an amalgamation as in the nature of merger, how much % shareholders in the amalgamated company shall become the shareholders in the amalgamating company?
 A) 51% B) 75 % C) 90 % D) 95 %
75. Dividing higher denomination shares into smaller denomination as part of reconstruction is known as:
 A) Share split B) Share consolidation
 C) Capital reduction D) Bundling
76. Match the following:
- | <u>List I</u> | | <u>List II</u> | |
|---------------|-------|----------------|-----------------------------|
| a. | AS 6 | (i) | Accounting for leases |
| b. | AS 10 | (ii) | Borrowing cost |
| c. | AS 16 | (iii) | Accounting for fixed assets |
| d. | AS 19 | (iv) | Depreciation |
- A) a - ii, b - iii, c - iv, d - i B) a - iii, b - iv, c - i, d - ii
 C) a - iv, b - ii, c - i, d - iii D) a -iv, b - iii, c - ii, d - i
77. Depletion is a term related to:
 A) Tangible assets B) Fictitious assets
 C) Intangible assets D) Wasting assets
78. Match the following
- | <u>List I</u> | | <u>List II</u> | |
|---------------|---------------------|----------------|------------------------|
| a. | EBIT and sales | i. | Cost of equity capital |
| b. | EPS and EBIT | ii. | Capital structure |
| c. | Net income approach | iii. | Operating leverage |
| d. | Ke | iv. | Dividend policy |
| | | v. | Financial leverage |
- A) a-i, b-ii, c-iii, d-iv B) a-iii, b-iv, c-v, d-ii
 C) a-iii, b-v, c-ii, d-i D) a-iii, b-iv, c-i, d-ii
79. If profit available to equity shareholders is Rs. 2,00,000 with outstanding equity shares of 10,000 @ Rs. 10 each fully paid up, what will be the EPS?
 A) Rs.6.67 B) Rs. 10 C) Rs. 15 D) Rs. 20
80. Which one of the following will not result in a change in the total of the balance sheet?
 A) Public issue of share B) Right issue
 C) Bonus issue D) Private placement of shares

81. Match the following:

- | <u>List I</u> | | <u>List II</u> | |
|---------------|--------------------|----------------|--------------------------|
| a. | Operating leverage | (i) | Capitalisation of profit |
| b. | Financial leverage | (ii) | NPV = 0 |
| c. | IRR | (iii) | Interest on borrowing |
| d. | Scrap dividend | (iv) | Fixed operating cost |
- A) a - iv, b - iii, c - ii, d - i B) a - iii, b - iv, c - i, d - ii
C) a - iv, b - ii, c - i, d - iii D) a - iv, b - ii, c - iii, d - i

82. In the event of over capitalisation, whether the following statements are true or not:

- I.** Market value of the shares of the company will increase
II. Company will be short of meeting shareholders' expectation as to return
- A) Both are false B) Both are true
C) I is true and II is false D) I is false and II is true

83. Given:

| | 2014 | 2015 |
|--------------|-------------|-------------|
| Sales | 20 lakhs | 25 lakhs |
| EBIT | 5 lakhs | 4 lakhs |

What will be its degree of operating leverage?

- A) 40 % B) 30 % C) 20 % D) 10 %

84. Equity shares of a company is currently valued at Rs. 42.40 with a current dividend of Rs.8 per share. If the dividend is expected to grow at 6%, what will be the cost of equity capital?

- A) 20 % B) 22 % C) 24 % D) 26 %

85. The relationship between dividend per share and earnings per share is:

- A) P/E ratio B) Dividend Payout ratio
C) Operating ratio D) Dividend Yield ratio

86. Match the following:

- | <u>List I</u> | | <u>List II</u> | |
|---------------|-------------------------|----------------|---------------------|
| a. | Payback period | (i) | Scarcity of capital |
| b. | Capital rationing | (ii) | Higher the better |
| c. | Internal rate of return | (iii) | ARR |
| d. | Traditional method | (iv) | Lower the better |
- A) a - iv, b - i, c - ii, d - iii B) a - iii, b - iv, c - i, d - ii
C) a - iv, b - ii, c - i, d - iii D) a - iv, b - iii, c - ii, d - i

87. If NPV of a project having a cash out lay of Rs. 2,00,000 is Rs. 50,000, what will be its profitability index?

- A) 0 B) 1 C) 1.25 D) 1.50

88. Arrange the following securities in ascending order as far as their underlying risk is concerned:
- a. Equity shares b. Corporate bonds
c. Govt. bonds d. Preference shares
- A) c, b, d, a B) c, d, b, a C) a, d, b, c D) c, b, a, d
89. Given:
- | Source of capital | Equity | Preference | Debt |
|-------------------------------|--------|------------|------|
| Capital raised (Rs. in Lakhs) | 6 | 1 | 3 |
| After tax cost of capital (%) | 15 | 12 | 10 |
- What will be the firm's Weighted Average Cost of Capital?
- A) 12.50 % B) 12.90 % C) 13.20% D) 13%
90. The technique where cash flows are reduced to conservative level by applying a correction factor is:
- A) Sensitivity analysis B) Decision tree analysis
C) Risk adjusted discount rate D) Certainty equivalent coefficient
91. A company issued 10% debentures at par for Rs 2,00,000. Compute, after tax, cost of debentures assuming the tax rate at 40%?
- A) 10 % B) 9 % C) 6 % D) 5 %
92. Which one of the following is not an assumption of MM hypothesis?
- A) Homogenous risk class B) No taxes
C) Perfect capital market D) 100 % Retention
93. Tax shield is available to an enterprise except on:
- A) Debentures B) Bonds
C) Preference shares D) Loan funds
94. Which one of the following is a growth firm?
- A) $r = k$ B) $r > k$ C) $r < k$ D) $r + k = 1$
95. Hedging approach of working capital is otherwise known as:
- A) Conservative approach B) Aggressive approach
C) Matching approach D) Trade off approach
96. State whether the following statements are true or false:
- I. Extending credit period normally results in increased bad debts.
II. Higher the cash discount offered, higher will be the amount to be blocked up under receivables a/c.
- A) Both are true B) Both are false
C) I is true and II is false D) I is false and II is true

115. Match the following:

List I

- a. Use value
- b. Esteem value
- c. Cost value
- d. Exchange value

List II

- (i) Cost of production/purchase cost
- (ii) The value of one product which is given for obtaining another Product
- (iii) Attribute of a product which are essential for its performance
- (iv) A value over the product's utility

- A) a - iii, b - iv, c - i, d - ii
- C) a - iv, b - ii, c - i, d - iii

- B) a- iii, b - i, c - iv, d-ii
- D) a - iv, b - ii, c- iii, d- i

116. If profit is Rs. 20,000 and PV ratio is 40 %, what will be the margin of safety?

- A) Rs.40,000
- B) Rs. 50,000
- C) Rs. 1,00,000
- D) Rs.2,00,000

117. Outsourcing decisions are otherwise known as:

- A) Shut down or continue
- B) Selling at less than total cost
- C) Make or buy
- D) Sell or further process

118. An increase in sales price will result in:

- A) No change in BEP
- B) Reduction in BEP
- C) Enhancement of BEP
- D) Reduction in PV ratio

119. Contribution obtained beyond break even sales is:

- A) Variable cost
- B) Fixed cost
- C) Selling price
- D) Profit

120. If PV ratio is 40%, sales is Rs. 1,00,000 and fixed cost is Rs 35,000. What is the profit?

- A) Rs. 40,000
- B) Rs. 50,000
- C) Rs. 5,000
- D) Rs. 65,000