

Ans. (b)

9. Match List-I with List-II and select the correct answer by using the codes given below the lists:

- | | |
|-----------------------------------|--|
| A. Open-Ended Mutual Fund Scheme | 1. It offers capital appreciation of the underlying investment |
| B. Close-Ended Mutual Fund Scheme | 2. It is a fund accepted and liquidated on a continuous basis by a Mutual Fund Manager |
| C. Growth Fund Scheme | 3. It is also known as regional or country fund |
| D. Off-shore Mutual Fund | 4. No exits possible till the closure of the scheme |

Codes:

A B C D

- (a) 2 1 4 3
(b) 3 4 1 2
(c) 2 4 1 3
(d) 3 1 4 2

Ans. (c)

10. Consider the following statements

1. UTI is established by an Act of Parliament in 1964. So UTI does not come under the SEBI regulations for mutual funds
2. Mutual fund organizations can invest their mobilized funds abroad.

Which of the statements given above is/are correct?

- (a) 1 only
(b) 2 only
(c) Both 1 and 2
(d) Neither 1 nor 2

Ans. (d)

11. Consider the following statements

1. SEBI acts as a judicial body and has the same powers of the Civil Courts under the Code of Civil Procedure, 1908, while trying a suit in certain matters.
2. SEBI shall have powers of both the Civil Courts and Criminal Courts under CPC and CRPC.

Which of the statements given above is/are correct?

- (a) 1 only
(b) 2 only
(c) Both 1 and 2
(d) Neither 1 nor 2

Ans. (a)

12. SEBI issued guidelines for disclosure and investors protection based on the guidelines given by the committee under whose chairmanship?

- (a) Rangarajan
- (b) Raja Chelliah
- (c) Malegam
- (d) Kelkar

Ans. (c)

13. The Committee constituted by SEBI under the chairmanship of Justice Dr. Dhanuka had which of the following terms of reference?

1. Review of inter-alia, the SEBI Act, SCR Act, Depositories Act and the provisions of the Companies Act pertaining to the capital market
2. To review the penal provisions contained in the Sections 15(A) to 15(J) of the Securities Laws (Amendment)

Select the correct answer by using the code given below:

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans. (c)

14. Consequential Loss Policy is an example of insurance of:

- (a) Existing assets
- (b) Non-existing assets
- (c) Re-insurance
- (d) Double insurance

Ans. (b)

15. Gross profit percentages on turnover for the last three years were: 20%, 25% and 24%. In the current year, there was a fire in May which destroyed all stock. Opening stock was Rs. 30,000 at cost. Purchases and sales upto the date of fire amounted to Rs 80,000 and Rs. 1, 00,000 respectively.

What is the value of closing stock for claim with insurance company?

- (a) Rs 33,000
- (b) Rs 43,000
- (c) Rs 23,000
- (d) Rs 13,000

Ans. (a)

16. Match List-I with List-II and select the correct answer by using the codes given below the lists:

List-I

List-II

A. Marine insurance

1. Throwing off certain cargo

- B. Voyage policy
- C. Block policy
- D. Jettison
- 5. Cargo
- 2. Value is decided at the time of forming policy
- 3. Lloyd's Association
- 4. Land and sea risks

Codes:

A B C D

- (a) 3 4 2 1
- (b) 1 5 4 3
- (c) 3 5 4 1
- (d) 1 4 2 3

Ans. (c)

17. Consider the following statements:

- 1. Private remittance reduces pressure in the balance of payments.
- 2. Invisible receipts and payments are recorded in current account of balance of payments.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans. (c)

18. Which one of the following statements is correct? Exchange control measures are taken by the Reserve Bank of India to:

- (a) avoid excessive volatility in fluctuation in the exchange rate
- (b) control the flow of foreign currency into India
- (c) reduce the availability of foreign currency with exporters
- (d) check foreign currency speculation

Ans. (a)

19. All Industry Rate is associated with which one of the following?

- (a) Duty drawback
- (b) Duty entitlement passbook
- (c) Market development assistance
- (d) Export credit

Ans. (d)

20. Who issues the Small Exporters' Policy?

- (a) Export Credit Guarantee Corporation

- (b) Chambers of Commerce
- (c) Reserve Bank of India
- (d) Ministry of Commerce and Industry

Ans. (d)

21. Who issues the Lev Export Order?

- (a) Shipping agent
- (b) Customs authorities
- (c) Captain of the ship
- (d) Clearing and forwarding agent

Ans. (b)

22. Consider the following statements

- 1. Merchant bankers need not maintain balance sheet, a copy of the auditor's report and a statement of financial position of the issuing company.
- 2. There is no stipulation for a lead manager to accept underwriting obligations.

Which of the statements given above is/are correct?

- (b) 2 only
- (a) 1 only
- (c) Both 1 and 2

Ans. (b)

23. Red Ink Interest is noted in which one of the following?

- (a) Current account
- (b) Account current
- (c) Capital account
- (d) Cash account

Ans. (a)

24. From a managerial perspective, which is the most desirable form of control?

- (a) Contingency control
- (b) Feedback control
- (c) Feed forward control
- (d) Concurrent control

Ans. (d)

25. Which one of the following is the correct statement?

In the context of coordination, a manager is said to be playing a boundary spanning role when

- (a) he controls or takes responsibility across departmental boundaries

- (b) he assumes an additional charge of a unit over and above his core charge
- (c) he acts as a liaison between departments or organizations that are in frequent contact
- (d) he engages in cross functional, interdepartmental communication, disregarding departmental boundaries

Ans. (d)

26. Which of the following statements characterize coordination as a function?

- 1. It is the orderly arrangement of group efforts to ensure unity of action for accomplishing a common objective.
- 2. It necessarily has time, quantity, quality or direction dimension.
- 3. It is regarded by some as an all inclusive function of management and not just one of its functions.

Select the correct answer by using the codes given below:

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2 and 3

Ans. (d)

27. Consider the following statements:

- 1. Theory X observes that people can exercise self-direction and accept responsibility.
- 2. According to Douglas McGregor, assumptions of the theory Y best captured the true nature of workers and should guide management practice.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans. (b)

28. McClelland's Needs Theory of Motivation talks about different needs that are relevant to management. Which of the following are those?

- (a) Power, actualization, people
- (b) Power, affiliation, achievement
- (c) Affiliation, prestige, actualization
- (d) People, prestige, achievement

Ans. (b)

29. Which of the following qualities are the four essential requirements of active listening ?

- (a) Expression, empathy, acceptance, curiosity
- (b) Curiosity, desire to conform, empathy, acceptance
- (c) Intensity, empathy, acceptance, willingness to take responsibility for completion

(d) Acceptance, empathy, expression, intensity

Ans. (b)

30. Which one of the following is the power that arises from identification with a person who has desirable resources or personal traits in the contexts of leadership?

- (a) Reward power
- (b) Legitimate power
- (c) Expert power
- (d) Referent power

Ans. (d)

31. Which one of the following is not a type of leader identified by the path goal theory of leadership?

- (a) Directive leader
- (b) Participative leader
- (c) Charismatic leader
- (d) Supportive leader

Ans. (c)

32. Match List-I with List-II and select the correct answer by using the codes given below the lists:

List-I

(Propounder)

- A. Rensis Likert
- B. Blake and Mouton
- C. Tannebaum and Schmidt
- D. Fred Fiedler

Codes:

A B C D

- (a) 3 1 4 2
- (b) 2 4 1 3
- (c) 3 4 1 2
- (d) 2 1 4 3

Ans. (b)

List-II

(Theory)

- 1. Leadership as a continuum
- 2. Four systems of management
- 3. Contingency theory
- 4. Managerial Grid

33. Match List-I with List-II and select the correct answer by using the codes given below the list:

List-I

- A. Typing test
- B. Verbal comprehension test
- C. Self confidence test

List-II

- 1. Personality test
- 2. Aptitude test
- 3. Achievement test

D. Clerical test

4. Intelligence test

Codes:

A B C D

(a) 3 4 1 2

(b) 1 2 3 4

(c) 3 2 1 4

(d) 1 4 3 2

Ans. (a)

34. Which one of the following statements about selection is not valid?

- (a) Recruitment is a positive exercise while selection is a negative exercise
- (b) The utility of interview as a tool of selection is affected by the possibility of interviewer bias
- (c) Aptitude tests form complete tools for managerial positions
- (d) References have a limited role in the selection process for employment

Ans. (c)

35. Which one of the following statements best explains the scalar principle?

- (a) Superiors cannot escape responsibilities for organizing activities of their subordinates
- (b) Clearer the line of authority, clearer will be the responsibility of decision-making by the subordinates
- (c) Managers must make decisions that are within their authority
- (d) Responsibility of actions cannot be more or less than the delegated authority to perform the same

Ans. (b)

36. Michael Porter had identified five forces in analysis of an industry.

Which one of the following is not a part of the five forces?

- (a) Competition among companies
- (b) Bargaining power of the company concerned
- (c) Bargaining power of suppliers
- (d) Threat of new companies entering the market

Ans. (b)

37. Which one of the following statements is correct?

"No particular management action based on planning strategy will be suitable for all situations," is a basic premise of the

- (a) systems approach
- (b) human behaviour approach
- (c) contingency approach
- (d) role approach

Ans. (c)

38. Which one of the following statements is correct?

Bounded rationality approach to decision-making results in

- (a) maximizing decision
- (b) optimum decision
- (c) contingent decision
- (d) satisfactory decision

Ans. (b)

39. In the context of hierarchical nature of planning, which one of the following is the correct hierarchy?

- (a) Objectives—strategies—budget— programme
- (b) Strategies—objectives—policies—procedures
- (c) Objectives—strategies—policies—budgets
- (d) Objectives—policies—strategies—programmes

Ans. (d)

40. Which one of the following statements is correct?

In a PERT chart, the critical path is

- (a) the sequence of the most important events and activities In the project
- (b) the most time consuming sequence of events and activities in the project
- (c) the least time consuming sequence of events and activities
- (d) the end points representing the completion of major activities

Ans. (b)

41. Which of the following is/are finding(s) of the Hawthorne Experiment?

- 1. Productivity increases as workers feel important as a result of being noticed
- 2. Productivity increases as rest time of the workers being modified
- 3. Productivity is independent of environmental variables

Select the correct answer by using the codes given below

- (a) 1 only
- (b) 2 only
- (c) 1 and 3
- (d) 1 and 2

Ans. (c)

42. Which one of the following statements is correct?

Discretionary cost budgets are typically used for

- (a) measuring marketing and sales effectiveness
- (b) expense centre's like administrative, legal or research department

- (c) manufacturing plants but also for any unit where output can be accurately measured
- (d) managers who have responsibility for both expenses and revenues of their units

Ans. (c)

43. Consider the following statements

Management can diagnose the state of growth of an enterprise by analyzing the

1. profits earned throughout the years.
2. decisions needed to attain objective.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans. (c)

44. Which one of the following statements is correct?

A job specification best describes

- (a) job contents, environment and conditions of employment
- (b) minimum acceptable qualifications for a job, the knowledge, skills and abilities needed to do the job effectively
- (c) the responsibilities and obligations, as well as the privileges of a job
- (d) the job within the organizational structure

Ans. (b)

45. Which one of the following is not related to splintered authority?

- (a) Decision made by pooling of two or more managers
- (b) Decision is cross-functional in nature
- (c) Managers have to report to more than one senior officer
- (d) Delegated authority can be recovered

Ans. (c)

46. Which one of the following forms of organization would best describe the blend of departmentation by function and departmentation by product?

- (a) Virtual organization
- (b) Strategic business unit
- (c) Brick and mortar
- (d) Matrix organization

Ans. (d)

47. consider the following statements

The principle of span of management states that

1. organizational variables affect the number of subordinates that can be effectively supervised by a manager.
2. the use of technology in the organization affects the number of subordinates that can be effectively supervised by a manager.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans. (c)

48. Match List-I with List-II and select the correct answer by using the codes given below the lists:

List-I	List -II
(Hierarchy of Objective)	(Level of Management)
A. Mission	1. Board level
B. Market share objectives	2. Top management level
C. Personal development objectives	3. Middle level
D. Departmental objectives	4. Bottom level

Codes:

A B C D

- (a) 1 3 4 2
- (b) 1 2 4 3
- (c) 2 1 3 4
- (d) 2 3 1 4

Ans. (b)

49. Which one of the following statements is correct?

Among the methods of bringing about change in the organization and its human resources, sensitivity training refers to the practice of

- (a) an outside consultant for helping the managers to perceive, understand and act on process events
- (b) assessing the attitudes of organizational members, identifying discrepancies among them and resolving the same through feedback communication
- (c) changing behaviour through unstructured group interaction
- (d) involving team members in interaction to learn how each member thinks and works

Ans. (b)

50. Among the standard symbols used for workflow in office management, what does an inverted triangle denote?

- (a) Operation

- (b) Storage
- (c) Inspection
- (d) Delay

Ans. (b)



In the context of audit, where are "what work was done and by whom and what explanations and information were given and by whom", shown?

- (a) Working papers
- (b) Audit manual
- (c) Audit programme
- (d) Audit report

Ans. (a)

2. 'Teeming and lading' is a technique exercised with the motive of

- (a) Defalcation of cash
- (b) Misappropriation of goods
- (c) Falsification of accounts
- (d) Early completion of accounts

Ans. (a)

3. Consider the following steps in estimation of sampling:

- 1. Determine the sample size
- 2. Take sample and determine the results
- 3. Determine sampling plan
- 4. Evaluate sample results

The correct sequence of the steps given above

- (a) 2-3-4-1
- (b) 3-1-2-4
- (c) 4-3-2-1
- (d) 1-2-3-4

Ans. (b)

4. Consider the following statements:

- 1. Liability of professional accountants is unlimited.
- 2. Professional accountants can form only partnership firms.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2

Ans. (a)

5. Which one of the following is an example of errors of principle?

- (a) Credit purchases of Rs 50,000 from Mr. X entered in Sales Day Book
- (b) Credit sales to Mr. Y Rs 50,000 is not recorded in Sales Day Book
- (c) Stationery Rs 5,000 debited to Salary Accounts
- (d) Rs 50,000 paid for the purchase of furniture debited to Purchases Account

Ans. (d)

6. In capital market, 'Beta' is used to measure:

- (a) the riskiness of securities
- (b) profitability, of securities
- (c) marketability of securities
- (d) volatility in prices of securities

Ans. (a)

7. Match List-I with List-II and select the correct answer by using the codes given below the lists

List-I

List -II

(Regulator of Capital Market)

(Country/Global Financial Market)

A. Capital Market, Board

1. Russia

B. Securities Commission

2. Hong Kong,

C. Securities and Futures Commission

3. Turkey

D. Federal Commission for the Securities Market

4. Thailand

5. Malaysia

Codes:

A B C D

(a) 3 5 2 1

(b) 2 1 4 5

(c) 3 1 2 5

(d) 2 5 4 1

Ans. (a)

8. Consider the following statements regarding Mutual Funds:

- 1. Mutual funds can participate in options trading and carrying forward transactions in securities.
- 2. Mutual funds can invest in transferable securities in the money and capital markets.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 only
- (c) Both 1 and 2
- (d) Neither 1 nor 2