

1. Which one the following is not an internal factor that impacts a business organization?
 - A) Value system of promoters
 - B) Mission and vision of the organization
 - C) Brand Equity
 - D) Financiers

2. An industry characterized by the existence of a large number of firms selling products which are close, but not perfect substitutes is known by the name:
 - A) Oligopoly
 - B) Monopoly
 - C) Monopolistic
 - D) Duopoly

3. Which one the following is a correct sequence according to the level at which they are set?
 - A) Mission—Goals—Objectives—Targets
 - B) Mission—Objectives—Goals—Targets
 - C) Mission—Targets—Objectives—Goals
 - D) Mission—Targets—Goals--Objectives

4. From the following, pick a refined judgment model of environmental forecasting:
 - A) Delphi Method
 - B) Scenario Development
 - C) Critical site Method
 - D) Premising Method

5. GAAR stands for:
 - A) General Agreement on Agriculture Reforms
 - B) General Anti-Avoidance Rules
 - C) General Agreement on Animal Research
 - D) General Agreement on Ammunition Rules

6. Gross National Income (GNI) is the new name for:
 - A) Gross Domestic Product
 - B) Gross Domestic Capital
 - C) Gross National Product
 - D) Gross Foreign Capital

7. Indian Currency is not fully convertible as to:
 - A) Current a/c transactions
 - B) Capital a/c transactions
 - C) Both A and B
 - D) None of the above

8. The role played by the State by establishing and operating business enterprises and bearing risks thereon falls under:
 - A) Planning role
 - B) Promotional role
 - C) Regulatory role
 - D) Entrepreneurial role

9. Freedom of trade is guaranteed by which Article of Indian Constitution:
 A) 301 B) 302 C) 303 D) 304
10. If different markets are in different levels of readiness to accept a new product idea, the phenomenon is due to:
 A) Cultural non-conformity B) Cultural transmission
 C) Cultural lag D) Cultural non-adaptation
11. Who cannot be a complainant under the Consumer Protection Act 1986 in India?
 A) Central/State Governments
 B) Recognised Consumer Association
 C) A retail dealer
 D) One or more consumers where there are numerous consumers having the same interest
12. BIFR is an agency formed under which Indian Legislation?
 A) Companies Act
 B) Sick Industrial Companies Act
 C) Small & Medium Industrial Undertaking Act
 D) Industrial (Development & Regulation) Act
13. Correctly match the following:
- | List A | List B |
|---------------------------------|--------------------------------|
| I Social environment | i) Competition Act |
| II Economic environment | ii) Remote banking |
| III Legal environment | iii) Education |
| IV Technological environment | iv) Human Development Index |
- Codes
- | | I | II | III | IV |
|----|-----|----|-----|-----|
| A) | iv | i | iii | ii |
| B) | iii | iv | i | ii |
| C) | i | ii | iv | iii |
| D) | iii | i | iv | ii |
14. Certain restrictions or conditions imposed by a Government in respect of foreign investment in a country is denoted by:
 A) TRIMS B) TRIPS
 C) GATS D) Tariff Binding
15. Which one of the following is not a mode of Foreign Direct Investment?
 A) Joint Venture B) Wholly owned subsidiary
 C) Cross border acquisition D) ADR/GDR

16. Which one of the following is a current account transaction under FEMA 1999?
 A) Issue of foreign security by a person resident in India
 B) Export, import or holding of currency or currency notes
 C) Proceeds received against export of goods or services
 D) Deposits between persons resident in India and persons resident outside India
17. Who is the current Vice-Chairman of Planning Board of Kerala?
 A) I S Gulati
 B) Prabhat Patnaik
 C) Oommen Chandy
 D) K.M. Chandrasekhar
18. Computer programmes are protected by
 A) Patents
 B) Copyrights
 C) Trade Marks
 D) Trade Names
19. A contra voucher is used to record which one of the following transactions:
 A) Cash collected from customers
 B) Cash paid to suppliers
 C) Rent paid in advance
 D) Cash deposited with the bank
20. Accumulated profit is shown as a liability in the balance sheet. Which accounting concept is behind such a treatment?
 A) Going concern
 B) Business entity
 C) Accrual
 D) Accounting period
21. Which accounting standard deals with accounting for depreciation?
 A) AS 10
 B) AS 26
 C) AS 6
 D) AS 16
22. Under which method depreciation amount will be more during initial years when compared to other methods?
 A) SLM
 B) WDV
 C) Annuity
 D) Sum of the digits
23. How is carriage inward shown in final accounts?
 A) As an expense in P/L a/c
 B) As an expense in trading a/c
 C) As an income in P/L a/c
 D) As an income in trading a/c
24. Any balance in share forfeiture a/c after re issue of entire such shares will be transferred to:
 A) General Reserve
 B) Capital Redemption Reserve
 C) Capital Reserve
 D) P/L a/c

25. Which among the following is TRUE for single entry system?
 A) Only one aspect is recorded for all the transactions
 B) Only the debit aspect is recorded for all the transactions
 C) Only the credit aspect is recorded for all the transactions
 D) Both the aspects of some transactions are not recorded
26. In Insurance Company Accounts, legal fee with respect to claims are shown in:
 A) Revenue Account
 B) Profit & Loss Account
 C) Profit & Loss Appropriation Account
 D) None of these
27. Which one of the following is added along with closing capital to arrive at net profit made by a firm under single entry system?
 A) Interest on capital
 B) Drawing
 C) Additional capital introduced
 D) Opening capital
28. A credit note is raised under which circumstances?
 A) Credit purchase B) Credit sales
 C) Purchase return D) Sales return
29. If total subscription received during 2012 is Rs. 60,000, out of which Rs.8,000 pertains to the year 2013 and Rs.6,000 pertains to 2011, what will be the subscription income for the year 2012?
 A) Rs. 60,000 B) Rs.46,000
 C) Rs. 62,000 D) Rs. 58,000
30. Under stock and debtors system of branch accounting which one of the following accounts is posted with cost price only?
 A) Debtors a/c B) Branch stock a/c
 C) Goods sent to branch a/c D) Branch adjustment a/c
31. A,B and C sharing profit equally decided to admit X as a new partner for $\frac{1}{4}$ th share. What will be the sacrificing ratio of A,B & C?
 A) 1:1:1 B) $\frac{3}{4}:\frac{2}{4}:\frac{1}{4}$ C) $\frac{1}{4}:\frac{2}{4}:\frac{3}{4}$ D) 1:2:3
32. The ruling given in the famous decision 'Garner Vs Murray' is applicable to:
 A) Retirement of a partner B) Dissolution of a firm
 C) Admission of a partner D) Death of a partner
33. Under amalgamation, in the books of vendor company, profit on settlement of preference share holders will be:
 A) Debited to goodwill a/c B) Credited to capital reserve
 C) Credited to realisation a/c D) Debited to realisation a/c

34. When a company is liquidated salary payable to its employees for a period less than 12 months is treated as:
- A) Preferential creditors B) Secured creditors
C) Unsecured creditors D) Partly secured creditors
35. Capital employed of ABC Ltd. stood at Rs. 10 lakhs with a 20 % normal return expectation. If the company made a profit of Rs.2,50,000, what will be the value of goodwill computed as 3 years purchase of super profits?
- A) 2,00,000 B) 2,50,000
C) 2,25,000 D) 1,50,000
36. Accounts of electricity companies are prepared under:
- A) Double accounting system
B) Single entry system
C) Government accounting system
D) Cash system
37. A cost incurred in the past which is irrecoverable and hence irrelevant for decision making is:
- A) Imputed cost B) Sunk cost
C) Discretionary cost D) Opportunity cost
38. If annual demand is 2000 units, ordering cost is Rs. 10 per order and carrying cost is Re1 per unit what is EOQ:
- A) 600 units B) 100 units
C) 200 units D) 300 Units
39. Which of the following is NOT an advantage of the break-even chart?
- A) It serves as a valuable aid in forecasting costs, sales, and profits at various volumes of sales
B) It helps to study the effect of various product mixes on profits from a single break-even chart
C) It is a tool for exercising cost control
D) It is helpful in knowing the effect of increase or reduction in the selling price
40. Which level is computed while deciding the size of the bin space inside the stores?
- A) Maximum B) Minimum
C) Average D) Re-order level
41. Total overheads incurred for running a canteen is re-apportioned among production departments on what basis:
- A) Floor area B) Equitable
C) No. of employees D) Value of Plant

42. In process costing scrap value equivalent of abnormal gain quantity is:
 A) Credited to process a/c B) Credited to normal loss a/c
 C) Debited to process a/c D) Debited to normal loss a/c
43. Which one of the following is not a feature of process a/c?
 A) Continuous production
 B) Work in process inventory
 C) Normal loss
 D) Production against customer orders
44. Margin of safety multiplied with PV ratio will result in:
 A) Contribution B) Profit
 C) Fixed cost D) Break even point
45. If annual fixed cost is Rs. 20,00,000, variable cost per unit Rs. 8 and selling price per unit Rs.12, what will be the break even point:
 A) 4,00,000 unit B) 6,00,000 units
 C) 5,00,000 units D) 10,00,000 units
46. If standard quantity for producing one unit of a product is 5 kg, and the business has produced 1000 kg by consuming 5500 kg of raw materials during March 2012, with standard price per unit at Rs.10 and actual price per unit at Rs. 12, compute material cost variance:
 A) 16,000(A) B) 11,000 (A)
 C) 16,000 (F) D) 11,000 (F)
47. Total budget incorporating all functional budgets is otherwise known as:
 A) Zero base budget B) Budget manual
 C) Master budget D) Key factor budget
48. For converting an income statement in Rupee terms to common size format, which figure is identified as the base figure?
 A) Total debit side of P/L a/c B) Total credit side of P/L a/c
 C) Total sales D) Cost of goods sold
49. In a Funds Flow Statement, closing stock results in:
 A) Application of funds B) Source of funds
 C) No flow of funds D) B or C but not A
50. Interest earned on investments by an investment company is classified in the cash flow statement under:
 A) Investing activity B) Operating activity
 C) Financing activity D) Fund from operations

51. By dividing Market price per share with Earning per share we get:
 A) Return on investment ratio B) Asset turnover ratio
 C) Price earning ratio D) Dividend payout ratio
52. How is working capital turn over ratio computed?
 A) Working capital ÷ Total assets
 B) Total assets ÷ Working capital
 C) Working capital ÷ Net sales
 D) Net Sales ÷ Working capital
53. If current ratio is 3:1 and working capital Rs.60,000, what is the value of current Liabilities?
 A) Rs.60,000 B) Rs.30,000
 C) Rs.1,80,000 D) Rs. 1,20,000
54. At internal rate of return (IRR), Profitability index of a project will be:
 A) Maximum B) Minimum
 C) One D) Zero
55. High capital gearing indicates degree of vulnerability of earning available to:
 A) Equity share holders B) Debenture holders
 C) Preference share holders D) Financial Institutions
56. Zenith Ltd. produced and sold 20,000 units @ Rs.30 with a variable cost of Rs.20 per unit. If fixed cost were Rs. 1,00,000 what will be the operating leverage?
 A) 4 B) 2 C) 3 D) 1
57. Market value of shares of Aptech Ltd. is Rs. 30 per share. It has paid a dividend of Rs. 2 per share during last year. If the company is expected to grow by 8 % every year, what will be its cost of equity?
 A) 16.5 % B) 15.8% C) 14.5 % D) 15.2 %
58. Which one of the following is not an assumption of Modigliani Miller approach to capital structure?
 A) Investors are rational
 B) No corporate taxes
 C) Capital markets are imperfect
 D) Expectation of investors are homogenous
59. Level of EBIT beyond which benefits of financial leverage begins to operate with respect to Earning per share is known as:
 A) Optimum capital structure B) Weighted average cost of capital
 C) Financial break down point D) Financial indifference point

60. The dividend policy of the firm along with its market price is determined by:
- A) Earning per share B) Dividend yield
C) Book value D) Price earning ratio
61. Under Net Present Value (NPV) method, cash flows are assured to be reinvested at:
- A) Risk free rate of return
B) Cost of debt
C) Internal Rate of Return
D) Discount rate at which NPV is computed
62. Under which of the following formats lessor undertakes to finance only part of money required to purchase the asset under lease?
- A) Finance lease B) Operating lease
C) Sale and lease back D) Leveraged lease
63. Time gap between production of goods and their actual realisation after sales is termed as:
- A) Operating cycle B) Cash conversion cycles
C) Production cycle D) Business cycle
64. The annual credit sale of Ankur Ltd is Rs. 12,80,0000 and average debtors amounted to Rs. 1,60,000. What is the average collection period of the entity?
- A) 90 days B) 45 days
C) 75 days D) 60 days
65. Maximum Permissible Bank Finance (MPBF) under I method of Tandon Committee Recommendations is:
- A) 75 % of (Current assets-Current liabilities)
B) 75 % of (Current assets-Current liabilities other than bank borrowings)
C) 75 % of Current assets-Current liabilities other than bank borrowings
D) Current assets-75 % of Current liabilities other than bank borrowings
66. Capital structure decisions should always aim at having debt component in order to:
- A) Gain tax savings
B) Gain control over the company
C) Balance the capital structure
D) Increase the earning available for Shareholders
67. If there exists no relationship between two variables, value of coefficient of correlation will be:
- A) +1 B) -1 C) 0 D) ∞

68. When relationship of two or more variables is examined by excluding the remaining variables, it is known as:
 A) Multiple correlation B) Total correlation
 C) Multiple regression D) Partial correlation
69. A statistical tool used to estimate the unknown values of one variable from the known values of another variable is known as:
 A) Probability B) Testing hypothesis
 C) Regression D) Correlation
70. In testing hypothesis, what is the size of the sample to be reckoned as a small sample?
 A) Less than 30 B) Less than 25
 C) Less than 40 D) Less than 100
71. If a die is tossed up what is the probability that an odd number will be obtained?
 A) $1/6$ B) $1/2$ C) $1/3$ D) $1/4$
72. If 'm' is number of rows and 'n' denotes number of columns, the number of allocations required to obtain an initial feasible solution under transportation model is:
 A) $m+n$ B) $(m-1) + (n-1)$
 C) $m+n-1$ D) $m+n+1$
73. Reducing the critical path duration by varying the resources required to complete the activities is known as:
 A) Resource leveling B) Resource smoothing
 C) Crashing D) Resource mapping
74. If the objective function value can be increased for a maximization problem or the right hand side of the constraints can be increased in the case of a minimization problem without limit, it is a case of:
 A) Redundancy B) Cycling
 C) Unbalanced problem D) Infeasibility
75. Pick the instrument which is a non-negotiable one:
 A) Bill of exchange B) Promissory note
 C) Currency note D) Cheque
76. Difference between interest on loan charged and interest on deposits offered is known by the name:
 A) Slack B) Spread C) Gap D) Margin

77. Which Indian Bank has got a substantial exposure in the sub-prime crisis reported in the US?
A) SBI
B) IDBI Bank
C) ICICI Bank
D) Axis Bank
78. Prudential norms require banks to declare a loan a/c as non performing asset when the interest along with principal repayment is not forthcoming for more than:
A) 3 months
B) 6 months
C) 9 months
D) 12 months
79. The strategy of introducing a new product at a substantially low price to enter a segment is:
A) Price skimming
B) Dual pricing
C) Penetration pricing
D) Shadow pricing
80. Which one of the following is not a name associated with retailing?
A) Walmart
B) Reliance
C) Nilgiris
D) Sterilite
81. Which one of the following packages is used for analysis in research?
A) Visual Basics
B) Java Script
C) SPSS
D) SAP
82. A sampling technique which selects initial respondents by probability methods and additional respondents from information provided by initial respondents is:
A) Quota sampling
B) Convenience sampling
C) Cluster sampling
D) Snow Ball Sampling
83. Research relating to natural phenomenon or relating to pure mathematics is treated as:
A) Fundamental Research
B) Applied Research
C) Descriptive Research
D) Empirical Research
84. Which one of the following comes first while doing a research?
A) Setting the objective of the study
B) Stating the problem
C) Setting the hypothesis
D) Describing the methodology
85. Which one of the following is not a feature of a good research design?
A) Flexibility
B) Appropriateness
C) Biased
D) Reliability

86. A system of placing events in order, without an attempt to make the intervals of the scale equal in terms of same rules is:
- A) Nominal scale B) Ordinal scale
C) Interval scale D) Ratio scale
87. Pick from the following which is not a measure of dispersion:
- A) Skewness B) Range
C) Standard Deviation D) Mean Deviation
88. What per centage of samples are having their mean value within a range of population mean $\mu \pm 3$ S.E.?
- A) 95 % B) 99 %
C) 99.73 % D) 99.45 %
89. Values which explain how closely variables are related to each one of the factors discovered are known by the name:
- A) Eigen value B) Factor loading
C) Total of sum of the squares D) Factor scores
90. Which among the following is an advantage of focus group?
- A) Synergism B) Spontaneity
C) Serendipity D) All of the above
91. Pick from the following techniques the one not suited for hypothesis testing:
- A) Student t test B) ANOVA
C) Chi-square test D) F test
92. If the sum of squares between samples is 8 with a degree of freedom of 2 and corresponding figures within sample are 24 and 9 respectively, what will be the calculated value of F ratio?
- A) 0.67 B) 1.33 C) 1.50 D) 3.00
93. Which one of the following is not a psychological factor in resistance to change?
- A) Skill obsolescence B) Ego defensiveness
C) Fear of unknown D) Tolerance level as to change
94. If an airline company purchases a hotel, it would be an example of:
- A) Strategic alliance B) Backward integration
C) Forward integration D) Market expansion
95. Which one of the following is not a macro level economic factor?
- A) Phasing out of subsidies
B) Rationalisation of tax structure
C) Lowering of interest rates
D) Cancellation of license on account of non-conformance to pollution norms

96. A summarized statement which provides an overview of strengths and weaknesses in key result areas likely to affect future operations of the organization is known as:
- Environment threats and opportunity profile
 - Trend impact profile
 - Organisation capability profile
 - Strategic advantage profile
97. Choose the one which is a threat to an organization from the following:
- Low industry growth rate
 - Inferior product quality of competitor's products
 - Uneven competition with unorganized sector
 - Critical raw materials are in short supply and hence need imports
98. A process used in identifying in a systematic manner superior products, services, processes and practices that can be adopted in an organization to reduce costs, decrease operation cycle time and provide greater customer satisfaction is:
- Bench marking
 - Strategic indenting
 - Critical success factor approach
 - Synergistic approach
99. When a new business is related with old business using market wise or technological relationships, it is a case of:
- Horizontal integration
 - Vertical integration
 - Concentric diversification
 - Conglomerate diversification
100. When a firm is credited with high market share in a market identified with low growth rate, it is known as:
- Question marks
 - Cash cow
 - Dog
 - Star
101. Which one of the following is generally not cited as a reason for recommending a Merger?
- Diversification advantage
 - Faster growth rate
 - Resulting in downsizing the organization
 - Reduction in competition
102. The firm which penetrates in a narrow market product domain and guards it by giving more emphasis on cost effectiveness, centralized control and intensive planning is:
- Prospectors
 - Analysers
 - Reactors
 - Defenders

103. Which is not a characteristic feature of MIS?
- A) One-dimensional B) System approach
C) Exception based D) Management oriented
104. A system with the occurrence of all possible events is known with certainty, is known as:
- A) Abstract system B) Probabilistic system
C) Physical system D) Deterministic system
105. State whether the two statements are TRUE or FALSE
Statement 1 – Firewalls completely prevent unauthorized access
Statement 2 – Encryption is a process of making information not understandable
- A) Both 1 and 2 are true B) 1 is true but 2 is false
C) 1 is false but 2 is true D) Both 1 and 2 are false
106. When a retailer uses an e-commerce platform in merchandising from a wholesaler, it is a case of:
- A) B 2 B transaction B) B 2 C transaction
C) C 2 B transaction D) B 2 E transaction
107. A payment method under which the credit card numbers in an encrypted form are stored in a hard drive to facilitate e-commerce is known as:
- A) Digital cash B) E-money
C) E-wallet D) Digital money
108. A network topology in which there are at least 2 nodes with two or more paths between them is:
- A) Bus topology B) Hybrid topology
C) Ring topology D) Mesh topology
109. To be effective an organization structure shall enable individuals to contribute towards objectives of the enterprise. The principle behind the above statement is:
- A) Scalar change B) Esprit de corps
C) Unity of command D) Unity of direction
110. Stimulating people to apply for job positions offered by an enterprise is known as:
- A) Selection B) Induction
C) Recruitment D) Evaluation
111. In ERG theory, the hierarchy of needs have been condensed into which among the following combinations?
- A) Existence needs and Esteem needs
B) Relatedness needs, Growth needs, and Self-actualisation needs
C) Relatedness needs, Esteem needs, and Self-actualisation needs
D) Existence needs, Relatedness needs, and Growth needs

112. Which among the following is a factor affecting 'span of management'?
- A) Complexity of work B) Standardisation of work
C) Skill level D) All of the above
113. Who advocated Management by Objectives (MBO):
- A) Peter F Drucker B) Elton Mayo
C) Henry Fayol D) Harold Koontz
114. A written statement of minimum acceptable qualities required in a job incumbent for the effective performance of a job is:
- A) Job specification B) Job description
C) Job design D) Job analysis
115. Finance function falls under:
- A) Line function B) Staff function
C) Line and staff function D) Matrix function
116. Theory X and Theory Y of motivation were propounded by:
- A) Mc Gregor B) Mendel
C) Maslow D) Taylor
117. Who propounded the 'Expectancy Theory of Motivation'?
- A) David C. McClelland B) B. F. Skinner
C) Frederick Herzberg D) Victor H. Vroom
118. Adding higher level responsibility with an existing job position is known as:
- A) Job evaluation B) Performance evaluation
C) Job enrichment D) Job rotation
119. Which suits management by participation?
- A) Group incentive bonus B) ESOP
C) Job training D) Welfare measures
120. A worker appearing only in the pay rolls and not in the actual work place is:
- A) Out worker B) Contract worker
C) Ghost worker D) Temporary worker
