

## SET-D

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Signature of Invigilator

**Total Marks: 100**

Time: 1 Hour 45 Minutes

1. Do not write your name or put any other mark of identification anywhere in the OMR Response Sheet. **IF ANY MARK OF IDENTIFICATIONS IS DISCOVERED ANYWHERE IN OMR RESPONSE SHEET, the OMR response sheet will be cancelled, and will not be evaluated.**
2. This Question Booklet contains the cover page and a total of **100 Multiple Choice Questions of 1 mark each.**
3. Space for rough work has been provided at the beginning and end. Available space on each page may also be used for rough work.
4. There is negative marking in Multiple Choice Questions. For each wrong answer 0.25 marks will be deducted.
5. **USE OF CALCULATOR IS NOT PERMITTED.**
6. **USE/POSSESSION OF ELECTRONIC GADGETS LIKE MOBILE PHONE, iphone, iPad, pager ETC. are strictly PROHIBITED.**
7. Candidate should check the serial order of questions at the beginning of the test. If any question is found missing in the serial order, it should be immediately brought to the notice of the Invigilator. No pages should be torn out from this question booklet.
8. Answers must be marked in the OMR Response sheet which is provided separately. OMR Response sheet must be handed over to the invigilator before you leave the seat.
9. The OMR Response sheet should not be folded or wrinkled. The folded or wrinkled OMR/ Response Sheet will not be evaluated.
10. Write your Roll Number in the appropriate space (above) and on the OMR Response Sheet. Any other details, if asked for, should be written only in the space provided.
11. There are four options to each question marked A, B, C and D. Select one of the most appropriate option and fill up the corresponding oval/circle in the OMR Response Sheet provided to you. The correct procedure for filling up the OMR Response Sheet is mentioned below.
12. Use Black or Blue Ball Pen only for filling the ovals/circles in OMR Response Sheet. Darken the selected oval/circle completely. If the correct answer is 'B', the corresponding oval/circle should be completely filled and darkened as shown below.

CORRECT  
METHOD

(A) ● (C) (D)

### WRONG METHOD

☐ A ☒ B ☐ C ☐ D ☐ E ☐ F ☐ G ☐ H ☐ I ☐ J ☐ K ☐ L ☐ M ☐ N ☐ O ☐ P ☐ Q ☐ R ☐ S ☐ T ☐ U ☐ V ☐ W ☐ X ☐ Y ☐ Z

1. What is meant by 'ab initio'
  - A. List of additions
  - B. From the origin
  - C. From the beginning
  - D. According to value
2. A sales letter drafted for a large number of people, is known as
  - A. Sales manual
  - B. Sales Order
  - C. Sales Enquiry
  - D. Sales Circular
3. The latin word "bona fide" means
  - A. Strange
  - B. Good faith
  - C. Colleague
  - D. None of the above
4. This began as an American experiment in computer communication technology during the cold war and has revolutionized the world
  - A. Fax
  - B. Emails
  - C. Telegrams
  - D. None of the above
5. BCC stands for
  - A. Blind Copy Carbon
  - B. Before Carbon Copy
  - C. Blind Carbon Copy
  - D. Before Copy Carbon
6. What is the difference between "enquiry" and "inquiry"
  - A. Enquiry means asking a question, and inquiry is a formal investigation
  - B. The prefix 'en' comes from French, and 'in' from Latin
  - C. Enquiry is a request for truth, knowledge or information, and inquiry is an investigation into something
  - D. All of the above
7. It is a document giving full details of goods being shipped, prepared by the exporter and sent to the importer
  - A. Bill
  - B. Invoice
  - C. Receipt
  - D. None of the above
8. Who will be responsible for errors in report if external audit relies on the work of internal auditor?
  - A. External auditor
  - B. Internal auditor
  - C. Management
  - D. Shareholders



9. In case the directors fail to appoint first auditor(s), the shareholders shall appoint them at ..... by passing a resolution:
- A. A general meeting
  - B. First annual general meeting
  - C. Statutory meeting
  - D. Annual general meeting
10. The imbalance between ends and means:
- A. Means
  - B. Scarcity
  - C. Boom
  - D. Normative
11. An economy-wide fluctuation in production or economics activity refer as:
- A. Capitalized economy
  - B. Micro
  - C. Positive economics
  - D. Economic cycle
12. Exception to the law of supply is:
- A. Natural factors
  - B. Producer or seller expectations
  - C. Cost factor of production
  - D. Perishable goods
13. The rate at which an individual must give up "good A" in order to obtain one more unit of "good B", while keeping their overall satisfaction constant.
- A. MRS – Marginal Rate of Substitutes
  - B. Marginal Utility
  - C. Law of Diminishing Marginal Utility
  - D. Ordinal Utility
14. When the product is sold to different consumers at different price:
- A. Griffen goods
  - B. Shut down condition
  - C. Price discrimination
  - D. Product differentiation
15. The perfect competition firm is in equilibrium when
- A.  $MC = AC$
  - B.  $AC = AR = MC = MR$
  - C. MC curve must intersect MR below
  - D.  $MC = MR$  and MC cuts the MR curve from below
16. The rate at which commercial banks borrow money from the central bank in case of shortage of funds refer to
- A. Bank rate
  - B. Repo rate
  - C. Variable reserve requirements
  - D. Cash reserve ration

17. NITI Aayog is  
 A. Green revolution  
 B. Public investment  
 C. Successor in interest to the planning commission  
 D. Cooperative farming
18. Urban Wage Employment and Urban Self-employment programme are part of  
 A. PMIUPEP  
 B. NREP  
 C. Jawahar Rozgar Yojana  
 D. Swaran Jayanti Rozgar Yojana
19. A sum of Rs.12,000 becomes Rs.1323 in two years at compound interest compounded annually. The rate of percent will be  
 A. 5%  
 B. 15%  
 C. 20%  
 D. 30%
20. Which one of the following statements is not true in the case of Human Resource Management?  
 A. It performs developmental function  
 B. Employees are motivated by salary  
 C. It is proactive in nature  
 D. It consists of various sub-systems
21. If raw materials are in store for 2 months, processing time  $2\frac{1}{2}$  months, finished goods remain in store for 15 days, debtors are allowed 60 days' credit and credit received from suppliers of raw material is 1 month, the operating cycle period is  
 A. 7 months  
 B. 6 months  
 C.  $6\frac{1}{2}$  months  
 D. 5 months
22. Which of the following is not general disclosure requirement under Accounting Standard-14?  
 A. Name and nature of business  
 B. Description and number of shares issued  
 C. Accounting method followed  
 D. Particulars of scheme sanctioned
23. When the companies pay less attention to its own costs or demands and bases its price largely on competitors' prices, then it is known as  
 A. Value pricing  
 B. Going rate pricing  
 C. Image pricing  
 D. Psychological pricing
24. Rise in general price level along with declining output in the economy is called  
 A. Inflation  
 B. Deflation  
 C. Stagflation  
 D. Demand-pull inflation



25. Which one of the following pairs is correctly matched?
- McClelland: ERG Theory
  - Skinner : Reinforcement Theory
  - Vroom : Equity Theory
  - Locke : Expectancy Theory
26. A matrix structure of organization
- Reinforces unity of command
  - Is inexpensive
  - Is easy to explain to the employees
  - Gives to some employees more than one boss
27. Mr. Gupta deposits Rs. 3,000 in a bank at 10% per annum and Rs. 5,000 in another bank at 8% per annum. The rate of interest for the whole sum is:
- $8\frac{1}{2}\%$
  - $8\frac{3}{4}\%$
  - 8 %
  - None of these
28. In a town with a population of 5000, 3200 people are egg-eaters, 2500 meat eaters and 1500 eat both egg and meat. How many are pure vegetarians?
- 600
  - 800
  - 900
  - 850
29. A basket contains 3 blue and 4 red balls. If 3 balls are drawn at random from the basket, then what is the probability that all the 3 are either blue or red?
- 1
  - $\frac{1}{7}$
  - $\frac{3}{14}$
  - None of these
30. If 1 cap is picked at random, what is the probability that it is either blue or yellow?
- $\frac{2}{9}$
  - $\frac{1}{4}$
  - $\frac{3}{8}$
  - $\frac{6}{11}$
31. Who studied the buyer-seller dyad in wholesale drugs and retail pharmacists?
- TS Knox
  - Levitt
  - Henri Tosi
  - Wright
32. AIDA theory of selling is based on
- seller's orientation
  - buyer orientation
  - product orientation
  - marketing

33. The Information Technology Act came into force in  
 A. October 2000  
 B. October 2005  
 C. September 1999  
 D. September 2007
34. A company finds that it has excess of stocks to be sold. The firm increases its advertising budget by 30% and doubles its sales staff. This company is operating on which concept?  
 A. Marketing  
 B. Selling  
 C. Production  
 D. Product
35. Match the following
- |   |                          |
|---|--------------------------|
| List I (Features of online Advertising) | List II (Nature)         |
| a. Interactivity                        | 1. Effective in engaging |
| b. Targeting                            | 2. Market                |
| c. Tracking                             | 3. Brand image           |
| d. Flexibility                          | 4. Change                |
- Codes: a      b      c      d
- |    |   |   |   |   |
|----|---|---|---|---|
| A. | 1 | 2 | 3 | 4 |
| B. | 4 | 3 | 2 | 1 |
| C. | 1 | 3 | 2 | 4 |
| D. | 1 | 4 | 3 | 2 |
36. Which one of these steps is not included under the step of marketing programming process?  
 A. *Developing the marketing mix*  
 B. *Selection of market targets*  
 C. *Setting objectives*  
 D. *Market response*
37. Modern marketing includes \_\_\_\_\_ marketing  
 A. digital  
 B. green  
 C. societal  
 D. All of these
38. Which of the following is not a factor of the demand variable according to Philip Kotler?  
 A. Environment variable  
 B. Competition variable  
 C. Customer variable  
 D. All of these
39. Which one of the following statements is correct?  
 A. Business policy is another name for long range planning  
 B. Strategic planning is the function of middle management  
 C. Strategic planning is largely influenced by external environment  
 D. Operational planning is the function of top management



40. Effective territory design and allocation of salespeople to territories result in
- Improved sales performance
  - Improved company performance
  - Both 'A' and 'B'
  - None of the above
41. Which of the following is not controllable variable of marketing management?
- Competitive environment
  - Technological environment
  - Internal environment
  - Economic environment
42. "A marketing policy is a statement of a course of action which will be followed under a given set of circumstances". Who made this statement?
- William J Stanton
  - McCarthy
  - Manson and Path
  - None of these
43. Any paid form of non-personal presentation of ideas, goods or services by an identifiable sponsor is called as
- sales promotion
  - advertising
  - publicity
  - marketing communication
44. Emerson efficiency system of wage payment means
- the worker is allowed a certain time within which he is required to complete his job
  - on completion of job within prescribed time, the worker is paid bonus of a certain percentage
  - where the worker takes 50% more than prescribed time, he is paid no bonus
  - All of the above
45. \_\_\_\_\_ channel refers to a one to one communication and involves a person or two persons addressing a group of persons
- Social channel
  - Expert channel
  - Personal channel
  - Advocate channel
46. WOM is a
- product strategy
  - promotion medium
  - software
  - None of these
47. Consumption levels is which one of the type of segmentation bases?
- Demographic
  - Socio-economic
  - Psychographic
  - Geographic

48. Relationship marketing is a form of marketing developed from
- A. direct response marketing
  - B. long-term perspective
  - C. branding
  - D. on-line marketing
49. The most important and frequently used method of training sales people is
- A. lectures
  - B. demonstration
  - C. case studies
  - D. on the job training
50. The procedure for segmenting the B2B market is different from
- A. industrial market
  - B. business market
  - C. consumer market
  - D. C2C market
51. Brand concept does not include
- A. packaging
  - B. digital marketing
  - C. brand personality
  - D. brand equity
52. Which is the characteristics of an entrepreneur?
- A. Ability to innovate
  - B. Capacity to face uncertainties
  - C. It is a creative activity
  - D. All of the above
53. CRISIL
- A. Evaluates the credit documents of a company
  - B. Provides financial assistance to industries
  - C. Provides finances for rural areas
  - D. Promotes exports
54. The basic feature of oligopoly is \_\_\_\_\_.
- A. Many sellers
  - B. Only one seller
  - C. A few sellers
  - D. Infinite sellers
55. The factors causing unethical conduct of business are
- A. economic greed
  - B. decreasing standards of society
  - C. political corruption
  - D. All of the above
56. Which is the code of law for a Chartered Accountant?
- A. If he allows any person to practice as CA if he is not one
  - B. If he advertises or solicits work
  - C. If he accepts a position held by another CA without communicating with him
  - D. All of the above



57. Binomial distribution was developed by
- Marshall
  - Fisher
  - Jacob Bernoulli
  - Bordington
58. Which of the following is/are characteristics of Poisson distribution?
- Discrete distribution
  - Value of  $p$  and  $q$
  - Main parameter  $(m) = nP$
  - All of the above
59. An entrepreneur is one who
- initiates and establishes an economic activity of an enterprise
  - conceives an idea for a new product
  - converts his idea into profitable business
  - All of the above
60. Which is the true statement from the following?
- Information processing is the backbone of any organization
  - The software is available to handle the procedural and non-procedural data processing
  - MIS is based on data base and uses the data base for generating information
  - All of the above
61. A hypothesis that asserts that there is no true difference in the sample and the population in the particular matter under study, is termed as
- null hypothesis
  - true hypothesis
  - alternate hypothesis
  - rejected hypothesis
62. Two regression lines closer to each other show
- lower degree of correlation
  - higher degree of correlation
  - no correlation
  - All of the above
63. Under price discrimination, price will be higher in the market where demand is \_\_\_\_\_.
- Unitary elastic
  - Highly elastic
  - Less elastic
  - None of the above
64. Total utility curve is \_\_\_\_\_.
- Concave to x-axis
  - Convex to x-axis
  - Concave or convex depending on situations
  - Concave to y-axis

65. Who among the following is not a speculator in stock Exchange?  
 A. Broker  
 B. Bull  
 C. Bear  
 D. Stag
66. In which of the following types of insurance should insurable interest be present only at the time when policy is taken?  
 A. Fire insurance  
 B. Life insurance  
 C. Marine insurance  
 D. Life and Marine insurance
67. Co-operative and public companies are similar in respect of \_\_\_\_\_.  
 A. The liability of members  
 B. The minimum number of members required for registration  
 C. The maximum number of members  
 D. Method of distribution of profit
68. Working capital can be used for the purchase of  
 A. Machinery  
 B. Goodwill  
 C. Land and Building  
 D. Raw material
69. First debentures are those  
 A. Which are issued before share capital  
 B. Which are repayable before other debentures  
 C. Which are secured by a floating charges  
 D. Which are secured by a fixed charge
70. Which of the following sources of finance do not pose a burden on the finances of the company?  
 A. Public deposits  
 B. Debentures  
 C. Loans from financial institutions  
 D. Retained earnings
71. MRTP Act came into force in  
 A. 1969  
 B. 1970  
 C. 1971  
 D. 1980
72. Which is the assumption of Modigliani and Miller approach to cost of capital?  
 A. The capital markets are assumed to be perfect  
 B. The firms can be classified into homogeneous risk class  
 C. All investors have the same expectations from a firm's net operating income which is necessary to evaluate the value of a firm  
 D. All of the above



73. Which formula may be used for valuation of 'Right of Pre-emption'?

A.  $V = \frac{P_m - V}{S - V}$

B.  $V = \frac{P_m + P_e}{n + 1}$

C.  $V = \frac{P_m + P_e}{n - 1}$

D.  $V = \frac{S}{n-1}$

74. Which method of capital budgeting is called cash benefit ration?

- A. Pay back period
- B. Net present value
- C. Pay out period
- D. Profitability index number

75. Capital budgeting is a complex process as it involves decisions to the investment of current funds for the benefit to be achieved in future and the future is

- A. Profitable
- B. Certain
- C. Uncertain
- D. Non-profitable

76. The interest on debentures may be

- A. Fixed liability
- B. More cost on company
- C. Flexible liability
- D. Less cost to the company

77. Which method is based on this assumption that the market value of share represents the price of invested capital?

- A. Sinking fund method
- B. Financial leverage
- C. EoQ
- D. Earnings yield method

78. Real rates of return are typically less than nominal rates of return due to

- A. Inflation
- B. Capital gains
- C. Dividend payments
- D. Recession

79. Which of the following is not an assumption in Break-even Analysis?

- A. Sales mix remains constant
- B. Variable costs are not strictly variable with volume of output
- C. Product equals sales volume
- D. All costs should be segregated into fixed and variable costs

80. Quick assets are defined as
- Current assets excluding inventories
  - Current assets less current liabilities
  - Current assets excluding loan and advance
  - Current assets excluding prepaid expenses
81. Paying an excessive price to make an acquisition is called
- Megalomania
  - Poisson pull
  - Hubris spirit
  - Green mail
82. Under-capitalization can be remedied by
- Issue of bonus shares
  - Redemption of preference shares
  - Redemption of debentures
  - Reduction of interest of debentures
83. X and Y are partners with capitals of Rs.10,000 and Rs.20,000 respectively and sharing profits equally. They admit Z as their third partner with one-fourth profits of the firm on the payment of Rs.12,000. The amount of hidden goodwill is:
- Rs. 6,000
  - Rs. 10,000
  - Rs. 8,000
  - None of the above
84. Which account is the odd one out?
- Office Furniture & Equipment
  - Freehold Land and Buildings
  - Stock of raw materials
  - Plant and Machinery
85. If a purchase return of Rs.94 has been wrongly posted to the debit of the sales return account, but had been correctly entered in the suppliers account, the total of the trial balance would show
- the credit side to be Rs.94 more than debit side.
  - the debit side to be Rs.94 more than credit side.
  - the credit side to be Rs.188 more than debit side.
  - the debit side to be Rs.188 more than credit side.
86. A Bank Reconciliation Statement is prepared to know the causes for the difference between:
- The balances as per cash column of Cash Book and the Pass Book
  - The balance as per bank column of Cash Book and the Pass Book
  - The balance as per bank column of Cash Book and balances as per cash column of Cash Book
  - None of the above



87. In case of redemption of preference shares out of distributable profits, and amount equal to the nominal value of preferences shares redeemed must be transferred to the
- Development rebate reserve
  - Investment allowance reserve
  - Capital redemption reserve
  - Premium on redemption of preference shares
88. What is the order in which the accounting transactions and events are recorded in the books?
- Journal, Subsidiary books, Ledger and Trial Balance
  - Ledger, Journal, and Trial Balance
  - Subsidiary books, Ledger and Trial Balance and Journal
  - Profit and loss account, Ledger, Balance sheet, Journal
89. Debit balance as per Cash Book of Yeti Enterprises as on 31.3.2013 is Rs.20,000. Cheques deposited but not cleared amounts to Rs.2,000 and Cheques issued but not presented of Rs.4,000. Balance as per pass book should be
- 22,000
  - 18,000
  - 20,000
  - 24,000
90. Which of the following statements is, generally, correct about the reliability of audit evidence?
- To be reliable, evidence should be conclusive rather than persuasive;
  - Effective internal control system provides reliable audit evidence;
  - Evidence obtained from outside sources routed through the client;
  - All are correct.
91. When an independent auditor relies on the work of an internal auditor, he or she should:
- Examine the scope of internal auditor's work
  - Examine the system of supervising, review and documentation of internal auditor's work
  - Adequacy of related audit programme
  - All of the above
92. The auditor of a Government Company is appointed by the \_\_\_\_\_.
- Comptroller and Auditor General of India
  - The shareholder in a general meeting
  - The shareholder at an annual general meeting
  - The board of directors
93. MBO stands for
- Management by Option
  - Management by Objectives
  - Management by Objection
  - None of the above
94. Ranking, Rating scale, Check list are the methods of
- Transfer Management
  - Performance Appraisal
  - Promotional Methods
  - Job Description

95. The process of searching for prospective employees and encouraging them to apply for the jobs in an organization, is known as
- A. Selection
  - B. Placement
  - C. Recruitment
  - D. Training
96. POSDCORB was coined using the initial letters of management function by
- A. Koontz O'Donnel
  - B. Luther Gulick
  - C. Peter F. Drucker
  - D. Henry Mintzberg
97. The definition of management "*Getting things done through and with people*" was coined by
- A. Luther Gulick
  - B. Henry Fayol
  - C. Koontz and O'Donnell
  - D. None of the above
98. Management is an inter-disciplinary \_\_\_\_\_ which draws freely from other disciplines such as economics, sociology and psychology
- A. Art
  - B. Profession
  - C. Science
  - D. All of the above
99. It owes its genesis to post war research of American management consultants like Drs. Joseph Juran and W. Edwards Deming:
- A. MBO
  - B. TQM
  - C. Crisis
  - D. Stress Management
100. Which of the following is a reason for business not behaving ethically?
- A. To protect its own interest and of the business community as a whole
  - B. To keep its commitment to society to act ethically
  - C. To meet stakeholder's expectations
  - D. To not protect their employees and their reputation