



Paper - II
MANAGEMENT

Booklet Code

A

SUBJECT CODE : 2 5

Test Booklet No.

Roll No. :

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(Figures as per admission card)

Roll No. (in words) :

OMR Sheet No. :

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Name and Signature of Invigilator/s

Signature : _____

Name : _____

Time : 2 Hours

Maximum Marks : 200

Number of Pages in this Booklet : 32

Number of Questions in this Booklet : 100

Instructions for the Candidates

1. Write your roll number in the space provided on the top of this page.
2. This paper consists of hundred (100) multiple-choice type of questions.
3. At the commencement of examination, the test booklet will be given to you. In the first 5 minutes, you are requested **To Open the Booklet and Compulsorily Examine it as Below:**
 - (i) To have access to the Test Booklet, tear off the paper seal on the edge of the cover page. Do not accept a booklet without sticker seal or open booklet.
 - (ii) Tally the number of pages and number of questions in the booklet with the information printed on the cover page. Faulty booklets due to pages/questions missing or duplicate or not in serial order or any other discrepancy should be got replaced immediately by a correct booklet from the invigilator within the period of 5 minutes. Afterwards, neither the Test Booklet will be replaced nor any extra time will be given.
 - (iii) After the verification is over, the Test Booklet Number should be entered in the OMR Sheet and the OMR Sheet Number should be entered on this Test Booklet.
4. Each item has four alternative responses marked (A), (B), (C) and (D). You have to darken the circle as indicated below on the correct response against each item.
Example : Ⓐ Ⓑ ● Ⓓ
 where (C) is the correct response.
5. Your responses to the questions are to be indicated in the **OMR Sheet kept inside this Booklet**. If you mark at any place other than in the circles, the OMR Sheet will not be evaluated.
6. Read the instructions given in OMR Sheet carefully. Fill the Booklet Code of Paper-II in OMR Sheet **Compulsorily**.
7. Rough Work is to be done in the end of this booklet.
8. If you write your name or put any mark on any part of the OMR Answer Sheet, except for the space provided for the relevant entries, which may disclose your identity, you will render yourself liable to disqualification.
9. You have to return the OMR answer Sheet to the invigilators at the end of the examination compulsorily and must NOT carry it with you outside the Examination Hall.
10. You can take away test booklet and carbon copy of OMR Answer Sheet after the examination.
11. **Use only Blue/Black Ball point pen.**
12. **Use of any calculator, electronic gadgets or log table, etc. is prohibited.**
13. **There is no negative mark for incorrect answer.**



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Prepp
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1. Which one of the following modes is not an example of direct and database marketing communication?
 - (A) Social media marketing
 - (B) Catalogues
 - (C) Telemarketing
 - (D) Mailings

2. The strategy of introducing a product with high introductory price and high promotion is called:
 - (A) Penetration strategy
 - (B) Skimming strategy
 - (C) Rapid Skimming
 - (D) Rapid Penetration

3. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the codes given below:

Assertion(a) : Security A is preferred to security B.

Reason (r) : Security A lies on Indifference Curve II. Security B lies on Indifference Curve I. Indifference Curve II is placed at a higher position than Indifference Curve I in the Indifference Map of the Investor.

 - (A) Both (a) and (r) are true and (r) is correct explanation of (a)
 - (B) Both (a) and (r) are true but (r) is not correct explanation of (a)
 - (C) (a) is true, but (r) is false
 - (D) (a) is false, but (r) is true

4. When NPV is zero:
 - I. Payback period is same as the life of the Project
 - II. Discounted Payback period is same as the life of the Project
 - III. IRR is same as Cost of capital
 - IV. IRR is zero
 - V. $PI = 1$
 - VI. $PI = 0$

Choose the correct answer from the codes given below:

 - (A) I, IV and VI
 - (B) II, III and V
 - (C) I, IV and V
 - (D) IV, V and VI

5. If a 100% Scale efficient plant has 92% Technical Efficiency and 88.5% allocative Efficiency, then its overall efficiency will be _____.
 - (A) 88.5%
 - (B) 90.25%
 - (C) 93.00%
 - (D) 81.42%



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6. Match List-I and List-II and select the correct answer from the codes given below:

	List-I		List-II
P	Cash Management	1	EOQ model
Q	Inventory Management	2	M-M approach
R	Receivables Management	3	Tandon Committee Recommendation
S	Working Capital Finance	4	Credit Standard policy
		5	Miller-orr model

Codes:

	P	Q	R	S
(A)	5	1	4	3
(B)	4	1	3	5
(C)	2	1	5	3
(D)	3	1	4	5

7. Major components of time-value of money are:

- I. Compensation for sacrificing the use of money for the loan period.
- II. Payout ratio
- III. Cost of equity
- IV. Inflation rate
- V. National income
- VI. Risk premium

Choose the correct answer from the codes given below:

- (A) I and IV
- (B) II and III
- (C) I, IV and VI
- (D) IV, V and VI

8. Value of a bond is the _____.

- (A) aggregate of the future cashflows of the bond discounted at the market yield rate.
- (B) issue price
- (C) redemption price
- (D) nominal value of the bond

9. Match List-I and List-II and select the correct answer from the codes given below:

List-I (Concepts)	List-II (Features)
P Free trade	1 Value is fixed in Gold
Q International liquidity	2 Removes tariff and non-tariff barriers
R Regional economic integration	3 Aggregate stock of internationally acceptable assets
S Special drawing rights	4 Permits trading partner's mutual gains from trade goods and services

Codes:

	P	Q	R	S
(A)	4	3	1	2
(B)	4	3	2	1
(C)	3	1	4	2
(D)	3	4	1	2



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10. Match List-I and List-II and select the correct answer from the codes given below:

	List-I		List-II
P	Importing	1	Modes of international business
Q	Marketing	2	Functions of international business
R	Sales expansion	3	Objectives of international business
S	Economic forces	4	External influence

Codes:

	P	Q	R	S
(A)	1	2	3	4
(B)	2	1	4	3
(C)	3	4	2	1
(D)	4	3	2	1

11. Match List-I and List-II and select the correct answer from the codes given below:

	List-I (Theory)		List-II (Proposer)
P	Comparative cost theory of international trade	1	Gottfried Haberler
Q	International trade theory of opportunity cost	2	J.S. Mill
R	Factor endowment theory of international trade	3	David Ricardo
S	Doctrine of reciprocal demand	4	Heckscher Ohlin

Codes:

	P	Q	R	S
(A)	2	1	4	3
(B)	1	3	2	4
(C)	3	2	4	1
(D)	3	1	4	2

12. An enormous collection of data on various topics from a variety of internal and external sources, compiled by a firm for its own use or for use by its client, is called :

- (A) Database
- (B) Data warehouse
- (C) Data mining
- (D) MIS

13. From the following list of statements, select those which indicate the functions of a women entrepreneur according to Frederick Harbison:

- (i) Exploration of the prospects of starting a new business enterprise.
- (ii) Understanding of risks and the handling of economic uncertainties involved in business.
- (iii) Introduction of innovations or imitation of innovations.
- (iv) Coordination, administration and control.
- (v) Supervision and leadership.
- (vi) Motivation.

Choose the correct answer from the codes given below:

- (A) (i), (ii) and (iii)
- (B) (i), (ii), (iii) and (iv)
- (C) (i), (ii), (iii), (iv) and (v)
- (D) (i), (ii), (iii), (iv), (v) and (vi)



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14. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the code given below:

Assertion (a): The SWOC analysis is used to evaluate each identified project or opportunity.

Reason (r): In SWOC analysis, strength and weakness are associated with the internal environment while opportunities and challenges are associated with the external environment.

- (A) Both (a) and (r) are true and (r) is correct explanation of (a)
- (B) Both (a) and (r) are true but (r) is not correct explanation of (a)
- (C) (a) is true, but (r) is false
- (D) (a) is false, but (r) is true
15. An employee who is entrusted with the responsibility to make innovation in the organization is called :

- (A) Innovator
- (B) Corporate Innovator
- (C) Intrapreneur
- (D) Technical entrepreneur

16. Select from the following list of factors impeding the progress of women entrepreneurship in India:

- I. Unconscious gender bias in the community
- II. Limited access to finance for women
- III. Masculine corporate culture
- IV. Overconfidence of women

Choose the correct combination of codes from the following alternatives:

- (A) I and IV
- (B) I, II and III
- (C) II and III
- (D) III and IV
17. Which institution is the largest contributor of finance to the small industries in India?
- (A) Non Banking Financial Companies
- (B) Commercial Banks
- (C) Cooperative Banks
- (D) Rural Banks


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18. Replacement of phones with buttons and keypads by touch-interface-centred devices like the smartphones is an example of :
- (A) Disruptive innovation
- (B) Incremental innovation
- (C) Architectural innovation
- (D) Radical innovation
19. Machine I and Machine II produce 40% and 60% of total products, respectively. 10% of Machine I products and 15% of Machine II products are defective. One product is found defective. The probability of it being produced by Machine II is:
- (A) 0.09
- (B) 0.06
- (C) 9/13
- (D) 4/13
20. Mean and standard deviation of a binomial distribution are respectively 5 and 2, the parameter n is:
- (A) 25
- (B) 20
- (C) 10
- (D) 5
21. A coin is tossed 6 times and considered to be biased if 0 or 6 heads appear, the probability of Type I error is
- (A) 1/64
- (B) 1/32
- (C) 1/16
- (D) 1/8
22. From the following list of statements, select those which indicate the properties of simple regression:
- (i) The two regression lines always intersect at point $(\bar{x}, \bar{y})$
- (ii) The two regression coefficients b_{yx} and b_{xy} , and the correlation coefficient r_{xy} all have the same sign.
- (iii) The regression coefficients are independent of the change of origin and scale.
- (iv) If one of the regression coefficients is greater than unity, the other is less than unity since their product (r^2) is less than unity.
- Choose the correct answer from the codes given below:
- (A) (i) and (iv)
- (B) (ii) and (iv)
- (C) (i),(ii) and (iv)
- (D) (i),(ii),(iii) and (iv)



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23. **Statement I:** The arithmetic mean of the two regression coefficients is greater than the correlation coefficient, i.e. $(b_{yx} + b_{xy}) > r_{xy}$
Given below are two statements :

Statement II: As the correlation coefficient between two variables increases numerically from 0 to 1, the angle between the two regression lines reduces from 90° to 0° .

In light of the above statements, choose the most appropriate answer from the codes given below:

- (A) Both Statement I and Statement II are correct.
(B) Both Statement I and Statement II are incorrect
(C) Statement I is correct and Statement II is incorrect.
(D) Statement I is incorrect and Statement II is correct.

24. Match List-I and List-II and select the correct answer from the codes

List-I	List-II
P Sample size is more than 30	1 t test
Q Sample size is less than 30	2 F test
R Multiple correlation coefficient	3 Chi-square test
S Kendall's coefficient of concordance	4 Z test

Codes:

	P	Q	R	S
(A)	2	1	3	4
(B)	1	2	3	4
(C)	1	4	2	3
(D)	4	1	2	3

25. Given below are two statements:

Statement I: Management is a tangible force.

Statement II: The existence of efficient management is demonstrated through the success of an enterprise.

In light of the above statements, choose the most appropriate answer from the codes given below:

- (A) Both Statement I and Statement II are correct
(B) Both Statement I and Statement II are incorrect
(C) Statement I is correct and Statement II is incorrect
(D) Statement I is incorrect and Statement II is correct

26. The Behavioural Theory of Decision-Making was developed by:

- (A) P.F. Drucker
(B) Herbert Simon
(C) F.E. Taylor
(D) R.C. Davis



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27. Given below are two statements:

Statement I: Every company which needs to comply with the CSR provisions has to spend 2 % of the average net profits made during the preceding 3 years on CSR activities.

Statement II: The net profit for the purpose of CSR is ascertained following the provisions relating to Section 198 of the Companies Act, 2013.

In light of the above statements, choose the most appropriate answer from the codes given below:

- (A) Both Statement I and Statement II are correct.
- (B) Both Statement I and Statement II are incorrect
- (C) Statement I is correct and Statement II is incorrect.
- (D) Statement I is incorrect and Statement II is correct.

28. If the absolute value of the elasticity of demand is greater than 1, it is known as :

- (A) Unit elastic demand
- (B) Elastic demand
- (C) Inelastic demand
- (D) Dserived demand

29. Arrange the following approaches / theories / models in order of their chronology. Use the codes given below:

- (i) Vroom's Expectancy Theory
- (ii) Mayo's Human Relations Approach
- (iii) Maslow's Hierarchy of Needs Theory
- (iv) Simon's Decision-making Theory

Codes:

- (A) (iv), (ii), (iii), (i)
- (B) (ii), (iii), (iv), (i)
- (C) (i), (iii), (iv), (ii)
- (D) (iv), (iii), (i),(ii)

30. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the code given below:

Assertion (a): Management can generate a favourable work environment where the workers can increase their productivity and efficiency.

Reason (r): Management makes possible increase in the productivity of all factors of production.

- (A) Both (a) and (r) are true and (r) is correct explanation of (a)
- (B) Both (a) and (r) are true abut (r) is not correct explanation of (a)
- (C) (a) is true, but (r) is false
- (D) (a) is false, but (r) is true



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31. Match List-I and List-II and select the correct answer from the codes given below:

List-I (Products)		List-II (Market Structure)	
P	Food grain	1	Monopoly
Q	Airlines	2	Perfect competition
R	Railway	3	Monopolistic
S	Hotels	4	Oligopoly

Codes:

	P	Q	R	S
(A)	2	4	1	3
(B)	2	4	3	1
(C)	3	4	1	2
(D)	1	2	3	4

32. Given below are two statements :

Statement I: Likert's model of Linking Pins stands out as the most distinctive among group theories of organisation.

Statement II: According to Liker's model of Linking Pins, the linking pin structure gives the organisation a downward orientation which implies that communication, supervisor influence, goal attainment are all focused downward.

In light of the above statements, choose the most appropriate answer from the codes given below:

- (A) Both Statement I and Statement II are correct.
- (B) Both Statement I and Statement II are incorrect
- (C) Statement I is correct and Statement II is incorrect.
- (D) Statement I is incorrect and Statement II is correct.

33. Match List-I and List-II and select the correct answer from the codes given below:

List-I (Characteristics of a leader)		List-II (Category of leader)	
P	Little concern for either people or production	1	Team manager
Q	Minimum concern for production and maximum concern for people	2	Stern task master
R	Maximum concern for production and minimum concern for people	3	Country club manager
S	Maximum concern for both production and people	4	Impoverished manager

Codes:

	P	Q	R	S
(A)	1	2	3	4
(B)	2	3	4	1
(C)	4	3	2	1
(D)	1	4	3	2



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34. Consider the following statements in relation to Maslow's Need Hierarchy theory:

- I. It divides the needs into 'lower order needs' and 'higher order needs'
- II. 'Lower order needs' are satisfied internally
- III. 'Higher order needs' are satisfied externally
- IV. If one of the needs is substantially satisfied, the next need in the order becomes dominant

Which of the following code is not correct?

- (A) I
- (B) II and III
- (C) IV
- (D) I and IV

35. The Seven Primary characteristics, which make an organization's culture are: innovation and risk taking, attention to detail, outcome orientation, people orientation, team orientation aggressiveness and _____.

- (A) mobility
- (B) sensitivity
- (C) fair treatment
- (D) stability

36. Given below are two statements:

Statement I: E-training provides no assurance that employees have learnt anything.

Statement II: E-training increases flexibility by allowing organisations to deliver materials anywhere and anytime.

In light of the above statements, choose the most appropriate answer from the codes given below:

- (A) Both Statement I and Statement II are correct.
- (B) Both Statement I and Statement II are incorrect
- (C) Statement I is correct and Statement II is incorrect.
- (D) Statement I is incorrect and Statement II is correct.

37. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the codes given below:

Assertion (a): Performance appraisal cannot be done in isolation.

Reason (r): Linkage between performance appraisal and job analysis exists.

- (A) Both (a) and (r) are true and (r) is correct explanation of (a)
- (B) Both (a) and (r) are true but (r) is not correct explanation of (a)
- (C) (a) is true, but (r) is false
- (D) (a) is false, but (r) is true



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38. 360 degree method is associated with :

- (A) Performance appraisal
- (B) Organisational climate
- (C) Employee's morale
- (D) Retrenchment method

39. Given below are two statements:

Statement I: Competency can be defined as the combination of observable and measurable knowledge, skills, abilities, and personal attributes that contribute to enhanced employee performance and ultimately result in organisational success.

Statement II: A successful competency mapping exercise leads to a well-defined competency matrix that sets clear standards for the skills, behaviours, abilities, and knowledge which an organisation requires in its employees and for each job or department.

In light of the above statements, choose the most appropriate answer from the codes given below:

- (A) Both Statement I and Statement II are correct.
- (B) Both Statement I and Statement II are incorrect
- (C) Statement I is correct and Statement II is incorrect
- (D) Statement I is incorrect and Statement II is correct

40. Match List-I and List-II and select the correct answer from the codes given below:

List-I (Concepts)	List-II (Features)
P Collective bargaining	1 It enables continuous learning through the acquisition of both theoretical and practical knowledge.
Q Skill development	2 It encourages individuals to explore and gather information, which enables them to synthesize gain competencies, make decisions, set goals and take action
R Organization development	3 It is a continuous process which aims at establishing stable relationship between the parties involved.
S Career planning	4 It is a critical and science-based process that helps organizations in building their capacity to change and in achieving greater effectiveness by developing, improving, and reinforcing strategies, structures, and processes.

Codes:

	P	Q	R	S
(A)	1	2	3	4
(B)	1	3	4	2
(C)	3	1	4	2
(D)	3	4	2	1



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41. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the code given below:

Assertion (a): Although Giffen good is theoretically possible, it can hardly occur in practice.

Reason (r): Consumption of the people is generally diversified so that people spend a large proportion of their incomes on a single commodity.

- (A) Both (a) and (r) are true and (r) is correct explanation of (a)
- (B) Both (a) and (r) are true but (r) is not correct explanation of (a)
- (C) (a) is true, but (r) is false
- (D) (a) is false, but (r) is true

42. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the codes given below:

Assertion (a): A healthy Work Life Balance (WLB) helps in reducing employee turnover, improving employee engagement, reducing absenteeism due to stress, enhancing

performance and creativity and improving employer brand.

Reason (r): WLB is the individual perception that work and non-work activities are compatible and promote growth in accordance with an individual's current life priorities.

- (A) Both (a) and (r) are true but (r) is correct explanation of (a)
- (B) Both (a) and (r) are true and (r) is not correct explanation of (a)
- (C) (a) is true, but (r) is false
- (D) (a) is false, but (r) is true

43. Budgetary control helps in :

- (A) avoiding or minimising all kinds of financial irregularities
- (B) avoiding or minimising all kinds of administrative irregularities
- (C) avoiding or minimising both financial and administrative irregularities
- (D) avoiding or minimising financial irregularities at the top level of management



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44. Match List-I and List-II and select the correct answer from the codes given below:

Codes:

List-I (Adjustment at the year end for)	List-II (Journal entry includes)
P Providing for depreciation on plant	1 Provision for Taxation Account is credited
Q Creating provision for tax	2 Plant Account is credited
R Creating provision for bad debt	3 Debtors Account is credited
S Accounting of inventory of materials	4 Provision for bad debt account is credited
	5 Purchase/Trading/P & L Account is credited

	P	Q	R	S
(A)	2	1	4	3
(B)	2	3	1	4
(C)	1	3	4	2
(D)	1	2	3	4

46. The following data are available for ABC Ltd:

Codes:

	P	Q	R	S
(A)	2	1	4	5
(B)	2	5	3	1
(C)	2	1	3	5
(D)	1	5	3	2

45. Match List-I and List-II and select the correct answer from the codes given below:

List-I (Ratios)	List-II (Uses)
P Cash profit ratio	1 Measures liquidity
Q Debt-equity ratio	2 Indicates profitability
R Working capital ratio	3 Measures financial risk
S Cash turnover ratio	4 Indicates efficiency in managing the cash

Degree of operating leverage = 2

Degree of financial leverage = 1.5

If the company's sales volume declines by 5%, the percentage change in earnings per share is_____.

- (A) 10%
- (B) 12%
- (C) 15%
- (D) 16%



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47. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the codes given below:

Assertion (a) : Cost of capital implies the opportunity cost (OC) of the funds to be invested in a project where the OC is quantified by the maximum expected rate of return from the next best alternative foregone

Reason (r) : Cost of capital is the minimum rate of return that keeps the market value of a firm unchanged.

- (A) Both (a) and (r) are true and (r) is correct explanation of (a)
- (B) Both (a) and (r) are true but (r) is not correct explanation of (a)
- (C) (a) is true, but (r) is false
- (D) (a) is false, but (r) is true

48. Match List-I and List-II and select the correct answer from the codes given below:

List-I (Attitude Dimension)	List-II (Meaning of Dimension)
P Affective	1 Ratio of positive and negative evaluations that come up
Q Accessibility	2 How a person will act in a certain setting
R Ambivalence	3 Emotions toward a particular object or person
S Behavioural	4 How easily an attitude comes to mind
	5 How strong an attitude can predict how likely it is to affect behaviour

Codes:

	P	Q	R	S
(A)	3	5	2	1
(B)	4	2	3	5
(C)	3	4	1	2
(D)	1	3	2	4



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49. Consider the following statements about ERG theory:

- I. It is propagated by Clayton Alderfer
- II. It is a rework on Maslow's need hierarchy theory
- III. It divides the needs into three core groups
- IV. It argues that the need hierarchy has rigid order

Choose the correct answer from the code given below:

- (A) I and II
- (B) II and III
- (C) III and IV
- (D) IV Only

50. Given below are two statements:

Statement I: Authority is delegated when decision-making power is vested in a subordinate by his superior.

Statement II: Superiors cannot delegate all their authority without, in effect, losing their position to their subordinates.

In light of the above statements, choose the most appropriate answer from the codes given below:

- (A) Both Statement I and Statement II are correct.
- (B) Both Statement I and Statement II are incorrect

(C) Statement I is correct and Statement II is incorrect.

(D) Statement I is incorrect and Statement II is correct.

51. Which of the following is not a category of Balance of Payment?

- (A) Current Account
- (B) Capital Account
- (C) Investment Account
- (D) Financial Account

52. Match List-I and List-II and select the correct answer from the codes given below:

List-I (Name of Leverage)	List-II (Measurement of Leverage)
P DOL	1 <u>% Change in Sales</u> % Change in EPS
Q DFL	2 <u>% Change in EBIT</u> % Change in Sales
R DCL	3 <u>% Change in EPS</u> % Change in EBIT
S Debt-equity ratio	4 Debt / Equity
	5 <u>% Change in EPS</u> % Change in Sales

Codes:

	P	Q	R	S
(A)	1	2	3	4
(B)	2	3	5	4
(C)	2	3	4	5
(D)	3	2	1	4



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53. $C = a + bX$, where, X is unit of output, C is total cost

For $X = 800$, $C = \text{Rs. } 6000$

For $X = 1000$, $C = \text{Rs. } 7000$.

Based on the above information following independent statements are made :

- I. Fixed Cost = Rs. 3000
- II. Variable Cost per unit = Rs. 5
- III. Fixed Cost = Rs. 2000
- IV. Marginal Cost = Rs. Zero
- V. Marginal Cost = Rs. 5

Which of the statements are true in the field of economics?

- (A) I and V
 - (B) II, III and IV
 - (C) II, III and V
 - (D) III and V
54. Which item should be shown first in balance sheet of Indian AS complied companies?
- (A) Assets first
 - (B) Equity first
 - (C) Liabilities first
 - (D) Share capital first

55. Match List-I and List-II and select the correct answer from the codes given below:

List-I (Features of Product Mix)	List-II (Explanations)
P Width	1 Varieties offered for each product in the product line
Q Length	2 Total number of product lines a company carries
R Depth	3 Total number of items in product mix
S Consistency	4 Closeness exhibited by product lines

Codes:

	P	Q	R	S
(A)	2	3	1	4
(B)	1	2	3	4
(C)	3	2	1	4
(D)	1	4	3	2

56. As per GE Nine-Cell matrix, the yellow Zone recommends for formulation and implementation of ____.
- (A) Stability Strategy
 - (B) Expansion Strategy
 - (C) Hold and maintain Strategy
 - (D) Both stability and expansion strategy



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57. Arrange the following steps involved in strategic planning in chronological order. Use the codes given below:

- (i) Develop goals and objectives
- (ii) Assessment of resources
- (iii) Analysis of environment
- (iv) Identification of opportunities and threats
- (v) Formulation of alternative strategies
- (vi) Evaluation of alternative strategies

Codes:

- (A) (i), (ii), (iii), (iv), (v), (vi)
- (B) (i), (ii), (iii), (v), (iv), (vi)
- (C) (i), (iii), (iv), (v), (ii), (vi)
- (D) (iii), (ii), (i), (iv), (v), (vi)

58. Given below are two statements:

Statement I: MCNs, generally, focus more on growth and diversification of products and markets.

Statement II: Non-profit organisation, generally, focus on ideology, social responsibilities, and underlying values rather than revenue maximisation.

In light of the above statements, choose the most appropriate answer from the codes given below:

- (A) Both Statement I and Statement II are correct.
- (B) Both Statement I and Statement II are incorrect
- (C) Statement I is correct and Statement II is incorrect
- (D) Statement I is incorrect and Statement II is correct

59. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the code given below:

Assertion (a): The coefficient of multiple determination reflects the quality of the independent variables for prediction of the dependent variable.

Reason (r): The coefficient of multiple determination indicates the proportion of the variation of the dependent variable explained by the independent variables.

- (A) Both (a) and (r) are true and (r) is correct explanation of (a)
- (B) Both (a) and (r) are true but (r) is not correct explanation of (a)
- (C) (a) is true, but (r) is false
- (D) (a) is false, but (r) is true



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60. Customs arrive at a reception counter at an average interval rate of 10 minutes and receptionist takes an average of 6 minutes for one customer. The average queue length is:

(A) 3/10
(B) 9/10
(C) 11/10
(D) 7/10

61. Given below are two statements:

Statement I: Quartile Deviation (QD) does not take into account the variability of the largest 30 percent or the smallest 30 percent of observations.

Statement II: QD is unaffected by extreme values.

In light of the above statements, choose the most appropriate answer from the codes given below:

(A) Both Statement I and Statement II are correct.
(B) Both Statement I and Statement II are incorrect
(C) Statement I is correct and Statement II is incorrect
(D) Statement I is incorrect and Statement II is correct

62. Match List-I and List-II and select the correct answer from the codes given below:

List-I	List-II
P Quartile deviation	1 Root-mean-square deviation from mean
Q Standard deviation	2 Ratio of standard deviation to arithmetic mean
R Coefficient of variation	3 Affected by extremely high and low values
S Range	4 Semi-interquartile range

Codes:

	P	Q	R	S
(A)	1	2	3	4
(B)	4	2	3	1
(C)	3	1	2	4
(D)	4	1	2	3

63. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the codes given below:

Assertion (a): In tossing a coin, the two events 'Head' and 'Tail' form an exhaustive set.

Reason (r): In tossing the coin, one of these two events necessarily occurs.

(A) Both (a) and (r) are true and (r) is correct explanation of (a)
(B) Both (a) and (r) are true but (r) is not correct explanation of (a)
(C) (a) is true, but (r) is false
(D) (a) is false, but (r) is true



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64. In an examination, two questions A and B are asked. 20% students can solve question A and 5% students can solve both Questions A and B. The probability that students who solved Question A will also solve Question B is :

(A) 0.30

(B) 0.25

(C) 0.50

(D) 0.75

65. Given below are two statements:

Statement I: Partial correlation coefficient varies between +1 and -1.

Statement II: Partial regression coefficient varies between +1 and 0.

In light of the above statements, choose the most appropriate answer from the codes given below:

(A) Both Statement I and Statement II are correct.

(B) Both Statement I and Statement II are incorrect

(C) Statement I is correct and Statement II is incorrect.

(D) Statement I is incorrect and Statement II is correct.

66. Match List-I and List-II and select the correct answer from the codes given below:

	List-I		List-II
P	Symmetry	1	Kendall
Q	Uniformity	2	Yule
R	Association	3	Bowley
S	Z-transformation	4	Fisher

Codes:

	P	Q	R	S
(A)	1	2	3	4
(B)	2	1	4	3
(C)	3	1	2	4
(D)	4	3	1	2



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67. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the codes given below :

Assertion (a) : Regression analysis is unable to ascertain the individual effects of the independent variables when the problem of multicollinearity arises.

Reason (r) : Multicollinearity problem arises when one variable is derived from other variable in the same equation.

- (A) Both (a) and (r) are true and (r) is correct explanation of (a)
- (B) Both (a) and (r) are true but (r) is not correct explanation of (a)
- (C) (a) is true, but (r) is false
- (D) (a) is false, but (r) is true
68. Which one of the following is not a probabilistic sampling technique?
- (A) Simple random sampling
- (B) Stratified sampling
- (C) Snowball sampling
- (D) Multistage sampling
69. From the following list of statements , select those which indicate the functions of IMF:
- (i) IMF acts internationally in a manner similar to that of a local commercial bank.

- (ii) IMF assists in the development of international prosperity by helping members with balance of payments deficits.
- (iii) IMF implements guidelines for international monetary stability.
- (iv) IMF abstains cooperation on international monetary matters.

Choose the correct answer from the codes given below:

- (A) (i) , (ii) and (iii)
- (B) (ii), (iii) and (iv)
- (C) (i), (iii) and (iv)
- (D) (i), (ii), (iii) and (iv)

70. There are only two risky securities in a market: X and Y. Expected return of X is 12% and that of Y is 18%. The SD of returns of X is 9 and that of Y is 15. Which correlation coefficient between the returns of X and Y is perfectly positive?

- (A) Portfolio return should lie between 0% and 12%
- (B) Portfolio Risk (SD) cannot be less than 9
- (C) Portfolio Risk (SD) should lie between 0 and 15
- (D) Portfolio Risk (SD) should lie between 9 and 15



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71. Different Price Points for different levels of quality for Company's Related Products is part of which pricing strategy ?

- (A) Product Line Pricing
(B) Incremental Pricing
(C) Optional Product Pricing
(D) By-Product Pricing

Codes:

	P	Q	R	S
(A)	2	1	5	6
(B)	3	1	5	6
(C)	2	1	3	6
(D)	1	2	3	4

72. A high PV Ratio indicates that:

- (A) The variable cost is high
(B) The profit margin is low
(C) The company has high fixed costs
(D) The company is more profitable per unit of sales

73. Match List-I and List-II and select the correct answer from the codes given below:

List-I (Name of measures under uncertainty)	List-II (Formula)
P CEO (Certainty Equivalent Coefficient)	1 Risk-free return + industry risk premium + project risk premium
Q RADR (Risk Adjusted Discount Rate)	2 Certain CF/Expected CF
R PV applying CE approach	3 $\Sigma \text{ Expected CF} \cdot \text{CEQ} / (1 + k)$, where k is risk free rate of return
S PV applying RADR	4 $\Sigma \text{ Expected CF} / (1 + \text{RADR}) - \text{Cost of Investment}$ 5 $\Sigma \text{ Expected CF} / (1 + k)$, where k is risk free rate of return 6 $\Sigma \text{ Expected CF} / (1 + \text{RADR})$

74. 'Blue box' is a term used under WTO to _____.

- (A) represent certain categories of direct payment to farmers.
(B) limit government expenditure on agriculture.
(C) extend export subsidies on agri-produce.
(D) extend support for export of textile products.

75. The highest body in the decision making process under WTO is :

- (A) General Council
(B) Ministerial Conference
(C) Council for broad area
(D) Subsidiary bodies



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76. Under the WTO regime, G33 refers to a group of _____.

I. Developed countries who are concerned with protecting their agricultural markets from low-priced import competition from industrialized countries and large agri-exporters.

II. Developing and least developed countries who are concerned with protecting their agricultural markets from low-priced import competition from industrialized countries and large agri-exporters.

III. Poorest and least developed countries who are concerned with export of their agricultural produce.

IV. African, Caribbean and Pacific (ACP) countries who maintain strong ties with the European Union to protect their products from low-priced import competition.

Choose the correct option from the code given below:

- (A) I
(B) II
(C) IV
(D) III

77. Match List-I and List-II and select the correct answer from the codes given below:

List-I	List-II
P Real owners of a company are	1 Test marketing
Q The affairs of the company are directed and controlled by	2 Board of Directors
R The acceptability and commercial viability of a new product is ascertained by	3 Strategic outsourcing
S A company may improve its competitive position by	4 Shareholders

Codes:

	P	Q	R	S
(A)	2	3	1	4
(B)	2	4	1	3
(C)	4	2	1	3
(D)	1	2	3	4

78. The concept of 'Strategic Window' was introduced by :

- (A) Michael Porter
(B) Peter Drucker
(C) Gary Hamel
(D) Derek F. Abell



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79. Given below are two statements:

Statement I: Advertising plays a vital role in selling products / services.

Statement II: Sales promotion is incomplete without a good advertising plan.

In light of the above statements, choose the most appropriate answer from the codes given below:

- (A) Both Statement I and Statement II are correct
- (B) Both Statement I and Statement II are incorrect
- (C) Statement I is correct and Statement II is incorrect
- (D) Statement I is incorrect and Statement II is correct

80. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the codes given below:

Assertion (a): Product life cycle gives marketers a better understanding in managing their profitable products and eliminating the unprofitable ones.

Reason (r): In the fourth stage of product life cycle, product sales and profit decline.

- (A) Both (a) and (r) are true and (r) is correct explanation of (a)
- (B) Both (a) and (r) are true but (r) is not correct explanation of (a)
- (C) (a) is true, but (r) is false
- (D) (a) is false, but (r) is true

81. Road blocking advertisement is :

- (A) Advertising a product by blocking a road
- (B) Putting an advertisement on a blocked road
- (C) A technique of gathering potential customers on the road
- (D) Advertising a product heavily on all similar TV/ Radio channels at the same time

82. An online community formed by consumers who share an attachment to a brand is called_____.

- (A) Social Community
- (B) Consumer Community
- (C) Brand Community
- (D) Brand World



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83. Accounting Standards do not permit inventory valuation based on _____.

- (A) FIFO
- (B) LIFO
- (C) Weighted Average Method
- (D) Net Realisable Value

84. As per CAPM model, the required rate of return on a security is:

- (A) Return on Treasury Bonds + Market Risk Premium
- (B) Return of Individual Securities + Beta Premium
- (C) Return of Government Securities + Unsystematic Risk Premium
- (D) Return on Corporate Securities + Systematic Risk Premium

85. Select from the following statements which are true:

- I. Zero Based Budget considers past budgets.
- II. Flexible Budgets consider different capacity levels.

III. Limiting factor budget is an incremental budget.

IV. Key budget is prepared first based on limiting factor.

Choose the correct answer from the codes given below:

- (A) I and II
- (B) II and III
- (C) II and IV
- (D) I and III

86. Material Cost Yield Variance is equal to :

- (A) Standard price per unit $\times$ (Standard quantity of material for actual output - Actual units of output)
- (B) Standard cost per unit of output $\times$ (Standard output for actual quantity - Actual output)
- (C) Standard cost per unit of output $\times$ (Standard quantity of material for actual output- Actual quantity of materials used)
- (D) Standard price per unit of material used $\times$ (Standard output for actual quantity - Actual output)



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87. Given below are two statements:

Statement I: For a Non-financing company, purchase and sale of both financial assets and fixed assets, fall under 'Investing Activities'.

Statement II: For a financing company, payment of both interest and dividend fall under 'Operating Activities'.

Choose the most appropriate answer from the codes given below:

- (A) Both Statement I and Statement II are correct
- (B) Both Statement I and Statement II are incorrect
- (C) Statement I is correct but Statement II is incorrect
- (D) Statement I is incorrect but Statement II is correct

88. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the codes given below:

Assertion (a): As per the Net Income Approach as proposed by David Durand, weighted average cost of capital declines as leverage increases.

Reason (r): Both cost of equity and cost of debt are assumed to be constant.

Codes:

- (A) Both (a) and (r) are true and (r) is correct explanation of (a)
- (B) Both (a) and (r) are true but (r) is not correct explanation of (a)
- (C) (a) is true, but (r) is false
- (D) (a) is false, but (r) is true

89. If owner's equity is Rs. 150,000, fixed charge bearing capital is Rs. 200,000 and degree of financial leverage is 3, trading on equity is _____.

- (A) 3/7
- (B) 7/12
- (C) 7/9
- (D) 8/15



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90. The following data are available for a firm:
- Return on Capital Employed = 12%
- Cost of borrowing net of tax = 9%
- Debt / Equity = 3
- What will be the Trading on Equity and Return on Equity of the firm respectively?
- (A) 9% and 21%
- (B) 21% and 9%
- (C) 3% and 15%
- (D) 15% and 3%
91. There are only two risky securities in a market: X and Y. Expected return of X is 12% and that of Y is 18%. The SD of returns of X is 9 and that of Y is 15. When correlation coefficient between the returns of X and Y is perfectly negative, which of the following statements is true?
- (A) Portfolio return should lie between 0% and 12%
- (B) Portfolio Risk (SD) cannot be less than 9
- (C) Portfolio Risk (SD) should lie between 0 and 15
- (D) Portfolio Risk (SD) should lie between 9 and 15
92. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the codes given below:
- Assertion (a):** All decisions taken through the mental process are rational.
- Reason (r):** Decision making is a mental process.
- (A) Both (a) and (r) are true and (r) is correct explanation of (a)
- (B) Both (a) and (r) are true but (r) is not correct explanation of (a)
- (C) (a) is true, but (r) is false
- (D) (a) is false, but (r) is true
93. A theory which closely corresponds to Herzberg's Two-Factor Theory, particularly its 'motivation' aspect is
- (A) McClelland's Achievement Need Theory
- (B) McGregor's Theory X and Theory Y
- (C) Vroom's Expectancy Theory
- (D) Urwick's Theory Z

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94. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the codes given below:

Assertion (a): Threshold competence is the unique capability that helps an organization in capitalizing upon a particular opportunity.

Reason (r): Core competence of an organization is one of its unique competences which gives that organization a clear competitive advantage over its competitors.

- (A) Both (a) and (r) are true and (r) is correct explanation of (a)
- (B) Both (a) and (r) are true but (r) is not correct explanation of (a)
- (C) (a) is true, but (r) is false
- (D) (a) is false, but (r) is true

95. Given below are two statements, one labelled as Assertion (a) and the other labelled as Reason (r). Read the statements and choose the correct answer from the codes given below:

Assertion (a): Recruitment is positive process while selection is negative process in its application.

Reason (r): Recruitment aims at attracting the job seekers while selection rejects a number of applicants.

Codes:

- (A) Both (a) and (r) are true and (r) is correct explanation of (a)
- (B) Both (a) and (r) are true but (r) is not correct explanation of (a)
- (C) (a) is true, but (r) is false
- (D) (a) is false, but (r) is true



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96. Match List-I and List-II and select the correct answer from the codes given below:

List-I (Personality model)	List-II (Description)
P Emotional Stability	1 Someone who is sociable, gregarious and assertive
Q Openness to experience	2 Someone who is calm, self-confident and secure
R Conscientiousness	3 Someone who is characterized by his imagination, sensitivity and curiosity
S Extraversion	4 Someone who responsible, dependable, persistent and organized

Codes:

	P	Q	R	S
(A)	2	4	3	1
(B)	3	2	1	4
(C)	2	3	4	1
(D)	1	4	3	2

97. Match List-I and List-II and select the correct answer from the codes given below:

List-I (Term)	List-II (Measured as)
P Gross Value Added	1 Gross value added less depreciation
Q Market Value Added	2 Market value of the firm less book value of the firm
R Shareholders Value Added	3 Market value of equity less book value of equity
S Net Value Added	4 Sales-cost of goods and services

Codes:

	P	Q	R	S
(A)	1	2	3	4
(B)	4	2	3	1
(C)	4	3	2	1
(D)	1	3	2	4



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98. Select the retail outlets from the following list:

- I. Factory outlet
- II. Super market
- III. Departmental stores
- IV. Shopping malls
- V. Discount stores

Choose the correct option from the codes given below:

- (A) II, III and IV Only
- (B) II, IV and V Only
- (C) I, II, III, IV and V
- (D) I, II and III Only

99. Green marketing engages itself in :

- I. Adopting sustainable business practices.
- II. Creating eco-friendly products
- III. Implementing eco-friendly packaging

IV. Communicating the environmental benefits of the product.

V. Considering the issues associated with environmental ecology.

Choose the suitable combination of the above mentioned points:

- (A) I, II, III
- (B) I, II, V
- (C) II, III, IV, V
- (D) I, II, III, IV

100. Which of the following is not a step in managing service quality?

- (A) Understanding customer experience and customer expectations.
- (B) Educating the customer about the service.
- (C) Viewing customer as statistics.
- (D) Taking regular feedback from customers.



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