Paper 1: Fundamentals of Economics and Management (FEM)

1. **Which of the following is/ are not an economic resource**

   (a) Land

   (b) Capital

   (c) Labour

   (d) Air

2. **In a mixed economy which sector(s) is/ are found**

   (a) Private Only

   (b) Public sector only

   (c) None

   (d) Both a and b

3. **----------is known as father of economics**

   (a) Adam Smith

   (b) Professor A Samulson

   (c) Alfred Marshall

   (d) J R Hicks

4. **The famous book "An enquiry into the nature and causes of wealth of Nation" was written by –**

   (a) Adam Smith

   (b) Samulson

   (c) Robertson

   (d) JB Say

5. **Which of these statement is true about production possibility curve (PPC/PPF)**

   (a) It shows various combinations of two goods which yield same level of satisfaction

   (b) It shows various combination of two goods which an economy can produce with a given amount of resources

   (c) It shows various combination of two goods which an economy can produce with a given budget

   (d) It shows various combination of two goods which an economy can produce with a given time

6. **PPF is negative sloped due to**

   (a) Scarcity of production resources

   (b) Unlimited wants

   (c) Improvement in technology

   (d) Increasing opportunity cost

7. **The …………………………….. measurement method of national income aggregates all the money spent by private citizens, firms and the government within the year.**

   (a) Expenditure

   (b) Income

   (c) Input

   (d) Saving

8. **Which of the following methods is/are used for measuring national income?**

   (a) Output method

   (b) Expenditure method

   (c) Income method

   (d) All of (a), (b) and (c) above.

9. **Given a reserve ratio of 20% in initial deposit of ₹1000 in a banking system would create secondary deposit of ₹…………..**

   (a) ₹3,000

   (b) ₹5,000

   (c) ₹4,000

   (d) ₹6,000

10. **In which sector of Indian economy will we find a high rate of disguised unemployment?**

    (a) Service sector.

    (b) Agriculture sector.

    (c) Manufacture sector.

    (d) Mining sector.

11. **Which of the following is not a basic function of the management process?**

    (a) Controlling

    (b) Organizing

    (c) Working

    (d) Leading

12. **Vroom and Yetton's contingency model of leadership is based on certain aspects of a leader's decision, they are**
    (a) decision quality
    (b) decision acceptance
    (c) both of the above
    (d) neither of the above

13. **Adair claims that the effectiveness of a leader is dependent upon meeting _____areas of need within the work group.**
    (a) three
    (b) four
    (c) two
    (d) none of the above

14. **Which of the following sources of power are among those identified by French and Raven?**
    (a) Reward power
    (b) Referent power
    (c) Expert power
    (d) All the above

15. **Legitimate power is based on the subordinate's perception that the leader has a right to exercise influence because of the leader's**
    (a) role or position within the organisation
    (b) ability to punish or reward
    (c) personal characteristics and personality
    (d) expertise and knowledge

16. **The five elements in the management process are**
    (a) plan, direct, update, lead, and supervise
    (b) accounting/finance, marketing, operations, and management
    (c) organize, plan, control, staff, and manage
    (d) plan, lead, organize, manage, and control

17. ………………………..Groups have members who have similar presenting problems or are similar in gender, ethnicity, or social background.
    (a) Heterogeneous
    (b) Ideal
    (c) Dynamic
    (d) Homogeneous

18. Role _____ is a conflict between the role an individual has outside the group and the role he or she is expected to have in the group.
    (a) Collision
    (b) Transition
    (c) Confusion
    (d) Incompatibility

19. If a solution to a particular problem is not vital to the functioning of an organization and management is willing to overlook the causes of the conflict, managers may choose to use which type of conflict resolution?
    (a) Confrontation
    (b) Avoidance
    (c) Dominance
    (d) Compromise

20. _____ concluded that managers perform 10 interrelated activities that relate to decision making, using information and interpersonal relationships.
    (a) Mintzberg
    (b) Abraham Maslow
    (c) Robert Owen
    (d) Henri Fayol

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Paper 2: Fundamentals of Accounting (FOA)

1. **Which of the following bases is not appropriate for apportionment of Transport department's cost ?**
   - (a) Crane hours
   - (b) Crane value
   - (c) Truck Mileage
   - (d) Truck value

2. **A company is currently operating at 80% capacity level. The production under normal capacity level is 1,50,000 units. The variable cost per unit is ₹ 14 and the total fixed costs are ₹ 8,00,000. If the company wants to earn a profit of ₹ 4,00,000, then the price of the product per unit should be**
   - (a) ₹ 37.50
   - (b) ₹ 38.25
   - (c) ₹ 24.00
   - **(d)** ₹ 35.00

3. **If the minimum stock level and average stock level of raw material "A" are 4,000 and 9,000 units respectively, find out its reorder quantity.**
   - (a) 8,000 units
   - (b) 11,000 units
   - (c) 10,000 units
   - (d) 9,000 units

4. **The fixed-variable cost classification has a special significance in preparation of :**
   - (a) Flexible Budget
   - (b) Master Budget
   - (c) Cash Budget
   - (d) Capital Budget

5. **The forex component of imported material cost is converted**
   - (a) At the rate on the date of settlement
   - (b) At the rate on the date of transaction
   - (c) At the rate on date of delivery
   - (d) None of the above.

6. **All of the following are features of a relevant cost EXCEPT:**

   (a) They affect the future cost

   (b) They cause an increment in cost

   (c) Relevant cost is a sunk cost

   (d) They affect the future cash flows

7. **While constructing a Break even chart, the gap between sales line and variable cost line shows which of the following?**

   (a) Fixed cost

   (b) Breakeven point

   (c) Contribution margin

   (d) Variable cost

8. **Which of the given cost is NOT required to prepare Cost of Production Report?**

   (a) Period cost

   (b) Material cost

   (c) Labour cost

   (d) Factory overhead cost

9. **The basic concepts related to P & L Account are**

   (a) Realization Concept

   (b) Matching Concept

   (c) Cost Concept

   (d) Both (a) and (b) above

10. **Mr. Rohit, owner of Rohit Furniture Ltd., owns a personal residence that cost ₹ 6,00,000, but has a market value of ₹ 9,00,000. During preparation of the financial statement for the business, the entire value of property was ignored and was not shown in the financial statements. The principle that was followed was**

    (a) The concept of the Business Entity

    (b) The concept of the Cost Principle

    (c) The concept of Going Concern Principle

    (d) The concept of Duality Principle

11. **Which of the following transactions would cause a change in "owners' equity"?**

    (a) Repayment of a Bank Loan

    (b) Payment of Dividends and Unprofitable Operations

    (c) Sale of Land on Credit

    (d) Purchase of Assets and incurrence of Liabilities

12. **ABC Ltd. makes payments to its Sundry Creditors through cheques and the Cash Discount received on these payments is recorded in the Triple-columnar Cash Book. In the event of dishonour of any such cheques, the discount so received should be written back through**

(i) **A debit to discount column of the Cash Book**

(ii) **A credit to discount column of the Cash Book**

(iii) **A credit to bank column of the Cash Book**

(iv) **A debit to Discount Account through Journal Proper**

(v) **A credit to Creditor's Account through Journal Proper**

   (a) Only (i) above

   (b) Only (ii) above

   (c) Both (i) and (iii) above

   (d) Both (iv) and (v) above

13. **Which of the following errors is an error of principle?**

   (a) Total sales figure was taken as ₹ 19,373 instead of ₹ 19,733

   (b) A discount of ₹ 30 allowed to Mr. A was not recorded in the discount allowed account

   (c) Legal charges for acquisition of building for ₹ 500 was entered in the Legal Expenses Account

   (d) ₹ 1,000 received from Mr. X was posted to the credit of Mr. M

14. **Closing stock in the Trial Balance implies that**

   (a) It is already adjusted in the opening stock

   (b) It is adjusted in the Purchase A/c

   (c) It is adjusted in the Cost of Sale A/c

   (d) It is adjusted in the Profit &Loss A/c

15. **Which of the following is an item of capital expenditure?**

   (a) Research and development costs during the year

   (b) Interest on borrowed fund utilized for acquisition of Office Furniture

   (c) Installation charges paid in conjunction with the purchase of Office Equipment

   (d) Monthly rent of a machinery used in the business

16. **Which of these errors affect two or more accounts**

   (a) Errors of complete omission

   (b) Errors of principle

   (c) Errors of posting to wrong account

   (d) All the three

17. **Revenue is generally recognised as being earned at that point of time when**
    (a) sale is effected
    (b) cash is received
    (c) production is completed
    (d) debts are collected

18. **Which of the following is not a cause of difference in balance as per cash book and balance as per bank pass book—**
    (a) Errors in cash book
    (b) Errors in pass book
    (c) Cheques deposited and cleared
    (d) Cheques issued but not presented for payment

19. **The accounting process of gradually converting the unexpired cost of fixed assets into expenses over a series of accounting periods is**
    (a) Depreciation
    (b) Physical deterioration of the asset
    (c) Decrease in market value of the asset
    (d) Valuation of an asset at a point of time

20. **Which of the following is not classified as inventory in the financial statements?**
    (a) Finished goods
    (b) Work-in-process
    (c) Stores and spares
    (d) Advance payments made to suppliers for raw materials

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Paper 3: Fundamentals of Laws and Ethics (FLE)

1. **Section 2(b) defines, "When the person to whom the proposal is made, signifies his assent thereto, the proposal is said to be accepted. A proposal when accepted becomes a/an**

    (a) Contract

    (b) Agreement

    (c) Promise

    (d) Offer

2. **All kinds of obligations between the parties form part of the contract. This statement is**

    (a) True

    (b) False

    (c) Partially true

    (d) None of the above

3. **An acceptance will be revoked at any time before the communication of acceptance is complete against the acceptor, but not afterwards**

    (a) True

    (b) False

    (c) Acceptance once given cannot be revoked

    (d) Acceptance can be revoked at any time

4. **A contract is formed when the acceptor**

    (a) has done something to signify his intention

    (b) makes his mind to do so

    (c) reads the offer

    (d) all the above

5. **When the offers made by two persons to each other containing similar terms of bargain cross each other in post, they are known as**

    (a) Cross offers

    (b) Implied offers

    (c) Direct offers

    (d) Expressed offers

6. **In cases, where a proposal and its acceptance are not made by words and are inferred from the conduct of the parties. They are known as**
   (a) Implied offers
   (b) Expressed offers
   (c) Specific offers
   (d) General offers

7. **When a bill of exchange in sent together with documents of title, the property in goods passes when the buyer.**
   (a) Receives the Bill of Exchange
   (b) Returns the Bill of Exchange
   (c) Accepts the Bill of Exchange
   (d) None of these

8. **If an instrument may be construed either as a promissory note or bill of exchange, it is**
   (a) a valid instrument
   (b) an ambiguous instrument
   (c) a returnable instrument
   (d) none of the above

9. **Prior to the enactment of Indian Partnership Act, 1932 the law on this subject was contained in:**
   (a) Code of Civil Procedure, 1908
   (b) Indian Contract Act, 1872
   (c) Companies Act, 1913
   (d) Negotiable Instruments Act, 1881

10. **A firm in steel business has 15 partners. It wants to include 15 more persons:**
    (a) It can admit 15 more partners.
    (b) It can enter into partnership with a firm consisting of 15 partners in order to enjoy the same effect.
    (c) Both of above
    (d) None of above

11. **A agrees to sell to B a 'hundred tons of oil'. There is nothing whatever to show what kind of oil was intended. The agreement is**
    (a) Valid
    (b) Void for uncertainty
    (c) Voidable
    (d) Illegal

12. **X leaves a firm doing a particular business in Delhi. He agrees with other partners of the firm not to start a similar business as that of the firm in Delhi for 2 yea₹ This agreement is**

    (a) Void

    (b) Valid

    (c) Voidable at X's option

    (d) Invalid

13. **A paid ₹500 to a Government servant to get him a contract for the canteen. The Government servant could not get the contract. Can A recover ₹500 paid by him to the Government servant?**

    (a) yes, the agreement between them is valid and enforceable

    (b) yes, the agreement is not opposed to public policy

    (c) no, the agreement is a voidable agreement and can be avoided by A

    (d) no, the agreement is void

14. **A paid ₹ 500 to a Government servant to get him a contract for the canteen. The Government servant could not get the contract. Can A recover ₹ 500 paid by him to the Government servant?**

    (a) yes, the agreement is opposed to public policy

    (b) no, the agreement is opposed to public policy

    (c) no, the agreement is a voidable agreement and can be avoided by A

    (d) no, the agreement falls under section 23 and hence illegal

15. **An accident report shall be confirmed by the manager by sending a separate report in Form No.18 with details of number of person killed or injured to the inspector of factory within …….. hrs of the accident.**

    (a) 24 hr

    (b) 30hr

    (c) 18 hr

    (d) 12 hr

16. **Which of the following is not connected with employee safety and health?**

    (a) The Factories Act, 1948

    (b) The mines Act,1952

    (c) The payment of Bonus Act, 1965

    (d) The Dock Workers (Safety, Health And Welfare) Act, 1986

17. **First to lay down the guidelines for fixation of Minimum Wages was.............**
    (a) Indian Labour Conference
    (b) England Labour Conference
    (c) London Labour Conference
    (d) American labour Conference

18. **Employees in the railways are entitled of Payment of Wages Act, 1936 who are drawing wages and salaries below ....**
    (a) ₹2000/- a month
    (b) ₹1800/- a month
    (c) ₹1600/- a month
    (d) ₹1400/- a month

19. **............... made it important for businesses to have an ethics code, something in writing about what one ought to do, and what to strive for.**
    (a) The Ethics & Code Conduct Act, 2000
    (b) The Sarbanes-Ethics of Code Conduct Act, 2001
    (c) The Sarbanes-Oxley Act, 2002
    (d) None of above

20. **The issues of ethics faced by HRM include: ....**
    (a) Facilitation payments
    (b) Securities fraud leading to manipulation of the financial markets
    (c) discrimination issues
    (d) All of above

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Paper 4: Fundamentals of Business Mathematics and Statistics (FBMS)

1. If $\frac{1}{2}$ of money of A = $\frac{1}{3}$ rd money of B = $\frac{1}{4}$ of money of C, then the continued ratio of money of A, B and C

   (a) 2 : 3 : 4

   (b) 6: 4 :3

   (c) 4 :3 : 2

   (d) 3 : 2 : 1

2. Two numbers are in the ratio is 5 : 8 and if 6 be subtracted from each of them then the remainders are in the ratio 1 : 2, then the numbers are :

   (a) 15, 12

   (b) 12, 18

   (c) 15, 24

   (d) None of these

3. The mean proportional of 4X and 16X^3 is:

   (a) 10 X ^{2}

   (b) 12 X ^{2}

   (c) 8 X ^{2}

   (d) 64 X ^{4}

4. If $\dfrac{\left(2^{x+1}\right)^{y}.\left(2^{2x}\right).2^{x}}{\left(2^{y+1}\right)^{x}.2^{2y}} = 1$, then the value of y is :

   (a) 0

   (b) 1

   (c) X

   (d) 2 X

5. If $^{2n+1}p_{n-1}$: $^{2n-1}p_{n}$ = 3 : 5, then n :

   (a) 4

   (b) 6

   (c) 5

   (d) None of these

6. **If f(x) = $\dfrac{2x+3}{4x-1}$, then f(x). f($\dfrac{1}{x}$) :**

   (a) 1

   (b) $\dfrac{6x^2+13x+6}{17x-4-4x^2}$

   (c) $\dfrac{6x^2 \quad 13x+6}{4x^2 \quad 4 \quad 17x}$

   (d) None of these

7. **There are two groups in a questions paper; each group contains 7 questions. A candidate has to answer questions but taking not more than 5 from any group. Total number of selections of 9 questions:**

   (a) 1470

   (b) 735

   (c) 145

   (d) None of these

8. **An urn contains 25 tickets from 1 to 7. A person is given chance to draw two tickets one by one. If the tickets number bear the multiple of 7 he wins a gift voucher of 1 10,000. What is the probability that a person will win two gift voucher**

   (a) 1/625

   (b) 3/625

   (c) 6/625

   (d) 5/625

9. **If the ratio of two positive numbers is 7 : 8 and their L. C. M. is 224, then their H. C. F. is :**

   (a) 6

   (b) 8

   (c) 4

   (d) None of these

10. **The distance between two places in a map of 1: 25,00,000 scale is 8 cm. Then the actual distance between the two places is:**

   (a) 200 km

   (b) 300 km

   (c) 100 km

   (d) None of these

11. **The best measure of dispersion is**

    (a) Subjective

    (b) Objective

    (c) Positive

    (d) (a and b)

12. **If standard deviation of x=3, regression equation 8x – 10y + 40 =0, 40x – 30y – 200=0, find the deviation of y**

    (a) 1.29

    (b) 0.8

    (c) 0.7

    (d) 0.9

13. **If the product of two successive number is 5256, find the greatest number**

    (a) 73

    (b) 83

    (c) 84

    (d) 71

14. **The marginal cost function of a TV Remote = 0.5x+30= mc. Find the cost of production of first 200 units.**

    (a) (₹16000)

    (b) (₹14300)

    (c) (₹12500)

    (d) (₹13990)

15. **$\int(logx/x^2)dx$ is equal to ……………..**

    (a) $(-1/x(logx+1)+c$

    (b) $(2x+x(logx)^2-2logx+c)$

    (c) $(2x(logx)^2-2logx+c$

    (d) $((log\ x)^2-2logx^3)$

16. **4 cards are drawn from the deck of 52cards. The probability of all the 4 cards drawn being Heart is ……**

    (a) 11/4165

    (b) 22/4165

    (c) 25/4165

    (d) 0.60

17. **The marginal cost function of a TV Cabinet is given as mc= $x^2/3-2x+500$. The total cost of production of 500 TV cabinet is …………………..**

    (a) (₹125000000)

    (b) (₹425000000)

    (c) (₹13880000 approx)

    (d) (₹12500000)

18. **$\int_{1}^{2} xe^x$ dx is equal to ………………**

    (a) ($2e^2$)

    (b) ($2e^x$)

    (c) (2)

    (d) (e^3)

19. **On addition of 3 to the numerator of a fraction it becomes equal to 1, however if 2 is deducted from the denominator and 1 added to the numerator, the number becomes equal to 1. The number is…………..**

    (a) 6/9

    (b) 3/10

    (c) 5/8

    (d) 11/15

20. **$\int xe^x$dx is equal to ………………...**

    (a) ($e^x(x-1)+c$)

    (b) ($e^x(x)+c$)

    (c) ($e^x(x-2)+c$)

    (d) (e^x+c)

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Paper 1: Fundamentals of Economics and Management (FEM)

Answer:

1.	d	2.	d	3.	a	4.	a	5.	b
6.	a	7.	a	8.	d	9.	c	10.	b
11.	c	12.	c	13.	a	14.	d	15.	a
16.	d	17.	d	18.	a	19.	b	20.	a

Paper 2: Fundamentals of Accounting (FOA)

Answer:

1.	b	2.	c	3.	c	4.	a	5.	b
6.	c	7.	c	8.	a	9.	d	10.	a
11.	b	12.	d	13.	c	14.	b	15.	c
16.	d	17.	a	18.	c	19.	a	20.	d

Paper 3: Fundamentals of Laws and Ethics (FLE)

Answer:

1.	c	2.	b	3.	a	4.	a	5.	a
6.	a	7.	c	8.	b	9.	b	10.	d
11.	b	12.	b	13.	d	14.	d	15.	a
16.	b	17.	a	18.	c	19.	c	20.	c

Paper 4: Fundamentals of Business Mathematics and Statistics (FBMS)

Answer:

1.	a	2.	c	3.	c	4.	d	5.	a
6.	b	7.	c	8.	a	9.	c	10.	a
11.	d	12.	a	13.	a	14.	a	15.	a
16.	a	17.	c	18.	a	19.	a	20.	c