



Paper 1: Fundamentals of Economics and Management (FEM)

1. **The measurement of sensitivity of quantity demand to change in price is called.**
 - (a) Price elasticity
 - (b) Income elasticity
 - (c) Expansion in demand
 - (d) None

2. **If the consumption of a product can be postponed for the time being**
 - (a) The demand for the product will be inelastic
 - (b) The demand for the product will be relatively elastic
 - (c) The demand for the product will be perfectly elastic
 - (d) The demand for the product will be perfectly inelastic

3. **If a dealer is prepared to supply 1000 sets of a 29" Color TV if the price is ₹12,000 per set, however if the price raises to ₹15,000 he is prepared to supply 1,500 pieces. The elasticity of supply of TV set is**
 - (a) 1
 - (b) 2
 - (c) 0.75
 - (d) 1.4

4. **Tea and Coffee are perfect substitute of each other, given the price of Tea and Coffee being ₹100 and ₹200 per Kg. a consumer is prepared to buy 3 Kg. of each. If the price of tea remain same and the price of Coffee rises to ₹400 per kg. the demand for Tea goes to 6 Kg. and that of Coffee falls to 1Kg. The elasticity of substitution between Tea and Coffee is**
 - (a) 1
 - (b) 4
 - (c) 5
 - (d) 3

5. **If a firm shut down at a level when $AVC > Price$, the firm restricts its losses to**
 - (a) Total fixed cost
 - (b) Average fixed cost
 - (c) Variable cost
 - (d) Average variable cost

6. **A monopoly based on sole state ownership of production and distribution network is known as**
 - (a) Natural monopoly
 - (b) Technological monopoly
 - (c) Government monopoly
 - (d) Geographical monopoly

7. **Under perfect market conditions an Industry is said to be in equilibrium where**
 - (a) Total output is equal to total demand
 - (b) Profit is maximum
 - (c) Where the total revenue is maximum
 - (d) Where total average cost is the minimum



- 8. Which of these items are excluded in the computation of National Income under value added method?**
- (a) Own acquired fixed assets by the Government enterprises, Govt. and household
 - (b) Production for self-consumption
 - (c) Imputed rent for own occupied house
 - (d) All the three
- 9. Which of the following statement is true?**
- (a) Value added = total sales + closing stock of finished goods – opening stock of finished goods – total expenditure on raw material – intermediate goods
 - (b) Value added = total sales + closing stock of finished goods and semi finished goods – total expenditure on raw material – intermediate goods
 - (c) Value added = total sales + closing stock of finished goods and semi-finished goods-opening stock of finished goods and semi finished goods-total expenditure on raw material
 - (d) Value added = total sales + closing stock of finished goods and semi finished goods – opening stock of finished goods and semi finished goods – total expenditure on raw material – intermediate goods.
- 10. States that rapid growth of per capita income will be associated with a reduction in poverty.**
- (a) The trickle down theory
 - (b) Multiplier theory
 - (c) Malthus population theory
 - (d) None
- 11. Which one of the following is not the characteristic of Weber's ideal bureaucracy?**
- (a) Specialization of labor
 - (b) Formalization of rules
 - (c) Division of labour
 - (d) Formalization of links authority into a hierarchical structure
- 12. Whose concept states that interpersonal and human relations may lead to productivity**
- (a) Elton Mayo
 - (b) Henry Fayol
 - (c) F.W. Taylor
 - (d) Max Weber
- 13. When objectives are not written down or rarely verbalized, and the planning is general and lacks continuity, which of the following types of planning is used?**
- (a) Environmental planning
 - (b) Economic planning
 - (c) Informal planning
 - (d) Formal planning
- 14. Which of the following are the primary functions of all organizations?**
- (a) operations, marketing, and human resources
 - (b) marketing, human resources, and finance/accounting
 - (c) sales, quality control, and operations
 - (d) research and development, finance/accounting, and purchasing



- 15. Typical differences between goods and services do not include**
- (a) cost per unit
 - (b) ability to inventory items
 - (c) timing of production and consumption
 - (d) knowledge content
- 16. Which of the following is one of the six key elements a manager needs to consider when designing an organization's structure?**
- (a) Job design
 - (b) Work specialization
 - (c) Feminine organization
 - (d) Eliminating chain of command
- 17. An organization that seeks to eliminate the chain of command, have limitless spans of control, and replace departments with empowered teams is called a/an.....**
- (a) Cooperative organization
 - (b) Virtual organization
 - (c) Boundaryless organization
 - (d) Modular organization
- 18. In Herbert Simon's theory, a manager who accepts the first satisfactory solution to a problem has made a _____ decision, while a manager who continues to search for the best possible solution is seeking to find a _____ decision**
- (a) Maximising; satisficing
 - (b) Minimising; maximizing
 - (c) Satisficing; maximising
 - (d) Maximising; minimizing
- 19. According to Abraham Maslow, the most elevated type of need is ____.**
- (a) Self-actualization
 - (b) Physiological
 - (c) Esteem
 - (d) Safety
- 20. In -----leadership, there is a complete centralization of authority in the leader**
- (a) Democratic
 - (b) Autocratic
 - (c) Free rein
 - (d) Bureaucratic



Paper 2: Fundamentals of Accounting (FOA)

1. **Under which of the following concepts are shareholders treated as creditors for the amount they paid on the shares they subscribed to?**
 - (a) Cost Concept
 - (b) Duality Concept
 - (c) Business Entity Concept
 - (d) Since the shareholders own the business, they are not treated as creditors

2. **Accounting does not record non- financial transactions because of**
 - (a) Entity Concept
 - (b) Accrual Concept
 - (c) Cost Concept
 - (d) Money Measurement Concept

3. **Which of the following is an example of Capital Expenditure?**
 - (a) Insurance Premium
 - (b) Taxes and Legal expenses
 - (c) Discount allowed
 - (d) Customs duty on Import of Machinery

4. **If the Petty Cash fund is not reimbursed just prior to year end and an appropriate adjusting entry is not made, then**
 - (a) The petty cash account is to be returned to the company's cashier
 - (b) Expenses are overstated and Cash is understated
 - (c) Cash is overstated and expenses are understated
 - (d) Cash is overstated and expenses are overstated

5. **The entry to record the collection of cash from Sundry Debtors would involve a**
 - (i) Debit to Sundry Debtors**
 - (ii) Debit to Cash Account**
 - (iii) Credit to Sundry Debtors**
 - (iv) Credit to Cash Account**
 - (a) Only (i) above
 - (b) Only (iii) above
 - (c) Both (ii) and (iii) above
 - (d) Both (i) and (iv) above

6. **Which column of Cash Book is never balanced.**
 - (a) Discount Column
 - (b) Cash
 - (c) Bank
 - (d) Petty Cash

7. **Which of the following assets is a fictitious asset**
 - (a) Goodwill A/c
 - (b) Prepaid Rent A/c



- (c) Outstanding Salary A/c
(d) Preliminary expenses A/c
8. **A Bill of Exchange is drawn on 1st April, 2015 payable after 3 months. The due date of the bill is**
(a) 30th June, 2015
(b) 1st July, 2015
(c) 4th July, 2015
(d) 4th August, 2015
9. **A foreign bill of exchange is generally drawn up in —**
(a) Triplicate
(b) Duplicate
(c) Single
(d) Quadruplicate
10. **Which of these is a normal loss —**
(a) Loss in weight due to weather conditions
(b) Shortage during transit
(c) Breakage during handling
(d) Loss in value due to market conditions
11. **Joint Venture with.....(another co-venturer) A/c is a —**
(a) Personal A/c
(b) Nominal A/c
(c) Real A/c
(d) Memorandum A/c
12. **A change in Depreciation Method under AS-6 is treated —**
(a) Change in Accounting Policy
(b) Prior-Period Adjusting
(c) Change in Accounting Standards
(d) All the three
13. **Consider the following data for a company during the month of June 2015**
- | | |
|--|--------------|
| Budgeted hours | 4,000 |
| Standard hours for actual production | 4,400 |
| Maximum possible hours in the budget period | 4,800 |
| Actual hours | 3,800 |
- The activity ratio of the company during the month is**
(a) 111%
(b) 120%
(c) 95%
(d) 117%
14. **Consider the following data pertaining to the production of a company for a particular month :**
- | | |
|--|-------------------|
| Opening stock of raw material | ₹ 11,570 |
| Closing stock of raw material | ₹ 10,380 |
| Purchase of raw material during the month | ₹ 1,28,450 |
| Total manufacturing cost charged to product | ₹ 3,39,165 |



- Factory overheads are applied at the rate of 45% of direct labour cost.
The amount of factory overheads applied to production is**
- (a) ₹ 65,025
(b) ₹ 94,287
(c) ₹ 95,020
(d) ₹ 1,52,624
15. **ABC Ltd. is having 400 workers at the beginning of the year and 500 workers at the end of the year. During the year 20 workers were discharged and 15 workers left the organization. During the year the company has recruited 65 workers. Of these, 18 workers were recruited in the vacancies of those leaving, while the rest were engaged for an expansion scheme. The labour turnover rate under separation method is :**
- (a) 22.20%
(b) 7.78%
(c) 4.00%
(d) 14.40%
16. **A company has budgeted sales of ₹ 48,000, breakeven sales of ₹ 35,000 and actual sales of ₹ 40,000 during a particular period. What will be the margin of safety?**
- (a) ₹ 8,000
(b) ₹ 13,000
(c) ₹ 5,000
(d) ₹ 21,000
17. **The difference between total revenues and total variable costs is known as:**
- (a) Contribution margin
(b) Gross margin
(c) Operating income
(d) Fixed costs
18. **If Cost of goods sold = ₹ 40,000; GP Margin = 20% of sales
Calculate the Gross profit margin.**
- (a) ₹ 32,000
(b) ₹ 48,000
(c) ₹ 8,000
(d) ₹ 10,000
19. **Contribution margin contributes to meet which one of the following options ?**
- (a) Variable cost
(b) Fixed cost
(c) Operating cost
(d) Net profit
20. **At the start of the quarter there were 14,630 workers. 750 employees left during the quarter while 600 joined the organization during the same period. Using the flux method, the labour turnover was:**
- (a) 5.13%
(b) 9.23%
(c) 9.32%
(d) 9.28%



Paper 3: Fundamentals of Laws and Ethics (FLE)

1. **When the consent of a party to a contract has been obtained by undue influence, fraud or misrepresentation, the contract is**
 - (a) Legal
 - (b) Voidable
 - (c) Enforceable
 - (d) None of these

2. **Acceptance is to offer what a lighted match is to a train of gun powder. This statement indicates**
 - (a) Once an offer is accepted it results in binding contract
 - (b) Communication of acceptance is necessary
 - (c) Acceptance must be absolute & unqualified
 - (d) All the above

3. **If the communication is made by an unauthorised person, it does not result in a/an**
 - (a) Contract
 - (b) Agreement
 - (c) Offer
 - (d) Consideration

4. **In a Book depot a catalogue of book enlisting the price of each book and specifying the place where the particular book is available is**
 - (a) An invitation to offer
 - (b) An offer
 - (c) An invitation to visit the book shop
 - (d) None of these

5. **Consider the following statements:**
 1. **There is no difference between the English law and Indian law with regard to acceptance through post.**
 2. **Both under the English law and the Indian law a contract is concluded when the letter of acceptance is posted**
 3. **Under the Indian law when the letter of acceptance is posted it is complete only as against the proposer.**
 4. **It is complete only as against the proposer.**

Which of the above statements is/are correct?

 - (a) 1 and 2
 - (b) 2 alone
 - (c) 3 alone
 - (d) None

6. **An officer enters into a contract with his subordinate to sell his (subordinate's) house at a lower price than the market price. The subordinate may challenge the contract on the ground of**
 - (a) Coercion
 - (b) Undue influence
 - (c) Mistake
 - (d) Misrepresentation



7. **A borrows ₹ 5,000 from B to purchase a revolver to shoot C. Can B recover his loan of ₹ 5,000, assuming that B knows the purpose of the loan.**
- (a) yes, the agreement between them is valid and enforceable
 - (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
8. **Which one of the following does not connote 'goods' as defined in the Sale of Goods Act.**
- (a) money
 - (b) animals
 - (c) debt
 - (d) both 'a' and 'c'
9. **Which of the following is/are not included in the meaning of 'goods' as defined in the Sale of Goods Act.**
- (a) stocks and shares
 - (b) actionable claims
 - (c) legal tender money
 - (d) both 'b' and 'c'
10. **Where there is a contract for the sale of.....goods, no property in the goods is transferred to the Buyer, unless and until the goods are ascertained.**
- (a) Future
 - (b) Unascertained
 - (c) Contingent
 - (d) Specific
11. **The term 'partnership' has been defined under.....of the Partnership Act, 1932:**
- (a) Section 3
 - (b) Section 4
 - (c) Section 5
 - (d) Section 6
12. **A partnership formed for the purpose of carrying on particular venture or undertaking is known as:**
- (a) Limited partnership
 - (b) Special partnership
 - (c) Joint Venture
 - (d) Particular partnership
13. **A bill of exchange contains a/an**
- (a) unconditional undertaking
 - (b) unconditional order
 - (c) conditional undertaking
 - (d) conditional order



- 14. 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
- 15. In case of fatal accident occurred inside the factory, a separate accident report shall be send to the district magistrate in Form No.**
- (a) 16
 - (b) 12
 - (c) 18
 - (d) 14
- 16. Which of the following involves redesigning of equipment, machinery and material for the safe performance of the jobs?**
- (a) Safety engineering
 - (b) Safety campaigns
 - (c) Safety committee
 - (d) Safety training
- 17. Define an employee under section 2 (13).....**
- (a) Person employed with salary exceeding ₹ 3500
 - (b) Person employed with salary exceeding ₹ 4500
 - (c) Person employed with salary exceeding ₹ 3000
 - (d) Person employed with salary exceeding ₹ 4000
- 18. In case of employee covered under the ESI, the accident report shall be sent in Form No. to Local office of the ESI to which the company attached**
- (a) Form No. 18
 - (b) Form No. 18A
 - (c) Form No. 25
 - (d) Form No. 16
- 19. The Sarbanes-Oxley Act of 2002 made it important for businesses to have an -**
- (a) Ethics code
 - (b) Code of conduct
 - (c) Code of practice
 - (d) Business ethics
- 20.is about obeying and adhering to rule and authority.**
- (a) Ethics
 - (b) Code
 - (c) Conduct
 - (d) Compliance



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

1. If the ratio of two positive numbers is 4 : 5 and their L. C. M. is 140, then the numbers are :
 - (a) 28, 35
 - (b) 28, 40
 - (c) 35, 45
 - (d) none of these
2. A fraction which bears the same ratio to $\frac{1}{27}$ that $\frac{3}{11}$ does to $\frac{5}{9}$ is
 - (a) $\frac{1}{55}$
 - (b) 55
 - (c) $\frac{1}{11}$
 - (d) $\frac{3}{11}$
3. If $y = x^{\frac{1}{3}} - x^{-\frac{1}{3}}$, then $Y^3 + 3y$:
 - (a) $x - \frac{1}{x}$
 - (b) $x + \frac{1}{x}$
 - (c) $\frac{1}{x} - x$
 - (d) None of these
4. $\frac{\sqrt{3}}{\sqrt{7+\sqrt{11}}} - \frac{2\sqrt{7}}{\sqrt{11+\sqrt{3}}} - \frac{\sqrt{11}}{\sqrt{3+\sqrt{7}}}$
 - (a) 0
 - (b) $2\sqrt{7} + \sqrt{3} - \sqrt{11}$
 - (c) 21
 - (d) None of these
5. If $b \propto a^3$ and a increases in the ratio 3: 2, then b increases in the ratio:
 - (a) 8 : 27
 - (b) 27 : 8
 - (c) 2 : 3
 - (d) None of these



6. If $|x-1+3i| = 3\sqrt{2}$ then x:
- (a) 4,-2
 - (b) -4,2
 - (c) 4,2
 - (d) None of these
7. There are 11 distinct books. Among them 6 books can be arranged in a shelf. The number of arrangements so that 3 particular books will be always side by side is:
- (a) 2,016
 - (b) 8,064
 - (c) 144
 - (d) None of these
8. If ${}^8C_r - {}^7C_3 = {}^7C_2$, then r :
- (a) 3
 - (b) 4
 - (c) 2
 - (d) 6
9. If the mode, variance and coefficient of skewness of a frequency distribution are 100, 16 and 6 respectively then mean of the distribution is
- (a) 124
 - (b) 76
 - (c) 108
 - (d) None of these
10. Out of 100 observations 25 observations have the value 1 and rest of the observations are zero. The standard deviation of 100 observations is
- (a) $\frac{\sqrt{3}}{2}$
 - (b) $\frac{3}{2}$
 - (c) $\frac{\sqrt{3}}{4}$
 - (d) None of these
11. If 1, 2, 3, 4 occur with respective frequencies 1,2,3,4 then their arithmetic mean is
- (a) 7.5
 - (b) 2.5
 - (c) 3
 - (d) None of these



12. Median is

- (a) Average point
- (b) Midpoint
- (c) Most likely point
- (d) Most remote point

13. Mode is the value which

- (a) Is a mid point
- (b) Occur the most Likely
- (c) Average of all
- (d) Most remote

14. Find the Arithmetic mean weight of the students from the following details:

| Weight | 65kg. | 66kg. | 69kg. | 72kg. | 73kg. |
|-----------------|-------|-------|-------|-------|-------|
| No. of students | 5 | 6 | 4 | 5 | 5 |

- (a) 66 kg.
- (b) 67 kg.
- (c) 68 kg
- (d) 68.88kg

15. If regression coefficient between x and y is $1/3$, y on x is $-3/4$, the coefficient of correlation between x and y is.....

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

16. If coefficient of correlation between x and y is 0.6, standard deviation of x is 4, standard deviation of y=1.33, Mean of X is 15, and Mean of Y = 10, the regression line of x on y is.....

- (a) $x=0.1.3Y+5.6$
- (b) $x=0.125Y + 10$
- (c) $x=0.6Y+9$
- (d) $x=0.3Y-8$

17. In 2015 the consumer price index was 210, if the purchasing power of money in 2015 was 1.4 times of 2015 the consumer price index in 2010 will be

- (a) 150
- (b) 175
- (c) 122
- (d) 145

18. Which of the following method of constructing index number satisfies time reversal test ?

- (a) Laspeyres index
- (b) Fishers Ideal index
- (c) Paasches index
- (d) All the three



19. Income distribution of Industrial workers of a city follows normal distribution pattern with a mean wages of ₹ 600 p.m., standard deviation of ₹50. 228 workers have monthly income more than ₹700 p.m. The total number of industrial workers in the city are

- (a) 5,000
- (b) 10,000
- (c) 8,750
- (d) 7,500

20. The middle most value of a frequency distribution table is known as

- (a) Mean
- (b) Median
- (c) Mode
- (d) Range

Paper 1: Fundamentals of Economics and Management (FEM)

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

Paper 2: Fundamentals of Accounting (FOA)

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



Paper 3: Fundamentals of Laws and Ethics (FLE)

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

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

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

