



## **Paper 1: Fundamentals of Economics and Management (FEM)**

1. **The famous book “An enquiry into the nature and causes of wealth of Nation” was published in-**
  - (a) 1776
  - (b) 1750
  - (c) 1850
  - (d) 1886
  
2. **The central problem of how to produce is resolved by**
  - (a) Demand and supply of factor inputs
  - (b) Demand and supply of goods
  - (c) Relative prices and availability of factors of production
  - (d) Government intervention
  
3. **GDP at market price exceeds GDP at factor cost by the amount of revenue raised through .....**
  - (a) Direct taxes
  - (b) Indirect taxes
  - (c) Income tax
  - (d) Tax on rents
  
4. **Unemployment that arises when there is a general downturn in business activity is known as**
  - (a) Frictional unemployment
  - (b) Structural unemployment
  - (c) Cyclical unemployment
  - (d) Disguised unemployment
  
5. **In the long run a firm in perfect competition earns**
  - (a) Normal profit only
  - (b) Abnormal profit
  - (c) Average profit of past five years
  - (d) 12.33% profit on capital employed
  
6. **The practice of selling same product to different persons at different price is called**
  - (a) Price discrimination
  - (b) Price rigging
  - (c) Price manipulation
  - (d) Price Justification
  
7. **Cost push inflation arises due to**
  - (a) Persistent rise in factor cost
  - (b) Mismatch between demand and supply of commodities
  - (c) Combine phenomena of demand pull and cost-push inflation.
  - (d) Increase in price of precious metal



8. **Given the supply quantity which is fixed an increase in aggregate demand will have direct impact on**
- (a) Increase in GDP
  - (b) Inflationary pressure
  - (c) Greater employment opportunity
  - (d) More equitable distribution of income and wealth
9. **If RBI sucks excess money into circulation this will effect**
- (a) M1
  - (b) M2
  - (c) Both
  - (d) None
10. **Repo Market means**
- (a) A money market instrument which helps in collateral short term borrowing and lending through sale and purchase operation in debt instrument
  - (b) A money market instrument which helps in collateral long term borrowing and lending through sale and purchase operation in debt instrument
  - (c) A money market instrument which helps in collateral short term lending through sale and purchase operation in debt instrument
  - (d) A money market instrument which helps in collateral short term borrowing through sale and purchase operation in debt instrument
11. **Frederick Taylor and Frank and Lillian Gilbreth were advocates of an approach to management involving the use of scientific method, known as:**
- (a) The quantitative approach.
  - (b) Management science.
  - (c) Scientific management.
  - (d) The contingency approach.
12. **Who proposed "bureaucratic structure" is suitable for all organization**
- (a) Elton Mayo
  - (b) Henry Fayol
  - (c) F.W. Taylor
  - (d) Max Weber
13. **Planning is often called the primary management function because it:**
- (a) Offers some basis for future decision making
  - (b) Creates the vision for the organizational members
  - (c) Establishes the basis for all the other functions
  - (d) Sets the tone for the organizational culture
14. **The organization that has developed the capacity to continuously learn, adapt, and change is called:**
- (a) Virtual organization
  - (b) Learning organization
  - (c) Traditional organization
  - (d) Bureaucratic organization



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15. **The Action Centred Leadership model was put forward and developed in 1973 by whom?**
- (a) Beer
  - (b) Taylor
  - (c) Adair
  - (d) Fiedler
16. **The Human Relations approach has led to ideas on increasing production through**
- (a) the need for rules and procedures
  - (b) the rational-economic approach to motivation
  - (c) humanising the work organization
  - (d) all of the above
17. **Various moderating variables determine whether a manager will act in an ethical or unethical manner. Which of the following individual characteristics indicates the degree to which people believe they are masters of their own fate?**
- (a) Perception
  - (b) Value
  - (c) Attitude
  - (d) Locus of Control
18. **If Coca-Cola wished to examine its general environment before constructing its business strategy, the company would explore all of the following environments except**
- (a) Sociocultural
  - (b) Knowledge
  - (c) Global
  - (d) Economic
19. **Which of the following methods is/are used to solve intergroup conflicts indirectly**
- (a) Avoidance
  - (b) Encouragement
  - (c) Bargaining
  - (d) All of these
20. **The managers of a multinational company are located in France, India, Brazil, and the United States. Which decision-making technique seems most reasonable for this organization?**
- (a) A postal service interaction
  - (b) A brainstorming session
  - (c) A nominal discussion
  - (d) An electronic meeting



## Paper 2: Fundamentals of Accounting (FOA)

1. **Which of the following is (are) characteristic(s) of Bad Debt?**
  - (a) It is a definite loss to the business
  - (b) It must be shown in Profit & loss account
  - (c) No provision is necessary for it
  - (d) All of the given options
  
2. **X Ltd., purchased goods for ₹ 5 lakh and sold 9/10<sup>th</sup> of the value of goods for ₹ 6 lakh. Net expenses during the year were ₹ 25, 000. The company reported its net profit as ₹ 75,000. Which of the following concept is violated by the company?**
  - (a) Realization
  - (b) Conservation
  - (c) Matching
  - (d) Accrual
  
3. **Goods returned from X is entered as**
  - (a) Debit X A/c; Credit Purchase Return A/c
  - (b) Debit X A/c; Credit Cash A/c
  - (c) Debit Sales Return A/c; Credit X A/c
  - (d) Debit X A/c; Credit Sales A/c
  
4. **Which of the following statements is/are true?**
  - (i) Cash Book records all cash receipts and cash payments
  - (ii) Cash Book records all sale and purchase transactions of goods both in cash and on credit
  - (iii) Cash Book records discount on Cash Payments
  - (a) Only (i) above
  - (b) Only (ii) above
  - (c) Only (iii) above
  - (d) Both (i) and (iii) above
  
5. **XYZ Ltd. Paid wages of ₹ 8,000 for erection of machinery. The journal entry for the transaction is**
  - (a) Debit wages and credit cash
  - (b) Debit machinery and credit cash
  - (c) Debit wages and credit erection charges
  - (d) Debit machinery and credit erection charges
  
6. **Which of the following statements is false?**
  - (a) When the bank column of a Cash Book shows a credit balance, it means an amount is due to the bank
  - (b) When Pass Book shows a debit balance, it means overdraft as per Pass Book
  - (c) While preparing Bank Reconciliation Statement, cheques paid into bank but not yet cleared are deducted from the Debit balance as per Cash Book to arrive at the balance as per Pass Book
  - (d) A Bank Reconciliation Statement is a part of Pass Book



7. **Benefits of preparing Bank Reconciliation Statement includes —**  
(a) It bring out any errors committed in preparation of Cash book / Bank Pass Book  
(b) Highlights under delay in clearance of cheques deposited but not credited  
(c) Help know actual bank balance  
(d) All the three
8. **Which of the following statements best describes the purpose of depreciation?**  
(a) Regular reduction of asset value to correspond to changes in market value as the asset ages  
(b) A process of correlating the market value of an asset with its gradual decline in physical efficiency  
(c) Allocation of cost in a manner that will ensure that Plant and Equipment items are not carried on the Balance Sheet in excess of net realizable value  
(d) Allocation of the cost of an asset to the periods in which services are received from the asset
9. **The portion of the acquisition cost of the asset yet to be allocated is known as**  
(a) Written down value  
(b) Accumulated value  
(c) Salvage value  
(d) Residual Value
10. **Which of the following statements is true with regard to written down value method of depreciation?**  
i. **The rate at which the asset is written off reduces year after year**  
ii. **The amount of depreciation provided reduces from year to year**  
iii. **The rate of depreciation as well as the amount of depreciation reduce year after year**  
iv. **The value of the asset gets reduced to zero over a period of time**  
(a) Only (i) above  
(b) Only (ii) above  
(c) Both (i) and (ii) above  
(d) (i), (ii) and (iii) above
11. **Sudhir of Simla consigned 100kg of vegetables to D of Delhi for ₹ 1500. He spent ₹ 75 on transportation. 10kg were found stolen during transit and of the remaining 85 kg were sold for ₹ 1675. Find the value of closing stock.**  
(a) ₹ 87.50  
(b) ₹ 78.75  
(c) ₹ 80.00  
(d) ₹ 90.00
12. **A is entitled to 10% partner's commission before charging such commission. Find the commission payable to A if the net profit before charging such commission amounted to ₹ 60,000**  
(a) ₹ 5,900  
(b) ₹ 6,000  
(c) ₹ 5,000  
(d) ₹ 5,050



13. If the asset turnover and profit margin of a company are 1.85 and 0.35 respectively, the return on investment is
- (a) 0.65
  - (b) 0.35
  - (c) 1.50
  - (d) 5.29
14. Sale for two consecutive months, of a company are ₹ 3,80,000 and ₹ 4,20,000. The company's net profits for these months amounted to ₹ 24,000 and ₹ 40,000 respectively. There is no change in contribution/sales ratio or fixed costs. The contribution/sales ratio of the company is
- (a)  $1/3$
  - (b)  $2/5$
  - (c)  $1/4$
  - (d) None of the above
15. Horizon Ltd. Manufactures product BM for last 5 years. The company maintains a margin of safety of 37.5% with overall contribution to sales ratio of 40%. If the fixed cost is ₹ 5 lakh, the profit of the company is
- (a) ₹ 24.00 laks
  - (b) ₹ 12.50 lakh
  - (c) ₹ 3.00 lakh
  - (d) None of A, B, C
16. When production is below standard specification or quality and cannot be rectified by incurring additional cost, it is called
- (a) Defective
  - (b) Spoilage
  - (c) Waste
  - (d) Scrap
17. Buyer produced 20,000 units and their total factory cost was ₹ 450,000, other cost like property tax on factory building was ₹ 10,000 included in that cost till year ended the cost of per unit would be:
- (a) ₹ 22.5
  - (b) ₹ 23.5
  - (c) ₹ 24.5
  - (d) ₹ 26.5
18. If labor is satisfied with high wages it may ultimately lead to:
- (a) Increased production and productivity
  - (b) Increased efficiency
  - (c) Reduced labor and overhead costs
  - (d) All of the given options
19. Which of the following is a mechanical device to record the exact time of the workers?
- (a) Clock Card
  - (b) Store Card
  - (c) Token System
  - (d) Attendance Register



20. **When a manufacturing Company has highly automated manufacturing plant producing many different products, the most appropriate basis for applying FOH cost to work in process is:**
- (a) Direct labor hours
  - (b) Direct labor costs
  - (c) Machine hours
  - (d) Cost of material used

### **Paper 3: Fundamentals of Laws and Ethics (FLE)**

1. **An agreement created by words spoken or written is called**
- (a) express agreement
  - (b) execute agreement
  - (c) implied agreement
  - (d) voidable agreement
2. **Under the English law which of the following are recognized as formal contract**
- (a) Recognizance
  - (b) Contract under seal
  - (c) Parol contracts
  - (d) Both (a) and (b)
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. **Which section of Law of Contract defines, "A proposal may be revoked at anytime, before the communication of its acceptance is complete as against the proposer, but not afterwards."**
- (a) Section 5
  - (b) Section 4
  - (c) Section 6
  - (d) Section 7
5. **When parties enter into a contract on telephone the contract becomes complete at the place where acceptance is heard by the proposer. This has been provided**
- (a) In no section of Indian Contract Act but so decided by the Supreme Court
  - (b) In section - 2
  - (c) In section - 3
  - (d) In section - 4



6. **M is a minor, B, the borrower, approaches M for a loan on the basis of a mortgage of the house owned by B. Hence, M advances the money and B executed a mortgage in favour of M, a minor. In these circumstances**
- (a) The mortgage is not enforceable by M, because he is a minor
  - (b) The mortgage is enforceable but only when he attains majority
  - (c) The mortgage is enforceable by M even though he is minor
  - (d) None of these
7. **A, B and C jointly promise to pay ₹ 3,000 to X. In the absence of express agreement to the contrary, X can bring an action against:**
- (a) Any two of them only
  - (b) All of them together
  - (c) Any one of them, at this choice
  - (d) Either (b) or (c)
8. **Where under a contract of sale the property in goods is transferred from the seller to the buyer, the contract is called.**
- (a) an agreement to sell
  - (b) a sale
  - (c) both 'a' and 'b'
  - (d) either 'a' or 'b'
9. **Where there is a contract for the sale of specific goods, and the goods perish before the making of contract, without the knowledge of the seller, the contract is**
- (a) voidable at the option of the buyer
  - (b) void
  - (c) illegal
  - (d) unenforceable
10. **When will breach of condition be treated as breach of warranty only?**
- (a) when the contract is severable and buyer accepts the goods in full.
  - (b) when the contract is indivisible and the buyer accepts the goods in full or part.
  - (c) Either 'a' or 'b'
  - (d) Both 'a' and 'b'
11. **The relation of partnership arises from contract and not from status and in particular the Indian Partnership Act does not apply to the family business carried on by:**
- (a) Cutchi-Memons
  - (b) Christians
  - (c) Burmese Buddhist husband and wife
  - (d) Mohammedans
12. **Where the maximum number of partners in a firm carrying on banking business exceeds ten and in any other firm exceeds twenty, then the partnership becomes a:**
- (a) Unlawful partnership
  - (b) Illegal association
  - (c) Limited liability partnership
  - (d) Large partnership





- 13. The term 'negotiation' in section 14 of the Negotiable Instruments Act, 1881 refers to**
- (a) the transfer of a bill of exchange, promissory note or cheque to any person, so as to constitute the person the holder thereof
  - (b) the payment by a bank on a negotiable instrument after due verification of the instrument
  - (c) the bargaining between the parties to a negotiable instrument
  - (d) all of the above
- 14. If a minor draws, endorses, delivers or negotiates an instrument, such instrument binds**
- (a) all parties to the instrument including the minor
  - (b) only the minor and not other parties to the instrument
  - (c) all parties to the instrument except the minor
  - (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.18 within ..... hrs**
- (a) 8 hours
  - (b) 10 hours
  - (c) 12 hours
  - (d) 14 hours
- 16. Minimum wages are not to be fixed in an industry which employs less then how many employees in the entire state?**
- (a) 800
  - (b) 900
  - (c) 1000
  - (d) 1100
- 17. Under E.S.I. employee's contribution .....**
- (a) 0.0150
  - (b) 0.0165
  - (c) 0.0175
  - (d) 0.0195
- 18. The occupier fails to take remedial actions against apprehension of imminent danger to lives or health of the workers (41H), shall liable for punishment which may extended to an imprisonment upto 7 years, fine upto ₹2 lacs or both.**
- (a) 5 years, ₹25,000
  - (b) 2 years, ₹1,00,000
  - (c) 7 Years, ₹2,00,000
  - (d) 10 years, ₹1,00,000
- 19. Business Ethics is a code of conduct which society should follow while conducting their social activities.**
- (a) True
  - (b) False
  - (c) Partly true
  - (d) None of above



20. Government has placed certain awards like Indira Gandhi Paryavaran Puruskar; the Indira Gandhi Priyadarshini Award for those individuals who carry on ..... in India.
- (a) Profitable business
  - (b) Ethical business
  - (c) Good corporate governance
  - (d) All of above

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

1. The ratio of two numbers is 2: 3. If 6 is subtracted from the second number then the number which is subtracted from the first number so that the new ratio becomes the same as that of the previous, is
- (a) 2
  - (b) 6
  - (c) 8
  - (d) 4
2. The third proportional to 0.36 and 0.48 is:
- (a) 0.64
  - (b) 0.1728
  - (c)  $24\sqrt{.0003}$
  - (d) None of these
3. If  $f(x) = 2^x$ , then  $f(\log_2 x)$ :
- (a)  $\log_2 2$
  - (b) 0
  - (c) 1
  - (d) x
4. If  $2x-3y=1$ ,  $x-\frac{1}{3y}=-1$ , then x and y are.....
- (a) (2,1)
  - (b) (1,-2)
  - (c) (-1,2)
  - (d) (0,2)
5. At what point the given function is discontinuous  $f(x) = (x^2 + 6x + 9) / (x^2 - 9)$
- (a) (3)
  - (b) (2)
  - (c) (+ 1)
  - (d) (-1)



6. At what point the given function is discontinuous If  $f(x) = \frac{3x^2 + 5x + 1}{x^3 + x^2 + x + 1} =$
- (a) (3)  
(b) (5)  
(c) (1)  
(d) (-1)
7.  $\lim_{x \rightarrow 3} (x^3 - 4) / (x + 1)$  is equal to
- (a) 4/23  
(b) (b) 2/23  
(c) (c) 1/8  
(d) (d) 23/4
8.  $\lim_{x \rightarrow 2} (x^3 + 2) / (x^2 - 1)$  is equal to
- (a) 11  
(b) (b) 12  
(c) (c) 23  
(d) (d) 10/3
9. The best measure of dispersion is
- (a) Subjective  
(b) (b) Objective  
(c) (c) Positive  
(d) (d) (a and b)
10. If the sum of deviations of a number of observations about 4 is 30 and that about 3 is 40. Then mean of the observations is
- (a) 7  
(b) (b) 10  
(c) (c) 11  
(d) (d) None of these
11. What is the coefficient of regression of X on Y from the following information  
 $\sigma_x = 5$      $\bar{Y} = 32$      $\bar{X} = 25$ ,  $r = 0.64$ . Standard deviation of Y = 32
- (a) 0.50  
(b) 0.70  
(c) 0.618  
(d) 0.65



12. What is the regression coefficient  $b_{xy}$  from the following details  
 $X = 0.64y + 19.10$  ;  $Y = x + 5.25$
- (a) 0.85
  - (b) 0.64
  - (c) 0.98
  - (d) 1
13. Which index satisfies factor reversal test ?
- (a) Laspeyres index
  - (b) Fishers Ideal index
  - (c) Paasches index
  - (d) Simple Aggregate average index
14. To check the accuracy of index by shifting the base year, which test is used ?
- (a) Circular test
  - (b) Time reversal test
  - (c) Unit test
  - (d) None
15. Horizontal bar diagrammed is used for
- (a) Qualitative data
  - (b) Quantitative data
  - (c) Both
  - (d) None
16. For time series data..... is used
- (a) Bar diagram
  - (b) Vertical diagram
  - (c) Pie chart
  - (d) Line diagram
17. Harmonic means of the series 1, 3, 5, 7, 9 is .....
- (a)  $1575/563$
  - (b)  $325/75$
  - (c)  $88/320$
  - (d)  $90/300$
18. In a binomial distribution mean and mode are equal only when
- (a)  $P=0.5$
  - (b)  $p=0.9$
  - (c)  $q=0.1$
  - (d) all the situations



19. A pair of dice is thrown. The probability of getting a total of 8 is .....
- (a)  $\frac{2}{26}$
  - (b)  $\frac{1}{4}$
  - (c)  $\frac{1}{3}$
  - (d)  $\frac{5}{36}$
20. 4 cards are drawn from the deck of 52 cards. The probability of all the 4 cards drawn being Heart is .....
- (a)  $\frac{11}{4165}$
  - (b)  $\frac{22}{4165}$
  - (c)  $\frac{25}{4165}$
  - (d) 0.60

### Paper 1: Fundamentals of Economics and Management (FEM)

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

### Paper 2: Fundamentals of Accounting (FOA)

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



**Paper 3: Fundamentals of Laws and Ethics (FLE)**

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

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

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