

071/21

Question Booklet Alpha Code

A

	Question Booklet Sl. No.
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A

Total Number of Questions : 100

Time : 75 Minutes

Maximum Marks : 100

**INSTRUCTIONS TO CANDIDATES**

1. The Question Paper will be given in the form of a Question Booklet. There will be four versions of Question Booklets with Question Booklet Alpha Code viz. **A, B, C & D**.
2. The Question Booklet Alpha Code will be printed on the top left margin of the facing sheet of the Question Booklet.
3. The Question Booklet Alpha Code allotted to you will be noted in your seating position in the Examination Hall.
4. If you get a Question Booklet where the alpha code does not match to the allotted alpha code in the seating position, please draw the attention of the Invigilator **IMMEDIATELY**.
5. The Question Booklet Serial Number is printed on the top right margin of the facing sheet. If your Question Booklet is un-numbered, please get it replaced by new Question Booklet with same alpha code.
6. The Question Booklet will be sealed at the middle of the right margin. Candidate should not open the Question Booklet, until the indication is given to start answering.
7. Immediately after the commencement of the examination, the candidate should check that the Question Booklet supplied to him/her contains all the 100 questions in serial order. The Question Booklet does not have unprinted or torn or missing pages and if so he/she should bring it to the notice of the Invigilator and get it replaced by a complete booklet with same alpha code. This is most important.
8. A blank sheet of paper is attached to the Question Booklet. This may be used for rough work.
9. **Please read carefully all the instructions on the reverse of the Answer Sheet before marking your answers.**
10. Each question is provided with four choices **(A), (B), (C)** and **(D)** having one correct answer. Choose the correct answer and darken the bubble corresponding to the question number using Blue or Black Ball Point Pen in the OMR Answer Sheet.
11. **Each correct answer carries 1 mark and for each wrong answer 1/3 mark will be deducted. No negative mark for unattended questions.**
12. No candidate will be allowed to leave the examination hall till the end of the session and without handing over his/her Answer Sheet to the Invigilator. Candidates should ensure that the Invigilator has verified all the entries in the Register Number Coding Sheet and that the Invigilator has affixed his/her signature in the space provided.
13. Strict compliance of instructions is essential. Any malpractice or attempt to commit any kind of malpractice in the Examination will result in the disqualification of the candidate.



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1. Principle of 'Parity of Authority and Responsibility' is related to
  - A) Delegation
  - B) Decentralization
  - C) Divisionalization
  - D) Autonomy
2. Which one of the following is not a form of organization ?
  - A) Line organization
  - B) Staff organization
  - C) Functional organization
  - D) Committee form of organization
3. Which is not coming under the management function ?
  - A) Planning
  - B) Organising
  - C) Controlling
  - D) Co-operation
4. In Line and Staff organization, the authority lies in
  - A) Line
  - B) Staff
  - C) Both Line and Staff
  - D) None of the above
5. Repeated use plans or standing plans include
  - A) Objectives and policies
  - B) Procedures and methods
  - C) Rules
  - D) All of the above
6. The effective principles of direction does not include
  - A) Harmony of objectives
  - B) Effective leadership
  - C) Effective motivation
  - D) Personality
7. A concept about to achieve the pre-determined goal is called
  - A) Control
  - B) Evaluation
  - C) Planning
  - D) Direction
8. Which of the following is not technique of control ?
  - A) Budget
  - B) Disciplinary action
  - C) Policy
  - D) Praise
9. The element which is not the part of direction is
  - A) Supervision
  - B) Leadership
  - C) Motivation
  - D) Division of work

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10. Planning function is mainly performed at  
A) Top management level  
B) Middle management level  
C) Lower management level  
D) None of the above
11. 'Grapevine' communication is a type of  
A) Vertical communication  
B) Written communication  
C) Informal communication  
D) Formal communication
12. Which of the following is not a component of communication process ?  
A) Message  
B) Communication channel  
C) Feedback  
D) None of these
13. Which one of the following is included in verbal communication ?  
A) Proxemics  
B) Kinesics  
C) Para language  
D) Diagram
14. Which of the following is/are the keys to effective supervisory communication ?  
1. Expressive speakers  
2. Empathetic listeners  
3. Persuasive leaders  
4. Informative managers  
A) 1, 2, 3 and 4      B) 1, 3 and 4      C) 1, 2 and 4      D) Only 4
15. Which of the following statements are true ?  
1. Communication is effective when people perceive the things objectively.  
2. Communication makes a demand on the recipient to do something or to believe something.  
3. Communication in modern organization have become important because of several reasons.  
4. Communication is related with emotions and experience of the people while information is rational and non-emotional.  
A) 1, 2 and 3      B) 2 and 3      C) 1, 2, 3 and 4      D) 3 and 4
16. Financial statements are  
A) Estimates of facts  
B) Anticipated facts  
C) Recorded facts  
D) None of these

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17. Retained earnings statement depicts
- |                             |                         |
|-----------------------------|-------------------------|
| A) Appropriation of profits | B) Estimates of profits |
| C) Estimates of costs       | D) All of these         |
18. Which of the following statement is/are correct ?
1. Financial statements are only interim reports.
  2. The impact of non-monetary facts can be recorded in financial statements.
  3. Certain assumptions are necessary to prepare financial statements.
  4. Financial statements are prepared on the basis of realizable values.
- |                  |            |
|------------------|------------|
| A) 1 and 2       | B) 1 and 3 |
| C) 1, 2, 3 and 4 | D) Only 1  |
19. Balance Sheet as on a particular date is prepared to find out
- |                       |                 |
|-----------------------|-----------------|
| A) Net profit         | B) Gross profit |
| C) Financial position | D) Capital      |
20. Interest on investments is considered as
- |           |            |
|-----------|------------|
| A) Income | B) Expense |
| C) Asset  | D) Capital |
21. Which of the following ratio is the indicator of long term solvency of the firm ?
- |                               |                        |
|-------------------------------|------------------------|
| A) Acid test ratio            | B) Debt – equity ratio |
| C) Time interest earned ratio | D) None of these       |
22. Which one of the following ratio is used to analyse the capital structure of the firm ?
- |                          |                    |
|--------------------------|--------------------|
| A) Capital gearing ratio | B) Current ratio   |
| C) Gross profit ratio    | D) Acid test ratio |
23. Given that,
- Sales – 1,00,000
- Variable cost – 40,000
- Fixed cost – 20,000
- Capital – 4,00,000
- The P/V ratio will be
- |        |        |        |        |
|--------|--------|--------|--------|
| A) 20% | B) 30% | C) 60% | D) 10% |
|--------|--------|--------|--------|

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24. Rule of thumb for a current ratio is  
A) 2 : 1                      B) 1 : 1                      C) 1 : 3                      D) 2 : 3
25. In the debt – equity ratio, equity refers to  
A) Only equity capital  
B) Only preference share capital  
C) Only reserves  
D) Preference share capital, equity capital plus all reserves
26. The process designed to transform a set of input elements into a set of output elements is known as  
A) Transformation process  
B) Production  
C) Exchange  
D) Technology change
27. The desired objective of production and operations management is  
A) Use cheap machinery for production  
B) To train unskilled workers to manufacture goods perfectly  
C) Optimal utilization of available resources  
D) To earn good profits
28. A Japanese concept of continuous improvement in all things is  
A) Kanban                      B) Toyota                      C) JIT                      D) Kaizen
29. A Japanese technique of batch production in which emphasis is on the reduction of production lead time and WIP by specifying shorter production runs for any single product is known as  
A) JIT                      B) FMS                      C) Kanban                      D) Kaizen
30. \_\_\_\_\_ is a process that follows capacity planning.  
A) Aggregate planning                      B) Master production scheduling  
C) Job shop scheduling                      D) None of the above
31. Which of the following is for environment management ?  
A) ISO 9000                      B) ISO 19000  
C) ISO 24000                      D) ISO 14000

**A**

32. According to Kaizen philosophy, which of the following does not belong to the team dynamics ?
- A) Problem solving
  - B) Communication skills
  - C) Conflict resolution
  - D) Creating conflicts
33. Which of the following represents India in ISO ?
- A) PFRDA
  - B) FSSAI
  - C) BIS
  - D) BCCI
34. Benchmarking is used by organizations as a \_\_\_\_\_ tool.
- A) Intermittent improvement
  - B) Discontinuous improvement
  - C) Continuous improvement
  - D) Sporadic improvement
35. Which of the following best describes how short term schedules are prepared ?
- A) Directly from the aggregate plans
  - B) Directly from the capacity plans
  - C) From inventory records for items that have been used up
  - D) From master schedules which are derived from aggregate plans
36. VMI stands for
- A) Vendor Material Inventory
  - B) Vendor Managed Inventory
  - C) Variable Material Inventory
  - D) Valuable Material Inventory
37. 3-PL stands for
- A) Three Points Logistics
  - B) Third Party Logistics
  - C) Three Points Location
  - D) None of the above
38. Just in Time manufacturing philosophy emphasizes on
- A) Manpower
  - B) Manufacturing
  - C) Profit
  - D) Inventory
39. BOM structure is used in
- A) Line balancing
  - B) MRP
  - C) Staffing
  - D) None of the above

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40. LUC method for MRP stands for \_\_\_\_\_ method.
- A) Limited Ultimate Cost
  - B) Linear Uniform Curve
  - C) Linear Ultimate Cost
  - D) Least Unit Cost
41. MRP II is
- A) Material Requirement Planning
  - B) Manufacturing Resource Planning
  - C) Maintenance Repair Planning
  - D) Material Return Planning
42. ERP stands for
- A) Early Requirement Planning
  - B) Enterprise Resource Planning
  - C) Enterprise Repair Planning
  - D) Efficient Resource Planning
43. ABC analysis is an important \_\_\_\_\_ of inventory control.
- A) Process
  - B) Method
  - C) Stage
  - D) Technique
44. Which of the following is not an approach for make or buy decision ?
- A) Simple cost analysis
  - B) Economic analysis
  - C) Break even analysis
  - D) NPV analysis
45. If a part has an importance for the firm and requires extremely strict quality control, then the firm should go in for \_\_\_\_\_ the part.
- A) Making
  - B) Buying
  - C) Hiring
  - D) None of the above
46. \_\_\_\_\_ is an estimate of an event which will happen in future.
- A) Demand
  - B) Forecast
  - C) Rainfall
  - D) None of the above

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47. \_\_\_\_\_ gives the expected level of requirement for goods or services.  
A) Economic forecast    B) Demand forecast  
C) Technology forecast    D) None of the above
48. \_\_\_\_\_ method of forecasting is used for subjective nature of demand values.  
A) Semi-average                  B) Delphi                          C) Gamma                          D) Beta
49. Which of the following is not a quantitative forecasting technique ?  
A) Delphi method    B) Simple regression  
C) Semi-average method    D) Multiple regression
50. Which of the following factor affecting forecast ?  
A) Business Cycle    B) Customer’s Plan  
C) Product’s Life Cycle    D) All of the above
51. \_\_\_\_\_ is the task of buying goods of the right quality, in the right quantities, at the right time and at the right price.  
A) Supplying    B) Purchasing  
C) Pricing    D) Scrutinizing
52. \_\_\_\_\_ is the first step of purchasing cycle.  
A) Purchase order preparation    B) Recognition of need  
C) Description of need    D) Checking the invoice
53. A \_\_\_\_\_ describes the needed items and becomes the basis for action by the purchase department.  
A) Purchase requisition    B) Purchase order  
C) Bill of material    D) Invoice
54. A \_\_\_\_\_ is a list of all items to be incorporated into a finished product that the company produces.  
A) Material list  
B) Bill of materials  
C) Purchase requisition  
D) Invoice

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55. \_\_\_\_\_ is a forecast of quantity and value of materials required to purchase during the budget period.
- A) Purchase requisition                      B) Purchase order  
C) Purchase budget                          D) None of these
56. One of the objective of \_\_\_\_\_ is to avoid under and over stocking of material.
- A) Scientific purchasing                      B) Purchasing  
C) Sales control                                D) Purchase control
57. Which of the following factor considered for source selection in purchasing department ?
- A) Reliability                                  B) Buying convenience  
C) Reciprocal relation                      D) All of the above
58. In \_\_\_\_\_ buying, the purchase decision for a period (say 1 year) will be taken in advance.
- A) Forward                                      B) Tender  
C) Blanket                                        D) Zero stock
59. \_\_\_\_\_ is the systematic control over the procurement of materials.
- A) Material control                          B) Sales control  
C) Purchase control                          D) Purchase order
60. \_\_\_\_\_ cost decreases when the order size is increased.
- A) Carrying                                      B) Ordering  
C) Both (A) and (B)                          D) None of the above
61. \_\_\_\_\_ is a document/receipt used by a shipping company or its agent acknowledging the receipt of goods mentioned in the bill for shipment on board of the vessel.
- A) Bill of Lading                                B) Bill of Loading  
C) Bill of Material                              D) Bill of Shipping
62. \_\_\_\_\_ Form is an exchange control document required by RBI.
- A) GR X    B) GR I  
C) GR V    D) GR IV

**A**

63. \_\_\_\_\_ is an instrument to establish evidence of origin of goods which are imported to other countries.
- A) Certificate of Exchange                      B) Certificate of Trade  
C) Certificate of Origin                         D) Certificate of Transfer
64. A \_\_\_\_\_ is the declaration about the goods imported.
- A) Bill of Materials                              B) Bill of Lading  
C) Bill of Loading                                 D) Bill of Entry
65. IEC number stands for
- A) Import Entry Code                            B) Importer – Exporter Code  
C) Initial Export Code                            D) Indian Export Code
66. Letter of Credit is sent by the bank of
- A) Importer                                         B) Exporter  
C) Central Government                         D) Chamber of Commerce
67. Which of the following is not a National Level Financial Institution, which promote export-import in India ?
- A) Export Marketing Fund                      B) ECGC  
C) EXIM Bank of India                         D) IMF
68. \_\_\_\_\_ is the central purchasing organization of Government of India.
- A) DGS & D                      B) DGA                      C) DGP                      D) DGD
69. \_\_\_\_\_ policy of a government is the guidelines of International Trade in India.
- A) Fiscal Policy                                    B) Monetary Policy  
C) Industrial Policy                                D) EXIM Policy
70. The Government of India notifies the EXIM policy for a period of \_\_\_\_\_ years.
- A) 5                                      B) 7                                      C) 10                                      D) 15
71. An agreement which is enforceable at law is
- A) Contract                      B) Rule                      C) Offer                      D) Clause

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72. An illegal contract is  
A) Void                      B) Valid                      C) Void *ab initio*                      D) Viodable
73. \_\_\_\_\_ is the delay between the initiation and completion of a process.  
A) Lead time    B) Over time  
C) Lock time    D) None of the above
74. \_\_\_\_\_ means the relationship between the price of a country receives for its exported goods and the price it pays for imported goods.  
A) Balance of Trade    B) Terms of Trade  
C) Balance of Payment    D) None of the above
75. Which of the following is the financial products offered by EXIM Bank of India ?  
A) Buyer's Credit    B) Corporate Banking  
C) Lines of Credit    D) All of the above
76. EOQ stands for  
A) Economic Ordering Quantity  
B) Economic Outcome Quantity  
C) Economic Offer Quality  
D) Economic Order Quality
77. \_\_\_\_\_ stock accounts for the variation in demand.  
A) Safety    B) Buffer  
C) Average stock    D) None of the above
78. Buffer stock accounts for the variation in  
A) Demand    B) Lead Time  
C) Both (A) and (B)    D) None of the above
79. In 'P' system of inventory, order is placed once in  
A) Varying period    B) Fixed period  
C) Year    D) None of the above
80. In 'Q' system of inventory, \_\_\_\_\_ is constant.  
A) Order size                      B) Order period                      C) Lead time                      D) Value

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81. \_\_\_\_\_ is a document showing the quantitative details of materials kept in the bin.  
A) Bin card                      B) Bin receipt                      C) Bin invoice                      D) Bin ledger
82. Bin card is maintained by  
A) Purchase manager                      B) Sales manager  
C) Store keeper                      D) Marketing manager
83. Stores ledger is maintained by  
A) Store keeper                      B) Cost clerk  
C) Purchase manager                      D) Accountant
84. \_\_\_\_\_ means that, goods of a particular product group are kept in a given area.  
A) Zoned location                      B) Random location  
C) Special location                      D) Rural location
85. Which of the following factors considered, while planning for the stores layout ?  
A) Efficient utilization of floor space and height  
B) Protecting against waste, deterioration, damage and pilferage  
C) Include safety as a part of the facility plan  
D) All of these
86. Which of the following is not a basic way of locating stock ?  
A) Fixed location                      B) Random location  
C) Zoned location                      D) Urban location
87. In \_\_\_\_\_ store layout, stock may be kept on one side of the aisle.  
A) Tree type                      B) Comb type                      C) Round type                      D) Square type
88. \_\_\_\_\_ is a written statement of policies and procedures about store keeping.  
A) Stores manual                      B) Stores ledger                      C) Store plan                      D) Store policy
89. Which one of the following is not a system in stores ?  
A) Receipt system                      B) Stocking system  
C) Issue system                      D) Sales system

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90. PGI stands for
- A) Promotion Goodwill Interest
  - B) Provisional Goods Inward Notes
  - C) Provisional Goods Index
  - D) Promotion Goods Index
91. In \_\_\_\_\_ stores, materials are received by and issued from one stores department.
- A) Decentralized store
  - B) Centralized store
  - C) Department store
  - D) Sub store
92. In \_\_\_\_\_ inventory system, stock taking is held throughout the year.
- A) Periodic
  - B) Perpetual
  - C) Anticipatory
  - D) None of the above
93. Which of the following is codification method ?
- A) Alphabetical method
  - B) Numerical method
  - C) Alphabetical cum numerical method
  - D) None of these
94. A material loss during production or storage due to evaporation or shrinkage is called
- A) Scrap
  - B) Waste
  - C) Spoilage
  - D) Material loss
95. \_\_\_\_\_ is the incidental residue from certain types of manufacture usually of small amount and low value recoverable without further processing.
- A) Scrap
  - B) Material loss
  - C) Waste
  - D) Spoilage
96. In \_\_\_\_\_ method of stock accounting, the old stock is depleted first.
- A) FIFO
  - B) LIFO
  - C) Average cost
  - D) Market price

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97. LIFO stands for
- A) Least In Fast Out
  - B) Last In First Out
  - C) Least In First Out
  - D) Last In Fast Out
98. \_\_\_\_\_ analysis is aimed to evaluate the fluctuations in demand or consumption of the items in stores.
- A) ABC
  - B) XYZ
  - C) FSN
  - D) SDE
99. Which of the following is not a reason for the accumulation of obsolete, surplus and scrap items ?
- A) Change in product design
  - B) Faulty planning
  - C) Faulty purchase procedure
  - D) Failure of marketing strategy
100. The distinction between production and operations is best described as
- A) Production is automobile manufacturing; operations is everything else
  - B) Production is heavy manufacturing; operations is light manufacturing
  - C) Production makes goods; operation delivers services
  - D) Operations are associated with banks, airlines, insurance companies and restaurants only; production is everything else
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Space for Rough Work



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