

2017

COURSE - 201

FINANCIAL MANAGEMENT

1. Which of the following is the responsibility of financial management?
[A] Allocation of funds to current and capital assets
[B] Obtaining the best mix of financing alternatives
[C] Development of an appropriate dividend policy
[D] All of the above
2. An example of liquidity ratio is :
[A] Fixed Asset turnover
[B] Current Ratio
[C] Acid Test or Quick ratio
[D] Both [B] and [C]
3. Return on Total Asset is a function of
[A] Interest rate and the pre tax profit
[B] The debt equity ratio
[C] The Asset Turnover ratio
[D] None of the above
4. _____ provides a snapshot of the financial conditions of the firm at a particular time.
[A] The Balance sheet
[B] The income statement
[C] The statement of the cash flows
[D] All of the above
5. In finance gross working capital means
[A] Total Assets
[B] Total Fixed Assets
[C] Total Current Assets
[D] Current Assets - Current Liabilities
6. The following are the external sources of cash
[A] Long term loans
[B] Short term loans
[C] Issue of Shares
[D] All of the above
7. The standard liquid ratio is
[A] 2:1
[B] 1:2
[C] 1:1
[D] 1:3
8. Quick asset does not include
[A] Government Bonds
[B] Book debts
[C] Advance for supply of raw materials
[D] Inventories
9. Current Ratio is 2:5. Current liability is Rs. 30,000. The net working capital is
[A] Rs. 18,000
[B] Rs. 45,000
[C] Rs. (-) 45,000
[D] Rs. (-) 18,000
10. An asset is a
[A] Source of fund
[B] Use of fund
[C] Inflow of fund
[D] None of the above

11. "Shareholders' wealth" in a firm is represented by :
- [A] The number of people employed in the firm
 - [B] The book value of the firms' assets less the book value of its liabilities
 - [C] The amount of salary paid to its employees
 - [D] The market price per share of the firms' common stock
12. The standard current ratio is
- [A] 1:1
 - [B] 1:2
 - [C] 2:1
 - [D] 1:3
13. Return on Investment is
- [A] EBIT/ Capital employed
 - [B] EBIT/ Total Assets
 - [C] Net profit/ Capital Employed
 - [D] EBIT/Net worth
14. _____ varies inversely with profitability.
- [A] Liquidity
 - [B] Risk
 - [C] Financing
 - [D] Liability
15. The term "capital structure" refers to
- [A] Long-term debt, preferred stock and common stock equity
 - [B] Current assets and current liabilities
 - [C] Total assets minus liabilities
 - [D] Shareholders' Equity.
16. A company can improve (lower) its debt-to-total assets ratio by doing which of the following
- [A] Borrow more
 - [B] Shift short-term to long-term debt
 - [C] Shift long-term to short-term debt
 - [D] Sell common stock.
17. If a company issues bonus shares the debt equity ratio will
- [A] Remain unaffected
 - [B] Will be affected
 - [C] Will improve
 - [D] None of the above
18. Bank generally prefers Debt-Equity ratio at
- [A] 1:1
 - [B] 1:3
 - [C] 2:1
 - [D] 3:1
19. The long run objective of financial management is to :
- [A] Profit maximisation
 - [B] Wealth maximisation
 - [C] Both [A] and [B]
 - [D] None of these
20. Proprietary ratio is calculated by
- [A] Total Assets/ Total Outside Liabilities
 - [B] Total Outside Liabilities/ Total Tangible Assets
 - [C] Fixed Assets/ Long term sources of fund
 - [D] Proprietors Fund/ Total Tangible assets

MARKETING MANAGEMENT

1. In company's micro environment 'customers markets' are of
 - [A] 5 types
 - [B] 4 types
 - [C] 3 types
 - [D] 2 types
2. Which of the following best define marketing ?
 - [A] The maximization of company's sales
 - [B] Improving the market share of organization
 - [C] Matching the resources of organization with identified customers' needs
 - [D] Increasing the profitability of buyer supplier-supplier relationship
3. Which of the following is not one of McCartry's four P's ?
 - [A] Product
 - [B] Place
 - [C] Profit
 - [D] Price
4. Which of the following is not part of the marketing environment ?
 - [A] Customers
 - [B] Institutional Partners
 - [C] Organization supply channels
 - [D] Technology
5. Which of the following is not a part of reactive marketing research ?
 - [A] Questioner
 - [B] Test Marketing
 - [C] Focus Groups
 - [D] Observation
6. The group of people who create the original product before it is shipped to the stores is called the :
 - [A] Consumer
 - [B] Designer
 - [C] Producer
 - [D] All of the above

7. The type of business person who sells natural goods that are unaltered is called an :

[A] Extractor

[B] Farmer

[C] Excavator

[D] Remover

8. An Ultimate Consumer is one who :

[A] Buys products from retailers for personal use

[B] Buys products and sells them to kids

[C] Sells products from a retail store

[D] None of the above

9. When a product is shipped from a producer to a retailer it is handled in the middle by

[A] Shipper

[B] Interpreter

[C] Entrepreneur

[D] Intermediary

10. Stores like Costco are classified as :

[A] Discount Outlets

[B] Producers

[C] Retailers

[D] Wholesalers

11. The best promotional tool in any marketing is :

[A] E-promotion

[B] Public relation

[C] Advertisements

[D] Word of mouth publicity

12. The key to competitive advantage is differentiation :

[A] Position

[B] Product

[C] Conformance

[D] Customer consulting

13. Which of the following statements is not true ?

[A] Shopping goods are consumer durable items

[B] Elimination of unprofitable products is covered by product planning

[C] Consumers may evaluate identical products differently depending on how they are branded

[D] A registered brand name or mark becomes a trademark

14. Delivery channels mean :

- [A] Sales outlet
- [B] Purchased goods
- [C] Product shelf life
- [D] Courier person

15. Packaging is related to :

- [A] Product security
- [B] Value
- [C] Size
- [D] Cost

16. Channel of distribution includes :

- [A] Producer
- [B] Retailer
- [C] Consumer
- [D] All of these

17. Philip Kotler proposed a new concept which differs from the modern concept by adding the consideration "long run consumer and public welfare". This new concept is known as :

- [A] Production Concept
- [B] Marketing Concept
- [C] Selling Concept
- [D] Societal Marketing Concept

18. "A product should be considered as a bundle of utilities consisting of various product features and accompanying services" — this is the definition given by

- [A] W. Anderson
- [B] Philip Kotler
- [C] W. J. Stanton
- [D] Prof. H. L. Hasen

19. Public distribution system relates to :

- [A] Marketing system
- [B] Retailing system
- [C] Industrial system
- [D] Selling system

20. The stages of product life cycle are :

- [A] 5
- [B] 3
- [C] 6
- [D] 7

RESEARCH METHODOLOGY AND STATISTICAL ANALYSIS

1. Estimate and estimator are :

- [A] Synonyms
- [B] Different
- [C] Related to population
- [D] None of the above

4. Power of a test is related to :

- [A] Type I error
- [B] Type II error
- [C] Type I and II errors both
- [D] None of the above

2. A sample constant representing a parameter is known as

- [A] Estimator
- [B] Estimate
- [C] Sampling
- [D] None of the above

5. Whether a test is one-sided or two-sided depends on :

- [A] Alternative hypothesis
- [B] Composite hypothesis
- [C] Null hypothesis
- [D] Simple hypothesis

3. The hypothesis under test is :

- [A] Simple hypothesis
- [B] Alternative hypothesis
- [C] Null hypothesis
- [D] None of the above

6. The degrees of freedom for statistic-t for paired t-test based on 12 pairs of observations is

- [A] 9
- [B] 10
- [C] 11
- [D] 12

7. Paired t-test is applicable when the observations in the two samples are :

- [A] Paired
- [B] Correlated
- [C] Equal in number
- [D] All the above

8. Analysis of variance utilises :

- [A] F-test
- [B] Chi-square test
- [C] Z-test
- [D] t-test

9. Most of the non-parametric methods utilize measurements on

- [A] Interval scale
- [B] Ratio scale
- [C] Ordinal scale
- [D] Nominal scale

10. Non-parametric test is also known as

- [A] Ranking test
- [B] Ordinary test
- [C] Distribution free test
- [D] Randomization test

11. In binomial distribution the formula for calculating Standard deviation is

- [A] Square root of p
- [B] Square root of pq
- [C] Square root of npq
- [D] Square root of np

12. In probability, Events which can occur together are classified as

- [A] Collectively exclusive events
- [B] Mutually exhaustive events
- [C] Mutually exclusive events
- [D] Collectively exclusive events

13. In measuring probability of any certain event, Zero represents

- [A] Impossible event
- [B] Possible event
- [C] Certain event
- [D] Sample event

14. For a random experiment all possible outcomes are called
- [A] Numerical space
 - [B] Event space
 - [C] Sample space
 - [D] Both [B] and [C]
15. In hypothesis testing, Type 2 error occurs when
- [A] The null hypothesis is not rejected when the null hypothesis is true
 - [B] The null hypothesis is rejected when the null hypothesis is true
 - [C] The null hypothesis is not rejected when the alternative hypothesis is true
 - [D] The null hypothesis is rejected when the alternative hypothesis is true
16. The chapter that deals the way in which research was conducted is the chapter
- [A] Introduction
 - [B] Literature review
 - [C] Research and Methodology
 - [D] None of the above
17. Every research proposal regardless of the length should include two basic sections. They are
- [A] Research question and research methodology
 - [B] Research proposal and bibliography
 - [C] Research methodology and schedule
 - [D] Research question and bibliography
18. The purpose of research proposal is
- [A] To generate monetary sources for the organization
 - [B] To present management question to be researched
 - [C] To discuss the research efforts of others
 - [D] To discuss related management questions
19. Secondary data can always be obtained more quickly at a lower cost than data.
- [A] Tertiary
 - [B] Collective
 - [C] Research
 - [D] Primary
20. The standard deviation is
- [A] The square root of the variances
 - [B] A measure of the variability
 - [C] An approximate indicator of how numbers vary from the mean
 - [D] All of the above

SPECIALIZATION PAPERS (GROUP-A : HUMAN RESOURCE MANAGEMENT)

COURSE - 204[A]

HUMAN RESOURCE MANAGEMENT

1. Who is not associated with HRM ?
 - [A] Michael J Jucius
 - [B] Dale Yodar
 - [C] Edwin B. Flippo
 - [D] K. K. Devit
2. HRM does not include :
 - [A] job evaluation
 - [B] performance appraisal
 - [C] sales promotion
 - [D] job enrichment
3. Which element is not necessary in each objective under MBO Approach ?
 - [A] Time element
 - [B] Cost element
 - [C] Human Relation element
 - [D] Measurable element
4. Which one of the following is not the operative function of HRM ?
 - [A] Development
 - [B] Controlling
 - [C] Compensation
 - [D] Integration
5. Which of the following is not included in the model of the systems approach to Human Resource Management ?
 - [A] Human Resource Planning
 - [B] Recruitment and Selection
 - [C] Performance appraisal
 - [D] Departmentation
6. Hawthorne Experiment findings led to
 - [A] Behavioural Approach
 - [B] Systems Approach
 - [C] Human Relations Approach
 - [D] Scientific Management Approach

7. The purpose of job evaluation is

- [A] Fixation of Responsibility
- [B] Promotion
- [C] Wage Determination
- [D] Transfer to a better job

8. Arrange the four stages of statistical investigation in the right order :

- (i) Interpretation of data
- (ii) Collection of data
- (iii) Analysis of data
- (iv) Presentation of data

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

9. Who developed the Job Descriptive Scale ?

- [A] Smith, Kendall and Hulin
- [B] Smith, George and Mason
- [C] Kendall, Kane and George
- [D] Mason, Kane and Hulin

10. Which is the correct sequence in the control process ? —

- (i) Measuring results
- (ii) Comparing actual results against standard
- (iii) Establishing standards
- (iv) Taking corrective action

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

11. The number of people hired for a particular job compared to the number of individuals in the applicant pool is often expressed as :

- [A] Application ratio
- [B] Recruitment ratio
- [C] Selection ratio
- [D] Employment ratio

12. H.R.P. stands for

- [A] Human resource project
- [B] Human resource planning
- [C] Human recruitment planning
- [D] Human recruitment procedure

13. The written statement of the findings of job analysis is called

- [A] Job design
- [B] Job classification
- [C] Job description
- [D] Job evaluation

14. The process of grouping of similar types of works together is known as

- [A] Job classification
- [B] Job design
- [C] Job evaluation
- [D] Job description

15. The system of ranking jobs in a firm on the basis of the relevant characteristics, duties, and responsibilities is known as:

- [A] Job evaluation
- [B] Job design
- [C] Job specification
- [D] Job description

16. The division of the total task to be performed into a manageable and efficient unit is

- [A] a job design
- [B] a job specification
- [C] a job analysis
- [D] a job description

17. Which of the following is the area from which applicants can be recruited ?

- [A] Employment Lines
- [B] Employees' Association
- [C] Labour Market
- [D] Labour Schemes

18. For forecasting the demand for manpower, the important techniques used are

- [A] Delphi Techniques
- [B] Statistical Techniques
- [C] Work Study Techniques
- [D] All of the above

19. Selection of the candidates is done out of

- [A] Target population
- [B] Internal sources
- [C] External sources
- [D] Internal as well as external sources

20. HRM is considered as

- [A] a reactive function
- [B] a proactive function
- [C] an auxiliary function
- [D] an auxo-reactive function

INDUSTRIAL RELATIONS

1. 'First come last go and last come first go' is the principle of
 - [A] Lay-off
 - [B] Closure
 - [C] Retrenchment
 - [D] Dismissal

2. Which of the following is machinery for settlement of industrial disputes ?
 - [A] Indian Labour Conference
 - [B] Joint Management Council
 - [C] Industrial Tribunal
 - [D] Standing Labour Committees

3. 'Award' under Industrial Disputes Act, 1947 is
 - (a) Not interim determination of labour court
 - (b) Not arbitration award under Section 10A
 - (c) Not final determination of labour court
 - (d) Not final determination of arbitration award under section 10A
 - [A] All statements are true
 - [B] (a) and (d) are true
 - [C] (b) is true
 - [D] All statements are wrong

4. Refers to all types of relationship between all the parties concerned with industry
 - [A] Industrial relations
 - [B] Human relations
 - [C] General relations
 - [D] All of these

5. The scope of IR does not include :
 - [A] Employer and employee relation
 - [B] Employee and trade union relation
 - [C] Employer, employee and trade union relation
 - [D] Employee and customer relation

6. Main aspects of industrial relations are :
 - [A] Promotion and development of healthy manager and labour relations
 - [B] Maintenance of industrial peace and avoidance of industrial dispute
 - [C] Development of industrial democracy
 - [D] All of these

7. Which of the following factors does not affect industrial relations ?
- [A] Psychological factors
 - [B] Political factors
 - [C] Cultural factors
 - [D] None of these
8. The conflicts and dispute between employers and employees on any industrial matter are known as :
- [A] Industrial disputes
 - [B] Human relations
 - [C] Conflict relations
 - [D] All of these
9. Recognition of the trade union was made by the provision of :
- [A] Trade Union Act 1926
 - [B] Industrial Disputes Act 1947
 - [C] Code of discipline
 - [D] Factories Act 1948
10. Which of the following are the main causes of indiscipline ?
- [A] Wage differentials
 - [B] Unreasonable work assignment
 - [C] Non payment of Bonus
 - [D] Any of the above
11. A person appointed as Presiding Officer of a Labour Court should have been a District Judge or Additional District Judge for a period of not less than :
- [A] 2 years
 - [B] 3 years
 - [C] 5 years
 - [D] 7 years
12. When was the Indian Arbitration and Conciliation Act passed ?
- [A] 1890
 - [B] 1896
 - [C] 1966
 - [D] 1996
13. Where is the system of 'Ringi' followed ?
- [A] India
 - [B] USA
 - [C] Japan
 - [D] Germany
14. The Relations between industry and society can be termed as
- [A] Labour Relations
 - [B] Employer-employee relations
 - [C] Group relations
 - [D] Public relations

15. The initiative of announcing 'Code of Discipline' on which the voluntary machinery for settlement of industrial disputes is based was taken by—

[A] Monmohan Singh

[B] G. L. Nanda

[C] P. V. Narasimha Rao

[D] P. Chidambaram

16. When was the Industrial Disputes Act passed in India ?

[A] 1947

[B] 1950

[C] 1948

[D] 1967

17. What is the process used to certify an organisation of employers as the bargaining agent for a unit of employers ?

[A] Accreditation

[B] Affiliation

[C] Award

[D] Arbitration

18. ——— is an ADR process where disputing parties seldom come face to face to settle any disputes. They use the services of a neutral third party.

[A] Workers' participation in Management

[B] Collective Bargaining

[C] Arbitration

[D] Conciliation

19. In which country, companies have the policy for lifetime employment ?

[A] Japan

[B] China

[C] Germany

[D] Korea

20. Which of the following is not a party in 'International Commercial Arbitration' under the Indian Arbitration and Conciliation Act ?

[A] An individual who is a national of, or habitually resident in any country other than India

[B] Government of a foreign country

[C] A body corporate which is incorporated in any country other than India

[D] A company whose central management and control is in India and has branches operating outside India.

SPECIALIZATION PAPERS (GROUP-B : BANKING)

COURSE - 204[B]

INDIAN FINANCIAL SYSTEM

1. Select the odd one :
 - [A] Certificate of deposit
 - [B] Treasury market
 - [C] Call market
 - [D] Gilt-edged market
2. Financial market consists of :
 - [A] Money market and capital market
 - [B] Primary market and Secondary market
 - [C] Stock market
 - [D] None of these
3. The structure that is available in economy to mobilize the capital from various surplus sectors of the economy and allocate and distribute the same to the various needy sectors is known as
 - [A] Economic Environment
 - [B] Financial Environment
 - [C] Financial System
 - [D] Financial Market
4. Which of the following is not a primary security
 - [A] Equity share
 - [B] Debentures
 - [C] Swaps
 - [D] Preference share
5. Depositories Act was passed in :
 - [A] 1992
 - [B] 1995
 - [C] 1996
 - [D] 2000
6. The security which is a claim on the Government and is a secure financial instrument that guarantees certainty of both capital and interest is called—
 - [A] Gilt-edged Security
 - [B] Call money
 - [C] Treasury Bills
 - [D] Certificate of deposits

7. A long term liability of a Company, Municipality or Government, usually specified by a specific interest rate and for a specific length of time is referred to as a—
- [A] Coupon
 - [B] Mutual Funds
 - [C] Stocks
 - [D] Bond
8. Banks generally borrow funds from which of the following money markets to meet the mandatory Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) requirements as stipulated by the Central Bank?
- [A] Notice Money Market
 - [B] Call Money Market
 - [C] Bill Market
 - [D] Money Market
9. When financial markets are described as "efficient", this usually refers to their—
- [A] Allocation of resources
 - [B] Use of information
 - [C] Reliability
 - [D] Cheapness.
10. Which of the following is a mode of collecting money from the public for a company for the first time?
- [A] Rights issue
 - [B] Bonus shares
 - [C] Initial Public Offering
 - [D] Follow on offering
11. Commercial Paper is an unsecured
- [A] Promissory note
 - [B] Bill of exchange
 - [C] Cheque
 - [D] None of the above
12. A gives the buyer of the option the right but not the obligation to sell the underlying asset on or before a certain future date for a specified price.
- [A] Call option
 - [B] Put option
 - [C] Either [A] or [B]
 - [D] Swaps
13. _____ is required to finance the recurring activities of a firm.
- [A] Long term finance
 - [B] Shareholder's funds
 - [C] Both [A] and [B]
 - [D] Short term finance

14. Treasury Bills are specialised instruments used by the Government to raise

[A] Short term funds

[B] Long term funds

[C] Medium term funds

[D] All of the given options

15. Derivatives are a mechanism to hedge

[A] Market risks

[B] Interest rate risks

[C] Exchange rate risks

[D] All of the above

16. Type of markets in which derivative securities are traded is classified as

[A] derivative security markets

[B] trading markets

[C] classified markets

[D] non trading markets

17. Institutions classified as depository ones and have loans as their major assets are classified as

[A] commercial banks

[B] commercial mortgages

[C] credit mortgages

[D] credit derivative

18. Major assets of commercial banks are

[A] commercial loans

[B] consumer loans

[C] deposits

[D] both [A] and [C]

19. Exchange rate of foreign currency fluctuate day to day because of

[A] demand and supply

[B] increased maturity

[C] decreased maturity

[D] instrument availability

20. Institutions that facilitate channeling of funds and all related functions are classified as

[A] financial institutions

[B] payable institutions

[C] non-financial institutions

[D] derivative institutions

FINANCIAL SERVICES

1. Which of the following is a function of merchant bankers ?
 - [A] Issue management
 - [B] Underwriting
 - [C] Project Appraisal
 - [D] All of these

2. The first mutual fund, UTI set up in
 - [A] 1962
 - [B] 1963
 - [C] 1964
 - [D] 1965

3. Which of the following is not a condition for registration of merchant banker ?
 - [A] Satisfy minimum capital adequacy norm
 - [B] They employ at least 6 persons to handle business
 - [C] They are not involved in any litigation in securities market
 - [D] They pay prescribed fee

4. The main risk associated in income mutual fund is
 - [A] High volatility
 - [B] High liquidity
 - [C] Limited capital appreciation
 - [D] No risk

5. **Assertion** : Balanced mutual funds are the best among all types of mutual funds
Reason : They invest in both equities and debt instruments
 - [A] Only Assertion is correct
 - [B] Only Reason is correct
 - [C] Both Assertion and Reason are correct
 - [D] Both are false

6. Which of the following is not a route of Portfolio investment ?
 - [A] Foreign Institutional Investors
 - [B] Foreign Direct Investment
 - [C] Global Depository Receipts
 - [D] Foreign Currency Convertible Bonds

7. Which of the following is true ?

- [A] Foreign Capital inflow does not lead to improve resource allocation
- [B] FDI shifts the burden of risk of an investment from domestic to foreign investor
- [C] Foreign capital inflow enables a country to increase imports and decrease exports
- [D] Foreign capital always tends to flow to low profit areas

8. Statements

- (a) Quant funds use a quantitative approach to invest in stock markets based on computer generated model
 - (b) Quant funds are managed between actively managed debt fund and passively managed debt fund
- [A] Statement (a) is correct
 - [B] Statement (b) is correct
 - [C] Both the statements are correct
 - [D] None of the statements are correct

9. Arrange the sequence from first to last

- [A] Seed capital-Bridge capital-Start up
- [B] Bridge capital-Start up-Seed capital
- [C] Start up-Seed capital-Bridge capital
- [D] Seed capital-Start up-Bridge capital

10. FEMA was passed in the year—

- [A] 1973
- [B] 1999
- [C] 1981
- [D] 1992

11. The direct sale of securities to select investor is

- [A] Right Issue
- [B] Private Placement
- [C] Bonus Issue
- [D] None of the above

12. Foreign capital has significant role for every national economy, regardless of its level of

- [A] Development
- [B] Employment
- [C] GDP
- [D] Balance of payments

13. Foreign capital flows contribute in filling up the resource gap in countries where domestic savings are inadequate to finance

- [A] Trade
- [B] Business Activities
- [C] Investment
- [D] Economy

14. The money market instrument used as an international financial instrument is

- [A] Debenture
- [B] Stock certificate
- [C] Bond
- [D] Certificate of deposit

15. SEBI regulation of FII was enacted in the year

- [A] 1995
- [B] 1991
- [C] 2000
- [D] 1996

16. Categories of securities issue

- [A] Public issue
- [B] Right issue
- [C] Private placement
- [D] All of the above

17. Private placement covers

- [A] Shares
- [B] Preference shares
- [C] Debentures
- [D] All of the above

18. _____ is regarded as the fourth element of the financial system

- [A] Financial services
- [B] Financial markets
- [C] Financial instruments
- [D] All of the above

19. CRISIL has been promoted by _____ & _____.

- [A] ICICI, UTI
- [B] IDBI, SBI
- [C] AXIS, UTI
- [D] PNB, SBI

20. The term _____ is defined as a central location for keeping securities on deposit

- [A] Depository
- [B] Instrument
- [C] Institutions
- [D] None of the above.