COURSE CODE : 117

Time : 2 Hours  Max : 400 Marks

Instructions to Candidates:

1. Write your Register Number within the box provided on the top of this page and fill in the page 1 of the answer sheet using pen.

2. Do not write your name anywhere in this booklet or answer sheet. Violation of this entails disqualification.

3. Read each of the question carefully and shade the relevant answer (A) or (B) or (C) or (D) in the relevant box of the ANSWER SHEET using HB pencil.

4. Avoid blind guessing. A wrong answer will fetch you -1 mark and the correct answer will fetch 4 marks.

5. Do not write anything in the question paper. Use the white sheets attached at the end for rough works.

6. Do not open the question paper until the start signal is given.

7. Do not attempt to answer after stop signal is given. Any such attempt will disqualify your candidature.

8. On stop signal, keep the question paper and the answer sheet on your table and wait for the invigilator to collect them.

9. Use of Calculators, Tables, etc. are prohibited.
8. Cost cutting in international operations can take place because of
   (A) lower taxes and tariffs           (B) lower wage scales
   (C) lower indirect labor costs       (D) all of the above

9. Market-penetration, product-development, and market-development strategies would all be examples of ________ strategies
   (A) concentric
   (B) conglomerate
   (C) horizontal
   (D) intensive growth

10. Short Term Solvency is indicated by
    (A) Proprietary Ratio
    (B) Debt Equity Ratio
    (C) Net Profit Ratio
    (D) Liquidity Ratios

11. A contract is
    (A) Legal obligation
    (B) An agreement + Legal obligation
    (C) Consensus ad idem
    (D) An agreement + a legal object

12. Simple probability is also called
    (A) Marginal probability
    (B) Joint probability
    (C) Bayes' theorem
    (D) Conditional probability

13. Which is not included under type of leverage?
    (A) Financial leverage
    (B) Operating leverage
    (C) Administrative leverage
    (D) None of these.

14. The most likely relationship between sales potential and market potential for a new product offering is
    (A) Market potential is less than sales potential
    (B) Sales potential is a subset of market potential
    (C) Market potential and sales potential are the same
    (D) Market potential is a subset of sales potential

15. Quality circles members are
    (A) paid according to their contribution to quality
    (B) external consultants designed to provide training in the use of quality tools
    (C) always machine operators
    (D) none of the above; all of the statements are false
1. Operations management is applicable
   (A) mostly to the service sector
   (B) to services exclusively
   (C) mostly to the manufacturing sector
   (D) to all firms, whether manufacturing and service

2. The term Marketing Myopia refers to
   (A) Concentrating on short term sales forecasts
   (B) Satisfying every small need of a customer
   (C) Assuming that making the best possible product will attract buyers
   (D) Making products that will become obsolete very quickly

3. Accounting which helps to ascertain the results of the business is termed as
   (A) Financial Accounting
   (B) Management Accounting
   (C) Cost Accounting
   (D) Environmental Accounting.

4. In a perfectly symmetrical bell-shaped "normal" distribution:
   (A) The arithmetic mean equals the median.
   (B) The arithmetic mean equals the mode.
   (C) The median equals the mode.
   (D) All the above.

5. Book keeping is to
   (A) Record all business transactions
   (B) Interpret the financial data
   (C) Assist the management in performing its functions effectively
   (D) All the above

6. Case analysis is a type of
   (A) Experimental research
   (C) Exploratory research
   (B) Descriptive research
   (D) Statistical research

7. The term current asset includes
   (A) Bills Payable
   (C) Land and building
   (B) Bills Receivable
   (D) All the above
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16. Stock is a
   (A) Fixed asset (B) Current asset
   (C) Current liability (D) None of the above

17. Print media provides much __________ product information and can also effectively communicate user and usage imagery.
   (A) detailed (B) specific
   (C) informational (D) historical

18. In a one-way ANOVA, the null hypothesis is always
   (A) All the population means are different.
   (B) There is some treatment effect.
   (C) There is no difference in the population means.
   (D) Some of the population means are different.

19. Transaction costs includes
   (A) Brokerage (B) Commission
   (C) Printing (D) All of these

20. A contingent contract is
   (A) Void (B) Voidable
   (C) Valid (D) Illegal

21. Techniques for building employee empowerment include
   (A) building communication networks that include employees
   (B) developing open, supportive supervisors
   (C) moving responsibility from both managers and staff to production employees
   (D) All of the above are techniques for employee empowerment

22. The degree of operating leverage will change at every level of
   (A) Output (B) Input
   (C) Work (D) Proposal of work

23. A schedule is a good data collection instrument for
   (A) Secondary data (B) Observational data
   (C) Passive primary data (D) Active primary data

24. Hospitals use
   (A) Performance Budgeting (B) Zero Base Budgeting
   (C) Programme Budgeting (D) None of the above
25. Under U.S. law, advertisers must not
   (A) copy other’s ads  (B) make false claims
   (C) advertise to children  (D) Advertise after 3 a.m.

26. The rankings of teams in a tournament constitute a ____________ scale.
   (A) Interval  (B) Nominal
   (C) Ordinal  (D) Ratio

27. The net present value method is the classic economic method of evaluating the
   (A) Investment proposals  (B) Investment project
   (C) Investment planning  (D) All these above

28. Costs of dissatisfaction, repair costs, and warranty costs are elements of cost in the
   (A) Taguchi Loss Function
   (B) Pareto chart
   (C) ISO 9000 Quality Cost Calculator
   (D) process chart

29. What is the minimum paid up capital for private company?
   (A) 1 lakh  (B) 2 lakh
   (C) 3 lakh  (D) 4 lakh

30. A Blind Test is usually conducted because
   (A) A brand association does not influence quality perceptions
   (B) A brand association strongly influences quality perceptions
   (C) Both the above
   (D) None of the above

31. Working capital management comes under
   (A) Financing Decision  (B) Liquidity Decision
   (C) Investment Decision  (D) Dividend Decision

32. Supply-side measurement of event effectiveness focuses on
   (A) potential exposure to the brand by assessing the extent of media coverage
   (B) reported exposure from consumers
   (C) incremental sales earned during the event
   (D) incremental sales earned as a result of the event
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33. The basic objective of financial management is
   (A) maximization of profits
   (B) maximisation of share holders wealth
   (C) ensuring financial discipline in the organisation
   (D) None of the above

34. Which of the following is not a type of structured question?
   (A) dichotomous
   (B) scale
   (C) multiple choice
   (D) none of the above

35. The "four Ms" of cause-and-effect diagrams are
   (A) material, machinery/equipment, manpower, and methods
   (B) material, methods, men, and mental attitude
   (C) named after four quality experts
   (D) material, management, manpower, and motivation

36. Which section provides relief against mismanagement?
   (A) 390
   (B) 398
   (C) 393
   (D) 394

37. The equity shareholders are the residual claimants of all earnings left after meeting all prior
   (A) Claims
   (B) Benefits
   (C) Losses
   (D) All these above

38. Business model refers to
   (A) How the organization is structured
   (B) How the organization makes money
   (C) Modeling a business process
   (D) Benchmarking a business process

39. The process of grouping users into market segments on the basis of the desirable consequences sought from the product is called
   (A) Demographic segmentation
   (B) Behavioral segmentation
   (C) Psychographic segmentation
   (D) Benefit segmentation

40. A firm that is willing to maintain its market share and not rock the boat is known as a
    (A) market challenger
    (B) market leader
    (C) market follower
    (D) market nicher
41. The process improvement technique that sorts the "vital few" from the "trivial many" is
   (A) Taguchi analysis          (B) Pareto analysis
   (C) benchmarking             (D) Deming analysis

42. Observing changes in the financial variables of two firms is
   (A) Vertical Analysis        (B) Horizontal Analysis
   (C) Inter-firm comparison    (D) Intra-firm comparison

43. In a transportation problem, items are allocated from sources to destinations
   (A) at a minimum cost         (B) at a minimum profit
   (C) at a maximum cost         (D) at a minimum revenue

44. "Every type of reserve is not free to be capitalised". In this statement true?
   (A) Yes                      (B) No
   (C) Can't say                (D) None of these

45. Of the elements of a print advertisement, the ______ matters the most when it comes to the ad's effectiveness
   (A) headline                 (B) copy
   (C) picture                  (D) font

46. Which of the following is an offer?
   (A) Social invitation.
   (B) Advertisement in newspaper for sale of a good.
   (C) A statement of price.
   (D) Tender

47. Decision making characterized by short-term implications is called
   (A) Operational decision     (B) Tactical decision
   (C) Strategic decision       (D) Quick decision

48. A fishbone diagram is also known as a
   (A) cause-and-effect diagram (B) pok-a-yoke diagram
   (C) Kaizen diagram           (D) Kanban diagram

49. Customers who enthusiastically recommend the company and its products and services to others are known as
   (A) potentials                (B) advocates
   (C) members                   (D) prospects
50. Blanket Branding is the strategy of
   (A) Using a different brand name for each product of a company
   (B) Having many brands in the same product line
   (C) Using the same brand name for many products of a company
   (D) All of the above

51. The term current asset does not include
   (A) Payment in Advance       (B) Bills Receivable
   (C) Land and building        (D) Stock

52. EOQ is the optimal order quantity that will ________ total inventory costs
   (A) Maintain                  (B) Maximize
   (C) Minimize                  (D) Steady

53. An organization is
   (A) the physical location where people work
   (B) a group of individuals focused on profit-making for their shareholders
   (C) a deliberate arrangement of people to accomplish some specific purpose
   (D) any collection of people who all perform similar tasks

54. "Poké-yoke" is the Japanese term for
   (A) card                       (B) foolproof
   (C) continuous improvement    (D) fishbone diagram

55. Puffery is defined as
   (A) a description of a bakery product
   (B) statements used in sales brochures to tout the benefits of a product
   (C) simple exaggerations
   (D) lies

56. The rate of dividend of preference share is decided at the time of
   (A) Issue                     (B) Redeemable
   (C) Payment                   (D) Dissolution of company

57. Another term for high customer ________ is customer churn
   (A) retention                  (B) defection
   (C) value                      (D) perception
58. E-Business is promising because
   (A) It eliminates geographical limitations
   (B) It eliminates time restrictions
   (C) It cuts costs
   (D) All of the above

59. Pareto principle explains the phenomenon of
   (A) 80 % of the customers generating 20 % of the sales
   (B) 20 % of the customers generating 80 % of the sales
   (C) 20 % of the customers generating 20 % of the sales
   (D) 80 % of the customers generating 80 % of the sales

60. In a zero sum game one player's gains represent another's exact
   (A) gains or losses           (B) gains
   (C) gains and losses         (D) losses

61. Application software refers to
   (A) Operating system
   (B) Compiler
   (C) Linker
   (D) A package developed for a functional area of management in a company

62. Resolving a conflict would be considered to fall under which managerial function?
   (A) Directing        (B) Planning
   (C) Leading          (D) controlling

63. If direct materials is Rs. 800; direct labour is Rs. 400; direct expenses Rs.80; and works overhead is 520; the prime cost will be
   (A) Rs. 1,280         (B) Rs. 680
   (C) Rs.1,800          (D) Rs.1,640

64. CRM technology can help motivate employees by
   (A) analyzing customer revenue and cost data to identify current and future high-value customers
   (B) better targeting the company's direct marketing efforts
   (C) tracking customer-service satisfaction levels
   (D) aligning employee incentives and metrics
65. The concept of cost of capital is very important from which points of view?  
   (A) Capital expenditure decisions  
   (B) Capital structure decisions  
   (C) Make or buy decisions  
   (D) Both (A) and (B)

66. When evaluating secondary data, the criteria asks the question of "why the data were collected in the first place."
   (A) nature  
   (B) objective  
   (C) currency  
   (D) error/accuracy

67. Registration of a firm under the Indian Partnership Act, 1932 is
   (A) compulsory  
   (B) not optional  
   (C) not necessary  
   (D) inevitable

68. Transaction processing forms part of
   (A) Operating support system  
   (B) Neural network  
   (C) Expert system  
   (D) Executive information systems

69. A fully global organization might set up a ________ with a foreign company to create a new, independent company that produces a specific product
   (A) foreign subsidiary  
   (B) licensing agreement  
   (C) joint venture  
   (D) strategic alliance

70. A paper manufacturer buying chemicals from a chemical company that buys considerable amount of its paper is called
   (A) Reverse selling  
   (B) Re-selling  
   (C) Complimentary selling  
   (D) Reciprocity

71. Click-stream analysis is associated with
   (A) Measuring advertising effectiveness on the Internet  
   (B) Using photographs and other visual elements in an advertisement  
   (C) Controlling and managing the flow of traffic in a self-service store  
   (D) Determining the number of clients logging on to buy online

72. If current ratio is 2.5 and working capital is Rs, 60,000, current assets will be
   (A) Rs. 1,50,000  
   (B) Rs. 1,20,000  
   (C) Rs. 1,00,000  
   (D) Rs. 60,000
73. Which of the following is not a concern of the supply chain?
   (A) warehousing and inventory levels   (B) credit and cash transfers
   (C) suppliers                        (D) maintenance scheduling

74. What is a heuristic?
   (A) a purely intuitive method of decision making
   (B) a shortcut or rule of thumb that is used for decision making
   (C) a totally unreliable method of decision making
   (D) a complicated and systematic method of decision making

75. Which factor is/are responsible for over-capitalization?
   (A) High promotion expenses
   (B) Wrong estimate of earning at the time of promotion
   (C) Liberal dividend policy
   (D) All of these

76. Which among the four 4 Ps of Marketing Mix is revenue-generating for the firm?
   (A) Product   (B) Price
   (C) Place     (D) Promotion

77. Which of the following do not necessarily describe the practice of Green Marketing?
   (A) Using bio-degradable materials for making products
   (B) Making vegetarian or agro-based products
   (C) Using alternatives to non-renewable natural resources
   (D) Using non-polluting or eco-friendly technology

78. How many management functions were originally proposed by Henri Fayol?
   (A) four: plan organize, lead, control
   (B) three: plan, organize, lead
   (C) five: plan, organize, command, coordinate, control
   (D) ten: 3 interpersonal, 3 informational, 4 decisional

79. Sony is an unusual market leader. It gives its customers new products that they have never even asked for (e.g., Walkmans, VCRs, video cameras, CDs). This makes Sony a(n) ________ firm
   (A) market-driven   (B) market-driving
   (C) operations-driven (D) vision-driven
80. In the make-or-buy decision, one of the reasons for making is
   (A) to reduce inventory costs
   (B) to obtain technical or management ability
   (C) inadequate capacity
   (D) to assure adequate supply in terms of quantity

81. The technique of embedding messages in advertisements which can be perceived by
    the subconscious human mind is called
   (A) Sublime advertising   (B) Subliminal advertising
   (C) Surrogate advertising  (D) Sensual advertising

82. A stock dividend implies issue of bonus shares to the existing shareholders of the
    company by way of capitalization of
   (A) Reserve             (B) Losses
   (C) Property            (D) Provisions

83. The simple black-box model of consumer behaviour indicates ———— given to a
    consumer in order to respond
   (A) Stimulus
   (B) Reaction
   (C) Cognition
   (D) Emotion

84. Planning gives organizations a way to deal with change that
   (A) reduces uncertainty    (B) reduces certainty
   (C) increases ambiguity    (D) eliminates all uncertainty

85. Capacity ratio × Efficiency ratio =
   (A) Turnover ratio         (B) Profitability ratio
   (C) Activity ratio         (D) Control ratio

86. The phases of project management are
   (A) planning, scheduling, and controlling
   (B) planning, programming, and budgeting
   (C) planning, organizing, staffing, leading, and controlling
   (D) different for manufacturing projects than for service projects
87. A competitor's share of industry sales is known as the firm's
   (A) share of market  (B) share of mind
   (C) share of heart  (D) share of competitive space

88. Financial management is a part of
   (A) Business management  (B) Financial accounting
   (C) Management accounting  (D) All of these

89. A measure of the customer's current and future opportunity value if the current level of business is maintained over time and how much you could expand the customer's share of wallet is termed as
   (A) Customer Loyalty  (B) Customer Lifetime Value
   (C) Customer Potential  (D) Customer Market Share

90. Existing brand names extended to new or modified product categories is called
   (A) Brand extension  (B) Line extension
   (C) Co-branding  (D) Diversification

91. In its standardized form, the normal distribution
   (A) Has a mean of 1 and a variance of 0
   (B) Has a mean of 0 and a standard deviation of 1
   (C) Has an area equal to 0.5
   (D) Cannot be used to approximate discrete probability distributions

92. In marketing “piggybacking” refers to
   (A) One marketer using the distribution channel members of another
   (B) A marketer conducting industrial espionage to find out competitors' strategies
   (C) A marketer spreading negative information about competitors
   (D) None of the above

93. The transfer of some of the traditional internal activities and resources of a firm to outside vendors is
   (A) a standard use of the make or buy decision
   (B) not allowed by the ethics code of the Supply Management Institute
   (C) off shoring
   (D) outsourcing
94. When the demand for soft drinks grew by 12%, the demand for aluminium cans and glass bottles also grew. The aluminium and glass industries are seeing the effects of
   (A) Joint Demand
   (B) Inelastic Demand
   (C) Derived Demand
   (D) Unitary Demand

95. In a balanced transportation model where supply equals demand,
   (A) all constraints are equalities
   (B) none of the constraints are equalities
   (C) all constraints are inequalities
   (D) none of the constraints are inequalities

96. If a firm pursues a _________ strategy, it must be good at engineering, purchasing, manufacturing, and physical distribution.
   (A) differentiation
   (B) overall cost leadership
   (C) focus
   (D) domestic customer relationship

97. SERVQUAL refers to
   (A) A measuring scale for quality of services
   (B) Software used for qualitative research
   (C) Systematic management of quality of marketing strategies
   (D) Strategy of selecting high quality customers in the services sector

98. Which of the following is not a primary activity in the Value chain of a firm?
   (A) HRM
   (B) Logistics
   (C) Marketing
   (D) Operations

99. The _______ is often the only portion of the marketing research report that executives read.
   (A) executive summary
   (B) letter of authorization
   (C) title page
   (D) letter of transmittal

100. The reason for sampling is
     (A) The population size is very large
     (B) Sample may be representative of the population
     (C) It is convenient
     (D) All of the above