

## **UGC NET - MANAGEMENT MOCK TEST PAPER**

- **PAPER - I** *This paper contains 50 objective type questions. Each question carries 2 marks.  
**Attempt all the questions.***
- **PAPER - II** *This paper contains 50 objective type questions. Each question carries 2 marks.  
**Attempt all the questions.***
- **PAPER - III** *This paper contains 75 objective type questions. Each question carries 2 marks.  
**Attempt all the questions.**  
(According to the NEW PATTERN)*
- *Pattern of questions : MCQs*
- *Total marks (PAPER I & II) : 350*
- *Duration of test : Paper I & II - 2.5 Hours  
: Paper III - 2.5 Hours*

# VPM CLASSES

For IIT-JAM, JNU, GATE, NET, NIMCET and Other Entrance Exams

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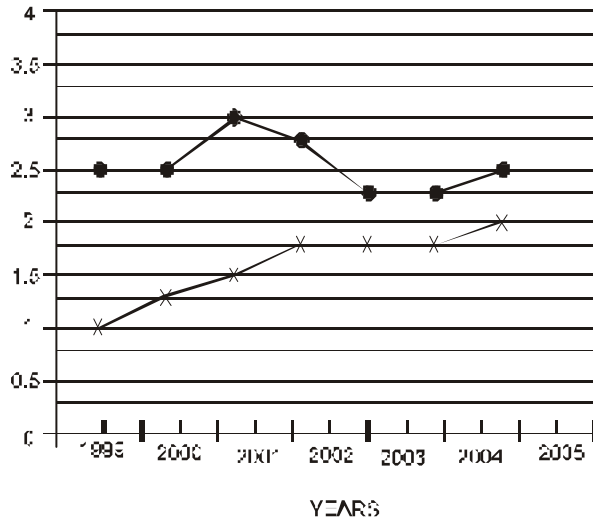
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**PAPER – I**

1. A manager must discover various ..... analyze the reasons for their occurrence and take preventive steps.  
(A) Cause to communication  
(B) Barrier to communication  
(C) Both (a) and (b)  
(D) None
2. "It is communication of feelings, emotions, attitudes, and thoughts through body movements / gestures / eye contact, etc." which type of communication is this?  
(A) Oral communication  
(B) Written communication  
(C) Non verbal communication  
(D) None
3. Which of the following is a part of the English language which helps us to understand sounds of various alphabets?  
(A) Phonetics  
(B) Homophones  
(C) Both (a) and (b)  
(D) None

Questions 4-8 Study the following graph carefully to answer the given questions.

PRODUCTION OF TWO COMPANIES A AND B (IN CRORE UNITS) OVER THE GIVEN YEARS



4. For Company A, how much is the percent increase in production in 2000 from 1999?
  - (A) 0.25
  - (B) 2.5
  - (C) 25
  - (D) 12.5
  
5. How many units is the total production of Company A for the given years?
  - (A) 9crores
  - (B) 17.75 crores
  - (C) 12.25 crores
  - (D) 11 crores
  
6. What is the difference in units produced by the two companies in 1999?
  - (A) 1,50,000,000
  - (B) 15,00,00,000
  - (C) 15,00,000
  - (D) 15,000
  
7. How many units is the approximate average production of Company B for the given years?
  - (A) 3crores

- (B) 2.55 crores  
(C) 2.75 crores  
(D) 2.25 crores
8. In which year did both the companies have no change in production from the previous year?  
(A) 2000  
(B) 2002  
(C) 2003  
(D) 2004
9. If sampled in reconnaissance mode, data limitation requires use of  
(A) Maximum  
(B) Minimum  
(C) Both (a) and (b)  
(D) None
10. If estimating average concentrations is planned  
(A) Exposure units must be defined  
(B) Sufficient samples are required  
(C) Both (a) and (b)  
(D) None
11. Which Can be used to evaluate if constituents in subsurface are correlated and have the same or different sources?  
(A) Scatter plots  
(B) Ratio plots  
(C) Multivariate plots  
(D) None
12. Which of the following Can be used to evaluate if ratios of constituents in subsurface are similar or different from those in indoor/outdoor air?  
(A) Scatter plots  
(B) Ratio plots

- (C) Multivariate plots
- (D) None

13. Which of the following collection techniques were used as the primary research methods for this study?
- (A) Qualitative
  - (B) Quantitative
  - (C) Both (a) and (b)
  - (D) None
14. In order to organize, classify and analyze the gathered information, used
- (A) Graphs
  - (B) Statistics
  - (C) Both (a) and (b)
  - (D) None

**Direction (15-19)** The strength of Indian Democracy lies in its tradition, in the fusion of the ideas of democracy and national independence which was the characteristic of the Indian Nationalist Movement long before independence. Although the British retained supreme authority in India until 1947, the provincial elections of 1937 provided real exercise in democratic practice before national independence. During the Pacific war India was not overrun or seriously invaded by the Japanese and after the war was over, the transfer of power to a government of the Indian Congress Party was a peaceful one as far as Britain was concerned. By 1947 'Indianisation' had already gone far in the Indian Civil Service and Army, so that the new government could start with effective instruments of central control. After independence, however, India was faced with two vast problems; the first, that of economic growth from a very low level of production and the second was that of ethnic diversity and the aspirations of sub nationalities. The Congress leadership was more aware of the former problem than of the second. As a new political elite which had rebelled not only against the British Raj but also against India's old social order, they were conscious of the need to initiate economic development and undertake social reforms, but as nationalists who had led a struggle against the alien rule on behalf of all parts of India,

they took the cohesion of the Indian nation too much for granted and underestimated the centrifugal forces of ethnic division, which were bound to be accentuated rather than diminished as the popular masses were more and more drawn into politics. The Congress party was originally opposed to the idea of recognizing any division of India on a linguistic basis and preferred to retain the old provinces of British India which often cut across linguistic boundaries. However, this was later conceded as the basis for a federal 'Indian Union'. The rights granted to the States created new problems for the Central Government. The idea of making Hindi the national language of a united India was thwarted by the recalcitrance of the speakers of other important Indian languages and the autonomy of the States rendered central economic planning extremely difficult. Land reforms remained under the control of the States and many large-scale economic projects required a degree of cooperation between the Central Government and one or more of the States which, it was found, was impossible to achieve. Coordination of policies was difficult even when the Congress party was in power both in the State and at the Centre. When a Congress Government in Delhi was confronted with non-Congress parties in office in the States, it became much harder.

15. Which of the following problems was India faced with after Independence ?
- (A) Military attack from a country across the border.
  - (B) Lack of coordination between the Central and State Governments.
  - (C) Improper coordination of various Government policies
  - (D) Increasing the production from a very low level
16. Which of the following issues was not appropriately realized by the Central Government.
- (A) Ethnic diversity of the people
  - (B) A national language for the country
  - (C) Implementation of the formulated policies
  - (D) Centre -State relations
17. Why was central economic planning found to be difficult?
- (A) Multiplicity of States and Union Territories

- (B) Lack of coordination in different Government departments  
(C) Autonomy given to the States in certain matters  
(D) Lack of will in implementing land reforms
18. Why was the linguistic reorganization of the State accepted?  
(A) The States were not cooperating with the Central Government  
(B) Non-Congress Governments in the States demanded such a reorganization of the States  
(C) No common national language emerged  
(D) Strong pressure from the States was exerted on the Central Government to create such States
19. Which, according to the passage, can be cited as an exercise in democratic practice in India before Independence?  
(A) The handing over of power by the British to India  
(B) The Indianisation of the Indian Civil Service  
(C) A neutral role played by the Army  
(D) None of the above
20. The information to be collected in survey method are related to  
(A) Present Position  
(B) Aims of the research  
(C) The attainment of aim of research  
(D) All of the above
21. Research is done for  
(A) Knowledge of research process  
(B) Solving a business problem  
(C) Interest in research  
(D) Experience
22. A research problem is feasible only when  
(A) It is researchable

- (B) It has some utility  
(C) It is new  
(D) All of the above
23. One of the essential characteristics of research is  
(A) Sensitivity  
(B) Generalizability  
(C) Usability  
(D) Replicability
24. Identify the main Principle on which the Parliamentary System operates.  
(A) Responsibility of Executive to Legislature  
(B) Supremacy of Parliament  
(C) Supremacy of Judiciary  
(D) Theory of Separation of power
25. The reservation of seats for women in the Panchayat Raj Institutions is :  
(A) 30% of the total seats  
(B) 33% of the total seats  
(C) 33% of the total population  
(D) None
26. Match list I with list II and select the correct from the code given below :
- | List I (Institutions)   | List II (Locations) |
|---|---------------------|
| 1. Indian Veterinary Research Institute                           | i. Pune             |
| 2. Institute of Armament Technology                               | ii. Izat Nagar      |
| 3. Indian Institute of Science                                    | iii. Delhi          |
| 4. National Institute for Educational Planning and Administrators | vi. Bangalore       |
- (A) 1-ii, 2-i, 3-iv, 4-ii  
(B) 1-ii, 2-iv, 3-ii, 4-iii  
(C) 1-ii, 2-iii, 3-i, 4-iv  
(D) 1-iv, 2-iii, 3-ii, 4-i

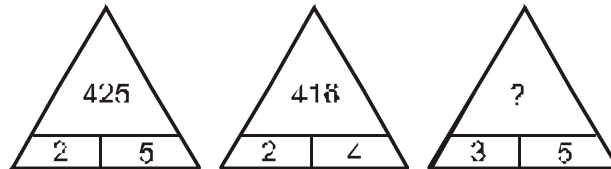


27. Who was chairman of the UGC committee 1969 appointed for administrative legislation of the universities?
- (A). Dr. Zakir Hussain  
(B) Dr. P B Gajendragadkar  
(C) Dr. L S Mudaliar  
(D) Dr. Radha Krishnan
28. UGC has launched career oriented program in
- (A) 1964-65  
(B) 1994-95  
(C) 1997-98  
(D) 1980-81
29. The prime minister of India is appointed from \_\_\_\_\_
- (A) The leading Party in Lok Sabha  
(B) The Leading Party in Rajya Sabha  
(C) The leading party in Lok Sabha and Rajya Sabha combined  
(D) None of the above
30. The study of interrelations between Organism and their environment is called\_\_\_\_
- (A) Biosphere  
(B) Ecology  
(C) Synecology  
(D) Autecology
31. The term ICT is now also used to refer to the convergence of
- (A) Audio visual  
(B) Telephone network  
(C) Both (a) and (b)  
(D) None

- 32** Which was the first National Park established in India?  
(A) Anshi National Park  
(B) Gir National Park  
(C) Kanha National Park  
(D) Jim Corbett National Park
- 33** Fossil Fuels include  
(A) Oil  
(B) Natural Gas  
(C) Coal  
(D) All of the above
- 34** Noise in excess of \_\_\_\_\_ is called noise pollution  
(A) 40-65 db  
(B) 60-70 db  
(C) 80-100 db  
(D) None of the above
- 35** Effectiveness of teaching depends on \_\_\_\_\_  
(A) Handwriting of Teacher  
(B) Speaking ability of Teacher  
(C) Qualification of the Teacher  
(D) Subject Understanding of the Teacher
- 36** Verbal Guidance is least effective in the learning of \_\_\_\_\_  
(A) Aptitudes  
(B) Skills  
(C) Attitudes  
(D) Relationship
- 37** The participation of students will be maximum if \_\_\_\_\_ method is used for teaching.  
(A) Text Books

- (B) Discussion Method  
(C) Conference Method  
(D) Lectures
38. The primary responsibility of the teacher's adjustment lies with
- (A) The Students  
(B) The Principal  
(C) The Community  
(D) The Teacher himself
39. The First Kindergarten was started by
- (A) William James  
(B) A D Clinton  
(C) Freidrich Forebel  
(D) J H Hills
40. In following questions, number series is given. One of the numbers in each series is wrong. After searching wrong number find the correct number in its place.
- 510, 254, 126, 64, 30, 14, 6
- (A) 252  
(B) 62  
(C) 130  
(D) 9
41. Which reasoning determines whether the truth of a conclusion can be determined for that rule, based solely on the truth of the premises?
- (A) Deductive  
(B) Inductive  
(C) Abductive  
(D) All

42. Insert the missing number or letter from among the given alternatives.



- (A) 140  
 (B) 280  
 (C) 875  
 (D) 925
43. In the following question assuming the given statements to be true, find out which of the two assumptions I and II given below them is/are definitely true give answer as.

- (A) Only assumption I is implicit  
 (B) Only assumption II is implicit  
 (C) Either I or II is implicit  
 (D) Neither I nor II is implicit  
 (E) Both I and II are implicit

**Statement:** The State government has decided to appoint four thousand primary school teachers during the next financial year.

**Assumptions:**

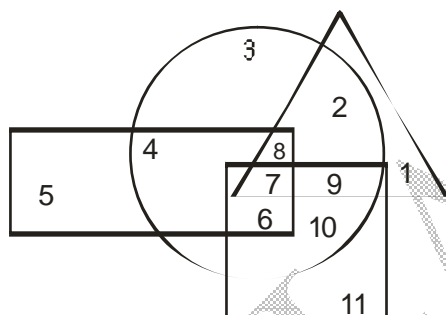
- I. There are enough schools in the state to accommodate four thousand additional primary school teachers.  
 II. The eligible candidates may not be interested to apply as the government may not finally appoint such a large number of primary school teachers.

44. What is the latest write-once optical storage media?

- (A) Digital paper  
 (B) Magneto-optical disk  
 (C) WORM disk  
 (D) CD-ROM disk

45. Which of the following identifies a specific web page and its computer on the Web?
- (A) Web site  
 (B) Web site address  
 (C) URL  
 (D) Domain Name

**Direction (46-47)** In the following figure, rectangle, square, circle and triangle represents the regions of wheat, gram, maize and rice cultivation respectively. On the basis of the figure, answer the following questions.



46. Which of the area is cultivated for wheat and maize only?
- (A) 8  
 (B) 6  
 (C) 5  
 (D) 4
47. Which of the area is cultivated for maize only?
- (A) 10  
 (B) 2  
 (C) 3  
 (D) 4
48. Pointing to a photograph. Bajpai said, "He is the son of the only daughter of the father of my brother." How Bajpai is related to the man in the photograph?

- (A) Nephew
  - (B) Brother
  - (C) Father
  - (D) Maternal Uncle
49. Light Year is a unit of:
- (A) Intensity of light
  - (B) Distance
  - (C) Time
  - (D) Planetary motion
50. Tsunamis are huge sea waves caused by :
- (A) Earthquakes
  - (B) Volcanoes
  - (C) Winds
  - (D) Icebergs

## PAPER II

1. The price elasticity of demand for a product is infinity if the firm increases price of the product by 10% total revenue of the firm will.
- (A) Not change
  - (B) Increase to infinity
  - (C) Fall to zero
  - (D) Decrease by more than 10%
2. The numerical difference between forecast demand and actual demand is called \_\_\_\_.
- (A) Standard deviation
  - (B) Forecast error

- (C) Variance
- (D) Forecast variance
3. All quantitative forecasts are based on:
- (A) A computer system
- (B) The tax rate
- (C) Historical data
- (D) The number of persons employed by the firm
4. Propensity of people to consume is an example of an \_\_\_\_\_ variable. .
- (A) Political
- (B) Economic
- (C) Social
- (D) Demographic
5. The belief that businesses that help in solving difficult social problems create a desirable community and attract and keep skilled employees is known as which argument for social responsibility ?
- (A) Ethical obligation
- (B) Public image
- (C) Better environment
- (D) Possession of resources
6. Aggressive involvement in a chronic, incessant struggle to achieve more in less time, even against opposition from others is the characteristic of people belonging to.

- (A) Type A personality
- (B) Locus of control
- (C) Type B personality
- (D) None of above.

7. What is the nature of management interaction in the case of a mechanistic organization?

- (A) Flat
- (B) Horizontal
- (C) Vertical
- (D) Responsive.

8. Which of the following are most important decisions that managers make?

- (A) Functional
- (B) Programmed
- (C) Non – programmed
- (D) Tactical

9. Ego strength and locus of control are \_\_\_\_\_ that influence an individual's ethical behavior.

- (A) Values,
- (B) Beliefs
- (C) Personality variables
- (D) Structural variables.



10. Motivation is a \_\_\_\_\_ state.
- (A) Sociological
  - (B) Psychological
  - (C) Physiological
  - (D) Biological
11. Employees must be given the tools and resources they need to be creative. One of the most valuable resources is:
- (A) Time
  - (B) Money
  - (C) Rules & guidelines
  - (D) Providing Challenges
12. \_\_\_\_\_ is not an operative function of human resource management.
- (A) Employee Relations
  - (B) Compensation of employees
  - (C) Organizing
  - (D) Employment
13. The point rating method is a quantitative technique & job evaluation. What are the advantages of this method?
- i. The system is accurate & dependable
  - ii. It is a simple technique.
  - iii. It is a quits & inexpensive method.
  - iv. Wage differentials are likely to be systematic.

And in accordance with the content of each job.

- (A) Only i & ii
- (B) Only i & iii
- (C) Only ii & iii
- (D) Only i & iv

14. Law of diminishing return is not relevant when.

- (A) All labors are equally efficient.
- (B) The time period is short.
- (C) All factors of input are increased by the same proportion.
- (D) Capital is held constant.

15. Consider the following cash flow series of a project.

Which of the following is/are true?

- (i) The maximum number of IRRs for the above series is limited to two.
- (ii) The firm has withdrawn Rs. 1400 from the project at the end of year.
- (iii) The above project can have only one IRR.

- (A) Only (i) above
- (B) Only (ii) above
- (C) Only (iii) above
- (D) Both (i) & (ii)

16. A non simple mixed project. .

- (A) Has a sequence of cash outflows followed by a sequence of cash inflows.
- (B) Has an unrecovered balance of zero through the life of the project.

- (C) Always has a negative uncovered investment balance.
- (D) Has  $i^*$  (the rate at which uncovered investment balances are zero, lesser than  $i_{\min}$  (the smallest interest rate satisfying the non - positivity condition).
17. Which of the following statements is/are true regarding bond value theorems?
- (i) When the required rate of return is greater than the coupon rate, the premium on the bond increases as maturity approaches.
  - (ii) For a given difference between YTM and coupon rate, the longer the term to maturity, greater will be change in price with the change in YTM.
  - (iii) The effect of a change in YTM on the price of the bond is more in case of lower yield bonds than in bonds with yields.
- (A) Only (i) above
- (B) Only (ii) above
- (C) Both (i) and (ii)
- (D) Both (ii) and (iii)
18. Capital recovery factor is.
- (A) The inverse of future value interest factor.
- (B) The inverse of present value interest factor.
- (C) The inverse of future value interest factor for annuity.
- (D) The inverse of present value interest factor for annuity.
19. Which of the following methods does a firm resort to avoid dividend payments?
- (A) Share Splitting
- (B) Right issue

- (C) Bonus Shares
- (D) Declaring bonus Shares
20. Tight cost control is associated with which of the following strategies?
- (A) Market segmentation strategy
- (B) Market dominance strategy
- (C) Cost leadership strategy
- (D) Differentiation Strategy
21. Which of the following tend to market high end goods and services and are able to use a premium pricing strategies in a specific market segment?
- (A) Followers
- (B) Leaders
- (C) Nichers
- (D) Challengers
22. \_\_\_\_\_ Provides a way for individual investors to support socially responsible companies.
- (A) NASDAQ
- (B) Going green
- (C) A band
- (D) A socially responsible mutual stock bond
23. Which of the following comes under the broad definition for factors of production?
- (A) Technology
- (B) Innovation
- (C) Capital

(D) Patent right

24. The success of quality circle depends upon all the following factors except.
- (A) The concept should be used only for addressing problems of a long term nature and problems that are measurable.
- (B) The skills of the quality circle members should be used to resolve problems that fall under their work area.
- (C) Supervisors should be trained in facilitation skills.
- (D) There should be continuous support from the top management.
25. The typical time horizon for aggregate planning is: .
- (A) Less than a month
- (B) Up to 3 months
- (C) 3 to 18 months
- (D) Over one year
26. Which of the following aggregate planning strategies is a “capacity option”?
- (A) Influencing demand by changing price.
- (B) Counter -seasonal product mixing
- (C) Influencing demand by extending lead times.
- (D) Changing inventory levels.
27. Which of the following is a key concept of the satisfying model of decision – making, which suggest that the ability of managers to be completely rational when making decisions is limited by certain factors?
- (A) Rationality

- (B) Irrationality
- (C) Bounded rationality
- (D) Unbounded rationality
28. Over the past 25 years, all of these areas of legal environment have influenced HRM except:
- (A) Equal employment opportunity legislation
- (B) Employees pay and benefits
- (C) Employee competition legislation
- (D) Job security
29. Which of following has a negative impact on the share price?
- (A) Unexpected dividend increase
- (B) Unexpected dividend initiation
- (C) Unexpected dividend decrease
- (D) None of the above
30. A \_\_\_\_\_ consists of people, equipment, and procedures to gather, sort, analyze, evaluate, and distribute needed, timely, and accurate information to marketing decision makers.
- (A) Management information system
- (B) Marketing information system
- (C) Financial information system
- (D) Management intelligence plan

31. The \_\_\_\_\_ process is the process of evaluating each market segment's attractiveness and selecting one or more segments to enter.
- (A) Market Positioning
  - (B) Market Targeting
  - (C) Market Differentiation
  - (D) Market Segmentation
32. According to information presented in the text with respect to usage rate, which of the following groups generally has the most appeal for a marketer?
- (A) Several light users who are not store loyal at present.
  - (B) A medium user that is loyal to your store and one other competitor.
  - (C) Several light users and several nonusers (each of which might become loyal with sufficient promotion) who are not store loyal at present.
  - (D) A heavy user.
33. Which of the following is not a characteristic of a money market instrument?
- (A) Liquidity
  - (B) Marketability
  - (C) Long maturity
  - (D) Liquidity premium
34. Some companies give customers the tools and resources to design their own \_\_\_\_\_.
- (A) Advertising campaigns
  - (B) Products
  - (C) Product modifications

- (D) Product applications
35. Continuously renewing the difference makes your product \_\_\_\_\_.
- (A) Look superior
- (B) Highly unacceptable
- (C) Not conforming with market standards of evolving changes
- (D) Conforming to the changing behavior and beliefs of customers
36. Which tool of the promotional mix is defined as any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor?
- (A) Advertising
- (B) Public relations
- (C) Direct marketing
- (D) Sales promotion
37. \_\_\_\_\_ is direct communications with carefully targeted individual consumers to obtain an immediate response.
- (A) Personal selling
- (B) Public relations
- (C) Direct marketing
- (D) Sales promotion
38. Two major factors are changing the face of today's communications. One of these factors is the fact that
- (A) Costs of promotion are rising.
- (B) Mass markets are fragmented and marketers are shifting away from mass marketing.



- (C) Global communications are not growing rapidly enough.
- (D) Managers have achieved more power and control.
39. Which type of marketing system is used when a company is involved in more than one type of distribution arrangement?
- (A) Independent vertical marketing system
- (B) Partially integrated vertical marketing system
- (C) Fully integrated vertical marketing system
- (D) Dual vertical marketing system
40. Which statement about product/trademark franchising is correct?
- (A) Franchised dealers sometimes agree to operate under suppliers' names.
- (B) Dealers operate under the strict control of suppliers.
- (C) Suppliers determine store hours and location.
- (D) Examples are restaurants and real estate establishments.
41. By security in e-commerce we mean
- (i) Protecting an organization's data resource from unauthorized access
- (ii) Preventing disasters from happening
- (iii) Authenticating messages received by an organization
- (iv) Protecting messages sent on the internet from being read and understood by unauthorized persons/organizations
- (A) i, ii
- (B) i, iii
- (C) iii, iv
- (D) i, iii, iv

42. Which of the following is not an element of a service firm's communication mix?
- (A) Personal selling
  - (B) Sales promotion
  - (C) Positioning strategy
  - (D) Publicity and public relations
43. Which of the following best describes the concept of the value chain?
- (A) Adding financial value to an organization through the acquisition of other firms
  - (B) The step-wise increases in product prices as raw materials are turned into goods/services
  - (C) The steps in manufacturing that add value to finished products
  - (D) All steps in the transformation process that add value even if they don't come from manufacturing
44. In the simplex method, a tableau is optimal only if all the  $c_j - z_j$  values are
- (A) zero or negative.
  - (B) Zero.
  - (C) Negative and nonzero.
  - (D) Positive and nonzero.
45. The dual variable represents
- (A) The marginal value of the constraint
  - (B) The right-hand-side value of the constraint
  - (C) The artificial variable
  - (D) The technical coefficient of the constraint

46. The parts of a network that represent the origins are
- (A) The axes
  - (B) The flow
  - (C) The nodes
  - (D) The arrows
47. Put into chronological order on the basis of development:
1. Law of demand
  2. Law of indifference
  3. Law of diminishing marginal utility
  4. Revealed preference curve
  5. Indifference curve
- Codes:
- (A) 1, 2, 3, 4, 5
  - (B) 1, 5, 3, 4, 2
  - (C) 1, 3, 2, 5, 4
  - (D) 1, 3, 4, 2, 5
48. Match the following:
- List-I
- a. Principle of Economics
  - b. Diamond Water. Paradox
  - c. Value and Capital
  - d. Asian Drama

e. Language of Economics

List-II

1. Gunnar Myrdal
2. J. K Galbraith
3. Alfred Marshall
4. J. R Hicks
5. Adam Smith

Codes:

	a	b	c	d	e
(A)	1	2	3	5	4
(B)	2	4	3	5	1
(C)	5	2	3	1	4
(D)	3	5	4	1	2

49. **Assertion (A):** According to Taylor, one best way of doing each task leads to increase in productivity in organization.

**Reason (R):** It was the management responsibility alone to find out this one best way.

**Codes:**

- (A) A and R are true and R is the correct explanation of A.
- (B) A and R are true but R is not the correct explanation of A.
- (C) A is true but R is false.
- (D) A is false but R is true.

50. The Scientific Management is based upon which of the following assumptions?
1. Application of the scientific methods to organizational problems leads to efficiency.
  2. The good worker is one who accepts orders, but does not initiate actions.
  3. Worker is more important than the work.
  4. Each worker is interested in maximizing his monetary rewards.

Select the correct code:

- (A) 1, 2 and 3
- (B) 1, 2 and 4
- (C) 2, 3 and 4
- (D) 1, 2, 3 and 4

### PAPER III

1. Which of the following is an example of random sampling techniques?
  - (A) Taking the name of every person in a telephone book
  - (B) Generating a list of numbers by picking numbers out of a hat and matching these numbers to names in the telephone book
  - (C) Taking every tenth or twentieth name from a list of everybody in the telephone book
  - (D) None of these
2. The mean difference at 0.01 (significant level) is:
  - (A) Statistically significant difference
  - (B) Not statistically significant difference
  - (C) Attributed by chance

(D) Equal

3. The online value proposition should:

(A) Supported by appropriate resource levels

(B) Be communicated to site visitors and in all marketing communications

(C) Be a clear differentiator from online competitors

(D) All of the above

4. What does the following definition refer to?

'Achieving marketing objectives through the use of any electronic communications technology'

(A) Internet marketing

(B) E-commerce

(C) E-marketing

(D) E-business

5. Assessing the demand for digital services (the online revenue contribution) is an example of:

(A) Satisfying customer requirements

(B) Identifying customer requirements

(C) Anticipating customer requirements

(D) None of the above

6. Which of the following statements concerning the operations management decision is relevant to services?

(A) There are many objective quality standards.

(B) The customer is not involved in most of the process.

- (C) The work force's technical skills are very important.
- (D) Labor standards vary depending on customer requirements.
7. Which of the following influences layout design?
- (A) Inventory requirements
- (B) Capacity needs
- (C) Personnel levels
- (D) All of the above influence layout decisions
8. A strategy is a(n)
- (A) Plan for cost reduction
- (B) Broad statement of purpose
- (C) Simulation used to test various product line options
- (D) Action plan to achieve the mission
9. Which of the international operations strategies uses import/export or licensing of existing products?
- (A) International strategy
- (B) Global strategy
- (C) Transnational strategy
- (D) Multidomestic strategy
10. Which of these organizations is likely to have the most complex inventory decisions?
- (A) A marketing research firm
- (B) A stock brokerage firm
- (C) A management consulting firm

(D) A computer manufacturing company

11. Mergers and acquisitions in unrelated industries are called:

(A) Horizontal mergers

(B) Vertical mergers

(C) Conglomerate mergers

(D) Privatization

12. At corporate level, diversification comes about when a firm is involved in two or more:

(A) Businesses

(B) Markets

(C) Segments

(D) Industries

13. \_\_\_\_\_ and \_\_\_\_\_ are two reactive reasons for a firm's going international.

(A) International competition; trade barriers

(B) Trade barriers; economies of scale

(C) Customer demands; cost savings

(D) Economies of scale; cost savings

14. What is perhaps the most likely reason why McDonald's has aggressively expanded internationally?

(A) To cut costs

(B) To find new sources of financing

(C) To overcome limited expansion opportunities at home



- (D) To establish economies of scale
15. One of the quickest and cheapest ways to develop a global strategy is through \_\_\_\_\_.
- (A) Exporting
  - (B) Wholly owned subsidiaries
  - (C) Strategic alliances
  - (D) Importing
16. Entrepreneurship is a constant process that relies on:
- (A) Creativity, innovation, and profit.
  - (B) The ability to win over the consumer.
  - (C) Creativity, innovation, and application in the marketplace.
  - (D) Intellectual property rights.
17. Entrepreneurs can stimulate their own creativity and encourage it among workers by:
- (A) Expecting and tolerating failure.
  - (B) Avoiding problems.
  - (C) Limiting rewards.
  - (D) Not taking chances.
18. Innovative entrepreneurs face special issues in raising:
- (A) Development capital
  - (B) Structured capital
  - (C) Human capital
  - (D) Seed capital
19. Creativity often involves creating something from nothing. However, it is more likely to result in:

- (A) Elaborating on the present.
- (B) Putting old things together in new ways.
- (C) Taking something away to create something simpler or better.
- (D) All of the above.
20. The philosophy of zero defects is
- (A) Unrealistic
- (B) Prohibitively costly
- (C) An ultimate goal; in practice, 1 to 2% defects is acceptable
- (D) Consistent with the commitment to continuous improvement
21. Pareto charts are used to
- (A) Identify inspection points in a process
- (B) Organize errors, problems or defects
- (C) Outline production schedules
- (D) Show an assembly sequence
22. Which of the following is the risk associated with the retail banking?
- (A) Strong recovery strategy
- (B) Definite lending limits
- (C) Effective credit process and proposals
- (D) Inadequate risk pricing
23. In which of the following phases, entrepreneurs begin sharing the ideas with a few close friends in the organization?
- (A) The solo phase. (B) The network phase.

(C) The Bootleg phase. (D) The formal team building phase.

24. Which of the following factor (s) does not help in creating an entrepreneurial environment in the organization?

- (A) Self - selection. (B) Group appraisal.  
(C) No Handoffs. (D) The Doer decides.

25. All managers play the role of hiring, training, motivating and disciplining employees. This role may be termed as:

- (A) Figurehead role (B) Leadership role  
(C) Liaison role (D) None of the above

26. The capacity of human beings to change would be virtually unrestricted in which of the following situations?

- (A) If internal factors alone determine human behavior.  
(B) If external factors alone determine behavior.  
(C) If both internal and external factors determine behavior.  
(D) If neither internal nor external factors determine behavior.

27. Which of the following is not a benefit accruing to an organization because of its grievance redressal procedure?

- (A) It helps to maintain harmonious industrial relations.  
(B) Previous knowledge and experience, captured in the grievance redressal system helps the management when formulating major plans like plant expansion or installation of the latest technologies.  
(C) It keeps a check on supervisors indulging in biased decisions.

- (D) Grievance redressal procedures insulate the top management from the problems of the employees.
28. The WTO seems to be interfering in domestic policy since
- (A) The line between domestic policies and the factor protectionism is often fuzzy.
  - (B) It is a supra-national organization with the power to overturn governments.
  - (C) It determines which nations may trade with whom.
  - (D) It punishes naughty nations.
29. Benefits of international trade are limited to
- (A) Tangible goods.
  - (B) Intangible goods.
  - (C) All goods but not services.
  - (D) None of the above.
30. The theory of purchasing power parity says that .
- (A) The inflation rates in two countries are unrelated
  - (B) The exchange rate reflects the inflation rate difference between two countries in the opposite direction
  - (C) The inflation rate is greater than the interest rate
  - (D) The interest rate is greater than the inflation rate
31. Which of the international operations strategies involves low cost reductions and low local responsiveness?
- (A) International strategy
  - (B) Global strategy

(C) Transnational strategy

(D) Multidomestic strategy

32. \_\_\_\_\_ refers to the extent of activities that are performed in - house.

(A) Segment scope.

(B) Vertical scope.

(C) Coalitions and scope.

(D) Geographic scope.

33. Which of the following is not a characteristic of a person with high need for achievement?

(A) Does not like to shoulder responsibility.

(B) Likes to take risks.

(C) Tends to be innovative.

(D) Shows tolerance to ambiguity.

34. Which of the following is the third phase of the creative process?

(A) Unconscious scanning.

(B) Insight

(C) Intuition.

(D) Logical Formulation.

35. Which of the following is not a part of the process of organizational development?

(A) Data gathering.

(B) Organizational diagnosis.

(C) Action interventions.

(D) Feedback.

36. Which of the following is not a difference between Intrapreneurship and entrepreneurship?

(A) Intrapreneurship is often restorative whereas individual entrepreneurship is development.

(B) In individual entrepreneurship, the "enemy" is the market but in the case of intrapreneurship, the corporate culture may be the primary foe.

(C) Intrapreneur does not have the ownership of the new venture created nor is completely independent whereas an individual entrepreneur is completely independent and has complete ownership.

(D) The intrapreneur has no access to company's fund while individual entrepreneur, on the other hand has to use his personal wealth or scramble to obtain funding.

- 37.. Company's recently developed a new software. It wants to restrict access to the software to authorized individuals in the organization. Which of the following procedures will help the company restrict access?
- (A) Data management (B) Data uniformity  
(C) Data entry validation (D) Security & Integrity
38. A computer based information system which increases the efficiency and productivity of managers and office through document and message processing is known as a/an \_\_\_\_.
- (A) Decision support system (DSS). (B) MIS  
(C) Office automation system (D) Transaction processing system.
39. The manufacturer of a wide range of consumer goods, follow a policy that allows employees to approach managers at any time and discuss their problems with them. What type of policy is the company following?
- (A) Open door policy (B) Exit interviews  
(C) Attitude questionnaire (D) Participative decision - making technique.
40. If a person fails to get promoted due to his poor rating in the annual performance appraisal, but attributes this to poor managerial assessment of his capabilities, he is considered to have focus of control.

- (A) Internal (B) External  
(C) Agreeable (D) Conscientious

41. In which of the following processes do individuals take note of the stimulus received from the environment or record it mentally?

- (A) Stimulus (B) Registration  
(C) Feedback (D) Interpretation

42. \_\_\_\_\_ refers to all the extrinsic rewards received by the employee of an organization during and after the course of the job, for his/her contributions to the organization.

- (A) Bonus (B) Compensation  
(C) Fringe Benefits (D) Incentives

43. In the \_\_\_\_\_ method of conflict resolution, both the parties emerge as "Winners".

- (A) Compromise (B) Problemsolving  
(C) Mediation (D) Accommodation

44. Dumping is an example of:

- (A) Monopolistic practice in international trade.  
(B) Monopoly practice in international trade.  
(C) Oligopoly practice in international trade.  
(D) Perfect competition in international trade.

45. The GE matrix used in product management suggests "Invest to Build" for product falling in the category of:

- (A) High market attractiveness low business unit strength.  
(B) Low market attractiveness high business unit strength.

- (C) High market attractiveness medium business unit strength.
- (D) Medium market attractiveness high business unit strength.
46. When the required rate of return on a bond is greater than the coupon rate.
- (A) The premium on the bond declines as maturity approaches.
- (B) The discount on the bond declines as maturity approaches.
- (C) The value of the bond is greater than its par value.
- (D) The greater is its price change in response to a given change in the required rate of return.
47. Which of the following statements regarding IRR is true?
- (A) A project can have only one IRR.
- (B) If IRR is that the firm's cost of capital, the project should be rejected.
- (C) A project can have multiple IRRs depending on the cash flow streams.
- (D) Both (B) & (C) above.
48. A simple correlation can be defined as the tendency of \_\_\_\_\_ .
- (A) Independent variation
- (B) Dependent variation
- (C) Simultaneous variation
- (D) Instantaneous variation.
49. A / an \_\_\_\_\_ is a computer based information system that supports the process of managerial decision making in situations that are not well structured.
- (A) MIS
- (B) Decision – Support system



- (C) Expert system
- (D) Transaction support system
50. Globalization of industries is occurring for all of these reasons except.
- (A) World wide trend towards similar consumption pattern.
- (B) A emergence of global buyers & sellers.
- (C) A world wide trend towards different consumption patterns.
- (D) E-commerce and the instant transmission of money and information across continents.
51. Entrepreneurship is a constant process that relies on:-
- (i) Creativity, innovation and profit
- (ii) Intellectual property rights.
- (iii) Creativity, innovation, and application in the market place.
- (iv) The ability to wise over the customers.
- (A) Only (i)
- (B) Only (ii)
- (C) Only (iii) only (iv)
- (D) None of above
52. The ability to apply creative solutions to problems and opportunities to enhance or to enrich people's lives is called.
- (A) Entrepreneurship
- (B) Innovation
- (C) Creativity
- (D) Creative thinking

53. A way that organization can show their commitment to being green is through adopting the \_\_\_\_\_
- (A) ISO 9000 standards
  - (B) ISO 14001 Standards
  - (C) ISO 14000 standards
  - (D) ISO 26000 Standards
54. Which of the following refers to a special telephone line that enables employees to bypass the proper channels for reporting their ethical dilemmas and problems?
- (A) Ethics training
  - (B) Ethics Audit
  - (C) Ethics Hotline
  - (D) Ethics development
55. Which of the following approaches is neither immoral nor moral and simply ignores ethical considerations?
- (A) Moral management
  - (B) Amoral management
  - (C) Immoral Management
  - (D) Both (A) & (C)
56. Which of the following is an argument against the involvement of businesses in social welfare activities?
- (A) Balance of responsibility and power.
  - (B) Excessive costs.

- (C) Favorable public image
- (D) Protecting shareholders interests.

57. According to Charles Darwin's theory of evolution, human beings evolved just like other animals. The theory, in turn opened up a new area of study called:

- (A) Sociobiology
- (B) History
- (C) Anthropologies
- (D) Economics

58. In what way are Distribution Resource Planning (DRP) and Material Requirements Planning (MRP) similar?

- (A) Both employ similar logic and procedure.
- (B) Both are employed in a manufacturing organization.
- (C) Both work most efficiently with largest lot sizes.
- (D) Both are employed by retail organization.

59. Managers have to play several roles while performing their duties. One of these roles, called the interpersonal relationships involved. The interpersonal roles of a manager includes

- \_\_\_\_\_
- i) Liaison role
  - ii) Leadership role
  - iii) Figurehead role
  - iv) Information role

(A) Only i, ii and iii

- (B) Only i and ii
- (C) Only i and iv
- (D) Only ii and iii

60. Interest free loans provided by companies to their employees, are an example of \_\_\_\_\_.

- (A) Benefits
- (B) Incentives
- (C) Bonus
- (D) Performance based rewards.

61. It is a fact that there are 24 million left handed people in the United States, however, most marketers do not attempt to appeal to or design products for this group because there is little in the way of census data about this group. Therefore, this group fails in one of the requirements of effective segmentation. Which of the following is most likely to apply in this case?

- (A) Actionable
- (B) Substantial
- (C) Differentiable
- (D) Measurable

62. When a company enters a new product category for which its current brand names are not appropriate, it will likely follow which of the following brand strategies?

- (A) Product extensions
- (B) Line extensions
- (C) Brand extensions

(D) New Brands

63. The type of sales presentation approach that requires good listening and problem solving skills is the:

(A) Canned approach

(B) Formula approach

(C) Need - satisfaction approach

(D) Critical - thinking approach.

64. The five forces that affect the level of competition in an industry are:

(A) Threat of entrants; power of buyers; power of suppliers; threat of substitutes; competitive rivalry.

(B) Threat of buyers; power of entry; power of substitutes; threat of suppliers; threat of recession.

(C) Threat of recession; power of buyers; power of suppliers; threat of management failure; competitive rivalry.

(D) Threat of entry; power of buyers; power of suppliers; threat of substitutes; government action.

65. In the \_\_\_\_\_ socialization strategies, the channels of movement in the socialization process are kept open and an individual is given the opportunity to perform better in the next stage, even if did not perform as expected in the preceding stages.

(A) Formal

(B) Sequential

(C) Contest

(D) Tournament

66. Companies go international for a number of different reasons. Which of the following is not a defensive reason for going international?

(A) To protect domestic market.

(B) To explore new market.

(C) To acquire new technology

(D) To diversity geographically.

67. The \_\_\_\_\_ is (are) the MRP input detailing in which end items are to be produced, when they are needed, and in what quantities.

(A) Master production schedule.

(B) Gross requirements

(C) Inventory records

(D) Assembly time chart

68. The market value of the firm is result of

(A) Dividend decision

(B) Working capital decision.

(C) Capital budgeting decisions

(D) Trade of between risk and return.

69. The starting point for preparing the master budget is the.

(A) Inventory policy

(B) Sales Budget

(C) Production budget

(D) Budgeted balance sheet

70. Which of the following statement is/are true?

- (A) For non - simple mixed investment all the appraisal criteria can be applied.
- (B) NPV is not suitable for the non - simple mixed investment.
- (C) BCR and NBCR criteria are not suitable to evaluate non - simple mixed investment.
- (D) IRR is not suitable for simple investment.

71. Acc. to net operating Income Approach.

- (A) The overall capitalization rate of the firm decreases as the degree of leverage increases.
- (B) The cost of debts increases with increase in degree of leverage.
- (C) The overall capitalization rate increases as the degree to leverage increase.
- (D) The market is assumed to capitalize the firm at a discount rate that is independent of the firm's degree of leverage.

72. A company issues one right share for every 4 shares held at a subscription price of Rs. 60 per share. The current market price of the share is Rs. 80. Value of share is

- (A) Rs. 4
- (B) Rs. 5
- (C) Rs. 15
- (D) Rs. 26

73. In Capital Asset Pricing Model Approach, to know the cost of equity we require.

- (A) The expected dividend.
- (B) The current market price of the stock.
- (C) The rate of return on market portfolio.

(D) The growth rate of the firm.

74. Which of the following appraisal technique helps in achieving the objective of shareholders wealth maximization?

(A) IRR

(B) Accounting Rate of Return

(C) NPV

(D) Both (a) and (b) above

75. The agreement signed by Ranbaxy Laboratory and Bayer AG of Germany in the year 1999 is an example of.

(A) Subsidiary

(B) Joint Venture

(C) Strategic International Alliance

(D) License agreement.

## ANSWER KEY

### PAPER – I

Question	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Answer	B	C	A	C	D	A	B	D	A	C	A	B	A	C	D	A	C	D	B	D
Question	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
Answer	B	D	C	A	D	A	B	B	A	B	C	D	D	C	D	D	B	D	C	B
Question	41	42	43	44	45	46	47	48	49	50										
Answer	A	D	A	D	D	D	C	D	B	A										



## PAPER – II

Question	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Answer	C	B	C	B	C	A	C	C	C	B	A	C	D	C	D	D	B	D	C	C
Question	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
Answer	C	D	C	A	C	D	C	C	C	B	B	D	C	B	D	A	C	B	D	A
Question	41	42	43	44	45	46	47	48	49	50										
Answer	D	C	D	A	A	C	C	D	B	B										

## PAPER – III

Question	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Answer	B	B	D	C	C	D	D	D	A	D	C	D	B	C	C	C	A	D	D	D
Question	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
Answer	B	D	B	B	B	B	D	A	D	B	A	B	A	B	D	D	D	C	A	B
Question	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60
Answer	B	B	B	A	C	B	D	B	B	C	C	B	B	C	B	B	A	A	A	B
Question	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75					
Answer	D	D	C	A	C	A	A	D	B	C	D	A	C	D	C					

## HINTS AND SOLUTIONS

### PAPER – I

1. (B) An effective and efficient communication system requires managerial proficiency in delivering and receiving messages. A manager must discover various barriers to communication, analyze the reasons for their occurrence and take preventive steps to avoid those barriers. Thus, the primary responsibility of a manager is to develop and maintain an effective communication system in the organization.

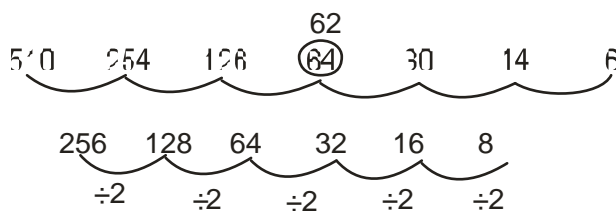
2. (C) non verbal communication is communication of feelings, emotions, attitudes, and thoughts through body movements / gestures / eye contact, etc.
3. (A) Phonetics is a part of the English language which helps us to understand sounds of various alphabets. How an alphabet should sound is taught to us with the help of Phonetics.
- 4.(C) % increase =  $\frac{0.25 \text{ crore}}{1 \text{ crore}} \times 100$   
= 25 %
- 5.(D) for company A  
 $1 + 1.25 + 1.5 + 1.75 + 1.75 + 1.75 + 2$   
= 11 crore
- 6.(A)  $(2.5 - 1) \text{ crores} = 1.5 \times 100 \text{ 00 000}$   
= 150 00 000
- 7.(B) Total production of B  
 $= 2.5 + 2.5 + 3 + 2.75 + 2.25 + 2.25 + 2.5$   
= 17.75  
Average production =  $\frac{17.75}{7} = 2.55$
- 8.(D) In year 2004.
- 9.(A) If sampled in reconnaissance mode, data limitation requires use of maximums. Results are screening level- not definitive.
- 10.(C) If estimating average concentrations is planned  
Exposure units must be defined Must be considered in developing DQOs for project, or results may not be accepted.  
Sufficient samples are required 8-10 samples when contaminant concentrations vary within a narrow range 10-15 sample when concentrations are less predictable  
Calculate 90th Upper Confidence Limit (UCL)

- 11.(A)** Scatter plots Can be used to evaluate if constituents in subsurface are correlated and have the same or different sources.
- 12.(B)** Ratio plots Can be used to evaluate if ratios of constituents in subsurface are similar or different from those in indoor/outdoor air, potentially informing decisions about confounding ambient sources.
- 13.(A)** Qualitative data collection techniques were used as the primary research methods for this study. Participant and direct observation plus note taking were the most important techniques used.
- 14.(C)** qualitative data collection techniques were used as primary research methods. However in order to organize, classify and analyze the gathered information, we used graphs and statistics as a way to measure the students' level of improvement through the use of reading strategies
- 15.(D)** Production was at very low level.
- 16.(A)** Ethnic diversity of the people was not appropriately realized by the Central Government.
- 17.(C)** Central economic planning found to be difficult because autonomy was given to the States in certain matters
- 18.(D)** Because that time no common language emerged.
- 19.(B)** "The Indianisation of the Indian Civil Service" , can be cited as an exercise in democratic practice in India before Independence
- 20.(D)** The information to be collected in survey method are related to present position, aims of the research & the attainment of aim of research
- 21.(B)** Research is done for solving a business problem
- 22. (D)** A research problem is feasible only when it is researchable, it has some utility, and it is new .
- 23. (C)** One of the essential characteristics of research is usability.

- 24.(A)** A parliamentary system is a system of democratic government in which the ministers of the Executive Branch derive their legitimacy from and are accountable to a Legislature or parliament; the Executive and Legislative branches are interconnected. It is a political system in which the supreme power lies in a body of citizens who can elect people to represent them.
- 25.(D)** The Cabinet approved the proposal for enhancing reservation for women in Panchayats from the present 33 per cent to 50 per cent with the provision being applicable to all seats filled through direct election, office of chairpersons and of offices reserved for SC/ST.
- 26.(A)** IVRI is situated in Izat Nagar.  
IAT is situated in Pune  
IISc is situated in Bangalore  
NIEPA is situated in Delhi.
- 27.(B)** Dr. P B Gajendragadkar was chairman of the UGC committee 1969 appointed for administrative legislation of the universities.
- 28.(B)** UGC has launched career oriented program in 1994-95.
- 29.(A)** The prime minister of India is appointed from the leading Party in Lok Sabha.
- 30.(B)** The study of interrelations between Organism and their environment is called ecology.
- 31.(C)** The term ICT is now also used to refer to the convergence of audio-visual and telephone networks with computer networks through a single cabling or link system.
- 32.(D)** Jim Corbett National Park was the first National Park established in India.
- 33.(D)** Fossil fuels are fuels made by natural processes such as anaerobic decomposition of buried dead organisms.  
Ex. Oil, Natural gas, coal etc.
- 34.(C)** Noise in excess of 80-100DB is called noise pollution.
- 35.(D)** Effectiveness of teaching depends on Subject Understanding of the Teacher

- 36.(D) Verbal Guidance is least effective in the learning of Relationship.
37. (B) The participation of students will be maximum if Discussion Method is used for teaching.
- 38.(D) The primary responsibility of the teacher's adjustment lies with The Teacher himself
- 39.(C) The First Kindergarten was started by Freidrich Forebel

40.(B)



30, 64 is wrong & must be replaced by 62.

- 41.(A) Deductive reasoning determines whether the truth of a conclusion can be determined for that rule, based solely on the truth of the premises.
- 42.(D)  $(2)^2 = 4$ ,  $(5)^2 = 25 \Rightarrow 425$   
 $(2)^2 = 4$ ,  $(4)^2 = 16 \Rightarrow 416$   
 $(3)^2 = 9$ ,  $(5)^2 = 25 \Rightarrow 925$ .
43. (A) Such decisions as given in the statement are taken only after taking the existing vacancies into consideration. So, I implicit while II does not implicit.
- 44.(D) CD-ROM disk is the latest write-once optical storage media
- 45.(D) Domain Name identifies a specific web page and its computer on the Web.
- 46.(D) The required region is the one which is common only to the rectangle and circle and is not a part of either the triangle or square
- 47.(C) The required region is the one which lies inside the circle but outside the rectangle, square and triangle,

- 48.(D)** The man in the photo is the son of the sister of Bajpai. Hence, Bajpai is the maternal uncle of the man in the photograph.
- 49.(B)** Light Year is a unit of distance.
- 50.(A)** Tsunamis are huge sea waves caused by earthquakes.

## PAPER –II

- 1.(C)** If the price elasticity of a good is perfectly elastic for a small increase in price of the good leads to a great drop in quantity demanded. And therefore, the revenue of the firm may fall to zero if it increase the price of the good.
- 2.(B)** Forecast error is the different between forecast demand for a period & actual demand in that period.
- 3.(C)** All quantitative forecasts are based on historical data. On the basis of past happenings trends, through some quantitative measures, companies make assumptions for the future demand of their products & services.
- 4.(B)** Propensity of people to consume is an economic variable. The proportion of the disposable income which individuals desire to spend on consumption is known as propensity to consume. Marginal propensity to consume [MPC] is the proportion of additional income that an individual desire to consume.
- 5.(C)** The belief that businesses that help solving difficult social problems create a desirable community and they make a good public image. Which in turn attract and keep skilled employees. They create a better environment which is essential for long run survival of any business. Involvement by business can solve difficult social problems, thus creating a better

quality of life and a more desirable community in which to attract and hold skilled employees.

- 6.(A)** Aggressive involvement in a chronic, incessant, struggle to achieve more in less time, even against opposition from others is the characteristic of people belonging to type A personality. Even type B personality does not experience a sense of urgency when carrying out tasks and even if they fail to accomplish them within the specified time do not become impatient. Locus of control is defined as an individual's perception of what controls his fate.
- 7.(C)** In a mechanistic organization, management interaction is vertical that is, between superior and subordinate. Operations and working behavior are administered by instructions and decisions made by the superior and communicated to the subordinates.
- 8.(C)** Non-programmed decisions generally deal with unstructured problems under conditions of uncertainty. Managers require a lot of information about the external environment when making non-programmed decisions.
- 9.(C)** Personality variables refer to those characteristics of an individual which influence his/her ethical types of personality variables
- 10.(B)** Understanding motivation can help in understanding individual behavior. So it is a Psychological state.
- 11. (A)** Entrepreneurship is the process of exploring the opportunities in the market place and arranging resources required to exploit opportunities for long term gain. To stimulate his own creativity and encourage it among and enough time which involves generating applying alternative options to company's products, services, procedures for a most profitable outcome.

- 12.(C)** The operative function of HRM are related to specific activities of HRM, viz. employment, human resources development, compensation and employee relations. Organizing is a managerial function of HRM.
- 13.(D)** The advantage of point - rating method are that the system is accurate & dependable, and that wage differentials are likely to be systematic and in accordance with the content of each job. The disadvantage is that it is a complex time consuming assignment involving high costs and a lot of clerical work.
- 14.(C)** The law of diminishing return state that by employing more units of same factors of production to work with one or more fixed factors, the total production will increase at an increasing rate, than at a constant rate and finally at a diminishing rate. In option (c) this law is not applicable since two inputs are used in same proportion. When all the inputs are increased by same proportions, this law is not relevant.
- 15.(D)** As the no. of times of change in signs are two i.e. from -1000 to 1400 and 1400 to - 100, we can derive that the maximum no. of IRRs for the series is two. At the end of the first year, there is an inflow of Rs. 1400 in the project. If the firm has withdrawn Rs. 1400 from the project, it would also become an inflow.
- 16.(D)** A non - simple mixed investment has one or more cash outflow interspersed with cash inflows and a mixed investment represents an investment for which the unrecovered investment balance at the end of year  $t$  is greater than zero for some values of  $t$  and equal or less than zero for others values of  $t$ .
- 17.(B)** When the required rate of return on a bond is greater than the coupon rate the discount then the value of the bond is less than the par value. This discount on the bond declines as



maturity approaches. For a change in YTM, the percentage price change in case of bonds of high coupon rate will be smaller than in case of bonds of low coupon rate. Hence only (ii) is true.

- 18. (D)** Capital recovery factor is the inverse of present value interest factor for annuity.
- 19. (C)** Bonus shares are the additional shares issued to existing shareholders to increase the ownership in the company.
- 20.(C)** A firm pursuing a cost - leadership strategies attempts to gain a competitive advantage primarily by reducing its economic costs below its competitors. The ability of a valuable cost - leadership competitive strategies to generate a sustainable competitive advantage depends on that strategies being rare and costly to imitate.
- 21.(C)** A Niche is a more narrowly defined customer group seeking a distinctive mix of benefits. Marketers usually identify niches by dividing a segment into sub segment and presumably understand their customers needs so well that the customers willingly pay a premium price.
- 22.(D)** A Socially Responsible mutual stock fund provides a way for individual investors to support socially responsible companies. This mutual fund holds securities in companies that adhere to social, moral, religious or environmental beliefs. A socially responsible mutual fund will only hold securities in companies that adhere to high standards of good corporate citizenship.
- 23.(C)** To produce any commodity, we need three factors of production land, labor and capital. Machinery, Fuel etc, comes under capital.
- 24.(A)** To ensure the success of quality circles, certain measures must be taken. For example, the skills of the quality circle member should be used to resolve problems that fall under their

work area, the supervisor should be trained in facilitation skills, there should be continuous support from top management, and most importantly the concept should be used only for addressing problems of a short terms nature and problems that are measurable.

- 25.(C)** The typical time horizon for aggregate planning is 3 to 18 months. It is an operational activity which does an aggregate plan for the production process, to give an idea to management as to what quantity of materials and other resources are to be procured and when, so that the total cost of operations of the organization is kept to the minimum over that period.
- 26.(D)** Changing inventory level is a planning strategy of capacity option. Since inventory level is varied, during the months of low demand, the excess units produced over demand are accumulated as inventory and during the month of high demand, the same can be utilized to fulfill that shortage of production over demand.
- 27. (C)** The concept of bounded rationality suggests that managers are not always rational when making decisions and that their abilities are limited by factors like cognitive capacity and time constraints.
- 28.(C)** Over the past 25 years, equal employment opportunity legislation, employees pay and benefits, job security have influenced HRM in various ways.
- 29.(C)** Decrease in the unexpected dividend has a negative impact on the share price.
- 30.(B)** MIS(Marketing Information System) is the group of people, equipment, and procedures to gather, sort, analyze, evaluate, and distribute needed, timely, and accurate information to marketing decision makers.
- 31.(B)** Under target marketing market segment's attractiveness is being evaluated and on the basis of the marketer selects one or segments to enter.

- 32.(D)** For a marketer heavy users are generally the most appealing.
- 33.(C)** Money market instruments are short-term instruments with high liquidity and marketability; they do not have long maturities nor pay liquidity premiums.
- 34.(B)** In the process of Customization, Some companies give customers the tools and resources to design their own products.
- 35.(D)** Continuously renewing the difference makes the product conforming to the changing behavior and beliefs of customers.
- 36.(A)** Advertising is defined as any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor.
- 37.(C)** Direct marketing is direct communications with carefully targeted individual consumers to obtain an immediate response.
- 38.(B)** Two major factors are changing the face of today's communications. One of these factors is the fact that mass markets are fragmented and marketers are shifting away from mass marketing, they are more focusing on customized products.
- 39.(D)** Dual vertical marketing system is used when a company is involved in more than one type of distribution arrangement.
- 40.(A)** In franchising business model Franchised dealers sometimes agree to operate under suppliers' names.
- 41.(D)** By security in e-commerce we mean
- (i) Protecting an organization's data resource from unauthorized access
  - (ii) Authenticating messages received by an organization

(iii) Protecting messages sent on the internet from being read and understood by unauthorized persons/organizations

42.(C) Positioning Strategy is not a part of any communication mix.

43.(D) Value chain involves all steps in the transformation process that add value even if they don't come from manufacturing.

44.(A) In the simplex method, a tableau is optimal only if all the  $c_j - z_j$  values are either zero or negative.

45.(A) The dual variable represents the marginal value of the constraint.

46.(C) The parts of a network that represent the origins are called nodes.

47.(C) Correct chronological order on the basis of development

1. Law of demand
2. Law of diminishing marginal utility
3. Law of indifference
4. Indifference curve
5. Revealed preference curve

48.(D) a. Principle of Economics	-	Alfred Marshall
b. Diamond Water. Paradox	-	Adam Smith
c. Value and Capital	-	J. R Hicks
d. Asian Drama	-	Gunner Myrdal
e. Language of Economics	-	J. K Galbraith

49.(B) A and R are true but R is not the correct explanation of A.

50.(B) The Scientific Management is based upon the following assumptions :

1. Application of the scientific methods to organizational problems leads to efficiency.
2. The good worker is one who accepts orders, but does not initiate actions.
3. Each worker is interested in maximizing his monetary rewards.

### PAPER III

- 1.(B)** Generating a list of numbers by picking numbers out of a hat and matching these numbers to names in the telephone book is an example of random sampling techniques. In statistics, a sample is a subject chosen from a population for investigation; a random sample is one chosen by a method involving an unpredictable component. Random sampling can also refer to taking a number of independent observations from the same probability distribution, without involving any real population. The sample usually is not a representative of the population of people from which it was drawn—this random variation in the results is termed as sampling error.
- 2.(B)** The mean difference at 0.01 (significant level) is not statistically significant difference. A “significant difference ( $P < 0.01$ )” means that at  $P = 0.01$ , the difference between the two groups has only a 1% probability of occurring by chance alone. Having  $P = 0.01$  also means the difference between the two groups is statistically significant as it can not be explained by chance alone.
- 3.(D)** The online value proposition should be supported by appropriate resource levels, communicated to site visitors and in all marketing communications, a clear differentiator from online competitors. Value propositions are the reasons retailers use to persuade us to buy products or services from them rather than competitors. From a retailer’s perspective we also consider their sales tools. This includes benefits provided by products/services or even the website, functionality, customer service, loyalty schemes etc.
- This tends to be done really well by retailers offline, but for some reason online value proposition (OVPs) becomes a watery-at-best version – and this is something that is quite possibly MORE important online than offline.

- 4.(C)** E-marketing is known as achieving marketing objectives through the use of any electronic communications technology. E-Marketing complements our overall marketing strategy perfectly, and offers our advertising campaigns proven, measurable results that can take our current marketing campaign to the next level. For product promotion, event invitations, query responses and newsletters, Email provides an all-in-one solution. E-Marketing offers businesses and other advertising organisations with an easily customised, efficient form of marketing to complement existing advertising strategies and close in on the profitable and interactive market.
- 5.(C)** Anticipating a customer's requirements is an important part of most retail and wholesale businesses, especially in a more challenging retail environment so they choose to come back. Anticipating requirements also provides opportunities for personal and professional growth. Assessing the demand for digital services (the online revenue contribution) is an example of anticipating customer requirements.
- 6.(D)** Labor standards vary depending on customer requirements concerning the operations management decision is relevant to services.
- 7.(D)** Facility layout and design is an important component of a business's overall operations, both in terms of maximizing the effectiveness of the production process and meeting the needs of employees. The basic objective of layout is to ensure a smooth flow of work, material, and information through a system. Inventory requirements, capacity needs, personnel levels influences layout design.
- 8.(D)** "Strategy is the direction and scope of an organisation over the long-term which achieves advantage for the organisation through its configuration of resources within a challenging environment, to meet the needs of markets and to fulfil stakeholder expectations". It is an action plan to achieve the mission.
- 9.(A)** "An international strategy is a strategy through which the firm sells its goods or services outside its domestic market" (Hill 378). One of the primary reasons for implementing an international strategy (as opposed to a strategy focused on the domestic market) is that international markets yield potential new opportunities. International strategy uses import/export or licensing of existing products.

- 10.(D)** From the options given , a computer manufacturing company will require the most complex inventory system because they need to produce a product for which as a production company inventory decisions will be very crucial to be correct and accurate.
- 11.(C)** Mergers and acquisitions in unrelated industries are called Conglomerate mergers . A conglomerate merger is officially defined as being "any merger that is not horizontal or vertical; in general, it is the combination of firms in different industries or firms operating in different geographic areas". Conglomerate mergers can serve various purposes, including extending corporate territories and extending a product range.
- 12.(D)** At corporate level, diversification comes about when a firm is involved in two or more industries.
- 13.(B)** Trade barriers are government-induced restrictions on international trade. The barriers can take many forms, including the following:
- Tariffs
  - Non-tariff barriers to trade
  - Import licenses
  - Export licenses
  - Import quotas
  - Subsidies
  - Voluntary Export Restraints
  - Local content requirements
  - Embargo
  - Currency devaluation[2]
  - Trade restriction
- Economies of scale gives big companies access to a larger market by allowing them to operate with greater geographical reach. For the more traditional (small to medium) companies, however, size does have its limits. After a point, an increase in size (output) actually causes an increase in production costs. This is called "diseconomies of scale". These two are reactive reasons for a firm's going international.

- 14.(C)** The most likely reason why McDonald's has aggressively expanded internationally to overcome limited expansion opportunities at home McDonald's has aggressively expanded internationally.
- 15.(C)** One of the quickest and cheapest ways to develop a global strategy is through strategic alliances. In strategic alliance both the companies uses their expertise in order to get advantages into business.
- 16.(C)** Entrepreneurship is the implementation of an individual's talent in the resources in which he is available with; and expanding these resources in the future so that one can get individual as well as general i.e. social success. Entrepreneurship comes from the French verb 'entreprendre' which means 'To undertake,' is the act and art of being an entrepreneur or one who undertakes innovations or introducing new things, finance and business acumen in an effort to transform innovations into economic goods . Entrepreneurship is a constant process that relies on creativity, innovation, and application in the marketplace.
- 17.(A)** Entrepreneurs can stimulate their own creativity and encourage it among workers by expecting and tolerating failure.
- 18.(D)** Money used for the initial investment in a project or startup company, for proof-of-concept, market research, or initial product development. It also called seed financing or seed money.  
Innovative entrepreneurs face special issues in raising seed capital.
- 19.(D)** Creativity is among the key skills needed to address today's most pressing business challenges, yet few people know much about it. While seemingly shrouded in mystery, creativity is actually a process and a learnable skill, and just understanding and paying attention to creativity can enhance it. Creativity often involves creating something from nothing. However, it is more likely to result in elaborating on the present, putting old things together in new ways, taking something away to create something simpler or better.
- 20.(D)** "Zero defects" is referred to as a philosophy, a mentality or a movement. It's not a program, nor does it have distinct steps to follow or rules to abide by. This is perhaps why zero defects can be so effective, because it means it's adaptable to any situation, business,



profession or industry. The philosophy of zero defects can be achieved with continuous improvement.

- 21.(B)** A Pareto chart, also called a Pareto distribution diagram, is a vertical bar graph in which values are plotted in decreasing order of relative frequency from left to right. Pareto charts are extremely useful for analyzing what problems need attention first because the taller bars on the chart, which represent frequency, clearly illustrate which variables have the greatest cumulative effect on a given system. Pareto charts are used to organize errors, problems or defects
- 22.(D)** The process of identification, analysis and either acceptance or mitigation of uncertainty in investment decision-making. Essentially, risk management occurs anytime an investor or fund manager analyzes and attempts to quantify the potential for losses in an investment and then takes the appropriate action (or inaction) given their investment objectives and risk tolerance. Inadequate risk management can result in severe consequences for companies as well as individuals. For example, the recession that began in 2008 was largely caused by the poor credit risk management of financial firms. Inadequate risk pricing is the risk associated with the retail banking.
- 23.(B)** Once the idea is clear then in the next "Network phase" entrepreneurs begin sharing the ideas with a few close friends in the organization and few trusted customers.
- 24.(B)** There are various factors that help in creating an entrepreneurial environment in the organization. These are self-selection, no handoffs, the Doer decides, patient money, crossfunctional teams, freedom from turf and ending the home-run philosophy.
- 25.(B)** Interpersonal role of a manager includes figurehead, leadership and liaison. Leadership includes hiring, training, motivating and disciplining employees. In the liaison role, the managers interact with individual or groups, inside or outside the organization. In the figurehead role, the manager performs certain symbolic and ceremonial duties as head of a group.
- 26.(B)** Human behavior is either influenced by external factors or internal factors. If internal factors alone determine human behavior, the degree of change and growth possible for an individual would be highly restricted.

- 27.(D)** A grievance redressal procedure helps an organization in maintaining harmonious industrial relations, keep a check on biased/ arbitrary actions by supervisors, given an employee more than one opportunity in an effective redressal procedure, and helps in upward communication as employees are free to express their discontentment, problems or frustration to the top management. Thus grievance redressal procedures enhance the top management's awareness of the problems of employees.
- 28.(A)** The WTO seems at times to be interfering in domestic policy since the line between domestic policies and de facto protectionism is often fuzzy.
- 29.(D)** International trade is the exchange of capital, goods, and services across international borders or territories. International trade are not limited to either tangible, intangible, goods and services.
- 30.(B)** Purchasing power parity (PPP) is an economic theory and a technique used to determine the relative value of currencies, estimating the amount of adjustment needed on the exchange rate between countries in order for the exchange to be equivalent to (or on par with) each currency's purchasing power. The theory of purchasing power parity says that the exchange rate reflects the inflation rate difference between two countries in the opposite direction.
- 31.(A)** Going international strategies involves low cost reductions and low local responsiveness.
- 32.(B)** This refers to the extent of activities that are performed in-house. A firm with vertical scope of operations streamlines its value activities between itself and its suppliers, channels and buyers.
- 33.(A)** A person with high need for achievement likes to shoulder responsibility. He/she thinks not only about the achievement of goals but also how it can be attained, what obstacles or blocks might be encountered and how he/she would take help to overcome the blocks in achieving the goal.
- 34.(B)** The third phase of the creative process - insight - is largely the result of hard work. It is essential for a manager to note down creative ideas as and when they come to mind.

- 35.(D)** The process of OD consists of data gathering organizational diagnosis and action interventions. These closely follow the process of planned change and involve a number of interacting and interrelated activities.
- 36.(D)** Intrapreneur has the access to company's fund, marketing network, manufacturing facilities and other support facilities provided the venture opportunity warrants it while individual intrapreneur has to use his personal wealth or scramble to obtain funding from various outside sources.
- 37.(D)** Security & integrity allow an organization to protect data against loss or destruction by restricting access to authorized individuals. It also limits the actions of individuals regarding the entry retrieval or modification of data in the system.
- 38.(C)** Office automation systems are computer - based information systems for helping office workers become more productive. Electronic calendaring, groupware, and teleconferencing are some examples of office automation systems.
- 39.(A)** Open - door is an organizational policy that allows employees to approach managers at any time and discuss their problems with them.
- 40.(B)** The locus of control is defined as the degree to which people believe that they can control their any situation and their fate. Some attribute their success or failure to their internal abilities (known as internals) while others believe that their fate is controlled by luck, chance or external forces (known as externals). Accordingly, if a person fails to get promoted due to his poor rating in the annual performance appraisal, but attributes it to poor managerial assessment of his capabilities, he is considered to have an external locus of control.
- 41.(B)** Registration involves individuals taking note of the stimulus received from the environment and recording it mentally. Stimulus refers to an individual's confrontation with an internal or external event. Interpretation is affected by the psychological processes of an individual. Feedback refers to the comments given to an individual on his/her work.
- 42.(B)** Compensation includes all the extrinsic rewards received by an employee during and after the course of the job for the employee's contribution to the organization. Fringe benefits are connected to employment with an organization and not to performance, they include the monetary and non - monetary benefits given to the employee of an org. during the period of

employment, and at times, after it. Bonus is primarily a share in the surplus and is directly related to the performance of the organization. Incentive is the rewards an employee earns in addition to regular wages on salary based on the performance of the individual the team and /or the organization.

- 43.(B)** In the problem - solving method, an open exchange of information takes place so that differences between both the parties can be resolved to results in a win - win situation.
- 44.(A)** Dumping is a example of Monopolistic practice in international trade, In dumping the products are sold on less price than the home countries price.
- 45.(C)** The GE matrix used in product management suggests " Invest to Build" for product falling in the category of high market attractiveness Medium business unit strength.
- 46.(B)** When the required rate of return on a bond is greater than the coupon rate, then the value of the bond is less than the per value. This discount on the bond declines as maturity approaches.
- 47.(D)** The IRR is the rate interest at which the net present value of a project is equal to zero. A project can have multiple IRRs depending on the cash flow streams. F IRR is less than the firms cost of capital, the project should be rejected.
- 48.(B)** Correlation is the study of the linear relationship between two variables. The coefficient of correlation measures the degree of relationship b/w two sets of figure or mutual dependence of two or more variables.
- 49.(B)** DSS provide managers with tool for analyzing problem situation. A Decision support system [DSS] supports and makes the process of managerial decision making more effective.
- 50.(C)** World wide trend towards similar consumption patterns, the emergence of global buyers & sellers, e - commerce and the instant transmission of money & information across continents are reasons of globalization.
- 51. (C)** Entrepreneurship is a constant process that relies on creativity, innovation and its application in the market place. It is the act of being an entrepreneurs, which can be defined as "one who undertakes innovation, finance and business acumen in an effort to transform innovations into economic goods.

- 52.(B)** Innovation is the creation of better or more effective products processes, service, technology or ideas that are accepted by markets, government and society. It differs from invention in that innovation refers to the use of a new idea or method, whereas invention refers more direct to the creation of the idea or method itself.
- 53.(B)** A way that organizations can show their commitment to being green is through adopting the ISO 14001. Meeting the requirements of ISO 14001 : 2004 is a management tool enabling an org. of any size or type to identify and control the environmental impact of its activities, products or service and to improve its environmental performance continually and to implement a systematic approach to settling environmental objectives and targets.
- 54.(C)** The ethics hotline is a mechanism for ethical management in organization. This hotline is handles by an executive who investigates and helps the employees concerned to solve their problems internally, thus preventing an employee from contacting outside agency.
- 55.(B)** Archie Carroll identified three types of management depending on the degree to which an organization's decisions are ethical or moral. These are moral, immoral & amoral management. A moral managers regard profitability as their ultimate goal and ignore the consequences of their behavior on their social stakeholders.
- 56.(B)** If a business spends excessively high amount in social welfare activities, it might transfer the cost to its customers in the form of higher prices. Indirectly society will be made to pay for the social involvement of the business.
- 57.(A)** Charles Darwin's theory of evolution opened up a new area of study called sociobiology, which deals with the biological basis of all form of social behavior in all organism, including human beings. Acc. to this theory human beings evolved just like other animals.
- 58.(A)** In MRP and DRP, both employ similar logic and procedures MRP is a concept of creating material plans & production schedules based on the lead time of supply chain & DRP is also a method used in business administration for planning orders within a supply chain.
- 59.(A)** Henry Mintzberg classified management roles into three categories depending on the extent of interpersonal relationships, transfer of information and decision making involved. The interpersonal roles of a manager include figure head, leadership and liasion roles.

- 60.(A)** Interest free loans provided by companies to their employees are an example of benefits. Benefits are fringe advantages that accrue to an employee over and above his salary as a result of his employment and position in the organization and which are not related to his performance.
- 61. (D)** Since if a group is not measurable most marketers do not attempt to appeal to or design products for this group because it is very less as compared to census data.
- 62. (D)** When a company enters a new product category for which its current brand names are not appropriate, it will likely follow new brands.
- 63.(C)** Need satisfaction approach requires good listening and problem solving skills. In this sales technique, a sales person first seeks to understand the prospect's stated (express) and unstated (tacit) needs through probing question and careful listening.
- 64. (A)** Porter's five force model is a framework for industry and business strategy development and to derive five forces that determine the competitive intensity and therefore attractiveness of a market. It refers to competition from external sources. The remainder are internal threats.
- 65. (C)** In the contest socialization strategies the channels of movement in the socialization process are kept open and an individual is given the opportunity to perform better in the next stage, even if he did not perform as expected in the preceding stages.
- 66. (A)** Exploring new market is an aggressive reason for going companies international, Defensive reason is to protect domestic market.
- 67.(A)** The master production schedule (MPS) is effectively the plan that the company has developed for production, staffing inventory etc. It has as input a variety of data e.g. forecast demand, production cost, inventory cost etc. and as output a production plan dealing amounts to be produced, staffing levels etc for each of a no. of time periods.
- 68. (D)** The trade of between risk and return is a central concept of financial management since the objective of the firm is to maximize its value to its share holders.
- 69. (B)** The starting point of a master budget is sales forecast or sales budget that is an assessment of anticipated sales. A sales budget is a detailed schedule showing the

expected sales for the budget period typically it is expressed in both dollars/ Rupees and units of production.

- 70.(C)** BCR & NBCR criteria are not suitable to evaluate a non - simple mixed investment.
- 71.(D)** Acc. to Net operating income approach, the overall capitalization rate and the cost of debts remain constant for all degree of leverage.

**72. (A)** Theoretical value of the right  $= \frac{P_0 - S}{N+1}$

$$= \frac{80^0 - 60^0}{4+1} = 4$$

- 73.(C)** The CA PM model,  
Acc. to this approach, the cost of equity is reflected by the following question.

$$K_i = R_f + \beta_i (R_m - R_f)$$

Here  $R_m$  denotes the return from the market portfolio.

- 74. (D)** For both the methods required rate of earning of investment made on a project is compared with the return and their time value. Thus, if the return crosses the requisite only then it is accepted
- 75. (C)** A strategic Alliance is a mutually beneficial long term format relationship formed between two or more parties to pursue a set of agreed upon goals, or to meet a critical business need while remaining independent organizations. It is a synergistic agreement whereby two or more organizations agree to cooperate in the carrying out of a business activity where each brings different strengths & capabilities to the arrangement.