

PAPER-III MANAGEMENT

Signature and Name of Invigilator

1. (Signature) _____

(Name) _____

2. (Signature) _____

(Name) _____

J 1712

Time : 2 ½ hours]

OMR Sheet No. :
(To be filled by the Candidate)

Roll No.

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(In figures as per admission card)

Roll No. _____
(In words)

[Maximum Marks : 150

Number of Pages in this Booklet : 16

Number of Questions in this Booklet : 75

Instructions for the Candidates

1. Write your roll number in the space provided on the top of this page.
2. This paper consists of seventy five multiple-choice type of questions.
3. At the commencement of examination, the question booklet will be given to you. In the first 5 minutes, you are requested to open the booklet and compulsorily examine it as below :
 - (i) To have access to the Question Booklet, tear off the paper seal on the edge of this cover page. Do not accept a booklet without sticker-seal and do not accept an open booklet.
 - (ii) **Tally the number of pages and number of questions in the booklet with the information printed on the cover page. Faulty booklets due to pages/questions missing or duplicate or not in serial order or any other discrepancy should be got replaced immediately by a correct booklet from the invigilator within the period of 5 minutes. Afterwards, neither the Question Booklet will be replaced nor any extra time will be given.**
 - (iii) After this verification is over, the OMR Sheet Number should be entered on this Test Booklet.
4. Each item has four alternative responses marked (A), (B), (C) and (D). You have to darken the circle as indicated below on the correct response against each item.
Example : (A) (B) (C) (D)
where (C) is the correct response.
5. Your responses to the items are to be indicated in the **OMR Sheet given inside the Booklet only**. If you mark at any place other than in the circle in the OMR Sheet, it will not be evaluated.
6. Read instructions given inside carefully.
7. Rough Work is to be done in the end of this booklet.
8. If you write your Name, Roll Number, Phone Number or put any mark on any part of the OMR Sheet, except for the space allotted for the relevant entries, which may disclose your identity, or use abusive language or employ any other unfair means, you will render yourself liable to disqualification.
9. You have to return the test question booklet and Original OMR Sheet to the invigilators at the end of the examination compulsorily and must not carry it with you outside the Examination Hall. You are, however, allowed to carry duplicate copy of OMR Sheet on conclusion of examination.
10. Use only **Blue/Black Ball point pen**.
11. Use of any calculator or log table etc., is prohibited.
12. There is no negative marks for incorrect answers.

परीक्षार्थियों के लिए निर्देश

1. पहले पृष्ठ के ऊपर नियत स्थान पर अपना रोल नम्बर लिखिए ।
2. इस प्रश्न-पत्र में पचहत्तर बहुविकल्पीय प्रश्न हैं ।
3. परीक्षा प्रारम्भ होने पर, प्रश्न-पुस्तिका आपको दे दी जायेगी । पहले पाँच मिनट आपको प्रश्न-पुस्तिका खोलने तथा उसकी निम्नलिखित जाँच के लिए दिये जायेंगे, जिसकी जाँच आपको अवश्य करनी है :
 - (i) प्रश्न-पुस्तिका खोलने के लिए उसके कवर पेज पर लगी कागज की सील को फाड़ लें । खुली हुई या बिना स्टीकर-सील की पुस्तिका स्वीकार न करें ।
 - (ii) **कवर पृष्ठ पर छपे निर्देशानुसार प्रश्न-पुस्तिका के पृष्ठ तथा प्रश्नों की संख्या को अच्छी तरह चेक कर लें कि ये पूरे हैं । दोषपूर्ण पुस्तिका जिनमें पृष्ठ/प्रश्न कम हों या दुबारा आ गये हों या सीरियल में न हों अर्थात् किसी भी प्रकार की त्रुटिपूर्ण पुस्तिका स्वीकार न करें तथा उसी समय उसे लौटाकर उसके स्थान पर दूसरी सही प्रश्न-पुस्तिका ले लें । इसके लिए आपको पाँच मिनट दिये जायेंगे । उसके बाद न तो आपकी प्रश्न-पुस्तिका वापस ली जायेगी और न ही आपको अतिरिक्त समय दिया जायेगा ।**
 - (iii) इस जाँच के बाद OMR पत्रक की क्रम संख्या इस प्रश्न-पुस्तिका पर अंकित कर दें ।
4. प्रत्येक प्रश्न के लिए चार उत्तर विकल्प (A), (B), (C) तथा (D) दिये गये हैं । आपको सही उत्तर के वृत्त को पेन से भरकर काला करना है जैसा कि नीचे दिखाया गया है ।
उदाहरण : (A) (B) (C) (D)
जबकि (C) सही उत्तर है ।
5. प्रश्नों के उत्तर केवल प्रश्न पुस्तिका के अन्दर दिये गये OMR पत्रक पर ही अंकित करने हैं । यदि आप OMR पत्रक पर दिये गये वृत्त के अलावा किसी अन्य स्थान पर उत्तर चिह्नांकित करते हैं, तो उसका मूल्यांकन नहीं होगा ।
6. अन्दर दिये गये निर्देशों को ध्यानपूर्वक पढ़ें ।
7. कच्चा काम (Rough Work) इस पुस्तिका के अन्तिम पृष्ठ पर करें ।
8. यदि आप OMR पत्रक पर नियत स्थान के अलावा अपना नाम, रोल नम्बर, फोन नम्बर या कोई भी ऐसा चिह्न जिससे आपकी पहचान हो सके, अंकित करते हैं अथवा अभद्र भाषा का प्रयोग करते हैं, या कोई अन्य अनुचित साधन का प्रयोग करते हैं, तो परीक्षा के लिये अयोग्य घोषित किये जा सकते हैं ।
9. आपको परीक्षा समाप्त होने पर प्रश्न-पुस्तिका एवं मूल OMR पत्रक निरीक्षक महोदय को लौटाना आवश्यक है और परीक्षा समाप्ति के बाद उसे अपने साथ परीक्षा भवन से बाहर न लेकर जायें । हालाँकि आप परीक्षा समाप्ति पर OMR पत्रक की डुप्लीकेट प्रति अपने साथ ले जा सकते हैं ।
10. केवल नीले/काले बाल प्वाइंट पेन का ही इस्तेमाल करें ।
11. किसी भी प्रकार का संगणक (कैलकुलेटर) या लाग टेबल आदि का प्रयोग वर्जित है ।
12. गलत उत्तरों के लिए कोई अंक काटे नहीं जाएँगे ।

MANAGEMENT

Paper – III

Note : This paper contains **seventy fifty (75)** objective type questions of **two (2)** marks each.

All questions are compulsory.

1. Hawthorne Experiment is related to the
(A) Systems theory
(B) Classical theory
(C) Human relations theory
(D) Scientific management theory
2. Cost incurred in the past and is not affected by a current decision is referred to as :
(A) Sunk cost
(B) Marginal cost
(C) Incremental cost
(D) Replacement cost
3. The principle of organisation that no employee should report to more than one superior is called
(A) Scalar principle
(B) Span of control
(C) Unity of command
(D) Unity of direction
4. 'Rege Committee' is related to
(A) Working conditions in Indian Industry
(B) Social security in Indian Industry
(C) Individual differences in Indian Industry
(D) None of the above
5. The factors affecting to P/E multiple are
(A) Dividend pay-out ratio and required return
(B) Required return and expected growth rate
(C) Dividend pay-out ratio and expected growth rate
(D) Dividend pay-out ratio, required return and expected growth rate
6. Which of the following is not one of the benefits of E-Commerce ?
(A) E-Commerce offers greater flexibility in meeting consumer needs.
(B) E-Commerce can help to reduce cost.
(C) E-Commerce increases potential market share.
(D) E-Commerce increases the net cost per contact.
7. Which among the following is not concerned with the PERT evolution ?
(A) Polaris Project
(B) Lockheed Aircraft Corporation
(C) Both (A) and (B)
(D) None of the above
8. Before a company decides to target a particular market segment, which important factors are to be examined against organization's objectives and resources ?
(A) Market size
(B) Growth rate
(C) Structural attractiveness
(D) All of the above
9. Balance of Payment is
(A) Balance of trade + Net earnings on invisibles
(B) Foreign exchange inflow – Foreign exchange outflow
(C) Balance of current account + Balance of capital account + Statistical discrepancy
(D) Export of goods – Import of goods
10. Factors contributing to unethical behaviour are
(A) Poor leadership
(B) Poor internal communication
(C) Lack of management support
(D) All of the above
11. Which of the following is not included in the five forces of competition ?
(A) Bargaining power of suppliers
(B) Bargaining power of consumers
(C) Threat of substitutes
(D) Strategic planning

12. Match the following :

List-I Financial Institution	List-II Year of Establishment
(i) Industrial Development Bank of India (IDBI)	I. 1955
(ii) Small Industries Development Bank of India (SIDBI)	II. 1964
(iii) National Small Industries Corporation (NSIC)	III. 1948
(iv) Industrial Finance Corporation of India (IFCI)	IV. 1989

Codes :

	(i)	(ii)	(iii)	(iv)
(A)	I	IV	III	II
(B)	II	IV	I	III
(C)	III	I	II	IV
(D)	III	II	I	IV

13. The practice of selling two or more separate products together for a single price is :

- (A) Bundling
- (B) Dumping
- (C) Both (A) and (B)
- (D) None of the above

14. Which is the oldest and simplest form of organisation ?

- (A) Functional organisation
- (B) Committee organisation
- (C) Line organisation
- (D) Line and staff organisation

15. While considering promotion of an employee, the following is the most important consideration :

- (A) Seniority
- (B) Competence
- (C) Loyalty
- (D) Only (A) and (B)

16. Which type of promotion has been described by W. R. Spriegel ?

- (i) Departmental Promotion
- (ii) Inter-departmental Promotion
- (iii) Inter-plant Promotion
- (iv) Inter-company Promotion
- (A) (i), (ii), (iii)
- (B) (ii), (iii), (iv)
- (C) (i), (ii), (iv)
- (D) (i), (iii), (iv)

17. Market risk is also known as

- (A) Systematic risk or diversifiable risk
- (B) Unsystematic risk or diversifiable risk
- (C) Systematic risk or non-diversifiable risk
- (D) Unsystematic risk or non-diversifiable risk

18. The discount rate that makes NPV equal to zero is known as

- (A) Benefit–Cost ratio
- (B) Internal Rate of Return
- (C) Discounted Pay-back period
- (D) Profitability Index

19. Match the following :

List-I	List-II
(i) Poisson distribution	I. Mean is greater than variance
(ii) Normal distribution	II. Mean & Variance are same
(iii) Chi-Square distribution	III. Symmetric
(iv) Binomial distribution	IV. Positively skewed

Codes :

	(i)	(ii)	(iii)	(iv)
(A)	II	I	III	IV
(B)	IV	I	III	II
(C)	II	III	IV	I
(D)	IV	II	I	III

20. A critical activity is defined as one whose
- Total float is zero.
 - Free float is zero.
 - Duration is the longest.
 - Duration is the smallest.
21. In the buying decision process, what is the term used for a person who first suggests buying the product or service ?
- Influencer
 - Initiator
 - Decider
 - Buyer
22. Strategies formulated to convert a sick unit to healthy is referred to :
- Turnaround
 - Expansion
 - Diversification
 - Stabilisation
23. Which one is an international credit rating agency ?
- Mc Kinsey
 - B C G
 - Standard and poor
 - I M F
24. Ethical challenges may arise on account of
- Failure of personal character, conflict of personal value & organisational goals and conflict of organisational goals and social values
 - Hazardous but popular products
 - Both (A) and (B)
 - None of the above
25. Supply curve slopes backward towards left, when :
- More quantity is supplied at higher prices.
 - Less quantity is supplied at higher prices.
 - Same quantity is supplied at higher prices
 - None of the above
26. Transactional Analysis (TA) is related to
- Learning
 - Attitudes
 - Perception
 - Personality
27. Which among the following is odd one ?
- BMS
 - FICCI
 - AITUC
 - INTUC
28. Which of the following strategies requires a company to concentrate its efforts in one or more narrow segments instead of a broad based strategy ?
- Cost-Leadership strategy
 - Differentiation strategy
 - Focus strategy
 - None of the above
29. In case where the investment can be made in stages and is dependent on the future outcomes, the capital budgeting technique that can be adopted will be
- Simulation technique
 - Hiller model
 - Decision-tree analysis
 - Scenario analysis
30. **Statement (i) :** In an organization we pay for jobs, we do not pay for men.
Statement (ii) : The compensation must be as per the Job assigned.
- Statement (i) is correct but (ii) is false.
 - Statement (ii) is correct but (i) is false.
 - Both statement (i) and (ii) are correct.
 - Both statement (i) and (ii) are false.
31. If the regression coefficient of the independent variable in a simple regression equation is negative, then which of the following statement is correct ?
- The coefficient of correlation between the variables is zero.
 - The coefficient of correlation between the variables is the positive square root of the coefficient of determination.
 - The coefficient of correlation between the variables is the negative square root of the coefficient of determination.
 - None of the above.

32. Selling the products only through a single wholesaler or retailer is called
 (A) Extensive distribution strategy
 (B) Selective distribution strategy
 (C) Exclusive distribution strategy
 (D) Mass merchandise strategy
33. Marketing myopia concept was developed by
 (A) Philip Kotler
 (B) Peter Drucker
 (C) C. K. Prahlada
 (D) Theodore Levitt
34. Emerging market economies are :
 (A) A part of developed countries
 (B) Newly industrializing countries
 (C) A part of developing countries
 (D) A part of third world countries
35. What describes the market, product and technological area of business ?
 (A) Company's mission
 (B) Company's vision
 (C) Strategic plan
 (D) None of the above
36. Activities taken up on part time or casual basis to raise income is :
 (A) Self employment
 (B) Income generation
 (C) Entrepreneurship
 (D) None of the above
37. "The optimal pay-out ratio for growth firm is nil and declining firm is 100%" is established by
 (A) Gordon model
 (B) Walter model
 (C) Both (A) and (B)
 (D) None of the above
38. Match the following :
- | List-I | | List-II | |
|------------------------------|---------------|----------------|--|
| (i) Z – Theory | (a) Hergberg | | |
| (ii) Y – Theory | (b) Maslow | | |
| (iii) Hierarchy Needs Theory | (c) Mc Gregor | | |
| (iv) Hygiene Theory | (d) Urwick | | |
- Codes :**
- | | | | | |
|-----|-------|-------|-------|------|
| (A) | (iv) | (i) | (iii) | (ii) |
| (B) | (iii) | (ii) | (iv) | (i) |
| (C) | (iv) | (iii) | (ii) | (i) |
| (D) | (iii) | (iv) | (i) | (ii) |
39. Need-Hierarchy Theory was propounded by
 (A) Peter F. Drucker
 (B) Abraham Maslow
 (C) Mc – Fraland
 (D) Elton Mayo
40. Additional revenue generated by selling an additional unit is
 (A) Incremental revenue
 (B) Marginal revenue
 (C) Total revenue
 (D) Average revenue
41. What is the term used if a market is divided into distinct groups of buyers who might require separate products or marketing mixes ?
 (A) Market Targetting
 (B) Market Positioning
 (C) Market Segmentation
 (D) Market Co-ordination
42. Bath tub curve is encountered in
 (A) Process control
 (B) Acceptance sampling
 (C) Both (A) and (B)
 (D) Maintenance management
43. Cost advantage is referred as
 (A) A firm achieving a lower cumulative cost of performing value activities than its competitors
 (B) Firm trying to outsource all relative products from one company to gain economies of scale
 (C) Firm trying to restrict the cost control measure relative to its nearer competitor
 (D) None of the above
44. If a hypothesis is tested at a significant level of 5%, then it means that
 (A) There is 5% probability that the null hypothesis will be rejected though it is true.
 (B) There is 5% probability that the null hypothesis will be false.
 (C) There is 5% probability that the null hypothesis will be true.
 (D) There is 95% probability that the alternative hypothesis will be false.

45. The time that elapses between the purchase of raw materials and the collection of cash for sales is referred as
 (A) Production cycle
 (B) Operating cycle
 (C) Cash cycle
 (D) Organisation cycle
46. One of the following is not included in job descriptions :
 (A) Job title
 (B) Location
 (C) Penal actions
 (D) Duties
47. In which type of market situation competitors offer same type of products and services for the same price with no differentiation ?
 (A) Monopolistic competition
 (B) Monopoly
 (C) Oligopoly
 (D) Perfect competition
48. Sick enterprise is referred to which of the following bodies for rehabilitation ?
 (A) Small Industries Development Bank of India (SIDBI)
 (B) Small Industries Development Organisation (SIDO)
 (C) Board for Industrial and Financial Restructure (BIFR)
 (D) National Small Industries Corporation (NSIC)
49. Match the following :
- | | | |
|-------------------------------------|------|----------------|
| (i) Wealth of Nations | I. | Robert Giffen |
| (ii) Income and Substitution effect | II. | Paul M. Sweezy |
| (iii) Kinked Demand Curve | III. | Cobb-Douglas |
| (iv) Production function | IV. | Adam Smith |
- Codes :**
- | | | | | |
|-----|-----|------|-------|------|
| | (i) | (ii) | (iii) | (iv) |
| (A) | IV | II | I | III |
| (B) | IV | I | III | II |
| (C) | IV | II | III | I |
| (D) | IV | I | II | III |

50. The term "Grapevine Communication" is related to
 (A) Formal Communication
 (B) Informal Communication
 (C) Written Communication
 (D) Vertical Communication
51. Taylor differential piece rate system is related to
 (A) Time wage system
 (B) Piece wage system
 (C) Incentive wage system
 (D) None of the above
52. Financial risk arises from
 (A) R & D and operations stages of value chain
 (B) GNP growth rate and competitive environment
 (C) Volatility of interest rates, currency rates, commodities prices and stock prices
 (D) Changes in laws and regulations
53. A company using high price and high promotion policy is adopting the following strategy :
 (A) Slow skimming
 (B) Rapid Penetration
 (C) Slow Penetration
 (D) Rapid Skimming
54. Which one of the following is the functions of personnel management ?
 (A) Planning, Organising, Staffing, Directing and Controlling
 (B) Planning, Organising, Coordinating, Budgeting and Controlling
 (C) Procurement, Development, Compensation, Integration and Maintenance
 (D) Perception, Development, Learning, Organisation and Behaviour
55. Match the following :
- | | | |
|-------------------------------|------|--------------------------------|
| (i) Net present value method | I. | Inflow after interest and tax |
| (ii) Average rate of return | II. | Discounted cash flow |
| (iii) Internal rate of return | III. | Traditional method |
| (iv) Pay back method | IV. | Decision based on cut-off rate |
- Codes :**
- | | | | | |
|-----|-----|------|-------|------|
| | (i) | (ii) | (iii) | (iv) |
| (A) | IV | I | II | III |
| (B) | IV | III | II | I |
| (C) | II | I | IV | III |
| (D) | I | III | IV | II |

56. The number of product lines a company carries is called
 (A) Product range
 (B) Product mix depth
 (C) Product mix width
 (D) Product line length
57. Entrepreneurial failures can be attributed to :
 (A) Low quality raw materials
 (B) Labour problems
 (C) High overhead costs
 (D) All of the above
58. What are the economic goals that guide the strategic direction of every viable business organization ?
 (A) Goal, profit and public image
 (B) Public image, growth and profit
 (C) Survival, growth and profitability
 (D) Growth, profitability and public image
59. Match the following :
- | | |
|---------------------------------|--------------------------------|
| (i) Sensitivity training | (a) Leadership |
| (ii) Hygiene factors | (b) Organisational Development |
| (iii) Number of subordinates | (c) Motivation |
| (iv) Likert's management system | (d) Span of management |
- Codes :**
- | | | | |
|---------|------|-------|------|
| (i) | (ii) | (iii) | (iv) |
| (A) (b) | (c) | (d) | (a) |
| (B) (a) | (c) | (d) | (b) |
| (C) (d) | (c) | (a) | (b) |
| (D) (a) | (b) | (c) | (d) |
60. If the intrinsic value of the share is greater than market value, such shares are :
 (A) Under valued
 (B) Over valued
 (C) Neutral
 (D) None of the above

61. Which of the following is not a market oriented pricing technique ?
 (A) Penetration pricing
 (B) going rate pricing
 (C) perceived value pricing
 (D) Early-cash recovery pricing
62. Which one of the following facilitates E-Commerce ?
 (A) Public relations
 (B) Direct marketing
 (C) Personal selling
 (D) Product quality
63. Sensitivity analysis may be used in
 (A) Linear programming
 (B) Transportation programming
 (C) PERT
 (D) CPM
64. Sensitivity training method is a part of
 (A) On-the-job training method
 (B) Off-the-job training method
 (C) Vestibule training method
 (D) None of the above
65. A machine on the average produces 5% defective items. What are the mean and variance in a set of 32 items ?
 (A) 16, 8
 (B) 16, 4
 (C) 4, 16
 (D) None of the above
66. Distribution strategy of a company will be influenced by
 (A) Nature of product
 (B) Target segment of consumers
 (C) Pricing policy
 (D) All of the above
67. Which of the following is an example for unsystematic risk ?
 (A) Interest rate risk
 (B) Exchange rate risk
 (C) International risk
 (D) Operating risk

68. Match the following :

List – A

(i) Job Analysis

(ii) Job Description

(iii) Job Specification

(iv) Job Classification

List – B

(a) Grading jobs according to scale of pay

(b) A statement of human qualities to fill the job

(c) A process of obtaining job facts

(d) A statement of duties and responsibilities of a job

Codes :

- | | | | | |
|-----|-----|------|-------|------|
| | (i) | (ii) | (iii) | (iv) |
| (A) | (c) | (d) | (b) | (a) |
| (B) | (c) | (d) | (a) | (b) |
| (C) | (a) | (b) | (c) | (d) |
| (D) | (b) | (c) | (d) | (a) |

69. A positioning strategy should include the following strategies except

- (A) Product strategy
- (B) Personnel strategy
- (C) Promotion strategy
- (D) Advertising strategy

70. Which among the following will suit the best as location for a chemical plant ?

- (A) Desert Area
- (B) Coastal Area
- (C) Plains
- (D) Hill Area

71. When making purchase decisions the main consideration involved in organizational buying is

- (A) Product quality
- (B) Price
- (C) Service
- (D) All the above

72. Which of the following is to be considered by an investor while exercising the option ?

- (A) Exercise price
- (B) Spot price
- (C) Exercise price and spot price
- (D) None of the above

73. Match the following :

List – A

(i) Indian Trade Union Act

(ii) Industrial Dispute Act

(iii) The Workmen's Compensation Act

(iv) The Employees' State Insurance Act

List – B

(a) 1923

(b) 1926

(c) 1948

(d) 1947

Codes :

- | | | | | |
|-----|-----|------|-------|------|
| | (i) | (ii) | (iii) | (iv) |
| (A) | (b) | (d) | (a) | (c) |
| (B) | (b) | (c) | (d) | (a) |
| (C) | (b) | (d) | (c) | (a) |
| (D) | (a) | (c) | (b) | (d) |

74. Who creates and implements strategic change in an organization ?

- (A) Directors
- (B) Consultants
- (C) H. R. Managers
- (D) Strategist

75. Which of the variables is not used by marketers for demographic segmentation ?

- (A) Age
- (B) Income
- (C) Gender
- (D) Poverty