

# FINAL ANSWER KEY

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Question1:-Who quoted preamble as 'Political Horoscope' ?

- A:-N. A. Palkhivala
  - B:-Thakurdas Bhargav
  - C:-K. M. Munshi
  - D:-Dr. B. R. Ambedkar
- Correct Answer:- Option-C

Question2:-Which Article is related to 'Equal Justice and Free Legal Aid' ?

- A:-Article 39
  - B:-Article 39A
  - C:-Article 43
  - D:-Article 43A
- Correct Answer:- Option-B

Question3:-Who appoints Comptroller and Auditor General ?

- A:-Prime Minister
  - B:-Lok Sabha
  - C:-Rajya Sabha
  - D:-President
- Correct Answer:- Option-D

Question4:-Jawaharlal Nehru had started the publication of

- A:-National Herald
  - B:-National Gazette
  - C:-National Chronicle
  - D:-National Review
- Correct Answer:- Option-A

Question5:-The concept of the procedure for amendment of the Indian Constitution had been taken from the Constitution of

- A:-USA
  - B:-Canada
  - C:-South Africa
  - D:-Ireland
- Correct Answer:- Option-C

Question6:-Who organized, ' Kandala Lahala', the first Labour Strike in Travancore ?

- A:-Chattampi Swamikal
  - B:-Ayyankali
  - C:-Vaikunda Swamikal
  - D:-Dr. Palpu
- Correct Answer:- Option-B

Question7:-Arrange the following events in chronological order and choose the correct answer :

1. Temple Entry Proclamation
2. Shanar Agitation
3. Nivarthana Agitation
4. Vaikom Sathyagraha

- A:-(2, 4, 3, 1)
  - B:-(1, 4, 2, 3)
  - C:-(4, 1, 2, 3)
  - D:-(3, 1, 2, 4)
- Correct Answer:- Option-A

Question8:-The author of 'Keralam Malayalikalude Mathrubhumi'

- A:-K. P. Kesava Menon
- B:-A. K. Gopalan

C:-Mannathu Padmanabhan

D:-E. M. S. Namboothiripad

Correct Answer:- Option-D

Question9:-The First Railway Line in Kerala, from Baypore to Tirur, was commissioned on

A:-12 May 1861

B:-12 March 1861

C:-12 March 1862

D:-12 May 1862

Correct Answer:- Option-B

Question10:-Who has come to be called 'The Father of Political Movement in Modern Travancore' ?

A:-Dr. Palpu

B:-K. Ramakrishna Pillai

C:-Chempaka Raman Pillai

D:-G. Parameswaran Pillai

Correct Answer:- Option-D

Question11:-The First Lexicon and a Grammar work in Malayalam was prepared by

A:-Arnoz Pathiri

B:-Benjamin Bailey

C:-Herman Gundert

D:-Swathi Thirunal

Correct Answer:- Option-A

Question12:-Government undertook the responsibility of education for the first time in Travancore in 1817 by

A:-Swathi Thirunal

B:-Rani Gouri Lakshmi Bai

C:-Rani Gouri Parvati Bai

D:-Utram Tirunal Marthanda Varma

Correct Answer:- Option-C

Question13:-Who wrote the historical novel 'Parankipattayali' ?

A:-Sardar K. M. Panikkar

B:-Ambadi Naraya Poduval

C:-C. V. Raman Pillai

D:-Raman Nambisan

Correct Answer:- Option-A

Question14:-Who established a printing press at Mannanam and it was the first press founded by a Malayali without the help of foreigners

A:-Kumaranasan

B:-Poikayil Sree Kumara Gurudevan

C:-T. K. Madhavan

D:-Mar Kuriakose Elias Chavara

Correct Answer:- Option-D

Question15:-Who has been hailed as the 'The Father of Modern Kerala Renaissance' ?

A:-Vaikunta Swami

B:-Sree Narayana Guru

C:-Brahmananda Sivayogi

D:-Swami Vagbhatananda

Correct Answer:- Option-B

Question16:-Which country has won the 2017 Men's Ice Hockey World Championship ?

A:-Canada

B:-Russia

C:-Sweden

D:-Finland

Correct Answer:- Option-C

Question17:-The Van Vihar National Park is located in which state ?

A:-Madhya Pradesh

B:-Rajasthan

C:-Uttar Pradesh

D:-Gujarat

Correct Answer:- Option-A

Question18:-Which Indian village has won 2017 Smart Village Award ?

- A:-Punsari
- B:-Mawlynnong
- C:-Govardhan Eco Village
- D:-Dharnai

Correct Answer:- Option-C

Question19:-Who wrote the famous book 'We, the people' ?

- A:-T. N. Kaul
- B:-Nani Palkhivala
- C:-J. R. D. Tata
- D:-Khushwant Singh

Correct Answer:- Option-B

Question20:-Which film has won the 'Palme d'Or' at the 2017 Cannes Film Festival ?

- A:-Aprils Daughter
- B:-Wild River
- C:-Force Majeure
- D:-The Square

Correct Answer:- Option-D

Question21:-Mr. R sold goods of the list price of Rs. 10,000 to Mr. S at a trade discount of 10% and cash discount of 5% if payment is made immediately. What should be the net amount payable by Mr. S if he makes immediate payment to avail the discount ?

- A:-8,550
- B:-8,500
- C:-8,450
- D:-9,500

Correct Answer:- Option-A

Question22:-Understatement of closing work in progress

- A:-Understate cost of goods sold
- B:-Overstate current assets
- C:-Overstate gross profit
- D:-Understate net income

Correct Answer:- Option-D

Question23:-Writing off the expired cost of an intangible asset is known as

- A:-Depreciation
- B:-Depletion
- C:-Amortisation
- D:-Capitalisation

Correct Answer:- Option-C

Question24:-Which of the following is not a part of double entry system ?

- A:-Joint venture account
- B:-Joint bank account
- C:-Co venture account
- D:-Memorandum joint venture account

Correct Answer:- Option-D

Question25:-Returns of cash sales will be recorded in

- A:-Sales book
- B:-Sales return book
- C:-Cash book
- D:-Journal

Correct Answer:- Option-C

Question26:-A temporary room constructed for Rs. 30,000 for storing raw material for the construction of a big building is

- A:-Capital expenditure
- B:-Revenue expenditure
- C:-Deferred revenue expenditure
- D:-Miscellaneous expenditure

Correct Answer:- Option-A

Question27:-Part of furniture which stood in the books at Rs. 1,000 was sold for Rs. 550 in exchange of a new furniture costing Rs. 1,750 and net invoice of Rs. 1,200 was passed through the purchases book. Rectification will result in

- A:-Increase in profit by Rs. 750
- B:-Decrease in profit by Rs. 750
- C:-Decrease in profit by Rs. 450

D:-Increase in profit by Rs. 1,200

Correct Answer:- Option-A

Question28:-In the absence of any agreement partners are entitled to receive interest on loans and advances provided by them at the rate of

A:-12% p.a.

B:-10% p.a.

C:-8% p.a.

D:-6% p.a.

Correct Answer:- Option-D

Question29:-K,L,M are partners sharing profits and losses in the ratio of 2:1:1. Firm has a joint life policy of Rs. 1,20,000 and appears in the Balance Sheet at surrender value of Rs. 20,000. On the death of K, his share of joint life policy account will be

A:-Rs. 10,000

B:-Rs. 50,000

C:-Rs. 60,000

D:-Rs. 1,20,000

Correct Answer:- Option-B

Question30:-The amount in the security premium account cannot be used for the purpose of

A:-Issue of fully paid bonus shares

B:-Writing off preliminary expenses

C:-Writing off commission or discount on issue

D:-Writing off losses of company

Correct Answer:- Option-D

Question31:-When shares are forfeited, share capital account is debited with \_\_\_\_\_ and the share forfeiture account is credited with

A:-Paid up amount, called up amount

B:-Face value, calls in arrear

C:-Called up amount, amount received

D:-Amount received, calls in arrears

Correct Answer:- Option-C

Question32:-K Ltd. forfeited 150 shares of Rs. 10, issued at a premium of Rs. 2 for nonpayment of the final call of Rs. 3 out of these 100 shares were reissued at Rs. 11 per share. How much would be transferred to capital reserve ?

A:-Rs. 700

B:-Rs. 450

C:-Rs. 1,050

D:-Rs. 800

Correct Answer:- Option-A

Question33:-A decrease in provision for bad and doubtful debts would result in

A:-Increase in liability

B:-Increase in net profit

C:-Decrease in net profit

D:-Decrease in liability

Correct Answer:- Option-B

Question34:-When a firm is dissolved, profit or loss on realization will be shared by the partners

A:-In profit sharing ratio

B:-In capital ratio

C:-Equally

D:-As per rule in Garner vs. Murray case

Correct Answer:- Option-A

Question35:-Z paid Rs. 40,000 as premium for goodwill at the time of admission on the condition that partnership will be for 10 years. But after 3 years the firm has dissolved due to misconduct of Y, another partner. Will Z entitled to refund any amount paid by him towards goodwill

A:-Yes, Rs. 40,000

B:-Yes, Rs. 28,000

C:-Yes, Rs. 12,000

D:-Won't get anything

Correct Answer:- Option-B

Question36:-'Maximum loss method' is a term associated with

A:-Marine loss

B:-Depreciation

- C:-Inventory management
  - D:-Piecemeal distribution of cash
- Correct Answer:- Option-D

Question37:-\_\_\_\_\_ is the option for stabilization of the post listing price of securities in a public issue by allotting excess shares

- A:-Book building
- B:-Preferential issue
- C:-Green shoe option
- D:-Right issue

Correct Answer:- Option-C

Question38:-Breakup value of shares can be obtained by which of the following method ?

- A:-Net asset backing method
- B:-Yield method
- C:-Capitalization method
- D:-Net payment method

Correct Answer:- Option-A

Question39:-Common size statement are also known as

- A:-Horizontal analysis
- B:-Vertical analysis
- C:-Diagonal analysis
- D:-Parallel analysis

Correct Answer:- Option-B

Question40:-'Liquid ratio' is also known as

- A:-Quick ratio
- B:-Current ratio
- C:-Cash ratio
- D:-Liquidity ratio

Correct Answer:- Option-A

Question41:-If for a firm, current ratio equal to 1.25 and quick ratio equal to 1.10 and has Rs. 15,000 in inventories, what is the firm's working capital ?

- A:-15,000
- B:-25,000
- C:-1,10,000
- D:-1,25,000

Correct Answer:- Option-B

Question42:-DU PONT analysis relates to

- A:-Capital budgeting
- B:-Capital structure
- C:-Cost of capital
- D:-Profit analysis

Correct Answer:- Option-D

Question43:-Usually capital budget decisions are based on incremental

- A:-Profit
- B:-Revenue
- C:-Cash flow
- D:-Cost

Correct Answer:- Option-C

Question44:-If for a project benefit cost ratio is equal to one, then

- A:-IRR will be greater than one
- B:-IRR will be greater than discount rate
- C:-IRR will be equal to discount rate
- D:-IRR will be less than discount rate

Correct Answer:- Option-C

Question45:-As per Pecking Order Theory which of the following get first priority ?

- A:-Retained earnings
- B:-Equity
- C:-Debt
- D:-Borrowings

Correct Answer:- Option-A

Question46:-'Lintner model' is related with

- A:-Credit policy
- B:-Optimum cash balance
- C:-Working capital management
- D:-Dividend policy

Correct Answer:- Option-D

Question47:-In working capital management the concept of Zero Working Capital (ZWC) =

- A:-Inventories + receivables – payables
- B:-Current assets – cash – current liabilities
- C:-Working capital – cash equivalents
- D:-Receivables – payables

Correct Answer:- Option-A

Question48:-The term 'lethargy' in cash management refers

- A:-Time taken by post office for transferring cheque from customer to firm
- B:-Time taken to processing the cheque within the firm and sending to bank
- C:-Time taken by the bank in collecting the payment from customers bank
- D:-Difference between the balance in cash book and pass book

Correct Answer:- Option-B

Question49:-Which of the following would increase the working capital ?

- A:-Issue of Bonus shares
- B:-Issue of Right shares
- C:-Conversion of debt into capital
- D:-Acquisition of asset by issuing capital

Correct Answer:- Option-B

Question50:-Management of X Ltd. raises the unit selling price of a product by 10% as a result of increase of variable cost of the product by 10%. The fixed cost remains unchanged. The BEP of the company

- A:-Increases
- B:-Decreases
- C:-Remain the same
- D:-Can't say

Correct Answer:- Option-C

Question51:-A company has earned net profit of Rs. 2,00,000. Its P/V ratio and margin of safety are 25% and 50% respectively. What is the total fixed cost of the company ?

- A:-Rs. 1,00,000
- B:-Rs. 2,00,000
- C:-Rs. 4,00,000
- D:-Rs. 8,00,000

Correct Answer:- Option-B

Question52:-For a given period profit under absorption costing is less than the profit under marginal costing if

- A:-Production exceeds sales
- B:-Production is equal to sales
- C:-Sales are in excess of production
- D:-Sales is the key factor

Correct Answer:- Option-C

Question53:-In make or buy decisions, it is profitable to buy from outside only when the suppliers price is below the firm's own

- A:-Variable cost
- B:-Contribution
- C:-Fixed cost
- D:-Total cost

Correct Answer:- Option-A

Question54:-A firm is having interest liability of Rs. 20,000 and preference dividend of Rs. 36,000. Given the tax rate of 40% and dividend tax rate of 20%, financial break even level will be

- A:-Rs. 56,000
- B:-Rs. 63,200
- C:-Rs. 70,400
- D:-Rs. 92,000

Correct Answer:- Option-D

Question55:-According to Walter Model, when the return on investment is more than the cost of equity capital, in order to maximize the value of firm

- A:-100% dividend pay out
- B:-50% dividend pay out
- C:-Not to pay dividend
- D:-Pay any dividend

Correct Answer:- Option-C

Question56:-Unlevering of beta means

- A:-Calculation of equity beta
- B:-Calculation of debt beta
- C:-Calculation of modified beta
- D:-Calculation of firms beta`````

Correct Answer:- Option-D

Question57:-Trading on equity is a situation where

- A:-ROI is more than cost of debt
- B:-ROI is less than cost of debt
- C:-ROI is equal to cost of debt
- D:-ROI is not related to cost of debt

Correct Answer:- Option-A

Question58:-In Certainty Equivalents approach in order to incorporate the risk, adjustment made on

- A:-Profit
- B:-Discount rate
- C:-Cash flow
- D:-Probability

Correct Answer:- Option-C

Question59:-A company is expected to pay a dividend of Rs. 10 per share next year. The dividends are expected to grow perpetually at a rate of 10%. What is the value of its share if the required rate of return is 15% ?

- A:-67
- B:-150
- C:-100
- D:-200

Correct Answer:- Option-D

Question60:-Deposit multiplier for a bank with`` 'p' as initial deposit and 'r' as the cash reserve ratio is

- A:- $p \times r$
- B:- $p/r$
- C:- $p/(1 + r)$
- D:- $p/(1 - r)$

Correct Answer:- Option-B

Question61:-A banking company cannot hold any immovable property not acquired for its own use for a period exceeding

- A:-12 years
- B:-10 years
- C:-7 years
- D:-5 years

Correct Answer:- Option-C

Question62:-Which of the following is a liability of a bank ?

- A:-Money at call
- B:-Treasury bills
- C:-Commercial paper
- D:-Certificate of deposit

Correct Answer:- Option-D

Question63:-The rules framed in the Claytons case relates to Banker's

- A:-Right of appropriation
- B:-Right of general lien
- C:-Right of set off
- D:-Right to charge incidental charges

Correct Answer:- Option-A

Question64:-The Reserve Bank of India was established on

- A:-1 January 1935
- B:-1 April 1935

C:-1 April 1937

D:-1 January 1949

Correct Answer:- Option-B

Question65:-RBI may \_\_\_\_\_ in order to discourage investment in the country.

A:-Reduce CRR

B:-Buy securities from market

C:-Decrease Bank rate

D:-Increase Bank rate

Correct Answer:- Option-D

Question66:-The Banking Ombudsman is appointed by

A:-Reserve Bank of India

B:-Central Government

C:-Supreme Court

D:-State Bank of India

Correct Answer:- Option-A

Question67:-NABARD was established on the recommendations of

A:-Hazari Committee

B:-Nariman Committee

C:-Krishnasami Committee

D:-Sivaraman Committee

Correct Answer:- Option-D

Question68:-District Co-operative Banks are also known as

A:-Apex Banks

B:-Central Co-operative Bank

C:-State Co-operative Bank

D:-Primary Agricultural Society

Correct Answer:- Option-B

Question69:-Average clause will apply if there is

A:-Double insurance

B:-Under insurance

C:-Re insurance

D:-Consequential loss

Correct Answer:- Option-B

Question70:-In case of fire insurance, insurable interest must exist

A:-When policy is taken

B:-When loss is incurred

C:-Both at the time of policy is taken and when loss is incurred

D:-Either at the time of policy is taken or when loss is incurred

Correct Answer:- Option-C

Question71:-Irreversible movements in a business continuous in the same direction for a considerable period of time is known as

A:-Cyclical variations

B:-Seasonal variations

C:-Secular variations

D:-Random variations

Correct Answer:- Option-C

Question72:-Interest on borrowed capital funds is an example of \_\_\_\_\_ type costs in a business.

A:-Implicit costs

B:-Explicit costs

C:-Opportunity costs

D:-Average costs

Correct Answer:- Option-B

Question73:-Which among the following method do not consider time value of an investment ?

A:-Payback period

B:-NPV

C:-IRR

D:-Present value method

Correct Answer:- Option-A



Question74:-Which of the following strategy assumes that 'People are rational — if one presents enough facts to people, they will change' ?

- A:-Fellowship strategy
- B:-Political strategy
- C:-Economic strategy
- D:-Academic strategy

Correct Answer:- Option-D

Question75:-Who among the following works as a process facilitator rather than a solution provider ?

- A:-Consultant
- B:-Trainer
- C:-Researcher
- D:-Manager

Correct Answer:- Option-A

Question76:-Identify the type of organization which more copes with unstable environment ?

- A:-Project organization
- B:-Committee organization
- C:-Line and staff organization
- D:-Functional organization

Correct Answer:- Option-A

Question77:-Existence of large number of customers and suppliers is the feature of \_\_\_\_\_ system.

- A:-Monopsony
- B:-Oligopoly
- C:-Oligoposony
- D:-Perfect competition

Correct Answer:- Option-D

Question78:-Time estimations for completion of activities can fairly be done with high degree of accuracy in \_\_\_\_\_ system.

- A:-PERT
- B:-CPM
- C:-Liner Programming
- D:-Transport Problems

Correct Answer:- Option-B

Question79:-Estimate the EOQ when the annual demand is 3200 units, unit cost is Rs. 6, cost of one procurement is Rs. 150 and inventory cost is 25% p.a.

- A:-600 units
- B:-900 units
- C:-1200 units
- D:-800 units

Correct Answer:- Option-C

Question80:-When the decision maker has no information about the probability of occurrence of variance, the criterion used is known as

- A:-Maximum decision criterion
- B:-Harwicz criterion
- C:-Laplace criterion
- D:-Minimax decision criterion

Correct Answer:- Option-C

Question81:-Which of the following principle provides better coordination among various functions of an organization ?

- A:-Unity of direction
- B:-Centralisation
- C:-Scalar chain
- D:-None of the above

Correct Answer:- Option-A

Question82:-Which among the following managerial function offset uncertainty and change ?

- A:-Organising
- B:-Planning
- C:-Staffing
- D:-Controlling

Correct Answer:- Option-B

Question83:-The fundamental unique purpose of an organization is known as its

- A:-Vision
- B:-Objective

C:-Strategy

D:-Mission

Correct Answer:- Option-D

Question84:-The mathematical technique used in optimum allocation of resource is known as

A:-Queuing Theory

B:-Transportation Technique

C:-Decision Theories

D:-Linear Programming

Correct Answer:- Option-D

Question85:-The summary of the personal characteristics required for the job is known as

A:-Job specification

B:-Job analysis

C:-Job description

D:-Man inventory

Correct Answer:- Option-A

Question86:-Thematic Appreciation Test is an example of \_\_\_\_\_ type test.

A:-Aptitude test

B:-Intelligence test

C:-Personality test

D:-Achievement test

Correct Answer:- Option-C

Question87:-Which among the following is an example of on the job training ?

A:-Role playing

B:-Vestibule training

C:-Conferences

D:-Management games

Correct Answer:- Option-B

Question88:-Who propounded the two factor X and Y motivation-hygienic theory ?

A:-Herzberg

B:-Keith Davis

C:-Douglas Mc Gregor

D:-A. H. Maslow

Correct Answer:- Option-C

Question89:-The concept of paying more attention to the specific products and services than their benefits derived is known as

A:-Product concept

B:-Marketing myopia

C:-Marketing concept

D:-Selling concept

Correct Answer:- Option-B

Question90:-Name the strategy of acquiring business outside the company's current products and markets.

A:-Diversification

B:-Product development

C:-Penetration strategy

D:-Value chain strategy

Correct Answer:- Option-A

Question91:-Which among the following elements of marketing mix offer customer solution ?

A:-Salesmanship and Promotion

B:-Price

C:-Place

D:-Product

Correct Answer:- Option-D

Question92:-Basing-point pricing is an example of \_\_\_\_\_ type of pricing.

A:-Dynamic Pricing

B:-Geographic Pricing

C:-Promotional Pricing

D:-Psychological Pricing

Correct Answer:- Option-B

Question93:-Retailing comes under which of the following online marketing domains ?

A:-C2C

B:-B2B

C:-B2C

D:-G2B

Correct Answer:- Option-C

Question94:-A firm that wants to hold its share in an industry without rocking the boat is called

A:-Market follower

B:-Market leader

C:-Market nicher

D:-Market challenger

Correct Answer:- Option-A

Question95:-Which among the following central tendency is not influenced by the size of the extreme items ?

A:-Mean

B:-Mode

C:-Quartile 2

D:-Median

Correct Answer:- Option-D

Question96:-The population of a country was 300 million in 1981. It became 520 million in 1999. What is the percentage compound growth per annum ?

A:-6.3%

B:-3.1%

C:-4.9%

D:-11.2%

Correct Answer:- Option-B

Question97:-Mr. Farland bought a machinery on `1^(st)` January 2003 under higher purchase system, he paid Rs. 20,000 on signing the agreement and agreed to pay in three equal annual instalments of Rs. 24,000 each. Interest is charged at 24% per annum. What is the cash price of the machine ?

A:-Rs. 50,516

B:-Rs. 75,343

C:-Rs. 70,556

D:-Rs. 92,000

Correct Answer:-**Question Cancelled**

Question98:-Name the personality trait shown by people to gain control the behaviour of others.

A:-Extraversion

B:-Machiavellianism

C:-Empathy

D:-Risk Propensity

Correct Answer:- Option-B

Question99:-Which of the following theory emphasizes situations create suitable leadership style required by a manager ?

A:-Path goal theory

B:-Continuum theory

C:-Contingency theory

D:-Great man theory

Correct Answer:- Option-C

Question100:-Breach of contract before the performance is due is known as

A:-Anticipatory breach

B:-Actual breach

C:-Lapse of contract

D:-Novation of contract

Correct Answer:- Option-A