

# 428

QUESTION PAPER BOOKLET CODE : **A**

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## PART—I

1. “Financial Management is an area of financial decision-making, harmonizing individual motives and enterprise goals,” was defined by :
  - (A) Erza Solomon
  - (B) Weston and Brigham
  - (C) S.C. Kuchal
  - (D) Joshep and Massie
2. Which of the following indicates the two basic aspects of financial management ?
  - (A) Procurement of funds and utilization of funds
  - (B) Utilization of funds and ratio analysis
  - (C) Procurement of funds and ratio analysis
  - (D) Distribution of profits and ratio analysis
3. Which of the following is an example of unsystematic risk ?
  - (A) Interest rate hikes
  - (B) Political instability and flight of capital
  - (C) A company is forced to recall one of its products
  - (D) Failure of banks
4. What is the key factor that influence investment decisions ?
  - (A) Estimation of capital outlays and the future earnings of the proposed project focusing on the task of value engineering and market forecasting
  - (B) Availability of capital and considerations of cost of capital focusing attention on financial analysis
  - (C) A set of standards by which to select a project for implementation and maximizing returns therefrom focusing attention on logic and arithmetic
  - (D) All of the above
5. Given data  $D_0 = 7$ ,  $P_0 = 50$ , growth rate = 8.4%, then  $k_e$  on the basis of dividend growth model will be :
  - (A) 8.54%
  - (B) 23.58%
  - (C) 8.55%
  - (D) 15.18%
6. Zero Coupon bonds are bonds issued at ..... and redeemed at par.
  - (A) Face value to discount
  - (B) Discount to face value plus premium
  - (C) Par to discounted value
  - (D) Discount on face value

7. E Ltd. is considering an investment that will cost ₹ 80,000 and have a useful life of 4 years. During the first 2 years, the net incremental after-tax cash flows are ₹ 25,000 per year and for the last 2 years, they are ₹ 20,000 per year. What is the payback period for this investment ?
- (A) 4 years  
(B) 3.5 years  
(C) 3.2 years  
(D) 3 years
8. Payback period is primarily considered as the measure of project's ..... rather than its .....
- (A) profitability, capital recovery  
(B) profitability, liquidity  
(C) capital recovery, profitability  
(D) capital recovery, liquidity
9. Many companies are forced to reduce spending when they are going to raise additional capital by issuing new debt or equity. This is an example of .....
- (A) Hard capital rationing  
(B) Soft capital rationing  
(C) Flexible capital rationing  
(D) Internal Capital rationing
10. Management is considering a ₹ 1,00,000 investments in a project with a 5 years life and no salvage value. If the total tax paid income from the project is expected to be ₹ 60,000 and recognition is given to effect of straight-line depreciation on the investment, the average rate of return (ARR) of the project is :
- (A) 12%  
(B) 24%  
(C) 60%  
(D) 30%
11. What is the internal rate of return for a project having cash flows of ₹, 40,000 per year for 10 years and a cost of ₹ 2,26,009 ?
- (A) 8%  
(B) 12%  
(C) 14%  
(D) 10%
12. Which of the following will not suggest for accepting of a project ?
- (A) Net present value is greater than zero  
(B) Internal Rate of Return is less than the cost of capital  
(C) Profitability index is greater than unity  
(D) All of the above

13. When operating under a single-period capital-rationing constraint, you may first want to try selecting projects by descending order of their ..... in order to give yourself the best chance to select the mix of projects that adds most to the firm value.
- (A) Profitability Index (PI)  
(B) Net Present Value (NPV)  
(C) Internal Rate of Return (IRR)  
(D) Payback Period (PBP)
14. If there is no operating leverage in a firm, it is indicative of absence of :
- (A) Operating Profit  
(B) Sales  
(C) Fixed Cost  
(D) Variable Cost
15. Which of the following shows the significance of capital structure ?
- (A) Capital structure reflects the overall financing strategy of the firm  
(B) One can get a reasonably accurate broad idea about the risk profile of the firm from its capital structure  
(C) Capital structure also acts as a tax management tool  
(D) All of the above
16. While considering the Horizontal capital structure, which of the following statements is correct ?
- (1) It is quite stable  
(2) It is formed by a small amount of equity share capital  
(3) There is an absence of debt  
(4) It has an increasing component of debt
- Select the correct answer from the options given below :
- (A) (1), (2) and (4)  
(B) (2) and (3)  
(C) (1) and (3)  
(D) (1) and (4) only
17. Which of the following is correct in case financial leverage is considered by a firm ?
- (A) The shareholders will be exposed to greater risk  
(B) A firm will always have higher earnings per share than pre-financial leverage stage  
(C) There will be no change in firm's taxes  
(D) The earnings per share will remain constant even after adopting leverage

18. A new project under consideration requires a capital outlay of ₹ 300 lakhs. The required funds can be raised either fully by equity shares of ₹ 100 each or by equity shares of the value of ₹ 200 lakhs and by the loan of ₹ 100 lakh at 15% interest. Assuming a tax rate of 50%, calculate the figure of profit before tax (₹) that would keep the equity investors indifferent to the two options.
- (A) 4.5 lakh  
(B) 40.5 lakh  
(C) 450 lakh  
(D) 45 lakh
19. Consider the following financial information :
- Contribution = ₹ 4,00,000  
Fixed Cost = ₹ 1,00,000  
10% Debentures = ₹ 6,00,000  
Combined leverage = ?
- (A) 1.63  
(B) 1.69  
(C) 1.67  
(D) 1.61
20. EBIT of ABC Ltd. is ₹ 7,00,000. The company has 12% ₹ 25,00,000 debentures. The equity capitalization rate is 16%. Calculate the market value of the firm (₹) as per the Net Income (NI) approach. Ignore taxation.
- (A) 50,00,000  
(B) 58,75,000  
(C) 47,95,000  
(D) 57,85,000
21. A firm has a DFL of 9.5. What does this tell us about the firm ? Assume 40% tax.
- (A) If sales rise by 9.5%, then EBIT will rise by 1%  
(B) If EBIT rises by 5.7%, then EPS will rise by 1%  
(C) If EBIT rise by 1%, then EPS will rise by 9.5%  
(D) If sales rise by 1%, then EBIT will rise by 5.7%
22. .... and ..... are two financial instruments that carry a fixed rate of interest and they have to be paid off regardless of whether the firm earns revenue or not.
- (A) Equity Shares, Preference Shares  
(B) Preferred Stocks, Debentures  
(C) Bonds, Debentures  
(D) Preferred Stocks, Bonds

23. Which among the following is not relevant while calculating the cost of the redeemable preference shares ?
- (A) Profit available with the firm  
(B) Flotation cost  
(C) Discount on issue/redemption  
(D) None of the above
24. Which of the following is an uncontrollable factor affecting the cost of capital ?
- (A) Level of Interest Rates  
(B) Tax Rates  
(C) Both (A) and (B)  
(D) None of the above
25. A company issue 20% irredeemable debentures of ₹ 20,000. The company is in 30% tax bracket. Calculate cost of debt capital, if it was issued at 10% premium.
- (A) 15%  
(B) 14%  
(C) 15.55%  
(D) 12.73%
26. According to CAPM the cost of capital ( $k_e$ ) is :
- (A)  $R_f + (R_m - R_f) \beta$   
(B)  $R_m + (R_m - R_f) \beta$   
(C)  $R_f + (R_f - R_m) \beta$   
(D)  $R_f + (R_m - R_f)$
27. BNK Ltd. has a cost of debt (pre-tax) of 7%, a cost of equity of 11%, and a cost of preferred stock of 8%. The firm has 1,04,000 shares of common stock outstanding at a market price of ₹ 20 a share. There are 40,000 shares of preferred stock outstanding at a market price of ₹ 34 a share. The bond issue has a total face value of ₹ 5,00,000 and sells at 102% of face value. The tax rate is 34%.  
What is the approx. weighted average cost of capital for BNK Ltd. using market value weights ?
- (A) 6.14%  
(B) 6.54%  
(C) 8.60%  
(D) 9.14%
28. A company has currently 25,000 equity shares of ₹ 100 each and its' earnings as available for equity shareholders are ₹ 4,00,000. Its current market price is ₹ 128 and the growth rate of EPS is expected to be 10%. Calculate the cost of equity using Earnings-price Ratio approach.
- (A) 15%  
(B) 13.75%  
(C) 16.25%  
(D) 14.5%

29. Which of the following is a condition for setting up a SEZ unit ?
- (A) Must be formed by splitting of an existing business
  - (B) Must be formed by reconstructing an existing business
  - (C) Must not to be formed by transferring a previously owned plant and machinery
  - (D) All of the above
30. Which of the following is not a type of Feasibility Studies conducted during primary stage of a project financing to undertake a macro view of project ?
- (A) Market Feasibility
  - (B) Environmental Feasibility
  - (C) Technical Feasibility
  - (D) Financial Feasibility
31. Financial aspects of project is judged with reference to :
- (A) Availability of land and site
  - (B) Availability of servicing facilities like machine shops, electric repair shop etc.
  - (C) NPV, Benefit Cost Ratio, Internal Rate of Return, Sensitivity and Risk Analysis
  - (D) Availability of work force as per required skill and arrangements proposed for training-in-plant and outside
32. Which among the following is not an assumption of Walter's Model ?
- (A) Firm's Internal Rate of return and cost of equity capital are constant
  - (B) All earnings are either distributed or reinvested immediately
  - (C) All investments are financed through retained earnings
  - (D) The firm has a limited lifespan
33. Which of the following form of dividend is not prevalent in India ?
- (A) Cash dividend
  - (B) Bond Dividend
  - (C) Stock Dividend
  - (D) None of the above
34. Modigliani and Miller argued that the dividend decision :
- (A) Is relevant as the value of the firm is not based just on the earning power of its assets
  - (B) Is irrelevant as the value of the firm is based on the earning power of its assets
  - (C) Is irrelevant as dividends represent cash leaving the firm to shareholders, who own the firm anyway
  - (D) Is relevant as cash outflow always influences other firm decisions

35. The market price of J Ltd. is ₹ 200 per share as per Gordon Model EPS is ₹ 20 per share. The cost of capital is 11%. The rate of return on investment is 12%. What is the retention ratio ?
- (A) 80%  
(B) 50%  
(C) 100%  
(D) 60%
36. The following information is available in respect of H Ltd. :
- No. of shares outstanding : 3 lakh  
Net profit : ₹ 18 lakh  
Equity capitalization rate : 16%  
Rate of return on investment : 20%
- Based on Walter's model, what is the approx. share price (₹), if the Dividend payout ratio is 50% ?
- (A) 42  
(B) 46  
(C) 58  
(D) 52
37. .... refers to the difference between current assets and current liabilities.
- (A) Operational working capital  
(B) Differential working capital  
(C) Net working capital  
(D) Gross working capital
38. Current assets are those assets :
- (A) Which cannot be sold by the companies for profit making  
(B) Which are not liquid for the company  
(C) Which can be converted to cash within a period of one year  
(D) All of the above
39. A company is considering a project with initial outlay of ₹ 5,00,000. The project is expected to last for 5 years with salvage value of ₹ 78,000. It is expected to generate CFAT of ₹ 1,28,000 per annum during its life. If the cost of capital of the company is 12%, the approx. NPV of the project will be :
- (A) ₹ 5660 positive  
(B) ₹ 5660 negative  
(C) Zero  
(D) Cannot be determined
40. An aggressive current assets policy indicate :
- (A) Higher liquidity and poor-risk  
(B) Higher risk and poor liquidity  
(C) Higher risk and higher liquidity  
(D) Lower risk with lower liquidity



41. The following information is extracted from Z Ltd. :
- Net Working capital ₹ 2,80,000
- Current Ratio 2.4
- Liquid ratio 1.6
- Amount of Current Assets is ₹ :
- (A) 2,00,000
- (B) 2,80,000
- (C) 4,80,000
- (D) 3,60,000
42. If a firm has ₹ 100 in inventories, a current ratio equal to 1.2, and a quick ratio equal to 1.1, what is the firm's Networking Capital (₹) ? Assume no prepaid expenses.
- (A) 1000
- (B) 100
- (C) 200
- (D) 1,200
43. Maximum permissible bank finance as per the first method of Tandon Committee norms was ₹ 57,75,000 while current liabilities are reported at ₹ 75,00,000. Current assets are equal to ₹ :
- (A) 1,45,99,000
- (B) 1,98,00,000
- (C) 1,25,00,000
- (D) 1,52,00,000
44. Which of the following is not a characteristic of Systematic Risk ?
- (A) Macro in nature
- (B) External in nature
- (C) Uncontrollable by an organization
- (D) None of the above
45. Which of the following is not one of the key motives of holding cash by a firm ?
- (A) Forecasting motive
- (B) Transactional motive
- (C) Speculative motive
- (D) Contingency motive

46. How long does primary trends lasts for ?
- (A) One to three years
  - (B) Three to five weeks
  - (C) Four to six months
  - (D) Two to ten weeks
47. .... hypothesis holds that security prices adjust rapidly to all publicly available information such as functional statements and reports and investment advisory reports etc.
- (A) The Strong Form of Efficiency
  - (B) Semi-strong form of Efficiency
  - (C) The Weak Form theory
  - (D) All of the above
48. .... charts have a thin vertical line showing the price range for a given period that is shaded different colors based on whether the stock ended higher or lower.
- (A) Candlestick Charts
  - (B) Point and Figure Charts
  - (C) Bar Chart
  - (D) Line Chart
49. An investor is holding 100 shares of Right Choice Ltd. for last 5 years that he bought for ₹ 52,500. During the holding period, he received dividends worth ₹ 10,250 and currently the shares can be sold for ₹ 650 each. What is the annualized rate of return (%) on his investments ?
- (A) 43.33
  - (B) 8.67
  - (C) 17.33
  - (D) 19.52
50. A portfolio manager has invested in a particular fund which has generated a return of 12% with a standard deviation of 3.6%. If the risk-free rate of return in the market is 6%, the Sharpe ratio of the fund will be :
- (A) 0.75%
  - (B) 1.16%
  - (C) 1.10%
  - (D) 1.67%
51. Portfolio approach to investing is primarily focused on :
- (A) Diversification
  - (B) Value Protection
  - (C) Return Appreciation
  - (D) Risk Optimization

52. Which of the following is not an assumption of Capital Asset Pricing Model (CAPM) ?
- (A) Single-period transaction horizon
  - (B) Perfect capital market
  - (C) Investors cannot borrow and lend at the risk-free rate of return
  - (D) Perfect capital market
53. The first ratio to measure risk-adjusted return and one of the most referenced risk/return measures used in finance was introduced by :
- (A) William F. Sharpe
  - (B) Modigliani and Merton H. Miller
  - (C) William J. Baumol
  - (D) James E. Walter
54. Which of the following is an outcome of conducting social cost-benefit analysis ?
- (A) Integrated way of comparing the different effects
  - (B) Comparison of Project Alternatives
  - (C) Presentation of the uncertainties and risks
  - (D) All of the above
55. The cost of equity capital is all of the following EXCEPT :
- (A) The minimum rate that a firm should earn on the equity-financed part of an investment
  - (B) A return on the equity-financed portion of an investment that, at worst, leaves the market price of the stock unchanged
  - (C) By far the most difficult component cost to estimate
  - (D) Is generally lower than the after-tax cost of debt
56. A Company's Raw material storage period is 20 days; Finished goods storage period is 25 days; Receivables (Debtors) collection period is 40 days; Credit period allowed by suppliers (Creditors) is 50 days.
- What is the length of operating cycle of the company ?
- (A) 85 days
  - (B) 40 days
  - (C) 35 days
  - (D) 135 days

57. 80% of sales of ₹ 12,00,000 of a firm are on credit. It has a Receivable Turnover of 8. What is the Average collection period (360 days a year) and Average Debtors of the firm (₹) ?
- (A) 45 days and 1,20,000  
(B) 36 days and 1,00,000  
(C) 45 days and 1,50,000  
(D) 360 days and 1,25,000
58. A firm has inventory turnover of 4 and cost of goods sold is ₹ 7,50,000. With better inventory management, the inventory turnover is increased to 6. This would result in :
- (A) Increase in average inventory  
(B) Decrease in average inventory  
(C) Decrease in cost of goods sold  
(D) Increase in cost of goods sold
59. A firm has EBIT of ₹ 50,000. Market value of 10% debt is ₹ 80,000 and overall capitalization rate is 20%. Market value of Equity under NOI Approach will be ₹ :
- (A) 2,50,000  
(B) 1,70,000  
(C) 30,000  
(D) 1,30,000
60. Assume that a firm has accurately calculated the net cash flows relating to an investment proposal. If the net present value of this proposal is greater than zero and the firm is not under the constraint of capital rationing, then the firm should :
- (A) Calculate the IRR of this investment to be certain that the IRR is greater than the cost of capital  
(B) Compare the profitability index of the investment to those of other possible investments  
(C) Calculate the payback period to make certain that the initial cash outlay can be recovered within an appropriate period of time  
(D) Accept the proposal, since the acceptance of value-creating investments should increase shareholder wealth

## PART—II

61. In what order do managers typically perform the managerial functions ?
- (A) Organising, planning, controlling, leading  
 (B) Organising, leading, planning, controlling  
 (C) Planning, organising, leading, controlling  
 (D) Planning, organising, controlling leading
62. “Unity of Command” means :
- (A) An employee shall receive orders from one senior only  
 (B) A group of activities with common objectives shall have one head but different plans  
 (C) A group of activities with common objectives shall have one head and one plan  
 (D) More than one manager should supervise the employees
63. Identify the correct sequence of steps in planning.
- (I) Selecting a course of action  
 (II) Determining alternative courses  
 (III) Establishing objectives  
 (IV) Formulating derivative plans  
 (V) Evaluation of alternatives  
 (VI) Establishment of planning premises
- Select the correct answer from the options given below :
- (A) (III), (VI), (II), (IV), (I), (V)  
 (B) (VI), (III), (II), (V), (I), (IV)  
 (C) (III), (IV), (II), (V), (I), (VI)  
 (D) (III), (VI), (II), (V), (I), (IV)
64. According to Chester Barnard, “..... is a function by which the concern is able to define the role positions” the jobs related and the co-ordination between authority and responsibility”.
- (A) Planning  
 (B) Organizing  
 (C) Directing  
 (D) Staffing
65. Which one of the following is not one of Drucker’s five guiding principles of management ?
- (A) Making people’s strengths effective and their weaknesses irrelevant  
 (B) Enhancing the ability of people to contribute  
 (C) To operate the organisation’s status system  
 (D) Integrating people in a common venture by thinking through, setting and exemplifying the organisational objectives, values and goals

66. Major flaw in Scientific theory by Frederick W. Taylor is .....
- (A) No planning for future needs
  - (B) De-emphasis on team work
  - (C) Following best working practices
  - (D) Maximizing efficiency
67. According to Henry Fayol, “to manage is .....”
- (A) The art of getting things done through and with people in formally organised groups
  - (B) To forecast, to plan, to organise, to command and to control
  - (C) A distinct process consisting of planning, organizing, actuating and controlling performed to determine and accomplish the objectives by the use of people and resources
  - (D) The art of getting things done through people
68. The systems theory of management believes that each business .....
- (A) has two different types of workers
  - (B) is an open system, much like a living organism
  - (C) there existed four core functions of management
  - (D) will be most efficient if it uses a bureaucratic structure
69. A person who develops a long-range course of action or set of goals to align with the organization’s vision known as :
- (A) Navigator
  - (B) Strategist
  - (C) Captivator
  - (D) Mobilizer
70. Which of the following is the first phase of the strategic management process ?
- (A) Strategy Formulation
  - (B) Strategy Evaluation
  - (C) Strategy Implementation
  - (D) Environmental Scanning
71. According to Porter, suppliers are more able to exercise bargaining power over buyers when :
- (A) The supply industry is dominated by a few large firms
  - (B) The supply industry is populated by a large number of small firms
  - (C) When buyers have the ability to take over suppliers
  - (D) There are few buyers in the market

72. Potential rivals will not find it difficult to enter a market where :
- (A) Existing firms have long-term contracts with the biggest customers
  - (B) Product differentiation is very strong
  - (C) Existing firms have the ability to retaliate strongly
  - (D) Economies of scale are insignificant
73. In Porter's five forces model, what is meant by the term 'substitute' ?
- (A) A substitute refers to an alternative manufacturing process
  - (B) A substitute is an alternative product or service that performs the same function for the consumer
  - (C) A substitute is a rival firm offering the same products
  - (D) A substitute is something else consumers would rather spend their money on
74. .... clearly and quickly works through the complexity of key issues, problems and opportunities to affect actions.
- (A) Mobilizer
  - (B) Strategist
  - (C) Navigator
  - (D) Entrepreneur
75. As per Allison and Kaye, "..... is an organization's process of defining its strategy, or direction and making decisions on allocating its resources to pursue this strategy."
- (A) Strategic formulation
  - (B) Strategic planning
  - (C) Strategic forecasting
  - (D) Strategic follow-up
76. A ..... is a company's road map, indicating both what the company wants to become and guiding transformational initiatives by setting a defined direction for the company's growth.
- (A) Vision
  - (B) Mission
  - (C) Strategy
  - (D) Objective
77. Under a cost leadership strategy .....
- (A) The company divides the market according to the cost associated with marketing
  - (B) The company sells its product below cost
  - (C) The company tries to reduce its cost of production
  - (D) The company reduces cost by sacrificing quality

78. In ..... importance is given to speed and reliability.
- (A) Flexible response strategy
  - (B) Service strategy
  - (C) Response strategy
  - (D) Low-Cost Strategy
79. .... strategy is to maintain their market position by preserving existing customer base.
- (A) Market Challenger
  - (B) Market Nicher
  - (C) Market Leader
  - (D) Market Follower
80. Which of the following strategies is not a human resource management strategy ?
- (A) Training and development
  - (B) Restructuring strategies
  - (C) Resistance management
  - (D) Mentorship programs
81. .... strategy is used when the products are homogeneous in nature and company is not able to differentiate that.
- (A) Quality strategy
  - (B) Differentiation strategy
  - (C) Response strategy
  - (D) Price or cost strategy
82. .... is the set of guiding principles, driving forces and ingrained attitudes that help to coordinate goals, plans and policies between partners across a given supply chain.
- (A) Service strategy
  - (B) Business strategies
  - (C) Logistics strategy
  - (D) Differentiation strategy
83. .... refers to the process of conducting research on a company and its operating environment to formulate a strategy.
- (A) Candlestick analysis
  - (B) Strategic analysis
  - (C) Sensitivity analysis
  - (D) Simulation analysis
84. How often should a SWOT Analysis be performed ?
- (A) Only when specific issues need to be addressed
  - (B) Only when the business starts
  - (C) At least once per year
  - (D) Every 3-5 year



85. 'Build,' 'Hold,' 'Harvest,' and 'Divest' are the strategies pursued in :
- (A) Boston Consulting Group Growth Share Matrix
  - (B) Value Chain Analysis
  - (C) Managerial Grid Matrix
  - (D) Ansoff's Product Matrix Growth Matrix
86. Which is generally the reason for adoption of divestment strategy ?
- (A) Business acquired proves to be mismatch
  - (B) Persistent negative cashflows
  - (C) Severity of competition
  - (D) None of the above
87. What is the term used in Ansoff's matrix for increasing market share with existing products in existing markets ?
- (A) Product development
  - (B) Market penetration
  - (C) Diversification
  - (D) Market development
88. Managers not having control over many activities is a drawback of :
- (A) Matrix Structure
  - (B) Vertical Structure
  - (C) Network Structure
  - (D) Horizontal Structure
89. .... is a process through which a strategy is put into action.
- (A) Strategic analysis
  - (B) Strategy implementation
  - (C) SWOT analysis
  - (D) Strategic turnaround
90. McKinsey's 7-S framework helps analyze organizations and improve their effectiveness. The seven elements to be coordinated are : shared values, structure, systems, style.
- (A) Strategy, service levels and specialization
  - (B) Strategy, staff and skills
  - (C) Service levels, stock and staff
  - (D) Specialization, skills and standards

91. In a matrix organization, the functional departments like manufacturing, marketing, accounting and personnel constitute the ....., while the project organization or product divisions form the .....
- (A) Vertical chains of command, Horizontal chains of command
- (B) Horizontal chains of command, Vertical chains of command
- (C) Vertical chains of command, Vertical chains of command
- (D) Horizontal chains of command, Horizontal chains of command
92. .... is defined as a set of assumptions, beliefs, values and norms which are shared by people and groups in the organization and control the way they interact with each other and with stakeholders outside the organization.
- (A) Vision Statement
- (B) Mission Statement
- (C) Organizational Culture
- (D) Business Policy
93. What is the term for the act of recreating a core business process with the goal of improving product output, quality or reducing costs ?
- (A) Business Process Improvement
- (B) Business Process Enhancement
- (C) Business Process Management
- (D) Business Process Reengineering
94. Which of the following is the objective of Business Process Reengineering (BPR) ?
- (A) Boost effectiveness and produce higher quality products for the end customers
- (B) Improve efficiency in the production processes
- (C) Providing more meaningful work to employees
- (D) All of the above

95. .... is an approach to setting goals and measuring the productivity of firms based on best industry practices or against the products, services and practices of their competitors or other acknowledged leaders in the industry.
- (A) Benchmarking  
(B) Business Process Reengineering  
(C) Total Quality Management  
(D) Quality Engineering
96. .... refers to a process when a company compares itself with the competitors inside its industry.
- (A) Functional Benchmarking  
(B) Competitive Benchmarking  
(C) Generic Benchmarking  
(D) Industrial Benchmarking
97. A ..... receives that highest level of training in the statistical tools of Six Sigma. They develop the plans for Six Sigma project implementation.
- (A) Yellow Belt  
(B) Green Belt  
(C) Red Belt  
(D) Black Belt
98. Which of the following is not a key feature of Total Quality Management ?
- (A) Continuous improvement  
(B) Identifying customers and their needs  
(C) Situation based decisions  
(D) System approach to management
99. Which of the following is not Benchmarking Wheel stage process ?
- (A) Plan  
(B) Find  
(C) Analyze  
(D) Repeat
100. Which of the following is a disadvantage of Enterprise Resource Planning ?
- (A) Can have a high upfront cost  
(B) Can be difficult to implement  
(C) Requires change management during and after implementation  
(D) All of the above

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**Space for Rough Work**