



**RESEARCH COMMON ENTRANCE TEST – 2010  
BUSINESS MANAGEMENT**

Time : 90 Minutes

Max. Marks : 100

Answer ALL the questions.

ALL questions carry EQUAL marks.

Multiple Choice Questions (1 to 100)

1. The following comes under industry sector
  - (1) Power
  - (2) Aviation
  - (3) Gems and jewellery
  - (4) None
  
2. The sector which carries out all activity through a system and follows the law of the land is called \_\_\_\_\_ sector.
  - (1) Unorganized
  - (2) Organized
  - (3) Private
  - (4) None
  
3. A product whose consumption decreases as income increases
  - (1) Giffen
  - (2) Inferior
  - (3) Normal
  - (4) Complementary
  
4. Total profit is derived by
  - (1) TR-TC
  - (2) MR-MC
  - (3) Both (1) and (2)
  - (4) None
  
5. If a good is demanded by a household we call it as a \_\_\_\_\_ demand.
  - (1) Individual
  - (2) Household
  - (3) Aggregate
  - (4) Autonomous

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6. A market in which many buyers and sellers trade over a range of prices rather than a single market price is called as \_\_\_\_\_ competition.
- (1) Oligopolistic (2) Monopoly  
(3) Monopolistic (4) None
7. Value based pricing approach starts with \_\_\_\_\_ while cost based pricing approach starts with product.
- (1) Supplier (2) Customer  
(3) Retailer (4) None
8. Setting a high price for a new product to skim maximum revenues layer by layer from the segments willing to pay the high price, where the company makes fewer but more profitable sales is called as
- (1) Skimming price (2) Penetration price  
(3) Value based pricing (4) None
9. The percentage change in quantity consumed of one product as a result of a 1 percent change in the price of a related product is called as \_\_\_\_\_ elasticity.
- (1) Income (2) Cross  
(3) Promotional (4) Price
10. Market equilibrium means
- (1) Demand = Supply (2) Demand > Supply  
(3) Demand < Supply (4) None
11. If B paid the price to A and A has not yet painted the picture, the contract is
- (1) Executed contract  
(2) Executory contract  
(3) Partly executed and Partly executory  
(4) None



12. Consideration may be
- (1) An act (2) An abstinence  
(3) A return promise (4) All
13. Agreements entered into by persons of unsound mind are
- (1) Void agreements (2) Voidable agreements  
(3) None (4) Valid
14. By whom must a contract be performed
- (1) Promisor (2) Agent (3) Legal reps (4) All
15. \_\_\_\_\_ represent a sum fixed or ascertained by parties in the contract, which is a fair and genuine pre-estimate of the probable loss.
- (1) Penalty (2) Liquidated damages  
(3) Cost of decree (4) None
16. \_\_\_\_\_ segmentation calls for dividing the market based on age, income, occupation etc.
- (1) Geographic (2) Demographic  
(3) Behavioural (4) Benefit
17. \_\_\_\_\_ marketing strategy involves single company marketing mix to serve the whole market.
- (1) Un-differentiated marketing (2) Differentiated marketing  
(3) None (4) Both
18. The most basic level that offers the main benefit to the customer is called as \_\_\_\_\_ product.
- (1) Augmented (2) Actual  
(3) Core (4) None



19. Products are basically classified as Durables, Non-Durables and
- (1) Services
  - (2) Staples
  - (3) Both
  - (4) None
20. All activities involved in selling goods and services to those buying for resale or business use is called
- (1) Retailing
  - (2) Wholesaling
  - (3) Consuming
  - (4) None
21. \_\_\_\_\_ is the way the product is defined or remembered by the potential customers.
- (1) Positioning
  - (2) Targeting
  - (3) Both
  - (4) None
22. \_\_\_\_\_ consists of a set of buyers who share common needs or characteristics that the company decides to serve.
- (1) Positioning
  - (2) Segmentation
  - (3) Target marketing
  - (4) None
23. \_\_\_\_\_ goods are bought by individuals and organizations for further processing or commercialization.
- (1) Industrial goods
  - (2) Consumer goods
  - (3) Both
  - (4) None
24. A currently accepted or popular style in a given field is called as
- (1) Fad
  - (2) Style
  - (3) Fashion
  - (4) None

25. The elements of the communication process includes : sender, encoding, \_\_\_\_\_, media, decoding, receiver, noise, response and feedback.

- (1) Message
- (2) Oral
- (3) Written
- (4) None

26. Skill variety and task identity is found in

- (1) Job specification
- (2) Job characteristics model
- (3) Job design
- (4) Job satisfaction

27. The number of roles the HR manager is to perform

- (1) 6
- (2) 8
- (3) 12
- (4) 10

28. Selection comes after the function

- (1) Man power planning
- (2) Recruitment
- (3) Job analysis
- (4) None

29. Job specification describes about

- (1) Minimum qualifications
- (2) Duties
- (3) Tasks
- (4) None

30. Case studies is used as

- (1) Training
- (2) Interview
- (3) Business game
- (4) None

31. Job description describes about

- (1) Duties and Responsibilities
- (2) Minimum qualifications
- (3) Age
- (4) None

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32. Pay for time not worked means pay for
- (1) Holidays (2) Working days  
(3) Both (4) None
33. The Indian railways are the \_\_\_\_\_ largest in the world.
- (1) 3<sup>rd</sup> (2) 4<sup>th</sup>  
(3) 2<sup>nd</sup> (4) 5<sup>th</sup>
34. From the following which is the Traditional method of capital budgeting
- (1) NPV (2) Payback period  
(3) PI (4) None
35. Accept the project according to NPV when
- (1)  $NPV > 1$  (2)  $NPV < 1$   
(3)  $NPV = 0$  (4) None
36. Reject the project when PI is
- (1)  $PI < 1$  (2)  $PI > 1$  (3)  $PI = 1$  (4) None
37. NPV stands for
- (1) Net Preference Value (2) Net Present Value  
(3) Non-Payable Value (4) None
38. Sensitivity analysis comes under
- (1) Quantitative Techniques (2) General Techniques  
(3) Modern Techniques (4) None
39. In NPV method to discount CFAT which table to be used if cash flows are constant
- (1) Lump sum (2) Annuity  
(3) (1) and (2) (4) None



40. RADR stands for

- (1) Risk Adjusted Document Rate
- (2) Risk Adjusted Discount Rate
- (3) Risk Adjustment Discounting Rate
- (4) None

41. CFAT means

- (1) Cash Flow at Appropriate Time
- (2) Capital Fund and Tax
- (3) Cash Flow After Tax
- (4) None

42. Loss of one or more test units while the experiment is in progress is called as \_\_\_\_\_ error.

- (1) Mortality
- (2) History
- (3) Selection
- (4) None

43. Commercial services providing standardized data are called as

- (1) Syndicated services
- (2) Private services
- (3) Both (1) and (2)
- (4) None

44. The method by which primary data can be collected is

- (1) From records
- (2) Communication
- (3) Observation
- (4) None


45. \_\_\_\_\_ type of error occurs when the information sought by the researcher is different from the information needed to solve the problem.

- (1) Surrogate information error
- (2) Measurement error
- (3) Both
- (4) None

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52. \_\_\_\_\_ are the inputs for any production system.

- (1) Material (2) Men  
(3) Machines (4) All

53. Give the order of evolution of operations management function

A = Handicrafts Era; B = Industrial Revolution; C = Scientific Management;  
D = Information age.

- (1) ABCD (2) BACD (3) DABC (4) None

54. \_\_\_\_\_ type of layout involves a grouping of like machines in one department.

- (1) Fixed position (2) Process  
(3) Product (4) Cellular

55. Maintenance activities undertaken before the machines or equipments fail is called as

- (1) Predictive (2) Routine (3) Preventive (4) Planned

56. \_\_\_\_\_ is authorizing the start of operations.

- (1) Dispatching (2) Expediting  
(3) Inspection (4) Control

57. Verification of conformance of goods or services to the design specifications is called as

- (1) Quality (2) Inspection  
(3) Control (4) None

58. An entrepreneur who introduces new goods, inaugurates new method of production is called

- (1) Imitative entrepreneur (2) Drone entrepreneurs  
(3) Innovative entrepreneur (4) None

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59. NGOs who mobilize their own resources operate at international level and execute developmental activities are called as
- (1) Primary level NGOs                      (2) Grass root level NGOs  
(3) Counsellors                                      (4) None
60. The following is not one of the characteristic of an entrepreneur
- (1) Leadership quality                      (2) Risk avoidance  
(3) Effective communicator                      (4) Clear vision
61. A training programme consists of the following inputs
- (1) 4                                      (2) 6                                      (3) 5                                      (4) 3
62. Entrepreneurs who refuse to adapt to opportunities to make changes in production formulae even at the cost of severely reduced returns are called
- (1) Innovative entrepreneurs                      (2) Imitative entrepreneurs  
(3) Drone entrepreneurs                      (4) None of them
63. In big organisations the top executives are encouraged to catch hold of new ideas and then convert these into products through research and development, such people are called
- (1) Entrepreneurs                                      (2) Intrapreneurs  
(3) Imitators                                      (4) Fabian entrepreneurs
64. In RATER the five star model of quality first R stands for
- (1) Reliability                                      (2) Responsiveness  
(3) None                                      (4) Both
65. There are various types of service encounters they are
- (1) Face to Face                                      (2) Remote  
(3) Phone                                      (4) All

66. The \_\_\_\_\_ Ps are added in the extended service mix.
- (1) People (2) Physical evidence  
(3) Process (4) All
67. A \_\_\_\_\_ is an action plan designed to move an organization toward achievement of its vision.
- (1) Vision (2) Mission (3) Strategy (4) None
68. \_\_\_\_\_ result when the firm integrates several different resources to complete a task or a series of related tasks.
- (1) Resources (2) Capabilities  
(3) Core competencies (4) None
69. \_\_\_\_\_ involves gradually sacrificing market position in return for bigger near-term cash flow/profit.
- (1) Threats (2) Distinct strategy  
(3) Harvest strategy (4) None
70. Identifying early signals of environmental changes and trends
- (1) Global mind set (2) Economy  
(3) Employee skills (4) None
71. \_\_\_\_\_ in combination with product-market positions, are the firm's most important sources of competitive advantage.
- (1) Core competencies (2) Capabilities  
(3) Resources (4) None
72. E-distributor or broker who deal with items handled by more than a single e store is called
- (1) e-store (2) e-shopping mall  
(3) e-broker (4) e-distributor

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SKU RESCET - 1011



73. Dell.com is an example of
- (1) B2B site
  - (2) B2C site
  - (3) B2G site
  - (4) G2G site
74. B2B sites are supplier, buyer and
- (1) Centralized centric
  - (2) Manufacturing centric
  - (3) Intermediary centric
  - (4) Customer centric
75. Success of an ad banner in attracting visitors to click on ad is measured as
- (1) Cookie
  - (2) Ad views
  - (3) Ad ratio
  - (4) Click ratio
76. \_\_\_\_\_ is a systematic gathering of data from respondents through questionnaires.
- (1) Survey
  - (2) Observation
  - (3) Both
  - (4) None
77. \_\_\_\_\_ one of the following is a basic scaling technique.
- (1) Likert
  - (2) Nominal
  - (3) Ranking scales
  - (4) None
78. \_\_\_\_\_ are original works of research or raw data.
- (1) Primary sources
  - (2) Secondary
  - (3) Tertiary
  - (4) None
79. \_\_\_\_\_ are the common examples of area network types.
- (1) LAN
  - (2) MAN
  - (3) Both
  - (4) None
80. A one dimensional array is called as
- (1) Matrix
  - (2) Vector
  - (3) Array element
  - (4) None



81. Control F command is used for \_\_\_\_\_ purpose in MS-Office.  
(1) Open file (2) Find  
(3) Format (4) None
82. \_\_\_\_\_ is a connecting system that permits sharing of resources among different computers.  
(1) Hub (2) Node  
(3) Network (4) None
83. F1 key is used for \_\_\_\_\_ purpose in MS-Office.  
(1) Save (2) Delete  
(3) MS word help (4) None
84. Machine language uses \_\_\_\_\_  
(1) Alphabets (2) Numbers  
(3) Binary digits (4) None
85. Number of stages in group development are  
(1) 5 (2) 6 (3) 3 (4) None
86. In group dynamics, dynamics means  
(1) Force (2) Dynamism  
(3) Formation (4) None
87. Who proposed scientific management theory  
(1) Fayol (2) FW Taylor  
(3) Hertzberg (4) None
88. \_\_\_\_\_ number of principles are proposed by Henry Fayol.  
(1) 14 (2) 10  
(3) 15 (4) 20



89. The number of ego states in transactional analysis are  
(1) 3 (2) 2  
(3) 5 (4) 4
90. Number of conflict resolution methods are  
(1) 3 (2) 4  
(3) 5 (4) 6
91. In HR research process statement of problem covers  
(1) Problem area (2) Procedure  
(3) Data collection (4) None
92. Intellectual, emotional and social capital are  
(1) Feelings (2) HR assets  
(3) Costs (4) None
93. Book keeping is mainly concerned with  
(1) Interpreting the data for internal and external end users  
(2) Designing the systems for recording, classifying and summarizing  
(3) Recording of financial data relating to business operations  
(4) None
94. Accounting principles are generally based on  
(1) Practicability (2) Subjectivity  
(3) Convenience in recording (4) None
95. The amount brought in by the proprietor in the business to be credited to  
(1) Cash account (2) Capital account  
(3) Drawing account (4) None

96. The statement containing various ledger balances on a particular day is known as

- (1) Trial balance
- (2) Balance sheet
- (3) Profit and loss account
- (4) None

97. Outstanding salaries are shown as

- (1) A liability
- (2) An asset
- (3) An expense
- (4) None

98. Variable cost per unit

- (1) Remains fixed
- (2) Fluctuates with the volume of production
- (3) Varies in line with the volume of sales
- (4) None

99. Opportunity costs helps in

- (1) Ascertainment of costs
- (2) Control of costs
- (3) Making managerial decisions
- (4) None

100. Interests on drawings is

- (1) Expenditure for the business
- (2) Expense for the business
- (3) Gain for the business
- (4) None