

Final Test Paper 3 INDIAN INSTITUTE OF MATERIALS MANAGEMENT Business Economics & Financial Accounting GDMM/PGDMM 3 YEARS

Instructions:

1. Answer all 50 questions. Each question carries 2 marks Total : 100 Marks
2. Duration 1 Hour.

***Required**

1. Email *

2. Name *

3. Roll Number *

4. 1. Which of the following is in the tertiary sector of the economy?

Mark only one oval.

- transport
- farming
- fishing
- electricity

5. 2. Which of the following is in the secondary sector of the economy?

Mark only one oval.

- banking
- gas
- finance
- forestry

6. 3. Which of the following is in the primary sector of the economy?

Mark only one oval.

- mining
- education
- animal husbandry
- retail

7. 4. A type of goods for which demand declines as the level of income or real GDP in the economy increases is called –

Mark only one oval.

- normal goods
- giffen goods
- complimentary goods
- inferior goods

8. 5. Which of the economic systems is followed by India?

Mark only one oval.

- mixed economy
- communist system
- capitalist system
- laissez-faire system

9. 6. IFRS is International Financial Reporting-

Mark only one oval.

- scheme
- standard
- system
- society

10. 7. The number of basic types of corporate financial statements is

Mark only one oval.

- two
- three
- four
- six

11. 8. Preliminary expenses is

Mark only one oval.

- non-current liability
- current asset
- current liability
- non-current asset

12. 9. The body that regulates international trade at the global level is:

Mark only one oval.

- MERCOSUR
- WTO
- NAFTA
- SAFTA

13. 10. The beginning of monetary policy comes from the:

Mark only one oval.

- late 18th century
- early 19th century
- late 19th century
- early 20th century

14. 11. One of the following is a current liability

Mark only one oval.

- bank overdraft
- debentures
- capital reserve
- long term loans

15. 12. One of the following is a current asset

Mark only one oval.

- copyright
- bills receivable
- building
- land

16. 13. One of the following is a non-current liability

Mark only one oval.

- accrued or outstanding expenses
- dividend payable
- capital reserve
- bills payable

17. 14. One of the following is a non-current asset

Mark only one oval.

- prepaid expenses
- accrued income
- sundry debtors
- plant & machinery

18. 15. How many levels the education system in India consists of:

Mark only one oval.

four

six

two

three

19. 16. The number of basic factors of production is:

Mark only one oval.

four

six

eight

five

20. 17. Which is the disadvantage of partnership ?:

Mark only one oval.

ease of formation

unlimited liability

low start up costs

broader management base

21. 18. Which is the advantage of corporation?

Mark only one oval.

closely regulated

charter restrictions

limited liability

most expensive to organize

22. 19. Which is the disadvantage of a cooperative?:

Mark only one oval.

- limited liability
- democratic control
- owned and controlled by members
- longer decision making process

23. 20. Futures market is a market classified on the basis of:

Mark only one oval.

- Volume of business
- Nature of transactions
- Time
- Status of sellers

24. 21. Oligopsony is a market

Mark only one oval.

- dominated by many sellers and a few buyers
- where there is only one buyer
- where there is only one provider of a product
- where there is only one provider of a service

25. 22. The number of important sources of barriers to entry are:

Mark only one oval.

- two
- three
- four
- five

26. 23. Niche brands have:

Mark only one oval.

- low market share and a high price sensitivity
- high volume and high price sensitivity
- average volume and average price sensitivity
- low volume share and low price sensitivity

27. 24. Which of the following is a regulatory body of the financial institutions in India?

Mark only one oval.

- CBDT
- STCI
- NABARD
- NHB

28. 25. Which of the following is a limitation of SMEs?

Mark only one oval.

- inadequate contribution to R&D
- operational flexibility
- low investment requirements
- locationwise mobility

29. 26. The Department of Ocean Development was established in

Mark only one oval.

- 2011
- 2001
- 1991
- 1981

30. 27. Which of the following is an intangible asset?

Mark only one oval.

- land
- computer software
- buildings
- furniture and fixtures

31. 28. The Department of Bio-technology was created in

Mark only one oval.

- 1986
- 1991
- 1996
- 2001

32. 29. The number of branches of Accounting is:

Mark only one oval.

- three
- four
- five
- six

33. 30. Which of the following is use/application of funds?

Mark only one oval.

- funds from operations
- loss from operations
- increase in long term loans
- decrease in working capital

34. 31. Which one of the following is an example of non- operating income:

Mark only one oval.

- gain on revaluation of fixed assets
- depreciation for the year
- premium on redemption of debentures
- amortization of goodwill

35. 32. Cash flow statements have to be prepared and presented by :

Mark only one oval.

- partnerships
- private companies
- unlisted companies
- listed companies

36. 33. GAAP is the abbreviation for:

Mark only one oval.

- Generally Acceptable Accounting Principles
- Generally Accepted Accounting Principles
- Generally Accepted Accounting Practices
- Generally Admissible Accounting Practices

37. 34. Which of the following is the use of ratio analysis to stakeholders?

Mark only one oval.

- helps in communication
- helps in co-ordination
- helps in decision making
- utility to Government

38. 35. All the following are features of money market except:

Mark only one oval.

- short term borrowing
- short term lending
- buying and selling short term obligations such as treasury bills
- supply of longer time funding like bonds and equity

39. 36. What is the positive effect of economic growth?

Mark only one oval.

- growth has negative effects on quality of life
- growth encourages the creation of artificial needs
- happiness increases with high GDP/Capita
- growth adds to inequality of wealth

40. 37. Share forfeited account is a

Mark only one oval.

- non current liability
- non current asset
- current asset
- current liability

41. 38. Which of following is not a consumer under Consumer Protection Act ?

Mark only one oval.

- one who purchased the goods
- one who purchased the services
- user of goods and services with the permission of the buyer
- purchaser of goods and services for resale purpose

42. 39. According to the expert group in Planning Commission, poverty line in rural areas is drawn with an intake of

Mark only one oval.

- 2100 calories
- 2400 calories
- 2600 calories
- 2800 calories

43. 40. The primary aim of the First Five year plan was

Mark only one oval.

- to improve living standards of the people of India
- to increase agriculture production
- to ensure that people enjoy equal rights in the country
- to boost the manufacturing of industrial goods

44. 41. The Five year plan referred to as the Janata Government Plan is:

Mark only one oval.

- Fifth Five year plan
- Sixth Five year plan
- Seventh Five year plan
- Eighth Five year plan

45. 42. Which major geographical region Gujarat falls in?

Mark only one oval.

- the great Himalayan mountain ranges
- the peninsular region of the south
- the desert region
- the indo-gangetic plain

46. 43. Disguised unemployment is

Mark only one oval.

- unemployment due to slackening of demand for goods
- staff reduction due to a change in technology
- agricultural workers getting employment only in the season
- less work and more people

47. 44. Which of the following is not an attribute of demand?

Mark only one oval.

- desire to acquire the product
- willingness to pay for the product
- ability to pay for the product
- lack of necessary purchasing power to pay for the product

48. 45. The national income estimates are of

Mark only one oval.

- three kinds
- four kinds
- five kinds
- six kinds

49. 46. Economic indicators fall into which of the following categories?

Mark only one oval.

- leading
- lagging
- co-incident
- all of the above

50. 47. Which of the following is a topic of microeconomics?

Mark only one oval.

- unemployment
- interest rate
- behavior of individual households
- total output of the economy

51. 48. Human Development Index is a standard means of measuring well-being especially:

Mark only one oval.

- elderly welfare
- child welfare
- women welfare
- adult welfare

52. 49. Trend analysis is generally made over a period of:

Mark only one oval.

- 3 years
- 4 years
- 5 years
- 6 years

53. 50. Which is included as the external user of the accounting information?

Mark only one oval.

- employees
- management
- investors
- owners

