

# CLUSTER UNIVERSITY SRINAGAR

## University Entrance Examination

Integrated Business Administration (50 x 1= 50 MARKS) Time One Hour

Note: Each wrong answer will lead to the deduction of 0.25 marks from the total score of the candidate.

1. Management means
  - a. Manpower
  - b. Materials
  - c. Machinery
  - d. What manager does
2. Family managers means those:
  - a. Who become managers by virtue of being owners:
  - b. Who are professionals
  - c. Who are civil servants
  - d. None of the above
3. Organisational objectives include:
  - a. Reasonable profits so as to give a fair return on capital invested
  - b. Survival of businessman
  - c. Solvency of business
  - d. All of the above
4. Manufacturing industries include:
  - a. Engineering
  - b. Cement
  - c. Textiles
  - d. All of the above
5. To form Partnership, there must be at least:
  - a. Two
  - b. Five
  - c. Eighteen
  - d. Twenty one persons
6. The features of private enterprise are:
  - a. Shareholders provide capital
  - b. It is non-profit organisation
  - c. It is owned by an individual
  - d. All of the above
7. A business is responsible to safeguard interests of:
  - a. Shareholders
  - b. Employees
  - c. Consumers
  - d. All of the above
8. Role of business in environmental protection is:
  - a. Industrial waste should not be recycled
  - b. All types of emissions in air should not be scientifically treated before their release
  - c. The products to be developed should be eco-friendly
  - d. Plant and machinery should not be modernised
9. A promotor is a person who:
  - a. Undertake to form a company
  - b. Is Manager
  - c. Is professional accountant
  - d. None of the above
10. First step in the promotion of joint stock company is:
  - a. Invest funds
  - b. Train employees
  - c. Discovery of idea
  - d. Construction of Building

11. Internal trade means:
- Buying and selling within country
  - Buying and selling goods within business centre
  - Buying and selling goods within organisation
  - None of the above
12. Debit the:
- Giver
  - Receiver
  - Profits
  - Incomes
13. Bookkeeping is an art of:
- Making statements
  - Prepare profit and loss
  - recording transactions
  - None of the above
14. Goodwill is an asset:
- Intangible
  - Tangible
  - Fictitious
  - None of the above
15. Accounting concepts include:
- Business entity
  - Money measurement
  - Going concern
  - All of the above
16. Depreciation means:
- Increase in value of Assets
  - Decrease in value of Assets
  - Decrease in value of liabilities
  - None of the above
17. Trial Balance is prepared to:
- To see profit/loss
  - To see assets
  - Detect errors
  - To see liabilities
18. An unconditional order, which is drawn by one person against second person, ordering the second person to pay a specified some of money to the first person is called:
- Bills of exchange
  - Bills of sale
  - Bills of lading
  - Promissory Note
19. Purchase of machinery is:
- Revenue expenditure
  - Capital Expenditure
  - Revenue income
  - Capital income
20. The factors affecting business environment:
- Economic factors
  - Political environment
  - Technological environment
  - All of the above
21. The process of economic liberalisation began in India in:
- 1980
  - 1985
  - 1991
  - 1996
22. Privatisation consists of:
- Denationalisation
  - Dilution of Government equity in public enterprises
  - Transfer of management of public sector to private sector
  - All of the above
23. Business firms in India have not responded to changes in business environment in respect of:
- Modern Technology
  - Diversification
  - Financial Restructuring
  - None of the above

24. Centralisation of powers leads to:
- a. Quick decisions
  - b. Delay in decisions
  - c. Delegation of powers
  - d. None of above
25. A policy which organisation may be compelled to adopt due to outside forces is called:
- a. Imposed Policy
  - b. Written policy
  - c. Appealed policy
  - d. None of the above
26. Following is the demerit of policies:
- a. To operationalize objectives
  - b. To speed up decisions making
  - c. To facilitate delegation of authority
  - d. None of the above
27. Sound organisation leads to:
- a. Specialisation
  - b. Lack of security
  - c. Lack of training and Development
  - d. None of the above
28. Steps in the process of organising include:
- a. Division of work
  - b. Grouping of jobs
  - c. Delegation of authority
  - d. All of the above
29. Organisation which is deliberately designed is:
- a. Formal organisation
  - b. Informal Organisation
  - c. Unofficial organisation
  - d. None of the above
30. Following is disadvantage of informal organisation:
- a. Rumour
  - b. Relief from monotony
  - c. Lack of commitment
  - d. None of the above
31. A stock exchange performs following functions:
- a. Valuation of securities
  - b. Protection of investors
  - c. Capital formation
  - d. All above
32. Market means:
- a. Place of buyers and sellers
  - b. Identification of customers
  - c. Understanding needs
  - d. None of the above
33. Marketing functions include:
- a. Marketing research
  - b. Packaging
  - c. Product planning and Development
  - d. All of the above
34. Buying of finished goods refers to:
- a. Purchase of raw-materials for use in production
  - b. Purchase for resale
  - c. For distribution as samples
  - d. None of the above
35. Delegation of authority leads to:
- a. Quick decisions
  - b. Delay in decisions
  - c. Centralisation of process
  - d. None of the above
36. Importance of Decentralisation is:
- a. Reduction in burden of top executives
  - b. Motivation of subordinates
  - c. Efficient control
  - d. All above

37. Staffing is the responsibility of:
- a. HRM Department
  - b. IT Department
  - c. Advertising Department
  - d. None of above
38. The internal source of recruitment is:
- a. Employment exchange
  - b. Personnel Consultants
  - c. Promotion
  - d. Educational Institutions
39. The limitation of external source of recruitment is:
- a. Limited choice
  - b. Lack of competition
  - c. Frustration among present employees
  - d. incomplete source
40. Importance of training of employees is:
- a. Higher productivity
  - b. Reduced supervision
  - c. Higher morale
  - d. All of the above
41. Consumer protection act provides following rights to consumers:
- a. Right to safety
  - b. Access to accounts of business
  - c. Access to trade secrets
  - d. None of the above
42. Ration analysis is applied to understand:
- a. Assess liabilities
  - b. To understand position of organisation
  - c. To assess values of assets
  - d. None of the above
43. Liquidity ratio is applied to understand:
- a. Profit position
  - b. Current assets position
  - c. Goodwill position
  - d. None of above
44. Project report of an enterprise reveals:
- a. Goodwill
  - b. Breakeven point
  - c. Future challenges
  - d. None of the above
45. Problems of small business include:
- a. Capital
  - b. Technology
  - c. Land
  - d. All of the above
46. The sources of finance include:
- a. Personal finance
  - b. Bank finance
  - c. Finance of NGO
  - d. All of the above
47. Borrowed funds include:
- a. Preference shares
  - b. Bank loans
  - c. Retained earnings
  - d. Equity shares
48. Incentive schemes for industries include:
- a. Interest subsidy
  - b. Loans
  - c. Free licence
  - d. None of the above
49. A company is association of:
- a. Persons
  - b. Partners
  - c. Loanees
  - d. None of them
50. On the basis of ownership, companies include:
- a. Statutory company
  - b. Government company
  - c. Chartered company
  - d. None of the above

