



JAMMU AND KASHMIR PUBLIC SERVICE COMMISSION

RESHAM GHAR COLONY, BAKSHI NAGAR, JAMMU - 180001

website: <http://jkpsc.nic.in>

Jammu: 0191-2566528 (f) 2566530

Srinagar: 0194-2312629 (f) 2312631

Subject: Written Examination for the post of Lecturer [Commerce] in the School Education Department - Provisional Answer Key thereof.

Notification No. PSC/Exam/S/2025/38

Dated: 05.10.2025

In pursuance of Rule 10(c) of the Jammu & Kashmir Public Service Commission (Conduct of Examination) Rules, 2022, as amended upto date, the Provisional Answer Key of Question Paper pertaining to the written examination for the posts of **Lecturer [Commerce] in School Education Department**, held on **05.10.2025**, is hereby notified for seeking the objections from candidates.

Provisional Answer Key

(Commerce)

Test Booklet Question No. (Series A)	
Q1	A
Q2	B
Q3	C
Q4	B
Q5	C
Q6	A
Q7	B
Q8	C
Q9	B
Q10	B
Q11	C
Q12	D
Q13	D
Q14	D
Q15	B
Q16	C
Q17	D
Q18	B
Q19	D
Q20	C
Q21	A
Q22	C

Test Booklet Question No. (Series A)	
Q23	B
Q24	A
Q25	B
Q26	B
Q27	A
Q28	C
Q29	A
Q30	D
Q31	B
Q32	B
Q33	A
Q34	B
Q35	B
Q36	D
Q37	C
Q38	A
Q39	B
Q40	A
Q41	B
Q42	C
Q43	A
Q44	B

Test Booklet Question No. (Series A)	
Q45	C
Q46	C
Q47	D
Q48	B
Q49	C
Q50	A
Q51	C
Q52	C
Q53	C
Q54	D
Q55	D
Q56	A
Q57	B
Q58	A
Q59	C
Q60	D
Q61	A
Q62	B
Q63	A
Q64	A
Q65	B
Q66	C

Test Booklet Question No. (Series A)	
Q67	A
Q68	A
Q69	D
Q70	A
Q71	A
Q72	A
Q73	A
Q74	C
Q75	A
Q76	D
Q77	C
Q78	A

Test Booklet Question No. (Series A)	
Q79	A
Q80	C
Q81	A
Q82	B
Q83	A
Q84	C
Q85	D
Q86	A
Q87	B
Q88	B
Q89	C
Q90	C

Test Booklet Question No. (Series A)	
Q91	A
Q92	A
Q93	C
Q94	A
Q95	D
Q96	D
Q97	A
Q98	B
Q99	C
Q100	B

The candidates are advised to refer to **Question Booklet (Series A)** to match the corresponding question(s) in their respective Question Booklet Series and if any candidate feels that the key to any of the question(s) is/are wrong, he/she may represent on prescribed format/proforma annexed as **Annexure-A** along with the documentary proof/evidence (**hard copies only**) and fee of Rs.500/- per question in the form of Demand Draft drawn in favour of **COE, J&K PSC** (refundable in case of genuine/correct representation) to the Controller of Examinations, Jammu & Kashmir Public Service Commission, from Monday i.e. 06.10.2025 to 08.10.2025. **The candidates are further advised to clearly mention the question(s) objected to with reference to its serial number as it appears in the Question Booklet of Series A of the provisional answer key.**

Any objection/application not accompanied by the requisite Demand Draft of Rs.500/- as prescribed, shall not be considered/entertained under any circumstances. Candidates are, in their own interest, advised to adhere to these instructions and not submit any objection unaccompanied by the Demand Draft as required under extant rules. The Commission shall not entertain any such representation(s) after the expiry of the stipulated period i.e. after 08.10.2025 (Wednesday), 05.00 pm.

Further, objection(s) submitted in any other mode will not be entertained.

The provisional answer key is also available on the website of the Commission <http://www.jkpsc.nic.in>.



Deputy Secretary
J&K Public Service Commission

Dated: 05.10.2025

No. PSC/Ex-Secy/2025/22
Copy to the: -

1. Director, Information and Public Relations, J&K for publication of the notice in all leading newspapers published from Jammu/Srinagar.
2. P.S. to Hon'ble Chairman, J&K Public Service Commission for information of the Hon'ble Chairman.
3. P.S. to Hon'ble Member, Shri _____ for information of the Hon'ble Member.
4. P. A. to Secretary, J&K Public Service Commission for information of the Secretary.
5. Main file/Stock file/Notice Board.

Annexure-A

Representation regarding objection(s) to any Question/ Answer pertaining to the Written Examination conducted for the post of Lecturer (Commerce) in School Education Department held on 05.10.2025

(NOTE: USE SEPARATE FORMS FOR SEPARATE QUESTIONS)

Discipline: _____

Name of the Applicant: _____

Roll No. : _____

Correspondence Address : _____

Contact/Mobile No. : _____

Date of Application: _____ .10.2025

Demand Draft Details: No. _____ Date _____ Amount _____

Candidates Account No.(16 digit) & IFSC Code : _____

Question No. in Series A	Details of the Objection	Resource Material (copy to be enclosed)	Details of the Website (if any)
<u>Correct Answer/Option as per candidate :</u>			

Signature of the Candidate

Note : Application for each question/answer shall be made on separate page in the given format, otherwise the first question entered in the format shall only be considered.

DO NOT OPEN THIS TEST BOOKLET UNTIL YOU ARE TOLD TO DO SO

Booklet Serial No. 500013

Test Booklet Series

TEST BOOKLET
LECTURER - (10+2)
COMMERCE
WRITTEN TEST - 2025
(54)

A

Time Allowed: Two Hours

Maximum Marks: 100

INSTRUCTIONS

1. IMMEDIATELY AFTER THE COMMENCEMENT OF THE EXAMINATION, YOU SHOULD CHECK THAT THIS TEST BOOKLET **DOES NOT** HAVE ANY UNPRINTED OR TORN OR MISSING PAGES OR ITEMS, ETC. IF SO, GET IT REPLACED BY A COMPLETE TEST BOOKLET.
2. Please note that it is the candidate's responsibility to encode and fill in the Roll Number and Test Booklet Series Code A, B, C or D carefully and without any omission or discrepancy at the appropriate places in the OMR Answer /Response Sheet. Any omission/discrepancy will render the Response Sheet liable for rejection.
3. You have to enter your Roll Number on the Test Booklet in the Box provided alongside.
DO NOT write anything else on the Test Booklet.
4. This Test booklet contains **100** items (questions). Each item comprises of four responses (answers). You will select the response which you want to mark on the Answer Sheet/Response Sheet. In case you feel that there is more than one correct response, mark the response which you consider the best. In any case, choose **ONLY ONE** response for each item.
5. You have to mark all your responses **ONLY** on the separate Answer /Response Sheet provided. See directions in the Response Sheet.
6. All items carry equal marks.
7. Before you proceed to mark in the Answer /Response Sheet, the response to various items in the Test Booklet, you have to fill in some particulars in the Answer /Response Sheet as per instructions sent to you with your Admission Certificate.
8. After you have completed filling in all your responses on the Response Sheet and the examination has concluded, you should hand over to the Invigilator **only the Answer /Response Sheet**. You are permitted to take away with you the Test Booklet and **Candidate's Copy of the Response Sheet**.
9. Sheets for rough work are appended in the Test Booklet at the end.
10. While writing Centre, Subject and Roll No. on the top of the Answer Sheet/Response Sheet in appropriate boxes use **"ONLY BALL POINT PEN"**.
11. **Penalty for wrong answers:**
THERE WILL BE PENALTY FOR WRONG ANSWERS MARKED BY THE CANDIDATE IN THE WRITTEN TEST (OBJECTIVE TYPE QUESTIONS PAPERS).
 - (i) There are four alternatives for the answer to every question. For each question for which a wrong answer has been given by the candidate, (0.25) of the marks assigned to that question will be deducted as penalty.
 - (ii) If a candidate gives more than one answer, it will be treated as a **wrong answer** even if one of the given answers happens to be correct and there will be same penalty as above for that question.
 - (iii) If a question is left blank, i.e., no answer is given by the candidate, there will be **no penalty** for that question.

DO NOT OPEN THIS TEST BOOKLET UNTIL YOU ARE TOLD TO DO SO

(54) (A)/2025

[P.T.O.]

1. Which ethical perspective of Organizational Behaviour focuses on the consequences of actions, aiming for the greatest good for the greatest number?
 - A) Utilitarianism
 - B) Deontology
 - C) Virtue ethics
 - D) Justice approach

2. According to the learning theory of B.F. Skinner, a reward given after a variable number of responses is called a:
 - A) Fixed-ratio schedule
 - B) Variable-ratio schedule
 - C) Fixed-interval schedule
 - D) Variable-interval schedule

3. Which of the following is an example of an intrinsic motivator?
 - A) Job security
 - B) High salary
 - C) A sense of achievement
 - D) Company policy

4. The process by which an individual gives meaning to their environment by organizing and interpreting sensory impressions is known as:
 - A) Learning
 - B) Perception
 - C) Attitude formation
 - D) Motivation

5. In the context of Group Dynamics, the stage where a group establishes its roles and norms is called:
 - A) Forming
 - B) Storming
 - C) Norming
 - D) Adjourning

6. Match the following theories of motivation with their key assumptions:

List-I (Theories)

List-II (Assumptions)

- | | |
|----------------------------------|---|
| i. Maslow's Need Hierarchy | 1. The presence of motivators and hygiene factors. |
| ii. Herzberg's Two-Factor Theory | 2. Needs are classified into Existence, Relatedness, and Growth. |
| iii. Alderfer's ERG Theory | 3. Five levels of needs that must be satisfied in a specific order. |
| iv. McClelland's Need Theory | 4. Individuals are motivated by the need for achievement, power, and affiliation. |

Choose the correct Match :

- A) i-3, ii-1, iii-2, iv-4
B) i-1, ii-2, iii-3, iv-4
C) i-4, ii-3, iii-2, iv-1
D) i-2, ii-4, iii-1, iv-3
7. The application of Transactional Analysis in an organization is most useful for:
A) Financial forecasting
B) Improving communication and resolving conflicts
C) Designing production processes
D) Strategic planning
8. A person who is responsible, organized, and achievement-oriented would score high on which of the 'Big Five' personality traits?
A) Openness to Experience
B) Extraversion
C) Conscientiousness
D) Neuroticism
9. The ego state in Transactional Analysis that is characterized by objective and rational behaviour is the:
A) Child Ego State
B) Adult Ego State
C) Parent Ego State
D) Critical Parent Ego State
10. The concept of scripts in Transactional Analysis refers to:
A) A written set of rules and regulations for employees.
B) A life plan or pattern of behaviour that an individual unconsciously follows.
C) A detailed job description for a new role.
D) A company's strategic marketing plan.

11. Which of the following is considered a negative consequence of prolonged workplace stress?
- A) Improved decision-making
 - B) Increased creativity
 - C) Reduced job satisfaction
 - D) Enhanced group cohesion
12. Consider the following statements :
- Assertion (A):** The Traditional view of conflict holds that conflict is a natural and inevitable part of every organization.
- Reason (R):** The Modern view considers conflict to be dysfunctional and harmful to the organization's performance.
- Choose the correct option :**
- A) Both A and R are true and R is the correct explanation of A.
 - B) Both A and R are true but R is not the correct explanation of A.
 - C) A is true but R is false.
 - D) A is false but R is true.
13. What is the final stage of group development in Tuckman's model?
- A) Storming
 - B) Performing
 - C) Norming
 - D) Adjourning
14. Consider the following statements :
- Assertion (A):** The process of perception is a passive process where individuals simply receive information from their environment.
- Reason (R):** Individuals actively select, organize, and interpret stimuli to create a meaningful picture of the world.
- Choose the correct option :**
- A) Both A and R are true and R is the correct explanation of A.
 - B) Both A and R are true but R is not the correct explanation of A.
 - C) A is true but R is false.
 - D) A is false but R is true.
15. A leader who is highly concerned with completing tasks and less with the feelings of their subordinates is said to have a:
- A) High relationship orientation
 - B) High task orientation
 - C) Laissez-faire style
 - D) Democratic style

16. Which of the following is a component of the learning process?
- A) Feedback
 - B) Punishment
 - C) Reinforcement
 - D) All of the above
17. Which of the following is an internal source of recruitment?
- A) Advertising
 - B) Employee referrals
 - C) Campus interviews
 - D) Promotions
18. The process of assessing an employee's future potential and capabilities for higher positions is a part of:
- A) Performance appraisal
 - B) Career development
 - C) Recruitment
 - D) Training
19. Consider the following statements :
- Assertion (A):** The main purpose of a Job Specification is to outline the duties and responsibilities of a job.
- Reason (R):** A Job Specification is a statement of the minimum acceptable qualifications that an employee must possess to perform a given job successfully.
- Choose the correct option :**
- A) Both A and R are true and R is the correct explanation of A.
 - B) Both A and R are true but R is not the correct explanation of A.
 - C) A is true but R is false.
 - D) A is false but R is true.
20. A formal interview conducted by a panel of interviewers is a type of:
- A) Structured interview
 - B) Unstructured interview
 - C) Panel interview
 - D) Behavioural interview
21. The process of introducing a new employee to the organization's culture, policies, and environment is known as:
- A) Socialization
 - B) Recruitment
 - C) Performance appraisal
 - D) Career development
22. A performance appraisal system that uses feedback from an employee's supervisor, peers, and subordinates is called:
- A) Management by Objectives (MBO)
 - B) Critical Incident Method
 - C) 360-degree feedback
 - D) Graphic Rating Scale

23. Which of the following is a cause of industrial disputes?

- A) Better working conditions
- B) Higher wages and bonuses
- C) Job enrichment
- D) All of the above

24. Match the following HR concepts with their descriptions:

List-I (Concept)

i. Job Analysis

ii. Recruitment

iii. Job Description

iv. Job Specification

List-II (Description)

1. The process of identifying and attracting a pool of qualified candidates.

2. The systematic process of gathering information about a job.

3. A written statement of the duties and responsibilities of a job.

4. A written statement of the qualifications required for a job.

Choose the correct match :

- A) i-2, ii-1, iii-3, iv-4
- B) i-1, ii-2, iii-4, iv-3
- C) i-3, ii-4, iii-2, iv-1
- D) i-4, ii-3, iii-1, iv-2

25. A formal process for addressing an employee's complaint or dissatisfaction is a:

- A) Disciplinary action
- B) Grievance handling procedure
- C) Collective bargaining
- D) Conflict management strategy

26. What is the primary objective of a Training Needs Assessment (TNA)?

- A) To evaluate the effectiveness of a training program.
- B) To identify skill gaps and determine what training is needed.
- C) To design a new training program.
- D) To assess an employee's performance.

27. Consider the following statements :

Assertion (A): The concept of "job vs. individuals" in compensation refers to a fundamental choice in a firm's pay philosophy.

Reason (R): It involves deciding whether to pay for the job's inherent value or for the individual's skills and competencies.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

28. The systematic process of analysing an organization's future HR needs is known as:

- A) Job analysis
- B) Performance management
- C) Human Resource Planning
- D) Recruitment

29. Which of the following is a common bias in performance appraisals?

- A) Halo effect
- B) Merit-based pay
- C) Skill-based pay
- D) Job analysis

30. Consider the following statements :

Assertion (A): The primary purpose of an induction program is to discipline new employees.

Reason (R): Induction programs aim to integrate new employees into the organization's culture and work environment smoothly.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

31. The process of transferring an employee from one job to another at the same level of the organizational hierarchy is called:

- A) Promotion
- B) Job rotation
- C) Demotion
- D) Job enrichment

32. Match the mechanisms of industrial dispute resolution (List I) with their correct features (List II):

List-I (Mechanism)

- i. Conciliation
- ii. Arbitration
- iii. Adjudication
- iv. Collective Bargaining

List-II (Feature)

- 1. Final and binding decision by an independent person
- 2. Judicial process by Labour Court or Tribunal
- 3. Non-binding facilitation by a third party
- 4. Direct negotiation between employer and union

Choose the correct match:

- A) i-1, ii-3, iii-2, iv-4
- B) i-3, ii-1, iii-2, iv-4
- C) i-2, ii-1, iii-3, iv-4
- D) i-3, ii-4, iii-1, iv-2

33. Match the following HR concepts with their definitions:

List-I (Concept)

- i. Job Specification
- ii. Job Description
- iii. Human Resource Planning
- iv. Recruitment

List-II (Definition)

- 1. Outlines the duties and responsibilities of a job.
- 2. Lists the qualifications and skills required for a job.
- 3. Process of identifying and attracting a pool of job candidates.
- 4. Process of assessing future HR needs and existing supply.

Choose the correct match :

- A) i-2, ii-1, iii-4, iv-3
- B) i-1, ii-2, iii-3, iv-4
- C) i-3, ii-4, iii-1, iv-2
- D) i-4, ii-3, iii-2, iv-1

34. What is the mean of the following set of numbers: 10, 15, 20, 25, 30?

- A) 15
- B) 20
- C) 25
- D) 30

35. In a normal distribution, approximately what percentage of the data falls within one standard deviation of the mean?

- A) 50%
- B) 68%
- C) 95%
- D) 99%

36. Consider the following statements :

Assertion (A): A high positive correlation between two variables implies a strong cause-and-effect relationship.

Reason (R): Correlation measures the degree to which two variables move together, not the causality between them.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

37. Which statistical measure is used to test the goodness of fit between observed and expected frequencies?

- A) t-Test
- B) ANOVA
- C) Chi-Square Test
- D) Regression analysis

38. Match the following statistical distributions with their characteristics:

List-I (Distribution)

- i. Normal Distribution
- ii. Binomial Distribution
- iii. Poisson Distribution
- iv. Chi-Square Test

List-II (Characteristic)

- 1. Used to model the number of events in a fixed interval of time.
- 2. Used for continuous data and is symmetrical and bell-shaped.
- 3. Used for a fixed number of trials with only two possible outcomes.
- 4. Used to test the goodness of fit between observed and expected frequencies.

Choose the correct match :

- A) i-2, ii-3, iii-1, iv-4
- B) i-1, ii-4, iii-2, iv-3
- C) i-3, ii-1, iii-4, iv-2
- D) i-4, ii-2, iii-3, iv-1

39. What does the y-intercept in a linear regression equation represent?

- A) The change in the dependent variable for a one-unit change in the independent variable.
- B) The value of the dependent variable when the independent variable is zero.
- C) The strength of the relationship between the two variables.
- D) The total variation in the dependent variable.

40. Consider the following statements :

Assertion (A): The graphical method for linear programming is only suitable for problems with two variables.

Reason (R): This is because the feasible region and optimal solution can be easily visualized on a two-dimensional graph.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

41. In game theory, a mixed strategy is a strategy where a player:

- A) Always chooses the same action.
- B) Randomly chooses between different actions.
- C) Always chooses the action that gives the highest payoff.
- D) Chooses an action based on the opponent's previous move.

42. The technique used to predict future sales, demand, or trends based on historical data is called:
- A) Correlation analysis
 - B) Simulation
 - C) Forecasting
 - D) Inventory control
43. Consider the following statements :
- Assertion (A):** The Decision Tree is a quantitative tool used to make decisions under conditions of risk and uncertainty.
- Reason (R):** It provides a visual representation of alternative decisions, their potential outcomes, and the associated probabilities.
- Choose the correct option :**
- A) Both A and R are true and R is the correct explanation of A.
 - B) Both A and R are true but R is not the correct explanation of A.
 - C) A is true but R is false.
 - D) A is false but R is true.
44. The technique that uses a series of questionnaires and feedback from experts to arrive at a consensus is known as the:
- A) Jury of executive opinion
 - B) Delphi technique
 - C) Time series analysis
 - D) Regression analysis
45. Which of the following is a measure of central tendency?
- A) Standard deviation
 - B) Variance
 - C) Median
 - D) Range
46. The process of converting raw data into a usable format for analysis is called:
- A) Data interpretation
 - B) Data collection
 - C) Data processing
 - D) Data visualization
47. Consider the following statements :
- Assertion (A):** The PERT technique is a useful tool for projects where activity times are known with certainty.
- Reason (R):** PERT is used for projects with a high degree of uncertainty, and it uses three time estimates to account for this uncertainty.
- Choose the correct option :**
- A) Both A and R are true and R is the correct explanation of A.
 - B) Both A and R are true but R is not the correct explanation of A.
 - C) A is true but R is false.
 - D) A is false but R is true.

48. What is the key objective of the Transportation and Assignment Models in Operations Research?

- A) Maximizing profit
- B) Minimizing total cost
- C) Maximizing production
- D) Optimizing inventory levels

49. The critical path in a PERT/CPM network analysis represents:

- A) The path with the least amount of slack.
- B) The shortest possible time to complete the project.
- C) The longest path in the network, which determines the project duration.
- D) The path with the highest cost.

50. Match the following types of data with their descriptions:

List-I (Type of Data)

- i. Discrete Data
- ii. Continuous Data
- iii. Qualitative Data
- iv. Quantitative Data

List-II (Description)

- 1. Can take any value within a given range.
- 2. Data that is observed or counted in whole numbers.
- 3. Data that represents categories or qualities that cannot be measured.
- 4. Data that can be expressed as a number.

Choose the correct match :

- A) i-2, ii-1, iii-3, iv-4
- B) i-1, ii-2, iii-4, iv-3
- C) i-3, ii-4, iii-2, iv-1
- D) i-4, ii-3, iii-1, iv-2

51. A statistical hypothesis test that is used to compare the means of two or more independent groups is known as:

- A) t-Test
- B) Chi-Square Test
- C) ANOVA
- D) Correlation analysis

52. A Payoff Matrix is a central tool in which quantitative technique?

- A) Linear programming
- B) Forecasting analysis
- C) Game theory
- D) Estimating Demand Function

53. What is the primary objective of Operations Management?

- A) To minimize production costs.
- B) To increase sales.
- C) To efficiently transform inputs into outputs to satisfy customer needs.
- D) To design new products.

54. Which of the following is a key consideration when selecting a plant location?
- A) Proximity to markets
 - B) Availability of raw materials
 - C) Labour availability and cost
 - D) All of the above
55. Consider the following statements :
- Assertion (A):** A Product Layout is most suitable for low-volume, high-variety production.
- Reason (R):** In a Product Layout, machines and equipment are arranged according to the sequence of operations for a specific product.
- Choose the correct option :**
- A) Both A and R are true and R is the correct explanation of A.
 - B) Both A and R are true but R is not the correct explanation of A.
 - C) A is true but R is false.
 - D) A is false but R is true.
56. The Economic Order Quantity (EOQ) model is a technique used to minimize the sum of:
- A) Ordering costs and holding costs
 - B) Production costs and sales costs
 - C) Purchasing costs and transportation costs
 - D) Labour costs and material costs
57. Vendor rating is a systematic process for evaluating and selecting:
- A) New employees
 - B) Suppliers
 - C) New products
 - D) Customers
58. Consider the following statements :
- Assertion (A):** The make-or-buy decision is a strategic decision that has long-term implications for a company.
- Reason (R):** This decision involves a choice between producing a component internally or outsourcing it to an external supplier.
- Choose the correct option :**
- A) Both A and R are true and R is the correct explanation of A.
 - B) Both A and R are true but R is not the correct explanation of A.
 - C) A is true but R is false.
 - D) A is false but R is true.
59. Which of the following is a type of plant layout where the product remains stationary, and resources are moved to it?
- A) Process layout
 - B) Product layout
 - C) Fixed-position layout
 - D) Hybrid layout

60. Consider the following statements :

Assertion (A): The primary objective of quality control is to increase the volume of production.

Reason (R): Quality control ensures that products meet specified standards and reduces the number of defective items.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

61. Match the following concepts of materials management with their definitions:

List-I (Concept)

- i. Materials planning
- ii. Purchasing research
- iii. Vendor selection
- iv. Learning curve

List-II (Definition)

- 1. The process of evaluating and selecting suppliers.
- 2. The process of finding out where and how to buy materials.
- 3. The process of forecasting and budgeting for future material needs.
- 4. The effect of reduced labor cost per unit as production experience is gained.

Choose the correct match :

- A) i-3, ii-2, iii-1, iv-4
- B) i-2, ii-4, iii-3, iv-1
- C) i-1, ii-3, iii-4, iv-2
- D) i-4, ii-1, iii-2, iv-3

62. Safety stock in inventory management is held to:

- A) Reduce ordering costs
- B) Meet unexpected demand or production delays
- C) Increase holding costs
- D) Reduce the unit cost of goods

63. Zero Base Budgeting is a method of budgeting that requires managers to:

- A) Justify every expense for each new period, starting from a zero base.
- B) Justify only new expenses, while old expenses are carried forward.
- C) Base the new budget on the previous year's budget.
- D) Reduce all expenses by a certain percentage from the previous year.

64. Match the following cost concepts with their characteristics:

List - I (Costing Method)

- i. Marginal Costing
- ii. Absorption Costing
- iii. Standard Costing
- iv. Differential Costing

List - II (Characteristic)

- 1. Includes all manufacturing costs in the cost of the product.
- 2. Treats fixed manufacturing overheads as a period cost.
- 3. Compares actual costs with a pre-determined benchmark.
- 4. Focuses on the change in cost for a specific alternative.

Choose the correct match :

- A) i-2, ii-1, iii-3, iv-4
- B) i-1, ii-2, iii-4, iv-3
- C) i-3, ii-4, iii-2, iv-1
- D) i-4, ii-3, iii-1, iv-2

65. What is the main purpose of Responsibility Accounting?

- A) To allocate all costs to a central department.
- B) To evaluate managers based on the costs they control.
- C) To create a company-wide budget.
- D) To prepare a company's financial statements.

66. The SEBI (Securities and Exchange Board of India) is the regulatory body for:

- A) The banking sector
- B) The insurance sector
- C) The securities market
- D) The foreign exchange market

67. Consider the following statements :

Assertion (A): Development Banks play a crucial role in promoting economic growth.

Reason (R): They provide long-term finance for industrial projects that commercial banks are often hesitant to fund.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

68. Match the following financial institutions with their primary roles:

List - I (Institution)

- i. Commercial Banks
- ii. Development Banks
- iii. Mutual Funds
- iv. SEBI

List - II (Role)

- 1. Provide long-term finance for industrial development.
- 2. Regulate the securities market.
- 3. Mobilize savings and provide short-term loans.
- 4. Pool money from investors to invest in a portfolio of securities.

Choose the correct match :

- A) i-3, ii-1, iii-4, iv-2
- B) i-1, ii-2, iii-3, iv-4
- C) i-2, ii-3, iii-4, iv-1
- D) i-4, ii-1, iii-2, iv-3

69. Consider the following statements :

Assertion (A): The Capital Market deals with short-term funds.

Reason (R): The Money Market deals with long-term funds.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

70. What is the tax on the supply of goods and services *between* states in India called?

- A) IGST
- B) CGST and SGST
- C) UTGST
- D) GST

71. Which of the following statements about Minimum Alternate Tax (MAT) is correct?

- A) MAT is a tax designed to ensure that profitable companies, despite various exemptions, pay a minimum amount of tax.
- B) MAT is a voluntary tax that companies can choose to pay to receive certain government benefits.
- C) MAT is applied only to companies that report a loss.
- D) MAT is a type of wealth tax applied to high-net-worth individuals, not companies.

72. Match the following tax concepts with their descriptions:

List - I (Tax)

- i. Income tax
- ii. GST
- iii. Progressive tax
- iv. Customs duty

List - II (Description)

- 1. A tax on the supply of goods and services.
- 2. A tax on an individual's or company's earnings.
- 3. A tax where the tax rate increases as the taxable amount increases.
- 4. A tax levied on imports and exports.

Choose the correct match :

- A) i-2, ii-1, iii-3, iv-4
- B) i-1, ii-2, iii-4, iv-3
- C) i-3, ii-4, iii-2, iv-1
- D) i-4, ii-3, iii-1, iv-2

73. Consider the following statements :

Assertion (A): Tax planning is the legal process of reducing tax liability by taking advantage of deductions and exemptions.

Reason (R): Tax evasion is the illegal process of concealing income to avoid paying taxes.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

74. The Residential status of an assessee in India is important because it determines:

- A) The amount of tax deductions available.
- B) The tax slab rate.
- C) The scope of their taxable income.
- D) The type of tax they must pay.

75. Consider the following statements :

Assertion (A): The CENVAT scheme is related to a type of indirect tax.

Reason (R): It was a Central Value Added Tax that allowed manufacturers to avail credit for tax paid on inputs.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

76. The concept of Elasticity of Demand measures the responsiveness of quantity demanded to a change in:

- A) Price of the good
- B) Consumer income
- C) Price of related goods
- D) All of the above

77. According to the Law of Variable Proportions, as more units of a variable input are added to a fixed input, the marginal product will eventually:

- A) Remain constant
- B) Increase
- C) Decrease
- D) Become zero

78. Consider the following statements :

Assertion (A): In a perfectly competitive market, the firm's demand curve is perfectly elastic.

Reason (R): Each firm's output is an insignificant part of the total market supply, so it cannot influence the market price.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

79. Match the following market structures with their characteristics:

List-I (Market Structure)

- i. Monopoly
- ii. Oligopoly
- iii. Monopolistic Competition
- iv. Perfect Competition

List-II (Characteristic)

- 1. A few large firms dominate the market.
- 2. A single seller with no close substitutes.
- 3. Many firms with a single, differentiated product.
- 4. Many buyers and sellers with identical products.

Choose the correct match :

- A) i-2, ii-1, iii-3, iv-4
- B) i-1, ii-2, iii-4, iv-3
- C) i-3, ii-4, iii-2, iv-1
- D) i-4, ii-3, iii-1, iv-2

80. The stage of the Product Life Cycle where sales growth slows down and competition becomes intense is known as the:

- A) Introduction stage
- B) Growth stage
- C) Maturity stage
- D) Decline stage

81. Consider the following statements :

Assertion (A): The demand curve for a Giffen good slopes upward.

Reason (R): This is because as the price of a Giffen good increases, its quantity demanded also increases, violating the Law of Demand.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

82. A marketing strategy that focuses on creating demand from consumers to "pull" the product through the distribution channel is called a:

- A) Push strategy
- B) Pull strategy
- C) Direct marketing strategy
- D) Mass marketing strategy

83. Match the following marketing concepts with their definitions:

List I (Concept)

- i. Market Segmentation
- ii. Brand Positioning
- iii. SWOT Analysis
- iv. Service Marketing

List II (Definition)

- 1. The process of dividing a market into smaller, more specific groups.
- 2. The act of designing a company's offer and image to occupy a distinct place in the minds of the target market.
- 3. An internal-external analysis of a company's strengths, weaknesses, opportunities, and threats.
- 4. Marketing of intangible products where consumption and production often happen at the same time.

Choose the correct match :

- A) i-1, ii-2, iii-3, iv-4
- B) i-2, ii-1, iii-4, iv-3
- C) i-3, ii-4, iii-2, iv-1
- D) i-4, ii-3, iii-1, iv-2

84. The concept of Corporate Social Responsibility (CSR) involves a company's commitment to:

- A) Maximizing profits at any cost.
- B) Ensuring legal compliance only.
- C) Contributing to the welfare of society beyond legal and economic obligations.
- D) Minimizing their tax liability.

85. Consider the following statements :

Assertion (A): E-commerce is a simple process that does not require strategic planning.

Reason (R): Successful e-commerce requires careful planning related to SEO, digital marketing, logistics, and customer experience.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

86. The pricing strategy that involves setting a high initial price for a new product to "skim" revenues layer by layer from the market is called:

- A) Price skimming
- B) Market-penetration pricing
- C) Cost-plus pricing
- D) Psychological pricing

87. Integrated Marketing Communication (IMC) refers to the process of:

- A) Separating different marketing activities.
- B) Coordinating all promotional efforts to deliver a clear, consistent message.
- C) Focusing only on digital marketing.
- D) Using only a single communication channel.

88. Which accounting concept states that a business is separate and distinct from its owners?

- A) Going Concern Concept
- B) Business Entity Concept
- C) Consistency Concept
- D) Accrual Concept

89. What is the primary purpose of a Balance Sheet?

- A) To show a company's financial performance over a period.
- B) To show a company's cash flow over a period.
- C) To show a company's financial position at a specific point in time.
- D) To show a company's profitability

90. What is Working Capital?

- A) The total assets of a firm.
- B) The total liabilities of a firm.
- C) The difference between current assets and current liabilities.
- D) The total capital of the firm.

91. Match the following financial ratios with their categories:

List - I (Ratio)

- i. Debt-Equity Ratio
- ii. Inventory Turnover Ratio
- iii. Current Ratio
- iv. Gross Profit Ratio

List - II (Category)

- 1. Liquidity Ratios
- 2. Profitability Ratios
- 3. Solvency Ratios
- 4. Activity Ratios

Choose the correct match :

- A) i-3, ii-4, iii-1, iv-2
- B) i-1, ii-2, iii-3, iv-4
- C) i-2, ii-3, iii-4, iv-1
- D) i-4, ii-1, iii-2, iv-3

92. Consider the following statements :

Assertion (A): The Internal Rate of Return (IRR) is the discount rate at which a project's Net Present Value (NPV) is zero.

Reason (R): This is a key capital budgeting technique used to evaluate the profitability of a project.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

93. The Modigliani-Miller (M-M) Hypothesis without taxes states that:

- A) The value of a firm increases with its use of debt.
- B) The value of a firm decreases with its use of debt.
- C) The value of a firm is independent of its capital structure.
- D) The value of a firm depends on its dividend policy.

94. Match the concepts in budgetary control (List I) with their appropriate descriptions (List II):

List I (Concept)

- i. Flexible Budget
- ii. Sales Budget
- iii. Zero Base Budgeting (ZBB)
- iv. Balanced Scorecard

List II (Description)

- 1. Budget that starts from zero and justifies every expense anew
- 2. Budget that adjusts with changes in activity levels
- 3. Budget forecasting sales revenue over a period
- 4. Framework for measuring organizational performance across perspectives

Choose the correct match :

- A) i-2, ii-3, iii-1, iv-4
- B) i-3, ii-1, iii-2, iv-4
- C) i-4, ii-2, iii-3, iv-1
- D) i-1, ii-4, iii-2, iv-3

95. Match the following capital structure theories with their key propositions:

List I (Theory)

- i. Modigliani-Miller (M-M) Hypothesis with taxes
- ii. Net Income (NI) Approach
- iii. Traditional Approach
- iv. Modigliani-Miller (M-M) Hypothesis without taxes

List II (Proposition)

- 1. A firm's value is maximized when the debt-equity ratio is high due to the tax shield.
- 2. The value of the firm increases continuously with an increase in the use of debt.
- 3. The value of a firm increases with leverage up to a certain point.
- 4. The cost of capital and firm value are unaffected by changes in capital structure.

Choose the correct match :

- A) i-1, ii-4, iii-3, iv-2
- B) i-2, ii-1, iii-4, iv-3
- C) i-3, ii-1, iii-2, iv-4
- D) i-1, ii-2, iii-3, iv-4

96. The concept of overcapitalization in a company refers to a situation where the:

- A) Company has more equity than debt.
- B) Company has more debt than equity.
- C) Total assets of the firm exceed its total liabilities.
- D) The actual earning capacity of a company is less than its capitalization.

97. Consider the following statements :

Assertion (A): The Statement of Changes in Financial Position is now largely replaced by the Statement of Cash Flows.

Reason (R): The Statement of Cash Flows provides a more detailed and clearer picture of a company's cash inflows and outflows.

Choose the correct option :

- A) Both A and R are true and R is the correct explanation of A.
- B) Both A and R are true but R is not the correct explanation of A.
- C) A is true but R is false.
- D) A is false but R is true.

98. Which of the following is an example of a long-term source of finance for a company?
- A) Commercial paper
 - B) Debentures
 - C) Treasury bills
 - D) Call loans
99. According to the principle of Risk and Return Analysis, which of the following statements is true?
- A) There is no relationship between the level of risk and the expected return of an investment.
 - B) Investments with higher risk typically have a lower expected return.
 - C) There is a direct trade-off between the level of risk and the expected return of an investment.
 - D) Risk and return are independent concepts in security analysis.
100. Fundamental analysis in security analysis involves evaluating a security's value by examining:
- A) Past stock price movements.
 - B) Economic, industry, and company data.
 - C) The number of shares traded.
 - D) The company's social media presence.
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