

# Sikkim Public Service Commission

Written Examination for the post of Cooperative Inspector and Cooperative Auditor

## PAPER - II BUSINESS MANAGEMENT

**Time Allowed: 3.00 hrs**

**Maximum Marks: 200**

### INSTRUCTIONS TO CANDIDATES

*Read the instructions carefully before answering the questions: -*

1. **IMMEDIATELY AFTER THE COMMENCEMENT OF THE EXAMINATION, YOU SHOULD CHECK THAT THIS BOOKLET DOES NOT HAVE ANY UNPRINTED, TORN OR MISSING PAGES OR ITEMS. IF SO, GET IT REPLACED BY A COMPLETE TEST BOOKLET.**
2. **Use only Black Ball Point Pen to fill the OMR Sheet.**
3. Please note that it is the candidate's responsibility to fill in the Roll Number carefully without any omission or discrepancy at the appropriate places in the **OMR ANSWER SHEET** as well as on **SEPARATE ANSWER BOOKLET** for Conventional Type Questions. Any omission/discrepancy will render the Answer Sheet liable for rejection.
4. Do not write anything else on the OMR Answer Sheet except the required information.
5. This Test Booklet is divided into three sections - **Section A (100 marks), Section B (50 marks) and Section C (50 marks).**
6. Section A is **MCQ** which has to be answered in the OMR Sheet provided to the candidate. Section B and Section C are **conventional questions** which have to be answered in the Answer Sheet. All Sections are **Compulsory**.
7. Before you proceed to mark in the OMR Answer Sheet, you have to fill in some particulars as per given instructions.
8. After you have completed filling in all your responses on the OMR Answer Sheet and the examination has concluded, you should hand over the OMR Answer Sheet and the Answer Booklets to the Invigilator only. You are permitted to take with you the Test Booklet.
9. **Marking Scheme**  
**THERE WILL BE NEGATIVE MARKING FOR WRONG ANSWERS MARKED BY A CANDIDATE IN THE OBJECTIVE TYPE QUESTIONS**
  - (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, one-third of the marks assigned to the 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 to the 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 ASKED TO DO SO**

**SECTION – A**

**(Multiple Choice Questions)**

**Choose the correct answer for the following. Each question carries 2 marks. (50x2=100)**

- 1. The structure in which there is separation of ownership and management is called-**
  - A. Sole proprietorship
  - B. Partnership
  - C. Company
  - D. All business organizations
  
- 2. What is the limit of members in case of a Private Company?**
  - A. 200
  - B. 70
  - C. 100
  - D. 250
  
- 3. Communication is the \_\_\_\_\_ of business.**
  - A. Backbone
  - B. Life line
  - C. Nervous system
  - D. Both A and B
  
- 4. Supply Chain Management is the management of which of the following?**
  - A. Raw Materials
  - B. Flow of goods and services
  - C. Fulfillment of order
  - D. Satisfaction of customer
  
- 5. If a trial balance totals do not agree, the difference must be entered in-**
  - A. Profit and Loss Account
  - B. Nominal Account
  - C. Capital Account
  - D. Suspense Account
  
- 6. A horizontal bar chart that shows project tasks against a calendar is called:**
  - A. Milestone
  - B. Goal
  - C. Gantt Chart
  - D. PERT Chart

7. The capital that is consumed by an economy or a firm in the production process is known as:
- A. Capital Loss
  - B. Production Cost
  - C. Dead-weight Loss
  - D. Depreciation
8. Demand is a function of:
- A. Price
  - B. Firm
  - C. Product
  - D. Cost
9. Managerial Economics is-
- A. Dealing only with micro aspects
  - B. Only a normative science
  - C. Dealing with practical aspects
  - D. All of the above
10. The maximum value of correlation is-
- A. 2
  - B. 1.5
  - C. 1
  - D. 0
11. The basic assumptions of law of demand include-
- A. Prices of other goods should change.
  - B. There should be substitute for the commodity.
  - C. The commodity should not confer any distinction
  - D. The demand for the commodity should not be continuous
12. Liberalization means:
- A. Policy of planned disinvestment
  - B. Integration among economies
  - C. End of license & reduction of government control
  - D. None of these
13. Globalization does not involve:
- A. Reduction of barrier
  - B. Free flow of goods & services
  - C. Global mechanism for settlement of economic disputes
  - D. Free flow of capital



14. The mission of the \_\_\_\_\_ is to educate, advance and promote the special events of industry and its network of professionals along with related industries.
- A. CVB
  - B. ISES
  - C. IFEA
  - D. CMS
15. General and Industrial Management was written by-
- A. Harold Koontz
  - B. Louis Allan
  - C. Terry
  - D. Henri Fayol
16. Who is the father of Modern Marketing?
- A. Peter Drucker
  - B. Philip Kotler
  - C. Lester Wunderman
  - D. Abraham Maslow
17. The term marketing refers to –
- A. Advertising, Sales Promotion, Publicity and Public Related Activities
  - B. Ideas, Developments, Concepts and Improvements
  - C. Sales Planning, Strategy and Implementation
  - D. A Philosophy that stresses customer value and satisfaction
18. In finance, the reference to the market where new securities are bought and sold for the first time is \_\_\_\_\_.
- A. Money Market
  - B. Capital Market
  - C. Primary Market
  - D. Secondary Market
19. What does ATP stand for in Supply Chain Management?
- A. Acquire Track & Perform
  - B. Available to Promise
  - C. Active Transport Protocol
  - D. Access to Point
20. Process costing is suitable for-
- A. Hospitals
  - B. Oil Refining Firms
  - C. Transport Firms
  - D. Brick Laying Firms

21. Individual respondents, focus groups and panels of respondents are categorized as-
- A. Primary Data Sources
  - B. Secondary Data Sources
  - C. Itemized Data Sources
  - D. Pointed Data Sources
22. The information system used in the daily running of the business is-
- A. TPS
  - B. OPS
  - C. OAS
  - D. GPS
23. What is buy-side e-commerce?
- A. The use of electronic communications for all business processes
  - B. Any electronically mediated communication between an organization and its stakeholders
  - C. An organization using electronic media to sell directly to its customers
  - D. An organization using electronic media to purchase from its suppliers
24. A minor can be a/an \_\_\_\_\_.
- A. Surety
  - B. Agent
  - C. Partner
  - D. None of these
25. \_\_\_\_\_ provides information on the human attributes in terms of education, skills, aptitudes and experience necessary to perform a job effectively.
- A. Job Description
  - B. Job Specification
  - C. Job Analysis
  - D. Job Evaluation
26. Organization structure primarily refers to \_\_\_\_\_
- A. How activities are coordinated & controlled
  - B. How resources are allocated
  - C. The location of department and office space
  - D. The policy statements developed by the firm

27. The purpose of management accounting is to \_\_\_\_\_
- A. Help banks make decisions
  - B. Past orientation
  - C. Help investors make decision
  - D. Help managers make decision
28. The concept of management by objectives was given by \_\_\_\_\_.
- A. Peter F. Drucker
  - B. Luther Gulick
  - C. Rensis Likert
  - D. Blake and Mouton
29. A manager may delegate any of the following except \_\_\_\_\_.
- A. Authority
  - B. Work load
  - C. Responsibility
  - D. None of the above
30. Worker's facilitation centers shall be set up by the facilitating agency under the-
- A. Payment of Bonus Act, 1965
  - B. Equal Remuneration Act, 1976
  - C. Factories Act, 1948
  - D. The Unorganized Sector Workers Social Security Act, 2005
31. The most important information a meeting planner can determine prior to an event is:
- A. Past events held by the group
  - B. Expected attendance
  - C. The budget
  - D. Group demographics
32. Which from the following is NOT an intangible element?
- A. Utility
  - B. Public benefit
  - C. Brand recognition
  - D. Goodwill
33. The amount of capital mentioned in MOA is-
- A. Authorized Capital
  - B. Issued Capital
  - C. Reserve Capital
  - D. Subscribed Capital

34. Projections and responses to queries are information output characteristics associated with\_\_\_\_\_?
- A. Decision Support System (DSS)
  - B. Management Information System (MIS)
  - C. Executive Support System (ESS)
  - D. Transaction Processing System (TPS)
35. Which of the following shares are returned their capital after some specified time?
- A. Redeemable Preference Shares
  - B. Irredeemable Preference Shares
  - C. Cumulative Preference Shares
  - D. Participating Preference Shares
36. Which one of the following is not related to Business Ethics?
- A. Environmental Ethics
  - B. Social Responsibility of Business
  - C. Profiteering
  - D. Ecological Consciousness
37. How is profit prior to incorporation treated as?
- A. Revenue Reserve
  - B. Secret Reserve
  - C. Capital Reserve
  - D. General Reserve
38. The essence of management is-
- A. Planning
  - B. Organization
  - C. Controlling
  - D. Coordinating
39. Sick enterprise is referred to-
- A. World Bank
  - B. SIDBI
  - C. RBI
  - D. BIFR



40. "The entrepreneur is more than a manager. He/she is an innovator and promoter as well."  
Who said this?
- A. George Glider
  - B. Forrest H. Frantz
  - C. Joseph A. Schumpeter
  - D. Peter F. Drucker
41. In which year was the Reserve Bank of India established?
- A. 1947
  - B. 1949
  - C. 1935
  - D. 1953
42. The portion of share capital which can be called up only on the winding up of a company is known as-
- A. Called up Capital
  - B. Paid up Capital
  - C. Authorized Capital
  - D. Reserve Capital
43. Who is the present Governor of RBI?
- A. Shaktikanta Das
  - B. Urjit Patel
  - C. Raghuram Rajan
  - D. Bimal Jalan
44. Which one out of the following is not an inventory valuation method?
- A. FIFO
  - B. LIFO
  - C. Weighted Average
  - D. EOQ
45. The country with highest GST rate in the world is-
- A. USA
  - B. India
  - C. China
  - D. France
46. Who is known as "The Father of Scientific Management"?
- A. Harold Koontz
  - B. Henry Fayol
  - C. F.W. Taylor
  - D. Max Weber



47. According to Balance Sheet equation concept, the capital will be-
- A. Capital = Liabilities – Assets
  - B. Capital = Fixed Assets – Current Assets
  - C. Capital = Assets – Liabilities
  - D. Capital = Assets + Liabilities
48. Who was appointed as Chairman of 15<sup>th</sup> Finance Commission (2021-2025) in November, 2017?
- A. A.N. Khusro
  - B. C. Rangarajan
  - C. N.K.Singh
  - D. Subba Rao
49. Under \_\_\_\_\_ the price is determined by the interaction of total demand and total supply in the market.
- A. Perfect Competition
  - B. Monopoly
  - C. Imperfect Competition
  - D. All of the above
50. According to Companies Act, Minimum Subscription has been fixed at \_\_\_\_\_ of the issued amount.
- A. 25%
  - B. 50%
  - C. 90%
  - D. 100%

## **SECTION – B**

***Attempt any 5 (five) from Questions 51 to 58. Each question carries 10 marks. (5x10=50)***

51. Define Management and discuss the important principles of Management.
52. Distinguish between Private and Public Company.
53. "A contract without consideration is void." Comment on the statement and give its exceptions.
54. What are the barriers of Business Communication?
55. Discuss the various principles of Marketing.
56. Describe the various factors affecting Demand.
57. Explain in detail the Maslow's theory of Motivation.
58. Discuss the main principles of Business Ethics.

**SECTION – C**

***Answer any 2 (two) from Questions 59 to 62. Each question carries 25 marks. (2x25=50)***

59. What is Contract? "All contracts are agreements but all agreements are not contracts." Comment with suitable arguments.
60. Define Business Finance. Discuss in detail the different sources of business finance.
61. What do you mean by Training & Development? Discuss the various methods and techniques of training & development?
62. What is Entrepreneurship? Discuss the various problems and barriers of Entrepreneurship.

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