

## Question Bank (G scheme)

Name of subject: MANAGEMENT  
Subject code: 17601  
Semester:VI

Unit Test: II  
Course: ALL

### ONE MARK QUESTIONS

#### CHAPTER 4: Industrial safety and legislative Acts

1. An accident is an \_\_\_\_\_ sudden mishap.

- a) unforeseen
- b) uncontrolled
- c) undesirable
- d) all of these

Ans d

2. Get the odd one out

- a) hand gloves
- b) helmets
- c) goggle
- d) pullover**

Ans d

3. Safety management deals with

- a) loss of life
- b) personal injury
- c) damage to the equipment
- d) prevention of an accident

Ans d

4. Which one of the following is not a cause of an accident?

- a) pantry area
- b) unsafe condition
- c) protruding object
- d) unsafe acts

Ans a

5. Which one of the following is contributory cause of an accident ?

- a) improper material handling
- b) poor house keeping
- c) protruding object
- d) tendency of show off

Ans d

6. Which one of the following is not an unsafe act?

- a) ignoring rules
- b) bad state of health

- c) using unsafe equipment
- d) Unsafe position and posture

Ans b

**7. Which one of the following is an immediate cause of an accident?**

- a) extreme lethargy
- b) inexperience of workers
- c) operating at unsafe speeds
- d) bad state of health

Ans b

**8. \_\_\_\_\_ is not an immediate cause of an accident.**

- a) bad state of health
- b) wearing faulty protective devices
- c) using unsafe equipment
- d) unsafe lifting, pulling and pushing

Ans a

**9. Which one is not the part of the immediate cause?**

- a) unsafe act
- b) unsafe condition
- c) physical condition of the person
- d) fire

Ans c

**10. \_\_\_\_\_ is an unsafe condition.**

- a) operating at unsafe speed
- b) non effective safety devices
- c) using unsafe equipment
- d) unsafe position

Ans b

**11. \_\_\_\_\_ is not an unsafe condition.**

- a) long working hours
- b) improper material handling
- c) hazardous arrangement of material
- d) poor house keeping

Ans a

**12. Work permit is issued by**

- a) the department where maintenance activity is going to take place
- b) the department which is going to do the repairs
- c) the general manager
- d) the government safety officer.

Ans a

**13. A document that authorizes one to carry out a specific job**

- a) factory act
- b) safety schedule
- c) work permit
- d) lethargy

Ans c

**14. An activity in which people practice leaving a place quickly**

- a) fire drill
- b) fire show
- c) fire play
- d) work permit

Ans a

**15. \_\_\_\_\_ is not an environment cause of an accident.**

- a) extreme temperature
- b) long working hours
- c) extreme lethargy
- d) insufficient illumination**

Ans c

**16 \_\_\_\_\_ may not be a member of fire detection system.**

- a) smoke detector
- b) flame detector
- c) fuse detector
- d) heat detector

Ans c

**17. With reference to fire extinguisher, get the odd one out**

- a) liquid
- b) gaseous
- c) foam
- d) powder

Ans a

**18. Get the odd one out**

- a) fire hydrant
- b) fire drill
- c) fire extinguisher
- d) fire mains

Ans b

**19. A safety committee works at \_\_\_\_\_ level.**

- a) management
- b) plant
- c) company
- d) supervisory

Ans b

**20. \_\_\_\_\_ is an not a member of safety committee.**

- a) medical officer
- b) security officer

- c) executive officer
- d) fire officer

Ans c

**21. Who is the chairman of the plant safety committee?**

- a) a safety officer
- b) a security officer
- c) a purchase officer
- d) a senior manager

Ans d

**22. An adult as per Factories act 1948 is a person with age**

- a) more than 18 years
- b) less than 18 years
- c) more than 14 years
- d) more than 15 years

Ans a

**23. \_\_\_\_\_ is not a welfare provision under Factories Act,1948?**

- a) canteen
- b) crèche
- c) first aid
- d) drinking water

Ans d

**24. An adult worker can work up to \_\_\_\_\_ hrs in a day as per factories act 1948.**

- a) 8
- b) 10
- c) 9
- d) 12

Ans c

**25. What is the age limit for an adolescent , as per Factories Act?**

- a) Who has completed 17 years but less than 18 years
- b) Who is less than 18 years
- c) Who has completed 15 years but less than 18 years
- d) None of these

Ans b

**26. \_\_\_\_\_ is to be appointed if an organization is engaging 500 or more employees.**

- a) Safety committee
- b) Welfare officer
- c) Plant committee
- d) Safety officer

Ans b

**27. Canteen is to be provided for engaging employees more than**

- a) 250
- b) 500

- c) 300
- d) 700

Ans a

**28. If the factory employs more than 1000 workers, it should appoint qualified \_\_\_\_\_ to carry out the prescribed duties.**

- a) Safety officer
- b) Welfare officer
- c) Security officer
- d) None of these.

Ans a

## **CHAPTER 5 : FINANCIAL MANAGEMENT**

**29. Financial management aims at**

- a) financial control
- b) control of cash
- c) management of earnings
- d) all of above

Ans d

**30 What is the function of financial management?**

- a) record keeping
- b) profit maximization
- c) management of cash flow
- d) all of the above

Ans d

**31. \_\_\_ is one of the routine finance function.**

- a) Safety of document
- b) capital structure decision
- c) management of fixed asset
- d) profits

Ans a

**32. What are the types of capital?**

- a) fixed and unfixed
- b) favourable and workable
- c) small and big
- d) fixed and working

Ans d

**33. Fixed capital is the capital invested in asset over**

- a) a short period

- b) one year period
- c) along period
- d) none of above

Ans d

**34. The capital invested in assets which cannot be easily converted into money is called**

- a) fixed capital
- b) working capital
- c) equity capital
- d) none of above

Ans a

**35. What is working capital?**

- a) It is the capital invested in assets of durable nature
- b) It is the amount of profit distributed to shareholders
- c) it is the forecast of financial requirement of business
- d) none of the above

Ans d

**36. Working capital is required to**

- a) finance operating losses particularly in the initial years of the business
- b) pay wages and salaries to employees
- c) establish good relations with existing financiers
- d) decide basis for expenditure of capital

Ans b

**37. \_\_\_\_\_ is a factor influencing requirement of fixed capital.**

- a) capitalization
- b) nature of business
- c) higher operating efficiency
- d) none of above

Ans b

**38. The amount to be collected by a company is divided in equal number of parts known as**

- a) capital
- b) b.business
- c) c.shares .
- d) d.management

Ans c

**39. Which one of the following is not a type of share ?**

- a) cumulative shares
- b) fixed shares

- c) deferred shared
- d) preference shares

Ans b

**40. Which one of the following is a type of preference share?**

- a) ordinary shares
- b) deferred shares
- c) equity shares
- d) non cumulative shares

Ans d

**41. The sum that every shareholders gets is known as**

- a) amount
- b) dividend
- c) shares
- d) capitals

Ans b

**42. Term loans are secured loans**

- a) true
- b) false
- c) partly true
- d) none of the above

Ans a

**43. A feature of term loans**

- a) usually the repayment of loans begins after pre decided intervals
- b) it is the short term or medium term means of finance
- c) represents the ownership of the assets of a business
- d) the period of term loans is within 3 to 10 years

Ans d

**44. What is an intercompany loan?**

- a) It is the loan and investment between two companies
- b) The money advances received by a company.
- c) The money advances received by a bank.
- d) It is the loan and investment between two persons.

Ans a

**45. \_\_\_\_\_ is a source of working capital.**

- a) loans from commercial banks
- b) public deposits
- c) debenture
- d) subcontracting

Ans a

**46. \_\_\_\_\_ allows a business to draw money against its sales of goods before the customers has actually made the payment.**

- a) cash credit
- b) bill discounting
- c) debentures
- d) discounting

Ans b

**47. \_\_\_\_\_ is the loan advance sanctioned by the bank for a longer period.**

- a) full advance
- b) swift advance
- c) clean advance
- d) none of the above

Ans c

**48. The suppliers of goods and services to the company provide various goods and services with an expectation of payment in future. This is called**

- a) trade credit
- b) clean advance
- c) over draft
- d) export

Ans a

**49. The utility of every machine and equipment decreases because of wear and tear during use. The reduction in value is called**

- a) debenture
- b) dividend
- c) dispatch
- d) depreciation

Ans d



**50. For purchasing certain commodities the customer has to make a payment before he receives goods. This is called**

- a) clean advance
- b) swift advance
- c) customer advance
- d) none of the above

Ans c

**51. Which one of the following is the feature of long term finance?**

- a) this finance is used for about 10 years
- b) this finance is used for about 1 year
- c) this finance is more liquid in nature
- d) none of the above

Ans a

**52. A plan for coordination of resource and expenditure is called**

- a) accounts
- b) finance
- c) ledger
- d) budget

Ans d

**53. \_\_\_\_\_ budget provides projection about sales of various kinds of products in different regions.**

- a) sales
- b) master
- c) materials
- d) manufacturing

Ans a

**54. A sale budget is the basis for preparation of a \_\_\_\_\_ .**

- a) master budget
- b) material budget
- c) cash budget
- d) none of the above

Ans d

**55. The production budget provides information about the product wise quantities to be produced in a particular period. These quantities help to decide the \_\_\_\_.**

- a) cash
- b) manpower
- c) material
- d) sales

Ans b

**56. \_\_\_\_\_ budget is the projection of cash inflow and out flow for a particular time period in future.**

- a) cash
- b) sales
- c) selling expenses
- d) capital expenditure

Ans a

**57. Which one of the following is not a major section in cash budget?**

- a) receipt section
- b) disbursement section
- c) financing section
- d) capital section

Ans d

**58. A budget which is designed to change in relation with the level of activity of the business is called**

- a) capital expenditure budget
- b) variable budget
- c) cash budget
- d) material budget

Ans b

**59. A record of income and expenses is called**

- a) journal
- b) account
- c) ledger
- d) balance sheet

Ans b

**60. A \_\_ and a \_\_ are the two major books to maintain account.**

- a) journal and diary
- b) diary and maintenance book
- c) journal and ledger
- d) ledger and maintenance book

Ans c

**61. Every business transaction is entered in a book known as**

- a) journal
- b) maintenance book
- c) diary
- d) ledger

Ans a

**62. Knowledge of \_\_\_\_\_ and \_\_\_\_\_ is sufficient to understand the size , scale and financial position of a business.**

- a) total revenue, net profit,(loss)
- b) profit and loss
- c) account and revenue
- d) none of the above

Ans a

**63. A \_\_\_\_\_ shows the income and expenses of a business during a specific period of time :**

- a) journal
- b) .profit and loss account
- c) an account
- d) balance sheets

Ans b

**64. Cost of good consume is given by**

- a) opening stock+ ,material- closing stock
- b) stock+purchases-closing stock
- c) opening stock+purchases- closing stock
- d) none of the above

Ans c

**65. Sales returns represent value of goods returned by the**

- a) market
- b) customers
- c) salesmen

d) financiers

Ans b

**66. Excise duty is the amount of duty paid on \_\_\_\_\_ of goods.**

- a) sales
- b) marketing
- c) manufacture
- d) trading

Ans c

**67. \_\_\_\_\_ refers to sparing of the replacement cost of intangible assets like patents.**

- a) depreciation
- b) amortization
- c) expenses
- d) inventories

Ans b

**68. The sum of all expenses gives the**

- a) other expenses
- b) total expenses
- c) tax expenses
- d) employee benefit expenses

Ans b

**69. Tax includes the current tax as well as \_\_\_\_\_ tax.**

- a) income
- b) expenses
- c) excise
- d) deferred

Ans d

**70. The ratio of (net profit-preferred dividend) to number of shares outstanding is called**

- a) earning per share
- b) diluted earning per share
- c) productivity
- d) none of the above

Ans a

**71. The diluted EPS is \_\_\_\_\_ than the EPS.**

- a) greater
- b) smaller
- c) equal to
- d) equity shares

Ans b

**72. The balance sheet shows liabilities and asset of the**

- a) sales
- b) company.
- c) production
- d) owner

Ans b

**73. \_\_\_\_\_ represents what the company has to pay to others.**

- a) liabilities
- b) assets
- c) reserves
- d) none of the above

Ans a

**74. According to which act, a business is required to prepare balance sheet?**

- a) Companies Act
- b) Environmental Act
- c) Factory Act
- d) None of the above

Ans a

**75. Which one of the following is not a current liability ?**

- a) short –term borrowing
- b) trade payables
- c) short-term provisions
- d) long-term borrowing

Ans d

**76. The term reserves is related to**

- a) journal
- b) profit and loss account

- c) ledger
- d) balance sheet

Ans d

**77.....are the resources of a company.**

- a) liabilities
- b) taxes
- c) trade payables
- d) assets

Ans d

**78. Which one of the following is a current asset?**

- a) fixed asset
- b) trade receivable
- c) deferred tax asset
- d) tangible assets

Ans b

**79.\_\_\_\_\_ is an involuntary fee imposed by the government on a product, income or activity.**

- a) revenue
- b) tax
- c) both a and b
- d) none of above

Ans b

**80. What are the types of taxes?**

- a) fixed and working
- b) regular and non regular
- c) direct and indirect
- d) none of the above

Ans c

**81.\_\_\_\_\_ is a type of tax.**

- a) regular tax
- b) fixed tax
- c) indirect tax
- d) none of the above

Ans c

**82. The tax that is charged on the personal or corporate income is called**

- a) indirect tax
- b) direct tax
- c) surcharge
- d) none of the above

Ans b

**83. Which one of these is not a tax charged by the central government?**

- a) income tax
- b) customs duties
- c) wealth tax
- d) stamp duty

Ans d

**84. Which none of following taxes is not charged by state government?**

- a) income tax
- b) land revenue
- c) luxury tax
- d) taxes on properties

Ans a

**85. Which one of these is a tax collected by local bodies?**

- a) tax on market
- b) duty on entertainment
- c) excise duty
- d) none of the above

Ans a

**86. An indirect tax levied on all goods manufactured is called**

- a) luxury tax
- b) VAT
- c) excise tax
- d) stamp duty

Ans c

**87. \_\_\_\_\_ tax is an annual direct tax**

- a) income
- b) excise
- c) value added
- d) sales

Ans a

**88. \_\_\_\_\_ is a tax levied on goods imported into the country as well as on goods exported out of the country.**

- a) custom duty
- b) duty on bounty
- c) anti dumping duty
- d) basic duty

Ans a

**89. Which one of the following is not a type of custom duty?**

- a) protective duty
- b) export duty
- c) additional duty
- d) dumping duty

Ans d

**90. Service tax is applicable to the whole of India except the state of**

- a) Goa
- b) Assam
- c) Jammu and Kashmir
- d) Punjab

Ans c

**91. The service tax rate during the financial year 2014-15 is**

- a) 10%
- b) 12%
- c) 12.36 %
- d) 15%

Ans b

**92. In which year the value added tax was introduced in India?**



- a) 2001
- b) 2005
- c) 2000
- d) 2002

Ans b

**93. Basic import duty in the range of \_\_\_\_\_ to \_\_\_\_\_ is levied on all kinds of goods.**

- a) 10-50%
- b) 5-50%
- c) 5-40%
- d) 10-40%

Ans c

**94. Protective duty is to protect the interest of indian \_\_\_\_\_ .**

- a) industry
- b) land
- c) government
- d) roads

Ans a

**95. Costs which are independent of volume of production are called**

- a) unfixed cost
- b) fixed cost
- c) working cost
- d) none of the above

Ans b

**96. Expenses on \_\_\_\_\_ is not an example of overheads.**

- a) power
- b) maintenance
- c) testing
- d) salary

Ans d

**97. \_\_\_\_\_ quantities help to decide the manpower required.**

- a) production
- b) material

- c) sales
- d) none of the above

Ans a

**98. \_\_\_\_\_ is not an objective of budgetary control.**

- a) To decide long term plans of a business
- b) To define the overall goals of a business
- c) To coordinate resources and expenditure
- d) To finance the business

Ans d

**99. Budgets are prepared for \_\_\_\_\_ period of time.**

- a) definite
- b) long
- c) short
- d) fixed

Ans a

**100. When the company has confirmed export order and is in need of finance, the banks provide short term credit. It is known as**

- a) import finance
- b) import duty
- c) export finance
- d) none of the above

Ans c

## **CHAPTER 6: Material Management**

**101. What are the functions of materials management?**

- a) Material planning
- b) purchasing
- c) store management
- d) all of the above

Ans d

**102. What are the various costs involved in materials management?**

- a) Procurement costs
- b) inventory carrying costs

- c) total cost
- d) Procurement costs and inventory carrying costs

Ans d

**103.A well-coordinated material management programme may result into**

- a) inventory
- b) cost increase
- c) cost reduction
- d) none of the above

Ans c

**104.Material handling cost means**

- a) loss due to deterioration
- b) cost to be paid to customer
- c) cost of packaging of material
- d) cost of handling material

Ans d

**105.Freight cost means**

- a) cost of packaging of material
- b) cost to be paid to customer
- c) cost required for movement of material
- d) inspection cost

Ans c

**106.What is the basic cost of material?**

- a) cost to be paid to supplier
- b) cost required for movement of material
- c) both a and b
- d) neither a nor b

Ans a

**107.Inventory control means timely availability of all kind of materials.**

- a) true
- b) false
- c) can't predict
- d) partly true

Ans a

**108.Market reaserch is necessary for**

- a) getting excessive material in advance

- b) information about market condition and availability of material
- c) storing goods at plant
- d) both a and c

**Ans b**

**109.Packaging cost means**

- a) cost of packaging of goods
- b) cost to be paid to consumer
- c) cost required for movement of material
- d) inspection cost

**Ans a**

**110.What do you mean by insurance cost?**

- a) cost of insurance of goods while they are in transit
- b) cost of packaging of material
- c) cost to be paid to customer
- d) cost required for movement of material

**Ans a**

**111.Materials management is used to maintain steady flow of materials for uninterrupted production.**

- a) false
- b) true
- c) neither a nor b
- d) none of these

**Ans b**

**112.Store management refers to conversation of material in stores.**

- a) true
- b) false
- c) partly true
- d) can't be predicted

**Ans a**

**113.Evaluation and developement of reliable suppliers is a function of**

- a) material management
- b) sales department
- c) production department
- d) none of the above

**Ans a**

**114.Material planning is based on data from**

- a) sales department
- b) production department
- c) purchase department
- d) none of the above

**Ans a**

**115.A detailed list of all kinds of goods handled by business**

- a) production
- b) design
- c) inventory
- d) operation research

**Ans c**

**116.Finished goods means goods waiting for dispatch to**

- a) customer
- b) supplier
- c) both a and b
- d) none of these

**Ans a**

**117.Raw material includes**

- a) semi-finished components
- b) material in stores
- c) sub-assemblies
- d) all of the above

**Ans d**

**118.What do you mean by finished part?**

- a) part which is ready to dispatch to customer
- b) material in stores
- c) semi-finished components
- d) sub-assemblies purchased from suppliers

**Ans a**

**119. Work in progress is a term used for all materials at various machine on the shop floor.**

- a) correct
- b) incorrect
- c) partly correct
- d) can't predict

**Ans a**

**120.Inventory consist of**

- a) raw material
- b) indirect material
- c) work in progress
- d) all of these

**Ans d**

**121.Excess inventory may lead to**

- a) profit
- b) loss
- c) less space
- d) none of these

**Ans b**

**122.Excess inventory needs**

- a) more funds
- b) less funds
- c) Less space
- d) none of these

**Ans a**

**123.Tools, lubricants, cutting fluids are**

- a) indirect materials
- b) finished goods
- c) work in progress
- d) none of these

**Ans a**

**124.Objectives of inventory management includes**

- a) financial objective
- b) property protection objective
- c) operational objective
- d) all of the above

**Ans d**

**125.ABC analysis helps senior manager to control**

- a) inventory cost
- b) purchase cost
- c) total cost
- d) none of above

**Ans a**

**126.Which one of the following are insignificant items?**

- a) A items
- b) B items
- c) C items
- d) none of these

**Ans c**

**127. Which are the most important items?**

- a) A items
- b) B items
- c) C items
- d) none of these

**Ans a**

**128. Which one of the following is incorrect about 'A' items?**

- a) Most important
- b) tightly controlled inventory systems
- c) weekly control statements
- d) insignificant items

**Ans d**

**129. Which statement is correct for 'C' items?**

- a) value analysis is not required
- b) insignificant items
- c) both a and b
- d) neither a nor b

**Ans c**

**130. Advantages of ABC analysis**

- a) the system is easy to understand
- b) provides tool to decide frequency of purchasing
- c) both a and b
- d) neither a nor b

**Ans c**

**131. \_\_\_\_\_ helps managers to have selective control and focus attention only on important items.**

- a) ABC analysis
- b) EOQ
- c) inventory
- d) none of these

**Ans a**

**132. ABC provides a tool to decide frequency of purchasing.**

- a) true
- b) false
- c) can't predict
- d) partly true

**Ans a**

**133.Limitation of ABC analysis is: seasonal variation of cost has no consideration in the analysis.**

- a) true
- b) false
- c) can't predict
- d) partly true

**Ans a**

**134.Too little inventory increase the risk of**

- a) out of stock condition
- b) more stock
- c) theft
- d) can't predict

**Ans a**

**135.'A' class of items have \_\_\_\_\_% of total consumption cost.**

- a) 10 to 20
- b) 20 to 30
- c) 40 to 50
- d) 70 to 80

**Ans d**

**136.'C' class of items have \_\_\_\_\_% of total consumption cost.**

- a) 50-60
- b) 40-50
- c) 5-15
- d) 70-80

**Ans c**

**137.Annual \_\_\_\_\_ cost= unit price x annual consumption volume.**

- a) consumption
- b) protection
- c) investment
- d) none of these

**Ans a**

**138.First step in preparation of ABC analysis is**



- a) preparation of list of all items
- b) determine unit price
- c) get annual consumption
- d) none of the above

**Ans a**

**139. 'A' class items are \_\_\_\_\_% of the total number of items.**

- a) 10-20
- b) 40-45
- c) 50-60
- d) 70-80

**Ans a**

**140. 'C' class items are \_\_\_\_\_% of the total number of items.**

- a) 10-20
- b) 15-25
- c) 65-75
- d) none of the above

**Ans c**

**141. Economic order quantity provides the \_\_\_\_\_ number of units to order.**

- a) minimum
- b) maximum
- c) optimum
- d) none of these

**Ans c**

**142. EOQ means economic order quantity.**

- a) true
- b) false
- c) can't predict
- d) partly true

**Ans a**

**143. Holding cost is also known as**

- a) receiving cost
- b) carrying cost
- c) producing cost
- d) design cost

**Ans b**

**144. Procurement cost is obtained by plotting \_\_\_\_\_ against ordered quantity.**

- a) cost
- b) investment
- c) profit
- d) none of above

**Ans a**

**145. Purchasing is one of the function of \_\_\_\_\_ Management**

- a) production
- b) materials
- c) design
- d) none of these

**Ans b**

**146. \_\_\_\_\_ means procuring goods and services.**

- a) purchasing
- b) selling
- c) inventory
- d) none of these

**Ans a**

**147. The long form of DOL is**

- a) design on line
- b) direct on line
- c) discuss on line
- d) none of these

**Ans b**

**148. The \_\_\_\_\_ provides the information about when to order and how much to order.**

- a) MRP
- b) ERP
- c) inventory
- d) none of these

**Ans a**

**149. While on a long tour, which are the items that we take most care of? Certainly, it is the jewelry and the cash! This could be an analogy to**

- a) EOQ
- b) ABC analysis
- c) Minimum batch size
- d) none of these

**Ans b**

**150. \_\_\_\_\_ is the relationship between demand for one item and demand for a higher level assembly.**

- a) dependent demand
- b) independent demand
- c) MRP
- d) none of these

**Ans a**

**151. An example of an item independent demand**

- a) wheels for a bike
- b) tools
- c) headlamp for a car
- d) none of these

**Ans b**

**152. One of the functions of MRP**

- a) forecast of material requirement
- b) reducing waste
- c) economy in buying
- d) all of these

**Ans d**

**153. The expense on travelling may be an element of \_\_\_\_\_ cost.**

- a) holding
- b) procurement
- c) fixed
- d) none of these

**Ans b**

**154. The list of components that make up a final product**

- a) Bill of materials
- b) DOL
- c) ERP
- d) MRP

**Ans a**

**155. Master production schedule is prepared from**

- a) Sales budget
- b) Materials budget
- c) Manpower budget
- d) none of these

**Ans d**

**156. \_\_\_\_\_ department floats enquiries and processes quotations.**

- a) sales
- b) purchase
- c) production
- d) inventory

**Ans b**

**157. Which one of the following is not a benefit of MRP?**

- a) saves time
- b) saves cost
- c) gives production schedule
- d) all of above

**Ans d**

**158. Which one is incorrect regarding to MRP?**

- a) efficient planning tool
- b) saves cost
- c) provides standardisation
- d) saves time

**Ans c**

**159. ERP stands for**

- a) enterprise reform planning
- b) enterprise resource planning
- c) enterprise resource plan
- d) none of these

**Ans b**

**160. \_\_\_\_\_ is an integrated system to manage business.**

- a) ERP
- b) MRP
- c) DOL
- d) EOQ

**Ans a**

**161. Which one of the following can be an ERP module?**

- a) human resource
- b) sales and marketing
- c) finance
- d) all of the above

**Ans d**

## **CHAPTER 7: Quality Management**

**162. How many steps are there in implementation of 5S?**

- a) 4
- b) 5
- c) 6
- d) 7

**Ans b**

**163. 5S is designed to**

- a) Organise work
- b) Increase efficiency
- c) Create a safe work place
- d) All of above

**Ans d**

**164. 'Red Tags' are used in which steps of 5S ?**

- a) Set in order
- b) Sort
- c) Standardise
- d) Sustain

**Ans b**

**165. A Fundamental attribute of TQM is**

- a) Drawing Control Charts
- b) Top managements direct involvement
- c) Having team meetings
- d) All of the above

**Ans b**

**166. Kaizen is the name given by the**

- a) Chinese
- b) Japanese
- c) Korean
- d) Thai

**Ans b**

**167. What is the objective of quality control?**

- a) To create means to solve work related problem

- b) to increase the team spirit
- c) to promote communication
- d) None of the above

Ans d

**168. Fishbone diagrams are drawn to**

- a) find customer needs
- b) find the cost of quality
- c) brainstorm causes of an effects
- d) screen workers suggestions

Ans c

**169. What represents sub clause for each main cause in Ishikawa diagram?**

- a) vertical arrow
- b) horizontal arrow
- c) main line
- d) none of the above

Ans b

**170. A Pareto chart points out**

- a) that the process is in control
- b) the key causes
- c) process capability
- d) customer needs

Ans b

**171. What is brainstorming?**

- a) a group technique to create new ideas on act
- b) individual technique to put new ideas on act
- c) both (a)& (b)
- d) none of the above

Ans (c)

**172. Which one is not a control chart?**

- a) P chart
- b) C chart
- c) M chart
- d) X bar chart

Ans c

**173. Quality control assists**

- a) employees

- b) customers
- c) dealers
- d) retailers

Ans a

**174. \_\_\_\_\_ is an activity of quality assurances.**

- a) process control
- b) performances testing
- c) reliability testing
- d) all of these

Ans d

**175. Which one of the following is an aspect of TQM?**

- a) quality aspects
- b) continuous improvement
- c) customer satisfaction
- d) product aspects

Ans d

**176. Which one of the following is/are a principle/principles of TQM ?**

- a) customer satisfaction
- b) continuous improvement
- c) both (a)&(b)
- d) none of these

Ans c

**177. What does Seiketsu mean ?**

- a) standardizing
- b) cleaning
- c) arrangement
- d) responsibilities

Ans a

**178. Which one of the following is an advantage of six sigma ?**

- a) keep discipline
- b) satisfy customer
- c) standardizing
- d) sorting out

Ans b

**179. Which one of the following is one of the dimensions of quality ?**

- a) zero defects

- b) performance
- c) customer focus
- d) leadership

Ans b

**180. All the planned & systematic actions necessary to provide confidence that a product or service will satisfy given need is known as**

- a) kaizen
- b) quality control
- c) quality assurance
- d) inspection

Ans c

**181. \_\_\_\_\_ refers to the systematic control of those variables encountered in manufacturing process which affect the excellence of the end product.**

- a) quality control
- b) quality assurance
- c) inspection
- d) quality circle

Ans a

**182. \_\_\_\_ directs the people & the organization.**

- a) customer focus
- b) continuous improvement
- c) process approach
- d) leadership

Ans d

**183. \_\_\_\_ is a small group of people who meet together on a regular basis to identify & solve problems.**

- a) quality of control
- b) quality assurance
- c) quality management
- d) quality circle

Ans d

**184. \_\_\_\_\_ helps in finding the key cause of problems.**

- a) Pareto's chart
- b) data collection
- c) brainstorming
- d) Ishikawa

Ans a



**185. \_\_\_\_\_ shows the major and minor causes which are responsible for the problem.**

- a) control chart
- b) Pareto's chart
- c) Ishikawa diagram
- d) data collection

Ans c

**186. Which one is a control chart?**

- a) Q chart
- b) C chart
- c) M chart
- d) S chart

Ans b

**187. What is the proper sequence for the implementation of TQM?**

- a) plan – act – check – do
- b) plan- do- act –check
- c) plan – do-check-act
- d) act-do-check-plan

Ans c

**188. In PDCA cycle act consist of which of the following?**

- a) ensure continuous improvement
- b) analyze results
- c) plan policies
- d) train employees

Ans a

**189. In PDCA cycle Plan consist of which the following?**

- a) ensure continuous improvement
- b) plan result
- c) plan policies
- d) train employees

Ans c

**190. In PDCA cycle DO consist of which the following**

- a) ensure continuous improvement
- b) analyze result

- c) plan policies
- d) train employees

Ans d

**191. In PDCA cycle check consist of which the following**

- a) ensure continuous improvement
- b) analyze result
- c) plan policies
- d) train employees

Ans b

**192. A fundamental attribute of TQM is**

- a) drawing control chart
- b) having team meeting
- c) top management's direct involvement
- d) meeting ISO 9000 audit

Ans c

**193. A control chart refers to**

- a) whether workers are motivated
- b) top management's interest
- c) whether inspectors are doing their job
- d) process variability

Ans d

**194. Which one of the following benefits the customer due to TQM?**

- a) greater satisfaction
- b) less no. of problems
- c) both A and B
- d) customer empowerment

Ans c

**195. Which one of the following benefits the company due to TQM ?**

- a) improvement in quality
- b) improvement in abilities of employees
- c) improvement in problems
- d) none of the above

Ans a

**196. Which one of the following benefits an employee due to TQM?**

- a) employee empowerment
- b) more rewards

- c) more training
- d) all of the above

Ans d

**197. \_\_\_\_\_ ensures that product or service of an organization is consistent.**

- a) quality team
- b) quality control
- c) quality assurance
- d) ISO 9001

Ans d

**198. \_\_\_\_\_ is not an objective of quality circle.**

- a) To increase the team spirit
- b) To promote communication
- c) To train an employee
- d) To contribute to the improvement

Ans c

**199. Which one of the following is not a principle of TQM?**

- a) Customer satisfaction
- b) To promote communication
- c) Empowering employee
- d) Feedback

Ans d

**200. An activity under quality assurance**

- a) Process control
- b) Continuous improvement
- c) Bench marking
- d) None of the above

Ans a

**201. In problem solving, after problem selection \_\_\_\_\_ is recommended.**

- a) Data collection and analysis
- b) Review and decision
- c) Implementation and control
- d) None of the above

Ans a

**202. Systematic problem solving requires**

- a) Motivating the worker
- b) Defining the problem to be solved

- c) Drawing control chart
- d) Keeping management informed

Ans b

**203. Bench marking determines**

- a) Customer requirements
- b) Process capability
- c) Standard
- d) Getting ISO 9000 audit done

Ans c

**204. Problem solving begins with**

- a) Team discussions
- b) SPC
- c) Design of experiments
- d) Problem identification

Ans d

**205. Which one of the following is not a benefit of Kaizen?**

- a) Improved efficiency
- b) Improved safety
- c) Employee satisfaction
- d) None of these

Ans d

**206. The normal distribution curve is associated with**

- a) ISO 9000 AUDIT
- b) 5 S
- c) kaizen
- d) none of these

Ans d

**207. In kaizen the role of an employee is**

- a) to establish at the corporate level
- b) to implement the process
- c) to implement in the functional area
- d) to participate

Ans d

**208. In kaizen the role of the middle management is**

- a) to establish at the corporate level
- b) to implement the process

- c) to implement in the functional area
- d) to participate

Ans b

**209. In kaizen the role of the top management is**

- a) to establish at the corporate level
- b) to implement the process
- c) to implement in the functional area
- d) to participate

Ans a

**210. Permissible defects per million in 1<sup>st</sup> sigma level**

- a) 6,80,000
- b) 6,90,000
- c) 7,00,000
- d) 6,70,000

Ans b

**211. Permissible defects per million in 6th sigma level**

- a) 3.4
- b) 3.2
- c) 3.6
- d) 3.8

Ans a

**212. Six sigma is \_\_\_\_\_ improvement methodology.**

- a) Manufacturing
- b) Business
- c) Customer relationship
- d) Continuous

Ans b

**213. In six sigma, how many employees are there per green belt?**

- a) 20
- b) 10
- c) 15
- d) 25

Ans a

**214. In six sigma, how many employees are there per black belt?**

- a) 120
- b) 100

- c) 150
- d) 125

Ans b

**215. If, 1: define, 2: measure, 3: analysis, 4: improve, 5: control, the sequence for solving a problem using sigma**

- a) 12354
- b) 12435
- c) 12345
- d) 12543

Ans c

**216. The activity of “control” in six sigma refers to**

- a) Develop alternative
- b) Determine various controls needed and validate them
- c) prepare control chart
- d) None of the above

Ans b

**217. What is the full form of ISO?**

- a) Indian organization for standardization
- b) International organization for standardization
- c) International standardization organization
- d) None of the above

Ans a

**218. \_\_\_\_\_ provides the necessary guidelines for manufacturing and service organization for quality system.**

- a) WHO
- b) ISI
- c) ISO
- d) World bank

Ans c

**219. One of the main causes for ISO is**

- a) Quality system
- b) Purchasing
- c) Process control
- d) All the above

Ans d

**220. Six sigma implies that**

- a) A statistical method
- b) A trouble shooting method
- c) Teams are effective
- d) 3.4 defect per million output

Ans d

**221. ISO 9000 ensures**

- a) That the company practices its written procedure
- b) That vendors are performing well
- c) Process capability
- d) The kind of control chart to be used

Ans a

**222. \_\_\_\_\_ is required to draw control chart.**

- a) Statistical data
- b) Adjusting the machine
- c) Team work
- d) Top management involvement

Ans a

**223. A fundamental attribute of TQM is**

- a) Drawing control chart
- b) Having team meetings
- c) Top managements direct involvement
- d) Meeting ISO 9000 audit

Ans c

**224. What are the benefits of ISO?**

- a) Customer satisfaction
- b) Business development
- c) Standardization
- d) All of the above

Ans d

**225. cause-effect diagram is used in**

- a) Problem identification
- b) Field visit
- c) Vendor surveys
- d) Problem analysis

Ans d

**226. Process flow chart helps to explain**

- a) Process steps and their relationship
- b) Cost of quality
- c) A clause in ISO 9000
- d) Customer complaints

Ans a

**227. Which of the following terms best describes kaizen?**

- a) Concurrent engineering
- b) Continuous improvement
- c) Innovation
- d) Statistical process control

Ans b

**228. In the implementation of kaizen, the principle asset is**

- a) Technology
- b) Automation
- c) Financial investment
- d) People

Ans d

**229. TQM refers to \_\_\_\_\_**

- a) Total quantity management
- b) Total quality management
- c) Total quality marketing
- d) Total quotient management

Ans b

**230. The organization of quality control includes:**

- a) Steering committee
- b) Facilitators
- c) Leader
- d) All of above

Ans d

**231. A guiding principle of kaizen:**

- a) Work as team
- b) Good process brings good results



- c) Both a) and b)
- d) None of the above

Ans c

**232. \_\_\_\_\_ is a group of employees formed voluntarily to solve work related issues.**

- a) Quality circle
- b) Quality assurance
- c) Quality control
- d) Quality management

Ans a

**233. \_\_\_\_\_ function decides the acceptance or rejection of the product by inspection in quality control.**

- a) Systematic
- b) Preventive
- c) Assurance
- d) Acceptance

Ans d

**234. TQM believes in systematic training as a need to attain**

- a) Quality
- b) Quantity
- c) Less defects
- d) None
- e) of the above

Ans a

**TWO MARK QUESTIONS**

**CHAPTER 4: Industrial safety and legislative Acts**

**235. Age, Health, Fatigue and anxiety are the factors refers to**

- a) Environmental causes of accidents
- b) Personal causes of accidents
- c) Mechanical causes of accidents
- d) All of the above

Ans b

**236. \_\_\_\_\_ is not a safety provision under Factories Act,1948.**

- a) First aid appliances
- b) Casing of new machinery
- c) Fencing of machinery
- d) None of the above

Ans a

**237. For contravention of provision of Factories Act, the occupier shall be liable for punishment upto**

- a) 2years /fine up to Rs.1,00,000 or with both
- b) 6 month /fine up to 10,000 or with both
- c) 3 years /fine 10,000 or with both
- d) None of these

Ans a

**238. The photograph is associated with**



- a) employment of young persons
- b) maximum weight to be carried
- c) method of carrying bricks
- d) none of these

Ans a

### CHAPTER 5: Financial Management

**239. Complete a point of differentiation:**

Shares	Debentures
Shares form the capital of the company	-----

- a) Debentures form the capital of the company
- b) Fixed rate of the interest is paid on debentures
- c) It is the credit money of the company
- d) None of the above.

Ans c

**240. Consider the manpower budget of a company: 'T' stands for:**

Particulars	Product 1	Product 2	Product 3	Total

Units to be produced	500	500	200	-
Direct Man hours/unit	1.5	1	2	-
Total man hours reqd.	750	500	400	-
Cost per Man hour (Rs./hour)	100	120	140	-
Total cost(Rs.)	75,000			T

- a) Total cost
- b) Total cost on direct labour
- c) Total cost on indirect labour
- d) Cost per unit

Ans b

**241. Consider:**

<b>Income</b>	
Income from operation...	<input type="text"/>
Miscellaneous Income....	<input type="text"/>
Total income.....	<input type="text"/>
<b>Expenses</b>	
Material.....	<input type="text"/>
Labour.....	<input type="text"/>
Manufacturing Expenses....	<input type="text"/>
Administrative Expenses....	<input type="text"/>
Selling Expenses.....	<input type="text"/>
<b>Total Expenses.....</b>	<input type="text"/>
<b>Taxes.....</b>	<input type="text"/>
<b>Net profit.....</b>	<input type="text"/>

**It could be:**

- a) Page from the ledger
- b) Balance sheet
- c) Sales Budget
- d) Master budget

Ans d

**242. Match the pairs:**

- |                                |                               |
|--------------------------------|-------------------------------|
| a. World bank                  | 1. Basic health and education |
| b. World trade organization    | 2. No barriers to trade       |
| c. International Monetary Fund | 3. Currency convertibility    |
| d. Reserve Bank of India       | 4. Monetary policy            |

- a) a-1, b-2, c-3, d-4
- b) a-1, b-2, c-4, d-3
- c) a-2, b-1, c-3, d-4
- d) a-3, b-2, c-1, d-4

Ans a

**243.A planned capital investment in the business without disrupting the normal working of the company is called**

- a) material budget
- b) administrative expenses budget
- c) capital expenditure budget
- d) cash budget

Ans c

**244.\_\_\_\_\_ refers to sparing of the replacement cost of tangible assets like building, machinery etc.**

- a) depreciation
- b) amortization
- c) liability
- d) inventories

Ans a

## **CHAPTER 6: Materials Management**

**245.Arrange the activities of purchasing procedure in the sequential form**

- i) Receipt of quotation    ii) selection of right source of supply    iii) Receipt of purchase requisition
- iv) making comparative statement

- a) i, iii, iv, ii
- b) iii, i, iv, ii
- c) iv, ii, i, iii
- d) i ,iv, iii, ii

Ans b

**246.An example of input to MRP**

- a) production schedule
- b) inventory control
- c) bill of materials

- d) all of these

**Ans d**

**247. Various costs associated with ordering and receiving goods**

- a) procurement cost
- b) inventory cost
- c) holding cost
- d) none of these

**Ans a**

**248. What do you mean by services to customer?**

- a) economy in buying
- b) continuity in production
- c) prompt supply of finished parts to customer
- d) none of these

**Ans c**

**249. Correct statement about 'B' items**

- a) less controlled inventory control system
- b) important items
- c) monthly controlled items
- d) all of the above

**Ans d**

**250. Inventory control means**

- a) timely availability of materials
- b) value analysis of costly materials
- c) availability of material at low cost
- d) all of the above

**Ans d**

## **CHAPTER 7: Quality Management**

**251 Match the pairs.**

- a. seiri      1. set in order
- b. seition    2. sorting

c.seiso 3.sustaining

d.shitsuke 4.sweeping

- a) .a-1, b-2, c-3, d-4
- b) a-1, b-2, c-4, d-3
- c) C.a-2, b-1, c-3, d-4
- d) a-3, b-2, c-1, d-4

Ans c

**252. Here is an extract from Pareto's chart**

Type of cause	A	B	C	D	E	F	G	H	I
Defectives (%)	31 02	26	14	08	06	04	04	03	02

The key causes are:

- a) D, E, F
- b) H, I, J
- c) A, B, C
- d) A to J

Ans c

**253. Quality is the responsibility of --**

- a) All those in concern with product including end user
- b) All those who are working in the organization
- c) All those who are managers
- d) All those who are supervisors

Ans b

**254. Kaizen is a Japanese technique. Kaizen word is formed from two characters KAI and ZEN in which**

- a) KAI means change & ZEN means good
- b) KAI means good & ZEN means change
- c) KAI means good & ZEN means GURU
- d) None of the above

Ans a

**255. Which of the following are two main elements of quality?**



i)Quality of design    ii)Quality of performance    iii)Quality of products    iv)Quality circle

- a) i and ii
- b) i and iii
- c) ii and iii
- d) ii and iv

Ans a

**256.Match the following- select the proper option**

1) ISO 9000-2000    i) Quality management system guidelines  
m) ISO 9001-2000    ii) Quality management system vocabulary  
n) ISO9004-2000    iii) Quality management system requirements

- a) l-i. m-iii, n-ii
- b) l-ii,m-iii, n-I
- c) l-iii. m-i, n-ii
- d) l-i. m-ii, n-iii

Ans b

**257.For 1 : Quality control, 2: Inspection, 3: Quality assurance 4: Total Quality Management. The sequence of the stages for development of quality management is**

- a) 2 3 1 4
- b) 2 1 4 3
- c) 1 2 3 4
- d) 2 1 3 4

Ans d

**258.Which one of the following is not one of the commitment of total Quality Management?**

- a) Technical Quality
- b) Understanding and improving the organisation's processes
- c) Data based decision making.
- d) Employee Involvement.

Ans a

**259.If, 1: problem selection , 2:data collection , 3:recommendation , 4:presentation to management, 5:review & decision , 6:implementation & control , the steps for problem solving are**

- a) 1 2 4 3 5 6
- b) 1 2 3 5 4 6
- c) 1 2 3 4 6 5
- d) 1 2 3 4 5 6

Ans d