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# BANKING AWARENESS FOR BANK PO

A bank is a financial intermediary that accepts deposits and channels those deposits into lending activities, either directly by loaning or indirectly through capital markets. A bank links together customers that have capital deficits and customers with capital surpluses.

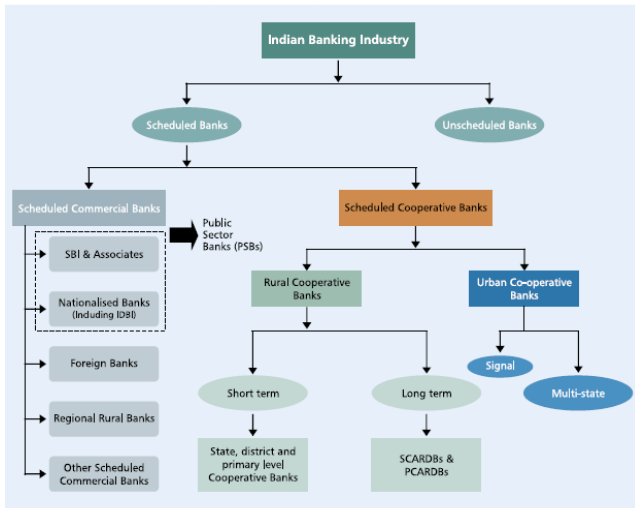
### **Types of Bank**

1. **Para banking-** When Bank provide banking services except the general banking facility.
2. **Narrow Banking-** When banks invest its money in government securities instead investing in market to avoid risk.
3. **Overseas Banking-** Banks having branches in other countries besides its origin country. Example Bank of Baroda has maximum foreign branches by any indian bank
4. **Offshore Banking-** Bank which accept currency of all countries. Offshore banks are in those countries which declares them as Heaven Bank Country. Example- Swiss Banks
5. **Green banking-** Promoting environmental-friendly practices and reducing your carbon footprint from your banking activities.
6. **Islamic bank-** Those Banks which work according to Islamic Laws. Concept originate in Egypt. Islamic bank opens at Cochin in kerala in 2010.
7. **Kiosk Banking-** When we Deposit or withdraw money from booths , it is called Kiosk banking.
8. **Defence Banking-** Full *banking* services made available to all members of the *Defence* force, including non-uniformed personnel and other civilians.
9. **Retail Banking-** Retail banking refers to the division of a bank that deals directly with retail customers. Also known as consumer banking or personal banking, retail banking is the visible face of banking to the general public.
- 10 **Banking on Wheel-** to provide banking services in remote villages which are devoid of banking facilities as part its financial inclusion plan.
11. **Wholesale banking-** Wholesale banking is the provision of services by banks to organisations such as Mortgage Brokers, large corporate clients, mid-sized companies, real estate developers and investors, international trade finance businesses, institutional customers (such as pension funds and government entities/agencies), and services offered to other banks or other financial institutions.

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### **Classification of Banks**

Exhibit 2.2: Structure of the Organised Banking Industry



Source: D&B Industry Research Service

## 1. Central Bank (RBI)

## 2. Scheduled Banks

A scheduled bank is a bank that is listed under the second schedule of the RBI Act, 1934. In order to be included under this schedule of the RBI Act.

Scheduled banks are further classified into commercial and cooperative banks.

**Non Scheduled Banks** - No bank at present

**Scheduled Banks** -Divided into two

### 1. Scheduled Commercial

A) Domestic Banks

B) Foreign Banks eg HSBC

a) Government Banks

b) Private Banks i) Public Sector Bank eg. SBI, PNB

ii) RRB(Regional Rural Bank) eg. Prathma Gramin Bank

### 2. Co-operative Banks

- Primary credit societies

3 • Central Co-operative banks

- State co-operative Banks

3. **Specialised Bank** eg. Exim Bank, Nabard

Commercial Banks refer to both scheduled and non -scheduled commercial banks which are regulated under Banking Regulation Act, 1949

(a) Scheduled Commercial Banks are grouped under following categories:

1. State Bank of India and its Associates

2. Nationalised Banks

3. Foreign Banks

4. Regional Rural Banks

5. Other Scheduled Commercial Banks. (b) Non - Scheduled Commercial Banks

Note: Banks in the groups (1) & (2) above are known as public sector banks whereas, other scheduled commercial banks mentioned at group (5) above are known as private sector banks.

- Commercial banks are the single most important source of institutional credit in India. A bank is an institution that accepts deposits of money from the public, withdrawable by cheque and used for lending.

- Two essential functions which make a financial institution a bank -

I. acceptance of chequable deposits (of money) from the public and II. Lending.

- Three things about deposits are noteworthy:

- They are deposits of money

- Deposits are accepted from public at large

- Deposits are repayable on demand and withdraw -able by cheque

As bank (under the Banking Regulation Act, 1949) is not allowed to carry on any business of its own (other than that of banking), the word lending is used here broadly to include both direct lending to borrowers and indirect lending through investment in open - market securities

#### **NATIONALISATION OF BANKS**

First to be nationalised was RBI on January 1, 1949.

Nationalisation of Imperial Bank of India and its conversion into State Bank of India in July 1955.

Conversion of 8 major State-associated banks into subsidiary banks of SBI in 1959. Nationalisation of 14 other Indian scheduled banks in July 1969.

Nationalisation of 6 more banks in April 1980.

Indian bank merged into Punjab National Bank in 1995.

#### **Functions of Banks**

Acceptance of money on deposit from the public.

Collection of cheques, drafts, bills, hundis, and other instruments (inland and foreign) for their depositors.

Issue of performance and financial guarantees.

Provision of remittance facilities by issue of drafts, mail transfers, and telegraphic transfers. Provision of facilities of safe custody of deeds and securities and safe deposits vaults. Purchase and sale of securities for their constituents.

#### **Bank Deposits**

##### **Types of Bank Deposits**

Traditionally banks in India have four types of deposit accounts, namely

1. **Current Accounts**

2. **Saving Banking Accounts**

3. **Recurring Deposits and**

4. **Fixed Deposits.**

**Current Accounts** are basically meant for businessmen and are never used for the purpose of investment or savings. These deposits are the most liquid deposits and there are no limits for number of transactions or the amount of transactions in a day. Most of the current account are opened in the names of firm / company accounts. Cheque book facility is provided and the account holder can deposit all types of the cheques and drafts in their name or endorsed in their favour by third parties. No interest is paid by banks on these accounts. On the other hand, banks charges certain service charges, on such accounts.

#### **Features of Current Accounts :**

(a) The main objective of Current Account holders in opening these account is to enable them (mostly businessmen) to conduct their business transactions smoothly.

(b) There are no restrictions on the number of times deposit in cash / cheque can be made or the amount of such deposits;

(c) Usually banks do not have any interest on such current accounts. However, in recent times some banks have introduced special current accounts where interest (as per banks' own guidelines) is paid

(d) The current accounts do not have any fixed maturity as these are on continuous basis accounts

**Saving Accounts-** These deposits accounts are one of the most popular deposits for individual accounts. These accounts not only provide cheque facility but also have lot of flexibility for deposits and withdrawal of funds from the account. Most of the banks have rules for the maximum number of withdrawals in a period and the maximum amount of withdrawal, but hardly any bank enforces these. However, banks have every right to enforce such restrictions if it is felt that the account is being misused as a current account. Till 24/10/2011, the interest on Saving Bank Accounts was regulated by RBI and it was fixed at 4.00% on daily balance basis. However, wef 25th October, 2011, RBI has deregulated Saving Fund account interest rates and now banks are free to decide the same within certain conditions imposed by RBI. Under directions of RBI, now banks are also required to open no frill accounts (this term is used for accounts which do not have any minimum balance requirements). Although Public Sector Banks still pay only 4% rate of interest, some private banks like Kotak Bank and Yes Bank pay between 6% and 7% on such deposits. From the FY 2012-13, interest earned upto Rs 10,000 in a financial year on Saving Bank accounts is exempted from tax.

**Recurring Deposit Accounts-** These are popularly known as RD accounts and are special kind of Term Deposits and are suitable for people who do not have lump sum amount of savings, but are ready to save a small amount every month. Normally, such deposits earn interest on the amount already deposited (through monthly installments) at the same rates as are applicable for Fixed Deposits / Term Deposits. These are best if you wish to create a fund for your child's education or marriage of your daughter or buy a car without loans or save for the future.

Recurring Deposit accounts are normally allowed for maturities ranging from 6 months to 120 months. A Pass book is usually issued wherein the person can get the entries for all the deposits made by him / her and the interest earned. Banks also indicate the maturity value of the RD assuming that the monthly instalments will be paid regularly on due dates. In case instalment is delayed, the interest payable in the account will be reduced and some nominal penalty charged for default in regular payments. Premature withdrawal of accumulated amount permitted is usually allowed (however, penalty may be imposed for early withdrawals). These accounts can be opened in single or joint names. Nomination facility is also available.

The RD interest rates paid by banks in India are usually the same as payable on Fixed Deposits, except when specific rates on FDs are paid for particular number of days e.g. 500 days, 555 days, 1111 days etc i.e. these are not ending in a quarter.

### **Fixed Deposit Accounts or Term Deposits**

All Banks in India (including SBI, PNB, BoB, BoI, Canara Bank, ICICI Bank, Yes Bank etc.) offer fixed deposits schemes with a wide range of tenures for periods from 7 days to 10 years. These are also popularly known as FD accounts. However, in some other countries these are known as "Term Deposits" or even called "Bond". The term "fixed" in Fixed Deposits (FD) denotes the period of maturity or tenor. Therefore, the depositors are supposed to continue such Fixed Deposits for the length of time for which the depositor decides to keep the money with the bank. However, in case of need, the depositor can ask for closing (or breaking) the fixed deposit prematurely by paying a penalty (usually of 1%, but some banks either charge less or no penalty). (Some banks introduced variable interest fixed deposits. The rate of interest on such deposits keeps on varying with the prevalent market rates i.e. it will go up if market interest rates goes

and it will come down if the market rates fall. However, such type of fixed deposits have not been popular till date).

The rate of interest for Fixed Deposits differs from bank to bank (unlike earlier when the same were regulated by RBI and all banks used to have the same interest rate structure. The present trends indicate that private sector and foreign banks offer higher rate of interest.

### **Non Performing Asset**

Non Performing Asset means an asset or account of borrower, which has been classified by a bank or financial institution as sub-standard, doubtful or loss asset in accordance with the directions or guidelines relating to asset classification issued by RBI

An asset, including a leased asset, becomes non-performing when it ceases to generate income for the bank.

A non performing asset (NPA) is a loan or an advance where;

- (i) Interest and/ or instalment of principal remain overdue for a period of more than 90 days in respect of a term loan,
- ii) The account remains 'out of order' in respect of an Overdraft/Cash Credit (OD/CC), if the outstanding balance remains continuously in excess of the sanctioned limit/drawing power. In cases where the outstanding balance in the principal operating account is less than the sanctioned limit / drawing power, but there are no credits continuously for 90 days as on the date of Balance Sheet or credits are not enough to cover the interest debited during the same period, these accounts should be treated as 'out of order'.
- iii) The bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
- iv) The instalment of principal or interest thereon remains overdue for two crop seasons for short duration crops,
  - (v) The instalment of principal or interest thereon remains overdue for one Crop season for long duration crops,
- vi) The amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitisation transaction undertaken in terms of guidelines on securitisation dated February 1, 2006.
- vii) In respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment.

## **Reserve Bank Of India**



### **Establishment**

The Reserve Bank of India was established on April 1, 1935 in accordance with the provisions of the Reserve Bank of India Act, 1934.

The Central Office of the Reserve Bank was initially established in Calcutta but was permanently moved to Mumbai in 1937. The Central Office is where the Governor sits and where policies are formulated.

Though originally privately owned, since nationalisation in 1949, the Reserve Bank is fully owned by the Government of India.

## Central Board

The Reserve Bank's affairs are governed by a central board of directors. The board is appointed by the Government of India in keeping with the Reserve Bank of India Act.

- Appointed/nominated for a period of four years
- Constitution:
  - Official Directors  
Full-time : Governor and not more than four Deputy Governors
  - **Non-Official Directors**  
Nominated by Government: ten Directors from various fields and two government Officials  
Others: four Directors - one each from four local boards

## Local Boards

One each for the four regions of the country in Mumbai, Calcutta, Chennai and New Delhi

Membership:

consist of five members each appointed by the Central Government for a term of four years

**Functions :** To advise the Central Board on local matters and to represent territorial and economic interests of local cooperative and indigenous banks; to perform such other functions as delegated by Central Board from time to time.

Main Functions

### Monetary Authority:

- Formulates, implements and monitors the monetary policy.
- Objective: maintaining price stability and ensuring adequate flow of credit to productive sectors.

### Regulator and supervisor of the financial system:

- Prescribes broad parameters of banking operations within which the country's banking and financial system functions.
- Objective: maintain public confidence in the system, protect depositors' interest and provide cost-effective banking services to the public.

### Manager of Foreign Exchange

- Manages the Foreign Exchange Management Act, 1999.
- Objective: to facilitate external trade and payment and promote orderly development and maintenance of foreign exchange market in India.

### Issuer of currency:

- Issues and exchanges or destroys currency and coins not fit for circulation.
- Objective: to give the public adequate quantity of supplies of currency notes and coins and in good quality.

### Developmental role

- Performs a wide range of promotional functions to support national objectives.

### Related Functions

- Banker to the Government: performs merchant banking function for the central and the state governments; also acts as their banker.
  - Banker to banks: maintains banking accounts of all scheduled banks.

## Offices

- Has 19 regional offices, most of them in state capitals and 9 Sub-offices. Training

## Establishments

Has five training establishments

- Two, namely, College of Agricultural Banking and Reserve Bank of India Staff College are part of the Reserve Bank
- Others are autonomous, such as, National Institute for Bank Management, Indira Gandhi Institute for Development Research (IGIDR), Institute for Development and Research in Banking Technology (IDRBT)

## A) MONETARY POLICY OF RBI :-

The Monetary Policy of RBI is not merely one of credit restriction, but it has also the duty to see that legitimate credit requirements are met and at the same time credit is not used for unproductive and speculative purposes RBI has various weapons of monetary control and by using them, it hopes to achieve its monetary policy.

## I) General I Quantitative Credit Control Methods :-

In India, the legal framework of RBI's control over the credit structure has been provided Under Reserve Bank of India Act, 1934 and the Banking Regulation Act, 1949. Quantitative credit controls are used to maintain proper quantity of credit or money supply in market. Some of the important general credit control methods are:-

### 1. Bank Rate Policy :-

Bank rate is the rate at which the Central bank lends money to the commercial banks for their liquidity requirements. Bank rate is also called discount rate. In other words bank rate is the rate at which the central bank rediscounts eligible papers (like approved securities, bills of exchange, commercial papers etc) held by commercial banks.

Bank rate is important because it is the pace setter to other market rates of interest. Bank rates have been changed several times by RBI to control inflation and recession. By 2003, the bank rate has been reduced to 6% p.a.

### 2. Open market operations :-

It refers to buying and selling of government securities in open market in order to expand or contract the amount of money in the banking system. This technique is superior to bank rate policy. Purchases inject money into the banking system while sale of securities do the opposite. During last two decades the RBI has been undertaking switch operations. These involve the purchase of one loan against the sale of another or, vice-versa. This policy aims at preventing unrestricted increase in liquidity.

### 3. Cash Reserve Ratio (CRR)

The Cash Reserve Ratio (CRR) is an effective instrument of credit control. Under the RBI Act of, 1934 every commercial bank has to keep certain minimum cash reserves with RBI. The RBI is empowered to vary the CRR between 3% and 15%. A high CRR reduces the cash for lending and a low CRR increases the cash for lending.

### 4. Statutory Liquidity Ratio (SLR)

Under SLR, the government has imposed an obligation on the banks to maintain a certain ratio to its total deposits with RBI in the form of liquid assets like cash, gold and other securities. The

RBI has power to fix SLR in the range of 25% and 40% between 1990 and 1992 SLR was as high as 38.5%. Narasimham Committee did not favour maintenance of high SLR. The SLR was lowered down



to 25% from 10th October 1997. It was further reduced to 24% on November 2008. At present it is 25%.

### **5. Repo And Reverse Repo Rates**

In determining interest rate trends, the repo and reverse repo rates are becoming important. Repo means Sale and Repurchase Agreement. Repo is a swap deal involving the immediate Sale of Securities and simultaneous purchase of those securities at a future date, at a predetermined price. Repo rate helps commercial banks to acquire funds from RBI by selling securities and also agreeing to repurchase at a later date.

Reverse repo rate is the rate that banks get from RBI for parking their short term excess funds with RBI. Repo and reverse repo operations are used by RBI in its Liquidity Adjustment Facility. RBI contracts credit by increasing the repo and reverse repo rates and by decreasing them it expands credit.

### **II) SELECTIVE / QUALITATIVE CREDIT CONTROL METHODS :-**

Under Selective Credit Control, credit is provided to selected borrowers for selected purpose, depending upon the use to which the control try to regulate the quality of credit - the direction towards the credit flows. The Selective Controls are :-

#### **1. Ceiling On Credit**

The Ceiling on level of credit restricts the lending capacity of a bank to grant advances against certain controlled securities.

#### **2. Margin Requirements :-**

A loan is sanctioned against Collateral Security. Margin means that proportion of the value of security against which loan is not given. Margin against a particular security is reduced or increased in order to encourage or discourage the flow of credit to a particular sector. It varies from 20% to 80%. For agricultural commodities it is as high as 75%. Higher the margin lesser will be the loan sanctioned.

#### **3. Discriminatory Interest Rate (DIR)**

Through DIR, RBI makes credit flow to certain priority or weaker sectors by charging concessional rates of interest. RBI issues supplementary instructions regarding granting of additional credit against sensitive commodities, issue of guarantees, making advances etc. .

#### **4. Directives:-**

The RBI issues directives to banks regarding advances. Directives are regarding the purpose for which loans may or may not be given.

#### **5. Direct Action**

It is too severe and is therefore rarely followed. It may involve refusal by RBI to rediscount bills or cancellation of license, if the bank has failed to comply with the directives of RBI.

#### **6. Moral Suasion**

Under Moral Suasion, RBI issues periodical letters to bank to exercise control over credit in general or advances against particular commodities. Periodic discussions are held with authorities of commercial banks in this respect.

## **NEFT AND RTGS**

### **Q.1. What is NEFT?**

Ans: National Electronic Funds Transfer (NEFT) is a nation-wide payment system facilitating one-to-one funds transfer. Under this Scheme, individuals, firms and corporates can electronically transfer funds from any bank branch to any individual, firm or corporate having an account with any other bank branch in the country participating in the Scheme.

### **Q.2. Are all bank branches in the country part of the NEFT funds transfer network?**

Ans: For being part of the NEFT funds transfer network, a bank branch has to be NEFT-enabled. The list of bank-wise branches which are participating in NEFT is provided in the website of Reserve Bank of India

### **Q.3. Who can transfer funds using NEFT?**

Ans: Individuals, firms or corporates maintaining accounts with a bank branch can transfer funds using NEFT. Even such individuals who do not have a bank account (walk-in customers) can also deposit cash at the NEFT-enabled branches with instructions to transfer funds using NEFT. However, such cash remittances will be restricted to a maximum of Rs.50,000/- per transaction. Such customers have to furnish full details including complete address, telephone number, etc. NEFT, thus, facilitates originators or remitters to initiate funds transfer transactions even without having a bank account.

**Q.4. Who can receive funds through the NEFT system?**

Ans: Individuals, firms or corporates maintaining accounts with a bank branch can receive funds through the NEFT system. It is, therefore, necessary for the beneficiary to have an account with the NEFT enabled destination bank branch in the country.

The NEFT system also facilitates one-way cross-border transfer of funds from India to Nepal. This is known as the Indo-Nepal Remittance Facility Scheme. A remitter can transfer funds from any of the NEFT-enabled branches in to Nepal, irrespective of whether the beneficiary in Nepal maintains an account with a bank branch in Nepal or not. The beneficiary would receive funds in Nepalese Rupees. Further details on the Indo-Nepal Remittance Facility Scheme are available on the website of Reserve Bank of India

**Q.5. Is there any limit on the amount that could be transferred using NEFT?**

Ans: No. There is no limit – either minimum or maximum – on the amount of funds that could be transferred using NEFT. However, maximum amount per transaction is limited to Rs.50,000/- for cash-based remittances and remittances to Nepal.

**Q.7. Whether the system is centre specific or has any geographical restriction?**

Ans: No. There is no restriction of centres or of any geographical area within the country. The NEFT system takes advantage of the core banking system in banks. Accordingly, the settlement of funds between originating and receiving banks takes place centrally at Mumbai, whereas the branches participating in NEFT can be located anywhere across the length and breadth of the country.

**Q.6. What are the operating hours of NEFT?**

Ans : Presently, NEFT operates in hourly batches - there are twelve settlements from 8 am to 7 pm on week days (Monday through Friday) and six settlements from 8 am to 1 pm on Saturdays.

**Q.7. How does the NEFT system operate?**

Step-1 : An individual / firm / corporate intending to originate transfer of funds through NEFT has to fill an application form providing details of the beneficiary (like name of the beneficiary, name of the bank branch where the beneficiary has an account, IFSC of the beneficiary bank branch, account type and account number) and the amount to be remitted. The application form will be available at the originating bank branch. The remitter authorizes his/her bank branch to debit his account and remit the specified amount to the beneficiary. Customers enjoying net banking facility offered by their bankers can also initiate the funds transfer request online. Some banks offer the NEFT facility even through the ATMs. Walk-in customers will, however, have to give their contact details (complete address and telephone number, etc.) to the branch. This will help the branch to refund the money to the customer in case credit could not be afforded to the beneficiary's bank account or the transaction is rejected / returned for any reason.

Step-2 : The originating bank branch prepares a message and sends the message to its pooling centre (also called the NEFT Service Centre).

Step-3 : The pooling centre forwards the message to the NEFT Clearing Centre (operated by National Clearing Cell, Reserve Bank of India, Mumbai) to be included for the next available batch.

Step-4 : The Clearing Centre sorts the funds transfer transactions destination bank-wise and prepares accounting entries to receive funds from the originating banks (debit) and give the funds to the destination banks(credit). Thereafter, bank-wise remittance messages are forwarded to the destination banks through their pooling centre (NEFT Service Centre).

Step-5 : The destination banks receive the inward remittance messages from the Clearing Centre and pass on the credit to the beneficiary customers' accounts.

**Q.8. What is IFSC?**

Ans : IFSC or Indian Financial System Code is an alpha-numeric code that uniquely identifies a bank-branch participating in the NEFT system. This is an 11 digit code with the first 4 alpha characters representing the bank, and the last 6 characters representing the branch. The 5th

character is 0 (zero). IFSC is used by the NEFT system to identify the originating / destination banks / branches and also to route the messages appropriately to the concerned banks / branches.

**Q.9. How can the IFSC of a bank-branch be found?**

Ans: Bank-wise list of IFSCs is available with all the bank-branches participating in NEFT. List of bank-wise branches participating in NEFT and their IFSCs is available on the website of Reserve Bank of India . All the banks have also been advised to print the IFSC of the branch on cheques issued to their customers. For net banking customers many banks have enabled online search / pop-up of the IFSC of the destination bank branch.

Further, banks have also been advised to ensure that their branch staff provide necessary assistance to customers in filling out the required details, including IFSC details, in the NEFT application form, and also help in ensuring that there is no mismatch between the IFSC code and branch details of beneficiary branch as provided by the customer.

**Q.10. What are the processing or service charges for NEFT transactions?**

Ans: The structure of charges that can be levied on the customer for NEFT is given below:

- a) Inward transactions at destination bank branches (for credit to beneficiary accounts)
  - Free, no charges to be levied from beneficiaries
- b) Outward transactions at originating bank branches – charges applicable for the remitter
  - For transactions up to Rs 10,000 : not exceeding Rs 2.50 (+ Service Tax)
  - For transactions above Rs 10,000 up to Rs 1 lakh: not exceeding Rs 5 (+ Service Tax)
  - For transactions above Rs 1 lakh and up to Rs 2 lakhs: not exceeding Rs 15 (+ Service Tax)
  - For transactions above Rs 2 lakhs: not exceeding Rs 25 (+ Service Tax)
- c) Charges applicable for transferring funds from India to Nepal using the NEFT system (under the Indo-Nepal Remittance Facility Scheme) is available on the website of RBI With effect from 1st July 2011, originating banks are required to pay a nominal charge of 25 paise each per transaction to the clearing house as well as destination bank as service charge. However, these charges cannot be passed on to the customers by the banks.

**Q.11. When can the beneficiary expect to get the credit to his bank account?**

Ans: The beneficiary can expect to get credit for the first ten batches on week days (i.e., transactions from 8 am to 5 pm) and the first five batches on Saturdays (i.e., transactions from 8 am to 12 noon) on the same day. For transactions settled in the last two batches on week days (i.e., transactions settled in the 6 and 7 pm batches) and the last batch on Saturdays (i.e., transactions handled in the 1 pm batch) beneficiaries can expect to get credit either on the same day or on the next working day morning (depending on the type of facility enjoyed by the beneficiary with his bank).

**Q.12. Who should be contacted in case of non-credit or delay in credit to the beneficiary account?**

Ans: In case of non-credit or delay in credit to the beneficiary account, the NEFT Customer Facilitation Centre (CFC) of the respective bank can be contacted (the remitter can contact his bank's CFC; the beneficiary may contact the CFC of his bank). Details of NEFT Customer Facilitation Centres of banks are available on the websites of the respective banks. The details are also available on the website of Reserve Bank of India

If the issue is not resolved satisfactorily, the NEFT Help Desk (or Customer Facilitation Centre of Reserve Bank of India) at National Clearing Cell, Reserve Bank of India, Mumbai may be contacted through [e-mail](#) or by addressing correspondence to the General Manager, Reserve Bank of India, National Clearing Centre, First Floor, Free Press House, Nariman Point, Mumbai  
– 400 021.

**Q.13. What will happen if credit is not afforded to the account of the beneficiary?**

Ans: If it is not possible to afford credit to the account of the beneficiary for whatever reason, destination banks are required to return the transaction (to the originating branch) within two hours of completion of the batch in which the transaction was processed.

For example, if a customer submits a fund transfer request at 12.05 p.m. to a NEFT-enabled branch, the branch in turn forwards the message through its pooling centre to the NEFT Clearing Centre for processing in the immediately available batch which (say) is the 1.00 pm batch. If the destination bank is unable to afford the credit to the beneficiary for any reason, it has to return the transaction to the originating bank, not later than in the 3.00 pm batch. On receiving such a returned transaction, the originating bank has to credit the amount back to account of the originating customer. To conclude, for all uncredited transactions, customers can reasonably expect the funds to be received back by them in around 3 to 4 hours time.

**Q.14. Can NEFT be used to transfer funds from / to NRE and NRO accounts?**

Ans: Yes. NEFT can be used to transfer funds from or to NRE and NRO accounts in the country. This, however, is subject to the adherence of the provisions of the Foreign Exchange Management Act, 2000 (FEMA) and Wire Transfer Guidelines.

**Q.15. Can remittances be sent abroad using NEFT?**

Ans: No. However, a facility is available to send outward remittances to Nepal under the Indo- Nepal Remittance Facility Scheme.

**Q.16. What are the other transactions that could be initiated using NEFT?**

Ans: Besides personal funds transfer, the NEFT system can also be used for a variety of transaction including payment of credit card dues to the card issuing banks. It is necessary to quote the IFSC of the beneficiary card issuing bank to initiate the bill payment transactions using NEFT.

**Q.17. Can a transaction be originated to draw (receive) funds from another account?**

Ans : No. NEFT is a credit-push system i.e., transactions can be originated only to transfer / remit funds to a beneficiary.

**Q.18. Would the remitter receive an acknowledgement once the funds are transferred to the account of the beneficiary?**

Ans: Yes. In case of successful credit to the beneficiary's account, the bank which had originated the transaction is expected to send a confirmation to the originating customer (through SMS or e- mail) advising of the credit as also mentioning the date and time of credit. For the purpose, remitters need to provide their mobile number / e-mail-id to the branch at the time of originating the transaction.

**Q.19. Is there a way for the remitter to track a transaction in NEFT?**

Ans: Yes, the remitter can track the NEFT transaction through the originating bank branch or its CFC using the unique transaction reference number provided at the time of initiating the funds transfer. It is possible for the originating bank branch to keep track and be aware of the status of the NEFT transaction at all times.

**Q.20. What are the pre-requisites for originating a NEFT transaction?**

Ans : Following are the pre-requisites for putting through a funds transfer transaction using NEFT –

- Originating and destination bank branches should be part of the NEFT network
- Beneficiary details such as beneficiary name, account number and account type, name and IFSC of the beneficiary bank branch should be available with the remitter
- For net banking customers, some banks provide the facility to automatically pop-up the IFSC once name of the destination bank and branch is highlighted / chosen / indicated / keyed in.

**Q.21. What are the benefits of using NEFT?**

Ans: *NEFT offers many advantages over the other modes of funds transfer:*

- The remitter need not send the physical cheque or Demand Draft to the beneficiary.
- The beneficiary need not visit his / her bank for depositing the paper instruments.

- The beneficiary need not be apprehensive of loss / theft of physical instruments or the likelihood of fraudulent encashment thereof.
  - Cost effective.
  - Credit confirmation of the remittances sent by SMS or email.
- Remitter can initiate the remittances from his home / place of work using the internet banking also.
  - Near real time transfer of the funds to the beneficiary account in a secure manner.

**Q1. What is RTGS System?**

Ans. The acronym 'RTGS' stands for Real Time Gross Settlement, which can be defined as the continuous (real-time) settlement of funds transfers individually on an order by order basis (without netting). 'Real Time' means the processing of instructions at the time they are received rather than at some later time; 'Gross Settlement' means the settlement of funds transfer instructions occurs individually (on an instruction by instruction basis). Considering that the funds settlement takes place in the books of the Reserve Bank of India, the payments are final and irrevocable.

**Q2. How RTGS is different from National Electronics Funds Transfer System (NEFT)?**

Ans. NEFT is an electronic fund transfer system that operates on a Deferred Net Settlement (DNS) basis which settles transactions in batches. In DNS, the settlement takes place with all transactions received till the particular cut-off time. These transactions are netted (payable and receivables) in NEFT whereas in RTGS the transactions are settled individually. For example, currently, NEFT operates in hourly batches. [There are twelve settlements from 8 am to 7 pm on week days and six settlements from 8 am to 1 pm on Saturdays.] Any transaction initiated after a designated settlement time would have to wait till the next designated settlement time. Contrary to this, in the RTGS transactions are processed continuously throughout the RTGS business hours.

**Q3. Is there any minimum / maximum amount stipulation for RTGS transactions?**

Ans. The RTGS system is primarily meant for large value transactions. The minimum amount to be remitted through RTGS is ₹ 2 lakh. There is no upper ceiling for RTGS transactions.

**Q4. What is the time taken for effecting funds transfer from one account to another under RTGS?**

Ans. Under normal circumstances the beneficiary branches are expected to receive the funds in real time as soon as funds are transferred by the remitting bank. The beneficiary bank has to credit the beneficiary's account within 30 minutes of receiving the funds transfer message.

**Q5. Would the remitting customer receive an acknowledgement of money credited to the beneficiary's account?**

Ans. The remitting bank receives a message from the Reserve Bank that money has been credited to the receiving bank. Based on this the remitting bank can advise the remitting customer through SMS that money has been credited to the receiving bank.

**Q6. Would the remitting customer get back the money if it is not credited to the beneficiary's account? When?**

Ans. Yes. Funds, received by a RTGS member for the credit to a beneficiary customer's account, will be returned to the originating RTGS member within one hour of the receipt of the payment at the PI of the recipient bank or before the end of the RTGS Business day, whichever is earlier, if it is not possible to credit the funds to the beneficiary customer's account for any reason e.g. account does not exist, account frozen, etc. Once the money is received back by the remitting bank, the original debit entry in the customer's account is reversed.

**Q7. Till what time RTGS service window is available?**

Ans. The RTGS service window for customer's transactions is available to banks from 9.00 hours to 16.30 hours on week days and from 9.00 hours to 14:00 hours on Saturdays for settlement at the RBI

end. However, the timings that the banks follow may vary depending on the customer timings of the bank branches.

**Q8. What about Processing Charges / Service Charges for RTGS transactions?**

Ans With a view to rationalize the service charges levied by banks for offering funds transfer through RTGS system, a broad framework has been mandated as under:

- a) Inward transactions – Free, no charge to be levied.
- b) Outward transactions – ` 2 lakh to ` 5 lakh - not exceeding ` 30.00 per transaction; Above ` 5 lakh – not exceeding ` 55.00 per transaction.

**Q9. What is the essential information that the remitting customer would have to furnish to a bank for the remittance to be effected?**

Ans. The remitting customer has to furnish the following information to a bank for initiating a RTGS remittance:

- 1. Amount to be remitted
- 2. Remitting customer's account number which is to be debited
- 3. Name of the beneficiary bank and branch
- 4. The IFSC Number of the receiving branch
- 5. Name of the beneficiary customer
- 6. Account number of the beneficiary customer
- 7. Sender to receiver information, if any

**Q10. How would one know the IFSC number of the receiving branch?**

Ans. The beneficiary customer can obtain the IFSC code from his bank branch. The IFSC code is also available on the cheque leaf. The list of IFSCs is also available on the RBI website . This code number and bank branch details can be communicated by the beneficiary to the remitting customer.

**Q11. Do all bank branches in India provide RTGS service?**

Ans. No. All the bank branches in India are not RTGS enabled. Presently, there are more than 100,000 RTGS enabled bank branches. The list of such branches is available on RBI website

**Q12. Is there any way that a remitting customer can track the remittance transaction?**

Ans It would depend on the arrangement between the remitting customer and the remitting bank. Some banks with internet banking facility provide this service. Once the funds are credited to the account of the beneficiary bank, the remitting customer gets a confirmation from his bank either by an e-mail or SMS. Customer may also contact RTGS / NEFT Customer Facilitation Centres of the banks, for tracking a transaction.

**Q13. Whom do I can contact, in case of non-credit or delay in credit to the beneficiary account?**

Ans. Contact your bank / branch. If the issue is not resolved satisfactorily, complaint may be lodged to the Customer Service Department of RBI at -

The Chief General Manager Reserve Bank of India Customer Service Department  
1st Floor, Amar Building, Fort

Mumbai – 400 001

Or send email

**Q14. How can a remitting customer know whether the bank branch of the beneficiary accepts remittance through RTGS?**

Ans. For a funds transfer to go through RTGS, both the sending bank branch and the receiving bank branch would have to be RTGS enabled. The lists are readily available at all RTGS enabled branches. Besides, the information is available at RBI website. Considering that more than 110,000 branches at more than 30,000 cities / towns / taluka places are covered under the RTGS system, getting this information would not be difficult.

**National Income**

**Product has two types of cost**

1. Factor cost
2. Market cost

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National income first time calculated by Dadabhai naroji in 1867 and he wrote a book “Poverty & Unbritish Rule in India”

National Income= Total income/ Total population

1931-32 Mr. V.K.R.V Rao calculated national Income second time.(First time by scientific way)

1949 National Income Committee headed by P.C Mahalanobis (Economist) Note- 2<sup>nd</sup> five year model based on P.C Mahalanobis .

29<sup>th</sup> June is celebrated as National Statistical Day

**The Base year for national Income is 2004-05**

**According to National Income Committee 1949** “national Income estimates measured in volume of goods and services, turned out during a given period counted without duplication.”

**Gross domestic product(GDP)-** The total monetary value of all final goods and services produced in a geographical boundary in a financial year.

**Gross National Product(GNP)-** IN GDP, add the income earned by Nationals (people of India) in Foreign country and subtract the income earned by foreigners within the country(India).

**Net National Product (NNP)-** calculated on goods and services

NNP= GNP- Depreciation

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## Inflation

**Inflation-** Inflation

is a persistent increase in the general price level of goods and services in an economy over a period of time

In India for inflation measurement Base year is 2004-05.

### Types of Inflation-

1. Demand pull inflation
2. Cost push Inflation

3. wages Inflation
4. Imported Inflation

**1. Demand Pull Inflation-** occurs demand for goods and services exceed the supply.

**2. Cost Push Inflation-** Price increase due to increase in price of other products.

**3. Wages Inflation-** It occurs due to increase in wages as a result purchasing power of people increases.

**4. Imported Inflation-** The general price level rises in a country because of the rise in prices of imported commodities.

### Categories of Inflation-

### 1. Creeping Inflation-

When there is a general rise in prices at very low rates, which is usually between 2-4 percent annually.

### 2. Walking Inflation

- This type of strong, or pernicious, inflation is between 3-10% a year. It is harmful to the economy because it heats up economic growth too fast.

### 3. Galloping Inflation-

When inflation rises to ten percent or greater, it wreaks absolute havoc on the economy. Money loses value so fast that business and employee income can't keep up with costs and prices.

### 4. Hyper Inflation-

Hyperinflation is when the prices skyrocket more than 50% -- a month. It is fortunately very rare.

### Inflation Related Terms

#### 1. Deflation-

Deflation is the opposite of inflation -- it's

when prices fall. It is caused by a reduction in the supply of money or credit .

**2. Hyperinflation-** Extremely rapid or out of control inflation. Hyper inflation is a situation where the price increases are so out of control that the concept of inflation is meaningless.

**3. Stagflation-** A condition of slow economic growth and relatively high unemployment- a time of stagnation- accompanied by a rise in rises , or inflation.

**4. Disinflation-** A slowing in the rate of price inflation. Disinflation is used to describe instances when the inflation rate has reduced marginally over the short term. It is used to describe periods of slow inflation.

**5. Reflation-** Reflation is the act of stimulating the economy by increasing the money supply or by reducing taxes. it is opposite of disinflation.

### Budget and its types

**Budget-** Budget is the estimation of income and expenditure. Budget is prepared for proper and systematic development.

Budget represent in 3 ways-

1. Income > expenditure = surplus
2. Income = expenditure = balance budget
3. Income < expenditure = deficit budget

**Note-** India's budget is always deficit because India is a developing country.

### Sources of Money for Government-

1. Loan from RBI
2. Government securities
3. Loan from Asian development Bank and world bank

### Categories of Budget-

1. Gender Budget
2. Zero base Budget
3. Outcome Budget
4. Traditional Budget
5. Performance Budget
6. Interim Budget

1. **Gender Budget-** When budget is female oriented is called gender budget.

2. **Zero base Budget-** When government form budget without considering last years budget performance that is called zero base budget.

3. **Outcome Budget-** When budget is result oriented (means particular sector growth related).

4. **Traditional Budget-** When income estimated and expenditure fixed is called Traditional budget.

5. **Performance Budget-** When government form budget with considering last year budget.

6. **Interim Budget-** Year 2014-15 budget is interim budget.

When government is not able to prepare budget for full year is called interim budget. Example in election times, in wars.

Interim Budget is for 4 months.

**Note-** First time budget was represented by Robert woolpoul in 1773 in U.K. Bugat is a french word for Budget.

In India under **Constitution Article 112** government present Union Budget. In constitution of India annual financial statement is mentioned not budget.

State Legislative Assemble present

their budget by **article 202**.

India's First Budget was presented by James Wilson in 1860 when lord canning is viceroy of India.

In 1921 Edward committee recommend to divide budget in two parts-

1. Rail Budget
2. Union Budget

First Independent India's Budget presented by Mr. R. K kshadmugam chatti (it is first interim budget) in November 1947.

First Republic India's Budget presented by Mr. John Mathei.

## **Banking Ombudsman, 2006**

### **1. What is the Banking Ombudsman Scheme?**

The Banking Ombudsman Scheme enables an expeditious and inexpensive forum to bank customers for resolution of complaints relating to certain services rendered by banks. The Banking Ombudsman Scheme is introduced under Section 35 A of the Banking Regulation Act, 1949 by RBI with effect from 1995.

### **2. Who is a Banking Ombudsman?**

The Banking Ombudsman is a senior official appointed by the Reserve Bank of India to redress customer complaints against deficiency in certain banking services.

### **3. How many Banking Ombudsmen have been appointed and where are they located?**

As on date, fifteen Banking Ombudsmen have been appointed with their offices located mostly in state capitals. The addresses and contact details of the Banking Ombudsman offices have been provided in the annex.

### **4. Which are the banks covered under the Banking Ombudsman Scheme, 2006?**

All Scheduled Commercial Banks, Regional Rural Banks and Scheduled Primary Co-operative Banks are covered under the Scheme.

### **5. When can one file a complaint?**

One can file a complaint before the Banking Ombudsman if the reply is not received from the bank within a period of one month after the bank concerned has received one s representation, or the bank rejects the complaint, or if the complainant is not satisfied with the reply given by the bank.

## Banking Ombudsman?

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### 6. Where can one lodge his/her complaint?

One may lodge his/her complaint at the office of the Banking Ombudsman under whose jurisdiction, the bank branch complained against is situated. For complaints relating to credit cards and other types of services with centralized operations, complaints may be filed before the Banking Ombudsman within whose territorial jurisdiction the billing address of the customer is located. Address and area of operation of the banking ombudsmen are provided in the annex.

### 7. Can a complaint be filed by one's authorized representative?

Yes. The complainant can be filed by one's authorized representative (other than an advocate).

No, The Banking Ombudsman does not charge any fee for filing and resolving customers' complaints.

## MONEY

Money is a thing that is usually accepted as payment for goods and services as well as for the repayment of debts.

### 8. Is there any cost involved in filing complaints with

Types of Money  
Commodity Money -

Commodity money value is derived from the commodity out of which it is made. The commodity itself represents money and the money is the commodity. For instance, commodities that have been used as mediums of exchange include gold, silver, copper, salt, peppercorns, rice, large stones, etc.

**Representative Money -**  
Representative Money includes token coins, or any other physical tokens like certificates, that can be reliably exchanged for a fixed amount/quantity of a commodity like gold or silver.

**Fiat Money -**  
Fiat money, also known as fiat currency is the money whose value is not derived from any intrinsic value or any guarantee that it can be converted into valuable

commodity (like gold). Instead, it derives value only based on

government order (fiat).

**Commercial Bank Money -**  
Commercial bank money or the demand deposits are claims against financial institutions which can be used for purchasing goods and services.

**Narrow and Broad Money -**  
Money supply, like money demand, is a stock variable. The total stock of money in circulation among the public at a particular point of time is called money supply. RBI publishes figures for four alternative measures of money supply, viz. M1, M2, M3 and M4. They are defined as follows -  
 $M1 = CU + DD$   
 $M2 = M1 + \text{Savings deposits with Post Office savings banks}$   
 $M3 = M1 + \text{Net time deposits of commercial banks}$   
 $M4 = M3 + \text{Total deposits with Post Office savings organisations (excluding National Savings Certificates)}$  where, CU is currency (notes plus coins) held by the public and DD is net demand deposits held by commercial banks. The word 'net' implies that

only deposits of the public held by the banks are to be included in money supply.

The interbank deposits, which a commercial bank holds in other commercial banks, are not to be regarded as part of money supply.

M1 and M2 are known as narrow money. M3 and M4 are known as broad money. These gradations are in decreasing order of liquidity. M1 is most liquid and easiest for transactions whereas

M4 is least liquid of all. M3 is the most commonly used measure of money supply. It is also known as aggregate monetary resources.

## **Money Market**

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A money market is a market for borrowing and lending of short-term funds. It deals in funds and financial instruments having a maturity period of one day to one year. It is a mechanism through which short-term funds are loaned or borrowed and through which a large part of financial transactions of a particular country or of the world are cleared.

It is not a single market but a collection of markets for several instruments like call money market, Commercial bill market etc. The Reserve Bank of India is the most important constituent of Indian money market

In money market the players are :-Government, RBI, DFHI (Discount and finance House of India) Banks, Mutual Funds, Corporate Investors, Provident Funds, PSUs (Public Sector Undertakings), NBFCs (Non-Banking Finance Companies) etc.

### STRUCTURE OF INDIAN MONEY MARKET

Organised Sector	Unorganised Sector
Call and Notice Money Market	Indigenous Bankers Treasury Bill Market
Money Lenders Commercial Bills	NBFI
Certificate of Deposits	
Commercial Papers	
Money Market Mutual Funds	
The REPO Market	
DFHI	

#### Organised Sector Of Money Market :-

Organised Money Market is not a single market, it consist of number of markets. The most important feature of money market instrument is that it is liquid. It is characterised by high degree of safety of principal. Following are the instruments which are traded in money market

##### 1) Call And Notice Money Market :-

The market for extremely short-period is referred as call money market. Under call money market, funds are transacted on overnight basis. The participants are mostly banks. Therefore it is also called Inter-Bank Money Market. Under notice money market funds are transacted for 2 days and 14 days period. The lender issues a notice to the borrower 2 to 3 days before the funds are to be paid. On receipt of notice, borrower have to repay the funds.

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##### 2) Treasury Bill Market (T - Bills) :-

This market deals in Treasury Bills of short term duration issued by RBI on behalf of Government of India. At present three types of treasury bills are issued through auctions, namely 91 day, 182 day and 364 day treasury bills. State government does not issue any treasury bills. Interest is determined by market forces. Treasury bills are available for a minimum amount of Rs. 25,000 and in multiples of Rs. 25,000. Periodic auctions are held for their Issue. Commercial Banks, Primary Dealers, Mutual Funds, Corporates, Financial Institutions, Provident or Pension Funds and Insurance Companies can participate in T-bills market.

##### 3) Commercial Bills :-

Commercial bills are short term, negotiable and self liquidating money market instruments with low risk. A bill of exchange is drawn by a seller on the buyer to make payment within a certain period of time. Generally, the maturity period is of three months. Commercial bill can be resold a number of times during the usance period of bill.

#### 4) **Certificate Of Deposits (CDs) :-**

CDs are issued by Commercial banks and development financial institutions. CDs are unsecured, negotiable promissory notes issued at a discount to the face value. The scheme of CDs was introduced in 1989 by RBI. The main purpose was to enable the commercial banks to raise funds from market. At present, the maturity period of CDs ranges from 3 months to 1 year. They are issued in multiples of Rs. 25 lakh subject to a minimum size of Rs. 1 crore. CDs can be issued at discount to face value. They are freely transferable but only after the lock-in-period of 45 days after the date of issue.

#### 5) **Commercial Papers (CP) :-**

. Commercial Papers were introduced in January 1990. The Commercial Papers can be issued by listed company which have working capital of not less than Rs. 5 crores. They could be issued in multiple of Rs. 25 lakhs. The minimum size of issue being Rs. 1 crore. At present the maturity period of CPs ranges between 7 days to 1 year. CPs are issued at a discount to its face value and redeemed at its face value.

#### 6) **Money Market Mutual Funds (MMMFs) :-**

A Scheme of MMMFs was introduced by RBI in 1992. The goal was to provide an additional short-term avenue to individual investors. In November 1995 RBI made the scheme more flexible. The existing guidelines allow banks, public financial institutions and also private sector institutions to set up MMMFs. The ceiling of Rs. 50 crores on the size of MMMFs stipulated earlier, has been withdrawn. MMMFs are allowed to issue units to corporate enterprises and others on par with other mutual funds. Resources mobilised by MMMFs are now required to be invested in call money, CD, CPs, Commercial Bills arising out of genuine trade transactions, treasury bills and government dated securities having an unexpired maturity upto one year. Since

March 7, 2000 MMMFs have been brought under the purview of SEBI regulations. At present there are 3 MMMFs in operation.

#### 7) **The Repo Market :-**

Repo was introduced in December 1992. Repo is a repurchase agreement. It means selling a security under an agreement to repurchase it at a predetermined date and rate. Repo transactions are affected between banks and financial institutions and among bank themselves, RBI also undertake Repo.

#### 8) **Discount And Finance House Of India (DFHI)**

In 1988, DFHI was set up by RBI. It is jointly owned by RBI, public sector banks and all India financial institutions which have contributed to its paid up capital. It is playing an important role in developing an active secondary market in Money Market Instruments.

## II. **Unorganised Sector Of Money Market :-**

The economy on one hand performs through organised sector and on other hand in rural areas there is continuance of unorganised, informal and indigenous sector. The main constituents of unorganised money market are:-

### 1) **Indigenous Bankers (IBs)**



Indigenous bankers are individuals or private firms who receive deposits and give loans and thereby operate as banks. IBs accept deposits as well as lend money. They mostly operate in urban areas, especially in western and southern regions of the country.

## 2) Money Lenders (MLs)

They are those whose primary business is money lending. Money lending in India is very popular both in urban and rural areas. Interest rates are generally high. Large amount of loans are given for unproductive purposes.

## 3) Non - Banking Financial Companies (NBFCs)

They consist of :-

### 1. Chit Funds

Chit funds are savings institutions. It has regular members who make periodic subscriptions to the fund. The beneficiary may be selected by drawing of lots. Chit fund is more popular in Kerala and Tamilnadu.

### 2. Nidhis :-

Nidhis operate as a kind of mutual benefit for their members only. The loans are given to members at a reasonable rate of interest. Nidhis operate particularly in South India.

## 3. Loan Or Finance Companies

Loan companies are found in all parts of the country. Their total capital consists of borrowings, deposits and owned funds. They give loans to retailers, wholesalers, artisans and self employed persons. They offer a high rate of interest along with other incentives to attract deposits. They charge high rate of interest varying from 36% to 48% p.a.

## 4. Finance Brokers

They are found in all major urban markets specially in cloth, grain and commodity markets. They act as middlemen between lenders and borrowers. They charge commission for their services.

**CAPITAL MARKET :-**

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Capital market deals with medium term and long term funds. It refers to all facilities and the institutional arrangements for borrowing and lending term funds (medium term and long term). The demand for long term funds comes from private business corporations, public corporations and the government. The supply of funds comes largely from individual and institutional investors, banks and special industrial financial institutions and Government.

**B) STRUCTURE I CONSTITUENTS I CLASSIFICATION OF CAPITAL MARKET :-**

Capital market is classified in two ways

**1) CAPITAL MARKET IN INDIA**

- a) Gilt - Edged Market
- b) Industrial Securities Market
- c) Development Financial Institutions d) Financial Intermediaries

**a) Gilt - Edged Market :-**

Gilt - Edged market refers to the market for government and semi-government securities, which carry fixed rates of interest. RBI plays an important role in this market.

**b) Industrial Securities Market :-**

It deals with equities and debentures in which shares and debentures of existing companies are traded and shares and debentures of new companies are bought and sold.

**c) Development Financial Institutions :-**

Development financial institutions were set up to meet the medium and long-term requirements of industry, trade and agriculture. These are IFCI, ICICI, IDBI, SIDBI, IRBI, UTI, LIC, GIC etc. All These institutions have been called Public Sector Financial Institutions.

**d) Financial Intermediaries :-**

Financial Intermediaries include merchant banks, Mutual Fund, Leasing companies etc. they help in mobilizing savings and supplying funds to capital market.

2) The Second way in which capital market is classified is as follows :- **CAPITAL MARKET IN INDIA**

**Primary market**

**Secondary market**

**a) Primary Market :-**

Primary market is the new issue market of shares, preference shares and debentures of non-government public limited companies and issue of public sector bonds.

**b) Secondary Market**

This refers to old or already issued securities. It is composed of industrial security market or stock exchange market and gilt-edged market.

**Banks And their Headquarters**

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	Headquarters
Banks	
Delhi	Punjab National bank Punjab and sind bank Bharatiya Mahilla Bank Oriental Bank of Commerce(Gurgaon)
Mumbai	Bank of India Union Bank IDBI ECGC Dena Bank Central Bank of India
Bangalore	Canara Bank Vijaya Bank Syndicate bank(Manipal) Corporation Bank(Mangalore)
Kolkata	Uco bank Allahabad bank United Bank
Vadodara	Bank Of Baroda
Chennai	Indian Overseas Bank Indian Bank
Pune	Bank of Maharashtra

## Public sector Banks and Their Taglines

**State Bank Group-** Pure banking nothing else;

**Allahabad Bank-** A tradition of trust

**Andhra Bank** Much more to do, with YOU in focus

**Bank of Baroda**- India's international bank **Bank of India**- Relationships beyond banking **Bank of**

**Maharashtra** - One family one bank **Canara Bank** - Together We Can

**Central Bank of India**- Build A Better Life Around Us

**Corporation Bank**- Prosperity for All **Dena Bank**- Trusted Family Bank **IDBI Bank**- Banking for All

**Indian Bank**- Taking banking technology to the common man

**Indian Overseas Bank**- Good people to grow with

**Oriental Bank of Commerce**- Where every individual is committed

**Punjab National Bank**- A Name you can Bank Upon **Syndicate Bank**- Your faithful & friendly

financial partner **UCO Bank**- Honours Your Trust

**Union Bank of India**- Good People to Bank with

**United Bank of India**- The Bank that begins with U

**Vijaya Bank**- A Friend You can Bank Upon

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## National Stock Exchange of India

Established in November 1990

Got recognition as a stock exchange from government in April 1993

In October 1995 it became the largest stock exchange of India

In June 1996 Settlement Guarantee Fund Established

## Bombay Stock Exchange

Established in 1875, BSE Ltd. (formerly known as Bombay Stock Exchange Ltd.), is Asia's first Stock Exchange and one of India's leading exchange groups. Over the past 137 years, BSE has facilitated the growth of the Indian corporate sector by providing it an efficient capital-raising platform. Popularly known as BSE, the bourse was established as "The Native Share & Stock Brokers' Association" in 1875. BSE is a corporatized and demutualised entity, with a broad shareholder-base which includes two 86 leading global exchanges, Deutsche Bourse and Singapore Exchange as strategic partners. BSE provides an efficient and transparent market for trading in equity, debt instruments, derivatives, mutual funds. It also has a platform for trading in equities of small-and-medium enterprises (SME).

## DEMATERIALISATION

Dematerialisation is the process by which a client can get physical certificates converted into electronic balances. An investor intending to dematerialise its securities needs to have an account with a DP. The client has to deface and surrender the certificates registered in its name to the DP. After intimating NSDL electronically, the DP sends the securities to the concerned Issuer/ R&T agent. NSDL in turn

informs the Issuer/ R&T agent electronically, using NSDL Depository system, about the request for dematerialisation. If the Issuer/ R&T agent finds the certificates in order, it registers NSDL as the holder of the securities (the investor will be the beneficial owner) and communicates to NSDL the confirmation of request electronically. On receiving such confirmation, NSDL credits the securities in the depository account of the Investor with the DP.

Demat Account means an account in the dematerialized form having only digital documents.

**Financial Organisations in India**

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**The following are some of the Financial Institutions of India.**

### **3. INDUSTRIAL FINANCE CORPORATION OF INDIA**

At the time of independence in 1947, India's capital market was relatively under-developed. Although there was significant demand for new capital, there was a dearth of providers. Merchant bankers and underwriting firms were almost non-existent and commercial banks were not equipped to provide long-term industrial finance in any significant manner. It is against this backdrop that the government established The Industrial Finance Corporation of India (IFCI) on July 1, 1948, as the first Development Financial Institution in the country to cater to the long-term finance needs of the industrial sector. The newly-established DFI was provided access to low-cost funds through the central bank's Statutory Liquidity Ratio or SLR which in turn enabled it to provide loans and advances to corporate borrowers at concessional rates.

By the early 1990s, it was recognized that there was need for greater flexibility to respond to the changing financial system. It was also felt that IFCI should directly access the capital markets for its funds

### **SEBI- Securities and Exchange Board of India**



Securities and Exchange Board of India (SEBI) was established by Government of India through an executive resolution in the year 1988. SEBI was subsequently upgraded as a fully autonomous body in 1992 with the passing of the Securities and Exchange Board of India Act (SEBI Act) on 30th January 1992. In the year 1995, the SEBI was given additional statutory power by the Government of India through an amendment to the securities and Exchange Board of India Act 1992.

1. The headquarter of SEBI is located in the business district of Bandra-Kurla complex in Mumbai.
2. The Chairman of SEBI – Upendra Kumar Sinha (UK Sinha)
3. The Whole Time Member of SEBI- Prashant Saran
4. The first chairman of SEBI was – Dr. S. A. Dave
5. SEBI deals with – the issuers of securities, the investors and the market intermediaries.

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#### **Basic Objective of SEBI -**

1. To Promote the interests of investors in securities
2. To promote the development of Securities Market
3. To regulate the securities market
4. For matters connected therewith or incidental thereto.

### **4. NABARD**

National Bank for Agriculture and Rural Development





Headquarters in Mumbai **Headquarters**

Mumbai, Maharashtra, India

<b>Established</b>	12 July 1982
<b>Chairman</b>	Dr. Harsh Kumar Bhanwala
<b>Currency</b>	(Rupee₹)
<b>Reserves</b>	Rs.81,220 crore (2007)
<b>Website</b>	<a href="http://www.nabard.org">www.nabard.org</a>

NABARD is the apex development bank in India

**National Bank for Agriculture and Rural Development (NABARD)** is an apex development bank in India having headquarters based in Mumbai (Maharashtra) and other branches are all over the country. The Committee to Review Arrangements for Institutional Credit for Agriculture and Rural Development (CRAFICARD), set up by the Reserve Bank of India (RBI) under the Chairmanship of Shri B. Sivaraman, conceived and recommended the establishment of the National Bank for Agriculture and Rural Development (NABARD). It was established on 12 July 1982 by a special act by the parliament and its main focus was to uplift rural India by increasing the credit flow for elevation of agriculture & rural non farm sector and completed its 25 years on 12 July 2007. It has been accredited with "matters concerning policy, planning and operations in the field of credit for agriculture and other economic activities in rural areas in India". RBI sold its stake in NABARD to the Government of India, which now holds 99% stake. NABARD is active in developing financial inclusion policy and is a member of the Alliance for Financial Inclusion.

### Role

NABARD is the apex institution in the country which looks after the development of the cottage industry, small industry and village industry, and other rural industries. NABARD also reaches out to allied economies and supports and promotes integrated development. And to help NABARD discharge its duty, it has been given certain roles as follows:

1. Serves as an apex financing agency for the institutions providing investment and production credit for promoting the various developmental activities in rural areas
2. Takes measures towards institution building for improving absorptive capacity of the credit delivery system, including monitoring, formulation of rehabilitation schemes, restructuring of credit institutions, training of personnel, etc.
3. Co-ordinates the rural financing activities of all institutions engaged in developmental work at the field level and maintains liaison with Government of India, State Governments, Reserve Bank of India (RBI) and other national level institutions concerned with policy formulation
4. Undertakes monitoring and evaluation of projects refinanced by it.
5. NABARD refinances the financial institutions which finances the rural sector.
6. The institutions which help the rural economy, NABARD helps develop.
7. NABARD also keeps a check on its client institutes.
8. It regulates the institution which provides financial help to the rural economy.
9. It provides training facilities to the institutions working the field of rural upliftment.
10. It regulates the cooperative banks and the RRB's, and manages talent acquisition through IBPS CWE

## 5. SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI)

- SIDBI, as a subsidiary of IDBI, commenced its operations from April 2, 1990. (Act passed in Oct 1989)

- Its headquarters is at Lucknow.

- Main objective: to ensure larger flow of financial and non-financial assistance to the small scale sector.

- **Thrust on**

- Initiating steps for technological up gradation and modernization of existing units.

- Expanding the channels for marketing the products of SSI Sector in domestic and overseas market.

- Promotion of employment oriented industries especially in semi urban areas to create more employment opportunities

- **Major Activities:** Refinance of loan and advances, discounting and rediscounting of bills, extension of seed capital/soft loans, granting direct assistance, providing services like factoring, leasing and so on.

## 5. THE INDUSTRIAL CREDIT AND INVESTMENT CORPORATION OF INDIA

**ICICI** was formed in 1955 at the initiative of the World Bank, the Government of India and representatives of Indian industry. The principal objective was to create a development financial institution for providing medium-term and long-term project financing to Indian businesses. In the 1990s, ICICI transformed its business from a development financial institution offering only project finance to a diversified financial services group offering a wide variety of products and services, both directly and through a number of subsidiaries and affiliates like ICICI Bank. In 1999, ICICI became the first Indian company and the first bank or financial institution from non-Japan Asia to be listed on the NYSE.

After consideration of various corporate structuring alternatives in the context of the emerging competitive scenario in the Indian banking industry, and the move towards universal banking, the managements of ICICI and ICICI Bank formed the view that the merger of ICICI with ICICI Bank would be the optimal strategic alternative for both entities, and would create the optimal legal structure for the ICICI group's universal banking strategy. The merger would enhance value for ICICI shareholders through the merged entity's access to low-cost deposits, greater opportunities for earning fee-based income and the ability to participate in the payments system and provide transaction-banking services. The merger would enhance value for ICICI Bank shareholders through a large capital base and scale of operations, seamless access to ICICI's strong corporate relationships built up over five decades, entry into new business segments, higher market share in various business segments, particularly fee-based services, and access to the vast talent pool of ICICI and its subsidiaries. In October 2001, the Boards of Directors of ICICI and ICICI Bank approved the merger of ICICI and two of its wholly-owned retail finance subsidiaries, ICICI Personal Financial Services Limited and ICICI Capital Services Limited, with ICICI Bank. The merger was approved by shareholders of ICICI and ICICI Bank in January 2002, by the High Court of Gujarat at Ahmedabad in March 2002, and by the High Court of Judicature at Mumbai and the Reserve Bank of India in April 2002. Consequent to the merger, the ICICI group's financing and banking operations, both wholesale and retail, have been integrated in a single entity.

## 6. STATE FINANCIAL CORPORATION'S (SFC'S)

State Financial Corporations were set up in 1952 in order to provide medium and long term credit to industrial undertakings, which fall outside the normal activities of Commercial

Banks. These are the state-level organizations, which provide term finance to medium- and small-scale industries. Here are some important facts about SFCs.

Its share capital contributed by the state govts, IDBI, scheduled banks, insurance companies and others.

Control of SFCs is shared by the state government and the IDBI.

These are helpful in ensuring balanced regional development, higher investment, more employment generation and broad ownership of industries.

At present, there are 18 SFCs.

Source of finance: bonds, debentures and borrowings from the IDBI, state government and SIDBI.

Provide financial assistance in all the four major forms, namely loans and advances, subscription to shares and debentures, underwriting of new issues, and guarantee of loans from third parties and deferred payments.

The bulk of the SFC finance (about 90%) is made available in the form of loans and advances.

Liberal assistance is given to technician entrepreneurs and to industrial units in specified backward areas on concessional terms.

The operation of the SFCs suffers from a very high ratio of overdues/defaults, excessive concentration of loan finance, weak promotional role, and delays in sanctioning and disbursing assistance.

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## Taxing System in India

**Tax Structure in India** India has a well maintained tax structure that clearly differentiate authority between Central, State, and Local Bodies. As the Indian Constitution is quasi federal, the country has three tier government comprising Central Government, the State Government, and the Local Governments. Central Government levy taxes on income, custom duties, service tax, and service tax. State government levy Stamp Duty, Value Added Tax (VAT), state excise, land revenue and profession tax. And Local Government can levy tax on octroi, properties, and utilities like water, electricity and so on. Indian government has broadly classified the taxes in two types, which are mentioned below:

### DIRECT TAX

Direct Taxes are those taxes whose burden to the pay the tax directly lays on the tax payer. It is generally imposed on individual person or property. Direct taxes accounts for more than half of the total tax revenue of the central Government. It includes income tax, wealth tax, house tax etc.

**Taxes on Wealth and Income** The central government levies a number of taxes on income and wealth of which only personal income tax and corporation tax are important.

**Personal Income Tax:** It is levied on the incomes of individual, Hindu Families, unregistered firms and other association of people. For taxation purposes, income from all sources is added.

**Corporation Tax:** Corporation Tax is levied on the income of registered companies and corporations. The rationale for the corporation tax is that a joint stock company has a separate entity and thus a separate tax different from personal income tax has to be levied on its income.

**Taxes on Wealth & Capital** The taxes which have been levied on wealth and capital are mainly three: estate duty, annual tax on wealth, and gift tax

- **Estate Duty:** It was first introduced in India in 1953. It was levied on total property passing on the death of the person. The whole property of deceased constituted the estate and was considered liable to pay the estate duty.

**Annual Tax on Wealth:** it was first introduced in May 1957 on the recommendation of Kaldor. It is levied on the excess of net wealth over exemption of individual, Joint Hindu Families and companies.

**Gift Tax** was first introduced in the year 1958. It was treated as complementary to the estate duty and annual tax on wealth. The gift tax was leviable on all donations except the one given by charitable, Government Companies and private companies.

### INDIRECT TAX

Indirect Taxes are those taxes, which are collected from intermediary from the individual who bears the ultimate economic burden of tax. In other words, it is the tax whose liability to pay is one person and burden to pay is other individual. Indirect Tax includes sales tax, value added tax, entertainment tax and so on. Some of them are mentioned below:

Custom Duties -While using its constitutional power, the central government levies duties on both import and exports. Import duties in India are generally levied on advalorem basis which implies that they are determined as certain percentage of the price of commodity.

Excise Duties An excise duty is in true sense a commodity tax because it is levied on production and has absolutely no connection with its actual sale. Excise duties on commodities other than alcoholic liquor and narcotics are levied by the central government

## **Negotiable Instruments Act**

In India, the Negotiable Instruments Act was passed during 1881 and came into force w.e.f Mar 1, 1882. It has 142 sections and 17 Chapters (Section 138 and 142 were added in 1988 and these Section came into effect wef Apr 1, 1989). This Act is applicable to whole India.

### **Negotiable Instruments (NI)**

An NI means and includes promissory note, bill of exchange and cheque payable to order or bearer.

### **IMPORTANT CHARACTERISTICS OF NEGOTIABLE INSTRUMENTS**

Following are the important characteristics of negotiable instruments:

(1) The holder of the instrument is presumed to be the owner of the property contained in it. (2) They are freely transferable.

(3) A holder in due course gets the instrument free from all defects of title of any previous holder. (4) The holder in due course is entitled to sue on the instrument in his own name.

(5) The instrument is transferable till maturity and in case of cheques till it becomes stale (on the expiry of 6 months from the date of issue). (6) Certain equal presumptions are applicable to all negotiable instruments unless the contrary is proved. Originally these three instruments were included in NI Act and the following instruments are considered as NIs due to usage, practice and various judgments of courts:

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## Important Committees

List of Committees	Name of committee	Subject
	Bhagwati Committee	Public Welfare
	Bhagwati Committee	Unemployment
	Co-ordination between commercial banks and SFCs	
	Co-ordination between term lending institutions and commercial banks.	
	Bothalingam Committee	Wage, Income and Prices
	Sukhmoy Chakravarty Committee	To review the working of the monetary system
	Raja Chelliah Committee	Tax reforms
	Cheshi Committee	Direct Taxes
	SC Chokshi Committee	Direct Tax Law
	KB Chore Committee	To review the system of Cash
	Credit	
	Cook Committee (on behalf of Bank for International Settlements - Basle Committee)	Capital Adequacy of banks

To examine the extent to which the credit needs of industry and trade which are likely to be inflated and how such trends could be checked

To examine the credit requirements of Leasing industry

ML Dantwala Committee	RRBs
Dharia Committee	Public Distribution System
Dutta Committee	Industrial Licensing
Gadgil Committee	Lead Bank Scheme (1969) Shankarlal Gauri Committee
Agricultural Marketing	
Frauds and malpractices in banks	

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A Ghosh Committee	Final Accounts	
A Ghosh Committee	Modalities of Implementation of	
New 20-Point programme		
Goiporia Committee	Customer service in banks	
Industrial sickness and corporate restructuring		
Differential Interest Rates (DIR) Scheme		
Hazari Committee	Industrial Policy (1967) Janakiraman Committee	To
enquire into the securities		
transactions of banks and financial institutions		
LK Jha Committee	Indirect Taxes	
Review of the system of cash credit		
SK Kalia Committee	Role of NGOs and Self-Help	
Groups on credit		
To examine introduction of factoring services in India		
CE Kamath Committee	Multi-agency approach in	
Agricultural Finance		
Karve Committee	Small Scale Industry	
To develop appropriate supervisory framework for Non- Banking Financial Companies (NBFCs) operating essentially in Credit market		
Khusro Committee	Agricultural Credit	
KS Krishnaswamy Committee	Role of banks in Priority sector and	
20-Point Economic Programme		
G Lakshminarayan Committee	Extension of Credit limits on	
Consortium basis		
Productivity, Operational Efficiency, Profitability of banks		
Mahalanobis Committee	To review Income distribution	
YH Malegam Committee	To look into disclosure norms for public issues	

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RN Malhotra Committee Reforms in the Insurance sector

Marathe Committee Licensing of New Banks

To review the progress of IRDP and recommend measures for improvement  
Ram Nivas Mirdha Committee

(JP C)

To enquire into the securities scam

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To evolve improved procedures for transactions in PSU bonds and units

Narasinnham Committee                      Financial System

To examine the adequacy of Institutional Credit to SSI sector and other related aspects

To review the on-site supervision function of banks

S Padmanabhan Committee                      Inspection of banks by the RBI Pandey Committee

Regional Planning

GS Patel Committee                      To review the Carry-forward

System on Stock Exchanges

To review the existing system of Inspections of Commercial Banks, RRBs & Urban Co- operative Banks.

JC Puri Committee                      To examine bank credit to SSI James Raj Committee

Functioning of Public Sector  
Banks

Raj Committee                      Agricultural Holding Tax Rajmanner Committee

Centre-State Fiscal Relation Rakesh Mohan Committee                      Petro-Chemical Sector

Rangarajan Committee - I & II                      Computerisation of Banking  
Industry

Rangarajan Committee                      Public Sector Disinvestment' Ray Committee

Industrial Sickness

Jaybharat Reddy Committee                      Reforms in Insurance Sector

Rekhi Committee                      Indirect Taxes

WS Saraf Committee                      Technology Issues in the  
Banking Industry

RG Saraiya Committee                      Banking Commission (1972) Dr AC Shah Committee  
Non-Banking Financial  
Companies

Mrs KS Shere Committee                      To study all aspects of  
Electronic Funds Transfer

JV Shetty Committee                      Consortium advances

To review arrangements for institutional credit for Agriculture and Rural Development

OP Sodhani Committee                      Foreign Exchange Markets and  
NRIs' investment in India

Dr G Sundaram Committee                      Structure of Export Credit

PL Tandon Committee                      Export Strategy

RK Talwar Committee                      Customer service

State enactment having a bearing on Commercial banks' lending to Agriculture

To frame guidelines for follow- up of bank credit

Tandon Committee                      Industrial Sickness

To examine major issues relating to restructuring of RRBs

Tiwari Committee                      Rehabilitation of Sick Industrial undertakings

Vaghul Committee                      Money Market (Mutual Fund  
Scheme)

B Venkatappaiah Committee                      All India Rural Credit Review

Wanchoo Committee                      Direct Taxes

Central Banking Functions and Agr Finance Coordination between

DR Gadgil Committee	Agricultural finance
RS Saria Committee	Agr Finance & Coop Societies Purshottam Das Committee
Agr Finance & Coop Societies AD Gorwala Committee	Study of rural finance
RN Mirdha Committee	Coop Societies
B Venketaiya Committee	Review of rural finance system FKF Narirnan Committee
Branch expansion programme Chatalier Committee	Finance to small scale industry
Dandekar Committee	Regional imbalances
Hathi Committee	Soiled notes
Job criteria approach in bank loans	
Banking Laws changes (cheque bouncing - an offence)	
Varshney Committee	Revised method for loans of Rs 2 lac or more
N Narsimhan Committee	Establishment of RRBs
Lakshmi Narayan Committee	Consortium lending
Coordination between co- operative credit institutions	
Simplification of loan procedures and documentation relating to agricultural and allied activities	
K Madhav Das Committee	Urban Coop Banks
Tambe Committee	Composite term loan to SSIs Thakkar Committee
Credit schemes to self-employed Pillai Committee	Pay scales of Bank officers
YB Damle Committee	MICR introduction
UK Sharma Committee	Review of lead bank scheme
SM Kelkar Committee	RRB and its relative Acts
Abid Hussain Committee	Development of capital market
PD Ojha Committee	Service Area Approach
Consortium lending Single window system	
SA Dave Committee	Functioning of Mutual Funds
C Rao Committee	Agricultural policy
Nadkarni SS Committee	Trading in public sector bonds
Norms for working capital finance by banks	
R Jilani Committee	Inspections system in Banks
BD Shah Committee	Stock lending scheme
SS Tarapore Committee	Capital account convertibility
Pannir Selvam Committee	NPAs of banks
RV Gupta Committee	Agricultural Credit Delivery
SL Kapoor Committee	Institutional credit to SSIs
Harmonisation of role of FIs & Banks	
Bhave Committee	Share transfer reforms
YV Reddy Committee	Financial aggregates system LC Gupta Committee
Financial derivatives Balakrishna Eradi Committee	Insolvency Law/winding up MS Verma Committee
Measures for Weak Banks	
Rationalisation of staff-strength in Banks	
Vyas Committee	Rural credit
Dave Committee	Pension sector reforms

VS Raghavan Committee                      Competition law  
Changes in key laws relating to banking and finance (NI Act, Stamp Act etc)

RJ Kamath Committee                      Revised Education Loan  
Scheme

YV Reddy Committee                      Reforms in Small Savings

SS Kohli Committee                      Rehabilitation of sick SSI units

SS Kohli Committee                      Wilful defaulters

PR Khanna Committee                      Clarifications relating to NPAs

Consolidated Accounting by banks

MVS Chalpati Rao Committee              Restructuring of RRBs

B Samal Committee                      IBA Committee on Rural Credit

## RUPAY CARD

RuPay is the Indian domestic card payment network set up by National Payments Corporation of India (NPCI) at the behest of banks in India. The RuPay project had been conceived by Indian Banks Association (IBA) and had the approval of Reserve Bank of India (RBI).

RuPay LogoNational Payments Corporation of India (NPCI) has a plan to provide a full range of card payment services including the RuPay ATM, RuPay MicroATM, Debit, Prepaid and Credit Cards which will be accepted in India and abroad, across various channels like POS, Internet, IVR and mobile etc.

The initial focus of NPCI would be to approach those banks who have not been issuing any payment card at all more specifically – Regional Rural Banks (RRBs) and urban co-operative banks.

All Public Sector Undertakings (PSU) banks set to join RuPay system by the end of year 2012. RuPay-based debit cards can be used by the consumers on the Internet from September, 2012. The government of India had launched India's first domestic payment card network, RuPay, to compete with Visa Inc and Mastercard Inc.

### Objectives of RuPay:

The Main Objective of the RuPay payment network project is to reduce the overall transaction cost and develop products appropriate for financial inclusion.

1. Reduce overall transaction cost for the banks in India by introducing competition to international card schemes.
2. Develop products appropriate for the country particularly for financial inclusion.
3. Provide card payment service option to many banks who are currently not eligible for card issuance under the eligibility criteria of international card schemes.
4. Build environment whereby payment information of the country remains within the country
5. Shift Personal Consumption Expenditure (PCE) from cash to electronic payments in a growing economy with a population of 1.2 billion

### **Important Points to Remember:**

1. RuPay is the Indian domestic card payment network.
2. The RuPay payment network set up by National Payments Corporation of India (NPCI) at the behest of banks in India.
3. The RuPay project had been conceived by Indian Banks Association and had the approval of

Reserve Bank of India.

4. The main objective of RuPay project is to reduce overall transaction cost for the banks in India by introducing competition to international card schemes.
5. NPCI has plan to provide full range of credit service like RuPay ATM, RuPay MicroATM, Debit, Prepaid and Credit Cards which will be accepted across various channel POS, Internet, IVR, Mobile etc.
6. All state-owned banks are expected to join the RuPay system by the end of this year.
7. RuPay-based debit cards can be used by the consumers on the Internet from September, 2012.

Basel is the city of Switzerland where in 1992 the BIS conference was held (Banks for International Settlement) & this conference for organized by the European Banks in which they have prepared some guidelines for the banking industry dividing into parts Basel-I & Basel-II.

#### **Basel I- between 1994 to 1999**

#### **Basel II- after 2004**

The Basel-I guidelines were only intact with the car of the banks in which banks were bound to maintain their car between 8-12%

#### **BASEL III**

Basel III (or the Third Basel Accord) is a global, voluntary regulatory standard on bank capital adequacy, stress testing and market liquidity risk. It was agreed upon by the members of the Basel Committee on Banking Supervision in 2010–11, and was scheduled to be introduced from 2013 until 2015; however, changes from 1st April 2013 extended implementation until 31 March 2018. The third installment of the Basel Accords (see Basel I, Basel II) was developed in response to the deficiencies in financial regulation revealed by the late-2000s financial crisis. Basel III was supposed to strengthen bank capital requirements by increasing bank liquidity and decreasing bank leverage.

#### **Key principles of BASEL III : Capital requirements:**

The original Basel III rule from 2010 was supposed to require banks to hold 4.5% of common equity (up from 2% in Basel II) and 6% of Tier I capital (up from 4% in Basel II) of "risk- weighted assets" (RWA).[3] Basel III introduced "additional capital buffers", (i) a "mandatory capital conservation buffer" of 2.5% and (ii) a "discretionary counter-cyclical buffer", which would allow national regulators to require up to another 2.5% of capital during periods of high credit growth.

#### **Leverage ratio:**

Basel III introduced a minimum "leverage ratio". The leverage ratio was calculated by dividing Tier 1 capital by the bank's average total consolidated assets; The banks were expected to maintain a leverage ratio in excess of 3% under Basel III. In July 2013, the US Federal Reserve Bank announced that the minimum Basel III leverage ratio would be 6% for 8 Systemically important financial institution (SIFI) banks and 5% for their insured bank holding companies.

Liquidity requirements: Basel III introduced two required liquidity ratios. The "Liquidity

Coverage Ratio" was supposed to require a bank to hold sufficient high-quality liquid assets to cover its total net cash outflows over 30 days; the Net Stable Funding Ratio was to require the available amount of stable funding to exceed the required amount of stable funding over a one- year period of extended stress.

#### **Tier I Capital:**

Tier 1 capital is the core measure of a bank's financial strength from a regulator's point of view. It is composed of core capital, which consists primarily of common stock and disclosed reserves (or retained earnings), but may also include non-redeemable non-cumulative preferred stock. The Basel Committee also observed that banks have used innovative instruments over the years to generate Tier 1 capital; these are subject to stringent conditions and are limited to a maximum of 15% of total Tier 1 capital. This part of the Tier 1 capital will be phased out during the implementation of Basel III.

#### **Tier II Capital:**

Tier 2 capital, or supplementary capital, include a number of important and legitimate constituents of a bank's capital base. These forms of banking capital were largely standardized in the Basel I accord,

issued by the Basel Committee on Banking Supervision and left untouched by the Basel II accord. National regulators of most countries around the world have implemented these standards in local legislation. In the calculation of regulatory capital, Tier 2 is limited to 100% of Tier 1 capital.

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## **SELF HELP GROUP**

Self help group is a small volunteer association of poor people preferably from the same socio Economic background. They come together for the purpose of solving their common problems through self help and mutual help. The self help group promotes small saving among the members. The savings are kept with the Bank. This common fund is in the name of SHG. Usually the number of members in one SHG doesn't exceed 20. The NABARD and NGOs the promoters of this group.

## **KISAN CREDIT CARD**

Provision timely and adequate credit has one of the major challenges for Banks in India in dispensation of agriculture and rural credit to the farmers in order to achieve the AIM. KCC are now a new concept in the field of agriculture banking in India. The KCC scheme was started by the GOI in conciliation with the RBI and NABARD in 1998-99. The eligibility criteria for KCC is the borrower must be with a good track record of the 2 years would be the prime customer and a farmer who has the operational land holding certificate from the PATWARI. The maximum amount of KCC is up to Rs. 10000 and each withdrawal to be paid within 12 months and KCC is valid for 3 years subject to annual renewal. All branches engaged in agriculture banking could issue KCC. In very special conditions Bank can provide up to Rs. 25000 loan and the interest rate on KCC is 11%.

## **KISAN GOLD CARD**

This is hassle free term loan card that enable to avail loan for agricultural implements, land development, repair of farm machinery and consumption need farmers have the choice in regard to amount, time and purpose. The amount of loan is 5 times the annual form income with the maximum limit of Rs. 5 Lakhs. For the consumption purpose is should not exceed 20% of the limit.

## **MICROCREDIT OR MICROFINANCE**

Micro credit is the extension of very small loans to the unemployed to poor Endeavour and to others living in poverty who are not considered bankable. These individuals lack collateral steady employment and variable credit history and therefore cannot meet even the most minimal qualification to gain excess to traditional credit.

Microcredit is a part of microfinance which is the provision of the wider range of the financial services to the very poor. Microcredit is the financial innovation which originated in Bangladesh where it has successfully enabled to extremely impoverish people to engage itself employment project. The founder of this microcredit is Prof. Mohammad Yunus in mid 1970s. He is also the founder of grami8n bank of Bangladesh with which Mr. Yunus has received the Noble Peace

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Price 2006 and to pay respect towards microcredit the united nation organization has declared year 2005 "The International Year of Microcredit."

## **MUTUAL FUND**

A Mutual Fund is the professionally manage firm of collective investments that pools money from many investors in stock market, bonds, short term, money market instruments and in other securities. In mutual fund is a fund manager who is also called Portfolio manager trades the fund underlined Securities. The value of the share of mutual fund is called the net asset value which is calculated daily wage on a total value divided be a number of shares, issued and outstanding

there are two types of Mutual Fund.

- Open Ended Mutual Fund
- Closed Ended Mutual Fund

## **BULLION MARKET**

A market where the trading of precious metals held like: Gold, Silver, Diamond, Platinum and

## **STOCK MARKET**

A stock market is a private or public market for trading of company, stock and derivatives of company stock at an agreed price. Both of these are securities listed on stock exchange as well as those only traded privately.

## **BULL**

Bull is an investor who thinks the market a specific security or an industry will raise. Bulls are the optimistic investors presently predicting good things of the market and bullish is a habit to purchase that share which is in profit they are responsible to Rose in stock exchanges.

## **BEAR**

It is an investor who believes that a particular security or market is headed downward. Bears attempt to profit from a decline in prices. A Bear is generally pessimistic about the state of the given market.

## **STAG**

A Stag is an investor or speculator who subscribes to a new issue with the intention of selling them soon after allotment to realize for quick profit.

## **ADR (AMERICAN DEPOSITORY RECEIPTS)**

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An ADR represents an ownership in the share on Owner Company trading in US trading in US financial market. ADR enable US investors to buy share in foreign companies without undertaking cross border transaction. ADR's carry prices in US Dollars and can be traded as share of US based company.

## **GDR (GLOBAL DEPOSITORY RECEIPT)**

GDR is a bank certificate issued in more than one country for shares in a foreign company. These shares are held by a foreign branch of an International bank. These shares are trades as domestic shares but are offered for sale globally through the various bank branches. A GDR is a very similar to an American Depository Receipt.

## **SDR (SPECIAL DRAWING RIGHTS)**

This is the depth instrument credit be IMF in 1969 to provide the assistance and loan to their member countries. The value of the SDR was initially defined as equivalent to 0.8888671 gram of fine gold which was at that time equivalent to 1 US\$.

## **MONEY MARKET**

Money Market is the global financial market for short term borrowings and lendings. It provides short term liquid funding for global financial system. In Money Market short term obligations such as treasury bills, commercial papers and Banker's acceptance are bought and sold. The Money Market instruments are bank drafts, time deposits, time deposits, short term loans, promissory notes, ADR, GDR, Municipal notes, treasury bills and mutual funds.

## **CAPITAL MARKET**

The Capital Market is the market for securities where companies and government can raise long term fund. The Capital Market includes the stock market and the Bond Market.

## **CALL MONEY**



~~Call Money Market is the market in which broker and dealers borrow money to satisfy their credit needs either to finance their own inventory or to cover their customer margin Accounts.~~

### **ICOR (INCREMENTAL CAPITAL OUTPUT RATIO)**

ICOR is the Ratio of investment to growth which equals to one, divided by the marginal product of Capital. The higher the ICOR indicates lower the productivity of capital and lower the ICOR reflects high productivity of Capital. ICOR is the topic or instrument by which the Economic growth rate of company decided.

### **DEBIT CARD**

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Debit Card is also known as gift card. It is a type of plastic money which provides an alternative payment method for cash withdrawals through automated teller machine and this is a prepaid ATM card.

### **CREDIT CARD**

A Credit Card allows you to borrow money when you purchases. It doesn't directly debit from your bank account at the time of purchase instead you are sent a bill every month for the sum of total of your purchase. In other words this Post Paid Money Card.

### **SMART CARD**

A Smart Card or chip card or integrated circuit card is defined as a pocket sized card with embedded integrated circuit which can process information. This is a card with all personal information of any individual in financial and Money Market.

### **MASTER CARD**

Master Card international is a multinational corporation based in purchase throughout the world. Its principal business is to process payment between bank of merchants and the bank of purchase that used its master card I.E. Master Card is a service provider company Master Card international incorporated has been a publicly traded company since 2006 with the brand name Master Card. All financial institutions in banks are the member of this Master Card international for service providing except bank of America. Bank of America has its own service providing company named as VISA international.

### **VISA CARD**

Visa Card is a type of debit card on Visa network. It has VISA logo and can be accepted to pay for the things and the money is drawn directly from your account. These are the debit cards, which are subject to a daily limit, and/or a maximum limit equal to the current/checking account balance from which it draws funds.

### **KYC (KNOW YOUR CUSTOMERS)**

KYC is a term commonly used for customer identification process or these are the guidelines issued by the RBI and SEBI for financial institutions. The intention behind the KYC is to check the money laundering. For the mutual funds MIN (Mutual Fund Identification Number) is the tool of KYC. For Demat Account Pan Card is essential and for bank account-

- Residential Proof
- Identity Proof
- Referee/Introducer

- Signature Attestation

### **RTGS**

Real time gross settlement is a fund transfer mechanism where transfer of money takes place from one bank to another on a real time and on gross basis. This is the fastest possible money transfer system through the banking channel. The RTGS system is primary for large value transaction. The minimum amount is Rs. 1 Lakh and there is no upper ceiling for RTGS transaction while the minimum and maximum stipulation has been fixed for EFT and NEFT.

### **NEFT**

NEFT is nationwide fund transfer system to facilitate transfer of funds from any bank branch to any other bank. As on Dec 29, 2007 34510 bank branches of 82 banks were the member of NEFT system. The NEFT is an electronic fund system to transfer funds from any part of country to any other part of country and work on net settlement.

### **CBS**

Core or centralized banking solution is a heart of banking system. This is a process by which a bank has interconnect their maximum branches through wide area network and only this system provide a facility of any branch or any time banking.

### **FINANCIAL INCLUSION**

It is a delivery of banking services at an affordable cost to the vast section of disadvantage or low income group or this is a facility provided by the banking sector to connect each and every individual to the financial network and the main component of this financial inclusion is no-full account and simplification of know your customers.

### **LIBOR**

London Interbank Offered Rate.

### **MIBOR**

Mumbai Interbank Offered Rate.

### **MIBID**

Mumbai Interbank Bid Rate

### **SARFAESI ACT**

Securisation and reconstruction of financial assets and enforcement of securities interest Act.

### **BOND**

Bond is a debt security in which the authorized issuer owes the holders a debt and is obliged to repay the principal with interest at the later date and termed maturity.

### **DEBENTURES**

It is a long term debt instrument issued by government and large companies to obtain funds. It is very similar to bonds except the securitisation condition is different.

### **CAMELS**

This is the rating system of RBI for banking recommended by Padmanabhan Committee.

- ~~C~~ Capital Adequacy
- Assets Quality or Level of NPA.
- ~~M~~ Management Effectiveness.
- ~~E~~ Earning of Profitability.

- ~~L~~ Liquidity
- ~~S~~ System and Controls.

Rear-real effective exchange rate.

### **RECENT DEVELOPMENT ON FINANCIAL INCLUSION**

- Recently Rangarajan committee on financial inclusion has submitted their report to finance Minister and committee has suggested that GOI is bound to setup 2 funds on financial inclusion and funds are named as-
  - Financial Inclusion Development Fund
  - Financial Inclusion Technology Fund
- Each fund will have their corpus of Rs.500cr contributed by RBI, GOI and NABARD. The commission has also suggested that branch of every bank is bound to open at least 250 accounts in a single financial year and the commission has also suggested that RBI and SEBI must liberalise KYC norms. Banks are bound to open no-frill account for the poorer people.

### **EFT- ELECTRONIC FUND TRANSFER**

- It refers to computer based system use to perform financial transaction electronically. This term is used for the number of different concepts
  - Card holder initiated transaction, where the card holder makes use of a payment card.
  - Electronic payment by business including salary payment
  - Electronic cheque clearing.

### **SUB PRIME CRISES**

The Sub Prime Crises were a sharp rise in home loans which started in United States in late 2006 and became a global financial crisis during 2007-08. The damage of this Sub Prime Crisis is US\$ 200-300 billion in 2007. And this Sub Prime Crises has a little bit impact on Indian Economy according to release of ICICI bank annual result, the bank faces Rs 1000cr as a business loss.

### **MORTGAGE**

A Mortgage is a method of using property as a security for the performance of an obligation, usually the payment of a debt. The term Mortgage refers to a legal device used for this purpose and it is also commonly used to refer to a debt secured by the Mortgage.

### **REVERSE MORTGAGE**

These are the powerful tools that help eligible home loaners to obtain tax free cash flow.

### **LOAN ACCOUNT OR ADVANCES OF BANK**

There are two types of lending or advances in the banking sector.

#### **1. SHORT TERM LENDING-** up to 4 years. Like – Priority Sector Lending

- Consumer loan
- Vehicle loans and personal loans

## ~~2. LONG TERM LENDING - 4 years and above. Like~~

- Industrial Lending
- Housing Loans
- Commercial Lending
- Educational Loan

### **PRIORITY SECTOR LENDING \*PSL'S+**

As India is a democracy so Government of India has some social responsibilities and the fulfillment of these Social responsibilities the GOI has set some priorities, so the sectors decided for GOI by Landings are known as priority sector lending and The Some Sectors are

- Agriculture
- Minority Education
- Animal Husbandry
  
- Fisheries
- Agriculture Allied
- Small Scale Industries
- Cottage Industries
- Handicrafts
- Houses for the Poor

The Bankers are bound to lend their 40% of the total lending in priority sector and 18% of their total lending for agriculture. The PSL attract very reduced or less interest rate and if farmers are unable to repay this, loan GOI is bound to waive this loan because of Social Responsibility.

### **REPO RATE**

Repo Rate is the Tool by which RBI in flows liquidity in the financial system. Or it is the rate of interest at which RBI. Provide short term loans to the scheduled commercial Bank against the government securities. (Maximum-90 days)

### **BANK RATE**

Bank Rate is the rate of interest at which RBI provide loan to the scheduled Commercial banks for productive purpose & for long term period (more than 4 year]

### **CRR**

CRR is the ratio of banks total deposits for which they are bound to keep with the RBI. It could be between minimum 3% to maximum 15% & CRR is the most effective measure to check inflation if CRR increases bank are bound to keep more money with the RBI & the liquidity in market decreases & the value of money increases & inflation come down.

### **SLR**

SLR is the ratio of banks total deposits for which banks are required to keep with themselves If might be in form of cash, gold, government securities and deposits in other banks as current account.

### **DEFICIT FINANCING**

~~The concept of deficit financing is propounded by Prof. J. M. Kenes in his book "how to pay for war 1940"~~ Deficit financing is a practice adopted by all popular government for bridging the gap between their revenue and expenditure i.e. it is plan excess of expenditure over revenue. Deliberately budgeting for deficit is deficit financing. Deficit financing is only fulfilled by the

Borrowings and never by printing of new notes.

## SEZ

SEZ means Special Economic Zone is the one of the part of government's policies in India. A special Economic zone is a geographical region that economic laws which are more liberal than the usual economic laws in the country. The basic motto behind this is to increase foreign investment, development of infrastructure, job opportunities and increase the income level of the people.

## Non-Banking Financial Company (NBFC)?

A Non-Banking Financial Company (NBFC) is a company registered under the Companies Act, 1956 engaged in the business of loans and advances, acquisition of shares/stocks/bonds/debentures/securities issued by Government or local authority or other marketable securities of a like nature, leasing, hire-purchase, insurance business, chit business but does not include any institution whose principal business is that of agriculture activity, industrial activity, purchase or sale of any goods (other than securities) or providing any services and sale/purchase/construction of immovable property. A non-banking institution which is a company and has principal business of receiving deposits under any scheme or arrangement in one lump sum or in installments by way of contributions or in any other manner, is also a non-banking financial company (Residuary non-banking company).

## Cheque and Demand Draft

**Cheque:** Cheque is a negotiable instrument instructing a bank to pay a specific amount from a specific account held in the maker/depositor name with that Bank.

**Demand Draft:** A demand draft is an instrument used for effecting transfer of money. It is a negotiable instrument.

## BSBDA

Under the guidelines issued on August 10, 2012 by RBI: Any individual, including poor or those from weaker section of the society, can open zero balance account in any bank. **BSBDA** guidelines are applicable to "all scheduled commercial banks in India, including foreign banks having branches in India".

All the accounts opened earlier as 'no-frills' account should be renamed as BSBDA. Banks are required to convert the existing 'no-frills' accounts' into 'Basic Savings Bank Deposit Accounts'.

The 'Basic Savings Bank Deposit Account' should be considered as a normal banking service available to all customers, through branches .

The aim of introducing 'Basic Savings Bank Deposit Account' is very much part of the efforts of RBI for furthering Financial Inclusion objectives.

## SWIFT

**SWIFT** :- Society for worldwide Interbank financial tele- communication.

- India was 74th Nation to join SWIFT Network.

• SWIFT Code is a standard format of bank Identifier code. This code is used particularly in International transfer of money between banks.

• A majority of FOREX related message are sent to correspondent banks abroad through SWIFT.

- SWIFT Code consist 8 or 11 character when code is 8 digit, It is referred to primary office 4 – bank code
  - 2 – country code
  - 2 – location code
  - 3 – branch code (optional).

### **DeMat Account**

DeMat is nothing but a dematerialized account. If one has to save money or make cheque payments, then he/she needs to open a bank account. Similarly, one needs to open a DeMat account if he/she wants to buy or sell stocks. Thus, DeMat account is similar to a bank account wherein the actual money is being replaced by shares. In order to open a DeMat account, one needs to approach the Depository Participants [DPs].

In India, a DeMat account is a type of banking account that dematerializes paper-based physical stock shares. The DeMat account is used to avoid holding of physical shares: the shares are bought as well as sold through a stock broker. In this case, the advantage is that one does not need any physical evidence for possessing these shares. All the things are taken care of by the DPs.

This account is very popular in India. Physically only 500 shares can be traded as per the provision given by SEBI. From April 2006, it has become mandatory for any person holding a DeMat account to possess a Permanent Account Number (PAN).

### **Bitcoin**

Bitcoin is a consensus network that enables a new payment system and a completely digital money. It is the first decentralized peer-to-peer payment network that is powered by its users with no central authority or middlemen. From a user perspective, Bitcoin is pretty much like cash for the Internet. Bitcoin can also be seen as the most prominent triple entry bookkeeping system in existence

### **Fiscal Policy**

Fiscal policy is the use of government spending and revenue collection to influence the economy. These policies affect tax rates, interest rates and government spending, in an effort to control the economy. Fiscal policy is an additional method to determine public revenue and public expenditure.

### **FII**

FII (Foreign Institutional Investor) used to denote an investor, mostly in the form of an institution. An institution established outside India, which proposes to invest in Indian market, in other words buying Indian stocks. FII's generally buy in large volumes which has an impact on the stock markets. Institutional Investors includes pension funds, mutual funds, Insurance Companies, Banks, etc.

### **FDI**

FDI (Foreign Direct Investment) occurs with the purchase of the “physical assets or a significant amount of ownership (stock) of a company in another country in order to gain a measure of management control” (Or) A foreign company having a stake in a Indian Company.

### **IPO**

IPO is Initial Public Offering. This is the first offering of shares to the general public from a company wishes to list on the stock exchanges.

## **GDP**

The Gross Domestic Product or GDP is a measure of all of the services and goods produced in a country over a specific period; classically a year.

## **GNP**

Gross National Product is measured as GDP plus income of residents from investments made abroad minus income earned by foreigners in domestic market.

## **Revenue deficit**

It defines that, where the net amount received (by taxes & other forms) fails to meet the predicted net amount to be received by the government.

## **Disinvestment**

The Selling of the government stake in public sector undertakings.

## **Fiscal Deficit**

It is the difference between the government's total receipts (excluding borrowings) and total expenditure.

## **National Income**

National Income is the money value of all goods and services produced in a Country during the year.

**ATMs: (Automated Teller Machine):** The ATM debit cards, credit cards and prepaid cards (that permit cash withdrawal) issued by banks can be used at ATMs for various transactions.

### **Use of ATMs of Other Banks:**

- i. 5 free transactions** are permitted per month (inclusive of financial and/or non-financial) at other bank ATMs for Savings Bank Account holders
- ii.** For transaction beyond this minimum number of transactions, banks charge maximum of **Rs 20/-** per transaction.

**Personal Identification Number (PIN) :** A Personal Identification Number is a secret numeric password shared between user and a system that can be use to authenticate the user to the system. **Reconciliation of failed transactions at ATMs**

- i.** The time limit for resolution of customer complaints by the issuing banks shall stand reduced from 12 working days to **7 working days** from the date of receipt of customer complaint.
- ii.** Accordingly, failure to recredit the customer's account within 7 working days of receipt of the complaint shall entail payment of compensation to the customer @ **Rs. 100/-** per day by the issuing bank..
- iii.** Any customer is entitled to receive such compensation for delay, only if a claim is lodged with the issuing bank within **30 days of the date of the transaction.**
- iv.** All disputes regarding ATM failed transactions shall be settled by the issuing bank and the acquiring bank through the ATM system provider only.
- v.** If the course of action for the customer complaint is not taken by his/her bank within the stipulated time than customer can take recourse to the local Banking Ombudsman in such situations.

**IFSC (Indian Financial System Code):** Indian Financial System Code is an alpha-numeric code that uniquely identifies a bank-branch participating in the NEFT system.

- ii.** This is an 11 digit code with the first 4 alpha characters representing the bank, The 5th character is 0 (zero).and the last 6 characters representing the bank branch.

- iii.** IFSC is used by the NEFT system to identify the originating / destination banks / branches and also to route the messages appropriately to the concerned banks / branches.

**For ex: SBIN0015986 :**

**i.** First 4 character **SBIN** – refers to State Bank of India.

**ii.** 0 is a control number.

**iii.** last six characters (**015986**) represents the SBI branch Jail Road, Hari Nagar New Delhi.

**MICR :** stands for Magnetic Ink Character Recognition. MICR Code is a numeric code which uniquely identifies a bank branch participating in the ECS Credit scheme.

**MICR code consists of 9 digits e.g 400229128 i.** First 3 digits represent the city (400)

**ii.** Next 3 digits represent the bank (229)

**iii.** Last 3 digits represent the branch (128) The MICR Code allotted to a bank branch is printed on the MICR band of cheque leaves issued by bank branches.

### **Cheque Truncation:**

**i.** Truncation is the process of stopping the flow of the physical cheque issued by a drawer at some point with the presenting bank en-route to the drawee bank branch.

**ii.** In its place an electronic image of the cheque is transmitted to the drawee branch by the clearing house, along with relevant information like data on the MICR band, date of presentation, presenting bank, etc.

**iii.** Cheque Truncation speeds up the process of collection of cheques resulting in better service to customers, reduces the scope for clearing-related frauds or loss of instruments in transit, lowers the cost of collection of cheques, and removes reconciliation-related and logistics-related problems, thus benefitting the system as a whole.

**Crossing on Cheque:** Two parallel lines drawn on the top left corner of the cheque.

**Account payee cheque:** Account payee cheques can be routed only through accounts.

**Post dated cheque:** The date on the cheque beyond today's date then cheque becomes post dated.

**Stale cheque:** Cheque is valid for **3 months**. If the date on the cheque is before 3 months, then the cheque becomes stale cheque.

**Mutilated cheque:** It is a damaged cheque.

**At Par cheque:** It is payable anywhere in India.

**Multi city cheque:** A cheque which is payable in any branch of a particular bank

**(BASIC SAVING BANK DEPOSIT ACCOUNT):** Under the guidelines issued on August 10, 2012 by RBI: Any individual, including poor or those from weaker section of the society, can open zero balance account in any bank.

**BSBDA** guidelines are applicable to "all scheduled commercial banks in India, including foreign banks having branches in India". All the accounts opened earlier as 'no-frills' account should be renamed as **BSBDA**. Banks are required to convert the existing 'no-frills' accounts' into 'Basic Savings Bank Deposit Accounts'. The 'Basic Savings Bank Deposit Account' should be considered as a normal banking service available to all customers, through branches . The aim of introducing 'Basic Savings Bank Deposit Account' is very much part of the efforts of RBI for furthering Financial Inclusion objectives.



**Main Points of the BSBDA:** i. An individual is eligible to have only one 'Basic Savings Bank Deposit Account' in one bank.

ii. Holders of 'Basic Savings Bank Deposit Account' will not be eligible for opening any other savings account in that bank. If a customer has any other existing savings account in that bank, he / she will be required to close it **within 30 days from** the date of opening a 'Basic Savings Bank Deposit Account'.

**Note:** While opening the BSBDA customers' consent in writing be obtained that his existing non-BSBDA Savings Banks accounts will be closed after 30 days of opening BSBDA and banks are free to close such accounts after 30 days.

iii. One can have Term/Fixed Deposit, Recurring Deposit etc., accounts in the bank where one holds 'Basic Savings Bank Deposit Account'.

iv. Banks are advised not to impose restrictions like age and income criteria of the individual for opening BSBDA.

v. There is no requirement for any initial deposit for opening a BSBDA.

vi. Banks should offer the ATM Debit Cards free of charge and no Annual fee should be levied on such Cards.

vii. In BSBDA, banks are required to provide free of charge minimum four withdrawals, through ATMs and other mode including RTGS/NEFT/Clearing/Branch cash withdrawal/transfer/internet debits/standing instructions/EMI etc

viii. The Uniform rate of interest rates set by individual banks are applicable on the domestic savings deposit will be determined on the basis of end-of-day balance in the account.

ix. The normal saving bank account can be converted into BSBDA at the request of customer.

**BSBDA-Small Accounts would be subject to the following conditions:**

i. Total credits in such accounts should not exceed **1 lakh rupees in a year.**

ii. Maximum balance in the account should not exceed **50,000 Rs at any time**

iii. The total of debits by way of cash withdrawals and transfers will not exceed **10,000 rupees in a month**

iv. Foreign remittances cannot be credited to Small Accounts without completing normal KYC formalities

v. Small accounts are valid for a period of **12 months initially** which may be extended by another 12 months if the person provides proof of having applied for an Officially Valid Document.

vi. Small Accounts can only be opened at CBS linked branches of banks or at such branches where it is possible to manually monitor the fulfillments of the conditions.

**About Micro, Small and Medium Enterprises:**

i. A **micro enterprise** is an enterprise where investment in plant and machinery **does not exceed Rs. 25 lakh. and** investment in equipment **does not exceed Rs. 10 lakh;**

ii. A **small enterprise** is an enterprise where the investment in plant and machinery is **more than Rs. 25 lakh but does not exceed Rs. 5 crore** and the investment in equipment is **more than Rs.10 lakh but does not exceed Rs. 2 crore.**

iii. A **medium enterprise** is an enterprise where the investment in plant and machinery is **more than Rs.5 crore but does not exceed Rs.10 crore.** and the investment in equipment is **more than Rs. 2 crore but does not exceed Rs. 5 crore.**

(i) "**soiled note:**" means a note which, has become dirty due to usage and also includes a two piece note pasted together wherein both the pieces presented belong to the same note, and form the entire note.

(ii) **Mutilated banknote** is a banknote, of which a portion is missing or which is composed of more than two pieces.

(iii) **Imperfect banknote** means any banknote, which is wholly or partially, obliterated, shrunk, washed, altered or indecipherable but does not include a mutilated banknote.

**Bhartiya Mahila Bank (BMB)** is an Indian financial services banking company based in New Delhi, India. India's Prime Minister Manmohan Singh inaugurated the system on 19 November 2013 on the occasion of the 94th birth anniversary of former Indian Prime Minister Indira Gandhi.

**Headquarter** – New Delhi. Bank will get an initial capital of Rs 1,000 crore.

**Usha Ananthasubramanian** – The First CEO/Chairperson of Bhartiya Mahila Bank

**Online banking**-Ans. Nothing but any where banking. A customer can operate his account from any branch of a particular bank.

**Currency chest-**

- i. To facilitate the distribution of banknotes and rupee coins, the Reserve Bank has authorised select branches of scheduled banks to establish Currency Chests.
- ii. These are actually storehouses where banknotes and rupee coins are stocked on behalf of the Reserve Bank. As on June 30, 2006, there were 4428 Currency Chests and 4102 Small Coin Depots.
- iii. The currency chest branches are expected to distribute banknotes and rupee coins to other bank branches in their area of operation.

**Internet Banking** -The accessing of bank information, accounts and transactions with the help of a computer through the financial institution's website on the Internet is called online banking. It is also called Internet banking or e-banking



**BSC : Question of Day(GA/IT) : BSC**

Ques. : 1 Which is considered a direct entry input device?

- 1) Optical scanner
  - 2) Mouse
  - 3) Light pen
  - 4) Digitizer
  - 5) All of the above.
- Ans.) 5

Ques. : 2 The daily processing of corrections to customer accounts best exemplifies the processing mode of:

- 1) Batch processing
  - 2) Real-time processing
  - 3) Interactive processing
  - 4) Multi processing
  - 5) All of the above.
- Ans.) 1

Ques. : 3 Which is a unit of measurement used with computer systems?

- 1) Byte
  - 2) Kilobyte
  - 3) Megabyte
  - 4) Gigabyte
  - 5) All of the above
- Ans.) 5

Ques. : 4 A character is represented in EBCDIC by

- 1) one bit
  - 2) four bits
  - 3) eight bits
  - 4) sixteen bits
  - 5) None of the above
- Ans.) 3

Ques. : 5 Which is a secondary memory device?

- |                      |          |
|----------------------|----------|
| 1) CPU               | 2) ALU   |
| 3) Floppy disk       | 4) Mouse |
| 5) None of the above | Ans.) 3  |

Ques. : 6 Which is the computer memory that does not forget?

- |                      |                     |
|----------------------|---------------------|
| 1) ROM               | 2) RAM              |
| 3) PROM              | 4) All of the above |
| 5) None of the above | Ans.) 1             |

Ques. : 7 The most common binary code in use today is the 8 bit ASCII code. What do the letters ASCII stand for?

- |   |   |
|---|---|
| 1) American Standard Code for International Interchange | 2) American Standard Code for Information Interchange   |
| 3) American Standard Code for Intelligence Interchange  | 4) American Scientific Code for Information interchange |
| 5) None of the above                                    | Ans.) 2   |

Ques. : 8 A computer derives its basic strength from

- |                      |                     |
|----------------------|---------------------|
| 1) Speed             | 2) Accuracy         |
| 3) Memory            | 4) all of the above |
| 5) None of the above | Ans.) 4             |

Ques. : 9 A collection of eight bits is called

- |           |         |
|-----------|---------|
| 1) Byte   | 2) Word |
| 3) Record | 4) file |

5) None of the above  
Ans.) 1

Ques. : 10 A BIT represents a

- |                  |                      |
|------------------|----------------------|
| 1) Decimal digit | 2) Octal digit       |
| 3) Binary digit  | 4) Hexadecimal digit |
| 5) none of these | Ans.) 3              |

Ques. : 11 Which can read data and convert them to a form that a computer can use?

- |                  |                 |
|------------------|-----------------|
| 1) Logic         | 2) Storage      |
| 3) Control       | 4) Input device |
| 5) Output device | Ans.) 4         |

Ques. : 12 Software instruction intended to satisfy a user's specific processing needs are called

- |                     |                          |
|---------------------|--------------------------|
| 1) System software  | 2) A microcomputer       |
| 3) Documentation    | 4) Applications software |
| 5) All of the above | Ans.) 4                  |

Ques. : 13 Which of the following is the most powerful type of computer?

- |                  |                    |
|------------------|--------------------|
| 1) Super micro   | 2) Super conductor |
| 3) Microcomputer | 4) Super computer  |
| 5) Mega frame    | Ans.) 4            |

Ques. : 14 Which of the following people probably has the least amount of technical knowledge?

- |                          |                      |
|--------------------------|----------------------|
| 1) Programmer            | 2) User              |
| 3) System analyst        | 4) Computer operator |
| 5) Computer professional | Ans.) 2              |

Ques. : 15 The Central Processing Unit (CPU) consists of:

2) Control unit, primary storage & secondary storage

3) Control unit, arithmetic-logic unit, primary

4) Control unit, processing, and primary storage storage

5) None of the above

Ans.) 3

Ques. : 16 This is the part of the computer system that one can touch

1) hardware

2) data

3) software

4) input

5) None of these

Ans.) 1

Ques. : 17 Reusable optical storage will typically have the acronym \_\_\_\_.

1) CD

2) RW

3) DVD

4) ROM

5) None of these

Ans.) 2

Ques. : 18 The \_\_\_\_\_ tells the computer how to use its components.

1) utility

2) network

3) operating system

4) application program

5) None of these

Ans.) 3

Ques. : 19 A(n) \_\_\_\_\_ is a program that makes the computer easier to use.

1) application

2) utility

3) network

4) operating system

5) None of these

Ans.) 2

Ques. : 20 The 'Difference Analyzer' was created in the early 1920s by \_\_\_\_

1) Peter Norton

2) Douglas Knuth

3) Vannevar Bush

4) Alan Kay

5) None of these

Ans.) 3

Ques. : 21 The most important or powerful computer in a typical network.

1) desktop

2) network client

3) network server

4) network station

5) None of these

Ans.) 3

Ques. : 22 To access a mainframe or supercomputer, users often use a \_\_\_\_

1) terminal

2) node

3) desktop

4) handheld

5) None of these

Ans.) 1

Ques. : 23 What data base function allows you to define the data your database is storing?

1) Definition wizard

2) Query Function

3) Design view

4) Data dictionary

5) None of these

Ans.) 4

Ques. : 24 If you wanted to tell the database management system that a specific attribute contained numbers only, what would you need to set?

1) Data category

2) Data type

3) Data dictionary

4) Data definition

5) None of these

Ans.) 2

Ques. : 25 What key distinctly identifies a record in a database table?

1) Main key

2) Primary key

3) Principal key

4) Major key

5) None of these

Ans.) 2

Ques. : 26 What key links records from one database table to a record or records in another database table?

- 1) Primary key
- 2) Principal key
- 3) Foreign key
- 4) Link key
- 5) None of these

Ans.) 3

Ques. : 27 When you link one database table to another database table, what are you creating?

- 1) Primary link
- 2) Connectivity
- 3) Relationships
- 4) Referential integrity
- 5) None of these

Ans.) 3

Ques. : 28 What would you need to establish if you wanted to insure that the key in one database table was the same as a key in another database table?

- 1) Top-level grouping
- 2) Connectivity
- 3) Referential integrity
- 4) Field properties
- 5) None of these

Ans.) 3

Ques. : 29 What database tool would you use to find answers to your questions about data stored in your database?

- 1) Queries
- 2) Tables
- 3) Show
- 4) Q&A
- 5) None of these

Ans.) 1

Ques. : 30 When we describe, or define, the categories of information we collect in an Excel worksheet, what type of table are we creating?

- 1) Categorization
- 2) Classification
- 3) Explanation
- 4) List definition
- 5) None of these

Ans.) 4

Ques. : 31 If you wished to limit what you would see on an Excel worksheet, what data function would you use?

- 1) Sort
- 2) Filter
- 3) Conditional format
- 4) Data analysis
- 5) None of these

Ans.) 2

Ques. : 32 If you wished to highlight, not hide, some information in a worksheet because it met some criteria, what Excel tool would you use?

- 1) Table
- 2) Format
- 3) Conditional Format
- 4) Filter
- 5) None of these

Ans.) 3

Ques. : 33 What Excel tool allows you to create quickly and automatically summary data from a large data set?

- 1) Conditional formatting
- 2) Sorting
- 3) Pivot tables
- 4) Field lists
- 5) None of these

Ans.) 3

Ques. : 34 When creating a custom filter in Excel, which of the following would not be considered a Boolean operator?

- 1) If
- 2) And
- 3) Or
- 4) Not
- 5) None of these

Ans.) 1

Ques. : 35 Which of the following is a good habit to get into when creating a worksheet?

- 2) Using conditional formatting to spot spelling errors
- 3) Inserting comments in each cell to define that
- 4) Grouping records according to some data or type of data classification
- 5) None of these

Ans.) 1

Ques. : 36 What term is used to describe a collection of information that you can use to build reports or discover facts about an environment?

- 1) Database
  - 2) Web site
  - 3) Wiki
  - 4) Relation
  - 5) None of these
- Ans.) 1

Ques. : 37 Microsoft's Access and Corel's Paradox are both examples of which type of software?

- 1) Network database systems
  - 2) Relational database systems
  - 3) Flat-file database systems
  - 4) Hierarchical database systems
  - 5) None of these
- Ans.) 2

Ques. : 38 What type of graphical model is used to define a database?

- 1) Flowchart
  - 2) E-R diagram
  - 3) Organizational model
  - 4) Programming model
  - 5) None of these
- Ans.) 2

Ques. : 39 After you develop a model for your database, you should then \_\_\_\_\_ it before building it.

- 1) normalize
  - 2) design
  - 3) plan
  - 4) approve
  - 5) None of these
- Ans.) 1

Ques. : 40 Which of the following contains information about the structure of a database?

- 1) Database management system
  - 2) Data dictionary
  - 3) Data repository
  - 4) Data warehouse
  - 5) None of these
- Ans.) 2

Ques. : 41 The rules of a language are called its \_\_\_\_\_.

- 1) structure
  - 2) code
  - 3) syntax
  - 4) rigidity
  - 5) None of these
- Ans.) 3

Ques. : 42 A language that can be written on one platform and executed on another platform is said to be \_\_\_\_\_.

- 1) portable
  - 2) robust
  - 3) third generation
  - 4) dynamic
  - 5) None of these
- Ans.) 1

Ques. : 43 \_\_\_\_\_ is Microsoft's latest entry into the programming arena.

- 1) Java
  - 2) .NET
  - 3) Visual Basic
  - 4) Pascal
  - 5) None of these
- Ans.) 2

Ques. : 44 A next-generation Web content development language, \_\_\_\_\_ typically refers to a suite of technologies that allow developers to store data in a readable format.

- 1) HTML
  - 2) XSL
  - 3) XML
  - 4) PHP
  - 5) None of these
- Ans.) 3

Ques. : 45 JavaScript was developed by \_\_\_\_\_ to run inside of web pages.

- 1) Microsoft
  - 2) Sun
  - 3) Oracle
  - 4) Netscape
  - 5) None of these
- Ans.) 4

Ques. : 46 This technology is used to convert XML into HTML.

- 1) CSS
  - 2) XHTML
  - 3) PHP
  - 4) XSL
  - 5) None of these
- Ans.) 4

Ques. : 47 The \_\_\_\_\_ is a special database that holds information about the computer's user, installed programs and hardware devices.

- 1) dynamic link library
  - 2) initialization file
  - 3) compiled help module
  - 4) Windows Registry
  - 5) None of these
- Ans.) 4

Ques. : 48 A(n) \_\_\_\_\_ converts all the source code into machine code, creating an executable file.

- 1) linker
  - 2) compiler
  - 3) assembler
  - 4) interpreter
  - 5) None of these
- Ans.) 2

Ques. : 49 A series of steps that always results in an answer is the definition of \_\_\_\_\_.

- 1) heuristic
  - 2) flowchart
  - 3) algorithm
  - 4) pseudo code
  - 5) None of these
- Ans.) 3

Ques. : 50 The color of an object is an example of a(n) \_\_\_\_\_.

- 1) attribute
  - 2) detail
  - 3) listing
  - 4) specification
  - 5) None of these
- Ans.) 1

Ques. : 51 A(n) \_\_\_\_\_ file contains information in an indexed and cross-linked format.

- 1) executable
  - 2) initialization
  - 3) help
  - 4) library
  - 5) None of these
- Ans.) 3

Ques. : 52 A(n) \_\_\_\_\_ encapsulates data and functionality.

- 1) structured program
  - 2) selection statement
  - 3) object
  - 4) program
  - 5) None of these
- Ans.) 2

Ques. : 53 \_\_\_\_\_ are text files containing OS commands.

- 1) Initialization files
  - 2) Batch files
  - 3) Executable files
  - 4) Help files
  - 5) None of these
- Ans.) 2

Ques. : 54 The \_\_\_\_\_ prevents unlawful access to voice communications by wire.

- 1) Electronic Communications Privacy Act
  - 2) Freedom of Information Act
  - 3) USA Patriot Act
  - 4) Privacy Act of 1974
  - 5) None of these
- Ans.) 1

Ques. : 55 Which of the following will not protect you from spam?

- 1) spam blockers
  - 2) e-mail rules
  - 3) popup blocker
  - 4) filters
  - 5) None of these
- Ans.) 3

Ques. : 56 A \_\_\_\_\_'s main purpose is to prohibit unauthorized access to your computer via the Internet.

- 1) popup blocker
  - 2) firewall
  - 3) spyware blocker
  - 4) spam assassin
  - 5) restore file
- Ans.) 2

Ques. : 57 To read the system messages and warnings, access the \_\_\_\_\_ in Windows.

- 1) system manager
  - 2) control panel
  - 3) event viewer
  - 4) message screen
  - 5) None of these
- Ans.) 3

Ques. : 58 To create a copy of files in the event of system failure, you create a \_\_\_\_\_.

- |                  |               |
|------------------|---------------|
| 1) restore file  | 2) backup     |
| 3) firewall      | 4) redundancy |
| 5) None of these | Ans.) 2       |

Ques. : 59 If configured correctly, the \_\_\_\_\_ will prevent interaction with your computer after a specified time period.

- |                 |                  |
|-----------------|------------------|
| 1) firewall     | 2) filter        |
| 3) screen saver | 4) popup blocker |
| 5) virus        | Ans.) 3          |

Ques. : 60 To recover files from a backup, you perform a \_\_\_\_\_.

- |                  |         |
|------------------|---------|
| 1) restore       | 2) scan |
| 3) unerase       | 4) copy |
| 5) None of these | Ans.) 1 |

Ques. : 61 A \_\_\_\_\_ is anything that can cause harm.

- |                     |          |
|---------------------|----------|
| 1) vulnerability    | 2) phish |
| 3) Threat           | 4) spoof |
| 5) All of the above | Ans.) 3  |

Ques. : 62 In the right setting a thief will steal your information by simply watching what you type.

- |                       |                     |
|-----------------------|---------------------|
| 1) snagging           | 2) spying           |
| 3) social engineering | 4) shoulder surfing |
| 5) None of these      | Ans.) 4             |

Ques. : 63 ----- A hacker contacts you myphone or email and attempts to acquire your password

- |                  |             |
|------------------|-------------|
| 1) spoofing      | 2) phishing |
| 3) spamming      | 4) bugging  |
| 5) None of these | Ans.) 2     |

Ques. : 64 This power protection device includes a battery that provides a few minutes of power.

- |                     |                     |
|---------------------|---------------------|
| 1) surge suppressor | 2) line conditioner |
| 3) generator        | 4) UPS              |
| 5) None of these    | Ans.) 4             |

Ques. : 65 A hacker that changes or forges information in an electronic resource, is engaging in \_\_\_\_\_.

- |                      |                  |
|----------------------|------------------|
| 1) denial of service | 2) sniffing      |
| 3) terrorism         | 4) data diddling |
| 5) None of these     | Ans.) 4          |

Ques. : 66 The \_\_\_\_\_ of a threat measures its potential impact on a system

- |                    |                    |
|--------------------|--------------------|
| 1) vulnerabilities | 2) countermeasures |
| 3) degree of harm  | 4) susceptibility  |
| 5) none of these   | Ans.) 3            |

Ques. : 67 Which of the following identifies a specific web page and its computer on the Web?

- |                 |                     |
|-----------------|---------------------|
| 1) Web site     | 2) Web site address |
| 3) URL          | 4) Domain Name      |
| 5) All of above | Ans.) 4             |

Ques. : 68 Software, such as Explorer and Firefox, are referred to as \_\_\_\_\_.

- |                     |                     |
|---------------------|---------------------|
| 1) Systems software | 2) Utility software |
| 3) Browsers         | 4) Internet tools   |
| 5) None of these    | Ans.) 3             |



Ques. : 69 Which following ISP is free?

- |                  |         |
|------------------|---------|
| 1) CompuServe    | 2) AOL  |
| 3) NetZero       | 4) MSN  |
| 5) None of these | Ans.) 3 |

Ques. : 70 When internet data leaves your campus, it normally goes to a(n) \_\_\_\_\_ before moving toward its destination.

- |                      |                         |
|----------------------|-------------------------|
| 1) Internet backbone | 2) Network access point |
| 3) Base station      | 4) Communication system |
| 5) None of these     | Ans.) 2                 |

Ques. : 71 MCI and AT&T are examples of which of the following?

- |                               |                           |
|-------------------------------|---------------------------|
| 1) Social networks            | 2) Communications systems |
| 3) Internet service providers | 4) Mobisodes              |
| 5) None of these              | Ans.) 3                   |

Ques. : 72 What type of telecommunications hardware allows you to access the web?

- |                 |          |
|-----------------|----------|
| 1) Browser      | 2) Modem |
| 3) FTP protocol | 4) IRC   |
| 5) All of above | Ans.) 2  |

Ques. : 73 E-mail addresses separate the user name from the ISP using the \_\_\_\_\_ symbol

- |                  |         |
|------------------|---------|
| 1) &             | 2) @    |
| 3) %             | 4) *    |
| 5) None of these | Ans.) 2 |

Ques. : 74 The mail server as defined in the text uses the \_\_\_\_\_ protocol

- |                 |         |
|-----------------|---------|
| 1) HTTP         | 2) FTP  |
| 3) POP          | 4) SMTP |
| 5) All of above | Ans.) 3 |

Ques. : 75 When sending an e-mail, the \_\_\_\_\_ line describes the contents of the message.

- |                 |            |
|-----------------|------------|
| 1) to           | 2) subject |
| 3) contents     | 4) CC      |
| 5) All of above | Ans.) 2    |

Ques. : 76 Unsolicited commercial email is commonly known as \_\_\_\_\_.

- |                 |              |
|-----------------|--------------|
| 1) junk         | 2) hoaxes    |
| 3) spam         | 4) hypertext |
| 5) All of above | Ans.) 3      |

Ques. : 77 News servers utilize \_\_\_\_\_ to distribute documents to readers.

- |                  |         |
|------------------|---------|
| 1) NNTP          | 2) NEWS |
| 3) HTTP          | 4) FTP  |
| 5) None of these | Ans.) 1 |

Ques. : 78 Discussion groups may have a \_\_\_\_\_ who monitors the postings and enforces the site's rules.

- |                  |           |
|------------------|-----------|
| 1) judge         | 2) sysop  |
| 3) narrator      | 4) censor |
| 5) None of these | Ans.) 2   |

Ques. : 79 A message with replies on a newsgroup is often called a \_\_\_\_\_.

- |                 |            |
|-----------------|------------|
| 1) post         | 2) list    |
| 3) thread       | 4) comment |
| 5) All of above | Ans.) 3    |

Ques. : 80 The Internet was originally a project for this government agency.

- 1) ARPA
- 2) NSF
- 3) NSA
- 4) FCC

5) None of these      Ans.) 1

Ques. : 81 A word in a web page that, when clicked, opens another document.

- 1) anchor
- 2) URL
- 3) Hyperlink
- 4) reference
- 5) All of above

Ans.) 3

Ques. : 82 A network's \_\_\_\_\_ is the central structure that connects other portions of the network.

- 1) trunk
- 2) backbone
- 3) protocol
- 4) server
- 5) None of these

Ans.) 2

Ques. : 83 \_\_\_\_\_ is the protocol that supports linking from one web page to another page.

- 1) HTML
- 2) IP
- 3) HTTP
- 4) FTP
- 5) All of above

Ans.) 3

Ques. : 84 You can organize your bookmarks using \_\_\_\_\_.

- 1) structures
- 2) containers
- 3) folders
- 4) menus
- 5) None of these

Ans.) 3

Ques. : 85 The browser's \_\_\_\_\_ keeps a list of web pages you have visited during the current session.

- 1) history
- 2) cache
- 3) favorites
- 4) trail
- 5) All of the above

Ans.) 1

Ques. : 86 A \_\_\_\_\_ organizes the web into categories.

- 1) search engine
- 2) encyclopedia
- 3) archive
- 4) directory
- 5) None of these

Ans.) 4

Ques. : 87 To match all of the words in your search, the Boolean \_\_\_\_\_ operator should be used.

- 1) and
- 2) or
- 3) xor
- 4) both
- 5) All of above

Ans.) 1

Ques. : 88 What type of accountants may recommend controls for an organization's computer systems?

- 1) Environment accountant
- 2) Internal accountant
- 3) Government accountant
- 4) Public accountant
- 5) All of above

Ans.) 2

Ques. : 89 Which IT area is well-established in Accounting?

- 1) Multimedia systems
- 2) Web development
- 3) Statistical analysis
- 4) Accounting Information Systems
- 5) None of these

Ans.) 4

Ques. : 90 How do accountants quickly research new government rules and regulations?

- 1) With an internal database management systems
- 2) Through the Web
- 3) With an external database management
- 4) Through organizational network systems systems

5) All of above      Ans.) 2

Ques. : 91 Which computer virus records every movement you make on your computer?

- 1) Malware Android
- 2) Key logger
- 3) DoS
- 4) Trapper
- 5) None of these

Ans.) 2

Ques. : 92 What program would you use to gain administrative rights to someone's computer?

- 1) Bot
- 2) Executive Android
- 3) Rootkit
- 4) Trojan horse
- 5) none of these

Ans.) 3

Ques. : 93 A remote control that is used to turn on or off some machine is also called a(n) \_\_\_\_\_.

- 1) class
- 2) interface
- 3) message
- 4) instance
- 5) None of these

Ans.) 2

Ques. : 94 In a student grading system, Student Last Name, Student Address, and Final Course Grade would all be classified as what?

- 1) Inheritance
- 2) Information
- 3) Encapsulation
- 4) Polymorphism
- 5) none of these

Ans.) 2

Ques. : 95 What part of object-oriented technology defines superclass and subclass relationships?

- 1) Inheritance
- 2) Scalability
- 3) Encapsulation
- 4) Polymorphism
- 5) All of above

Ans.) 1

Ques. : 96 When an object has many forms, it has \_\_\_\_\_.

- 1) Inheritance
- 2) Scalability
- 3) Encapsulation
- 4) Polymorphism
- 5) None of these

Ans.) 4

Ques. : 97 What programming language model is organized around "objects" rather than "actions"?

- 1) Java
- 2) OOB
- 3) Perl
- 4) C++
- 5) All of above

Ans.) 2

Ques. : 98 What are the instructions called that tell a system what, how, and when to do something?

- 1) Object-oriented technology approach
- 2) Object-oriented database
- 3) Program
- 4) Database management
- 5) None of these

Ans.) 3

Ques. : 99 What common technique attempts to save time and energy by reducing redundant work in object-oriented programming?

- 1) Reduce lines of programming
- 2) Reuse of code
- 3) Reduce size of systems being developed
- 4) Merging different systems together
- 5) All of above

Ans.) 2

Ques. : 100 What kind of programming language is Java?

- 1) Object-oriented programming language
- 2) Relational programming language
- 4) Database management programming language

5) None of these

Ans.) 1

Ques. : 101 What type of internet technology sends information to you without you requesting that information?

- 1) F2b2C
- 2) Infoware
- 3) Push
- 4) Wiki
- 5) None of these

Ans.) 3

Ques. : 102 What is the second generation of the Web called?

- |                  |                   |
|------------------|-------------------|
| 1) New web       | 2) Emerging space |
| 3) Second life   | 4) Web 2.0        |
| 5) None of these | Ans.) 4           |

Ques. : 103 What type of web technology allows its community members to continuously change the contents on a web site?

- |                     |                    |
|---------------------|--------------------|
| 1) Intelligent bots | 2) Social networks |
| 3) Wiki             | 4) Blog            |
| 5) None of these    | Ans.) 3            |

Ques. : 104 What type of web technology provides news that can automatically download right to your desktop?

- |                   |             |
|-------------------|-------------|
| 1) Social network | 2) RSS feed |
| 3) Podcast        | 4) Wiki     |
| 5) None of these  | Ans.) 2     |

Ques. : 105 What type of web technology creates an online community where people can make statements and others can read and respond to those statements?

- |                  |            |
|------------------|------------|
| 1) I-Journal     | 2) Podcast |
| 3) ASP           | 4) Blog    |
| 5) None of these | Ans.) 4    |

Ques. : 106 What type of technology allows you to verbally speak with someone over the Internet?

- |                  |                   |
|------------------|-------------------|
| 1) Wiki          | 2) Social network |
| 3) Ephone        | 4) VoIP           |
| 5) None of these | Ans.) 4           |

Ques. : 107 What kind of environment is Facebook or MySpace part of?

- |                      |         |
|----------------------|---------|
| 1) Wiki              | 2) Blog |
| 3) Social networking | 4) VoIP |
| 5) None of these     | Ans.) 3 |

Ques. : 108 What term refers to living life through technology?

- |                   |              |
|-------------------|--------------|
| 1) Virtual living | 2) E-living  |
| 3) Virtual space  | 4) E-Society |
| 5) All of above   | Ans.) 4      |

Ques. : 109 What 3-D environment allows you to speak to someone who is far away but, at the same time, see them as a holographic image?

- |                 |                  |
|-----------------|------------------|
| 1) CAVE         | 2) Virtual space |
| 3) E-space      | 4) VoIP          |
| 5) All of above | Ans.) 1          |

Ques. : 110 What type of technology allows you to use your finger, eye, or voice print to secure your information resources?

- |                 |          |
|-----------------|----------|
| 1) Haptics      | 2) Caves |
| 3) Biometrics   | 4) RFID  |
| 5) All of above | Ans.) 3  |

Ques. : 111 In reference to your ethical structure, how much do you identify with the person or persons who will receive the benefit or suffer the harm is called which of the following?

- |                         |                      |
|-------------------------|----------------------|
| 1) Consequences         | 2) Relatedness       |
| 3) Likelihood of effect | 4) Society's opinion |
| 5) none of these        | Ans.) 2              |

Ques. : 112 Which tracking program records every keystroke you make on the computer?

- |                  |                      |
|------------------|----------------------|
| 1) ITrack/ULead  | 2) eFollow           |
| 3) Key logger    | 4) Stalking software |
| 5) none of these | Ans.) 3              |

Ques. : 113 What is a common medium used for thieves to steal others' identities?

- |                  |                   |
|------------------|-------------------|
| 1) Telephone     | 2) Pick pocketing |
| 3) Burglary      | 4) Email          |
| 5) none of these | Ans.) 4           |

Ques. : 114 What is it called when you are rerouted from your requested internet site to another, undesired site?

- |                  |              |
|------------------|--------------|
| 1) Phishing      | 2) Pharming  |
| 3) Redirecting   | 4) Hijacking |
| 5) None of these | Ans.) 2      |

Ques. : 115 What is the term that refers to an ad hidden inside software that you downloaded from an internet site?

- |                  |           |
|------------------|-----------|
| 1) Spam          | 2) Phish  |
| 3) Cookie        | 4) Adware |
| 5) None of these | Ans.) 4   |

Ques. : 116 What type of monitoring file is commonly used on and accepted from Internet sites?

- |                  |              |
|------------------|--------------|
| 1) Phishes       | 2) Smartware |
| 3) Cookies       | 4) Trojans   |
| 5) None of these | Ans.) 3      |

Ques. : 117 Ideally, your sense of what is ethical should tell you which of the following?

- |                  |                    |
|------------------|--------------------|
| 1) What to do    | 2) Who to do it to |
| 3) When to do it | 4) Where to do it  |
| 5) None of these | Ans.) 1            |

Ques. : 118 What type of software secretly collects information about you and your internet habits?

- |                  |             |
|------------------|-------------|
| 1) Detectware    | 2) Spam     |
| 3) Spyware       | 4) Pharming |
| 5) All the above | Ans.) 3     |

Ques. : 119 In an educational setting, instructors have access to and use a whole host of copyrighted materials. What allows these individuals to make use of these materials?

- |                               |                             |
|-------------------------------|-----------------------------|
| 1) Patent laws                | 2) Fair Use Doctrine        |
| 3) Intellectual property laws | 4) Higher educational board |
| 5) All the above              | Ans.) 2                     |

Ques. : 120 What type of information systems environment reuses self-contained blocks of code in its systems?

- |                          |                                  |
|--------------------------|----------------------------------|
| 1) Modular systems       | 2) Block based coding            |
| 3) Component programming | 4) Service-oriented architecture |
| 5) None of these         | Ans.) 4                          |

Ques. : 121 What term refers to the structure, and substructures, of an organization's information systems?

- |                      |                      |
|----------------------|----------------------|
| 1) Subsystems        | 2) System formations |
| 3) IT Configurations | 4) Infrastructure    |
| 5) None of these     | Ans.) 4              |

Ques. : 122 When two or more computers are able to share information, what is this called?

- |                            |                     |
|----------------------------|---------------------|
| 1) Shared systems          | 2) Interoperability |
| 3) Information interchange | 4) Data exchange    |
| 5) All the above           | Ans.) 2             |

Ques. : 123 When there is little or no exchange of information within an organization's information systems, we say that the systems are \_\_\_\_\_.

- |                    |                  |
|--------------------|------------------|
| 1) independent     | 2) autonomous    |
| 3) self-sufficient | 4) decentralized |
| 5) None of these   | Ans.) 4          |

Ques. : 124 When information and processing is spread throughout the organization via a network, we say the systems are \_\_\_\_\_.

- |                  |                    |
|------------------|--------------------|
| 1) dependent     | 2) reliant         |
| 3) distributed   | 4) self-supporting |
| 5) All the above | Ans.) 3            |

Ques. : 125 When one computer provides services to another computer, the environment is a(n) \_\_\_\_\_ infrastructure.

- |                  |                |
|------------------|----------------|
| 1) Client/server | 2) dependent   |
| 3) reliant       | 4) independent |
| 5) None of these | Ans.) 1        |

Ques. : 126 What type of infrastructure are most enterprise applications employing?

- |                  |                |
|------------------|----------------|
| 1) Network       | 2) Distributed |
| 3) Complex       | 4) Tiered      |
| 5) None of these | Ans.) 4        |

Ques. : 127 When you continuously measure yourself against your peers, you are employing \_\_\_\_\_.

- |                  |                |
|------------------|----------------|
| 1) benchmarking  | 2) balancing   |
| 3) stability     | 4) reliability |
| 5) All the above | Ans.) 1        |

Ques. : 128 In a service-oriented architecture (SoA) philosophy, RAD and XP development methodologies focus on which of the following?

- |                         |                      |
|-------------------------|----------------------|
| 1) Customers            | 2) Information needs |
| 3) Software development | 4) End users         |
| 5) None of these        | Ans.) 3              |

Ques. : 129 What plan describes the details for recovery when a disaster hits an organization?

- |                     |                              |
|---------------------|------------------------------|
| 1) Disaster diagram | 2) Disaster and revival plan |
| 3) Recovery plan    | 4) Business continuity plan  |
| 5) All the above    | Ans.) 4                      |

Ques. : 130 What type of information systems environment reuses self-contained blocks of code in its systems?

- |                          |                                  |
|--------------------------|----------------------------------|
| 1) Modular systems       | 2) Block based coding            |
| 3) Component programming | 4) Service-oriented architecture |
| 5) All the above         | Ans.) 4                          |

Ques. : 131 What is the structured approach called for developing software and information systems?

- |                                   |                        |
|-----------------------------------|------------------------|
| 1) Software design                | 2) Prototyping         |
| 3) Systems development life cycle | 4) Systems methodology |
| 5) None of these                  | Ans.) 3                |

Ques. : 132 Who is the person who typically manages the software development project?

- |                      |                        |
|----------------------|------------------------|
| 1) Software engineer | 2) Project manager     |
| 3) IT manager        | 4) Technology director |
| 5) All the above     | Ans.) 2                |

Ques. : 133 . In which phase of the software design and development project would you try to understand the proposed project?

- |                       |                   |
|-----------------------|-------------------|
| 1) Planning phase     | 2) Initial phase  |
| 3) Requirements phase | 4) Analysis phase |
| 5) None of these      | Ans.) 4           |

Ques. : 134 In which phase of the software design and development project would you build a blueprint of the proposed system?

- |                       |                      |
|-----------------------|----------------------|
| 1) Analysis phase     | 2) Design phase      |
| 3) Requirements phase | 4) Development phase |
| 5) All the above      | Ans.) 2              |

Ques. : 135 . In which phase of the software design and development project would you build the proposed system?

- |                      |                         |
|----------------------|-------------------------|
| 1) Design phase      | 2) Requirements phase   |
| 3) Development phase | 4) Implementation phase |
| 5) All the above     | Ans.) 3                 |

Ques. : 136 What type of commerce is enabled by technology?

- |                          |               |
|--------------------------|---------------|
| 1) Path-to-profitability | 2) E-commerce |
| 3) EBuy                  | 4) Internet   |
| 5) None of these         | Ans.) 2       |

Ques. : 137 Huggies baby diapers is an example of which type of product?

- |                      |                |
|----------------------|----------------|
| 1) 1. Commodity-like | 2) Convenience |
| 3) Speciality        | 4) Essential   |
| 5) None of these     | Ans.) 1        |

Ques. : 138 What term is used when the government employs technology to deal with citizens, businesses, and other government agencies?

- |                  |                 |
|------------------|-----------------|
| 1) G2BC          | 2) web          |
| 3) consumer      | 4) E-government |
| 5) None of these | Ans.) 4         |

Ques. : 139 What group of individuals is Webkinz is designed for?

- |                   |                      |
|-------------------|----------------------|
| 1) Screenager     | 2) Digital immigrant |
| 3) Pre-screenager | 4) Digital native    |
| 5) None of these  | Ans.) 3              |

Ques. : 140 What term refers to the small web page that opens automatically with an ad when you visit some web sites?

- |                   |              |
|-------------------|--------------|
| 1) Marketing page | 2) I-ad      |
| 3) Affiliate ad   | 4) Pop-up ad |
| 5) None of these  | Ans.) 4      |

Ques. : 141 When two companies are linked together by computers and they send business transactions through these computers, they are probably using \_\_\_\_\_.

- |                    |                                |
|--------------------|--------------------------------|
| 1) Digital wallets | 2) Electronic data interchange |
| 3) B2C             | 4) Smart cards                 |
| 5) None of these.  | Ans.) 2                        |

Ques. : 142 What type of technology scrambles the contents of files sent via the Internet?

- |                  |                             |
|------------------|-----------------------------|
| 1) Encryption    | 2) Secured data interchange |
| 3) Cryptogram    | 4) Regulated code           |
| 5) None of these | Ans.) 1                     |

Ques. : 143 What type of Web technology creates a secure and private connection between two computers?

- |                                |                        |
|--------------------------------|------------------------|
| 1) Secure socket layers        | 2) Encryption          |
| 3) Internet-locked connections | 4) Sheltered web sites |
| 5) None of these               | Ans.) 1                |

Ques. : 144 What term refers to your ability to connect to the internet and your company from a wireless device?

- |                    |                     |
|--------------------|---------------------|
| 1) Net services    | 2) Push technology  |
| 3) Pull technology | 4) Mobile computing |
| 5) None of these   | Ans.) 4             |

Ques. : 145 What age group was born after the digital revolution?

- |                    |                       |
|--------------------|-----------------------|
| 1) Digital natives | 2) Digital immigrants |
| 3) Digital boomers | 4) Web kids           |
| 5) None of these   | Ans.) 1               |

Ques. : 146 Which of the following systems helps you with making a decision about a non-structured problem?

- |                            |                            |
|----------------------------|----------------------------|
| 1) Artificial intelligence | 2) Neural network          |
| 3) Genetic algorithm       | 4) Decision support system |
| 5) None of these           | Ans.) 4                    |

Ques. : 147 Which of the following systems would be used for geocaching?

- |                      |                                    |
|----------------------|------------------------------------|
| 1) Neural network    | 2) Genetic algorithm               |
| 3) Intelligent agent | 4) Geographical information system |
| 5) None of these     | Ans.) 4                            |

Ques. : 148 Which of the following systems mimics human thinking?

- |                            |                               |
|----------------------------|-------------------------------|
| 1) Artificial intelligence | 2) Intelligent agent          |
| 3) Bot                     | 4) Database management system |
| 5) All the above           | Ans.) 1                       |

Ques. : 149 Which AI system provides a diagnosis to a specific problem?

- |                                    |                       |
|------------------------------------|-----------------------|
| 1) Intelligent agent               | 2) Expert system      |
| 3) Geographical information system | 4) Data mining system |
| 5) None of these                   | Ans.) 2               |

Ques. : 150 Which AI system finds and identifies patterns; for instance; in the words you use?

- |                   |                       |
|-------------------|-----------------------|
| 1) Expert system  | 2) Intelligent system |
| 3) Neural network | 4) Fuzzy logic        |
| 5) None of these  | Ans.) 3               |

Ques. : 151 Generally, AI systems analyze imprecise and subjective information. This information is called \_\_\_\_\_.

- |                  |                          |
|------------------|--------------------------|
| 1) Blurred data  | 2) Inclusive information |
| 3) Fuzzy logic   | 4) Dirty data            |
| 5) None of these | Ans.) 3                  |

Ques. : 152 Which AI system will work for you to find information on the internet?

- |                      |                   |
|----------------------|-------------------|
| 1) Intelligent agent | 2) Neural network |
| 3) Genetic algorithm | 4) Expert system  |
| 5) None of these     | Ans.) 1           |

Ques. : 153 Which AI system will continue to analyze a problem until it finds the best solution?

- |                      |                   |
|----------------------|-------------------|
| 1) Genetic algorithm | 2) Neural network |
| 3) Intelligent agent | 4) Expert system  |
| 5) All the above     | Ans.) 1           |



Ques. : 154 Which Intelligent Agent will monitor systems and report back to you when there is a problem?

- |                      |                     |
|----------------------|---------------------|
| 1) Shopping bot      | 2) Buyer agent      |
| 3) Information agent | 4) Predictive agent |
| 5) All the above     | Ans.) 4             |

Ques. : 155 Which Intelligent Agent can play an Internet game on your behalf?

- |                      |               |
|----------------------|---------------|
| 1) Information agent | 2) User agent |
| 3) Predictive agent  | 4) Game agent |
| 5) None of these     | Ans.) 2       |

Ques. : 156 Which type of database stores data in two-dimensional tables?

- |                  |                 |
|------------------|-----------------|
| 1) Network       | 2) Hierarchical |
| 3) Table         | 4) Relational   |
| 5) None of these | Ans.) 4         |

Ques. : 157 What part of the database stores information about the data?

- |                    |                                |
|--------------------|--------------------------------|
| 1) Data dictionary | 2) Data depository             |
| 3) Data warehouse  | 4) Administrative data systems |
| 5) All the above   | Ans.) 1                        |

Ques. : 158 What database key uniquely identifies a record within a table?

- |                  |                   |
|------------------|-------------------|
| 1) Primary key   | 2) Foreign key    |
| 3) Secondary key | 4) Relational key |
| 5) None of these | Ans.) 1           |

Ques. : 159 What database key links one table to another?

- |                  |                   |
|------------------|-------------------|
| 1) Primary key   | 2) Foreign key    |
| 3) Secondary key | 4) Relational key |
| 5) None of these | Ans.) 2           |

Ques. : 160 What are the rules called that limit how data is entered into a database?

- |                      |                    |
|----------------------|--------------------|
| 1) Data restrictions | 2) Controls        |
| 3) Constraints       | 4) Database checks |
| 5) None of these     | Ans.) 3            |

Ques. : 161 What do you create when you need to pose a question to the database?

- |                  |          |
|------------------|----------|
| 1) Inquiry       | 2) Rule  |
| 3) Question      | 4) Query |
| 5) none of these | Ans.) 4  |

Ques. : 162 What type of a database is multidimensional, providing layers to tables?

- |                     |                   |
|---------------------|-------------------|
| 1) Multidimensional | 2) Network        |
| 3) Hierarchical     | 4) Data warehouse |
| 5) all of above     | Ans.) 4           |

Ques. : 163 Which of the following is a subset of a data warehouse?

- |                        |              |
|------------------------|--------------|
| 1) Relational database | 2) OLAP      |
| 3) Intelligent Agent   | 4) Data mart |
| 5) None of these       | Ans.) 4      |

Ques. : 164 Which function in an organization plans for information resources?

- |                         |                            |
|-------------------------|----------------------------|
| 1) Data administration  | 2) Database administration |
| 3) Knowledge Management | 4) Information Management  |
| 5) None of these        | Ans.) 1                    |

Ques. : 165 Which function in an organization manages information resources?

- |                         |                            |
|-------------------------|----------------------------|
| 1) Data administration  | 2) Database administration |
| 3) Knowledge Management | 4) Information Management  |
| 5) None of these        | Ans.) 2                    |

Ques. : 166 What type of system tracks inventory and related business processes across departments and companies?

- |                                  |                                    |
|----------------------------------|------------------------------------|
| 1) Strategic information systems | 2) Data processing systems         |
| 3) Inventory management systems  | 4) Supply chain management systems |
| 5) none of these                 | Ans.) 4                            |

Ques. : 167 What type of system tracks and analyzes transactions made by customers?

- |   |                           |
|---|---------------------------|
| 1) Decision support systems                 | 2) Tactical systems       |
| 3) Customer relationship management systems | 4) Knowledge base systems |
| 5) None of these                            | Ans.) 3                   |

Ques. : 168 What type of system tracks and analyzes all of the activities in the sales process?

- |                                   |                                     |
|-----------------------------------|-------------------------------------|
| 1) Customer information systems   | 2) Decision support systems         |
| 3) Sales force automation systems | 4) Sales process management systems |
| 5) None of these                  | Ans.) 3                             |

Ques. : 169 What term is used to identify technology that is used to support many people working together on one project?

- |                      |                         |
|----------------------|-------------------------|
| 1) E-collaboration   | 2) I-technology         |
| 3) Social networking | 4) Knowledge management |
| 5) None of these     | Ans.) 1                 |

Ques. : 170 What term is used to identify people coming together from various geographical locations to complete some task?

- |                      |                     |
|----------------------|---------------------|
| 1) I-team            | 2) Virtual team     |
| 3) Online work group | 4) Distributed team |
| 5) None of these     | Ans.) 2             |

Ques. : 171 What type of Web site allows visitors to create and maintain information posted on its site?

- |                                 |             |
|---------------------------------|-------------|
| 1) Open source site             | 2) Wiki     |
| 3) Knowledge construction sites | 4) FTP site |
| 5) None of these                | Ans.) 2     |

Ques. : 172 Which person oversees an organization's entire information system?

- |                  |         |
|------------------|---------|
| 1) CTO           | 2) CSO  |
| 3) CIO           | 4) CPO  |
| 5) None of these | Ans.) 3 |

Ques. : 173 Which type of system includes all technology systems and software across an organization?

- |  |  |
|--|--|
| 1) Which type of system includes all technology systems and software across an organization? | 2) Which type of system includes all technology systems and software across an organization? |
| 3) Which type of system includes all technology systems and software across an organization? | 4) Management information systems  |
| 5) Non of these  | Ans.) 3  |

Ques. : 174 What is the term used to depict aged information systems that are technologically out-of-date?

- |                                 |                               |
|---------------------------------|-------------------------------|
| 1) Outdated information systems | 2) Obsolete systems           |
| 3) Archaic systems              | 4) Legacy information systems |
| 5) Non of these                 | Ans.) 4                       |

Ques. : 175 Which of the following ERP providers specialize in providing financial management, distribution, manufacturing, project accounting, human resource management, and business analytics to small-to-medium businesses?

- |                 |                      |
|-----------------|----------------------|
| 1) SAP          | 2) Oracle/PeopleSoft |
| 3) SSA Global   | 4) Microsoft         |
| 5) Non of these | Ans.) 4              |

Ques. : 176 Which information attribute would last month's electrical bill be classified as?

- |                 |         |
|-----------------|---------|
| 1) Space        | 2) Form |
| 3) Location     | 4) Time |
| 5) Non of these | Ans.) 4 |

Ques. : 177 Which of the following terms is used to describe the computer-based tools used by people in an organization to support their information processing needs?

- |                           |                   |
|---------------------------|-------------------|
| 1) Information Technology | 2) User Systems   |
| 3) Artifacts              | 4) Computer Tools |
| 5) Non of these           | Ans.) 1           |

Ques. : 178 Which term refers to the extent of detail provided in information? For instance, some information may provide summary information while others may provide a great amount of detail.

- |                            |                   |
|----------------------------|-------------------|
| 1) Information Depth       | 2) Aggregate Data |
| 3) Information Granularity | 4) Data Detail    |
| 5) None of these           | Ans.) 3           |

Ques. : 179 Which of the following is included in the organizational perspective of information?

- |                  |         |
|------------------|---------|
| 1) Time          | 2) Flow |
| 3) Process       | 4) Form |
| 5) None of these | Ans.) 2 |

Ques. : 180 Which type of technology allows you to send information from one computer to another?

- |                  |                      |
|------------------|----------------------|
| 1) Output        | 2) Telecommunication |
| 3) Connecting    | 4) CPU               |
| 5) None of these | Ans.) 2              |

Ques. : 181 Which organizational layer is responsible for developing the goals and strategies as outlined by the top-most level of management?

- |                           |                            |
|---------------------------|----------------------------|
| 1) Tactical management    | 2) Strategic management    |
| 3) Operational management | 4) Nonmanagement employees |
| 5) None of these          | Ans.) 2                    |

Ques. : 182 Which of the following is collective information about customers, competitors, business partners, competitive environments, and internal operations?

- |                               |                            |
|-------------------------------|----------------------------|
| 1) Aggregate Data             | 2) External Knowledge      |
| 3) Business Intelligence (BI) | 4) Information Granularity |
| 5) None of these              | Ans.) 3                    |

Ques. : 183 What term is used to describe information coming into a computer that is in bad form, or is incorrect, and will improperly affect the decision-making process?

- |                      |                  |
|----------------------|------------------|
| 1) GIGO              | 2) Tainted data  |
| 3) Dirty information | 4) Scrubbed data |
| 5) None of these     | Ans.) 1          |

Ques. : 184 Which type of worker knows how and when to apply technology?

- |                       |   |
|-----------------------|---|
| 1) Computer scientist | 2) Technology-literate knowledge worker |
| 3) Technology analyst | 4) Computer savvy                       |
| 5) None of these      | Ans.) 2                                 |

Ques. : 185 Which type of software coordinates the interaction of technology devices?

- |                         |                     |
|-------------------------|---------------------|
| 1) Application software | 2) Utility software |
| 3) RAM                  | 4) Systems software |
| 5) None of these        | Ans.) 4             |

Ques. : 186 When developers start to acquire equipment or software, the \_\_\_\_\_ stage of the SDLC has been reached.

- |                   |                   |
|-------------------|-------------------|
| 1) development    | 2) design         |
| 3) implementation | 4) needs analysis |
| 5) None of these  | Ans.) 1           |

Ques. : 187 A \_\_\_\_\_ implementation will involve employees utilizing one part at a time.

- |                  |           |
|------------------|-----------|
| 1) parallel      | 2) direct |
| 3) phased        | 4) pilot  |
| 5) None of these | Ans.) 3   |

Ques. : 188 Adding new features is typically performed during the \_\_\_\_\_ phase.

- |                     |                   |
|---------------------|-------------------|
| 1) implementation   | 2) needs analysis |
| 3) development      | 4) maintenance    |
| 5) all of the above | Ans.) 4           |

Ques. : 189 The intensity and the level of commitment required in the first \_\_\_\_\_ phases of RAD are expected to shorten the entire development process.

- |         |          |
|---------|----------|
| 1) two  | 2) three |
| 3) five | 4) six   |
| 5) one  | Ans.) 1  |

Ques. : 190 The intensity and the level of commitment required in the first \_\_\_\_\_ phases of RAD are expected to shorten the entire development process.

- |         |          |
|---------|----------|
| 1) two  | 2) three |
| 3) five | 4) six   |
| 5) one  | Ans.) 1  |

Ques. : 191 Senior managers but not end users participate during the \_\_\_\_\_ sessions for RAD.

- |                              |                                    |
|------------------------------|------------------------------------|
| 1) needs analysis            | 2) joint requirements planning     |
| 3) joint applications design | 4) object oriented system analysis |
| 5) none of these             | Ans.) 2                            |

Ques. : 192 Analyzing the current system is performed during the \_\_\_\_\_ phase.

- |                   |                   |
|-------------------|-------------------|
| 1) development    | 2) design         |
| 3) implementation | 4) needs analysis |
| 5) None of these  | Ans.) 4           |

Ques. : 193 In \_\_\_\_\_, team members start with the big picture and move to the details.

- |                                    |                             |
|------------------------------------|-----------------------------|
| 1) top-down design                 | 2) bottom-up design         |
| 3) object oriented system analysis | 4) rapid application design |
| 5) all of the above                | Ans.) 1                     |

Ques. : 194 Many teams use working models called \_\_\_\_\_ to explore the look and feel of screens with users.

- |                  |               |
|------------------|---------------|
| 1) demos         | 2) prototypes |
| 3) objects       | 4) designs    |
| 5) None of these | Ans.) 2       |

Ques. : 195 In the needs analysis section of the SDLC, the \_\_\_\_\_ typically defines a need for a new system

- 1) manager
  - 2) system analyst
  - 3) user
  - 4) technical writer
  - 5) all of the above
- Ans.) 3

Ques. : 196 Information systems are composed of \_\_\_\_\_ basic components.

- 1) four
  - 2) three
  - 3) two
  - 4) many
  - 5) none of these
- Ans.) 2

Ques. : 197 A human order taker can be bypassed when using a(n) \_\_\_\_\_

- 1) office automation system.
  - 2) management information system.
  - 3) transaction processing system.
  - 4) decision support system.
  - 5) all of the above
- Ans.) 3

Ques. : 198 The \_\_\_\_\_ can help you choose a product.

- 1) office automation system
  - 2) management information system
  - 3) transaction processing system
  - 4) decision support system
  - 5) None of these
- Ans.) 4

Ques. : 199 The expert system uses a(n) \_\_\_\_\_ to select the most appropriate response.

- 1) inference engine
  - 2) decision support system
  - 3) knowledge base
  - 4) data source
  - 5) all of the above
- Ans.) 1

Ques. : 200 An intranet that is accessible by outside workers.

- 1) firewall
  - 2) extranet
  - 3) management information system
  - 4) P2PN
  - 5) None of these
- Ans.) 2

Ques. : 201 \_\_\_\_\_ is the capability to continue as if nothing has happened, even after a major component failure.

- 1) redundancy
  - 2) interoperability
  - 3) fault tolerance
  - 4) backup
  - 5) None of these
- Ans.) 3

Ques. : 202 Striping with parity is also known as RAID \_\_\_\_\_.

- 1) 0
  - 2) 1
  - 3) 4
  - 4) 6
  - 5) all of the above
- Ans.) 3

Ques. : 203 A storage device that is connected directly to a network is an example of \_\_\_\_\_.

- 1) network attached storage
  - 2) storage area network
  - 3) direct attached storage
  - 4) RAID
  - 5) None of these
- Ans.) 1

Ques. : 204 A tape library will use a robotic component called a(n) \_\_\_\_\_ to change and store multiple tape cartridges.

- 1) RAID
  - 2) backup device
  - 3) redundant system
  - 4) auto loader
  - 5) None of these
- Ans.) 4

Ques. : 205 More than one of the same component is an example of a \_\_\_\_\_ system.

- 1) scalable
  - 2) redundant
  - 3) RAID
  - 4) back-up
  - 5) None of these
- Ans.) 2

Ques. : 206 \_\_\_\_\_ is a first-generation cellular phone system.

- 1) AMPS
  - 2) D-AMPS
  - 3) GSM
  - 4) none of the above
  - 5) None of these
- Ans.) 1

Ques. : 207 \_\_\_\_\_ is a second-generation cellular phone system.

- 1) AMPS
  - 2) D-AMPS
  - 3) GSM
  - 4) none of the above
  - 5) all of the above
- Ans.) 2

Ques. : 208 \_\_\_\_\_ is a digital version of AMPS.

- 1) GSM
  - 2) D-AMPS
  - 3) IS-95
  - 4) none of the above
  - 5) all of the above
- Ans.) 2

Ques. : 209 \_\_\_\_\_ is a second-generation cellular phone system used in Europe.

- 1) GSM
  - 2) D-AMPS
  - 3) IS-95
  - 4) all of the above
  - 5) none of the above
- Ans.) 1

Ques. : 210 The \_\_\_\_\_ cellular phone system will provide universal personal communication.

- 1) first-generation
  - 2) second-generation
  - 3) third-generation
  - 4) all of the above
  - 5) none of the above
- Ans.) 3

Ques. : 211 Computer can not do anything without a

- 1) Chip
  - 2) Memory
  - 3) Output device
  - 4) Program
  - 5) None of these
- Ans.) 4

Ques. : 212 A process known as \_\_\_\_\_ is used by large retailers to study trends.

- 1) data mining
  - 2) data selection
  - 3) POS
  - 4) data conversion
  - 5) None of these
- Ans.) 1

Ques. : 213 Which generation of computers is covered by the period 1964-77?

- 1) First
  - 2) Second
  - 3) Third
  - 4) Forth
  - 5) None of these
- Ans.) 3

Ques. : 214 \_\_\_\_\_ is data that has been organized or presented in a meaningful fashion.

- 1) A process
  - 2) Software
  - 3) Storage
  - 4) Information
  - 5) None of these
- Ans.) 4

Ques. : 215 \_\_\_\_\_ term inals (formerly known as cash registers) are often connected to complex inventory and sales computer systems.

- 1) Data
  - 2) Point-of-sale
  - 3) Sales
  - 4) Query
  - 5) None of these
- Ans.) 2

Ques. : 216 A(n) \_\_\_\_\_ system is a small, wireless handheld computer that scans an item's tag and pulls up the current price (and any special offers) as you shop.

- 1) PSS
  - 2) POS
  - 3) inventory
  - 4) data mining
  - 5) None of these
- Ans.) 1

Ques. : 217 The ability to recover and read deleted or damaged files from a criminal's computer is an example of a law enforcement specialty called:

- |                       |               |
|-----------------------|---------------|
| 1) robotics           | 2) simulation |
| 3) computer forensics | 4) animation  |
| 5) None of these      | Ans.) 3       |

Ques. : 218 Which of the following is not one of the four major data processing functions of a computer?

- |                                      |                                     |
|--------------------------------------|-------------------------------------|
| 1) gathering data                    | 2) processing data into information |
| 3) analyzing the data or information | 4) storing the data or information  |
| 5) None of these                     | Ans.) 3                             |

Ques. : 219 \_\_\_\_\_ tags, when placed on an animal, can be used to record and track in a database all of the animal's movements

- |                  |         |
|------------------|---------|
| 1) POS           | 2) RFID |
| 3) PPS           | 4) GPS  |
| 5) None of these | Ans.) 2 |

Ques. : 220 Surgeons can perform delicate operations by manipulating devices through computers instead of manually.

This technology is known as

- |                  |                       |
|------------------|-----------------------|
| 1) robotics      | 2) computer forensics |
| 3) simulation    | 4) forecasting        |
| 5) None of these | Ans.) 1               |

Ques. : 221 Technology no longer protected by copyright, available to everyone, is considered to be:

- |                  |                         |
|------------------|-------------------------|
| 1) proprietary   | 2) open                 |
| 3) experimental  | 4) in the public domain |
| 5) None of these | Ans.) 1                 |

Ques. : 222 All of the following are examples of real security and privacy risks except

- |                  |                   |
|------------------|-------------------|
| 1) hackers       | 2) spam           |
| 3) viruses       | 4) identity theft |
| 5) None of these | Ans.) 2           |

Ques. : 223 \_\_\_\_\_ is the study of molecules and structures whose size ranges from 1 to 100 nanometers.

- |                       |                            |
|-----------------------|----------------------------|
| 1) Nanoscience        | 2) Microelectrodes         |
| 3) Computer forensics | 4) Artificial intelligence |
| 5) None of these      | Ans.) 1                    |

Ques. : 224 \_\_\_\_\_ is the science that attempts to produce machines that display the same type of intelligence that humans do.

- |                  |                            |
|------------------|----------------------------|
| 1) Nanoscience   | 2) Nanotechnology          |
| 3) Simulation    | 4) Artificial intelligence |
| 5) None of these | Ans.) 4                    |

Ques. : 225 The name for the way that computers manipulate data into information is called

- |                  |               |
|------------------|---------------|
| 1) programming   | 2) processing |
| 3) storing       | 4) organizing |
| 5) None of these | Ans.) 2       |

Ques. : 226 An e-mail address typically consists of a user ID followed by the \_\_\_\_\_ sign and the name of the e-mail server that manages the user's electronic post office box.

- |                  |         |
|------------------|---------|
| 1) @             | 2) #    |
| 3) &             | 4) *    |
| 5) None of these | Ans.) 1 |

Ques. : 227 Software applies \_\_\_\_\_ also called algorithms, to process data.

- 1) arithmetic
  - 2) procedures
  - 3) objects
  - 4) rules
  - 5) None of these
- Ans.) 1

Ques. : 228 A file extension is separated from the main file name with a(n) \_\_\_\_\_ but no spaces.

- 1) question mark
  - 2) exclamation mark
  - 3) underscore
  - 4) period
  - 5) None of these
- Ans.) 5

Ques. : 229 An ad hoc query is a—

- 1) pre-planned question
  - 2) pre-scheduled question
  - 3) spur-of-the moment question
  - 4) question that will not return any results
  - 5) None of these
- Ans.) 2

Ques. : 230 A Web \_\_\_\_\_ consists of one or more Web pages located on a Web server.

- 1) hub
  - 2) site
  - 3) story
  - 4) template
  - 5) None of these
- Ans.) 2

Ques. : 231 A computer \_\_\_\_\_ is a set of program instructions that can attach itself to a file, reproduce itself, and spread to other files.

- 1) worm
  - 2) virus
  - 3) trojan horse
  - 4) phishing scam
  - 5) None of these
- Ans.) 2

Ques. : 232 The desktop contains small graphics calledé

- 1) windows
  - 2) logos
  - 3) icons
  - 4) pictures
  - 5) None of these
- Ans.) 3

Ques. : 233 C, BASIC, COBOL, and Java are examples of \_\_\_\_\_ languages

- 1) low-level
  - 2) computer
  - 3) system programming
  - 4) high-level
  - 5) None of these
- Ans.) 4

Ques. : 234 A(n) \_\_\_\_\_ camera is a peripheral device used to capture still images in a digital format that can be easily transferred into a computer and manipulated using graphics software.

- 1) digital
  - 2) analog
  - 3) classic
  - 4) film
  - 5) None of these
- Ans.) 1

Ques. : 235 \_\_\_\_\_ makes it possible for shoppers to make purchases using their computers.

- 1) E-world
  - 2) Ecommerce
  - 3) E-spend
  - 4) E-business
  - 5) None of these
- Ans.) 4

Ques. : 236 A computer \_\_\_\_\_ is a set of program instructions that can attach itself to a file, reproduce itself,

- 1) worm
  - 2) virus
  - 3) trojan horse
  - 4) phishing scam
  - 5) None of these
- Ans.) 2

Ques. : 237 The desktop contains small graphics calledé

- 1) windows
  - 2) logos
  - 3) icons
  - 4) pictures
  - 5) None of these
- Ans.) 3



Ques. : 238 C, BASIC, COBOL, and Java are examples of \_\_\_\_\_ languages

- 1) low-level
  - 2) computer
  - 3) system programming
  - 4) high-level
  - 5) None of these
- Ans.) 4

Ques. : 239 A(n) \_\_\_\_\_ camera is a peripheral device used to capture still images in a digital format that can

- 1) digital
  - 2) analog
  - 3) classic
  - 4) film
  - 5) None of these
- Ans.) 1

Ques. : 240 \_\_\_\_\_ makes it possible for shoppers to make purchases using their computers

- 1) E-world
  - 2) Ecommerce
  - 3) E-spend
  - 4) E-business
  - 5) None of these
- Ans.) 4

Ques. : 241 An Internet connection require

- 1) a personal computer
  - 2) a modem
  - 3) a dial-up telephone line
  - 4) software to operate
  - 5) all the above
- Ans.) 5

Ques. : 242 The Boolean operators of the Internet are

- 1) And
  - 2) OR
  - 3) Nand
  - 4) Nor
  - 5) all of the above
- Ans.) 5

Ques. : 243 ICMP stands for

- 1) Intranet Control Message Protocol
  - 2) Internet Control Message Protocol
  - 3) Information Control Master Protocol
  - 4) internet communication message protocol
  - 5) None of the above
- Ans.) 1

Ques. : 244 CRC stands for

- 1) Cyclic Read Check
  - 2) Cyclic Redundancy Check
  - 3) Cyclic Replicate Check
  - 4) control message control
  - 5) None of the above
- Ans.) 2

Ques. : 245 The Java program file extension is

- 1) .jav
  - 2) .java
  - 3) .ja
  - 4) .jvm
  - 5) None of the above
- Ans.) 2

Ques. : 246 The first mechanical computer designed by Charles Babbage was called

- 1) Abacus
  - 2) Processor
  - 3) Calculator
  - 4) Analytical Engine
  - 5) None of these
- Ans.) 4

Ques. : 247 The motherboard is the—

- 1) circuit board that houses peripheral devices
  - 2) same as the CPU chip
  - 3) the first dup that is accessed when the chips
  - 4) circuit board that contains a CPU and other computer is turned on
  - 5) None of these
- Ans.) 4

Ques. : 248 The transformation of a message into an encoded form is known as

- 1) Mnemonics
  - 2) Encoding
  - 3) Encryption
  - 4) Decoding
  - 5) None of these
- Ans.) 2

Ques. : 249 Which is device that interconnect two or more network, enabling data transfer to be made between them

- |                  |             |
|------------------|-------------|
| 1) Plotter       | 2) Joystick |
| 3) Gateway       | 4) Path     |
| 5) None of these | Ans.) 3     |

Ques. : 250 Which of the following is directory controlled from a keyboard.

- |                  |                       |
|------------------|-----------------------|
| 1) Card punch    | 2) punched paper tape |
| 3) Magnetic disk | 4) Magnetic tape      |
| 5) None of these | Ans.) 1               |

Ques. : 251 Which of the following is a part of the Central Processing Unit

- |                  |                          |
|------------------|--------------------------|
| 1) Printer       | 2) Keyboard              |
| 3) Mouse         | 4) Arithmetic Logic Unit |
| 5) None of these | Ans.) 4                  |

Ques. : 252 Control Unit of a digital computer is often called the

- |                  |                     |
|------------------|---------------------|
| 1) Clock         | 2) Nerve center     |
| 3) ICs           | 4) All of the above |
| 5) None of these | Ans.) 4             |

Ques. : 253 A typical modern computer uses

- |                  |                  |
|------------------|------------------|
| 1) LSI chips     | 2) Vacuum tubes  |
| 3) Valves        | 4) All the above |
| 5) None of these | Ans.) 1          |

Ques. : 254 A is a device that not only provides surge protection, but also furnishes your computer with battery backup power during a power outage

- |                  |                  |
|------------------|------------------|
| 1) surge strip   | 2) USB           |
| 3) UPS           | 4) battery strip |
| 5) None of these | Ans.) 3          |

Ques. : 255 When you save to \_\_\_\_\_ your data will remain intact even when the computer is turned off.

- |                             |                           |
|-----------------------------|---------------------------|
| 1) RAM                      | 2) motherboard            |
| 3) secondary storage device | 4) primary storage device |
| 5) None of these            | Ans.) 3                   |

Ques. : 256 Which of the following statements is/are true?

- |                                       |   |
|---------------------------------------|---|
| 1) Cache Memories are bigger than RAM | 2) Cache Memories are smaller than RAM        |
| 3) ROM is faster than RAM             | 4) Information in ROM can be written by users |
| 5) None of these                      | Ans.) 2                                       |

Ques. : 257 Programs stored in ROM are called \_\_\_\_

- |                  |             |
|------------------|-------------|
| 1) Hardware      | 2) Firmware |
| 3) Software      | 4) utility  |
| 5) None of these | Ans.) 2     |

Ques. : 258 The unit KIPS is used to measure the speed of \_\_\_\_

- |                  |               |
|------------------|---------------|
| 1) Processor     | 2) Disk drive |
| 3) Printer       | 4) Tape drive |
| 5) None of these | Ans.) 1       |

Ques. : 259 IC are classified on the basis of \_\_\_\_

- |                          |                     |
|--------------------------|---------------------|
| 1) Manufacturing company | 2) Type of computer |
| 3) Number of transistors | 4) a and b          |
| 5) None of these         | Ans.) 3             |

Ques. : 260 MDR (Memory Data Register) holds the

- 1) Address of memory location
- 2) Segment number
- 3) Number of transistors
- 4) a and b

5) None of these

Ans.) 3

Ques. : 261 When an object has many forms, it has \_\_\_\_\_.

- 1) Inheritance
- 2) Scalability
- 3) Encapsulation
- 4) Polymorphism
- 5) None of these

Ans.) 4

Ques. : 262 What term is used to describe the internal representation of an object that is hidden from view outside the object's definition?

- 1) Encapsulation
- 2) Expandable
- 3) Polymorphism
- 4) Inheritance
- 5) None of these

Ans.) 1

Ques. : 263 What are the instructions called that tell a system what, how, and when to do something?

- 1) Object-oriented technology approach
- 2) Object-oriented database
- 3) Program
- 4) Database management
- 5) None of these

Ans.) 3

Ques. : 264 What common technique attempts to save time and energy by reducing redundant work in object-oriented programming?

- 1) Reduce lines of programming
- 2) Reuse of code
- 3) Reduce size of systems being developed
- 4) Merging different systems together
- 5) None of these

Ans.) 2

Ques. : 265 What kind of programming language is Java?

- 1) Object-oriented programming language
- 2) Relational programming language
- 4) Database management programming language
- 5) None of these

Ans.) 1

Ques. : 266 Which device can understand difference between data & programs?

- 1) Input device
- 2) Output device
- 3) Memory
- 4) Microprocessor
- 5) None of these

Ans.) 4

Ques. : 267 The contents of information are stored in

- 1) Memory data register
- 2) Memory address register
- 3) Memory arithmetic registers
- 4) Memory access register
- 5) None of these

Ans.) 1

Ques. : 268 Memory unit is one part of

- 1) Input device
- 2) Control unit
- 3) Output device
- 4) Central Processing Unit
- 5) None of these

Ans.) 4

Ques. : 269 Algorithm and Flow chart help us to

- 1) Know the memory capacity
- 2) Identify the base of a number system
- 3) Direct the output to a printer
- 4) Specify the problem completely and clearly
- 5) None of these

Ans.) 4

Ques. : 270 Who built the first Mechanical Calculator

- 1) Joseph Marie Jacquard
- 2) John Mauchly

- 3) Blaise Pascal
- 5) None of these

- 4) Howard Aiken
- Ans.) 3

Ques. : 271 In the right setting a thief will steal your information by simply watching what you type

- 1) snagging
- 3) social engineering
- 5) None of these

- 2) spying
- 4) shoulder surfing
- Ans.) 4

Ques. : 272 A \_\_\_\_\_ is a small program embedded inside of a GIF image.

- 1) web bug
- 3) spyware application
- 5) None of these

- 2) cookie
- 4) spam
- Ans.) 1

Ques. : 273 A hacker contacts you my phone or email and attempts to acquire your password

- 1) spoofing
- 3) spamming
- 5) None of these

- 2) phishing
- 4) bugging
- Ans.) 2

Ques. : 274 This power protection device includes a battery that provides a few minutes of power.

- 1) surge suppressor
- 3) generator
- 5) None of these

- 2) line conditioner
- 4) UPS
- Ans.) 4

Ques. : 275 The phrase \_\_\_\_\_ describes viruses, worms, Trojan horse attack applets, and attack scripts.

- 1) malware
- 3) phish
- 5) None of these

- 2) spam
- 4) virus
- Ans.) 1

Ques. : 276 The \_\_\_\_\_ is a special database that holds information about the computer's user, installed programs and hardware devices.

- 1) dynamic link library
- 3) compiled help module
- 5) None of these

- 2) initialization file
- 4) Windows Registry
- Ans.) 4

Ques. : 277 A(n) \_\_\_\_\_ converts all the source code into machine code, creating an executable file

- 1) linker
- 3) assembler
- 5) None of these

- 2) compiler
- 4) interpreter
- Ans.) 2

Ques. : 278 An IPO chart consists of \_\_\_\_\_ columns

- 1) three
- 3) five
- 5) None of these

- 2) four
- 4) unlimited
- Ans.) 1

Ques. : 279 A series of steps that always results in an answer is the definition of \_\_\_\_\_.

- 1) heuristic
- 3) algorithm
- 5) None of these

- 2) flowchart
- 4) pseudo code
- Ans.) 3

Ques. : 280 \_\_\_\_\_ are built around special program flow constructs called conditional statements.

- 1) Selection structures
- 3) Repetition structures

- 2) Sequence structure
- 4) Assignment statements

- 5) None of these

- Ans.) 1

Ques. : 281 Which of the following systems helps you with making a decision about a non-structured problem?

- |                            |                            |
|----------------------------|----------------------------|
| 1) Artificial intelligence | 2) Neural network          |
| 3) Genetic algorithm       | 4) Decision support system |
| 5) None of these           | Ans.) 4                    |

Ques. : 282 Which of the following systems would be used for geocaching?

- |                      |                                    |
|----------------------|------------------------------------|
| 1) Neural network    | 2) Genetic algorithm               |
| 3) Intelligent agent | 4) Geographical information system |
| 5) None of these     | Ans.) 4                            |

Ques. : 283 Which of the following systems mimics human thinking?

- |                            |                               |
|----------------------------|-------------------------------|
| 1) Artificial intelligence | 2) Intelligent agent          |
| 3) Bot                     | 4) Database management system |
| 5) None of these           | Ans.) 1                       |

Ques. : 284 Which AI system provides a diagnosis to a specific problem?

- |                                    |                       |
|------------------------------------|-----------------------|
| 1) Intelligent agent               | 2) Expert system      |
| 3) Geographical information system | 4) Data mining system |
| 5) None of these                   | Ans.) 2               |

Ques. : 285 Which AI system finds and identifies patterns; for instance; in the words you use?

- |                   |                       |
|-------------------|-----------------------|
| 1) Expert system  | 2) Intelligent system |
| 3) Neural network | 4) Fuzzy logic        |
| 5) None of these  | Ans.) 3               |

Ques. : 286 Dot matrix and band printers are \_\_\_\_\_ printers

- |                |            |
|----------------|------------|
| 1) laser       | 2) impact  |
| 3) ink jet     | 4) thermal |
| 5) None of the | Ans.) 2    |

Ques. : 287 Which of the following measures the speed of dot-matrix printers?

- |                |         |
|----------------|---------|
| 1) ppm         | 2) dpi  |
| 3) cps         | 4) lpm  |
| 5) None of the | Ans.) 3 |

Ques. : 288 In a laser printer, the \_\_\_\_\_ transfers the image to the paper

- |                |           |
|----------------|-----------|
| 1) laser       | 2) roller |
| 3) toner       | 4) drum   |
| 5) None of the | Ans.) 4   |

Ques. : 289 Home offices often purchase \_\_\_\_\_ to solve printing and scanning needs

- |                           |                 |
|---------------------------|-----------------|
| 1) all-in-one peripherals | 2) photocopiers |
| 3) ink-jet printers       | 4) scanners     |
| 5) None of the            | Ans.) 1         |

Ques. : 290 For a home user that has casual printing needs, the \_\_\_\_\_ specification is the most important specification of a printer.

- |                |                |
|----------------|----------------|
| 1) speed       | 2) cost of use |
| 3) resolution  | 4) paper size  |
| 5) None of the | Ans.) 2        |

Ques. : 291 What is the address given to a computer connected to a network called?

- |                   |               |
|-------------------|---------------|
| 1) System Address | 2) SYSID      |
| 3) Process ID     | 4) IP Address |
| 5) None of these  | Ans.) 4       |

Ques. : 292 Direct X is a \_\_\_\_\_

- |                     |  |
|---------------------|--|
| 1) Computer Part    | 2) Software that drives Graphic hardware |
| 3) A User Interface | 4) all of above                          |
| 5) None of these    | Ans.) 2                                  |

Ques. : 293 When you purchase a product over a Mobile Phone, the transaction is called \_\_\_\_

- |                  |                     |
|------------------|---------------------|
| 1) Web Commerce  | 2) e-Commerce       |
| 3) m-Commerce    | 4) Mobile Purchases |
| 5) None of these | Ans.) 3             |

Ques. : 294 Programs stored in ROM are called \_\_\_\_

- |                  |                 |
|------------------|-----------------|
| 1) Hardware      | 2) Firmware     |
| 3) Software      | 4) all of above |
| 5) None of these | Ans.) 2         |

Ques. : 295 The unit KIPS is used to measure the speed of \_\_\_\_

- |                  |               |
|------------------|---------------|
| 1) Processor     | 2) Disk drive |
| 3) Printer       | 4) Tape drive |
| 5) None of these | Ans.) 1       |

Ques. : 296 What is the most common repetitive-stress injury?

- |                               |                                       |
|-------------------------------|---------------------------------------|
| 1) Carpal tunnel syndrome     | 2) Headache                           |
| 3) Cumulative trauma disorder | 4) Video operator's distress syndrome |
| 5) None of these              | Ans.) 1                               |

Ques. : 297 Which government organization may possibly provide and enforce regulations in the near future concerning ergonomics in the workplace?

- |                  |         |
|------------------|---------|
| 1) FCC           | 2) SEC  |
| 3) FBI           | 4) OSHA |
| 5) None of these | Ans.) 4 |

Ques. : 298 Which of the following will NOT reduce stress when computing?

- |   |  |
|---|--|
| 1) Minibreaks   | 2) Proper ventilation to eliminate ozone emissions |
| 3) Putting the keyboard on the desktop and raising your chair | 4) Indirect lighting to reduce monitor glare       |
| 5) None of these  | Ans.) 3  |

Ques. : 299 What is meant by "green computing?"

- |  |                                       |
|--|---------------------------------------|
| 1) A non-computing person using a computer | 2) Environmentally sensible computing |
| 3) The leading edge of computer technology | 4) Using a new software program       |
| 5) None of these                           | Ans.) 2                               |

Ques. : 300 What is the name of the program used by the Environmental Protection Agency to denote an appliance meets environmentally-safe regulations?

- |                                   |               |
|-----------------------------------|---------------|
| 1) Energy Star                    | 2) Energetics |
| 3) Efficient Appliance Compliance | 4) Power Star |
| 5) None of these                  | Ans.) 1       |

Ques. : 301 What is the structured approach called for developing software and information systems?

- |                                   |                        |
|-----------------------------------|------------------------|
| 1) Software design                | 2) Prototyping         |
| 3) Systems development life cycle | 4) Systems methodology |
| 5) None of these                  | Ans.) 3                |

Ques. : 302 Who is the person who typically manages the software development project?

- |                      |                        |
|----------------------|------------------------|
| 1) Software engineer | 2) Project manager     |
| 3) IT manager        | 4) Technology director |
| 5) None of these     | Ans.) 2                |

Ques. : 303 In which phase of the software design and development project would you try to understand the proposed project?

- |                       |                   |
|-----------------------|-------------------|
| 1) Planning phase     | 2) Initial phase  |
| 3) Requirements phase | 4) Analysis phase |
| 5) None of these      | Ans.) 4           |

Ques. : 304 In which phase of the software design and development project would you build a blueprint of the proposed system?

- |                       |                      |
|-----------------------|----------------------|
| 1) Analysis phase     | 2) Design phase      |
| 3) Requirements phase | 4) Development phase |
| 5) None of these      | Ans.) 2              |

Ques. : 305 In which phase of the software design and development project would you build the proposed system?

- |                      |                         |
|----------------------|-------------------------|
| 1) Design phase      | 2) Requirements phase   |
| 3) Development phase | 4) Implementation phase |
| 5) None of these     | Ans.) 3                 |

Ques. : 306 Before data can be transmitted, they must be transformed to \_\_\_\_\_.

- |                      |                             |
|----------------------|-----------------------------|
| 1) periodic signals  | 2) electromagnetic signals  |
| 3) aperiodic signals | 4) low-frequency sine waves |
| 5) None of these     | Ans.) 2                     |

Ques. : 307 A periodic signal completes one cycle in 0.001 s. What is the frequency?

- |                  |           |
|------------------|-----------|
| 1) 1 Hz          | 2) 100 Hz |
| 3) 1 KHz         | 4) 1 MHz  |
| 5) None of these | Ans.) 3   |

Ques. : 308 In a frequency-domain plot, the horizontal axis measures the \_\_\_\_\_.

- |                   |              |
|-------------------|--------------|
| 1) peak amplitude | 2) frequency |
| 3) phase          | 4) slope     |
| 5) None of these  | Ans.) 2      |

Ques. : 309 In a time-domain plot, the horizontal axis is a measure of \_\_\_\_\_.

- |                     |              |
|---------------------|--------------|
| 1) signal amplitude | 2) frequency |
| 3) phase            | 4) time      |
| 5) None of these    | Ans.) 4      |

Ques. : 310 If the bandwidth of a signal is 5 KHz and the lowest frequency is 52 KHz, what is the highest frequency?

- |                  |           |
|------------------|-----------|
| 1) 5 KHz         | 2) 10 KHz |
| 3) 47 KHz        | 4) 57 KHz |
| 5) None of these | Ans.) 4   |

Ques. : 311 What type of network is commonly used in a college lab environment?

- |                  |         |
|------------------|---------|
| 1) WAN           | 2) MAN  |
| 3) LAN           | 4) CAN  |
| 5) None of these | Ans.) 3 |

Ques. : 312 What type of network is commonly used in an international organization?

- |                  |         |
|------------------|---------|
| 1) WAN           | 2) MAN  |
| 3) LAN           | 4) CAN  |
| 5) None of these | Ans.) 1 |

Ques. : 313 What is the term used to describe the amount of space you have to transmit to and from the Internet?

- |                   |                  |
|-------------------|------------------|
| 1) Internet speed | 2) Network speed |
| 3) Router         | 4) Bandwidth     |
| 5) None of these  | Ans.) 4          |

Ques. : 314 Which of the following high-speed circuits is the fastest?

- |                  |         |
|------------------|---------|
| 1) T1            | 2) T2   |
| 3) T3            | 4) DS3  |
| 5) None of these | Ans.) 4 |

Ques. : 315 What type of communication media is the most widely used cabling for data transfer today?

- |                  |                  |
|------------------|------------------|
| 1) Cat 5         | 2) Twisted pair  |
| 3) Coaxial       | 4) Optical fiber |
| 5) None of these | Ans.) 1          |

Ques. : 316 If a computer is turned off without saving a new document —

- |   |                                       |
|---|---------------------------------------|
| 1) the computer will not be able to restart | 2) the computer will reboot           |
| 3) the document will be lost                | 4) the default format will be changed |
| 5) None of these                            | Ans.) 3                               |

Ques. : 317 The protection of data against accidental or intentional destruction, disclosure or modification is called

- |                         |                         |
|-------------------------|-------------------------|
| 1) Information security | 2) Privacy              |
| 3) Code system          | 4) Transposition cipher |
| 5) None of these        | Ans.) 1                 |

Ques. : 318 The problem/s created by viruses is/are

- |  |   |
|--|---|
| 1) Destruction of the file allocation table    | 2) Erasing of specific programs or data on disk |
| 3) Suppress execution of RAM resident programs | 4) All of the above                             |
| 5) None of these                               | Ans.) 4   |

Ques. : 319 CPU's processing power is measured in

- |                                    |            |
|------------------------------------|------------|
| 1) Hours                           | 2) Minutes |
| 3) Million instructions per second | 4) Second  |
| 5) None of these                   | Ans.) 3    |

Ques. : 320 SCSI is a term related with

- |                   |                          |
|-------------------|--------------------------|
| 1) Storage        | 2) Network Data Transfer |
| 3) Keystroke Rate | 4) Picture resolution    |
| 5) None of these  | Ans.) 1                  |

Ques. : 321 Which information attribute would last month's electrical bill be classified as?

- |                  |         |
|------------------|---------|
| 1) Space         | 2) Form |
| 3) Location      | 4) Time |
| 5) None of these | Ans.) 4 |

Ques. : 322 Which of the following terms is used to describe the computer-based tools used by people in an organization to support their information processing needs?

- |                           |                   |
|---------------------------|-------------------|
| 1) Information Technology | 2) User Systems   |
| 3) Artifacts              | 4) Computer Tools |
| 5) None of these          | Ans.) 1           |

Ques. : 323 Which term refers to the extent of detail provided in information? For instance, some information may provide summary information while others may provide a great amount of detail.

- |                            |                   |
|----------------------------|-------------------|
| 1) Information Depth       | 2) Aggregate Data |
| 3) Information Granularity | 4) Data Detail    |
| 5) None of these           | Ans.) 3           |

Ques. : 324 Which of the following is included in the organizational perspective of information?

- |                  |         |
|------------------|---------|
| 1) Time          | 2) Flow |
| 3) Process       | 4) Form |
| 5) None of these | Ans.) 2 |



Ques. : 325 Which of the following is included in the organizational perspective of information?

- |                  |         |
|------------------|---------|
| 1) Time          | 2) Flow |
| 3) Process       | 4) Form |
| 5) None of these | Ans.) 2 |

Ques. : 326 When developers start to acquire equipment or software, the \_\_\_\_\_ stage of the SDLC has been reached.

- |                   |                   |
|-------------------|-------------------|
| 1) development    | 2) design         |
| 3) implementation | 4) needs analysis |
| 5) None of these  | Ans.) 1           |

Ques. : 327 A \_\_\_\_\_ implementation will involve employees utilizing one part at a time.

- |                  |           |
|------------------|-----------|
| 1) parallel      | 2) direct |
| 3) phased        | 4) pilot  |
| 5) None of these | Ans.) 3   |

Ques. : 328 Adding new features is typically performed during the \_\_\_\_\_ phase.

- |                   |                   |
|-------------------|-------------------|
| 1) implementation | 2) needs analysis |
| 3) development    | 4) maintenance    |
| 5) None of these  | Ans.) 4           |

Ques. : 329 The intensity and the level of commitment required in the first \_\_\_\_\_ phases of RAD are expected to shorten the entire development process.

- |                  |          |
|------------------|----------|
| 1) two           | 2) three |
| 3) five          | 4) six   |
| 5) None of these | Ans.) 1  |

Ques. : 330 Senior managers but not end users participate during the \_\_\_\_\_ sessions for RAD.

- |                              |                                    |
|------------------------------|------------------------------------|
| 1) needs analysis            | 2) joint requirements planning     |
| 3) joint applications design | 4) object oriented system analysis |
| 5) None of these             | Ans.) 2                            |

Ques. : 331 \_\_\_\_\_ cables are composed of a glass or plastic inner core surrounded by cladding, all encased in an outside jacket.

- |                  |                      |
|------------------|----------------------|
| 1) Coaxial       | 2) Fiber-optic       |
| 3) Twisted-pair  | 4) none of the above |
| 5) None of these | Ans.) 2              |

Ques. : 332 \_\_\_\_\_ cables carry data signals in the form of light

- |                  |                 |
|------------------|-----------------|
| 1) Coaxial       | 2) Fiber-optic  |
| 3) Twisted-pair  | 4) all of above |
| 5) None of these | Ans.) 2         |

Ques. : 333 . In a fiber-optic cable, the signal is propagated along the inner core by \_\_\_\_\_.

- |                      |                  |
|----------------------|------------------|
| 1) reflection        | 2) refraction    |
| 3) modulation        | 4) fragmentation |
| 5) none of the above | Ans.) 1          |

Ques. : 334 \_\_\_\_\_ media transport electromagnetic waves without the use of a physical conductor.

- |                      |                 |
|----------------------|-----------------|
| 1) Guided            | 2) Unguided     |
| 3) Either (a) or (b) | 4) all of above |
| 5) None of the above | Ans.) 2         |

Ques. : 335 Radio waves are \_\_\_\_\_.

- 1) omnidirectional
- 2) unidirectional
- 3) bidirectional
- 4) all of above
- 5) none of the above

Ans.) 1

Ques. : 336 Analyzing the current system is performed during the \_\_\_\_\_ phase.

- 1) development
- 2) design
- 3) implementation
- 4) needs analysis
- 5) None of these

Ans.) 4

Ques. : 337 In \_\_\_\_\_, team members start with the big picture and move to the details.

- 1) top-down design
- 2) bottom-up design
- 3) object oriented system analysis
- 4) rapid application design
- 5) None of these

Ans.) 1

Ques. : 338 Many teams use working models called \_\_\_\_\_ to explore the look and feel of screens with users.

- 1) demos
- 2) prototypes
- 3) objects
- 4) designs
- 5) None of these

Ans.) 2

Ques. : 339 In the needs analysis section of the SDLC, the \_\_\_\_\_ typically defines a need for a new system

- 1) manager
- 2) system analyst
- 3) user
- 4) technical writer
- 5) None of these

Ans.) 3

Ques. : 340 This phase of the SDLC may involve a small group of testers.

- 1) maintenance
- 2) needs analysis
- 3) implementation
- 4) development
- 5) None of these

Ans.) 3

Ques. : 341 Companies use which of the following vendors to provide access to software and services rather than purchasing the applications and maintaining the applications themselves ?

- 1) Open source vendors
- 2) Alliances
- 3) Application service providers
- 4) All of the above
- 5) None of these

Ans.) 3

Ques. : 342 Which one of the following would be considered as a way that a computer virus can enter a computer system ?

- 1) Opening an application previously installed on the computer
- 2) Borrowed copies of software
- 3) Viewing a website without causing any additional transactions
- 4) Running antivirus programs
- 5) None of these

Ans.) 2

Ques. : 343 Collecting personal information and effectively posing as another individual is known as the crime of—

- 1) spooling
- 2) identity theft
- 3) spoofing
- 4) hacking
- 5) None of these

Ans.) 2

Ques. : 344 The first step in the transaction processing cycle is \_\_\_\_\_

- 1) database operations
- 2) audit
- 3) data entry
- 4) user inquiry
- 5) None of these

Ans.) 3

Ques. : 345 In the information systems concept, the output function involves \_\_\_\_\_

- 1) Capturing and assembling elements that enter into output
  - 2) Transformation processes that convert input the system to be processed
  - 3) Transferring elements that have been produced by a transformation process to their ultimate achievement of its goal
  - 4) Monitoring and evaluating feedback to determine whether a system is moving toward the destination
  - 5) None of these
- Ans.) 1

Ques. : 346 Which organizational layer is responsible for developing the goals and strategies as outlined by the top-most level of management?

- 1) Tactical management
  - 2) Strategic management
  - 3) Operational management
  - 4) Nonmanagement employees
  - 5) None of these
- Ans.) 2

Ques. : 347 Which of the following is collective information about customers, competitors, business partners, competitive environments, and internal operations?

- 1) Aggregate Data
  - 2) External Knowledge
  - 3) Business Intelligence (BI)
  - 4) Information Granularity
  - 5) None of these
- Ans.) 3

Ques. : 348 What term is used to describe information coming into a computer that is in bad form, or is incorrect, and will improperly affect the decision-making process?

- 1) GIGO
  - 2) Tainted data
  - 3) Dirty information
  - 4) Scrubbed data
  - 5) None of these
- Ans.) 1

Ques. : 349 Which type of worker knows how and when to apply technology?

- 1) Computer scientist
  - 2) Technology-literate knowledge worker
  - 3) Technology analyst
  - 4) Computer savvy
  - 5) None of these
- Ans.) 2

Ques. : 350 Which type of software coordinates the interaction of technology devices?

- 1) Application software
  - 2) Utility software
  - 3) RAM
  - 4) Systems software
  - 5) None of these
- Ans.) 4

Ques. : 351 In Bluetooth, the \_\_\_\_\_ layer is roughly equivalent to the MAC sublayer in LANs.

- 1) radio
  - 2) baseband
  - 3) L2CAP
  - 4) none of the above
  - 5) None of these
- Ans.) 2

Ques. : 352 In Bluetooth, multiple \_\_\_\_\_ form a network called a \_\_\_\_\_.

- 1) scatternet; piconets
  - 2) piconets; scatternet
  - 3) piconets; bluenet
  - 4) bluenet; scatternet
  - 5) None of these
- Ans.) 2

Ques. : 353 A Bluetooth network consists of \_\_\_\_\_ primary device(s) and up to \_\_\_\_\_ secondary devices.

- 1) one; five
  - 2) five; three
  - 3) two; six
  - 4) one; seven
  - 5) None of these
- Ans.) 4

Ques. : 354 The RTS and CTS frames in CSMA/CA \_\_\_\_\_ solve the hidden station problem. The RTS and CTS frames in CSMA/CA \_\_\_\_\_ solve the exposed station problem.

- 1) can; cannot
  - 2) cannot; can
  - 3) can; can
  - 4) cannot; cannot
  - 5) None of these
- Ans.) 1

Ques. : 355 In Bluetooth, the \_\_\_\_\_ layer is roughly equivalent to the physical layer of the Internet model.

- |                  |                 |
|------------------|-----------------|
| 1) radio         | 2) baseband     |
| 3) L2CAP         | 4) all of above |
| 5) None of these | Ans.) 1         |

Ques. : 356 A system for capturing knowledge from books and experienced individuals, making it available where needed, is referred to as a(n) \_\_\_\_\_.

- |                                      |                                       |
|--------------------------------------|---------------------------------------|
| 1) knowledge management system (KMS) | 2) executive information system (EIS) |
| 3) expert system (ES)                | 4) knowledge database (KDB)           |
| 5) None of these                     | Ans.) 4                               |

Ques. : 357 A \_\_\_\_\_ handles an organization's day-to-day accounting needs, keeping a verifiable record of every transaction involving money, including purchases, sales, and payroll payments.

- |  |                                     |
|--|-------------------------------------|
| 1) transactional processing system (TPS) | 2) financial support system (FSS)   |
| 3) decision support system (DSS)         | 4) business processing system (BPS) |
| 5) None of these                         | Ans.) 1                             |

Ques. : 358 \_\_\_\_\_ occurs when too much information is provided making processing, absorbing, and validating difficult.

- |                              |                         |
|------------------------------|-------------------------|
| 1) Database integration      | 2) Information overload |
| 3) Nonfunctional information | 4) Query integration    |
| 5) None of these             | Ans.) 2                 |

Ques. : 359 A(n) \_\_\_\_\_ is a system that includes the collection of people, hardware, software, data records, and activities that process the data and information in an organization.

- |                                       |                                |
|---------------------------------------|--------------------------------|
| 1) traditional organization structure | 2) information functional unit |
| 3) information system                 | 4) data mart                   |

5) None of these  
Ans.) 3

Ques. : 360 \_\_\_\_\_ is a technique in which managers are able to view information in a data warehouse and focus their attention on a specific data element.

- |                        |               |
|------------------------|---------------|
| 1) Analytical research | 2) Drill down |
| 3) MDX querying        | 4) SQL        |
| 5) None of these       | Ans.) 2       |

Ques. : 361 Which of the following ERP providers specialize in providing financial management, distribution, manufacturing, project accounting, human resource management, and business analytics to small-to-medium businesses?

- |                  |                      |
|------------------|----------------------|
| 1) SAP           | 2) Oracle/PeopleSoft |
| 3) SSA Global    | 4) Microsoft         |
| 5) None of these | Ans.) 4              |

Ques. : 362 What is the term used to depict aged information systems that are technologically out-of-date?

- |                                 |                               |
|---------------------------------|-------------------------------|
| 1) Outdated information systems | 2) Obsolete systems           |
| 3) Archaic systems              | 4) Legacy information systems |
| 5) None of these                | Ans.) 4                       |

Ques. : 363 Which type of system includes all technology systems and software across an organization?

- |   |                                   |
|---|-----------------------------------|
| 1) Knowledge based systems              | 2) Strategic information systems  |
| 3) Enterprise resource planning systems | 4) Management information systems |
| 5) None of these                        | Ans.) 3                           |

Ques. : 364 Which person oversees an organization's entire information system?

- |                  |         |
|------------------|---------|
| 1) CTO           | 2) CSO  |
| 3) CIO           | 4) CPO  |
| 5) None of these | Ans.) 3 |

Ques. : 365 What type of Web site allows visitors to create and maintain information posted on its site?

- |                                 |             |
|---------------------------------|-------------|
| 1) Open source site             | 2) Wiki     |
| 3) Knowledge construction sites | 4) FTP site |
| 5) None of these                | Ans.) 2     |

Ques. : 366 What is a light pen?

- |                            |                          |
|----------------------------|--------------------------|
| 1) Mechanical Input device | 2) Optical input device  |
| 3) Electronic input device | 4) Optical output device |
| 5) None of these           | Ans.) 2                  |

Ques. : 367 Which one is the protocol?

- |                  |                      |
|------------------|----------------------|
| 1) Bus           | 2) Star              |
| 3) NetBEUI       | 4) none of the above |
| 5) None of these | Ans.) 3              |

Ques. : 368 1KB is equal to:

- |                  |               |
|------------------|---------------|
| 1) 100 bytes     | 2) 1000 bytes |
| 3) 1024 bytes    | 4) 1048 bytes |
| 5) None of these | Ans.) 3       |

Ques. : 369 For dial up internet connection, a computer must have:

- |                  |               |
|------------------|---------------|
| 1) Sound card    | 2) CD drive   |
| 3) Modem         | 4) video card |
| 5) None of these | Ans.) 3       |

Ques. : 370 Which of the following is not a valid memory?

- |                  |         |
|------------------|---------|
| 1) ROM           | 2) RAM  |
| 3) EEPROM        | 4) NIC  |
| 5) None of these | Ans.) 4 |

Ques. : 371 Which error detection method uses one's complement arithmetic?

- |                        |                                 |
|------------------------|---------------------------------|
| 1) Simple parity check | 2) Two-dimensional parity check |
| 3) CRC                 | 4) Checksum                     |
| 5) None of these       | Ans.) 4                         |

Ques. : 372 Which error detection method consists of just one redundant bit per data unit?

- |                        |                                 |
|------------------------|---------------------------------|
| 1) Simple parity check | 2) Two-dimensional parity check |
| 3) CRC                 | 4) Checksum                     |
| 5) None of these       | Ans.) 1                         |

Ques. : 373 In cyclic redundancy checking, what is the CRC?

- |                  |                  |
|------------------|------------------|
| 1) The divisor   | 2) The quotient  |
| 3) The dividend  | 4) The remainder |
| 5) None of these | Ans.) 4          |

Ques. : 374 The largest portion of the bandwidth for ADSL carries \_\_\_\_\_.

- |                        |                  |
|------------------------|------------------|
| 1) voice communication | 2) upstream data |
| 3) downstream data     | 4) control data  |
| 5) None of these       | Ans.) 2          |

Ques. : 375 Another name for the cable TV office is the \_\_\_\_\_.

- |                  |               |
|------------------|---------------|
| 1) splitter      | 2) fiber node |
| 3) combiner      | 4) head end   |
| 5) None of these | Ans.) 1       |

Ques. : 376 Two common scrambling techniques are \_\_\_\_\_.

- 1) NRZ and RZ
- 2) AMI and NRZ
- 3) B8ZS and HDB3
- 4) Manchester and differential Manchester
- 5) None of these

Ans.) 3

Ques. : 377 \_\_\_\_\_ conversion involves three techniques: line coding, block coding, and scrambling.

- 1) Analog-to-digital
- 2) Digital-to-analog
- 3) Analog-to-analog
- 4) Digital-to-digital
- 5) None of these

Ans.) 4

Ques. : 378 In asynchronous transmission, the gap time between bytes is \_\_\_\_\_.

- 1) fixed
- 2) variable
- 3) a function of the data rate
- 4) zero
- 5) None of these

Ans.) 2

Ques. : 379 In \_\_\_\_\_ transmission, a start bit and a stop bit frame a character byte.

- 1) asynchronous serial
- 2) synchronous serial
- 3) parallel
- 4) (a) and (b)
- 5) None of these

Ans.) 1

Ques. : 380 Block coding can help in \_\_\_\_\_ at the receiver.

- 1) Synchronization
- 2) Error detection
- 3) Attenuation
- 4) (a) and (b)
- 5) None of these

Ans.) 4

Ques. : 381 . A ..... is the term used when a search engine returns a Web page that matches the search criteria.

- 1) blog
- 2) hit
- 3) link
- 4) view
- 5) success

Ans.) 3

Ques. : 382 Which of the following are advantages of CD-ROM as a storage media ?

- 1) CD-ROM is an inexpensive way to store large information
- 2) CD-ROM disks retrieve data and information amount of data and more quickly than magnetic disks do
- 3) CD-ROMs make less errors than magnetic media
- 4) All of these
- 5) None of these

Ans.) 4

Ques. : 383 The ..... is the term used to describe the window that is currently being used.

- 1) Web Window
- 2) display area
- 3) WordPad Window
- 4) active window
- 5) monitor

Ans.) 4

Ques. : 384 A microprocessor is the brain of the computer and is also called a(n)---

- 1) microchip
- 2) macrochip
- 3) macroprocessor
- 4) calculator
- 5) software

Ans.) 1

Ques. : 385 CPU is an abbreviation for---

- 1) central programming unit
- 2) central processing unit
- 3) computer processing unit
- 4) computer protocol unit
- 5) central protocol unit

Ans.) 2

Ques. : 386 . When you save to ....., your data will remain intact even when the computer is turned off.

- |                             |                           |
|-----------------------------|---------------------------|
| 1) RAM                      | 2) motherboard            |
| 3) secondary storage device | 4) primary storage device |
| 5) None of these            | Ans.) 3                   |

Ques. : 387 The motherboard is the\_\_\_\_\_

- |   |  |
|---|--|
| 1) circuit board that houses peripheral devices   | 2) same as the CPU chip  |
| 3) the first chip that is accessed when the chips | 4) circuit board that contains a CPU and other computer is turned on |
| 5) None of these                                  | Ans.) 4  |

Ques. : 388 A computer-intensive problem runs on a—

- |                  |               |
|------------------|---------------|
| 1) server        | 2) main frame |
| 3) supercomputer | 4) super PC   |
| 5) None of these | Ans.) 3       |

Ques. : 389 A(n).....converts and executes one statement at a time.

- |                  |                 |
|------------------|-----------------|
| 1) compiler      | 2) interpreter  |
| 3) converter     | 4) instructions |
| 5) None of these | Ans.) 2         |

Ques. : 390 All the deleted files go to\_\_\_\_\_

- |                  |                |
|------------------|----------------|
| 1) Recycle Bin   | 2) Task Bar    |
| 3) Tool Bar      | 4) My Computer |
| 5) None of these | Ans.) 1        |

Ques. : 391 The \_\_\_\_\_ product defines the number of bits that can fill the link.

- |                     |                        |
|---------------------|------------------------|
| 1) bandwidth-period | 2) frequency-amplitude |
| 3) bandwidth-delay  | 4) delay-amplitude     |
| 5) None of these    | Ans.) 3                |

Ques. : 392 \_\_\_\_\_ can impair a signal.

- |                  |                     |
|------------------|---------------------|
| 1) Attenuation   | 2) Distortion       |
| 3) Noise         | 4) All of the above |
| 5) None of these | Ans.) 4             |

Ques. : 393 For a \_\_\_\_\_ channel, we need to use the Shannon capacity to find the maximum bit rate.

- |                  |              |
|------------------|--------------|
| 1) noisy         | 2) noiseless |
| 3) bandpass      | 4) low-pass  |
| 5) None of these | Ans.) 1      |

Ques. : 394 If the available channel is a \_\_\_\_\_ channel, we cannot send a digital signal directly to the channel.

- |                  |              |
|------------------|--------------|
| 1) low-pass      | 2) bandpass  |
| 3) low rate      | 4) high rate |
| 5) None of these | Ans.) 2      |

Ques. : 395 A(n)\_\_\_\_\_ signal is a composite analog signal with an infinite bandwidth.

- |                      |                        |
|----------------------|------------------------|
| 1) digital           | 2) analog              |
| 3) either (a) or (b) | 4) neither (a) nor (b) |
| 5) None of these     | Ans.) 1                |

Ques. : 396 The\_\_\_\_\_ layer is responsible for the delivery of a message from one process to another.

- |                      |                     |
|----------------------|---------------------|
| 1) physical          | 2) transport        |
| 3) network           | 4) all of the above |
| 5) none of the above | Ans.) 2             |

Ques. : 397 \_\_\_\_\_ provides full transport layer services to applications.

- 1) TCP
  - 2) UDP
  - 3) ARP
  - 4) all of the above
  - 5) none of the above
- Ans.) 1

Ques. : 398 Ethernet uses a \_\_\_\_\_ physical address that is imprinted on the network interface card (NIC).

- 1) 32-bit
  - 2) 64-bit
  - 3) 6-byte
  - 4) all of the above
  - 5) none of the above
- Ans.) 3

Ques. : 399 A port address in TCP/IP is \_\_\_\_\_ bits long.

- 1) 32
  - 2) 48
  - 3) 16
  - 4) all of the above
  - 5) none of the above
- Ans.) 3

Ques. : 400 The \_\_\_\_\_ created a model called the Open Systems Interconnection, which allows diverse systems to communicate.

- 1) OSI
  - 2) ISO
  - 3) IEEE
  - 4) all of the above
  - 5) none of the above
- Ans.) 2

Ques. : 401 A telephone number, a birth date, and a customer name are all examples of—

- 1) a record
  - 2) data
  - 3) a file
  - 4) a database
  - 5) None of these
- Ans.) 4

Ques. : 402 The human-readable version of a program is called—

- 1) source code
  - 2) program code
  - 3) human code
  - 4) system code
  - 5) None of these
- Ans.) 4

Ques. : 403 A \_\_\_\_\_ computer (also referred to as a laptop), is a small, lightweight personal computer that incorporates the screen, the keyboard, storage, and processing components into a single portable unit.

- 1) notebook
  - 2) journal
  - 3) diary
  - 4) briefcase
  - 5) None of these
- Ans.) 1

Ques. : 404 \_\_\_\_\_ is the result produced by a computer.

- 1) Data
  - 2) Memory
  - 3) Output
  - 4) Input
  - 5) None of these
- Ans.) 3

Ques. : 405 Programs such as Internet Explorer that serve as navigable windows into the Web are called

- 1) Hypertext
  - 2) Networks
  - 3) Internet
  - 4) Web browsers
  - 5) None of these
- Ans.) 4

Ques. : 406 When data changes in multiple lists and all lists are not updated, this causes

- 1) Data redundancy
  - 2) Information overload
  - 3) Duplicate data
  - 4) Data inconsistency
  - 5) None of the above
- Ans.) 2

Ques. : 407 Data becomes \_\_\_\_\_ when it is presented in a format that people can understand and use.

- 1) Processed
  - 2) Graphs
  - 3) Information
  - 4) Presentation
  - 5) None of these
- Ans.) 4



Ques. : 408 The term \_ designates equipment that might be added to a computer system to enhance its functionality.

- 1) System add-on
  - 2) Disk pack
  - 3) Peripheral device
  - 4) Digital device
  - 5) None of these
- Ans.) 3

Ques. : 409 What is the primary difference between viruses and a worm?

- 1) A worm has the ability to self-propagate From bunnies do not have the skills to Develop a worm
  - 2) A worm is usually written by a cracker: Script program
  - 3) A virus is very harmful to the computers it Infects: a worm is not a serious, a problem
  - 4) Anti-virus software is effective in fighting Viruses but not worms
  - 5) None of the above
- Ans.) 3

Ques. : 410 You must install this on a network if you want to Share a broadband Internet connection.

- 1) router
  - 2) Modem
  - 3) Node
  - 4) Cable
  - 5) None of these
- Ans.) 1

Ques. : 411 Companies use which of the following vendors to provide access to software and services rather than purchasing the applications and maintaining the applications themselves ?

- 1) Open source vendors
  - 2) Alliances
  - 3) Application service providers
  - 4) All of the above
  - 5) None of these
- Ans.) 3

Ques. : 412 Which one of the following would be considered as a way that a computer virus can enter a computer system ?

- 1) Opening an application previously installed on the computer
  - 2) Borrowed copies of software
  - 3) Viewing a website without causing any additional transactions
  - 4) Running antivirus programs
  - 5) None of these
- Ans.) 2

Ques. : 413 . Collecting personal information and effectively posing as another individual is known as the crime of—

- 1) spooling
  - 2) identity theft
  - 3) spoofing
  - 4) hacking
  - 5) None of these
- Ans.) 2

Ques. : 414 The first step in the transaction processing cycle is \_\_\_\_\_

- 1) database operations
  - 2) audit
  - 3) data entry
  - 4) user inquiry
  - 5) None of these
- Ans.) 3

Ques. : 415 In the information systems concept, the output function involves \_\_\_\_\_

- 1) Capturing and assembling elements that enter the system into output
  - 2) Transformation processes that convert input the system to be processed
  - 3) Transferring elements that have been produced by a transformation process to their ultimate achievement of its goal
  - 4) Monitoring and evaluating feedback to determine whether a system is moving toward the destination
  - 5) None of these
- Ans.) 1

Ques. : 416 What SQL command can be used to delete columns from a table ?

- 1) MODIFY TABLE Table Name DROP COLUMN Column Name
  - 2) MODIFY TABLE Table Name DROP Column Name Column Name
  - 3) ALTER TABLE Table Name DROP Column Name
  - 4) 1 and 2
  - 5) None of these
- Ans.) 3

Ques. : 417 Which of the following modifications may not succeed?

- 2) Changing a column data type from numeric to char
  - 3) Both of the above actions should succeed
  - 4) Neither of the above actions will succeed
  - 5) None of these
- Ans.) 1

Ques. : 418 Changing cardinalities in a database is

- 1) A common database design task
  - 2) A rare database design task, but does occur
  - 4) Is impossible to do, so a new database must be constructed and the data moved into it
  - 5) None of these
- Ans.) 1

Ques. : 419 A regular sub query can be processed

- 1) From the top down
  - 2) From the bottom up
  - 3) By nesting
  - 4) From the right up
  - 5) None of these
- Ans.) 2

Ques. : 420 How many copies of the database schema are typically used in the redesign process ?

- 1) One
  - 2) Two
  - 3) Three
  - 4) Four
  - 5) None of these
- Ans.) 3

Ques. : 421 Which organizational layer is responsible for developing the goals and strategies as outlined by the top- most level of management?

- 1) Tactical management
  - 2) Strategic management
  - 3) Operational management
  - 4) Nonmanagement employees
  - 5) None of these
- Ans.) 2

Ques. : 422 Which of the following is collective information about customers, competitors, business partners, competitive environments, and internal operations?

- 1) Aggregate Data
  - 2) External Knowledge
  - 3) Business Intelligence (BI)
  - 4) Information Granularity
  - 5) None of these
- Ans.) 3

Ques. : 423 What term is used to describe information coming into a computer that is in bad form, or is incorrect, and will improperly affect the decision-making process?

- 1) GIGO
  - 2) Tainted data
  - 3) Dirty information
  - 4) Scrubbed data
  - 5) None of these
- Ans.) 1

Ques. : 424 Which type of worker knows how and when to apply technology?

- 1) Computer scientist
  - 2) Technology-literate knowledge worker
  - 3) Technology analyst
  - 4) Computer savvy
  - 5) None of these
- Ans.) 2

Ques. : 425 Which type of software coordinates the interaction of technology devices?

- 1) Application software
  - 2) Utility software
  - 3) RAM
  - 4) Systems software
  - 5) None of these
- Ans.) 4

Ques. : 426 Computers manipulate data in many ways, and this manipulation is called—

- 1) utilizing
  - 2) batching
  - 3) upgrading
  - 4) processing
  - 5) None of these
- Ans.) 4

Ques. : 427 Software applies....., also called algorithms, to process data.

- 1) arithmetic
  - 2) procedures
  - 3) objects
  - 4) rules
  - 5) None of these
- Ans.) 1

Ques. : 428 A file extension is separated from the main file name with a(n) ....., but no spaces.

- 1) question mark
  - 2) exclamation mark
  - 3) underscore
  - 4) period
  - 5) None of these
- Ans.) 5

Ques. : 429 An ad hoc query is a\_\_\_\_\_

- 1) pre-planned question
  - 2) pre-scheduled question
  - 3) spur-of-the-moment question
  - 4) question that will not return any results
  - 5) None of these
- Ans.) 2

Ques. : 430 A Web ..... consists of one or more Web pages located on a Web server.

- 1) hub
  - 2) site
  - 3) story
  - 4) template
  - 5) None of these
- Ans.) 2

Ques. : 431 Approximately how many bytes make one megabyte ?

- 1) One thousand
  - 2) Ten thousand
  - 3) One hundred
  - 4) One million
  - 5) None of these
- Ans.) 4

Ques. : 432 Storage and memory differ with respect to which of the following characteristics ?

- 1) Price
  - 2) Reliability
  - 3) Speed
  - 4) All of these
  - 5) None of these
- Ans.) 4

Ques. : 433 What is e-commerce ?

- 2) Buying and selling products and services over the Internet
  - 3) Buying and selling products and services not computers
  - 4) Buying and selling products having to do with found in stores
  - 5) Buying and selling of electronic goods
- Ans.) 2

Ques. : 434 Which media have the ability to have data/information stored (written) on them by users more than once ?

- 1) CD-R disks
  - 2) CD-RW disks
  - 3) Zip disks
  - 4) OptiDisks
  - 5) Word processing
- Ans.) 5

Ques. : 435 Which of the following functions are not performed by servers ?

- 1) Email processing
  - 2) Database sharing
  - 3) Processing Web sites
  - 4) Storage
  - 5) Both CD-RW disks and Zip disks
- Ans.) 1

Ques. : 436 To move the cursor to the end of the document press

- 1) Ctrl + Esc
  - 2) Ctrl + End
  - 3) Ctrl + B
  - 4) Ctrl + c
  - 5) None of these
- Ans.) 2

Ques. : 437 The shortcut key to print documents is

- 1) Ctrl + A
  - 2) Ctrl + B
  - 3) Ctrl + P
  - 4) Ctrl + C
  - 5) None of these
- Ans.) 3

Ques. : 438 The simultaneous processing of two or more Programs by multiple processors is

- |                     |                    |
|---------------------|--------------------|
| 1) Multiprogramming | 2) Multitasking    |
| 3) Time-sharing     | 4) Multiprocessing |
| 5) None of these    | Ans.) 4            |

Ques. : 439 First layer in the OSI reference model is

- |                  |                |
|------------------|----------------|
| 1) Data link     | 2) Network     |
| 3) Physical      | 4) Application |
| 5) None of these | Ans.) 3        |

Ques. : 440 Data security threats include

- |                                    |                     |
|------------------------------------|---------------------|
| 1) Hardware failure                | 2) Privacy invasion |
| 3) Fraudulent manipulation of data | 4) All of the above |
| 5) None of these                   | Ans.) 2             |

Ques. : 441 Which of the following is NOT a type of Broadband internet connection?

- |                  |              |
|------------------|--------------|
| 1) Cable         | 2) DSL       |
| 3) Dial-up       | 4) Satellite |
| 5) None of these | Ans.) 3      |

Ques. : 442 In making a field this property show that it Cannot be left blank

- |                  |              |
|------------------|--------------|
| 1) Numeric       | 2) Required  |
| 3) Calculated    | 4) Validated |
| 5) None of these | Ans.) 2      |

Ques. : 443 There are viruses that are triggered by the Passage of time or on a certain date

- |                        |                  |
|------------------------|------------------|
| 1) Boot-sector viruses | 2) Macro viruses |
| 3) Time bombs          | 4) Worms         |
| 5) None of these       | Ans.) 3          |

Ques. : 444 The internet is

- |  |   |
|--|---|
| 1) A large network of networks<br>Business             | 2) An internal communication system for a<br>Business |
| 3) A communication system for the Indian<br>Government | 4) All of the above                                   |
| 5) None of the above                                   | Ans.) 4   |

Ques. : 445 The main system board of a computer is called the.....

- |                       |                |
|-----------------------|----------------|
| 1) Integrated circuit | 2) Motherboard |
| 3) Processor          | 4) Microchip   |
| 5) None of these      | Ans.) 2        |

Ques. : 446 If the bit rate for an FSK signal is 1200 bps, the baud rate is \_\_\_\_\_.

- |                  |         |
|------------------|---------|
| 1) 300           | 2) 400  |
| 3) 600           | 4) 1200 |
| 5) None of these | Ans.) 4 |

Ques. : 447 Which of the following is not a digital-to-analog conversion?

- |                  |         |
|------------------|---------|
| 1) ASK           | 2) PSK  |
| 3) FSK           | 4) AM   |
| 5) None of these | Ans.) 4 |

Ques. : 448 . In \_\_\_\_\_, the amplitude of the carrier signal is varied to create signal elements. Both frequency and phase remain constant.

- 1) ASK  
3) FSK  
5) None of these
- 2) PSK  
4) QAM  
Ans.) 1

Ques. : 449 . The Federal Communications Commission (FCC) allows \_\_\_\_\_kHz for each AM station.

- 1) 5  
3) 20  
5) 30
- 2) 10  
4) 25  
Ans.) 2

Ques. : 450 . While there is (are) only \_\_\_\_\_ way(s) to send parallel data, there is (are) three subclass(es) of serial transmission

- 1) one; two  
3) one; three  
5) None of these
- 2) two; three  
4) all of the above  
Ans.) 3

Ques. : 451 When you save to this, your data will remain intact even when the computer is turned off

- 1) RAM  
3) Secondary storage device  
5) None of the above
- 2) Motherboard  
4) Primary storage device  
Ans.) 3

Ques. : 452 An e-mail account includes a storage area, often called a(n)

- 1) Attachment  
3) Mailbox  
5) None of these
- 2) Hyperlink  
4) IP address  
Ans.) 3

Ques. : 453 The \_\_\_\_\_tells the computer how to use its components.

- 1) Utility  
3) Application program  
5) None of the above
- 2) Network  
4) Operating system  
Ans.) 4

Ques. : 454 A set of computer programs that helps a computer monitor itself and function more efficiently is a/an

- 1) Windows  
3) DBMS  
5) None of the above
- 2) System Software  
4) Applications Software  
Ans.) 2

Ques. : 455 With a CD you can

- 1) Read  
3) Read and write  
5) None of the above
- 2) Write  
4) Either read or write  
Ans.) 1

Ques. : 456 You would use this software to create spreadsheets, type documents, and edit photos

- 1) Application  
3) System  
5) None of these
- 2) Utility  
4) Operating  
Ans.) 1

Ques. : 457 Which key is used in combination with another key to perform a specific task ?

- 1) Function  
3) Arrow  
5) None of these
- 2) Space bar  
4) Control  
Ans.) 4

Ques. : 458 Various applications and documents are represented on the Windows desktop by

- 1) Symbols  
3) Graphs  
5) None of these
- 2) Labels  
4) Icons  
Ans.) 4

Ques. : 459 The contents of il- are lost when the computer turns off

- |                  |           |
|------------------|-----------|
| 1) Storage       | 2) Input  |
| 3) Output        | 4) Memory |
| 5) None of these | Ans.) 1   |

Ques. : 460 It is the term given to the act of stealing someone identity and ruining their credit rating

- |                   |                      |
|-------------------|----------------------|
| 1) Find Error     | 2) Identity          |
| 3) Identity theft | 4) Virus Indefinites |
| 5) None of these  | Ans.) 3              |

Ques. : 461 The following is responsible for number of logical records in a physical record

- |                    |                     |
|--------------------|---------------------|
| 1) Blocking factor | 2) Block            |
| 3) Boolean algebra | 4) All of the above |
| 5) None of these   | Ans.) 1             |

Ques. : 462 An operation in which data is moved to a different location is referred as

- |                  |                     |
|------------------|---------------------|
| 1) Block move    | 2) Street move      |
| 3) Delete        | 4) All of the above |
| 5) None of these | Ans.) 1             |

Ques. : 463 A group of related items/section of program oding treated as a unit is referred as

- |                  |                     |
|------------------|---------------------|
| 1) Block         | 2) Duplex           |
| 3) Street 1      | 4) All of the above |
| 5) None of these | Ans.) 1             |

Ques. : 464 BLOB is

- |                             |  |
|-----------------------------|--|
| 1) Binary Large Object      | 2) A long bit string representing complex data |
| 3) Object oriented language | 4) Only 1. and 2. are true                     |
| 5) None of these            | Ans.) 4  |

Ques. : 465 Broadband channel is the

- |  |   |
|--|---|
| 1) The fastest carriers where data transfer rates is (bits/second) or more of 56k baud | 2) The slower carriers where data transfer rates is of 1 million baud |
| 3) Musical channel   | 4) All of the above   |
| 5) None of these   | Ans.) 1   |

Ques. : 466 What is the full form of CRT?

- |                     |                           |
|---------------------|---------------------------|
| 1) current ray tube | 2) current ray technology |
| 3) cathode ray tube | 4) cathode ray technology |
| 5) None of these    | Ans.) 3                   |

Ques. : 467 What do you call the rules of a programming language?

- |                  |           |
|------------------|-----------|
| 1) Procedures    | 2) Login  |
| 3) Assembly      | 4) Syntax |
| 5) None of these | Ans.) 4   |

Ques. : 468 \_\_\_\_\_ transforms one interface into another interface

- |            |             |
|------------|-------------|
| 1) Program | 2) Software |
| 3) Data    | 4) compiler |

- |                  |         |
|------------------|---------|
| 5) None of these | Ans.) 2 |
|------------------|---------|

Ques. : 469 Poor response times are usually caused by

- |                      |                     |
|----------------------|---------------------|
| 1) Process busy      | 2) High I/O rates   |
| 3) High paging rates | 4) Any of the above |
| 5) None of these     | Ans.) 4             |

Ques. : 470 Which of the following program is not a utility?

- |                  |                     |
|------------------|---------------------|
| 1) Debugger      | 2) Editor           |
| 3) Spooler       | 4) all of the above |
| 5) None of these | Ans.) 3             |

Ques. : 471 System software are of two types operating systems and

- |                   |                     |
|-------------------|---------------------|
| 1) applications   | 2) word processing  |
| 3) language trans | 4) all of the above |
| 5) None of these  | Ans.) 3             |

Ques. : 472 Debugging tools are there to debug errors in

- |                  |              |
|------------------|--------------|
| 1) printers      | 2) keyboards |
| 3) programs      | 4) language  |
| 5) None of these | Ans.) 3      |

Ques. : 473 There are two basic types of disks-floppy disk and

- |                  |                     |
|------------------|---------------------|
| 1) low disk      | 2) hard disk        |
| 3) soft disk     | 4) all of the above |
| 5) None of these | Ans.) 2             |

Ques. : 474 It is a collection of facts and figures

- |                  |                |
|------------------|----------------|
| 1) data          | 2) information |
| 3) processing    | 4) file        |
| 5) None of these | Ans.) 1        |

Ques. : 475 It converts accepted instructions into machine language

- |                    |                |
|--------------------|----------------|
| 1) input unit      | 2) output unit |
| 3) processing unit | 4) memory unit |
| 5) None of these   | Ans.) 1        |

Ques. : 476 The internet is

- |  |   |
|--|---|
| 1) A large network of networks<br>Business             | 2) An internal communication system for a |
| 3) A communication system for the Indian<br>Government | 4) All of the above                       |
| 5) None of the above                                   | Ans.) 4                                   |

Ques. : 477 What is a backup?

- |   |  |
|---|--|
| 1) Restoring the information backup   | 2) An exact copy of a system's information |
| 3) The ability to get a system up and running in the event of a system crash or failure | 4) All of the above                        |
| 5) None of the above  | Ans.) 4                                    |

Ques. : 478 There are viruses that are triggered by the Passage of time or on a certain date

- |                        |                  |
|------------------------|------------------|
| 1) Boot-sector viruses | 2) Macro viruses |
| 3) Time bombs          | 4) Worms         |
| 5) None of these       | Ans.) 3          |

Ques. : 479 in making a field this property show that it Cannot be left blank

- |                  |              |
|------------------|--------------|
| 1) Numeric       | 2) Required  |
| 3) Calculated    | 4) Validated |
| 5) None of these | Ans.) 2      |

Ques. : 480 Which of the following is NOT a type of Broadband internet connection?

- |                  |              |
|------------------|--------------|
| 1) Cable         | 2) DSL       |
| 3) Dial-up       | 4) Satellite |
| 5) None of these | Ans.) 3      |

Ques. : 481 IEEE has defined the specifications for a wireless LAN, called \_\_\_\_\_, which covers the physical and data link layers.

- 1) IEEE 802.3
  - 2) IEEE 802.5
  - 3) IEEE 802.11
  - 4) IEEE 802.2
  - 5) None of these
- Ans.) 3

Ques. : 482 In IEEE 802.11, a \_\_\_\_ is made of stationary or mobile wireless stations and an optional central base station, known as the access point (AP).

- 1) ESS
  - 2) BSS
  - 3) CSS
  - 4) all of the above
  - 5) none of the above
- Ans.) 2

Ques. : 483 In IEEE 802.11, a BSS without an AP is called an \_\_\_\_\_.

- 1) an ad hoc architecture
  - 2) an infrastructure network
  - 3) client server network
  - 4) either a or b
  - 5) None of these
- Ans.) 1

Ques. : 484 In IEEE 802.11, communication between two stations in two different BSSs usually occurs via two \_\_\_\_\_.

- 1) BSSs
  - 2) ESSs
  - 3) APs
  - 4) all of the above
  - 5) none of the above
- Ans.) 3

Ques. : 485 In IEEE 802.11, a station with \_\_\_\_\_ mobility is either stationary (not moving) or moving only inside a BSS.

- 1) no-transition
  - 2) BSS-transition
  - 3) ESS-transition
  - 4) all of the above
  - 5) none of the above
- Ans.) 1

Ques. : 486 It converts accepted instructions into machine language

- 1) input unit
  - 2) output unit
  - 3) processing unit
  - 4) memory unit
  - 5) None of these
- Ans.) 1

Ques. : 487 By default the bottom margin in the word document is

- 1) 2 inch
  - 2) 1 inch
  - 3) 3 inch
  - 4) 1.5 inch
  - 5) None of these
- Ans.) 2

Ques. : 488 A file name cannot contain in MS-Word database file

- 1) a letter
  - 2) number
  - 3) underscore
  - 4) space
  - 5) None of these
- Ans.) 4

Ques. : 489 Selection of text involves only

- 1) single word
  - 2) line or multiple lines
  - 3) paragraph or paragraphs and complete document
  - 4) All of the above
  - 5) None of these
- Ans.) 4

Ques. : 490 'Replace' option is available in

- 1) Edit menu
  - 2) File menu
  - 3) Tools menu
  - 4) Insert menu
  - 5) None of these
- Ans.) 1



Ques. : 491 The purpose of the primary key in a database is to

- |                               |   |
|-------------------------------|---|
| 1) Unlock the database        | 2) Provide a map of the data                    |
| 3) Uniquely identify a record | 4) Establish constraints on database operations |
| 5) None of the above          | Ans.) 2   |

Ques. : 492 The instructions that tell a computer how to carry out the processing tasks are referred to as computer

- |                  |                   |
|------------------|-------------------|
| 1) Programs      | 2) Processors     |
| 3) Input devices | 4) Memory modules |
| 5) None of these | Ans.) 1           |

Ques. : 493 The \_\_\_\_\_ is the amount of data that a storage device can move from the storage medium to the computer per second.

- |                        |                         |
|------------------------|-------------------------|
| 1) Data migration rate | 2) Data digitizing rate |
| 3) Data transfer rate  | 4) Data access rate     |
| 5) None of these       | Ans.) 3                 |

Ques. : 494 C, BASIC, COBOL and Java examples of \_\_\_\_\_ languages.

- |                       |               |
|-----------------------|---------------|
| 1) Low-level          | 2) Computer   |
| 3) System programming | 4) High-level |
| 5) None of the above  | Ans.) 2       |

Ques. : 495 A \_\_\_\_\_ is a microprocessor-based computing device.

- |                      |              |
|----------------------|--------------|
| 1) Personal computer | 2) Mainframe |
| 3) Workstation       | 4) Server    |
| 5) None of these     | Ans.) 1      |

Ques. : 496 What type of network is commonly used in a college lab environment?

- |                  |         |
|------------------|---------|
| 1) WAN           | 2) MAN  |
| 3) LAN           | 4) CAN  |
| 5) None of these | Ans.) 3 |

Ques. : 497 What is the term used to describe the amount of space you have to transmit to and from the Internet?

- |                   |                  |
|-------------------|------------------|
| 1) Internet speed | 2) Network speed |
| 3) Router         | 4) Bandwidth     |
| 5) None of these  | Ans.) 4          |

Ques. : 498 Which of the following high-speed circuits is the fastest?

- |                  |         |
|------------------|---------|
| 1) T1            | 2) T2   |
| 3) T3            | 4) DS3  |
| 5) None of these | Ans.) 4 |

Ques. : 499 What type of communication media is the most widely used cabling for data transfer today?

- |                  |                  |
|------------------|------------------|
| 1) Cat 5         | 2) Twisted pair  |
| 3) Coaxial       | 4) Optical fiber |
| 5) None of these | Ans.) 1          |

Ques. : 500 What type of network device allows you to share your connection to the Internet with other computers in your home?

- |                  |          |
|------------------|----------|
| 1) Ethernet card | 2) NIC   |
| 3) Router        | 4) Cat 5 |
| 5) None of these | Ans.) 3  |

Ques. : 501 To open a new file in MS-Word, the shortcut key is

- |                  |             |
|------------------|-------------|
| 1) Ctrl + X      | 2) Ctrl + N |
| 3) Ctrl + Y      | 4) Ctrl + V |
| 5) None of these | Ans.) 2     |

Ques. : 502 What is the term used for the word processing programs that show you directly on the PC screen the appearance of your final document as you might expect on the paper?

- |                     |               |
|---------------------|---------------|
| 1) Search & Replace | 2) Pagination |
| 3) Soft Copy        | 4) WYSIWYG    |
| 5) None of these    | Ans.) 4       |

Ques. : 503 Alignment buttons are available on which toolbar?

- |                  |             |
|------------------|-------------|
| 1) Status        | 2) Standard |
| 3) Formatting    | 4) a and b  |
| 5) None of these | Ans.) 3     |

Ques. : 504 Which of the following is not an option of edit menu?

- |                  |               |
|------------------|---------------|
| 1) Cut           | 2) Copy       |
| 3) Paste         | 4) Page setup |
| 5) None of these | Ans.) 4       |

Ques. : 505 A file name cannot contain in MS-Word database file

- |                  |           |
|------------------|-----------|
| 1) a letter      | 2) number |
| 3) underscore    | 4) space  |
| 5) None of these | Ans.) 4   |

Ques. : 506 Analyzing the current system is performed during the \_\_\_\_\_ phase.

- |                   |                   |
|-------------------|-------------------|
| 1) development    | 2) design         |
| 3) implementation | 4) needs analysis |
| 5) None of these  | Ans.) 4           |

Ques. : 507 In \_\_\_\_\_, team members start with the big picture and move to the details.

- |                                    |                             |
|------------------------------------|-----------------------------|
| 1) top-down design                 | 2) bottom-up design         |
| 3) object oriented system analysis | 4) rapid application design |
| 5) None of these                   | Ans.) 1                     |

Ques. : 508 A \_\_\_\_\_ is very good at accepting written input

- |                  |           |
|------------------|-----------|
| 1) pen           | 2) stylus |
| 3) tablet PC     | 4) mouse  |
| 5) none of these | Ans.) 3   |

Ques. : 509 The pattern of printed lines on most products are called \_\_\_\_\_.

- |                  |             |
|------------------|-------------|
| 1) prices        | 2) barcodes |
| 3) scanners      | 4) OCR      |
| 5) none of these | Ans.) 2     |

Ques. : 510 To convert paper into an editable document, a scanner would employ \_\_\_\_\_ technology.

- |                  |             |
|------------------|-------------|
| 1) UPC           | 2) scanning |
| 3) conversion    | 4) OCR      |
| 5) none of these | Ans.) 4     |

Ques. : 511 To place your image into a live video conference, a \_\_\_\_\_ is usually used.

- |                  |                   |
|------------------|-------------------|
| 1) webcam        | 2) digital camera |
| 3) video camera  | 4) scanner        |
| 5) none of these | Ans.) 1           |

Ques. : 512 Speech recognition programs must eliminate \_\_\_\_\_ before they can successfully recognize the spoken sounds.

- |                  |                     |
|------------------|---------------------|
| 1) jargon        | 2) dialects         |
| 3) accents       | 4) background noise |
| 5) none of these | Ans.) 4             |

Ques. : 513 There are three sampling methods: \_\_\_\_\_.

- |                                  |                                 |
|----------------------------------|---------------------------------|
| 1) quantized, sampled, and ideal | 2) ideal, sampled, and flat-top |
| 3) ideal, natural, and flat-top  | 4) all of the above             |
| 5) None of these                 | Ans.) 3                         |

Ques. : 514 \_\_\_\_\_ finds the value of the signal amplitude for each sample; \_\_\_\_\_ finds the change from the previous sample.

- |                  |                     |
|------------------|---------------------|
| 1) DM; PCM       | 2) PCM; DM          |
| 3) DM; CM        | 4) all of the above |
| 5) None of these | Ans.) 2             |

Ques. : 515 The first step in PCM is \_\_\_\_\_.

- |                  |                     |
|------------------|---------------------|
| 1) quantization  | 2) modulation       |
| 3) sampling      | 4) all of the above |
| 5) None of these | Ans.) 3             |

Ques. : 516 What is the name of the series of Laptop computers manufactured by IBM called?

- |                  |             |
|------------------|-------------|
| 1) LapPad        | 2) ThinkPad |
| 3) Aptiva        | 4) Notepad  |
| 5) None of these | Ans.) 2     |

Ques. : 517 What is the name of the 64-bit Microprocessor developed by AMD?

- |                  |              |
|------------------|--------------|
| 1) Opteron       | 2) RISC-9000 |
| 3) iMac          | 4) Athlon    |
| 5) None of these | Ans.) 1      |

Ques. : 518 Which computer peripheral manufacturer quotes "Empowering your PC"?

- |                  |            |
|------------------|------------|
| 1) Canon         | 2) Epson   |
| 3) Mercury       | 4) Samsung |
| 5) None of these | Ans.) 3    |

Ques. : 519 Nortel is a company which manufactures:

- |                  |                      |
|------------------|----------------------|
| 1) Software      | 2) Processors        |
| 3) Cables        | 4) Network equipment |
| 5) None of these | Ans.) 4              |

Ques. : 520 Data (information) is stored in computers as

- |                  |                |
|------------------|----------------|
| 1) Files         | 2) Directories |
| 3) Floppies      | 4) Matter      |
| 5) None of these | Ans.) 1        |

Ques. : 521 Page stealing

- |   |  |
|---|--|
| 1) Is a sign of an efficient system                 | 2) Is taking page frames from other working sets |
| 4) Is taking larger disk spaces for pages paged out |  |
| 5) None of these                                    | Ans.) 2  |

Ques. : 522 The processing of an application takes place between a client and a \_\_\_\_\_ processor.

- |                  |                 |
|------------------|-----------------|
| 1) Front end     | 2) Back end     |
| 3) Middle end    | 4) Both A and B |
| 5) None of these | Ans.) 4         |

Ques. : 523 The \_\_\_\_\_ is not formal enough to be implemented directly in a programming language.

- |                               |                   |
|-------------------------------|-------------------|
| 1) Object oriented data model | 2) ER model       |
| 3) Object oriented model      | 4) Analysis model |
| 5) None of these              | Ans.) 1           |

Ques. : 524 Which of the following device can store large amounts of data?

- |                  |              |
|------------------|--------------|
| 1) Floppy Disk   | 2) Hard Disk |
| 3) CDRom         | 4) Zip Disk  |
| 5) None of these | Ans.) 2      |

Ques. : 525 Which of the following is not a valid capacity of a floppy disk?

- |                  |            |
|------------------|------------|
| 1) 360KB         | 2) 720KB   |
| 3) 1.24 MB       | 4) 1.44 MB |
| 5) None of these | Ans.) 3    |

Ques. : 526 Which of the following device is used only in LAN (Local Area Network)?

- |                  |           |
|------------------|-----------|
| 1) Gateway       | 2) Modem  |
| 3) NIC           | 4) Router |
| 5) None of these | Ans.) 3   |

Ques. : 527 Which program can be used for email?

- |                      |                    |
|----------------------|--------------------|
| 1) Internet Explorer | 2) Outlook Express |
| 3) NetMeeting        | 4) FrontPage       |
| 5) None of these     | Ans.) 2            |

Ques. : 528 ..... cable carries signals in the form of fluctuating light in a glass.

- |                       |                 |
|-----------------------|-----------------|
| 1) Coaxial            | 2) Twisted pair |
| 3) Two wire open line | 4) Fiber optics |
| 5) None of these      | Ans.) 4         |

Ques. : 529 \_\_\_\_\_ is used for scanning the pictures and putting them in digitized form in the computer.

- |                  |            |
|------------------|------------|
| 1) CD-ROM        | 2) Plotter |
| 3) Bar-coder     | 4) Scanner |
| 5) None of these | Ans.) 4    |

Ques. : 530 Which statement is valid?

- |                      |                      |
|----------------------|----------------------|
| 1) 1 KB = 8 bytes    | 2) 1 MB = 8 KB       |
| 3) 1 KB = 1024 bytes | 4) 1 MB = 1024 bytes |
| 5) None of these     | Ans.) 3              |

Ques. : 531 Bit stuffing means adding an extra 0 to the data section of the frame when there is a sequence of bits with the same pattern as the \_\_\_\_\_.

- |                      |                  |
|----------------------|------------------|
| 1) header            | 2) trailer       |
| 3) flag              | 4) All the above |
| 5) none of the above | Ans.) 3          |

Ques. : 532 \_\_\_\_\_ control refers to a set of procedures used to restrict the amount of data that the sender can send before waiting for acknowledgment.

- |                      |                  |
|----------------------|------------------|
| 1) Flow              | 2) Error         |
| 3) Transmission      | 4) All the above |
| 5) none of the above | Ans.) 1          |

Ques. : 533 The Simplest Protocol and the Stop-and-Wait Protocol are for \_\_\_\_\_ channels.

- |                        |                      |
|------------------------|----------------------|
| 1) noisy               | 2) noiseless         |
| 3) error free          | 4) either (a) or (b) |
| 5) neither (a) nor (b) | Ans.) 2              |

Ques. : 534 . In Go-Back-N ARQ, if frames 4, 5, and 6 are received successfully, the receiver may send an ACK \_\_\_\_\_ to the sender.

- 1) 5
  - 2) 6
  - 3) 7
  - 4) 8
  - 5) none of these
- Ans.) 3

Ques. : 535 In a Go-Back-N ARQ, if the window size is 63, what is the range of sequence numbers?

- 1) 0 to 63
  - 2) 0 to 64
  - 3) 1 to 63
  - 4) 1 to 64
  - 5) none of these
- Ans.) 1

Ques. : 536 On receiving an interrupt from an I/O device, the CPU

- 2) branches off to the interrupt service routine after completion of the current instruction
  - 3) hands over control of address bus and data bus to the interrupting device immediately.
  - 4) branches off to the interrupt service routine bus to the interrupting device.
  - 5) None of these
- Ans.) 2

Ques. : 537 Data security threats include

- 1) privacy invasion
  - 2) hardware failure
  - 3) fraudulent manipulation of data
  - 4) encryption and decryption
  - 5) None of these
- Ans.) 3

Ques. : 538 Dijkstra banking algorithm in an operating system, solves the problem of

- 1) deadlock avoidance
  - 2) deadlock recovery
  - 3) mutual exclusion
  - 4) context switching
  - 5) None of these
- Ans.) 1

Ques. : 539 The amount of uncertainty in a system of symbol is called

- 1) Bandwidth
  - 2) Entropy
  - 3) Loss
  - 4) Quantum
  - 5) None of these
- Ans.) 2

Ques. : 540 Main aim of software engineering is to produce

- 1) program
  - 2) software
  - 3) within budget
  - 4) software within budget in the given schedule
  - 5) None of these
- Ans.) 4

Ques. : 541 When the angle of incidence is \_\_\_\_\_ the critical angle, the light beam bends along the interface

- 1) more than
  - 2) less than
  - 3) equal to
  - 4) all of above
  - 5) None of these
- Ans.) 3

Ques. : 542 Signals with a frequency below 2 MHz use \_\_\_\_\_ propagation

- 1) ground
  - 2) sky
  - 3) line-of-sight
  - 4) all of above
  - 5) None of these
- Ans.) 1

Ques. : 543 Signals with a frequency between 2 MHz and 30 MHz use \_\_\_\_\_ propagation

- 1) ground
  - 2) sky
  - 3) line-of-sight
  - 4) all of above
  - 5) none of the above
- Ans.) 2

Ques. : 544 Signals with a frequency above 30 MHz use \_\_\_\_\_ propagation

- 1) ground
  - 2) sky
  - 3) line-of-sight
  - 4) all of above
  - 5) None of these
- Ans.) 3

Ques. : 545 A parabolic dish antenna is a(n) \_\_\_\_\_ antenna.

- 1) omnidirectional
  - 2) bidirectional
  - 3) unidirectional
  - 4) horn
  - 5) None of these
- Ans.) 3

Ques. : 546 The \_\_\_\_\_ layer is responsible for the process-to-process delivery of the entire message.

- 1) transport
  - 2) network
  - 3) data link
  - 4) physical
  - 5) None of these
- Ans.) 1

Ques. : 547 The \_\_\_\_\_ layer establishes, maintains, and synchronizes the interactions between communicating devices .

- 1) transport
  - 2) network
  - 3) session
  - 4) physical
  - 5) None of these
- Ans.) 3

Ques. : 548 The \_\_\_\_\_ layer ensures interoperability between communicating devices through transformation of data into a mutually agreed upon format.

- 1) transport
- 2) network
- 3) data link
- 4) presentation

5) None of these

Ans.) 4

Ques. : 549 The \_\_\_\_\_ layer enables the users to access the network.

- 1) transport
  - 2) application
  - 3) data link
  - 4) physical
  - 5) None of these
- Ans.) 2

Ques. : 550 TCP/IP is a \_\_\_\_\_ hierarchical protocol suite developed \_\_\_\_\_ the OSI model.

- 1) seven-layer; before
  - 2) five-layer; before
  - 3) six-layer; before
  - 4) five-layer; after
  - 5) None of these
- Ans.) 2

Ques. : 551 Data Warehouse provides

- 2) Storage, Functionality Responsiveness to queries
  - 3) Demand and supply Responsiveness
  - 4) All the above
  - 5) None of the above
- Ans.) 2

Ques. : 552 CPU does not perform the operation

- 1) data transfer
  - 2) logic operation
  - 3) arithmetic operation
  - 4) all of the above
  - 5) None of these
- Ans.) 4

Ques. : 553 Start and stop bits are used in serial communications for

- 1) Error detection
  - 2) Error correction
  - 3) Synchronization
  - 4) Slowing down the communication
  - 5) None of these
- Ans.) 3

Ques. : 554 Design recovery from source code is done during

- 1) reverse engineering
  - 2) re-engineering
  - 3) reuse
  - 4) all of the above
  - 5) None of these
- Ans.) 1

Ques. : 555 Hub is a term used with

- 1) A Star Networks
- 2) A Ring Networks
- 3) A Router
- 4) A Bridge
- 5) None of these

Ans.) 1

Ques. : 556 While there is (are) only \_\_\_\_\_ way(s) to send parallel data, there is (are) three subclass(es) of serial transmission.

- 1) one; two
- 2) two; three
- 3) one; three
- 4) all of the above
- 5) none of the above

Ans.) 3

Ques. : 557 . In \_\_\_\_\_ transmission, we send 1 start bit (0) at the beginning and 1 or more stop bits (1s) at the end of each byte.

- 1) synchronous
- 2) asynchronous
- 3) isochronous
- 4) all of the above
- 5) none of the above

Ans.) 2

Ques. : 558 In \_\_\_\_\_, the level of the voltage determines the value of the bit.

- 1) NRZ-I
- 2) NRZ-L
- 3) TNL-L
- 4) both (a) and (b)

5) neither (a) nor (b)

Ans.) 2

Ques. : 559 In \_\_\_\_\_ encoding, we use three levels: positive, zero, and negative.

- 1) unipolar
- 2) bipolar
- 3) polar
- 4) all of the above
- 5) None of these

Ans.) 2

Ques. : 560 \_\_\_\_\_ encoding has a transition at the beginning of each 0 bit.

- 1) RZ
- 2) Manchester
- 3) Differential Manchester
- 4) all of the above
- 5) None of these

Ans.) 3

Ques. : 561 \_\_\_\_\_ is the process of converting digital data to a digital signal.

- 1) Block coding
- 2) Line coding
- 3) Scrambling
- 4) all of the above
- 5) None of the above

Ans.) 2

Ques. : 562 \_\_\_\_\_ provides synchronization without increasing the number of bits.

- 1) Scrambling
- 2) Line coding
- 3) Block coding
- 4) all of the above
- 5) None of the above

Ans.) 1

Ques. : 563 ASK, PSK, FSK, and QAM are examples of \_\_\_\_\_ conversion.

- 1) digital-to-digital
- 2) digital-to-analog
- 3) analog-to-analog
- 4) analog-to-digital
- 5) none of these

Ans.) 2

Ques. : 564 The Federal Communications Commission (FCC) allows \_\_\_\_\_ kHz for each AM station.

- 1) 5
- 2) 10
- 3) 20
- 4) 25
- 5) none of the above

Ans.) 2

Ques. : 565 Which of the following is not an analog-to-analog conversion?

- 1) AM
- 2) PM
- 3) FM
- 4) QAM
- 5) none of these

Ans.) 4

Ques. : 566 . A \_\_\_\_\_ is anything that can cause harm.

- 1) vulnerability
- 2) phish
- 3) phish
- 4) threat
- 5) None of these

Ans.) 4

Ques. : 567 In the right setting a thief will steal your information by simply watching what you type.

- 1) snagging
- 2) spying
- 3) social engineering
- 4) shoulder surfing
- 5) None of these

Ans.) 4

Ques. : 568 A \_\_\_\_\_ is a small program embedded inside of a GIF image.

- 1) web bug
- 2) cookie
- 3) spyware application
- 4) spam
- 5) None of these

Ans.) 1

Ques. : 569 A hacker contacts you my phone or email and attempts to acquire your password

- 1) spoofing
- 2) phishing
- 3) spamming
- 4) bugging
- 5) None of these

Ans.) 2

Ques. : 570 The phrase \_\_\_\_\_ describes viruses, worms, Trojan horse attack applets, and attack scripts.

- 1) malware
- 2) spam
- 3) phish
- 4) virus
- 5) None of these

Ans.) 1

Ques. : 571 If a process is under statistical control, then it is

- 1) Maintainable
- 2) Measurable
- 3) Predictable
- 4) Verifiable
- 5) none of these

Ans.) 3

Ques. : 572 In which circuit switching, delivery of data is delayed because data must be stored and retrieved from RAM ?

- 1) Space division
- 2) Time division
- 3) Virtual
- 4) Packet
- 5) none of these

Ans.) 2

Ques. : 573 Which command is the fastest among the following ?

- 1) COPY TO
- 2) COPY STRUCTURE TO
- 3) COPY FILE
- 4) COPY TO MFILE-DAT DELIMITED
- 5) none of these

Ans.) 2

Ques. : 574 Leaves of which of the following trees are at the same level ?

- 1) Binary tree
- 2) B-tree
- 3) AVL-tree
- 4) Expression tree
- 5) none of these

Ans.) 2

Ques. : 575 The baud rate is

- 1) equal to twice the bandwidth of an ideal channel
- 2) equal to twice the bandwidth of an ideal channel
- 4) equal to half of the bandwidth of an ideal channel
- 5) none of these

Ans.) 2

Ques. : 576 Which of the following file transfer protocols use TCP and establishes two virtual circuits between the local and remote server ?

- 1) FTP
- 2) TFTP
- 3) TELNET
- 4) NFS
- 5) none of these

Ans.) 1



Ques. : 577 Networks that use different technologies can be connected by using

- |                  |             |
|------------------|-------------|
| 1) Packets       | 2) Switches |
| 3) Bridges       | 4) Routers  |
| 5) none of these | Ans.) 4     |

Ques. : 578 What deletes the entire file except the file structure ?

- |                  |           |
|------------------|-----------|
| 1) ERASE         | 2) DELETE |
| 3) ZAP           | 4) PACK   |
| 5) none of these | Ans.) 3   |

Ques. : 579 Which of the following is the process by which a user's access to physical data in the application is limited, based on his privileges ?

- |                   |                   |
|-------------------|-------------------|
| 1) Authorization  | 2) Authentication |
| 3) Access Control | 4) All of these   |
| 5) none of these  | Ans.) 3           |

Ques. : 580 If the executing program size is greater than the existing RAM of a computer, it is still possible to execute the program if the OS supports:

- |                      |                     |
|----------------------|---------------------|
| 1) Multitasking      | 2) virtual memory   |
| 3) paging system     | 4) all of the above |
| 5) none of the above | Ans.) 2             |

Ques. : 581 An example of a universal building block is :

- |                  |             |
|------------------|-------------|
| 1) EX-OR Gate    | 2) AND Gate |
| 3) OR gate       | 4) NOR Gate |
| 5) None of these | Ans.) 4     |

Ques. : 582 An example of a layer that is absent in broadcast networks is

- |                   |                       |
|-------------------|-----------------------|
| 1) Physical layer | 2) Presentation layer |
| 3) Network layer  | 4) application layer  |
| 5) None of these  | Ans.) 3               |

Ques. : 583 The ATM cell is :

- |                  |                  |
|------------------|------------------|
| 1) 48 bytes long | 2) 53 bytes long |
| 3) 64 bytes long | 4) 69 bytes long |
| 5) None of these | Ans.) 2          |

Ques. : 584 Congestion control is done by

- |                       |                      |
|-----------------------|----------------------|
| 1) Network layer      | 2) Physical layer    |
| 3) Presentation layer | 4) Application layer |
| 5) None of these      | Ans.) 1              |

Ques. : 585 IP address in B class is given by:

- |                  |                  |
|------------------|------------------|
| 1) 125.123.123.2 | 2) 191.023.21.54 |
| 3) 192.128.32.56 | 4) 10.14.12.34   |
| 5) None of these | Ans.) 2          |

Ques. : 586 Black box testing is done

- |  |   |
|--|---|
| 1) To show that s/w is operational at its interfaces | 2) To examine internal details of code i.e. input and output. |
| 3) At client side                                    | 4) all of the above   |
| 5) None of the above                                 | Ans.) 1   |

Ques. : 587 The unix command used to find out the number of characters in a file is

- |                  |         |
|------------------|---------|
| 1) nc            | 2) wc   |
| 3) chcnt         | 4) lc   |
| 5) None of these | Ans.) 2 |

Ques. : 588 A program is located in the smallest available hole in the memory is \_\_\_\_\_

- 1) best-fit
  - 2) first-bit
  - 3) worst-fit
  - 4) buddy
  - 5) None of these
- Ans.) 1

Ques. : 589 A page fault

- 2) is an access to the page not currently in memory
  - 3) occur when a page program occur in a page
  - 4) page used in the previous page reference memory
  - 5) None of these
- Ans.) 2

Ques. : 590 In the process management Round-robin method is essentially the pre-emptive version of \_\_\_\_\_.

- 1) FILO
  - 2) FIFO
  - 3) SSF
  - 4) Longest time first
  - 5) None of these
- Ans.) 2

Ques. : 591 The TCP/IP \_\_\_\_\_ layer is equivalent to the combined session, presentation, and application layers of the OSI model.

- 1) application
  - 2) network
  - 3) data link
  - 4) physical
  - 5) None of these
- Ans.) 1

Ques. : 592 What type of communication media is the most widely used cabling for data transfer today?

- 1) Cat 5
  - 2) Twisted pair
  - 3) Coaxial
  - 4) Optical fiber
  - 5) None of these
- Ans.) 1

Ques. : 593 Which of the following high-speed circuits is the fastest?

- 1) T1
  - 2) T2
  - 3) T3
  - 4) DS3
  - 5) None of these
- Ans.) 4

Ques. : 594 What is the term used to describe the amount of space you have to transmit to and from the Internet?

- 1) Internet speed
  - 2) Network speed
  - 3) Router
  - 4) Bandwidth
  - 5) None of these
- Ans.) 4

Ques. : 595 What is another name for a shared network?

- 1) WAP
  - 2) Switch
  - 3) Broadband router
  - 4) Hub
  - 5) None of these
- Ans.) 4

Ques. : 596 Which of the following concepts means determining at runtime what method to invoke?

- 1) Data hiding
  - 2) Dynamic Typing
  - 3) Dynamic loading
  - 4) Dynamic binding
  - 5) None of these
- Ans.) 4

Ques. : 597 Which of the following term is used for a function defined inside a class?

- 1) Member Variable
  - 2) Member function
  - 3) Classic function
  - 4) Class function
  - 5) None of these
- Ans.) 2

Ques. : 598 Which of the following concepts of OOPS means exposing only necessary information to client?

- |                     |                |
|---------------------|----------------|
| 1) Encapsulation    | 2) Abstraction |
| 3) Data binding     | 4) Data hiding |
| 5) all of the above | Ans.) 4        |

Ques. : 599 Which of the following is an abstract data type?

- |                  |           |
|------------------|-----------|
| 1) int           | 2) double |
| 3) string        | 4) Class  |
| 5) None of these | Ans.) 4   |

Ques. : 600 Which of the following concepts means adding new components to a program as it runs?

- |                    |                    |
|--------------------|--------------------|
| 1) Data hiding     | 2) Dynamic typing  |
| 3) Dynamic loading | 4) Dynamic binding |
| 5) None of these   | Ans.) 3            |

Ques. : 601 How "Late binding" is implemented in C++?

- |                                 |                             |
|---------------------------------|-----------------------------|
| 1) Using C++ tables             | 2) Using Virtual tables     |
| 3) Using Indexed virtual tables | 4) Using polymorphic tables |
| 5) None of these                | Ans.) 2                     |

Ques. : 602 Which of the following cannot be used with the keyword virtual?

- |                  |                     |
|------------------|---------------------|
| 1) class         | 2) member functions |
| 3) constructor   | 4) destructor       |
| 5) None of these | Ans.) 3             |

Ques. : 603 Which one of the following options is correct about the statement given below? The compiler checks the type of reference in the object and not the type of object.

- |                  |                  |
|------------------|------------------|
| 1) Inheritance   | 2) Polymorphism  |
| 3) Abstraction   | 4) Encapsulation |
| 5) None of these | Ans.) 2          |

Ques. : 604 Which of the following concepts is used to implement late binding?

- |                     |                      |
|---------------------|----------------------|
| 1) Virtual function | 2) Operator function |
| 3) Const function   | 4) Static function   |
| 5) None of these    | Ans.) 1              |

Ques. : 605 Which of the following is a mechanism of static polymorphism?

- |                         |                         |
|-------------------------|-------------------------|
| 1) Operator overloading | 2) Function overloading |
| 3) Templates            | 4) All of the above     |
| 5) None of these        | Ans.) 4                 |

Ques. : 606 What term is used to identify people coming together from various geographical locations to complete some task?

- |                      |                     |
|----------------------|---------------------|
| 1) I-team            | 2) Virtual team     |
| 3) Online work group | 4) Distributed team |
| 5) none of these     | Ans.) 2             |

Ques. : 607 What type of Web site allows visitors to create and maintain information posted on its site?

- |                                 |             |
|---------------------------------|-------------|
| 1) Open source site             | 2) Wiki     |
| 3) Knowledge construction sites | 4) FTP site |
| 5) none of these                | Ans.) 2     |

Ques. : 608 Which person oversees an organization's entire information system?

- |                  |         |
|------------------|---------|
| 1) CTO           | 2) CSO  |
| 3) CIO           | 4) CPO  |
| 5) none of these | Ans.) 3 |

Ques. : 609 Which type of system includes all technology systems and software across an organization?

- 1) Knowledge based systems
  - 2) Strategic information systems
  - 3) Enterprise resource planning systems
  - 4) Management information systems
  - 5) none of these
- Ans.) 3

Ques. : 610 What is the term used to depict aged information systems that are technologically out-of-date?

- 1) Outdated information systems
  - 2) Obsolete systems
  - 3) Archaic systems
  - 4) Legacy information systems
  - 5) none of these
- Ans.) 4

Ques. : 611 Which of the following problem causes an exception?

- 1) Missing semicolon in statement in main().
  - 2) A problem in calling function
  - 3) A syntax error
  - 4) A run-time error.
  - 5) None of these
- Ans.) 4

Ques. : 612 What happens if the base and derived class contains definition of a function with same prototype?

- 2) Only base class function will get called irrespective of object
  - 4) Base class object will call base class function irrespective of object.
  - 3) Only derived class function will get called and derived class object will call derived class function.
  - 5) none of the above
- Ans.) 4

Ques. : 613 In which of the following a virtual call is resolved at the time of compilation?

- 1) From inside the destructor.
  - 2) From inside the constructor
  - 3) From inside the main().
  - 4) Both A and B.
  - 5) None of these
- Ans.) 4

Ques. : 614 Which inheritance type is used in the class given below? class A : public X, public Y {}

- 1) Multilevel inheritance
  - 2) Multiple inheritance
  - 3) Hybrid inheritance
  - 4) Hierarchical Inheritance
  - 5) None of these
- Ans.) 2

Ques. : 615 Which of the following is an invalid visibility label while inheriting a class?

- 1) public
  - 2) private
  - 3) protected
  - 4) friend
  - 5) None of these
- Ans.) 4

Ques. : 616 Start and stop bits are used in serial communications for

- 1) Error detection
  - 2) Error correction
  - 3) Synchronization
  - 4) Slowing down the communication
  - 5) None of these
- Ans.) 3

Ques. : 617 For a data entry project for office staff who have never used computers before (user interface and user-friendliness are extremely important), one will use

- 1) Spiral model
  - 2) Component based model
  - 3) Prototyping
  - 4) Waterfall model
  - 5) None of these
- Ans.) 3

Ques. : 618 The amount of uncertainty in a system of symbol is called

- 1) Bandwidth
  - 2) Entropy
  - 3) Loss
  - 4) Quantum
  - 5) None of these
- Ans.) 2

Ques. : 619 Identify the incorrect statement

- 1) The overall strategy drives the E-Commerce environment should be done in a classical manner  
2) Data warehousing in an E-Commerce data warehousing strategy  
3) E-Commerce opens up an entirely new world of web servers into three major categories  
4) E-Commerce security threats can be grouped into three major categories  
5) None of the above
- Ans.) 4

Ques. : 620 \_\_\_\_\_ is not an E-Commerce application

- 1) House banking  
2) Buying stocks  
3) Conducting an auction  
4) Evaluating an employee  
5) None of these
- Ans.) 4

Ques. : 621 A thread is a light weight process. In the above statement, weight refers to

- 1) time  
2) number of resources  
3) speed  
4) all of the above  
5) none of the above
- Ans.) 2

Ques. : 622 Everything below the system call interface and above the physical hardware is known as

- 1) Kernel  
2) Bus  
3) Shell  
4) Stub  
5) none of the above
- Ans.) 1

Ques. : 623 When a programming Language has the capacity to produce new datatype, it is called as

- 1) Overloaded Language  
2) Extensible Language  
3) Encapsulated Language  
4) Abstraction Language  
5) none of the above
- Ans.) 2

Ques. : 624 Which of the following operating system is better for implementing client-server network

- 1) Windows 95  
2) Windows 98  
3) Windows 2000  
4) All of these  
5) none of the above
- Ans.) 3

Ques. : 625 Functions defined with class name are called as

- 1) Inline function  
2) Friend function  
3) Constructor  
4) Static function  
5) none of the above
- Ans.) 3

Ques. : 626 The United States is divided into many \_\_\_\_\_.

- 1) LECs  
2) LATAs  
3) IXC  
4) All the above  
5) none of the above
- Ans.) 2

Ques. : 627 The carrier that handles intra-LATA services is called a(n) \_\_\_\_\_.

- 1) POP  
2) IXC  
3) LEC  
4) All the above  
5) none of the above
- Ans.) 3

Ques. : 628 The carrier that handles inter-LATA services is called a(n) \_\_\_\_\_.

- 1) POP  
2) IXC  
3) LEC  
4) all of the above  
5) none of the above
- Ans.) 2

Ques. : 629 In \_\_\_\_\_ signaling, the same circuit is used for both signaling and data.

- 1) in-band  
2) out-of-band  
3) mixed  
4) All the above  
5) none of the above
- Ans.) 1

Ques. : 630 . In \_\_\_\_\_ signaling, a portion of the bandwidth is used for signaling and another portion for data.

- |                      |                  |
|----------------------|------------------|
| 1) in-band           | 2) out-of-band   |
| 3) mixed             | 4) All the above |
| 5) none of the above | Ans.) 2          |

Ques. : 631 In \_\_\_\_\_ coding, we divide our message into blocks, each of k bits, called \_\_\_\_\_.

- |                      |                      |
|----------------------|----------------------|
| 1) block; blockwords | 2) linear; datawords |
| 3) block; datawords  | 4) All the above     |
| 5) none of the above | Ans.) 3              |

Ques. : 632 We add r redundant bits to each block to make the length  $n = k + r$ . The resulting n-bit blocks are called \_\_\_\_\_.

- |                      |                  |
|----------------------|------------------|
| 1) datawords         | 2) blockwords    |
| 3) codewords         | 4) All the above |
| 5) none of the above | Ans.) 3          |

Ques. : 633 The \_\_\_\_\_ between two words is the number of differences between corresponding bits.

- |                      |                     |
|----------------------|---------------------|
| 1) Hamming code      | 2) Hamming distance |
| 3) Hamming rule      | 4) All the above    |
| 5) none of the above | Ans.) 2             |

Ques. : 634 To guarantee the detection of up to 5 errors in all cases, the minimum Hamming distance in a block code must be \_\_\_\_\_.

- |                  |                  |
|------------------|------------------|
| 1) 5             | 2) 6             |
| 3) 11            | 4) All the above |
| 5) None of these | Ans.) 2          |

Ques. : 635 To guarantee correction of up to 5 errors in all cases, the minimum Hamming distance in a block code must be \_\_\_\_\_.

- |                      |                  |
|----------------------|------------------|
| 1) 5                 | 2) 6             |
| 3) 11                | 4) All the above |
| 5) none of the above | Ans.) 3          |

Ques. : 636 \_\_\_\_\_ is a type of transmission impairment in which the signal loses strength due to the different propagation speeds of each frequency that makes up the signal.

- |                  |               |
|------------------|---------------|
| 1) Attenuation   | 2) Distortion |
| 3) Noise         | 4) Decibel    |
| 5) None of these | Ans.) 2       |

Ques. : 637 \_\_\_\_\_ is a type of transmission impairment in which an outside source such as crosstalk corrupts a signal.

- |                  |               |
|------------------|---------------|
| 1) Attenuation   | 2) Distortion |
| 3) Noise         | 4) Decibel    |
| 5) None of these | Ans.) 3       |

Ques. : 638 When propagation speed is multiplied by propagation time, we get the \_\_\_\_\_.

- |                      |  |
|----------------------|--|
| 1) throughput        | 2) wavelength of the signal              |
| 3) distortion factor | 4) distance a signal or bit has traveled |
| 5) None of these     | Ans.) 4                                  |

Ques. : 639 Given two sine waves A and B, if the frequency of A is twice that of B, then the period of B is \_\_\_\_\_ that of A.

- |                  |                       |
|------------------|-----------------------|
| 1) one-half      | 2) twice              |
| 3) the same as   | 4) indeterminate from |
| 5) None of these | Ans.) 2               |

Ques. : 640 A sine wave is \_\_\_\_\_.

- 1) periodic and continuous
- 2) aperiodic and continuous
- 3) periodic and discrete
- 4) aperiodic and discrete
- 5) None of these

Ans.) 1

Ques. : 641 A \_\_\_\_\_ switch is a multistage switch with microswitches at each stage that route the packets based on the output port represented as a binary string.

- 1) crossbar
- 2) TSI
- 3) banyan
- 4) all of the above
- 5) none of the above

Ans.) 3

Ques. : 642 In a banyan switch, for 8 inputs and 8 outputs, we have \_\_\_\_\_ stages.

- 1) 8
- 2) 4
- 3) 3
- 4) 2
- 5) None of these

Ans.) 3

Ques. : 643 A \_\_\_\_\_ switch combines space-division and time-division technologies to take advantage of the best of both.

- 1) TST
- 2) SSS
- 3) TTT
- 4) all of the above
- 5) none of the above

Ans.) 1

Ques. : 644 The most popular technology in time-division switching is called the \_\_\_\_\_.

- 1) STI
- 2) ITS
- 3) TSI
- 4) all of the above
- 5) none of the above

Ans.) 3

Ques. : 645 Based on the Clos criteria, if  $N = 200$ , then  $n$  must be equal to or greater than \_\_\_\_\_.

- 1) 10
- 2) 20
- 3) 30
- 4) 40
- 5) None of these

Ans.) 1

Ques. : 646 The largest portion of the bandwidth for ADSL carries \_\_\_\_\_.

- 1) voice communication
- 2) upstream data
- 3) downstream data
- 4) control data
- 5) none of these

Ans.) 3

Ques. : 647 \_\_\_\_\_ was designed as an alternative to the T-1 line.

- 1) VDSL
- 2) ADSL
- 3) SDSL
- 4) HDSL
- 5) none of these

Ans.) 4

Ques. : 648 HDSL encodes data using \_\_\_\_\_.

- 1) 4B/5B
- 2) 2B1Q
- 3) 1B2Q
- 4) 6B/8T
- 5) none of these

Ans.) 2

Ques. : 649 Another name for the cable TV office is the \_\_\_\_\_.

- 1) splitter
- 2) fiber node
- 3) combiner
- 4) head end
- 5) none of these

Ans.) 4

Ques. : 650 A traditional cable TV network transmits signals \_\_\_\_\_.

- 1) upstream
- 2) downstream
- 3) upstream and downstream
- 4) all of the above
- 5) none of the above

Ans.) 2

Ques. : 651 What term is used to describe two or more computers that are linked to each other?

- |                     |                    |
|---------------------|--------------------|
| 1) Star connection  | 2) Computer system |
| 3) Computer network | 4) Net             |
| 5) None of these    | Ans.) 3            |

Ques. : 652 What interface card do you need to connect to a network?

- |                  |                  |
|------------------|------------------|
| 1) ISP card      | 2) Wireless card |
| 3) Router        | 4) NIC           |
| 5) None of these | Ans.) 4          |

Ques. : 653 Which of the following is not described as a typical network classification?

- |                              |                        |
|------------------------------|------------------------|
| 1) Local area network        | 2) Wide area network   |
| 3) Metropolitan area network | 4) County area network |
| 5) None of these             | Ans.) 4                |

Ques. : 654 What type of network device allows you to share your connection to the Internet with other computers in your home?

- |                  |          |
|------------------|----------|
| 1) Ethernet card | 2) NIC   |
| 3) Router        | 4) Cat 5 |
| 5) None of these | Ans.) 3  |

Ques. : 655 What is another name for a shared network?

- |                     |           |
|---------------------|-----------|
| 1) WAP              | 2) Switch |
| 3) Broadband router | 4) Hub    |
| 5) None of these    | Ans.) 4   |

Ques. : 656 How do you save changes to a PowerPoint presentation?

- |   |  |
|---|--|
| 1) Pull down the File menu and click the Save | 2) Click the Save button on the Standard toolbar command |
| 3) click on titel bar                         | 4) Either (a) and (b)                                    |
| 5) None of these                              | Ans.) 4  |

Ques. : 657 Which of the following can be printed in support of a PowerPoint presentation?

- |                      |                  |
|----------------------|------------------|
| 1) Audience handouts | 2) Notes         |
| 3) An outline        | 4) All the above |
| 5) None of these     | Ans.) 4          |

Ques. : 658 Which toolbars are typically displayed in the Normal view?

- |                         |                           |
|-------------------------|---------------------------|
| 1) The Standard toolbar | 2) The Formatting toolbar |
| 3) The Drawing toolbar  | 4) All of the above       |
| 5) None of these        | Ans.) 4                   |

Ques. : 659 Ctrl+Home and Ctrl+End are keyboard shortcuts that move to the beginning or end of the presentation in the:

- |                  |                        |
|------------------|------------------------|
| 1) Outline view  | 2) Slide Sorter view   |
| 3) insert view   | 4) Neither (a) nor (b) |
| 5) None of these | Ans.) 5                |

Ques. : 660 Which menu contains the commands to save the current presentation, or to open a previously saved presentation?

- |                   |                  |
|-------------------|------------------|
| 1) The Tools menu | 2) The File menu |
| 3) The View menu  | 4) The Edit menu |
| 5) None of these  | Ans.) 2          |



Ques. : 661 A \_\_\_\_\_ is a group of two or more computer systems linked together to exchange data and share resources such as printers

- 1) wireless network adapter
  - 2) Network
  - 3) Node
  - 4) Port
  - 5) None of these
- Ans.) 2

Ques. : 662 An expansion board that provides the electronic components to make a connection between a computer and a network is called a \_\_\_\_\_.

- 1) collective network
  - 2) logical address
  - 3) network interface card (NIC)
  - 4) wide area network
  - 5) None of these
- Ans.) 3

Ques. : 663 A USB communication device that supports data encryption for secure wireless communication for

- 1) campus area network (CAN)
  - 2) wide area network (WAN)
  - 3) wireless LAN
  - 4) metropolitan area network (MAN)
  - 5) None of these
- Ans.) 4

Ques. : 664 A typical university or corporate LAN that includes one or more servers and clients is called a \_\_\_\_\_.

- 1) peer-to-peer network
  - 2) wireless LAN
  - 3) security hierarchy
  - 4) client/server network
  - 5) None of these
- Ans.) 4

Ques. : 665 \_\_\_\_\_ defines how one Internet-connected computer can contact another to exchange control and confirmation messages

- 1) WAN switching rules
  - 2) Internet rules
  - 3) Transmission Control Protocol (TCP)
  - 4) Internet Protocol (IP)
  - 5) None of these
- Ans.) 3

Ques. : 666 \_\_\_\_\_ such as AT&T, NCI, Sprint, BBN, and UUNET maintain the Internet backbone.

- 1) Telephone companies
  - 2) Communications companies
  - 3) Network service providers
  - 4) Cyberspace companies
  - 5) None of these
- Ans.) 3

Ques. : 667 The \_\_\_\_\_ layer manages the assembling of a message or file into smaller packets that are transmitted over the Internet.

- 1) Internet backbone
  - 2) Internet interoperability
  - 3) Transmission Control Protocol (TCP)
  - 4) Internet Protocol (IP)
  - 5) None of these
- Ans.) 3

Ques. : 668 Documents of the Web that are transported over the Internet are called \_\_\_\_\_.

- 1) Web pages
  - 2) HTML pages
  - 3) Web sites
  - 4) Hypertext links
  - 5) None of these
- Ans.) 1

Ques. : 669 Internet Explorer and Safari are examples of \_\_\_\_\_.

- 1) Web pages
  - 2) Web browsers
  - 3) Web servers
  - 4) Web sites
  - 5) None of these
- Ans.) 2

Ques. : 670 A(n) \_\_\_\_\_ is a numerical identification and logical address that is assigned to devices participating in a computer network

- 1) top-level domain (TLD) name
  - 2) path
  - 3) domain name
  - 4) Internet Protocol address (IP address)
  - 5) None of these
- Ans.) 4

Ques. : 671 Wired home networks typically use Cat-5 or Cat-6 Ethernet cables or a home's \_\_\_\_\_ to connect network devices.

- |                     |                      |
|---------------------|----------------------|
| 1) water pipes      | 2) electrical wiring |
| 3) telephone system | 4) smartphones       |
| 5) None of these    | Ans.) 2              |

Ques. : 672 Optimized for dial-up connections over noisy telephone lines, the oldest packet-switching protocol for WAN usage, called \_\_\_\_\_, is still widely used.

- |                  |             |
|------------------|-------------|
| 1) Cat-5         | 2) X.25     |
| 3) Cat-6         | 4) Ethernet |
| 5) None of these | Ans.) 2     |

Ques. : 673 \_\_\_\_\_ is the method used in public switched telephone systems where there is a direct connection between communicating devices.

- |                            |                      |
|----------------------------|----------------------|
| 1) Transaction acquisition | 2) Internet protocol |
| 3) Circuit switching       | 4) Packet switching  |
| 5) None of these           | Ans.) 3              |

Ques. : 674 \_\_\_\_\_ broadcast radio waves that can be picked up by anyone using the correct configuration.

- |                               |                             |
|-------------------------------|-----------------------------|
| 1) Campus area networks (CAN) | 2) Broadband networks       |
| 3) Wireless networks          | 4) Wide area networks (WAN) |
| 5) None of these              | Ans.) 3                     |

Ques. : 675 A(n) \_\_\_\_\_ is a microchip that contains the circuitry to convert an analog signal into a digital signal.

- |                           |                                      |
|---------------------------|--------------------------------------|
| 1) communications channel | 2) analog-to-digital converter (ADC) |
| 3) Codec                  | 4) digital-to-analog converter (DAC) |
| 5) None of these          | Ans.) 2                              |

Ques. : 676 \_\_\_\_\_ is a technique that is used to send more than one call over a single line.

- |                  |                          |
|------------------|--------------------------|
| 1) Multiplexing  | 2) Infrared transmission |
| 3) Streaming     | 4) Digital transmission  |
| 5) None of these | Ans.) 1                  |

Ques. : 677 The leading provider of \_\_\_\_\_ is the local cable TV company.

- |                  |                             |
|------------------|-----------------------------|
| 1) broadband     | 2) digital telephone access |
| 3) coaxial cable | 4) digital subscriber lines |
| 5) None of these | Ans.) 1                     |

Ques. : 678 ADSL, SDSL, HDSL, and VDSL are examples of different types of \_\_\_\_\_.

- |                             |                             |
|-----------------------------|-----------------------------|
| 1) digital subscriber lines | 2) digital modems           |
| 3) cable-based broadband    | 4) subscriber loop carriers |
| 5) None of these            | Ans.) 1                     |

Ques. : 679 \_\_\_\_\_ is the process that transforms data such as voice, text, graphics, audio, and video into digital form.

- |                               |                    |
|-------------------------------|--------------------|
| 1) Wireless data transmission | 2) Digitization    |
| 3) Convergence                | 4) Analog transfer |
| 5) None of these              | Ans.) 2            |

Ques. : 680 \_\_\_\_\_ refers to an individual's ability to restrict or eliminate the collection, use, and sale of confidential personal information.

- |                   |  |
|-------------------|--|
| 1) Privacy        | 2) Bill of Rights for Social Network Users |
| 3) Identity theft | 4) Ethics                                  |
| 5) None of these  | Ans.) 1                                    |

Ques. : 681 The leading provider of \_\_\_\_\_ is the local cable TV company.

- 1) broadband
  - 2) digital telephone access
  - 3) coaxial cable
  - 4) digital subscriber lines
  - 5) None of these
- Ans.) 1

Ques. : 682 A \_\_\_\_\_ is a small, waist-high curbside installation that connects as many as 96 subscriber telephones.

- 1) subscriber loop carrier (SLC)
  - 2) multiplexing unit
  - 3) virtual private network
  - 4) network access point
  - 5) None of these
- Ans.) 1

Ques. : 683 The \_\_\_\_\_ is a digital device capable of handling thousands of calls and is located in the local telephone company's central office.

- 1) public switched telephone network (PSTN)
  - 2) microwave relay station
  - 3) internal private branch exchange
  - 4) local exchange switch
  - 5) None of these
- Ans.) 4

Ques. : 684 ADSL, SDSL, HDSL, and VDSL are examples of different types of \_\_\_\_\_.

- 1) digital subscriber lines
  - 2) digital modems
  - 3) cable-based broadband
  - 4) subscriber loop carriers
  - 5) None of these
- Ans.) 1

Ques. : 685 \_\_\_\_\_ refers to an individual's ability to restrict or eliminate the collection, use, and sale of confidential personal information.

- 1) Privacy
  - 2) Bill of Rights for Social Network Users
  - 3) Identity theft
  - 4) Ethics
  - 5) None of these
- Ans.) 1

Ques. : 686 In a survey, employers ranked \_\_\_\_\_ third, right below communication skills and analytical ability.

- 1) people skills
  - 2) Internet skills
  - 3) computer literacy
  - 4) hard skills
  - 5) None of these
- Ans.) 3

Ques. : 687 A(n) \_\_\_\_\_ is a computer program that scans resumes and is set to locate keywords.

- 1) information system
  - 2) Web interview
  - 3) Web conference
  - 4) application tracking system (ATS)
  - 5) None of these
- Ans.) 4

Ques. : 688 Computer-related \_\_\_\_\_ are typically presented by the developer of a new hardware or software product or by a company specializing in training IT professionals in a new technology.

- 1) systems engineering
  - 2) training seminars
  - 3) online systems
  - 4) trade shows
  - 5) None of these
- Ans.) 2

Ques. : 689 Not only are computer literacy skills important in most jobs today and near the top of the list of employment requirements, but they are also essential in the \_\_\_\_\_.

- 1) job search
  - 2) Web interview
  - 3) information systems division
  - 4) Web conference
  - 5) None of these
- Ans.) 1

Ques. : 690 \_\_\_\_\_ is a very broad discipline with applications in almost every other discipline imaginable.

- 1) Technology science
  - 2) Computer science
  - 3) Information science
  - 4) Electrical engineering
  - 5) None of these
- Ans.) 2

Ques. : 691 Microsoft Access and MySQL are examples of \_\_\_\_\_.

- |                               |  |
|-------------------------------|--|
| 1) multidimensional databases | 2) database management systems (DBMSs) |
| 3) file management programs   | 4) data warehouses                     |
| 5) None of these              | Ans.) 2                                |

Ques. : 692 \_\_\_\_\_ is a technique in which managers are able to view information in a data warehouse and focus their attention on a specific data element.

- |                        |               |
|------------------------|---------------|
| 1) Analytical research | 2) Drill down |
| 3) MDX querying        | 4) SQL        |
| 5) None of these       | Ans.) 2       |

Ques. : 693 A(n) \_\_\_\_\_ is a system that includes the collection of people, hardware, software, data records, and activities that process the data and information in an organization.

- |                                       |                                |
|---------------------------------------|--------------------------------|
| 1) traditional organization structure | 2) information functional unit |
| 3) information system                 | 4) data mart                   |
| 5) None of these                      | Ans.) 3                        |

Ques. : 694 A \_\_\_\_\_ handles an organization's day-to-day accounting needs ; keeping a verifiable record of every transaction involving money, including purchases, sales, and payroll payments.

- |  |                                     |
|--|-------------------------------------|
| 1) transactional processing system (TPS) | 2) financial support system (FSS)   |
| 3) decision support system (DSS)         | 4) business processing system (BPS) |
| 5) None of these                         | Ans.) 1                             |

Ques. : 695 \_\_\_\_\_ occurs when too much information is provided making processing, absorbing, and validating difficult.

- |                              |                         |
|------------------------------|-------------------------|
| 1) Database integration      | 2) Database integration |
| 3) Nonfunctional information | 4) Query integration    |
| 5) None of these             | Ans.) 2                 |

Ques. : 696 A(n) \_\_\_\_\_ is a collection of related data that is organized in a manner that makes it easy to access, manage, update, group, and summarize.

- |                       |                   |
|-----------------------|-------------------|
| 1) knowledge base     | 2) data warehouse |
| 3) information system | 4) database       |
| 5) None of these      | Ans.) 4           |

Ques. : 697 A \_\_\_\_\_ is a descriptive label that helps identify the type of content to be entered into a field.

- |                  |               |
|------------------|---------------|
| 1) data file     | 2) field name |
| 3) data type     | 4) query      |
| 5) None of these | Ans.) 2       |

Ques. : 698 A \_\_\_\_\_, or data file, is a collection of related records.

- |                  |                |
|------------------|----------------|
| 1) flat file     | 2) primary key |
| 3) record        | 4) table       |
| 5) None of these | Ans.) 4        |

Ques. : 699 \_\_\_\_\_ means that the data is separate from the applications and that changes in data do not require changes in the structure of forms, reports, or programs access the databases.

- |                      |                     |
|----------------------|---------------------|
| 1) Data independence | 2) Data consistency |
| 3) Validation        | 4) Data integrity   |
| 5) None of these     | Ans.) 1             |

Ques. : 700 \_\_\_\_\_ means that the data stored in a database shouldn't be accessible to people who might misuse it.

- |                      |                     |
|----------------------|---------------------|
| 1) Data independence | 2) Data security    |
| 3) Data redundancy   | 4) Data maintenance |
| 5) None of these     | Ans.) 2             |

Ques. : 701 A(n) \_\_\_\_\_ is a set of programs designed to manage the resources of a computer, including starting the computer, managing programs, managing memory, and coordinating tasks between input and output devices

- |                          |                        |
|--------------------------|------------------------|
| 1) application suite     | 2) Interface           |
| 3) operating system (OS) | 4) input/output system |
| 5) None of these         | Ans.) 3                |

Ques. : 702 The \_\_\_\_\_ is the central part of the OS that consists of instructions that control the actions the OS uses most frequently.

- |                  |            |
|------------------|------------|
| 1) profile       | 2) bios    |
| 3) kernel        | 4) booting |
| 5) None of these | Ans.) 3    |

Ques. : 703 \_\_\_\_\_ memory is storage that is very fast but released when the power goes off.

- |                  |             |
|------------------|-------------|
| 1) Registry      | 2) Volatile |
| 3) Kernal        | 4) Booting  |
| 5) None of these | Ans.) 2     |

Ques. : 704 A database, called the \_\_\_\_\_, stores configuration information about installed peripherals and software.

- |                  |                |
|------------------|----------------|
| 1) BIOS          | 2) profile     |
| 3) registry      | 4) boot sector |
| 5) None of these | Ans.) 3        |

Ques. : 705 A(n) \_\_\_\_\_ consists of a username, password, and storage space called a user folder or user directory.

- |                  |                   |
|------------------|-------------------|
| 1) account       | 2) swap file      |
| 3) buffer        | 4) authentication |
| 5) None of these | Ans.) 1           |

Ques. : 706 The most popular general-purpose applications are \_\_\_\_\_.

- |                           |                           |
|---------------------------|---------------------------|
| 1) application features.  | 2) multimedia programs.   |
| 3) productivity programs. | 4) Internet applications. |
| 5) None of these          | Ans.) 3                   |

Ques. : 707 Features within the application window include the \_\_\_\_\_, the document, the title bar, and the three window control buttons.

- |                            |                          |
|----------------------------|--------------------------|
| 1) browser                 | 2) minimize button       |
| 3) shared office interface | 4) application workspace |
| 5) None of these           | Ans.) 4                  |

Ques. : 708 \_\_\_\_\_ appear on the scroll bar and can be clicked to scroll the document line by line.

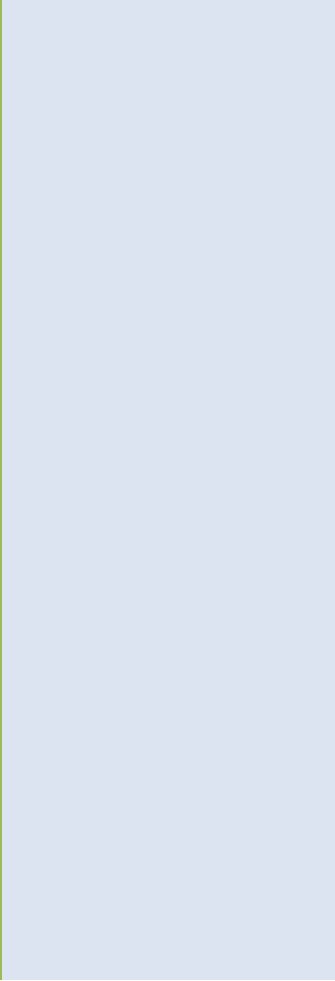
- |                    |                         |
|--------------------|-------------------------|
| 1) Contextual tabs | 2) Windows borders      |
| 3) Scroll arrows   | 4) Restore down buttons |
| 5) None of these   | Ans.) 3                 |

Ques. : 709 Common command sequences are instructions that open an application, \_\_\_\_\_, close a document, and close an application.

- |                            |                       |
|----------------------------|-----------------------|
| 1) group icons             | 2) save a document    |
| 3) automatically wrap text | 4) access the toolbar |
| 5) None of these           | Ans.) 2               |

Ques. : 710 Word, Excel, Access, and PowerPoint are the programs in \_\_\_\_\_.

- |                     |                          |
|---------------------|--------------------------|
| 1) Internet browser | 2) common interface      |
| 3) Open Office      | 4) Microsoft Office 2010 |
| 5) None of these    | Ans.) 4                  |





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# Introduction

Marketing is an ancient art. Marketing is said to be the eyes and ears of a business organization, because it keeps the business in close contact with its economic, political, social and technological environments. In the age of fast changes, marketing is a spring board of all activities

Generally speaking, A marketing deals with identifying and meeting human and social needs through an exchange process. It involves an exchange intended to satisfy human wants. In economic sense, marketing is the creation of utilities such as form utility, place utility, time utility and possession utility. In our daily life, we use a number of products.

Production creates form utility, transportation creates place utility, storage creates time utility and sales create possession utility.

Marketing means the business activities that are directing the movement of goods and services from producer to the ultimate consumers or users. It is the process of transferring the goods from the point of production to the point of consumption.

Marketing is a system, which comprises different activities such as product planning, product pricing, product placing and promotion. It is concerned with all activities involved in the flow of goods and services from producer to consumer.

Marketing is the process of providing the right quality products in the right quantity at the right place and time.

## Scope of Marketing

Study of consumer wants and needs

Study of Buyer Behavior

Product planning and development: Product planning and development starts with the generation of product idea and ends with the development and commercialization of the product

**Pricing Policies:** Pricing means determination of selling price for a product or service.

Pricing decisions are influenced by certain internal and external factors. There are three

pricing policies namely, cost oriented, demand oriented and competition oriented policies.

**Distribution:** Goods are to be distributed at the minimum possible cost, to the largest number of consumers.

**Promotion:** Promotion includes advertising, sales promotion and personal selling.

**Consumer Satisfaction:** In the modern world consumer is the king. In other words, consumer satisfaction is one of the major goals of marketing.

**Marketing Control:** Marketing also covers marketing control through marketing audit and annual reports.

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## Features of Traditional Approach

The objective of traditional marketing was profit maximization. Traditional marketing was sales-oriented and not consumer oriented.

It gave emphasis to products.

It was concerned with the transfer of ownership

It gave emphasis to physical movement of goods.

## Modern Approach of Marketing

"Modern Marketing is a way of life in which all resources of an organization are mobilized to create, stimulate and satisfy the customer at a profit.

## Features of Modern Marketing

Modern Marketing is consumer oriented.

Modern Marketing Starts and Ends with the consumer.

Modern Marketing starts before production.

Modern Marketing is the guiding element of business

## Objectives of Marketing

Development of marketing field.



Development of guiding policies and their implementation to good results.

Overcoming the shortcomings, if any, of the existing marketing system.

Suggestion of solutions to marketing problems through research.

Gathering of marketing information through innovative methods.

Taking appropriate decisions in the course of actions.

Application of modern marketing policies.

Increasing consumption and well being of society.

Cost reduction

Creation of goodwill

Ensuring growth

Improving quality of life

## MARKET

Market means a convenient meeting place where sellers and buyers gather together for exchange of goods. It is a centre about which or an area in which the forces leading to exchange of title of a particular product operates.

Market is a place where buying and selling takes place.

Buyers and sellers come together for transactions

An organization through which exchange of goods takes place.

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The act of buying and selling of goods to satisfy human wants.

An area of operation of commercial demand for commodities.

### Classification of Markets

Markets have been classified, on the basis of different approaches, in various ways as under.

On the basis of Geographical Area

**Family Market:** When exchanges are confined within a family or close members of the family, such a market is called family market.

**Local Market:** When buyers and sellers belong to a local area (say a town or village) participate in the market, it is called local

market. Eg. Market for perishable goods like fish, vegetables, fruits etc.

**National Market:** For certain types of commodities, a country may be regarded as a market, through the fast development of industrialization. It is called national market. In the present decade almost all the products have national market. Eg. Market for textile goods.

**International/World Market:** World or International market comes up when buyers and sellers of goods evolve on world level ie, involvement of buyers and sellers beyond and boundaries of a nation. Eg. Tea and Pepper market in Cochin, London Stock Exchange etc.

On the basis of Commodities of Goods.

**Commodity Market:** It is the market where produced goods or consumption goods are bought and sold. Commodity markets are of three types:

□ **Produce Exchange Market:** It is an organized market for the buying and selling of commodities. Such markets deal in one commodity only. eg. wheat exchange market, cotton exchange market, etc. This type of market is found only in developed industrial centers.

□ **Manufactures goods Market:** These markets deal with manufactured goods. Eg: Leather goods, machinery etc. The leather goods, machinery etc. The leather goods market of Kanpur, Exchange of Mumbai is examples.

□ **Bullion Market:** This type of market deal with the purchase or sale of gold, silver etc. Bullion markets of Mumbai, Kolkata, Kanpur etc. are examples.

**Capital Market:** These are the markets which provide financial assistance to those who are in need of finance. Capital markets are the markets which borrow and lend money. They are of three types:

□ **Money Market:** Money market deals with short term funds. These markets help

or guide the public to invest their surplus funds in industrial concerns. London is the world's biggest money market.

□ **Foreign Exchange Market:** It is an international market. This type of market helps exporters and importers, in converting their currencies into foreign currencies and vice versa.

□ **The Stock Exchange Markets:** Stock exchanges are the organized markets for the purchasing and selling of second-hand listed securities. It is also known as security market. Stock exchanges of Kolkatta, Chennai etc. are examples.

On the basis of Economics

**Perfect Market:** A market is said to be perfect market if it satisfies the following conditions.

Large number of buyers and sellers.  
prices should be uniform throughout the market.

buyers and sellers have a perfect knowledge of markets.

goods can be moved from one place to another without restrictions. It is to be noted that such type of markets are rarely found.

**Imperfect Market :** A market is said to be imperfect when:

products are similar but not identical  
prices are not uniform  
there is lack of communications  
there are restrictions on the movements of goods.

On the basis of Transaction

**Spot Market:** In such a market goods are exchanged and physical delivery of goods take place immediately.

**Future Market:** In such a market contracts are made but physical delivery of goods take place only on a future date. The dealing and settlement take place on different dates.

On the basis of Regulation

**Regulated Markets:** These are markets which are organized, controlled and regulated by statutory measures. Examples, stock exchanges.

**Unregulated Markets:** These are free markets. There is no control with regard to price,

quality, commission etc. Demand and supply determine the price of goods. Example, indigenous markets.

On the basis of Time

**Very short period market:** Market which deals in perishable goods like fruits, vegetables, fish etc. are called 'very short period market'. There is no change in the supply of goods and price is determined on the basis of demand.

**Short period market:** When sufficient time is not available for adjusting supply of goods with the demand, it is known as short period market.

On the basis of Volume of business

**Whole sale Market:** In wholesale markets goods are supplied in bulk quantities to dealers.

**Retail Market:** In retail markets goods are sold in small quantities directly to the users or consumers.

On the basis of Importance

**Primary Market:** The producers of farm products sell their produces through this type of market to consumers or wholesalers. Such markets can be formed in villages and mostly the products arrive from villages.

**Secondary Market:** In this market commodities arrive from other markets and the dealings are commonly between wholesalers and retailers or between wholesalers.

**Terminal Market:** The ultimate consumer gets the goods from such markets. Here the final disposal of goods takes place. It is the market for manufactured goods.

**Marketing Mix**

□ **Marketing Mix** is the policy adopted by the manufacturers to become successful in the field of marketing.

□ **Marketing Mix** refers to "the combination of all marketing resources and marketing efforts of an enterprise through which

predetermined objectives may be achieved and maximum satisfaction may be provided to consumers".

□ Thus marketing mix is the combination of four elements (4Ps) viz-product mix, place (distribution) mix, price mix and promotion mix. These elements are taken as the instruments for market planning. So marketing manager should have thorough knowledge about the four elements of marketing mix.

### Product Mix:

The product itself is the first element in marketing. Product must satisfy the consumer needs. The management must first decide the products to be produced based on the needs of the consumers. The product mix combines the physical product, product services, brand and packages. Product mix covers all ingredients that constitute the right product. The ingredients may be of the shape, design, style, brand, package, quantity etc. On the basis of marketing information marketers can take decisions of product addition, modification, deletions etc.

### Price Mix

The second element to effect the volume of sales is the price. Price is the exchange value of a commodity expressed in terms of money. Price is the key element in the marketing mix as it relates directly to the generation of total sales. It is the amount of sales that determines the profit, which is the measure of success of a business unit. Price mix is the combination of the decision variables like pricing objectives, pricing policies, terms of credit, discount and allowances etc.

### Place Mix (Distribution system)

Physical distribution is the delivery of products at the right time and at the right place. The distribution mix is the combination of decision relating to marketing channels, storage facility, inventory control, location, transportation, warehousing etc.

### Promotion Mix

Promotion is basically a communication process. Products may be made known to the consumers. Firms must undertake promotion work including advertising, sales promotion and personal selling. The complexities of modern marketing made the promotional activities significant in marketing. Promotion is the persuasive communication about the products by the manufacturers to the public. Promotion mix is the combination of decision variables like advertising, publicity, sales promotion, personal selling and public relations.

The marketing mix is important on the following ways

Helps in understanding the important tasks of marketing.

An important tool of marketing programme.

Promotes better utilization of limited resources.

An effective tool for problem solving.

Provides customer satisfaction.

Helps in goal-achievement

Facilitates communication.

### Factors affecting Marketing Mix

The factors influencing marketing mix are classified into two. They are internal factors and external factors.

Internal Factors: There are certain factors which can be controlled by the marketing management. They are called internal factors. Some of them are given below:

**Product Planning:** A wise product policy is essential to meet the market demand. The plan includes introduction of products and modification of products to suit the demand and elimination of unprofitable lines.

**Price:** It deals with price competitions. A reasonable profit is aimed at by the offerer, and the price of the product is fixed to suit the market.

**Branding:** It must create a particular image in the minds of the consumers. Decision of the trade mark is important in developing the products.

**Personal Selling:** Personal selling is good to increase the sale and at the same time to know the consumer's needs and desires.

**Sales Promotion:** The marketing manager makes out programmes to increase the sales through exhibitions, displays, advertising etc. The aim is to inform and persuade the customers to buy the company's product.

**Physical Distribution:** It includes the channels and distribution, transportation, warehousing, inventory control etc. Distribution is the delivery of products at the right time and at the right place.

**Market Research:** Market research is a system by which one can analyse the market conditions. It helps a marketer in formulating the policies by which the product reaches in an efficient way in the hands of the consumers.

**External Factors:** External factors are also known as uncontrollable factors. These are the factors that are beyond the control of the marketing management. These include the following.

**Consumer's Buying Behavior:** Consumer's buying behavior is affected by buying habits, buying power, motivation in buying, living standard, social environment, technological changes etc.

**Trader's behavior:** The behavior of intermediaries - wholesalers or retailers, and their motivations, practices, attitudes etc. affect the marketing of the products and its volume.

**Competitor's Behavior:** New business firms come up which invites competition among the industrialists. The competition may be of supply and demand of the product, choice offered by the consumers, technological changes, new invention etc. The marketing manager must be vigilant about the market trend.

**Governmental Behaviour:** The marketing manager should consider the rules and regulations of the Government in respect of products, pricing, competitive practices, advertising etc. Firms have no control over the laws.

## Marketing Process

Marketing is a process by means of which goods and services are exchanged. Marketing process involves three major activities:

**Concentration** aims at the collection of products at a central place. Agricultural products, dairy products etc. are collected at a central place from innumerable farmers scattered over a wide area. Moreover, some components are to be collected from different sources at a central place. So concentration is essential for assembling the final products.

**Equalization** implies the reconciliation between demand and supply through storage and transportation in the required quantity and quality at the required time and place. It is the process by which demand is adjusted to supply. It is aimed at regular supply of goods which are produced in a particular season, but consumed throughout the year. The purpose of this function is to create equilibrium.

**Dispersion** means the distribution of goods from the central location. Some of the products are distributed to manufactures or processors and the remaining are dispersed to final consumers through wholesalers, retailer's agents, middlemen etc.

## Marketing Functions

"Marketing functions refer to all those operations and activities that are essential for facilitating the movement of goods and services from the place of production to the place of consumption."

Clark and Clark classified marketing functions into three heads as

1. Exchange functions, 2. Physical supply functions and 3. Facilitating functions.

## Storage and Warehouse

### Storage:

Storage is an exercise of human foresight by means of which commodities are protected from deterioration and surplus supplies are carried over for future consumption. Storage is one of the physical supply functions of marketing. Preserving of goods for future use is common. Storage involves the preservation of goods between the time of production and the time of use or consumption.

Need/objectives of storage: Storage of goods becomes necessary on account of the following reasons.

To enable uniform consumption of goods

To enable seasonal consumption of goods

To protect the goods

To adjust supply with demand

To take price advantage.

To protect against delay and uncertainty in transportation.

### Warehousing

The functions of storage is performed through warehouses. Warehouses are the places where the goods are stored. Warehousing refers to a specialized process of storing of surplus goods for the use of consumption in future.

### Differences between storage (a) and warehouse (b)

1 (a) It is generally located near the factory

(b) It is usually located near the market

2. (a) Storage is a marketing function

(b) Warehousing is a tool of storage

3. (a) Its aim is for personal use

(b) Its aim is for commercial purpose

4. (a) Additional marketing functions cannot be performed.

(b) Additional functions like grading standardization mixing packing etc. can be performed.

5. (a) It gives facility for stocking raw materials and finished goods

(b) It is meant for final products

6. (a) It is only a holding place of goods

(b) It holds goods as a distribution place.

## Logistic Management

The concept of logistics as an integrative activity in business concept has developed within the last twenty years. Logistics is the process of strategically managing the movement and storage of materials, parts and finished inventory from supplier through the firm to consumers. It begins from sources of supply and ends at the point of consumption.

It covers two aspects - physical supply and physical distribution. Physical supply or material management is the movement of raw materials to the plant. Physical distribution is the flow of finished products from the plant to the customers.

Logistics management task is concerned with the integration and co-ordination of marketing activities in a way that end markets are served in the most efficient way. The purpose of logistic management is to reduce the transportation cost by adding warehousing information system.

### Standardizations

Standardization and grading provides the ethical basis for marketing transactions. The development of standards of weights and measures is a proof of an ethical advance of human race.

Standardization is the process of formulating and applying rules for an orderly approach to a specific activity

Standardization involves:

a) the determination of basic limits or grades

b) the establishment of model processes and methods of producing, handling and selling goods and services.

### Grading

□ Grading is the process of sorting individual specimens of a given product to the standard grades or classes to which they belong. To grade means to divide the products into different groups according to their common characteristics in terms of type, size, colour,

weight, shape etc. Established standards are called grades. Grading is a part of standardization. Grading starts where standardization ends

□ Grading enables to compare the values of different qualities of a product in the market and the difference in price of the same grade in different markets. So grade has become a part of the price structure of the commodity.

## Marketing Risk

Risk is a universal function and is present in one form or the other in all marketing transactions. Risk in marketing may be defined as "uncertainty with regard to cost, loss or damage".

### Causes of Marketing Risk

The various reasons responsible for risks are the following:

- Unexpected loss from fire, flood, storm etc. (called natural causes of risk.) The loss may also be due to burglary, strike, war etc.
  - Risk of deterioration quality due to the perishable nature of products or due to improper packing and storage.
  - Improper handling of products
  - Risk due to political causes
  - Risk due to managerial causes of poor planning, mismanagement, lack of supervision etc.
  - Loss due to competition.
  - Loss due to demand and supply and fluctuations in prices.
  - Risks due to accidents while goods are in transit.
  - Risk due to variations in purchasing power of consumers.
- Government interference by imposing taxation, duties etc. and by changes in export - import policy, licensing policy etc.
  - Risk of obsolescence due to technological developments and innovations.
  - Risk due to changes in market conditions (Economic Risk)

Marketing risks are greatly due to price fluctuations by market conditions. Economic risk may be grouped as:

Time risk: Goods are produced in anticipation of demand. They are expected to be sold at a

good price to earn profit. Sometimes the anticipated price is not realized. The wholesalers and retailers face such risks due to the adverse changes in the demand from

the consumers when they cannot sell the products stocked and have to bear loss. This will lead to heavy loss to the producers. Thus time factor assumes prime importance on the market risk. Change in price is seen with the passage of time. This is due to improved products offered by competitors or new inventions as a result of scientific research or changes in customer preference.

Place risk: The price of a product may be different in different markets at the same time.

The demand and supply pattern differ from one market to another. This is because of price which is based on demand and supply of the product. When the price in the sellers market is lower than that of the buyers market, the retailer has to bear loss. Such losses are due to the lack of information about market demand. The advancement in communication minimizes such risks. The existence of such risks leads to price differences.

Competition risk: Mass production and selling is followed by keen competition among the marketers. The absence of competitive attitude will cause closure of the firm. In order to improve the quality and durability of goods or to lower the prices or to adopt the best method of selling, a competitor may change the method of production. All these cause the price reduction or divert the demand in the market. So every marketer must be conscious in the actions of competitors.

## Hedging

Hedging is a form of protection against an economic risk. Usually their risk of price changes which effected by Offsetting against one another of two transactions involving risk of opposite character. The object of hedging is not to earn profit but to insure against loss.

## Marketing Finance

□ Financing, as a marketing function involves the use of capital to meet the financial requirements of the agencies engaged in various marketing activities. Marketing finance refers to "the service of providing money and credit needed to meet the costs of getting merchandise into the hands of the final consumer."

□ Finance is the life blood of any industrial or commercial undertaking. In a modern money making economy, finance may be defined as the provision of money at the time it is wanted.

Marketing finance is important on the following grounds:

Time gap between purchase and sales is bridged by marketing finance.

Provision of trade credit helps to maintain cordial relation with customers

Capital and revenue expenditure involved in the process of marketing are met by marketing financiers.

Financial soundness of a firm will increase its good will.

A firm having sound financial background can enjoy the benefits of cash purchases.

A marketing firm can face the price fluctuations and changing market conditions, if it is properly financed.

## Product Planning

The product is the most tangible and important single component of the marketing program. A product is both "what a seller has to sell and "what a buyer has to buy". The product policies form the corner stone of a marketing mix.

Features of a product

**Tangibility:** An item to be called a product should have tangibility. It should be capable of being touched, seen, smelt or felt. Car, soap, TV etc. are examples of tangible product

**Intangible attributes:** The services like banking, transportation, storage etc. are also products i.e., the products are intangible in the form of services.

**Associated attributes:** Product may also include associated attributes like brand, package, label, warranty etc.

**Exchange value:** Products are meant to satisfy consumer wants. So they must have exchange value and are capable of being exchanged from the seller to the buyer at a price.

**Consumer satisfaction:** The products should have the ability to satisfy consumer wants and needs.

## Classification of Products

On the basis of tangibility, products are classified as tangible products, and intangible products (services).

**Tangible Products:** Tangible products are those which can be touched, seen or smelt.

Tangible products are further classified as durable goods and non durable goods or fast moving consumer goods (FMCG).

**Durable goods** are tangible goods that serve many uses. Refrigerators, furniture, TVs, clothing etc. are durable goods. They normally require personal selling.

**Non durable goods** are also tangible goods which normally serve one or few uses.

Examples are soap, salt, tooth paste etc. These goods are used fast and purchased frequently.

**Intangible products** are benefits or satisfactions or considerations that are offered for sale and are satisfying human wants. Examples are haircuts, repairs, medical treatment etc. Services are intangible, inseparable, variable and perishable.

On the basis of purposes of purchase

On the basis of the purpose for which goods are purchased, they are classified into two –

- (i) Consumer goods
- (ii) Industrial goods.

**Consumer goods:** Consumer goods are the goods purchased for final consumption. These are marketed to households and ultimate individual consumers. Eg: shoes, tooth paste, shirts,

watch etc. Consumer goods are further classified into three on the basis of consumer's buying behavior and attitudes.

They are:

- Convenience goods: These are the goods bought frequently and immediately by the customers with minimum shopping efforts. Examples are groceries, newspapers, soaps, cigarettes etc. The purchase of them cannot be postponed or they are not purchased much in advance of consumption time. Convenience goods are further classified into three as follows –

Staple goods: These are the goods purchase by consumers on regular basis.

Impulse goods: These goods are purchased by the consumers without any planning or searching efforts.

Emergency goods: These goods are purchased by the consumer for meeting urgent needs.

- Shopping goods: These are the goods purchased after a comparative analysis of quality, price, brand, warranty etc., of competitive products. These are purchased after some shopping efforts. Examples are television, furniture, Shoes, music system, scooter etc.

□ Specialist goods: These are unique in nature and hold special importance to the consumer. The buyer usually has knowledge about the product and desires them because of strong identification or interest. These are Purchased with special efforts. Jewellery, cars, etc. are examples.

□ Unsought goods: These are the goods that the consumers do not know about or do not normally think of buying. The best example of unsought goods are life insurance policies, investment schemes of Investment Companies.

□ Industrial goods: Industrial goods are those goods purchased by individuals and organizations for further processing or for use in conducting business. A particular product may be an industrial product or a consumer product based on the purpose for which it is purchased. These are the goods not purchased for final use. The demand for industrial products depends on the demand for consumer goods. Industrial goods include raw materials, equipments, fabricating goods etc.

## Product Planning

Product planning is the starting point of entire marketing program in a firm. It involves all activities which enable producers and middlemen to determine what should constitute a company's line of products. Product planning decides the nature and other related aspects of the articles produced and sold.

### Objectives of Product planning

To strengthen the company's ability to survive critical conditions.

To effectively utilize the company's resources in profitable product lines

To design the products to satisfy consumer needs and expectations.

To evaluate the strength and weakness, if any, of the company.

To decide the optimum product mix with a view to increase sales revenue.

### Product Development

Product development is the technical activity of product research, engineering and design through the collective participation of production, marketing research and engineering departments.

### Product testing:

Once a product is developed, next step is to put it into few selected markets. It means to put the new product in few selected markets with a view to identify whether the product performs up to the promise of the product concept.

This will enable the management to pick out the likes and dislikes of the consumers towards the product. It also gives an opportunity to the buyers to compare the product with its rival products.

The objectives of the product testing are the following.

To assess proper product performance.

To minimize the risks attached to full-scale launching of any product.

To identify the most productive market segments.

To collect necessary data about the response of the customers.



## Branding

Branding is an important aspect of product planning. It is the practice of identifying a product or line of products by a special name or symbol or design or a combination of them to identify the products of a particular producer

□ **Brand:** A brand is a name, term, symbol or design or a combination of them which is intended to identify the goods or services of one seller or a group of sellers and to differentiate them from those of the competitors. A brand includes a brand name and a brand mark. Example Usha fans, Samsung TV etc.

□ **Brand Name:** Brand name is a part of a brand consisting of a word letter, group of words

or letters comprising a name which is intended to identify the goods or services of a seller

or a group of sellers and to differentiate them from competitors. In the words of American Marketing Association (AMA) "A brand name consists of words, letters or numbers which may be vocalized.' Usha fans, Sunlight soap, Dinesh beedi etc.

□ **Brand Mark:** A brand mark is that part of the brand which appears in the form of a symbol, design or distinctive coloring or lettering. It could be recognized only by sight but are not pronounceable. Example, the symbol of Bombay Dyeing or Airlines.

□ **Trade Mark:** When a brand name or brand mark is registered and legalized, it becomes a trade mark. A trade mark is a brand or a part of a brand that is given legal protection, because it is capable of exclusive appropriation. It is duly registered under the Trade Name and Trade Marks Act. It is the exclusive right of the seller to use the brand name or brand mark. The letter 'R' in a circle ® on each package will indicate that the brand is duly registered. Trade Mark is a legal term protecting the manufactures right to use the brand name or brand mark.

□ **Trade Name:** Trade name is often used interchangeably with trade mark or brand name.

A trade name is the name of business preferably the name of the organization itself. A trade name may sometimes be a brand name. In such a case it brings out the identity of the manufacturer and the product. GODREJ is both trade name and brand name for most of their products. (example, Godrej locks, Godrej Soaps etc.) TATA is solely a trade name of the company producing various products such as, Jasmine soap, hair oil etc.

□ **Patents:** Patents are public documents conferring certain rights, privileges, titles or offices. It confers the right to the use of a technical invention. It is applicable in the case of a new invention such as a new process, a new product or a new machine. When a new invention is made, it is registered so that an exclusive right is obtained by the inventor to use it.

□ **Copyright:** This is applicable in the case of books and is used in the same meaning as that of patents. It is a sole right to reproduces literary, dramatically, musical or artistic work. Copyright extends to the author's lifetime and till fifty years after his death. Sometimes copyright is vested with the publishers.

□ **Brand Loyalty:** Brand loyalty means commitment of buyers to a particular brand. It is the strong attachment of a buyer towards a particular brand. If a customer has a brand loyalty towards 'Colgate' he will purchase and use only that tooth paste.

□ **Brand Equality:** It is the intrinsic value of a brand in terms of money a consumer is willing to pay for it in preference to its rivals. Brand equity may be defined as the power and value that a brand adds to a product. Some brands are popular, but some other are unknown to most buyers. Popular brands have high brand equity. The value of a brand is called brand equity. Just like other physical assets, companies recognize the value of brands. They assume more value to established brands. A powerful brand has high brand equity.

## Reasons for Branding

Brands are powerful instruments for sales promotion.

Brand facilitates easy advertisement and publicity.

It creates special consumer preference over the product.

Sales can be increased through brands.

It enables packaging.

It ensures standard quality.

It helps in labeling.

## Patents for Invention

A patent is a legal protection for an invention. In order to be patentable the invention must be new, or uncommon involving some inventive step and must be capable of being manufactured industrially. A patent once granted for an invention is an intellectual property which remains in force for a specific period of time.

## Product Packaging

Packing is the process of covering, wrapping or creating goods into a package. Packing is done for the purpose of delivering the articles to the consumer or for transportation.

## Packaging

Packaging as an industry has two sectors- those who make packaging materials and those who convert these materials into packages.

## AIDAS Formula

In packaging decisions also AIDAS formula is applicable. 'A' stands for attention, 'I' for interest, 'D' for desire, 'A' for action and 'S' for satisfaction. It is generally used to measure the effectiveness of demand creating activities like advertising. As packaging is indirectly helpful in promotion this formula is applicable here also. Even after a package is designed, it is put to test to know the response of customers.

## Labeling

Labeling is another product feature which requires managerial attention. Packaging, labeling and branding go together and constitute an integral part of product planning.

Label informs the consumer about the product. A label describes the nature, contents ownership, destination, methods of uses, price, quality etc. of the product.

## Pricing

Pricing is a crucial decision in marketing. Pricing means determination of selling price for a product or service. Price means exchange value of commodity expressed in terms of money. The relationship between price and sales volume is inverse. As the price decreases, volume of sales

increases and vice versa. So a sound pricing policy should be adopted to have maximum sales revenue.

## Importance of Pricing

The following are the reasons why pricing is important in marketing.

- It helps to attain the objectives: Marketing objectives are attained through proper pricing policies. Pricing decision is important for its direct and indirect impact on profit.
- It is an economic regulator: The market price of a product influences wages, interest and profits. The price is a matter of vital importance to the buyer and the seller. When the prices are agreed upon, transaction between buyer and seller takes place. Prices are important economic regulators.
- It denotes the quality of products: A firm must fix the right price for its products. It shall not be too high or too low. Consumers compare the prices of different products. Price often denotes quality in the mind of the consumer. A high price is considered as an indication of high quality. In case the quality is not up to the mark what the consumer expects, he feels that price is high. Thus pricing is a critical decision.
  - It influences demand: The market demand of a product or service depends on the price of the product. Price will affect the firm's competitive position and its share of the

market. It affects the volume of production and the amount of profit. Prices are important for consumer because all their buying decisions are influenced by prices. Price reflects the purchasing power of money. It also determines the standard of living of the people.

### Pricing Objectives

Before determining the selling price of a product, the management should determine the pricing objectives. The pricing objectives of a company must logically relate to the overall objectives of the company. The major pricing objectives are discussed below.

- **Return on Investment :** Most well-established companies are following the pricing objective of target return. Here, the objective is to earn a certain rate of return on investment. The price is fixed in such a way that the company should earn a desired rate of return on its investment. This objective is also called pricing for profit.

- **Market Share:** Market share (sales potential) means the percentage market for the product of a firm in the concerned product's market. A good market share is a better indication of progress.

### Factors determining price

**Internal Factors:** Internal factors of pricing are sometimes called built-in factors. These are generally within the control of the organization. These factors include organizational factors, marketing mix, cost, pricing objectives and product differentiation.

- **Organizational factors:** Overall pricing strategy is dealt with by top executives and the actual mechanics of pricing are dealt with at lower levels in the organization. Top levels consider market segments but lower levels consider individual product strategies.
- **Marketing Mix:** Marketing mix like product, physical distribution, promotion etc. influence the pricing decisions. A shift in any one of the elements in the marketing mix has an immediate impact on pricing.
  - **Product differentiation:** The product features also influence price. In order to

attract customers different characteristics like quality, size, colour, attractive package, alternative uses etc. are added to the product. Generally customers pay more for a product with new style or fashion.

- **Cost:** Cost and price of a product are closely related. The most decisive factor of pricing

is cost of production. Traditionally, selling price is fixed by adding certain amount or percentage of profit along with cost of production.

- **Pricing Objectives:** A firm may have various objectives and pricing contributes its share in achieving such goals. The goals may be of profit maximization, maintaining market share, facing competition, survival, price leadership etc. Pricing policies are drafted after considering pricing objectives of the firm.

**External Factors :** External factors are beyond the perfect control of an organization. External factors or uncontrollable include buyers, demand, competition, suppliers, economic conditions and government.

- **Buyers:** In consumer oriented marketing the demand for a product influences its price.

Every product has some utility to the buyer. It gives the buyer some service, satisfaction, pleasure, the total of which is its value to a particular consumer. If the consumer doesn't consider the worth of the product not equal to its price, he will refuse to buy. With the multiplicity of choices available to the consumer the prime consideration in pricing is the consumer or buyer.

- **Demand:** The market demand for a product has a big impact on pricing. The relationship between price and demand is inverse. When price is high, the demand is decreased and vice versa. So a high price is fixed when demand is high and a low price is fixed when demand is low.

- **Competition:** No marketer is free to fix a price of his own without considering

competition unless he has a monopoly. A firm can fix the price equal to or lower than that of competitors provided the quality of product, in no case, is lower than that of the competitors.

□ **Suppliers:** Suppliers of raw materials and other goods can have an important influence on the price of a product. If the price of cotton goes up, the increase in price is passed on by suppliers to manufacturer and manufacturers, in turn, pass it on to consumers.

□ **Economic Conditions:** The stage of the trade cycle is a major factor in determining product price. During depression, the prices are reduced to maintain the level of turnover.

But during boom, the prices are increased to cover the increasing cost of production and distribution. The changes in demand and supply aspects will also affect pricing decisions.

□ **Government:** Government interference like control of prices, levy of progressive taxation import export policy etc. should also be considered while formulating pricing policies.

### Process of Pricing

Decision for pricing are taken in the light of marketing opportunities competition and many other variables influencing pricing. Price decisions must consider all factors affecting both demand and supply. The following are the steps involved in the process of pricing.

- Estimate the Demand for the product.
- Anticipate the competitive reaction.
- Establish Expected Share of Market.
- Selection of the pricing strategy.
- Consideration of Company Policies.
- Selection of a suitable pricing method.

### New Product Pricing

Pricing of new product is an art. New product pricing is important as it affects the quantity of the product to be sold and determines the amount of revenue of a firm.

Following guidelines are to be adopted while pricing a new product.

- Making the product accepted
- Maintaining the market and
  - Retaining the profits. New Product

Pricing Strategies.

There are two strategies for pricing new products. They are:

**Skimming Pricing (Skim the Cream Pricing):** When a new product is introduced for the first time, a very high price is fixed and gradually when competitors enter the market price began to decrease. It is observed that launching a new product with high price is an efficient device for breaking up the market into segments that differ in price elasticity of demand. This method is an experimental approach for setting the right price. This method starts with a high price and moves the price downward by steps until the right price is reached. Skimming pricing is recommended because.

- Initial sales would be less.
- Helps to skim the cream of the market
- Own a new product even at high price.
- Helps to develop demand.
- High sales volume due to high price.

**Penetration Pricing:** This method is opposite to skimming pricing. New products may be offered at a low price at the initial stages of initial stages of introduction and gradually when substitutes are available in the market price may be raised.

This method is called penetration pricing. This method is most common and is desirable under the following situation.

- When sales volume is very sensitive to price.
- When large volume of sales is to be affected.
- When the product faces the threat of competition
- When stability of price is required.

**Special Problems in Pricing (Discounts and Allowances)**

**Discounts:** Discounts are deductions allowed by the seller from the base price of a product. The various types of discounts are the following.

- **Trade Discounts:** These discounts are allowed in the form of deductions from the list price. Trade discount is given by

manufacturer to wholesalers and retailers as a consideration for the remaining marketing function to be performed by them. It is also known as frictional discounts.

□ **Quantity Discounts:** These are deductions allowed from the list price by the seller in order to encourage a customer to buy larger amounts. Quantity discount may attract both small and large buyers for ordering large quantities.

□ **Cash Discount:** It is the concession or deduction given to the consumer by the seller for remitting the bill within the specified period of time. It is a deduction from the invoice bill at the time of making the payment.

□ **Seasonal Discount:** This refers to the discount offered during a particular season. It is usually done during 'offseason' or 'off peak'

## Promotion

Promotion is the fourth and final element in the marketing mix. The others being product mix, price mix and place mix. Promotion includes all marketing activities designed to stimulate demand.

"Promotion is the co-ordination of all seller initiated efforts to set up channels of information and persuasion to facilitate the sale of goods service or the acceptance of an idea". It involves to the activities to push forward or to advance an idea, in such a way as to gain its approval and acceptance.

## Communication of Promotion Mix

□ Promotion mix refers to the type, combination and proportion of various promotional elements used to promote sales. The promotion mix or promotional blend or marketing communications mix consists of four major tools Advertising, Sales promotion, Publicity and Personal Selling.

□ Promotional activity ultimately comes under the direction of the marketing manager. The marketing manager has the responsibility of co-coordinating and inters relating all the methods to achieve the marketing objectives.

There are two types of promotional blends - push blend and pull blend.

## Push Blend

□ A Push Promotional blend emphasizes on personal selling. The producer pushes the product to the intermediaries, who organize promotional activities to reach the consumers and sell the product. Naturally firms adopting this strategy develop a strong sales force both at the distributors and the dealers level.

□ This method would tend to push the product through the channel of distribution. The producer aggressively pushes the products to wholesalers, wholesalers aggressively promote the product to retailers and the retailers aggressively push the product to the consumers.

## Pull Blend

□ A pull promotional blend is one in which mass impersonal sales efforts are given the greatest emphasis. The purpose of the pull blend is to pre-sell the goods to the final consumers so that they may demand for the product at the retail level of distribution. If the strategy is effective the consumers will demand the product to the retailers, the retailers in turn will demand to their wholesalers and the wholesalers will demand the producer for the product.

## Factors influencing promotion mix

The following are the factors influencing promotion mix.

□ **Nature of the product.** Promotion mix will vary according to the nature of the product.

Consumer goods require mass advertisement. But industrial goods require personal selling, advertising, displays etc. Complex and technical products like computer need personal selling. Non-technical products require advertising as promotional device. In case where there is no brand differentiation personal selling should be the method of promotion. Where there is brand differentiation advertising should be emphasized.

□ Nature of the market: For industrial market, advertising plays an informative role, but for consumer market it plays as informative as well as persuasive role. The promotion strategy varies with the target groups depending on age, sex, education, income, religion etc.

□ Stages in the product life cycle: The marketing objectives and strategies are different at each stage of the product in its life cycle. During the introductory stage intensive advertising and personal selling are required for effecting product awareness. During growth stage advertising should be extended to maximize the market share. During maturity stage persuasive advertising and sales promotion techniques are beneficial. But at the declining stage advertisement and sales promotion are reduced to the minimum.

□ Market Penetration: A product having good market penetration is well-known to the buyers. In that situation, middlemen are motivated to spend more an advertising.

□ Market Size: It there is limited number of buyers, direct selling is enough. But if the market size is large the promotional tool is mainly advertising.

□ Characteristics of buyers: Experienced buyers of industrial product need personal selling. The experience of buyers, the time available for purchase, influence of friends, retailers etc. are the factors affecting promotion mix.

□ Distribution strategy: If the products are directly sold by the manufacturer personal selling is the tool of promotion. Advertising is only a supporting tool. Personal selling and advertising is required for market penetration. If the product passes through a longer channel more importance should be given to advertising and less importance to personal selling.

□ Pricing strategy: Pricing influences promotion strategy. If the brand is priced higher than the competitors price, personal selling is used. If the price is comparatively low only little promotion is needed. If the middlemen

are allowed higher profit margin, sales promotion at dealer level is important.

□ Cost of promotion. The cost of the media of advertising and sales promotion tools should also be considered while deciding the promotional mix.

□ Availability of funds: If the funds are adequate the firm can spend more for advertising and sales promotion. But small firms with limited resources can depend on personal selling.

## Advertising

Advertising is a part of marketing. The purpose of advertising is to stimulate sales, inform market, impress the trade mark and create interest for future sales. It is a form of mass communication. It is through the media of advertising the consumers are made aware about the peculiarities of different types of products. Advertising is sometimes called 'Consumer Education' because it makes aware the consumers about the uses, methods of uses, ingredients etc. Advertising means mass paid communication, the ultimate purpose of which is to impart information, develop attitudes and induce action beneficial to the advertiser.

## Features of Advertising

Advertisement is a message to large groups.

It is in the form of non personal communication

It persuades the general public to purchase the goods or services advertised.

It is paid for by a seller.

Advertising messages are identified with the advertiser.

Advertising is an activity by which oral or visual messages are addressed to the general public. Its purpose is to inform or influence them in order to increase the sales of the advertiser.

Advertising creates desire for new products.

An effective advertising necessitates mass production and thereby cost and price can be reduced.

The advertising message is called Advertisement. Advertising is a process. But advertisement is the content of advertising.

Sales promotion is marketing efforts other than advertising publicity and personal selling.

### Objectives and importance of advertising

The purpose of advertising is to sell something - a product, a service or an idea. The real objective of advertising is effective communication between producers and consumers.

- To make an immediate sale
- To build primary demand
- To introduce a price deal
- To inform about the availability of products
- To create brand recognition
- To help salesmen by creating an awareness of the product among retailers.
- To create a reputation for service reliability or research strength.
- To increase the share of the market
- To modify existing product appeals and buying motives.
- To inform about the availability of new products
- To remind the users about the product.
- To increase frequency of use of a product
- To increase the number of quality of retail outlets
- To build overall company image
- To reach new users or markets for the product
- To develop overseas market
- To educate the public

### Functions of Advertising

- Increasing the number of customers: It stimulates demand and widens the market. The benefits and features of the products are made known to the public. This will increase the number of buyers for the product.
- Increasing the number of customers by brand loyalty: Development of brand loyalty among the customers is significant.
- Offsetting the competing brands: The consumers are tempted to buy several rival products through the promotional measures offered by the competitors. Advertising facilitates the creation, direction and extension of demand for the particular products or services.

- Increasing usage of the products: When a product is introduced in the market, it is meant for a specific use. Advertising explains the new uses of the product found out through researches. Thus consumers are made known about the new uses of a product.

- Reminding the consumers
- Educating the Public
- Shaping of goodwill

### Sales Promotion

The committee of American Marketing Association defines sales promotion as "those marketing activities other than personal selling, advertising and publicity that stimulate customer purchasing and dealer effectiveness such as display shows, exhibitions, demonstrations and various non-recurrent selling efforts not in the ordinary routine"

### Importance of Sales Promotion

The main purpose of sales promotion is to accelerate sales through special selling efforts. Sellers use incentive type promotions to attract new customers, to reward loyal customers and to increase repurchase rates of occasional users. At the salesmen level, the objective of sales promotion is to achieve more sales. At the retailer's level, the purpose is to sell a particular product of a manufacturer. At the consumers level, the main aim is to enable them to buy more of a product more frequently and to introduce new uses for the product. A good sales promotional program will remove the consumers dissatisfaction with respect to retail selling.

### Objectives of Sales Promotion

- To increase the buying response at the customers level.
- To attract new customers
- To ensure dealer effectiveness
- To make aware the public about the new product and its advantages
- To capture the major share of the market

- To meet the competition of other firms
- To effect off season sales to boost sales
- To create brand image
- To create additional talking points about the products to sales persons.
- To remove customer's dissatisfactions.
- To bridge the gap between advertising and personal selling.
- To maintain communications with large market segments
- To create a favorable attitude towards the product
- To stock more at the level of traders.

### Salesmanship

Salesmanship is an attempt to induce people to buy goods and services by removing their doubts and suspicions, at a profit.

### Importance of Salesmanship

In olden days, a salesman shows the goods, takes an order and receives the payment. He never attempts to guide or persuade the consumers. But modern salesmanship is creative in approach. He creates needs and converts them into wants. Customer satisfaction is the main aim of the salesmen. Salesmen is the connecting link between the sellers and buyers at every step.

- Salesmanship is important to producers and manufactures for pushing products into competitive markets and to capture new markets. Salesmen bring larger profits to the producers by increasing the volume of sales.
- Salesmanship is important to consumers. A salesmen educates and guides consumers. He gives them more satisfaction. He helps the consumers in making the right decision and proper selection of the product which they want to buy.

### Duties of Salesmen

- To make sale of products or service
- To make reports about sales made, calls made, customers lost, services rendered etc.
- To satisfy the complainants peacefully.
- To attend sales meetings.
- To create goodwill of the company and its products
- To maintain good relation with customers

- To take periodic inventories
- To assist customers in selecting goods.
- To make collection of bills relating to sales.
- To do the assigned duty.

### Qualities of a successful salesman

A good salesman should have some personal qualities, mental qualities, social qualities and moral qualities.

- Physical qualities: These include good appearance, sold health and physique, a good posture (good style of holding body) and pleasing and attractive voice.
- Mental qualities: A good sales man must have the mentality to face any situation and to take quick action, creative mind and imagination self confidence and optimism.
- Social qualities: These include good manners, politeness, co-operation friendliness, helpfulness, tactfulness and courtesy. Friendly and co-operative attitude is essential for the success of a salesman.
- Character and Moral qualities : In addition to the above, a good salesman must have knowledge about the product, company, customers and competitors, market, techniques and self.

### Sales Forecasting

Sales forecasting is the prediction of the future volume of sales. Sales forecast means “an estimate of sales in physical units or value for a specified future period under a proposed marketing plan or program and under an assumed set of economic and other forces.” Sales forecasting is a major tool in the hands of management for the purpose of planning and budgeting.

### Objectives of Sales Forecasting

#### Short-term objectives

- To determine suitable production policy



- To facilitate regular supply of raw materials at right time and in right quantity.
- To make the best utilization of the available machines
- To determine appropriate price policy
- To arrange for trained and technical workers
- To make arrangements for short-term financial requirements
- To help in setting the sales targets for different market segments as to control the performance of salesmen.

### Long-term objectives

- To estimate cash inflows
- To plan long-term production
- To plan plant capacity
- To plan manpower requirements for long term
- To forecast long term financial requirements
- To determine suitable dividend policy
- To help in the process of budgetary control

### Importance of Sales Forecasting

Sales forecasting is the primary responsibility of the top sales executive. However, the active participation of all the personnel in the organization is required for the effective forecasting of sales.

**Balances Supply and Demand:** It enables the company to meet the growing needs by balancing demand and supply.

**Tool for measuring efficiency of sales department:** It is a useful tool for measuring the efficiency of sales department and for measuring the marketing productivity.

**Aid to proper pricing:** Reliable sales forecasting is a first class aid to proper pricing.

**Allocation of Sales territory:** It helps in the allocation and reallocation of sales territory and setting up of quotas.

**Inventory Control:** It avoids both overstocking and under stocking and there by enhances good inventory control.

**Tool of financial analysis:** It facilitates planning for cash requirements and guide for financial analysis.

**Guides in plant layout:** It acts as a friend, philosopher and guide in plant layout, warehousing and transportation.

**Avoids temporary pressures:** Sales forecasting helps the company to avoid sudden and temporary pressures in demand.

**Indicator of efficiency:** It is a useful tool in measuring the efficiency of sales department as it compares its sales forecast with sales performance.

**Allocation of advertisement expenditure:** Sales forecast is also used as a criterion in allocating advertising expenditure.

### Steps in the process of Sales Forecasting

- Determining the objectives of sales forecasting.
- Dividing the company's products into homogeneous groups.
- Determining the relative importance of factors which affect the sale of each such group.
- Selecting a suitable method of sales forecasting.
- Collecting and analyzing relevant data for forecasting.
- Studying the correlation between sales and sales promotion policies.
- Analyzing the competitors policies and programs.
- Preparing sales forecasts for the individual groups and also for the whole enterprise.
- Periodical review and revision of the forecasts.

### Factors affecting Sales Forecasting

Sales forecasting is affected by the following factors:

- **General business conditions:** These include population, distribution of wealth, government policies, economic conditions etc.
  - **Conditions within two industry:** These include nature and characteristics of product, product line, pricing policy, competitors policies and strategies etc.
- **Credit conditions:** Sales forecasting is also influenced by the credit policy of a firm. If the company is following liberal credit policy the forecasted sales will be higher.
- **Conditions within the company:** The plant capacity, quality of products, price, advertisement policy, availability of

resources etc. are the internal factors influencing sales forecasts.

- Policies of the competitors: Sales forecasting methods and strategies of competitors influence the forecasting of a company.

## Sales Management

Sales management is a part of marketing management. It covers the management of selling, advertising, sales promotion, transporting, warehousing, financing, and risk bearing.

### Objectives of sales management

- To enable the top executives to devote more time to planning policy matters.
- To divide and fix authority among the subordinates.
- To avoid repetitive duties
- To locate responsibility
- To establish sales routine
- To stimulate the selling efforts
- To make effective management of sales force

### Sales planning

Planning is the initial task of every management. Sales planning is concerned with the outlining of future course of action. Sales planning is concerned with the establishment of selling objectives, policies, programmes, procedures, principles, rules, strategies and budgets.

### Sales Policy

A policy is a line or course of action followed over a considerable period of years. It is the reservoir of plans. Sales policy regulates and guides sales processes and programmes. A sound sales policy should cover all aspects of marketing.

### Sales Manager

Sales manager or sales executive or sales director or marketing manager is the head of sales organization. He is the key personnel in the organization. He is able to assess the results of various areas and product groups as compared with the targets set. Sales Manager is responsible for sales promotion.

## Duties and Responsibilities of a Sales Manager

- Sales Planning: He has to formulate adequate plans. i.e., sales plans, sales policies, sales program and sales budgets every year. He must also plan for advertising.
- Merchandising: Merchandising is one of the activities in market planning concerned particularly with providing right goods at the right time at the right place and at the right price. He is also responsible for grading and standardization and branding.
- Execution of Sales plans and programs: The Sales Manager must ensure the execution of the plans and programs.
  - Marketing Research: He has to organize and manage marketing research projects. The research staff should submit market information and statistical data. On the basis of these information sales manager has to take sound decisions.
  - Control: The Sales Manager has to control and regulate the selling activities in such way so as to attain the sales objectives. The sales objectives are set in terms of sales quotas for each branch. Actual results are compared with the targets and variance if any, is analyzed. On the basis of variance analysis corrective action is taken.
- Physical Distribution: Another responsibility of a sales manager is related to physical distribution, covering order processing, packaging, transportation, warehousing etc.
  - Sales promotion and advertising: It is an important duty of sales manager to create demand for products. He can seek the help of advertising and sales promotion staff for the same.
  - Preparing Sales budget: The sales manager has to prepare the sales budget. The first budget to be prepared is the sales budget. Sales budget is based on sales forecasting, which is the major responsibility of the sales manager.

□ Management of Sales force: Sales manager is the chief of the sales organization. He is responsible for the recruitment, selection, training, supervision, motivation and control of the sales force. He must guide, control and encourage the staff. For this he must possess skill, ability and foresight.

□ Advising top management: The sales manager is responsible to advise the top management about the operation of sales department. He can close the non-profitable branch offices and open new branches after a detailed study.

□ Sales Office: As the chief executive of the sales office the sales manager has to assign duties to sales personnel, hold meetings, conferences, contests etc. He has to develop the structure of the sales organization, fix authority, responsibility, relationship and keep all authorities within his span of control.

## Distribution Management

### Types of Channels

Marketing channel is the pathway composed of intermediaries or middlemen who perform the functions needed to ensure smooth flow of goods and services from the manufacturer to the consumers. The following are the important types of channels.

Distribution channel for consumer goods: Five channels are widely used in the marketing of consumer products: They are –

□ Producer → Consumer : It is the shortest and simplest channel of distribution. The producer may sell directly by mail or from house to house.

□ Producer → Retailer → Consumer: Many larger retailers buy directly from manufacturers and sell them to consumers.

□ Producer → Wholesaler → Retailer → Consumer: It is a traditional channel for consumer goods. Small retailers and small manufacturers find this channel as the feasible one.

□ Producer → Agent → Retailer → Consumer: Instead of using wholesalers, many producers prefer to use agents to reach the retail market.

□ Producer → Agent → Wholesaler → Retailer → Consumer: To reach small retailers, large scale producers use wholesalers through agents.

### Distribution of Industrial goods

□ Producer → Industrial user: This direct channel accounts for a large volume of sales of industrial products than any other distribution channel. Manufacturers of large machineries or equipments usually follow direct selling.

□ Producer → Industrial Distributor → User: Producers of operating supplies frequently use industrial distributors to reach their markets or users.

□ Producer → Agent → User: Firms without their own marketing departments find this channel advisable. For introducing a new product or to enter a new market this channel is preferred .

□ Producer → Agent → Industrial Distributor → User: This channel is used when it is not feasible to sell through agents directly to the user. The unit sale may be too small for direct selling.

### Vertical Marketing System (VMS)

It refers to a distribution arrangement whereby a given channel of distribution is treated as a coordinated, integrated unit.

### Horizontal Marketing System (HMS)

It refers to a channel arrangement in which two or more companies at one level join together to follow a new marketing opportunity. By working together, companies can combine their capital, production capabilities and marketing resources to accomplish the function more effectively. On working along with others, the company might join hands with competitors or non competitors.

### Sole Selling Agency

An established firm of good reputation operating in each area may be appointed as a sole agent or distributor exclusively for that locality. The sole agent is generally appointed when the

manufacturer doesn't have his own organization or machinery to market the goods or when the demand for the goods is highly competitive or fluctuating.

These sole agents generally have their own marketing organization. They appoint wholesalers and retailers. Sometimes they sell the product under their own private brands.

### Marketing Intermediaries

Marketing intermediaries are the persons or organizations that assist in the flow of goods and service from producer to the consumers. The following are the common types of marketing intermediaries.

1. Middlemen, 2. Agents or brokers, 3. Wholesalers, 4. Retailers, 5. Distributors, 6. Dealers.

#### □ Departmental stores

A departmental store is a highly developed form of retail trade. A wide variety of goods are sold in departmental store under one roof and one management. For each line of goods like stationery, books, furniture, clothing etc. there are separate departments. It is a combination of many small retail shops that form part of a single unit. It is said that a departmental store sells 'Pin to Piano'. These are organized on joint stock company basis. Departmental stores provide services and amenities like free home delivery of goods, rest rooms, restaurants, telephone services etc.

#### □ Multiple shops/Chain stores

Multiple shops are designed as an outlet for mass distribution. Multiple shops are also called chain stores. It is a system of branch shops dealing in similar line of goods. These shops are operated under centralized management. The branch shops are spread throughout the country under the same name. The head office supplies the requirements of branches. The branch shops sell the goods at the price fixed by the head office. There is uniformity in advertisement, window display and other operations of the branches. Maveli stores, Bata shoe etc. operate under chain store system.

#### □ Consumer's co-operative stores

A consumer co-operative store is a voluntary association of consumers. These stores provide essential goods. They protect the interest of its members by providing essential consumer goods at lower prices. Consumer's cooperative store can be formed if at least 25 persons of a particular organization come together. It has to be registered under the Co-operative Societies Act. They are organized on co-operative principles without any profit motive. Profits earned is distributed to the members as dividend. The management of the store is entrusted to a managing committee elected by the members. The capital is contributed by members by purchasing shares which are of small value. They buy quality goods directly from manufacturers and sell them to members and non-members at reasonable prices. Consumers co-operative societies eliminate middlemen and establishes direct relations with the manufacturers.

#### □ Super Bazar (Super Market)

A super bazar or super market is a large scale retail organization on the pattern of a departmental store selling wide variety of consumer goods, under one roof. While a departmental store deals in all types of goods, a super bazaar basically deals in food stuffs, groceries, vegetables, meat, dairy products and other items of daily use. They are generally organized by consumer co-operative stores as co-operative stores are run on a small scale.

#### □ Franchise

Franchise is an agreement between the parent company (franchiser) and owner of an individual business (Franchisee). The franchiser provides the right to use its trade mark to the franchisee, for a payment. By using the franchiser's trade mark, the franchisee owns and operate the business. As per the agreement the franchisee must use the same brand or trade name for the product and use the same window display, shop decoration etc. All promotional activities are done by the manufacturers. The franchiser may be

a manufacturer, a wholesaler or a service organization.

#### □ Super - super Market (Hyper - Market)

Hyper market is the best example for diversification in retail trade. It combines the principles of super market, department store, specialty shop and service shop in one giant size store. It has a very broad and deep assortment of goods. ie., one stock shopping - to buy everything from A to X. In addition to numerous food products, a hyper market tries to fulfil many other consumer needs like housewares, hardware items, garden products, electronic goods etc. Hyper markets even provide household services like laundry, shoe repair, beauty parlours etc. Middle and upper classes constitute its target market.

#### □ Direct marketing

It is the method of selling goods directly to the customers using advertisement. Here products are advertised through one or more medias and orders are received by telephone, internet or mail. Direct marketing include direct mail, catalogue mailing, tele-marketing, internet marketing etc.

#### □ Internet Marketing

It is the marketing of goods through computerized net works. The details of the products are given on the website and consumer can electronically view the products and know their price. The consumer can make his shopping list and place the order by E-mail, telephone or fax. The goods are delivered by the retailers within a stipulated time and payment is made through credit card. Exporters and importers can do this business very easily. Commonly books, magazines, journals etc. are marketed under this system.

#### □ Marketing Information System

Marketing Information system include all facts, estimates, opinions and other information used in marketing of goods. Marketing Information system means a set of procedures and methods for the regular and planned presentation of information for the use of marketing decision.

## Features of Marketing Information System

- Marketing Information System is a consciously developed master plan for promotion flow. It is an on-going process.
  - It integrates the functional departments and specialists such as analysts, programmers and computer experts.
- Marketing information system is future oriented. It anticipates and solves marketing problems.
  - The data collected are processed with the help of operations research and management science.
  - Management gets a steady flow of information on a regular basis.
  - Computer is the modern equipment for marketing information system.

## Marketing of Products and Services

### Product

A product is a bundle of benefits that satisfies the needs of the organization or the consumers and for which they are willing to exchange money or other value. The bundle of benefits include color, size, taste, product guarantee, service warranty, package design and size. A product may be defined as anything that can be offered to a market for attention, acquisition, use or consumption. Product may be two types viz. consumer products and industrial products.

### Services

Services industries are quite varied. The government sector offers services through its courts, employment services, hospitals, banks, military services, police and fire departments, postal services and schools. The private non-profit sector also offers services through hospitals, schools and other charitable institutions. Service is an intangible consideration or benefit that is providing satisfaction to human wants and that not necessarily tied to the sale of a product or

another service.

## **SET 1**

### **1. Marketing in Banks is required for ?**

1. Getting new customers
2. Retaining existing customers
3. Lending
4. D) Accepting of deposits
5. All of these

ANS= 5

### **2. Service Marketing is the same as \_\_\_\_\_**

1. Relationship Marketing
2. Transaction Marketing
3. Internal Marketing
4. All of these
5. None of these

ANS= 1

### **3. Market size means \_\_\_\_\_**

1. Size of marketing staff
2. Size of Organization
3. Scope of profits
4. Scope for marketing
5. None of these

ANS= 4

### **4. Market share means \_\_\_\_\_**

1. Market price of shares
2. Sensex
3. Share market
4. Share of business among peers
5. Marketing Volatility

ANS= 4

### **5. Internal Marketing means \_\_\_\_\_**

1. Selling to oneself
2. Selling to the employees
3. Selling of samples
4. Selling to foreign markets
5. None of these

ANS:- 2

### **6. A call means \_\_\_\_\_**

1. A Profession
2. B. Tele talk
3. Calling on a Prospect
4. A Call Center
5. All of these

ANS= 3

### **7. A 'Call' centre means \_\_\_\_\_**

1. A place where Salesmen meet everyday
2. A Training Centre
3. A bank office setup where customer queries are answered
4. Customers meeting place
5. All the above

ANS= 3

### **8. A presentation means \_\_\_\_\_**

1. Display of products
2. Explaining the utility of products
3. A gift
4. Display of communication skills
5. All of these

ANS:- 2

### **9. A DSA means ?**

1. Directly Selling Authority
2. Direct Selling Agent
3. Direct Shifting Authority
4. Domestic Seller Agent
5. Distributors and Selling Agencies

ANS:- 2

### **10. 'Benchmark' means ?**

1. Products lined up on a bench
2. Salesmen sitting on a bench
3. Set Standards
4. Mark on a bench
5. None of these

ANS= 3

### **11. Value-added services means \_\_\_\_\_**

1. Giving full value for money
2. Better value for higher price
3. Additional service
4. Costlier service
5. All the above

ANS= 3

### **12. CRM means ?**

1. Customer Retention Manager
2. Customer Relationship Management
3. Customers Relatives Meet
4. Channel Rout Market
5. Channel Representative Manager

ANS:- 2

### **13. A 'Target Group' in Marketing means \_\_\_\_\_**

1. To whom the sales should be directed
2. A group of sellers
3. A group of buyers
4. A group of Producers
5. All the above

ANS:- 1

### **14. The target group for credit cards is \_\_\_\_\_**

1. All card Holders
2. All existing borrowers
3. Individuals, with taxable income
4. All of these

### **15. Bank assurance means ?**

1. Assurance given by banks to loaners
2. Assurance to bank with one bank
3. Assurance to repay loans
4. Assurance to give good service
5. Selling insurance product through banks

ANS:- 5

### **16. Cross - Selling means ?**

1. Selling with a cross face
2. Selling to Red Cross members
3. Selling to Blue cross members
4. Selling across countries
5. Selling other products to existing customers

ANS:- 5

### **17. Digital Marketing is \_\_\_\_\_**

1. A way of direct marketing
2. A strategy of the DSAs
3. A way of indirect marketing
4. All of these
5. None of these

ANS:- 1

### **18. Market Segmentation helps in \_\_\_\_\_**

1. Identifying the target group
2. Focused marketing
3. A strategy of DSAs
4. All of these
5. None of these

ANS:- 4

### **19. Market research is needed for \_\_\_\_\_**

1. choosing the right sales per

2. Choosing the right products
3. Making proper marketing decisions
4. Deciding the sales incentives
5. None of these

ANS:- 3

## SET 2

**The marketing concept is a way of thinking or a management philosophy that affects \_\_\_\_\_**

1. Only marketing activities
2. Most efforts of the organization
3. Mainly the efforts of sales personnel
4. Mainly customer relations
5. Only business organizations

ANS:- 2

**It is difficult to measure the morale of the sales team directly because**

1. It is a tangible state
2. It is an intangible state
3. Employees hide the truth
4. All of the above

5. None of the above

ANS:- 2

**Most specifically, marketing strategy :**

1. Is concerned with key decisions required to reach an objective
2. Encompasses selecting and analysing a target market and creating and maintaining an appropriate marketing mix
3. expands geographic boundaries of markets to serve larger geographic areas
4. Involves determining the direction and objectives of marketing management
5. None of these

ANS:- 2

**All of the following are marketing management tasks EXCEPT :**

1. Marketing Planning
2. Organizing marketing activities
3. Co-Ordinating marketing activities
4. Project development and analysis
5. Marketing control

ANS:- 4

**Marketing efforts are specifically aimed a :**

1. Distributing "something of value" to buyers and sellers
2. Facilitating satisfying exchange relationships
3. Developing new products for target markets
4. Understanding buyer behaviour to meet buyer needs
5. None of these

ANS:- 2

**The type of product that results from applying human and mechanical efforts to people or objects is :**

1. a service
2. a good
3. an idea
4. a concept
5. a philosophy

ANS:- 1

**The marketing concept is a philosophy that states that an organization should try to satisfy customers needs and at the same time :**

1. Increase market share

2. Increase sales
3. Achieve the organization's goals
4. Always produce high quality products
5. None of these

ANS= 3

**The two components of a marketing strategy are**

1. Marketing objectives and promotion
2. Marketing mix and marketing objectives
3. Target market and marketing mix
4. Target markets and promotions
5. None of these

ANS:- 3

**Evaluating marketing performance by comparing established standards is part**

1. Marketing planning
2. Organizing marketing activities
3. Coordinating marketing activities
4. Marketing Control

5. Which among the following is a durable good ?

1. Refrigerator
2. Biscuits
3. Soap
4. Salt
5. None of these

ANS:- 1

**To effectively monitor changes in the marketing environment, marketers must engage in :**

1. use of the marketing concept
2. environmental scanning and analysis
3. Information collection
4. Marketing research
5. Environmental Management

ANS:- 2

**Marketing strategy during a recession should include**

1. a reduction in the number of sales personnel
2. a reduction in the expenditures for new development
3. a reduction in advertising
4. promotional efforts that promote value and utility
5. increase in expenditures for marketing of

ANS:- 4

**Which among the following is/are user/user benefit outcome of the Marketing Research ?**

- A) Consumers
- B) Business Firms
- C) Government
- D) Producers

1. Only A
2. Only A & B
3. A, B & D
4. All the above
5. none of these

ANS:- 4

**Why are marketers interested in the concept of disposable income ?**

1. it accurately represents future buying power
2. it increases current buying power
3. it is what is left after taxes to buy luxuries with
4. it is a ready source of buying power
5. it is essential for forecasting future business

ANS:- 4

What type of competitive structure exists when a firm produces a product that has no close substitutes ?

1. Monopoly
2. Oligopoly
3. Perfect Competition
4. Mixed Competition
5. None of these

ANS:- 1

At the introductory stage, distribution is \_\_\_\_\_

1. massive
2. selective
3. neither 1 nor 2
4. wide spread
5. promotion

ANS:- 2

The period in the business cycle in which there is extremely high unemployment, low wages, minimum total disposable income, and a lack of confidence in the economy by consumers is ?

1. recovery
2. prosperity
3. depression
4. recession
5. growth

ANS:- 3

In Banking Services Market can be segmented on the basis of ?

1. Density
2. Customers
3. Both 1 & 2
4. Neither 1 & 2
5. None of these

ANS:- 3

Income left over after an individual pays taxes and purchases the basic necessities of food, clothing and shelter is called :

1. disposable income
2. taxable income
3. accounting income
4. discretionary income
5. credit

ANS:- 4

What type of competitive structure exists when a few sellers control a large portion of the supply of a product?

1. Monopoly
2. Oligopoly
3. Mixed competition
4. Perfect competition
5. None of these

ANS:- 2

TS3

What is the name of the procedure used to predict the effects of new products and processes on a firm or on society in general ?

1. Technology Assessment
2. Environmental Scanning
3. Societal Estimation
4. Environmental Assessment
5. Social Audit

ANS:- 1

Emotional and Rational buying motives

\_\_\_\_\_ are products bought by organizations for further processing or for conducting a business ?

1. Consumer Products
2. Services
3. Industrial Products
4. Speciality Products
5. None of these

The \_\_\_\_\_ is a person within a reference group, because of special skills, knowledge, personality or other characteristics, exerts influence on other group members.

1. facilitator
2. reference actor
3. opinion leader
4. social role player
5. none of these

ANS:- 3

\_\_\_\_\_ includes practices such as over-stating the product's features or performance, luring the customer to the store for a bargain that is out of line, or running rigged contests.

1. Deceptive promotion
2. Deceptive packaging
3. Deceptive pricing
4. Deceptive cost structure
5. none of these

ANS:- 1

Sales targets are fixed on the basis of \_\_\_\_\_

1. Past experience
2. Time period
3. Brand positionary
4. All the above
5. None of these

ANS:- 4

Which among the following is an example of Secondary Media ?

1. Television
2. Radio
3. Hoardings
4. News Papers
5. None of these

\_\_\_\_\_ is a principle of enlightened marketing that requires that a company seek real product improvements.

1. Innovative Marketing
2. Consumer-oriented marketing
3. Value marketing
4. Sense-of-mission marketing
5. None of these

The fact that services are sold, produced and consumed at the same time refers to which of the following service characteristics ?

1. Intangibility
2. Inseparability
3. Variability
4. Perishability
5. None of these

can be differentiated on the basis of \_\_\_\_\_



1. Time in purchasing
2. Dominance
3. nature of Product
4. All of the above
5. None of these

ANS:- 4

**Marketing implies "Meeting needs of \_\_\_\_\_"**

1. of the customer only
2. of the needs of seller and buyer
3. of the needs of the customers profitability
4. all the above
5. none

ANS:- 3

**The purpose of strategic planning is to find ways in which of the company can best :**

1. overcome losses
2. use its strengths to take advantage of attractive opportunities in the environment
3. avoid paying taxes
4. avoid the expense of costly research and development while still getting the benefits
5. none of these

ANS:- 2

**According to the price/quality strategy matrix, when a company overprices its product in relation to its quality it is considered to be using which type of strategy ?**

1. Good-value strategy
2. Premium strategy
3. Overcharging strategy
4. Snob strategy
5. none of these

ANS:- 3

**Consumer goods with unique characteristics or brand identification often requiring a special purchase effort are called :**

1. custom products
2. speciality products
3. convenience products
4. shopping products
5. none of these

ANS:- 2

**\_\_\_\_\_ is the practice of adopting policies and developing strategies that both sustain the environment and produces profits for the company**

1. Environmentalism
2. Environmental sustainability
3. Consumerism
4. Consumer accountability
5. None of these

ANS:- 2

**The following does not represent a market situation.**

1. A bank
2. A fund raising Charity Show for the members of an NGO
3. A mediation Camp conducted by a club for it's members
4. A stall distributing prasad of a mandir
5. All of the above

ANS:- 4

**Traditionally, companies have defined their business in product terms or in technological terms. However,**

**misison statements should be all of the fo**

**EXCEPT :**

1. Market Oriented
2. A statement of religion
3. motivating
4. based on distinctive competencies
5. none of these

ANS:- 2

**The primary reason that many companies become the "low-cost producers" in their industry is because :**

1. they can generate more advertising
2. they can please top management
3. they can gain tax advantages
4. they can set lower prices that result in greater profits
5. none of these

ANS:- 4

**A company is practicing \_\_\_\_\_ if it focuses on a few market segments with distinctive traits that may seek a combination of benefits**

1. micro marketing
2. niche marketing
3. mass marketing
4. segment marketing
5. none of these

ANS:- 2

**When a company reviews sales, costs, and profit projections for a new product to find out if these factors satisfy the company's objectives, in which of the following new process development stages ?**

1. Concept development and testing
2. Commercialization
3. Business analysis
4. Marketing strategy development
5. none of these

ANS:- 3

**\_\_\_\_\_ has the advantage of being high in selectivity, low cost, immediate, and interactive capabilities.**

1. Direct mail
2. Outdoor
3. Online
4. Radio
5. None of these

ANS:- 3

**SET**

**\_\_\_\_\_ is a name, term, sign, symbol, design, or a combination of these that identifies a maker or seller of a product or service**

1. product feature
2. sponsorship
3. brand
4. logo
5. none of these

ANS:- 3

**If your company were to make light bulbs to compete in the photocopy market, you would most likely be selling in the \_\_\_\_\_ market**

1. reseller
2. \_\_\_\_\_

3. government
4. service
5. none of these

ANS:- 2

**The markets are grouped into different types based on the geographical area, location of market place, product, nature of transaction and volume of transaction. In the above statemet the following is not correct**

1. nature of transaction
2. geographical area
3. location of marketing place
4. volume of transaction
5. all of the above

ANS:- 3

**A company is in the \_\_\_\_\_ stage of the new product development process when the company develops the product concept into a physical product in order to assure that the product in order to assure that the product idea can be turned into a workable product.**

1. product development
2. commercialization
3. marketing strategy
4. business analysis
5. none of these

ANS:- 1

**Advertising is \_\_\_\_\_**

1. any paid form of non-personal presentation
2. any unpaid form of non-personal presentation
3. to give public notice or to announce
4. all of the above
5. none of these

ANS:- 1

**'Early adopters' are the people**

1. who are opinion leaders
2. who are willing to try new ideas
3. both 1 and 2
4. neither 1 nor 2
5. none of these

ANS:- 3

**media planning includes**

1. assessing lost
2. selecting the right medium
3. both 1 and 2
4. neither 1 nor 2
5. scheduling the advertizement timings

ANS:- 3

**When a marketing research organization chooses a segment of the population that represents the population as a whole, they have chosen a \_\_\_\_\_**

1. group
2. bi-variant population
3. sample
4. market target
5. none of these

ANS:- 3

**In India advertising for \_\_\_\_\_ is not allowed on T.V.**

1. liquor
2. Cigarette
3. Both 1 and 2
4. Only 1

5. Neither 1 nor 2

ANS:- 3

**The premise underlying geodemographic targeting is that people who \_\_\_\_\_ also share dem**

**and lifestyle similarities**

1. are in the same income category
2. reside in similar areas
3. are of the same age
4. are of the same gender
5. are of the same ethnic group

ANS:- 2

**The process of translating thought into a symbolic form is known as \_\_\_\_\_**

1. Encoding
2. \_\_\_\_\_
3. \_\_\_\_\_
4. Decoding
5. The message channel

ANS:- 1

**Which among the following advertising media has the maximum reach ?**

1. TV
2. Radio
3. Outdoor
4. Magazines
5. None of these

ANS:- 2

**Which among the following media has the highest frequency ?**

1. T.V.
2. Newspaper
3. Direct mail
4. Magazines
5. None of these

ANS:- 1

**The act of obtaining a desired object from someone by offering something in return is called ?**

1. Transaction
2. Exchange
3. Relationship
4. Value
5. none of these

ANS:- 2

**The main disadvantage of 'Radio' as an Advertising medium is \_\_\_\_\_**

1. No visual information
2. Narrow coverage
3. High cost
4. All of these
5. None of these

ANS:- 1

**What is the goal of Advertising ?**

1. sales increase
2. establish brand equity
3. enter the target market
4. all of the above
5. none of these

**In a \_\_\_\_\_ advertising schedule, advertising is used during every period of the campaign, but the intensity of advertising varies considerably from period to period.**

1. flighting
2. dated
3. \_\_\_\_\_

4. pulsing

5. continuous

ANS:- 4

**People tend to view promotion from many vintage points. Which alternative below is MOST accurate ?**

1. promotion costs cause product costs to be higher
2. promotion activities make up the bulk of marketing
3. the role of promotion is to communicate and to facilitate exchanges
4. promotion should be directed toward numerous audiences
5. none of these

ANS:- 3

**Services have special characteristics namely \_\_\_\_\_ which affect their marketing process**

1. intangibility
2. inseparability
3. Heterogeneity
4. Perishability
5. All the above

ANS:- 5

**A consumer contest is an example of**

1. personal selling
2. sales promotion
3. advertising
4. indirect selling
5. public relations

ANS:- 2

## **SET 5**

**The use of a pull policy may required heavy expenditures for**

1. advertising and sales promotion
2. public relations and distribution
3. personal selling and public relations
4. distribution and advertising
5. none of these

ANS:- 1

**Marketing is best defined as**

1. matching a product with its market
2. promoting and selling products
3. facilitating satisfying exchange relationships
4. distributing products at the right price to stores
5. none of these

ANS:- 3

**A physical, concrete product you can touch is**

1. a service
2. a good
3. an idea
4. a concept
5. a philosophy

ANS:- 2

**A marketing manager for a small computer manufacturer is analyzing the potential effects of political, legal, social, and economic forces on the firm's operations. The marketing manager is examining \_\_\_\_\_ the firm's \_\_\_\_\_ that influence(s) the strategy**

1. operating situation
2. marketing environment
3. trends
4. economic conditions
5. none of these

ANS:- 2

**The marketing mixes of organizations that services include product, price, promotion, place,**

1. packaging
2. premiums
3. people
4. purchasing
5. none of these

ANS- 3

**Just in time technique is wider acceptance wo**

**The technique was first introduced in**

1. India
2. Indonesia
3. Japan
4. America
5. None of these

ANS:- 3

**The consumer movement is**

1. against foreign imports that are much cheaper products produced in the home market
2. a movemnt that is trying to improve customer satisfaction
3. a social movment that is able to challenge business practices
4. a diverse group of individuals, groups and organizations attempting to protect the rights of consumers
5. none of these

ANS:- 4

**In terms of consumer demand and consumer behaviour, marketers are most interested in**

1. wealth
2. consumer credit
3. disposable income
4. pretax income
5. high incomes

ANS:- 3

**Marketing is \_\_\_\_\_**

1. consumer oriented
2. competitors oriented
3. both 1 and 2
4. neither 1 nor 2
5. none of these

ANS:- 3

**The type of competitive structure that exists in a firm with many potential competitors attempting to develop a differential marketing strategy to increase its own market share is**

1. mixed competition
2. oligopoly
3. monopolistic competition
4. perfect competition
5. none of these

ANS:- 4

**Which of these statements BEST describes international marketing**

1. Developing and performing marketing activities across national boundaries
2. the exporting of goods and services
3. the creation of value and the exchange of goods and services between countries
4. having firms with operations or subsidiaries located in many countries

5. none of these ANS:- 1

**What restriction is faced in international marketing ?**

1. tariffs
2. customs duties
3. qualitative restrictions
4. all of the above
5. none of these

ANS:- 1

**Taxes levied by a nation on goods bought outside its borders and brought in, are called**

1. import duties
2. export duties
3. export tariffs
4. quotas
5. import tariffs

ANS:- 5

**The gross domestic product is**

1. a measure of the profit made by all firms in the nation
2. the average annual earnings per person in the nation
3. a measure of the types of products produced by a nation
4. an overall measure of a nation's economic standing
5. none of these

ANS:- 4

**A partnership between a domestic firm and a foreign firm is known as**

1. a joint venture
2. an international partnership
3. a multinational enterprise
4. licensing
5. exporting

ANS:- 1

**When two companies, who are usually rivals, come together to do business on a worldwide basis, this partnership is known as a**

1. joint venture
2. strategic alliance
3. multinational venture
4. joint licensing
5. none of these

ANS:- 2

**Global marketing is**

1. the development of marketing strategies for the entire world or major regions of the world
2. performing marketing activities across national boundaries
3. the creation and the exchange of value between countries
4. having firms with operations or subsidiaries located in many countries
5. none of these

ANS:- 1

**Global marketing involves developing marketing strategies as if the world is one market. Which one of the following marketing mix variables is MOST difficult to standardise for global marketing ?**

1. Brand name
2. Package
3. Media allocation

4. Labels

5. Product characteristics ANS:- 3

**When products are introduced into one nation from another, acceptance is far more likely**

1. if prices are set very low
2. when bribes are paid to local officials
3. if there are similarities between the two cultures
4. if packaging is adjusted to match local customs
5. none of these

ANS:- 3

**The \_\_\_\_\_ is the difference in value between a nation's exports and its imports**

1. balance of payments
2. export / import ratio
3. gross domestic product
4. net trade value
5. balance of trade

ANS:- 5

## **SET 6**

**Consumer day is celebrated on \_\_\_\_\_**

1. 15th March
2. 25th March
3. 29th March
4. 5th March
5. 16th March

ANS:- 1

**Which product is MOST likely to be purchased without routine decision making ?**

1. Car
2. Desk
3. Shirt
4. Soft Drink
5. Television Set

ANS:- 4

**The three major categories of influences on consumer behavior are believed to influence the consumer buying process are personal, psychological, and**

1. person-specific
2. social
3. demographic
4. situational
5. cultural

ANS:- 2

**Consumer behavior, Perception is a process which**

1. a consumer makes ultimate purchasing decisions
2. a consumer is satisfied
3. a consumer's mind receives, organizes and interprets physical stimuli
4. both 1 and 3
5. none of these

ANS:- 3

**Perception is a three-step process that involves**

1. motivation, personality and attitudes
2. collecting, eliminating and organizing information
3. selecting, organizing and interpreting information
4. anticipating, classifying and discarding information
5. none of these

**A change in an individual's behavior prompted by information and experience is called**

1. learning
2. role selection
3. perception
4. inculturation
5. motivation

ANS:- 1

**In on-line marketing, there is**

1. No exchange
2. Exchange is the core of marketing
3. Guarantee
4. Only warrantee
5. None of these

ANS:- 2

**In a market, the kings are**

1. consumers
2. suppliers
3. producers
4. marketing personnel
5. none of these

ANS:- 1

**Which among the following is / are characteristics of common market ?**

1. a common external trade policy exists
2. there are no trade barriers among members
3. creates mobility of factors of production
4. all of these
5. none of these

ANS:- 4

**In case of diamond, if the price goes up slightly, demand will fall by a much larger margin. The demand is**

1. Zero elastic
2. Highly price elastic
3. Income elastic
4. Low price elastic
5. None of these

ANS:- 2

**In modern times \_\_\_\_\_ is defined as the 5th P of Marketing**

1. Policy
2. Period
3. Perception
4. Packaging

**Advertising creates consumers demand for \_\_\_\_\_ that they would otherwise not feel need to buy. This statement is**

1. Partially true
2. Absolutely true
3. Partially biased
4. All of these
5. None of the above

ANS:- 1

**The Strategy used to charge different prices for same product is called**

1. Price discrimination
2. Price Revision
3. Tariffs
4. Restrictions
5. None of these

ANS:- 1

**Psychological forces that influence where a consumer purchases products on a regular basis are called**

1. convenience responses
2. patronage motives
3. shopping motives
4. pattern responses
5. routine decisions

ANS:- 2

**A consumer's buying decisions are affected by the people around him or her. These people exert forces on a buyer are called**

1. motivational influences
2. social factors
3. roles
4. personality influences
5. cultural influences

ANS:- 2

**Which among the following is a fundamental consumer right ?**

1. Right to safety
2. Right to be heard
3. Right to choose
4. All the above
5. None of the above

ANS:- 4

**The Consumer Protection Act, 1986 provides \_\_\_\_\_**

1. convenient procedure
2. \_\_\_\_\_ time

5. None of these ANS:- 4

**The three major personal influences believed to affect the consumer buying decision process are**

1. perception, motives, and attitudes
2. personality, learning and perception
3. demographic, situational and attitudes
4. situational, lifestyle and demographic
5. situational, perception and motives ANS- 4

**The purchase of \_\_\_\_\_ is least likely to be affected by demographic factors**

1. a car
2. table salt
3. a computer for home use
4. fast food
5. low fat cheese

ANS:- 2

3. check on unfair practices

4. all of the above

5. none of these

ANS:- 4

### **SET 7**

**The nature of internet commerce can be described as**

1. Tangible
2. Non-Territorial
3. Territorial
4. Both 1 & 2
5. None of these

ANS:- 1

**The law of Pull & Push of web marketing refers to**

1. Pull people to your site, then push quality information to them
2. Pull people to your site and force them to purchase
3. Push people into your site

WWW.STUDYPLANET.COM

4. Pull the interest of people

5. None of these ANS:- 1

**What is the first thing about an advertisement that attracts our attention ?**

1. Product
2. Music
3. Model
4. Special Effects
5. None of these

ANS:- 1

**M-Commerce is a new term in latest marketing technique. It is \_\_\_\_\_**

1. Misuse of Mobile phones & E-commerce
2. Mobile phones in marketing
3. Marketing by Commerce Students
4. Mega Commercial activities
5. None of these

ANS:- 1

**Most organizational purchase decisions are made by**

1. one person
2. a team of purchasing agents
3. a firm's buying centre
4. inventory control personnel
5. the sales force

ANS:- 3

**To determine its strengths and weaknesses, manager might ask customers all of the following except**

1. Was the quality good ?
2. Was the price reasonable ?
3. Have you heard the company slogan ?
4. Was the delivery efficient ?
5. None of these

ANS:- 3

**If the market share of a company is increasing**

1. It is a sign of progress
2. The company must take the action to arrest the trend
3. Both 1 & 2
4. Neither 1 nor 2
5. None of these

ANS:- 1

**In modern days sales approach is based on**

1. Value sharing
2. Relation building
3. Co-ordinated approach
4. All the above
5. None of these

ANS:- 4

**The demand for many industrial products for which a price increase or decrease will not significantly affect the demand is**

1. elastic
2. inelastic
3. derived
4. joint
5. none of these

ANS:- 2

**As a counselor, a personnel manager**

1. reminds the management of moral obligations towards employees
2. encourages the employees
3. tries to settle the disputes between labour and management

4. all of the above

5. none of these ANS:- 2

**The group of people within an organization involved in making organizational purchase is referred to as**

1. the new-task team
2. negotiators
3. purchasing agents
4. deciders
5. the buying centre

ANS:- 5

**What do you mean by Delphi Technique in Research ?**

1. In this a questionnaire is prepared
2. Depth interviews are conducted
3. Information is elicited by means of discussing various experts in the field
4. All of the above
5. None of these

ANS:- 3

**For routinely purchased items, buyers are from the :**

1. Users
2. Influencers
3. Deciders
4. Gatekeepers
5. None of these

ANS:- 3

**Information systems can assist managers by**

1. Providing information
2. Providing data on internal sources
3. Directing
4. All of the above
5. None of these

ANS:- 4

**In the AIDAS theory of selling 'D' stands for**

1. Determinants
2. Demand
3. Desire
4. Development
5. None of these

ANS:- 3

**Which among the following is the main advantage of depth interviews ?**

1. Accurate information
2. Hidden information
3. Time saving
4. High cost
5. None of these

ANS:- 2

**Primary data is generally collected**

1. Survey
2. Experiment
3. Observation
4. Census report
5. None of these

ANS:- 1

**Secondary data is collected through**

1. Observation
2. Survey
3. Official record
4. Experiment
5. None of these

**Primary data are BEST described as the :**

1. first batch of data collected for a specific study
2. data that are observed, recorded, or collected from respondents
3. data that were compiled for some purpose other than the current study
4. data that are collected from a computerized database
5. none of these

ANS:- 2

### **SET 8**

**Data compiled inside or outside the organization for some purpose other than the current research investigation are termed \_\_\_\_\_ data :**

1. organizational
2. primary
3. secondary
4. exploratory
5. descriptive

ANS:- 3

**The quantity for which orders are placed when stock reaches the re-order level is called**

1. EOQ
2. EPQ
3. DOQ
4. MOQ
5. None of these

ANS:- 1

**In testing a new product, concept testing is**

1. Customer reaction to the idea of product
2. Sales man reaction to the idea of product
3. to put the real product into a few selected markets
4. to assess the total product performance
5. none of these

ANS:- 1

**The real value of marketing research to the organization can best be understood by**

1. its immediate impact on profits
2. the amount of time spent
3. how much it costs
4. improvements in the ability to make decisions
5. the increase in sales volume or market share

ANS:- 4

**The first step in planning a marketing research project is :**

1. conducting a cost / benefit analysis
2. searching the environment
3. defining and locating problems
4. assessing organization resources
5. defining goals and objectives

ANS:- 3

**When more information is needed about the problem and the tentative hypothesis needs to be made 3 more specific, marketers usually conduct \_\_\_\_\_ research :**

1. descriptive studies
2. casual investigations
3. exploratory studies
4. statistical studies
5. syndicated research

ANS:- 3

**Secondary data CANNOT be obtained from :**

1. trade journals
2. government reports

3. Yellow pages

4. surveys

5. computerized databases

ANS:- 4

**Casual research is**

1. Together primary data to shed light on the nature of the problem
2. to ascertain certain magnitudes
3. to find out cause and effect relationship
4. to explore the gravity of the situation
5. none of these

ANS:- 3

**The main aspect of 'casual research' is \_\_\_\_\_**

1. necessary condition
2. sufficient condition
3. both 1 & 2
4. neither 1 nor 2
5. none of these

ANS:- 3

**Niche Marketing refers to**

1. a strategy that specializes in limited or un product category
2. a strategy that specializes niche products
3. both 1 & 2
4. neither 1 nor 2
5. none of these

ANS:- 1

**Which of the following is the best definition of v**

1. a technical measure of a company's selling p relative to its production costs
2. a measure of the mark-up charged by compani
3. the lowest prices available to consumers
4. the best price available for customer mee expectations
5. the ratio of benefits to costs available to buyers

ANS:- 5

**The major DISADVANTAGE of a mail survey a telephone or personal interview survey is**

1. having to offer incentives
2. the low response rate
3. the elimination of interview bias
4. the lack of open-ended questions
5. cost

ANS:- 2

**If marketing research shows that an aggr people do not desire a particular product, th in the aggregate :**

1. are a market for the product
2. do not have the ability to purchase the product
3. do not have the authority to purchase the produ
4. are not market for the product
5. are a market but will not purchase the

ANS:- 4

**Which one of the following is an exam customer in an organizational market ?**

1. a homemaker who buys detergent
2. a consumer who hires a solicitor
3. a shop owner who buys pencils fo ruse in his sl
4. a plant manager who buys petrol for her personal
5. none of these

ANS:- 4

**The two approaches to identify a target market**

1. total market and undifferentiated ap



2. product differentiation and customer differentiation approaches
3. multisegment and concentration approaches
4. total market and market segmentation approaches
5. none of these

ANS:- 4

**Generally the best research approach suited for descriptive research is**

1. observation
2. survey
3. cross sectional
4. experimental
5. none of these

ANS:- 2

**Generally speaking the best research approach for casual research is**

1. observation
2. survey
3. cross sectional
4. experimental
5. none of these

ANS:- 4

**Which one of the following products is LEAST likely to be segmented according to stages in the family life cycle**

1. single person housing
2. ford cars
3. holidays to Greece
4. Diet Coke
5. Hotpoint refrigerators

ANS:- 4

**The three psychographic dimensions most commonly used in market segmentation are :**

1. personality, perception and learning
2. personality, perception and behavior
3. motives, attitudes and lifestyles
4. personality, motives and lifestyles
5. none of these

ANS:- 4

**Generally speaking, the best research approach for exploratory research is**

1. observation
2. survey
3. cross sectional
4. experimental
5. none of these

ANS:- 1

### **SET 9**

**To ensure the effectiveness of segmentation, the segments should be measurable, substantial, accessible, and :**

1. precise
2. stable
3. economic
4. reachable
5. none of these

ANS:- 2

**An attribute of a product that is desired by customers in a target market and which competing products cannot match is termed \_\_\_\_\_**

1. a strength
2. a differential advantage
3. a selling point

4. a benefit
5. none of these

ANS:- 2

**An aggregate of people who, as individuals, have the willingness and authority to purchase such products is called a :**

1. market segment
2. target market
3. customer group
4. market
5. none of these

ANS:- 4

**The total market approach to finding a target market will probably be UNSUCCESSFUL when :**

1. product differentiation is used
2. the firm defines the total market as its target market
3. people within the market have heterogeneous needs
4. people within the market have homogeneous needs
5. none of these

ANS:- 3

**An organizational structure designed to overcome the problems of individual sales organizations is called :**

1. Hybrid sales organization
2. Double sales organization
3. Triple sales organization
4. All of the above
5. None of these

ANS:- 1

**A firm with limited resources can compete with a larger organization by :**

1. concentrating its efforts on a single segment
2. using a multi-segment targeting strategy
3. using a geographical segmentation variable
4. using multivaluable segmentation
5. concentrating its efforts on the total population

ANS:- 1

**Which of the following is NOT usually defined as an element of the marketing mix ?**

1. Products
2. People
3. Place
4. Profits
5. None of these

ANS:- 4

**An organizational system in which responsibility and authority are delegated to lower levels of management is called**

1. decentralized organization
2. centralized organization
3. both 1 & 2
4. regional organization
5. none of these

ANS:- 1

**In non profit oriented marketing \_\_\_\_\_**

1. objectives are more complex
2. objectives are less complex
3. objectives are very simple
4. objectives are not defined
5. none of these

A product's \_\_\_\_\_ is the place it occupies in the minds of consumers relative to competing brands :

1. segment
2. position
3. attribute
4. image
5. perceptual map

ANS:- 4

The primary purpose of 'packaging' is

1. Protection
2. Appeal
3. Performance
4. All of the above
5. None of these

ANS:- 1

Peter Drucker noted the relationship between selling and marketing in the following terms :

1. Marketing is a subsidiary component of selling
2. The aim of marketing is to make selling superfluous
3. The aim of selling is to make marketing superfluous
4. Selling
5. All of the above

ANS:- 2

A light bulb can be considered all of the following EXCEPT

1. a consumer product
2. a business to business product
3. either a consumer product or an industrial product
4. an industrial product if it is used to light an assembly line in a factory
5. a consumer product if it is used to light the office of the board of directors

ANS:- 5

An example of a convenience consumer product is

1. stereo equipment
2. petrol
3. a motorcycle
4. a bicycle
5. athletic shoes

ANS:- 2

Products that are relatively inexpensive and are purchased frequently with minimal effort can be classified as \_\_\_\_\_ products.

1. shopping
2. convenience
3. industrial
4. specialty
5. unsought

ANS:- 2

Which of the following statements is NOT true about the concept of a customer ?

1. A customer and consumer are always the same thing - the terms are completely interchangeable
2. customers can be described as clients
3. a customer doesn't necessarily consume the product that they have purchased
4. customers are satisfied clients

ANS:- 5

Market \_\_\_\_\_ is the process of identifying groups of customers with basically similar needs, preferences of buying behaviors.

1. Development
2. Positioning
3. Segmentation
4. Targeting
5. None of these

ANS:- 3

Items that are purchased routinely, do not part of the final physical product, and are treated as expense items rather than capital goods are called

1. raw materials
2. major equipment
3. accessory equipment
4. component part
5. process materials

ANS:- 3

Positioning of a product is based on :

1. The price charged for the product
2. The promotional pitch for the product
3. Product characteristics
4. All of the above
5. None of the above

ANS:- 4

Which one of the following is NOT an industrial product ?

1. oil to be refined into fuel for homes
2. transistors used as components for portable radios
3. paper, pens and glue used in bank branch offices
4. a marketing consultant who prepares marketing plans for clients
5. computer software to help people prepare personal tax forms

ANS:- 5

## SET 10

A brand name is one of the elements of the

1. core product
2. actual product
3. augmented product
4. all the above
5. none of these

ANS:- 2

A product item can be best described as a

1. component of a marketing mix
2. particular type of brand
3. specific characteristics of a company's product
4. specific version of a product
5. unit of the marketing mix

ANS:- 4

A group of closely related product items that are considered to be a unit because of manufacturing, technical, or end-use considerations is a product

1. category
2. dimension
3. extension
4. line
5. mix

ANS:- 4

Which among the following is a non-durable good ?

1. soap
2. maturity
3. color

4. clothes

5. none of these ANS:- 1

**Aggressive pricing is typical during the \_\_\_\_\_ stage of the product life cycle.**

1. decline
2. growth
3. introduction
4. plateau
5. stabilization

ANS:- 2

**Administered prices are prices fixed by the government normally on the basis of \_\_\_\_\_**

1. cost
2. margin of profit
3. cost plus a stipulated margin of profit
4. market forces
5. none of these

ANS:- 3

**A specialty product**

1. requires minimal effort to purchase
2. is purchased frequently
3. requires purchase planning, and the buyer will not accept substitutes
4. is generally less expensive than other items in the same product class
5. prompts the purchaser to make comparisons among alternatives

ANS:- 3

**What does the acronym FMCG refer to ?**

1. Functional, mid-priced, or compulsory goods
2. Famous, manufacturer's clothing goods (i.e., designer labels)
3. Fast Moving Consumer Goods
4. Frequent Market Consumption Goods
5. None of these

ANS:- 3

**A prospect means**

1. any customer who walks into the bank
2. an employee of the bank
3. a customer who is likely to be interested in bank's product or service
4. a depositor of the bank
5. a borrower of the bank

ANS:- 3

**It is less expensive for a firm to keep an existing customer than to find a new one. This is one reason why a firm's own personnel play a key role in delivering and maintaining customer satisfaction. Personnel are one of the elements in the \_\_\_\_\_ product.**

1. core
2. actual
3. augmented
4. all the above
5. none of the above

ANS:- 3

**A lead means**

1. a prospect who is more likely to avail of the Bank's product
2. a political leader
3. a religious leader
4. a bank chairman

5. none of these

ANS:- 1

**A product mix is best described as**

1. all products offered by a firm
2. product, distribution, promotion and price
3. all products of a particular type
4. a group of closely related products
5. none of these

ANS:- 1

**Innovation means**

1. compensation
2. inspiration
3. additional perquisites
4. implementing new ideas or new methods
5. none of these

ANS:- 4

**A call means**

1. calling on friends
2. calling on bank employees
3. calling on prospective customers
4. to make telephone calls
5. calling on relatives

ANS:- 3

**The rate of sales growth declines in \_\_\_\_\_ stage of the product life cycle**

1. introduction
2. growth
3. maturity
4. decline
5. none of these

ANS:- 3

**The \_\_\_\_\_ stage of the product life cycle generates most sales revenue for the firm.**

1. introduction
2. growth
3. maturity
4. decline
5. none of these

**Firms that use \_\_\_\_\_ are less likely to damage their reputation if a new product fails**

1. individual branding
2. overall family branding
3. line family branding
4. brand extension branding
5. none of these

ANS:- 1

**The traditional marketing style involves**

1. telemarketing
2. digital marketing
3. retail marketing
4. direct marketing
5. all of these

ANS:- 3

**A method, in which brand equity is measured by comparing differences between the retail price of 'brand' and the retail price of an unbranded product in the same category is called \_\_\_\_\_**

1. brand goodwill method
2. price premium method
3. both 1 and 2
4. neither 1 nor 2
5. price increment method

## SET 11

Which among the following is / are true about 'Brand Rejuvenation' ?

1. It adds value to an existing brand
2. It refocus the attention of consumer
3. It helps overcome the consumer's boredom
4. All of the above
5. None of the above

ANS:- 4

Modern method of marketing include

1. publicity on the net
2. advertisement on the net
3. soliciting business through e-mails
4. tele marketing
5. all of these

ANS:- 5

Marketers should view packaging as a major strategic tool, especially for

1. consumer convenience products
2. consumer shopping products
3. industrial products
4. specialty products
5. none of these

ANS:- 1

A true marketing requires

1. command and other mindset
2. control mindset
3. passive mindset
4. active mindset
5. none of these

ANS:- 4

Multiple packaging is

1. likely to increase demand
2. the same as family packaging
3. the most effective type of packaging
4. the most expensive type of packaging
5. none of these

ANS:- 2

The package design of a bag of flour would most likely be criticized for being

1. unsafe to the environment
2. unsafe to the user
3. deceptive
4. functionality deficient
5. well suited for multiple-unit packaging

ANS:- 4

The label on a soft drink reads "cool and refreshing".

For what reason are these words used ?

1. To provide information
2. To encourage multiple purchases
3. To promote the product
4. To satisfy legal requirements
5. none of these

ANS:- 3

One distinguishing factor between a brand name and a brand mark is that a brand name

1. creates customer loyalty
2. consists of words
3. identifies only one item in the product mix
4. implies an organization's name
5. none of these

ANS:- 2

\_\_\_\_\_ brands usually require a pro become involved in distribution, promotional pricing decisions.

1. Retailer
2. Manufacturer
3. Own label
4. Wholesaler
5. none of these

ANS:- 2

When a firm uses one of its existing brand part of a brand name for an improved or new the branding is called \_\_\_\_\_

1. individual branding
2. overall family branding
3. line family branding
4. brand-extension branding
5. none of these

ANS:- 4

When \_\_\_\_\_ branding is used, all of products are branded with the same name part of the name

1. individual
2. trademark
3. family
4. selective
5. extension

ANS:- 3

The four levels of brands are the tangible pro basic brand, the potential brand and \_\_\_\_\_ brand

1. targeted
2. augmented
3. aggregated
4. positioned
5. none of these

ANS:- 2

Which of the following sentences is true ?

1. Marketing is not required in a Buyer's Market
2. Marketing is not required in a Seller's Market
3. Marketing is not required due to competition
4. Marketing is not required due to liberalization
5. Marketing is not required due to globalization
6. ANS:- 2

For effective marketing the salesmen should which of these qualities

1. Creativity
2. Team Spirit
3. Motivation
4. Effective Communication Skills
5. All of these

ANS:- 5

Market information means

1. Knowledge of shops and bazaars
2. Knowledge of shopping malls
3. knowledge of customer profile and product mix
4. knowledge of various languages
5. none of these

ANS:- 3

Labeling is important for three reasons, i promotional and legal reasons. What is the reason ?

1. \_\_\_\_\_

2. Branding
3. Strategic
4. Informational
5. none of these

ANS:- 4

**Which among the following is / are advantages of packaging ?**

1. it helps increase sales
2. it adds to the use of product
3. it helps in storage
4. all of the above
5. none of the above

ANS:- 4

**A brand manager in a multiproduct firm would be considered responsible for**

1. the performance of a specific brand
2. all brands within a product line
3. branding the products of the firm
4. all brands made by the firm
5. none of these

ANS:- 1

**The members of a venture team come from ?**

1. the marketing department
2. the research and development department
3. the production and finance departments
4. different functional areas of an organization
5. none of these

ANS:- 4

**All of the following are major steps in developing new products except**

1. test marketing
2. evaluation of competitors efforts
3. screening
4. business analysis
5. idea generation

ANS:- 2

## **SET 12**

**Which step in developing new products involves determining whether the product idea is compatible with company objectives, needs, and resources on a general level ?**

1. Product Development
2. Screening
3. Idea Generation
4. Business Analysis
5. None of these

ANS:- 2

**During which stage of new product development does the firm consider profitability ?**

1. Idea Generation
2. Testing
3. Business Analysis
4. Product Development
5. Compatibility research

ANS:- 3

**The level of commitment that consumers feel towards a given brand is called \_\_\_\_\_**

1. Brand equity
2. Brand name
3. Brand loyalty
4. Brand utility
5. None of these

ANS:- 3

**A situation whereby market is expanded by developing new products to satisfy new needs is called \_\_\_\_\_**

1. Market development
2. Diversification
3. Both 1 and 2
4. Neither 1 nor 2
5. None of these

ANS:- 2

**Managing a product in the growth stage of its life cycle might include**

1. Lowering prices after developmental costs have been recovered
2. Raising promotion expenditures as a percentage of sales as sales increase
3. Moving from intensive to selective exposure
4. Reducing the number of product models in the product line
5. None of these

ANS:- 1

**A company wanting to maintain market share during the maturity stage requires moderate and so \_\_\_\_\_**

1. advertising expenditures
2. distribution expenditures
3. production expenditures
4. price increases
5. packaging modifications

ANS:- 1

**Market Research is needed for**

1. checking the market area
2. checking the right product to be sold
3. making proper marketing decisions
4. deciding right time to sell
5. all of these

ANS:- 3

**A phase out approach can be best described as**

1. allowing the product to decline without a change in the marketing strategy
2. exploiting any strengths left in the product
3. immediately dropping the product from the product mix
4. intensifying marketing efforts in core markets
5. stopping production to get rid of material surplus

ANS:- 1

**Which of the following statements is true**

1. Marketing makes the company to go into loss due to higher expenses
2. Marketing is not required in profit making companies
3. Marketing sharpens the minds of the employees
4. Marketing is a time bound seasonal function
5. Marketing is a waste of time

ANS:- 4

**Compared with other phases of the new product development process, the largest number of product ideas are rejected during the \_\_\_\_\_ phase**

1. idea generation
2. concept testing
3. business analysis
4. product development

5. test marketing ANS:-4

**Marketing plan helps in**

1. better lead generation
2. better systems
3. better results
4. improved balance sheet
5. better customer service ANS:- 1

**If marketing is done effectively which of the following is not required ?**

1. Advertisement
2. Publicity
3. Market Research
4. Market Segmentation
5. None of these ANS:- 2

**Motivation means**

1. Inspiring employees to perform better
2. Better communication skills
3. Sales Coaching
4. Market Research
5. None of these ANS:- 1

**During the growth stage of the product life cycle, the marketer should**

1. fortify the product position
2. move to exclusive distribution
3. raise the price
4. increase promotion as a percentage of sales
5. none of these ANS:- 1

**During the maturity stage**

1. Product modifications are unnecessary
2. there is less emphasis on changing a product's price
3. marketing strategies are rarely altered
4. some competitors are forced out
5. none of these ANS:- 4

**In product modification, the FIRST issue to consider is whether :**

1. the cost of the modification is too high
2. the product is modifiable
3. the quality is modifiable
4. the modification will provide the customer greater satisfaction
5. none of these ANS:- 2

**A major problem with using style modification is that**

1. customers have difficulty recognizing that a change has been made
2. such changes do not yield long lasting appeal
3. customers may perceive such modifications as less attractive
4. they are almost always very costly
5. none of these ANS:- 3

**Changes that affect a product's versatility, effectiveness, convenience, or safety are called \_\_\_\_\_ modifications**

1. functional
2. formal
3. style

4. quality

5. package ANS:- 1

**Price strategies become more mixed during the \_\_\_\_\_ stage of the product life cycle :**

1. growth
2. maturity
3. decline

4. introduction

5. none of these ANS:- 2

**In a selling process in today's world \_\_\_\_\_**

1. only standard products are sold
2. no customization required
3. the seller need not have product knowledge
4. the seller should aim at customer satisfaction
5. only quantum of sales matters ANS:- 4

**SET 13**

**Dropping an unprofitable product immediately is the best strategy when \_\_\_\_\_**

1. All advertising and promotional efforts have been exhausted
2. Losses are too great to prolong the product's life
3. The product's performance cannot be improved
4. There is low compatibility with the firm's strategies
5. None of these ANS:- 2

**Classification of products into goods, services and ideas is determined by the :**

1. Degree of labour intensiveness
2. Type of markets
3. Dominant component
4. Skill of the service provider
5. Degree of consumer contact ANS:- 3

**Of the following alternatives, which service is most people-based ?**

1. Dry cleaning
2. Carpet cleaning
3. Swimming instruction
4. Airline flight
5. Hotel accommodations ANS:- 3

**In service marketing, the most important line of communication to the customer is \_\_\_\_\_**

1. effective advertising
2. good word-of-mouth communication
3. well-trained contact employees
4. the tangible aspects of the service
5. exceptional service quality ANS:- 3

**Which one of the following can be considered as a contact service ?**

1. Postal service
2. Car repair
3. Health care
4. Banking
5. Dry cleaning ANS:- 3

**Marketing activities conducted by individual organizations to achieve some goal other than ordinary business goals such as profit are called \_\_\_\_\_**

1. non business marketing
2. organization marketing
3. individual marketing
4. enterprise marketing
5. none of these

ANS:- 1

**A group of individuals who have an interest in or concern about an organization, a product, or a social cause is a(n) :**

1. direct consumer
2. client consumer
3. target public
4. general public
5. indirect consumer

ANS:- 3

**The necessary interaction between services provider and customer that allows a service to be delivered is called**

1. customer contact
2. service exchange
3. marketing
4. relationship marketing
5. service contact

ANS:- 1

**Consumers look closely at service quality when comparing competing services because**

1. they perceive all services to be essentially the same
2. all services are priced about the same
3. quality is the only relevant service characteristic
4. services are very difficult to evaluate
5. none of these

ANS:- 4

**Which one of the following services is NOT labour intensive ?**

1. Education
2. Hair care
3. Insurance
4. Fitness centre
5. Legal counsel

ANS:- 4

**What is the marketing objective of non-business organizations ?**

1. To provide an idea or service to the public
2. To obtain a desired response from a target market or public
3. To obtain a return on social investment
4. To determine the target market and to create and maintain a satisfying marketing mix
5. none of these

ANS:- 2

**Marketing channel refers to \_\_\_\_\_**

1. A physical channel for movement of goods in them from the seller to the buyer
2. A set of firms who handle the physical movement of goods from one point to another
3. Different departments of the producer firm which are associated in ensuring delivery of goods to the buyer
4. A set of independent organizations involved in the

process of making a product or service available for use or consumption

5. none of these

ANS:- 3

**A channel of distribution is a group of individual organizations that**

1. directs the flow of products from producer to customers
2. links producers to other marketing intermediaries
3. takes title to products and resells them
4. manages transportation and warehousing functions
5. none of these

ANS:- 1

**The diagram represents - Producer -> Wholesaler/Distributor -> Retailer -> Consumer**

1. Zero level channel
2. One level channel
3. Two level channel
4. Four level channel
5. None of these

ANS:- 3

**In one-level channel there is no \_\_\_\_\_**

1. Wholesaler
2. Retailer
3. Consumer
4. Producer
5. None of these

ANS:- 1

**A channel strategy that limits availability of products to a few carefully selected outlets in a given area is called \_\_\_\_\_**

1. Selective channel
2. Intensive channel
3. Both 1 & 2
4. Neither 1 nor 2
5. None of these

ANS:- 1

**Most, but not all, marketing channels have marketing intermediaries. A marketing intermediary, so called a middleman**

1. is always a wholesaler
2. links producers to other middlemen or the ultimate consumers of the products
3. always sells products to retailers
4. does not take title to products
5. none of these

ANS:- 2

**An intermediary between the producer and consumer is called**

1. Middlemen
2. Agent
3. Broker
4. All of the above
5. None of these

ANS:- 1

**The marketing channel of producer to retailer for consumer is MOST likely to be used by producer for which of the following products ?**

1. Chewing gum
2. Tobacco
3. Cars
4. Hardware
5. Cream crackers

**Of the following intermediaries, \_\_\_\_\_ is found working for banks**

1. Direct sales agents
2. Wholesellers
3. Automobiles dealers
4. Merchant establishments
5. None of these

ANS:- 2

### **SET 14**

**The main reason a manufacturer may try to prohibit intermediaries from selling its products outside designated sales territories is to**

1. tighten its control over distribution of its products
2. discourage competition from other manufacturers
3. incorporate selective distribution
4. contain costs
5. none of these

ANS:- 1

**Wholesaling is best defined as**

1. all transactions in which products are bought for resale, for making other products, or for general business operations
2. all transactions made at retail outlets only
3. all transactions in which purchases are for production of other goods only
4. all marketing activities necessary to expedite exchanges to ultimate consumers
5. none of these

ANS:- 1

**From a retailer's point of view, the MOST basic advantage of using a wholesaler is that the wholesaler**

1. extends credit to the retailer
2. provides storage facilities to the retailer
3. can perform physical distribution activities more efficiently than the retailer
4. takes ownership of goods for the retailer
5. none of these

ANS:- 3

**A merchant wholesaler**

1. takes title and assumes risk and is generally involved in buying and reselling products
2. takes title and possession of goods and sells only to retailers
3. does not take title and possession of goods but may facilitate
4. deals exclusively with industrial products
5. none of these

ANS:- 1

**Find the true statement**

1. Marketing is a waste of the employee's time
2. Marketing is not required in India due to its vast population
3. Marketing involves additional work
4. Marketing involves team work
5. Marketing is not required today due to IT advancement

ANS:- 4

**A cash-and-carry wholesaler would be expected to**

1. provide transportation
2. handle high turnover products
3. provide credit
4. carry a wide variety of products
5. provide a wide range of services

ANS:- 2

**The primary purpose of a broker is to**

1. take title to a producer's goods before selling to retailers or consumers
2. sell directly to the final consumer
3. supply products in the food industry by developing permanent, trusting relationships with buyers
4. sell delivery to producers
5. bring buyers and sellers together

ANS:- 5

**The broad objective of channel selection is**

1. Availability of production in the target market
2. Smooth movement of the product
3. Information communication
4. All of the above
5. none of these

ANS:- 3

**Which among the following is not a function of a marketing channel ?**

1. Buying
2. Selling
3. Producing
4. Promoting
5. none of these

ANS:- 3

**The people and organizations who assist the flow of products and information to marketing channels are called**

1. Merchants
2. Dealers
3. Both 1 and 2
4. Facilitating agents
5. none of these

ANS:- 4

**A Target Market is**

1. entire country
2. entire city
3. entire globe
4. that which consists of customers who purchase a specific identified product
5. all of these

ANS:- 4

**Sales forecasting involves**

1. Sales planning
2. Sales pricing
3. Distribution Channels
4. Consumer tastes
5. all of these

ANS:- 4

**The functions of distribution channel do not include**

1. Gathering and providing market information
2. Marketing research
3. Assisting the consumer in understanding and using goods
4. Promoting the sales of goods
5. none of these

ANS:- 2

**Distribution channels carry out the following functions except**

1. Physical distribution
2. Fixing the price
3. Matching the offer
4. Risk taking
5. None of these



**A manufacturer owned middleman that sells products and provides support services for the manufacturer's sales force is called a sales \_\_\_\_\_**

1. branch
2. office
3. manager
4. broker
5. agent

ANS:- 1

**The retailer is usually in an excellent position to**

1. make the most profits in the channel
2. be the channel leader
3. gain feedback from consumers
4. co-ordinate the production strategy
5. none of these

ANS:- 3

**A direct marketing channel is also called as \_\_\_\_\_ level channel.**

1. Three
2. two
3. one
4. zero
5. none of these

ANS:- 4

**Direct marketing and automatic vending are examples of**

1. off-premise retailing
2. portfolio retailing
3. non-store retailing
4. off-price retailing
5. direct retailing

ANS:- 3

**Which one of the following is NOT a form of direct marketing ?**

1. catalog retailing
2. telemarketing
3. personal selling
4. direct mail
5. none of these

ANS:- 3

**An arrangement in which a supplier grants a dealer the right to sell products in exchange for some type of consideration is**

1. licensing
2. retailing
3. franchising
4. wholesaling
5. none of these

ANS:- 3

## **SET 15**

**The physical arrangement of the illustration, headline, sub-headline, body copy, and the signature is called**

1. artwork
2. copy
3. art design
4. layout
5. storyboard

ANS:- 4

**\_\_\_\_\_ is communication in news story form about an organization, its products, or both, that is transmitted through a mass medium at no charge.**

1. advertising
2. publicity

3. public relations
4. sales promotion
5. personal selling

ANS:- 2

**\_\_\_\_\_ is a broad set of communication used to create and maintain favorable between the organization and**

1. advertising
2. selling
3. a press strategy
4. public relations
5. publicity

ANS:- 4

**A television advertisement showing the safety of the Volvo 240 DL would be best classified as \_\_\_\_\_ of the following ?**

1. Product advertising
2. Pioneer advertising
3. Defensive advertising
4. Societal marketing
5. Publicity

ANS:- 1

**The final stage in the development of an advertising campaign is**

1. creating the advertising platform
2. developing the media plan
3. creating the advertising message
4. evaluating the effectiveness of advertising
5. none of these

ANS:- 4

**Advertising appropriations are largest for which product**

1. industrial products
2. convenience goods
3. high-priced products
4. specialty goods
5. infrequently purchased goods

ANS:- 2

**The \_\_\_\_\_ is supposed to attract attention and develop sufficient interest so that read the entire advertisement.**

1. signature
2. layout
3. headline
4. artwork
5. sub-headline

ANS:- 3

**Artwork, a major part of most advertisements, consists of the**

1. illustration and the signature
2. illustration and the layout
3. illustration and type of print used in the headline
4. layout and the signature
5. method by which all the components are put together

ANS:- 2

**A marketer uses pioneer advertising to :**

1. promote established brands
2. compare brand names
3. promote a product in the introductory stage of the product life cycle
4. introduce a competitive version of the product

5. none of these ANS:- 3

**Capital goods are the goods which are**

1. consumed directly
2. durable goods
3. used for further production
4. both 1 & 2

5. none of these ANS:- 3

**Personal selling tries to achieve three general goals : finding prospects, convincing prospects to buy, and**

1. monitoring new products being developed
2. being aware of competitors' sales activities
3. depending on one-sale customers
4. avoiding repeat sales

5. keeping customers satisfied ANS:- 5

**The final stage of the selling process is the**

1. closing
2. trial close
3. presentation
4. follow-up

5. overcoming of objections ANS:- 4

**Which of the following is least likely to be directly involved in actually making sales ?**

1. order taker
2. current-customer salesperson
3. order getter
4. fixed order taker
5. support personnel

ANS:- 5

**In establishing sales promotion objectives, a marketer should always**

1. concentrate on activities that increase consumer demand
2. focus on consumers
3. be defensive in the method used
4. align objectives with the organization's overall objectives
5. none of these

ANS:- 4

**Which of the following is most likely to stimulate customer loyalty ?**

1. corruption
2. sweepstakes
3. frequent-user incentives
4. samples
5. premiums

ANS:- 3

**A \_\_\_\_\_ is a gift to a retailer who purchases a specified quantity of merchandise.**

1. dealer loader
2. premium
3. dealer listing
4. merchandise allowance
5. count and recount

ANS:- 1

**The first step in the selling process is**

1. preapproach
2. approaching the customer
3. making the presentation
4. overcoming objections
5. prospecting

ANS:- 5

**Before contacting acceptable prospects, a salesperson should first analyze information about the prospects' needs, feelings about brands, and characteristics. This process is called**

1. prospecting
2. preparing
3. approaching the customer
4. sales training
5. sales planning

ANS:- 2

**The main reason for establishing sales territories is to**

1. secure optimum market coverage
2. reduce selling expenses
3. facilitate planning and control of selling operations
4. improve sales force performance and morale
5. none of these

ANS:- 1

**Which among the following is/are duty/ies of a sales manager ?**

1. organizing sales research
2. setting and controlling the targets
3. advising the company on sales promotion
4. all of the above
5. none of these

ANS:- 4

### **SET 16**

**The person or firm that buys large quantity from various producers or vendors, warehouses and resells to retailers is called**

1. Industrial distributor
2. Production agent
3. Wholesaler
4. Manufacturer's agent
5. Producer

ANS:- 3

**The type of sales person that usually required in physical science or engineering is the**

1. trade salesperson
2. missionary salesperson
3. technical salesperson
4. order take
5. order getting

**which among the following is the most common sales promotional technique in India ?**

1. Price Deals
2. Refunds and Refits
3. Both 1 and 2
4. Neither 1 nor 2
5. None of these

ANS:- 4

**Sales promotion is best defined as a(n)**

1. activity and / or material used as a device to induce consumers to purchase products
2. advertising and publicity campaign
3. cyclical activity aimed at producing short-run sales
4. activity and/or material used in personal selling
5. none of these

**A limitation of sales promotion is that excessive sales promotion efforts directed at price reductions can lead to**

1. stronger consumer demand for information provided through advertising
2. a decline in the brand's image
3. a decline in the organization's image
4. increased costs of promotion
5. none of these

ANS:- 2

**\_\_\_\_\_ are items offered free or at minimal cost as a bonus for purchasing a product**

1. Rebates
2. Premiums
3. Samples
4. Merchandise allowances
5. Coupons

ANS:- 2

**With you all the way is the slogan of**

1. Vodafone
2. SBI
3. ICICI
4. Raymond's
5. HDFC

ANS:- 2

**Cross selling means**

1. Identifying customer needs
2. matching the products to customer needs
3. convincing the customers of product benefits
4. responding to questions and objections of customers
5. none of these

ANS:- 5

**An advertising campaign that tries to persuade people to avoid drinking and driving is an example of**

1. service advertising
2. social marketing
3. campaign marketing
4. product advertising
5. none of these

ANS:- 2

**Which of the following is not a benefit of direct marketing ?**

1. customer relationship building
2. immediate response
3. convenience
4. assists client prospecting
5. greater product access and selection

ANS:- 4

**Because of a service's \_\_\_\_\_, standardization and quality are extremely difficult to control**

1. intangibility
2. inseparability
3. homogeneity
4. heterogeneity
5. perishability

ANS:- 4

**In modern days, sales approach is based on \_\_\_\_\_**

1. value sharing
2. relation building
3. coordinated approach
4. all of the above
5. none of the above

ANS:- 4

**High-contact services include which of the following examples ?**

1. Photo developing
2. Cinemas
3. Car repairs
4. Garden Landscaping
5. Medical services

ANS:- 5

**Consumers' service expectations are influenced by \_\_\_\_\_ advertising, word-of-mouth communication, and**

1. recommendations from friends
2. past experiences with the service
3. news stories about the service
4. the tangibles of the service
5. credence qualities

ANS:- 2

**Which of the following is an intangible product ?**

1. flowers
2. perfume
3. food
4. mortgage
5. car

ANS:- 4

**Which one of the promotion elements is probably the most powerful for services ?**

1. publicity
2. advertising
3. personal selling
4. sales promotion
5. none of these

ANS:- 3

**A high-contact service is one in which**

1. the customer and service provider must meet frequently
2. the customer must be physically present to receive service
3. the service provider must be present when the service is provided
4. a great deal of physical touching is required
5. none of these

ANS:- 2

**Which marketing activity does NOT occur in business marketing ?**

1. Distribution
2. Exchange
3. Profits
4. Negotiation
5. Persuasion

ANS:- 3

**\_\_\_\_\_ is the value of the benefit that is foregone by selecting one alternative rather than another**

1. Benefit loss
2. Opportunity cost
3. Privileged cost
4. Selection cost
5. Exchange loss

ANS:- 2

**Relationships among channel members, producers, wholesalers and retailers, are usually**

1. short-term commitments
2. long-term commitments
3. expensive resource commitments

4. only minor commitments

5. none of these ANS:- 2

### SET 17

**What is the overall goal of relationship marketing ?**

1. Encourage utilization of products over the lifespan of the consumer

2. Increase sales of new products

3. Improve profitability

4. Developing strategic partnerships with valued customers

5. All the above ANS:- 4

**Personal selling can be defined as which of the following ?**

1. People communication

2. Inter-connective communication

3. Local communication

4. Interpersonal communication

5. Direct communication ANS:- 4

**Breaking down large, homogeneous inventories into smaller lots for wholesalers and retailers is**

1. Sorting out

2. Assorting

3. Accumulation

4. Allocation

5. None of these ANS:- 4

**Customers who purchase encyclopedias from door-to-door salespeople are acquiring products through**

1. the most efficient channel of distribution

2. the most common type of marketing channels

3. a direct-marketing channel

4. a business-to-business channel of distribution

5. none of these ANS:- 3

**Nationally distributed consumer convenience products such as cigarettes are MOST likely distributed through which of the following channels ?**

1. Producers - Consumers

2. Producer - Agents - Wholesalers - Retailers - Consumers

3. Producer - Wholesalers - Consumers

4. Producer - Wholesalers - Retailers - Consumers

5. Producer - Industrial Distributor - Wholesalers - Retailers - Consumers ANS:- 4

**There are four major characteristics of personal selling. Which of the following is not one of these characteristics ?**

1. Cost

2. Cultivation

3. Personality

4. Precision

5. Impact ANS:- 3

**Which among the following generally does not come under Corporate Banking ?**

1. Structured Finance

2. Government Banking

3. FI, Capital Markets & Custodial Services

4. Debit Cards

5. None of these ANS:- 4

**Of the following functions, which set is MOST be passed on to wholesalers by producers ?**

1. Transportation, Packaging and Financing

2. Product Development, Advertising and Financing

3. Warehousing, Transportation, and advertising

4. Financing, Transportation and Branding

5. Market Information, Transportation, Warehouse Financing ANS:- 5

**By buying in large quantities and delivering to smaller lots, a wholesaler may all of the following physical distribution functions, except**

1. inventory planning

2. transportation

3. materials handling

4. unit pricing

5. communication ANS:- 4

**Economics in marketing can be achieved in terms of**

1. sales literature

2. inventory management

3. after sales service requirements

4. all of the above

5. none of these ANS:- 4

**The strategy of identifying an attractive market segment and serving it in a way that differentiates the retailer from others in consumers' minds is termed**

1. product positioning

2. niche retailing

3. retail positioning

4. merchandise policy

5. none of these ANS:- 3

**When a retailer adds unrelated products and services to the existing product mix, this is termed**

1. range expansion

2. mix scrambling

3. merchandise extension

4. scrambled merchandising

5. none of these ANS:- 4

**A retail establishment that is open twenty-four hours a day**

1. will have higher sales than other retailers

2. provides time utility

3. is adhering to the marketing concept

4. is production-oriented

5. none of these ANS:- 2

**The primary advantage of automatic vending form of retailing is that :**

1. it provides continuous service to customers

2. it eliminates the need for sales personnel

3. vending machines require little maintenance

4. it offers low cost, personal method of selling

5. none of these ANS:- 2

**IF the demand for products is unpredictable, a retailer must be able to respond quickly to inventory shortages. In these cases, \_\_\_\_\_ may be a**

consideration when compared with service, dependability, and timeliness.

1. Planning
2. Strategy
3. Objectives
4. Cost
5. Speed

ANS:- 4

Which among the following does not come under the organizational objectives of the bank in India ?

1. To Earn Profit
2. To play a developmental role in Rural India
3. To Provide employment to maximum people
4. To Improve Customer Relationships
5. All of above are organizational objectives of the bank in India

ANS:- 3

Without which of the following a bank cannot survive

1. Cash
2. Computers
3. Customers
4. Credit
5. Competitors

ANS:- 3

Marketing is complex in Banks compared to other commercial concerns. Which among the following justifies this statement ?

Treating of the market as a homogenous group and to all customers is offering the same services

1. Bank marketing is a service Marketing
2. The focus of the bank marketing is customer
3. The Bank marketing is doubly oriented
4. Banking products are intangible
5. Role of capital markets in mobilizing funds

What has been the effect on banks by the increased

1. It increased the importance of banks
2. it decreased the importance of banks
3. it did not affect the importance of banks
4. it provided an opportunity for banks to earn more
5. none of them

ANS:- 2

Which of the following Banks in India is known to be the first Indian bank to adopt the concept of market segmentation ?

1. Punjab National Bank
2. State Bank of India
3. ICICI Bank
4. Bank of Baroda
5. Canara Bank

ANS:- 2

## SET 18

Bank marketing is aimed at providing services to satisfy customer's \_\_\_\_\_ needs.

1. Physical
2. Financial
3. Primary
4. Market
5. Objective of marketing is \_\_\_\_\_

Objective of marketing is \_\_\_\_\_

1. Target market
2. Fulfil needs
3. Integrated Marketing

4. Profit by customer satisfaction

5. All of the above

ANS:- 5

To make proper marketing decisions we need to do \_\_\_\_\_

1. Market research
2. Financial product
3. Targeted marketing
4. Publicity
5. None of these

ANS:- 1

To survive in the growing competition banks need to \_\_\_\_\_

1. Free schemes
2. Service orientation
3. Marketing Orientation
4. Core banking
5. None of these

ANS:- 3

Gathering information about customers or market is known as \_\_\_\_\_

1. Customer inspection
2. Checking market area
3. Need of a bank
4. Market Research
5. None of these

ANS:- 4

offering the same services

1. Mass marketing
2. Segment marketing
3. Local marketing
4. Process or methodology used to learn more about customer's needs and behaviors is ?
5. None of these

Process or methodology used to learn more about customer's needs and behaviors is ?

1. Selling process
2. Customer relationship management
3. Believing in customer
4. Customer facing
5. None of these

ANS:- 2

Labelling means \_\_\_\_\_

1. Identifying the product or brand
2. To provide information about the product
3. Promoting the product through 'attractive graphics'
4. All of the above
5. None of the above

ANS:- 4

Developing and spreading persuasive communication about an offer or a product is known as \_\_\_\_\_

1. Promotion
2. Information
3. Channel usage
4. Distribution
5. Converting an opportunity to revenue by sales depends on \_\_\_\_\_

Converting an opportunity to revenue by sales depends on \_\_\_\_\_

1. Sales manager
2. Pay scale
3. Skills and willingness of the sales person
4. Competitors

5. None of these ANS:- 3

**Why banks having less focus on customer although they use direct marketing ?**

1. Due to lack of appreciation of need for marketing in banking
2. Banks do not need customers much
3. Direct marketing never gives importance to customers
4. Banks need money than customers
5. None of these ANS:- 1

**Identify the direct marketing tool from the following**

1. Core banking
2. Kiosks
3. Direct mailing
4. Websites
5. All of these ANS:- 5

**A set of tools used in marketing is \_\_\_\_\_**

1. Direct marketing
2. Sales personal
3. Marketing mix
4. Market value
5. None of these ANS:- 3

**One of the following is NOT included in 4 P's of Marketing..**

1. Product
2. Price
3. Place
4. Policy
5. None of these ANS:- 4

**What are the four stages of product life cycle ?**

1. Introduction, Growth, Maturity and Decline
2. Starting, Sales, Service and End
3. Introduction, Sales, Service and End
4. Starting, Growth, Sales and Decline
5. None of these ANS:- 1

**SWOT Stands for \_\_\_\_\_**

1. Strength, Weakness, Opportunities and Threats
2. Selling, Willing, Opening and Treating
3. Sales, Winning, Opportunity and Team
4. Sales, Weakness, Opportunity and Team
5. None of these ANS:- 1

**Difference between marketing and selling is \_\_\_\_\_**

a) Marketing focus on customer and selling focus on seller

b) Marketing practices integrated approach and selling practices fragmented approach

c) Marketing converts customer's need into product and selling converts product into cash

d) Marketing makes profits through customer satisfaction, selling makes profits through sales volume

1. only a
2. a, b and d
3. b and d
4. all a, b, c and d
5. None of these ANS:- 4

**Modern style of marketing include \_\_\_\_\_**

1. E-Commerce
2. E-mail solicitation
3. Social media marketing
4. All of these
5. None of these ANS:- 4

**One of the following is not included in segmentation.**

1. Geographic Segmentation
2. Demographic Segmentation
3. Sales Segmentation
4. Behavioral Segmentation
5. None of these ANS:- 3

**Census means \_\_\_\_\_**

1. A stock market index
2. A complete canvas of a population
3. A list of voters in a constitution
4. A channel in marketing
5. None of these ANS:- 2

**The legal term for brand is \_\_\_\_\_**

1. Trademark
2. Name
3. Identity of Product
4. Symbol of Product
5. None of these ANS:- 1

## **SET 19**

**Q. Which of the following is a sales method, where customer's attention is drawn, benefits are shown, and finally the deal is closed ?**

1. above-the-fold-method
2. ABC method
3. Absolute Benefit Method
4. Attention Benefit method
5. None of these ANS:-2

**Q. 'Shoplifting' is known as \_\_\_\_\_**

1. theft of retail merchandise during store house
2. burglary of a house
3. Both 1 and 2
4. Neither 1 nor 2
5. None of these ANS:- 1

**Q. A merger is also called as \_\_\_\_\_**

1. an amalgamation
2. a consortium
3. a joint venture
4. an acquisition
5. None of these ANS:- 1

**Q. A group of Blue collar customers of a bank placed in which of the following segments ?**

1. Profession segments
2. Gender based segment
3. Income segment
4. Institutional Segment
5. None of these ANS:- 1

**Q. Inventory means ?**

1. amount of goods sold
2. amount of goods lying

3. manufacturing new products
4. amount of goods sold on credit

5. None of these                               ANS:- 2

**Q. \_\_\_\_\_ means making a smaller business, part of a larger one, so that the smaller company in effect no longer exists.**

1. Merger
2. Amalgamation
3. Absorption
4. Invention
5. None of these

ANS:- 3

**Q. A price fixed by a manufacturer which cannot be varied by a retailer is called \_\_\_\_\_**

1. Ad valorem Price
2. Manufacturing price
3. Retailer's price
4. Market Price
5. Administered Price

ANS:- 5

**Q. Which of the following is the tax calculated on the sales value of the goods ?**

1. Custom tax
2. Excise duty
3. Invention cost
4. Reimbursement Duty
5. Ad valorem tax

ANS:- 5

**Q. A product with added benefits such as warranties or installation service etc.**

1. Augmented Product
2. Bullion Product
3. Manufacturer's Product
4. Retailer's product
5. None of these

ANS:- 1

**Q. A period of expansion of business activity is called**

1. depression
2. recession
3. slump
4. boom
5. None of these

ANS:- 4

**Q. Bullion does not include**

1. gold
2. silver
3. cash
4. both 1 and 2
5. None of these

ANS:- 3

**Q. Which of the following is an example of an intangible asset ?**

1. building
2. machinery
3. patent
4. cash
5. None of these

ANS:- 3

**Q. Production cost which increase with the quantity of product made is called ?**

1. Absorption Cost
2. High Production Cost
3. Non-fixed cost

4. Variable cost

5. None of these                               ANS:- 4

**Q. List of goods being transported, made out carrier is called ?**

1. Bill of Exchange
2. Waybill
3. Indemnity Bond
4. Lorry Bond
5. None of these

ANS:- 2

**Q. Monopsony is a market situation in which exists**

1. many customers one supplier
2. many customers many suppliers
3. few customers few suppliers
4. one customer many suppliers
5. None of these

ANS:- 4

**Q. An index showing the rises and falls of p manufactured goods as they leave the factory is**

1. Sales Index
2. Wholesale Price Index
3. Individual Price Index
4. International Price Index
5. None of these

ANS:- 2

**Q. Which of the following belongs to the category 'White Goods' ?**

1. Refrigerator
2. Turbine
3. Train
4. Cement
5. None of these

ANS:- 1

**Q. Which of the following characteristics associated with wholesalers ?**

1. Assembly
2. Distribution to retailers
3. Selling to consumers
4. Grading
5. None of these

ANS:- 3

**Q. Loco Price means ?**

1. customer's price
2. retailer's price
3. wholesaler's price
4. manufacturer's price
5. None of these

ANS:- 4

**Q. In India, which commission can be approach curb misleading advertisements ?**

1. CCI
2. MTP
3. ISPT
4. QTP
5. None of these

ANS:- 1

## SET 20

**Q. PBX in business communication jargon stand for**

1. Personal Branch Exchange
2. Private Branch Exchange
3. Personnel Bureau Exchange
4. Public Bureau Exchange

5. None of these ANS:- 2

Q. **The practice of looking at goods in shop windows, without buying anything is**

1. Empty Shopping
2. Timely Shopping
3. Outing Shopping
4. Window Shopping
5. Outdoor Shopping

ANS:- 4

Q. **A situation in which, whatever happens or whatever choice is made, the people involved will benefit is called**

1. Good situation
2. Perfection situation
3. Win-Win situation
4. Lose-Lose situation
5. Win-Lose situation

ANS:- 3

Q. **M RTP Act is**

1. Monopolies and Restrictive Trade Practices Act
2. Motor Regulations and Transport Providers Act
3. Municipal Roads and Transport Policy Act
4. Merchant Regulations and Traders Principles Act
5. None of these

ANS:- 1

Q. **NABARD, a bank, is the nodal agency for**

1. Agriculture finance
2. Street industry finance
3. Automobile finance
4. Petrochemical finance
5. None of these

ANS:- 1

Q. **A Free Trade Zone is an area**

1. where goods are traded free of cost
2. where goods are traded through barter
3. where there are no customs duties
4. where government controls production and distribution
5. None of these

ANS:- 3

Q. **High-priced goods which are kept in use for a**

**relatively long time and so are not replaced very frequently are called \_\_\_\_\_**

1. White goods
2. Yellow goods
3. Red goods
4. Orange goods
5. None of these

ANS:- 2

Q. **Goods which are not bought as often as fast-moving items but are replaced from time to time are called**

1. White goods
2. Yellow goods
3. Red goods
4. Orange goods
5. None of these

ANS:- 4

Q. **Fast-selling convenience goods are called**

1. White goods
2. Yellow goods
3. Red goods
4. Orange goods

5. None of these ANS:- 3

Q. **A bank doesn't honour**

1. an ante-dated cheque
2. a state cheque
3. a post-dated cheque
4. both 2 and 3
5. None of these

ANS:- 4

Q. **What is a Finge benefit ?**

1. Added advantages available to shareholders
2. Indirect, non cash benefits provided to employ
3. Salaries paid
4. Benefits to manufacturers due to location producing unit
5. None of these

ANS:- 2

Q. **Caveat Emptor means**

1. an economy where the emperor/ ruler governs t which money is lent
2. means that buyer is responsible for the quali goods he buys
3. person in charge of a meeting
4. 1 or 2
5. None of these

ANS:- 2

Q. **Brainstorming is used by the management f**

1. Work allocation of the shop floor
2. Generating alternative for problem solving
3. The promotion of research and development
4. Training employees
5. None of these

ANS:- 2

Q. **Product line is a \_\_\_\_\_**

1. specific model of product
2. group of closely related items
3. all products offered by a company
4. both 1 and 2
5. None of these

ANS:- 2

Q. **The Stock Exchanges in India are regulated**

- 1.
2. SEBI
3. SBI
4. IDBI
5. None of these

ANS:- 2

Q. **Underwriting in terms of shares means**

1. Agreeing to purchase shortfall of shares company in case of undersubscription
2. Selling shares at a discount
3. Purchasing property at less than market price
4. a and b
5. None of these

ANS:- 1

Q. **A small size of news paper, as oppos broadsheet**

1. magazine
2. journal
3. tabloid
4. district edition
5. None of these



Q. The aiming of advertising or selling at a specific group of consumers who all have similar characteristics

1. Same-people Marketing
2. Individual Marketing
3. Services Marketing
4. Industrial Marketing
5. Target Marketing

ANS:- 5

Q. Which among the following is not included in fringe benefits available to an employee ?

1. old age survivors benefits
2. pensions
3. gratuities
4. both 1 and 2
5. None of these

ANS:- 5

Q. Advertising which makes use of testimonials from famous or qualified people, or from satisfied customers, to endorse a product is called

1. Proof Advertisement
2. Direct Advertisement
3. Testimonial Advertisement
4. Back-door Advertisement
5. None of these

ANS:- 3

## SET 21

Q. Which among the following is a source of recruitment of sales force ?

1. Advertisement
2. Employment agencies
3. Educational Institutions
4. All of the above
5. None of the above

Q. A race in Marketing / Business terminology means

1. A race conducted for rats
2. accepted proposal
3. Competition for success in a business
4. Meeting an obligation when it is due
5. None of these

ANS:- 3

Q. 'Going Concern' concept of business says which of the following

1. Business will continue trading over a long period of time
2. Anticipate no profit and provide for all possible losses
3. The period of allocation of the cost of an asset
4. 1 and 2
5. None of these

ANS:- 1

Q. PAN in Business terms means

1. Performing Asset Number
2. Personal Address Number
3. Permanent Account Number
4. Personal Account Number
5. None of these

ANS:- 3

Q. BIFR stands for

1. Bank for industrial and Financial Reconstruction
2. Board of Industrial and Financial Reconstruction

3. Board of Industries Financial Reconciliation
4. Bank of Industries Financial Reconstruction
5. BIFR

ANS:

Q. 'Imprest Cash' in Business Terminology means

1. Cash maintained for Sunday expenses
2. Cash maintained for holidays
3. Cash maintained for closure of business
4. Cash maintained for top executive expenses
5. None of these

ANS:

Q. Collateral Security in Business means

1. Additional or Supporting security
2. No security
3. Security in the form of Gold
4. Security for top executives
5. None of these

ANS:

Q. A philosophy and style of management that everyone in an organization responsibility for delivering quality to the customer is

1. Total Quality Management
2. Investment Management
3. Institutional Management
4. Forward Management
5. None of these

ANS:- 1

Q. A period during which trade expands, then contracts and then expands again is

1. Business Recession
2. Boom
3. Slump
4. All of these
5. None of these

Q. An act of exchanging a thing with another part of a business is called ?

1. Business Exchange
2. Trade-off
3. Bidding
4. Tender
5. None of these

Q. The following offering is not a service

1. Fixed deposit receipt
2. Postage stamp
3. Insurance Policy
4. Gift coupon of a chain store
5. None of these

Q. Mobile phones in India are in the \_\_\_\_\_ product life cycle

1. Introduction
2. Growth
3. Maturity
4. Decline
5. None of these

Q. Selling lays emphasis on the \_\_\_\_\_ whereas marketing on \_\_\_\_\_

1. Product, Customer wants
2. Production, Customer Wants
3. Production, Product
4. Product, Cost

5. None of these ANS:- 1
- Q. **In market skimming pricing strategy**
1. Initially price is lower and then it is increased
  2. Initial price is high and is maintained high
  3. Initial price is low and is maintained low
  4. Initial price is higher and then it is reduced
  5. None of these ANS:- 4

Q. **Marketing research data is gathered by**

1. Observation
2. In-depth interviews
3. Control experiment
4. All of the above
5. None of these ANS:- 4

Q. **A market in which only two firms exist is called**

1. Oligopoly
2. Duopoly
3. Duopsony
4. Oligopsony
5. None of these ANS= 2

Q. **A fad is**

1. Unpredictable
2. Short lived
3. Without social, economic, political significance
4. All of these
5. None of these ANS= 4

Q. **A market situation in which there are only a few sellers & each seller can influence its price output policy is called**

1. Oligopoly
2. Monopoly
3. Monopolistic
4. Duopoly
5. None of these ANS:- 1

Q. **Marketing thinking starts with the fact of**

1. Human needs and wants
2. Basic functional area of business
3. Earning profit
4. All of these
5. None of these ANS:- 1

Q. **Colgate, Samsung etc are**

1. Public Limited companies
2. Monopoly items
3. Legal terms
4. Brand Names
5. None of these ANS:- 4

## **SET 27**

Q. **Intangible assets are**

1. Which can be physically verified
2. Which cannot be seen or touched
3. Which are written as expenses
4. Which will be spent in the future
5. None of these ANS:- 2

Q. **"Primary book" maintained in a business is**

1. Journal
2. Ledger
3. Cash book

4. Account book

5. None of these ANS:- 1

Q. **"Sole trading" has \_\_\_\_\_ owner(s)**

1. One
2. Two
3. More than 3
4. More than 10
5. None of these ANS:- 1

Q. **Marketing effort includes \_\_\_\_\_**

1. Level of the budgeted expenses
2. Trading
3. Financing
4. Selling
5. All of these ANS:- 1

Q. **A person who owes money to the business is**

1. creditor
2. proprietor
3. debtor
4. both 1 and 2
5. None of these ANS:- 3

Q. **A person who is in a position to pay his \_\_\_\_\_ called a / an**

1. insolvent
2. solvent
3. bankrupt
4. broke
5. None of these ANS:- 2

Q. **Gross profit is equal to**

1. selling price minus purchase price
2. selling price minus purchase price plus depreciation
3. depreciation plus unsold stock minus purchase price
4. purchase price minus production cost
5. None of these ANS:- 1

Q. **Which of the following is not a type of Bank**

1. Loan
2. Fixed deposit
3. Overdraft
4. All of these
5. None of these ANS:- 2

Q. **The object of the contract must be**

1. Lawful
2. Opposed to public policy
3. To defeat the provision of law
4. Illegal
5. None of these ANS:- 1

Q. \_\_\_\_\_ can be used as a standard measure the efficiency of an economy

1. Cash reserve ratio
2. Exchange rate ratio
3. Incremental capital output ratio
4. Profit ratio
5. None of these ANS:- 3

Q. **List of people employed and paid by a comp**

- 1.

2. Patent

3. Atlay

4. Atsource

5. None of thes

ANS:- 1

**Q. Patents and copyrights fall under the category of**

1. Current assets

2. Liquid assets

**3. Intangible assets**

4. Nominal assets

5. None of these

ANS:- 3

**Q. Dumping can be defined as**

1. Throwing away consumer goods without destroying them

2. Buying industrial waste under sea

3. Throwing Radioactive waste in other countries

**4. The sale of goods by a foreign supplier at a price below a native supplier's prices**

5. None of these

ANS:- 4

**Q. Which of the following labels is not associated with a role of buying Decision Making Unit ?**

1. Supplier

**2. Gatekeeper**

3. Decision Maker

4. User

5. None of these

ANS:- 2

**Q. Inflation is caused by certain factors**

**1. Those causing an increase in demand**

2. Those a short, fall in supply

3. Structural rigidities in the economy

4. All of these

5. None of these

ANS:- 1

**Q. PLR stands for**

1. Planned load rate

**2. Prime Lending Rate**

3. Planned Liquid Ratio

4. Prime Liquid Ratio

5. None of these

ANS:- 2

**Q. A manual worker in a factor is called a**

1. white-collar worker

2. black-collar worker

3. green-collar worker

**4. blue-collar worker**

5. None of these

ANS:- 4

**Q. A person who writes advertisement is called a**

1. Copier

**2. Copy writer**

3. Conveyer

4. Correspondent

5. None of these

ANS:- 2

**Q. "e & o.e" stands for**

1. errors and omissions excepted

2. extras and omissions excepted

**3. errors and omissions expected**

4. extras and omissions expected

5. None of these

ANS:- 3

**Q. Money paid to an inventor or writer for the right to use his property is**

1. Revival

**2. Royalty**

3. Restructuring

4. Resolution

5. None of these

ANS:- 2

## **SET 26**

**Q. Which sister organization of the World Bank private activity in developing countries by f projects with long-term capital in the form o and loans ?**

1. Asian Development Bank

2. IMF

3. International Development Association

**4. International Finance Corporation**

5. None of these

ANS:- 4

**Q. Which sister organization of the World provides long term loans at zero interest to and developing countries ?**

1. Asian Development Bank

2. IMF

**3. International Development Association**

4. International Finance Corporation

5. None of these

ANS:- 3

**Q. Who is known as the "Father of Economics"**

**1. Adam Smith**

2. Chanakya

3. Machiavelli

4. Jhonson

5. None of these

ANS:- 1

**Q. Which was the first Indian Bank to introduce card ?**

1. State Bank of India

**2. Central Bank of India**

3. Union Bank of India

4. ICICI Bank

5. None of these

ANS:- 2

**Q. What does devaluation of a currency mean ?**

1. decrease in the internal value of money

**2. decrease in the external value of money**

3. decrease both in the external and internal value of money

4. None of these

5. both 1 and 2

ANS:- 2

**Q. Which of the following is known as plastic m**

1. bearer cheques

**2. credit cards**

3. demand dreafts

4. gift cheques

5. None of these

ANS:- 2

**Q. Failure to carryout a contract is called ?**

**1. breaking**

2. default

3. overdraft

4.

in

5. None of these ANS:- 1
- Q. **A Government order which stops trade is called ?**
1. embargo
  2. stay order
  3. trade ban
  4. trade boycott
  5. None of these ANS:- 1

- Q. **The debt which can never be recovered is a / an**
1. dead debt
  2. forgotten debt
  3. bad debt
  4. doubtful debt
  5. None of these ANS:- 3

- Q. **A situation where two companies hold shares in each other is called ?**
1. equity holding
  2. swapping
  3. reciprocal holding
  4. cross holding
  5. None of these ANS:- 4

- Q. **Ability of a customer to pay for good bought on credit is called**
1. goodwill
  2. credibility
  3. credit worthiness
  4. reputation
  5. None of these ANS:- 3

- Q. **Which of the following is an example of informal communication ?**
1. Office order
  2. Memo
  3. Grapevine
  4. Circular
  5. None of these ANS:- 3

- Q. **Which of the following doesn't appear on the liabilities side of the balance sheet ?**
1. Capital
  2. Loans
  3. Advertisement expenditure
  4. Share capital
  5. None of these ANS:- 3

- Q. **Harmonising of various activities means ?**
1. Co-operation
  2. Span of Control
  3. Co-ordination
  4. Direction
  5. None of these ANS:- 1

- Q. **A company comes into existence when it gets**
1. High court order
  2. Central Government order
  3. Certificate of Commencement
  4. Certificate of incorporation
  5. None of these ANS:- 4

- Q. **Money market is a market for**
1. Long term funds
  2. medium term funds

3. short term funds
  4. Both 1 and 2
  5. None of these ANS:- 3
- Q. **Transfer of an existing or future right, property or debt by one person to another is called**
1. assignment
  2. pledge
  3. endorsement
  4. charge
  5. None of these ANS:- 1

- Q. **No interest is paid by banks on**
1. Recurring deposits
  2. Current deposits
  3. Saving deposits
  4. Fixed deposits
  5. None of these ANS:- 2

- Q. **A method of comparing the internal capabilities of an organization with the demands and challenges of its external environment is referred to as**
1. SHOT analysis
  2. SWOT analysis
  3. stake holder analysis
  4. shareholder analysis
  5. None of these ANS= 2

20. **"Stag" in a share market is**
1. an animal
  2. a short term security
  3. a broker who deals in new shares
  4. shares of shut down companies
  5. None of these ANS:- 3

## **SET 22**

- Which of the following is not correct with respect to marketing ?**
1. Marketing is a Management Function
  2. Marketing is a Philosophy
  3. Marketing is not related to Business Activity
  4. Marketing means selling
  5. Objective of Marketing is to achieve customer satisfaction ANS- 4

- Which of the following is a part of Marketing Management ?**
1. Identification of Business Opportunities
  2. Understanding the Customer needs
  3. Producing according to customer needs
  4. Delivering as per Customer convenience
  5. All the above ANS- 5

- If Surf Excel is three pack sizes and two packages, what is the product depth ?**
1. Two
  2. Three
  3. Six
  4. Eight
  5. Nine ANS- 3

- For promotion under 4 P, which aspect is not taken into account ?**
1. Adve

2. Sales Promotion
3. Sales Force
4. Public Relations
5. None of the above

ANS- 5

**In 4 P model for marketing, the place relates to which aspect ?**

1. Distribution
2. Production
3. Transportation
4. both 1 & 3
5. both 2 & 3

ANS- 4

**In modern times \_\_\_\_\_ is defined as the 5th P of marketing ?**

1. Policy
2. Period
3. Perception
4. Packaging
5. None of these

ANS- 4

**What among the following is the feature of experienced goods ?**

1. These are intangible
2. These cannot be packaged
3. These cannot be touched
4. These can be evaluated only after use
5. all the above

ANS- 5

**A Brand Name is ?**

1. A Symbol or a design for the purpose of identification
2. Its legal version is trademark
3. It is given legal protection
4. All the above
5. None of the above

ANS- 4

**Rural Markets are**

1. Homogeneous
2. Heterogeneous
3. Organized
4. Unorganized
5. None of these

ANS- 2

**When very little is known about the problem being examined, which type of marketing research is done ?**

1. Exploratory Research
2. Descriptive Research
3. Casual Research
4. Predictive Research
5. None of these

ANS- 1

**It is difficult to measure the morale of the sales team directly because**

1. It is a tangible state
2. It is an intangible state
3. Employees hide the truth
4. All the above
5. None of these

ANS- 2

**Which among the following is / are user / users of the outcome of the Marketing Research ?**

**A. Consumers**

**B. Business Firms**

**C. Government**

**D. Producers**

1. Only A
2. Only A & B
3. A, B & D
4. All the above
5. None of these

ANS- 4

**In Banking Services, Market can be segmented on the basis of**

1. Density
2. Customers
3. Both 1 & 2
4. Neither 1 nor 2
5. None of these

ANS- 3

**Sales targets are fixed on the basis of**

1. Past experience
2. Time period
3. Brand positionally
4. All the above
5. None of these

ANS- 4

**Which among the following is an example of Secondary Media ?**

1. Television
2. Radio
3. Hoardings
4. News Papers
5. None of these

ANS- 3

**Emotional and Rational buying motives are differentiated on the basis of**

1. Time in purchasing
2. Dominance
3. Nature of product
4. All the above
5. None of these

ANS- 4

**Which of the following is not usually defined as an element of the marketing mix ?**

1. Products
2. Place
3. People
4. Profits
6. None of these

ANS- 4

**The following does not represent a market situation**

1. A bank run dispensary in its staff quarters
2. A fund raising Charity Show for the members of an NGO
3. A meditation Camp of a religious organization conducted for its members
4. A stall distributing Tirumala prasadam in a market
5. None of these

ANS- 4

**The markets are grouped into different types based on the geographical area, location of market, product, nature of transaction and volume of transaction. In the above statement the following is correct**

1. Nature of transaction
2. Geographical area
3. Location of Market place
4. Volume of transaction

5. None of these ANS- 3

**Q The act of obtaining a desired object from someone by offering something in return is called**

1. Transaction
2. Exchange
3. Relationship
4. Value
5. None of these

ANS- 2

### SET 23

**Q Services have special characteristics namely \_\_\_\_\_ which affect their Marketing process**

1. Intangibility
2. Inseparability
3. Heterogeneity
4. Perishability
5. All the above

**Q "Just in time" technique has wider acceptance world over. The technique was first introduced in ?**

1. India
2. Indonesia
3. Japan
4. All people to your site, then push quality
5. America

ANS- 3

**Q Consumer day is celebrated on \_\_\_\_\_**

1. May 15th
2. March 15th
3. July 15th
4. June 15th
5. March 25th

ANS- 1

**Q Which among the following is / are characteristics of common market ?**

1. A common external trade policy exists
2. There are no trade barriers among members
3. Creates mobility of factors of production
4. All of these
5. None of these

ANS- 4

**Q In case of Diamond, if the price goes up slightly, demand will fall by a much larger margin. The demand is**

1. Zero elastic
2. Highly price elastic
3. Income elastic
4. Low price elastic
5. None of these

**Q Advertising creates consumers demand for products that they would otherwise not feel a need to buy. This statement is**

1. Partially true
2. Absolutely true

3. Partially biased
4. Any one of the above
5. None of these

ANS- 1

**Q The Strategy used to charge different prices for same product is called**

1. Price discrimination
2. Price Revision
3. Tariffs
4. Restrictions
5. None of these

**Q The nature of Internet commerce can be described as**

1. Non Tangible
2. Territorial
3. both 1 & 2
4. None of these

ANS- 4

**Q In on line marketing, there is**

1. No exchange
2. Exchange is the core of marketing
3. Guarantee
4. Only Warranty
5. None of these

ANS- 2

**Q The law of Pull & Push of Web Marketing**

1. Pull people to your site and force them to purchase information to them
2. Pull people to your site and Push them away
3. Pull people to your site and Push them out
4. Push people to your site and force them to purchase information to them
5. Push people to your site and Push them away

**Q What is the first step of people and push them out of the site?**

1. Product
2. Music
3. Model
4. Special effects
5. None of these

ANS- 1

**Q Business ethics is essentially about**

1. universal business practice
2. societal oriented behavior by firms
3. A culturally conditional agreement which constitutes right and wrong
4. Honesty
5. None of these

ANS- 2

**Q If the market share of a company is increasing**

1. It is a sign of progress
2. The company must take the action to arrest the trend
3. both 1 & 2
4. neither 1 nor 2
5. None of these

ANS- 1

**Q In modern days, sales approach is**

1. Value sharing
2. Relation building
3. Coordinated approach
4. All the above
5. None of these

ANS- 4

**Q What do you mean by Delphi Technique in Market Research ?**

1. In this a questionnaire is prepared
2. Information is elicited by means of discussions with various experts in the field
3. Depth interviews are conducted
4. All the above
5. None of these

ANS- 3

**Q In the AIDAS theory of selling, 'D' stands for**

1. Determinants
2. Demand
3. Desire
4. Development
5. None of these

ANS- 3

**Q Which criteria should be adopted by a marketer for a brand extension decision ?**

1. The fit
2. The Value perception
3. Competitive edge
4. All the above
5. None of these

ANS- 4

**Q The quantity for which orders are placed when stock reaches the re-order level is called**

1. EOQ
2. EPQ
3. DOQ
4. MOQ
5. None of these

ANS- 1

**Q In testing a new product, concept testing is**

1. Customer reaction to the idea of product
2. Salesman reaction to the idea of product
3. To put the real product into a few selected markets
4. To assess the total product performance
5. None of these

ANS- 1

**Q Niche Marketing refer to**

1. A strategy that specializes in limited or unique product category
2. A strategy that specializes Niche products
3. Both 1 & 2
4. Neither 1 nor 2
5. None of these

ANS- 1

**SET 24**

**Q Which of the following is not a foreign bank working in India**

1. HSBC
2. Barclays
3. Yes Bank
4. Standard Chartered

5. None of these

ANS- 3

**Q All marketing activities that attempt to speed up quick buyer action or immediate sales of a product are known as**

1. None of these
2. Advertising
3. Personal Selling
4. Sales Promotion
5. None of these

**Q Marketers can enhance the consumer's ability to access knowledge structures by**

1. Using loud music
2. Using colorful ads
3. Employing verbal framing
4. Repeating brand information
5. None of these

ANS- 3

**Q Spurthy notices the television commercial because of the loud sounds. This is an example of**

1. Exposure
2. Involuntary attention
3. non voluntary attention
4. voluntary attention
5. None of these

ANS- 2

**Q A clothing store that sets their advertising budget by following the major competitor and adding an additional 15 per cent is using the method**

1. percentage of sales
2. arbitrary allocation
3. objective and task
4. competitive parity
5. None of these

ANS- 4

**Q A bilateral monopoly is a market structure consisting of both a monopoly (a single seller) and a \_\_\_\_\_(a single buyer).**

1. Monopsony
2. Biopoly
3. Triple poly
4. multipoly
5. multisony

ANS- 1

**Q Which of these Indian companies has the largest market capitalization**

1. ONGC
2. Reliance
3. Infosys
4. BHEL
5. Production concept
4. All the above

SBI

**Q The concept that consumers will favor those products which offer maximum quality performance and features and asks for continuous product improvement is**

5. None of these ANS- 1

**Q Sales Promotion**

1. A must for competitive advantage
2. Compulsory
3. Waste of time
4. Must for profits
5. None of these

ANS- 1

**Q Oligopoly is a market organization in which there are**

1. No seller
2. Few Buyers
3. Few Sellers
4. Many buyers
5. Many sellers

ANS- 3

**Q Monopoly there are / is**

1. Few sellers
2. one seller
3. Many sellers
4. few buyers
5. None of these

ANS- 2

**Q "A monopolist is a market with one seller" is given by**

- |                      |    |
|----------------------|----|
| 1. P C Dooley        | 2. |
| 2. A J Braff         | 3. |
| 3. Letwitch Observes | 4. |
| 4. All the above     | 5. |
| 5. None of these     |    |

ANS- 1

**SET**

**Q Which of the following is not the factors of production ?**

1. Land
2. Labour
3. Capital
4. Entrepreneur
5. None of these

**Q Market with one buyer and one seller**

1. Monopoly
2. Bi monopoly
3. Bilateral Monopoly
4. All the above
5. None of these

ANS- 3

**Q Marketing management is a term than sales management**

1. Wider
2. Narrower
3. Equal
4. Smaller
5. None of these

**Q The systematic gathering and analyzing of data on a particular marketing problem is**

1. Promotional research
2. marketing information
3. marketing research
4. strategic information

ANS-

5. None of these ANS- 2

**Q A pricing strategy aimed at paying current due bills is**

1. Survival pricing
2. Brand pricing
3. Status quo pricing
4. Due bill pricing
5. None of these

ANS- 1

**Q Marketing provides maximum satisfaction**

1. Profits
2. Human wants
3. Needs
4. both 1 & 3
5. None of these

ANS- 2

**Q Moral advertising is also known as**

1. Outdoor advertising
2. Direct mail advertising
3. Both 1 & 2
4. Tele advertising
5. None of these

ANS- 1

**Q LIC agent is an example of**

1. Two level marketing
2. Three level marketing
3. Direct marketing
4. Indirect marketing
5. None of these

ANS- 3

**25**

**Q Market information means ?**

1. Knowledge of shops and bazaars
2. Knowledge of shipping malls
3. Knowledge of customer profile and product mix
4. Knowledge of various languages
5. None of these

ANS- 3

**Q Market Research is needed for ?**

1. Checking the market area
2. Checking the right product to be sold
3. Making proper marketing decisions
4. Deciding right time to sell
5. All of these

ANS-5

**Q Which of the following statements is true ?**

1. Marketing makes the company to go into loss to higher expenses
2. Marketing is not required in profit companies
3. Marketing sharpens the minds of the employees
4. Marketing is a time bound seasonal function
5. Marketing is a waste of time

ANS- 3

**Q Marketing plan helps**

1. better lead generation
2. better systems
3. better results
4. improved balance sheet
5. better customer service

3



**Q If marketing is done effectively which of the following is not required ?**

1. Advertisement
2. Publicity
3. Market Research
4. Market Segmentation
5. None of these

ANS- 2

**Q Motivation Means ?**

1. Inspiring employees to perform better
2. Better communication skills
3. Sales coaching
4. Market research
5. None of these

ANS- 1

**Q In a selling process in today's world**

1. Only standard products are sold
2. No customization required
3. The seller need not have product knowledge
4. the seller should aim at customer satisfaction
5. only quantum of sales matters

ANS- 4

**Q Which of the following is an element of an organizations internal environment ?**

1. competitors
2. employees
3. wholesalers
4. retailers
5. none of these

ANS- 2

**Q A Target market is**

1. entire country
2. entire city
3. entire globe
4. that which consists of customers who need the identified product
5. all of these

ANS- 4

**Q Sales forecasting involves**

1. Sales planning
2. Sales pricing
3. Distribution Channels
4. Consumer tastes
5. All of these

ANS- 5

**Q Which of the following product is being sold under the brand name ZODIAC ?**

1. Shirts
2. Ties
3. Both 1 & 2
4. Computers
5. Mobiles

ANS- 3

**Q SWIFT - cars are being manufactured by**

1. DCM
2. Maruti
3. Premier Automobiles
4. Hyundai
5. None of these

ANS- 2

**Q "With you all the way" is the slogan of ?**

1. Vodafone
2. SBI
3. ICICI
4. LIC
5. Raymonds

ANS- 2

**Q Arrange the following Steps of selling process in order in order to help the sales man ?**

- I. Approach
- II. Presentation and demonstration
- III. Prospecting and qualifying
- IV. Closing sales and follow-up
- V. Handling objectives

1. II, III, I, V, IV
2. I, II, III, IV, V
3. I, II, V, III, IV
4. II, I, III, V, IV
5. None of these

ANS- 2

**Q Expand RTGS ?**

1. Real Time Gross Settlement
2. Real Time Group Selling
3. Retailers Trade Group Selling
4. Reliance Technology Group Sellers
5. None of these

ANS- 1

**Q Cross Selling means ?**

1. Identifying customer needs
2. matching the products to customer needs
3. convincing the customers of product benefits
4. responding to questions and objections of customer
5. all of these

ANS- 5

**Q The International Bank for Reconstruction and Development (IBR) is better known as ?**

1. World Bank
2. Asian Development Bank
3. IMF
4. Security Bank
5. None of these

ANS- 1

**Q Marketing to reduce demand or shifting the demand curve is known as ?**

1. Market Demand
2. Shift Demand
3. Demarketing
4. Premarketing
5. None of these

ANS- 3

**Q Temporarily pricing below the list price in order to increase short run sales is known as \_\_\_\_\_ ?**

1. Promotional pricing
2. Segmentation pricing
3. Bundle pricing
4. Product line pricing
5. None of these

ANS- 1

1.