

PROVISIONAL ANSWER KEY

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Department	Kerala Co-operative Milk Marketing Federattion Limited

Question1:-Which body or authority is empowered to change the bye-laws of a co-operative society?

- A:-State Government
- B:-Central Government
- C:-General body of the society
- D:-Registrar of co-operative societies

Correct Answer:- Option-C

Question2:-According to the Kerala co-operative societies act, 1969, the power to cancel a society's registration is provided under which section?

- A:-Sec 74
- B:-Sec 72
- C:-Sec 70
- D:-Sec 71

Correct Answer:- Option-A

Question3:-For registering a co-operative society, which of the following is not a mandatory requirement

- A:-objects consistent with co-operative principles
- B:-minimum number of members
- C:-proposed bye-laws
- D:-government approval of capital

Correct Answer:- Option-D

Question4:-When may a member be denied voting rights in a co-operative society?

A:-he failed to pay dues

B:-he is a nominal or associate member

C:-he joined less than 60 days before an election

D:-all of the above

Correct Answer:- Option-D

Question5:-Who may exercise certain functions on behalf of the managing committee if powers are delegated

A:-sub-committees

B:-any member of the society

C:-external auditors

D:-state government officials

Correct Answer:- Option-A

Question6:-The Kerala co-operative societies act empowers the registrar to inspect society records at

A:-only after giving 6 months notice

B:-at any time

C:-only once every 5 years

D:-only with court order

Correct Answer:- Option-B

Question7:-A dispute between a member and the society regarding arrears or contributions can be referred to

A:-general body meeting

B:-registrar for adjudication

C:-police

D:-only the civil court

Correct Answer:- Option-B

Question8:-In a co-operative society, audit is responsible for all of the following except?

- A:-reporting financial discrepancies
- B:-verification of assets and liabilities
- C:-supervising elections
- D:-ensuring accounts comply with the act

Correct Answer:- Option-C

Question9:-Mention the authority who is responsible for registration of co-operative societies

- A:-finance minister
- B:-district collector
- C:-registrar of co-operatives
- D:-panchayat secretary

Correct Answer:- Option-C

Question10:-Once the winding-up orders are issued, the Registrar will appoint a person to settle the assets and liabilities of a Co-operative society. By what name the particular person is called

- A:-arbitrator
- B:-liquidator
- C:-returning officer
- D:-administrator

Correct Answer:- Option-B

Question11:-As part of which national level programme, did Kerala Co-operative Milk Marketing Federation Ltd was formed

- A:-White revolution phase I
- B:-National Dairy plan
- C:-Rashtriya Gokul mission

D:-Operation flood

Correct Answer:- Option-D

Question12:-A group of farmers submits an application to register a co-operative society. The registrar finds that the proposed bye-laws violate provisions of the Act. What can the registrar do?

A:-must register the society immediately

B:-reject the application without reason

C:-direct modification of bye-laws before registration

D:-transfer the application to the government

Correct Answer:- Option-C

Question13:-Statement I : Village dairy co-operative societies form the base of MILMA's structure.
Statement II : Procurement of milk and farmer services are the responsibility of these societies.

A:-Statement I is true and statement II is false

B:-Statement I is false and statement II is true

C:-Both the statements are true

D:-Both the statements are false

Correct Answer:- Option-C

Question14:-A village society failed to maintain the desired milk quality standards. Which organisational level will most directly provide technical intervention and training?

A:-state federation

B:-registrar of co-operatives

C:-local self-government

D:-regional union

Correct Answer:- Option-D

Question15:-A regional union struggles with marketing excess dairy products despite efficient procurement. Which level should intervene to expand market channels?

A:-state federation marketing division

B:-regional union alone

C:-village societies

D:-individual distributors

Correct Answer:- Option-A

Question16:-In 1991, the Indian government reduced industrial licensing requirements, lowered import tariffs, and allowed greater participation of private firms in many industries. This reforms are best described as ;

A:-privatization reforms

B:-liberalization reforms

C:-nationalization reforms

D:-protectionist policies

Correct Answer:- Option-B

Question17:-The government introduces new environmental regulations requiring factories to install pollution-control equipment before operating. This action represents which role of the government in business?

A:-consumer role

B:-regulatory role

C:-entrepreneurial role

D:-promotional role

Correct Answer:- Option-B

Question18:-Globalization mainly refers to

A:-isolation of national economies

B:-integration of world economies through trade, capital and technology flows

C:-government ownership of industries world wide

D:-limiting cross-broader trade

Correct Answer:- Option-B

Question19:-FDI refers to

A:-buying goods from foreign countries

B:-investment made by a company or individual in one country into business interests in another country with controlling ownership

C:-government loans from international organisations

D:-invest directly in the share market of foreign country

Correct Answer:- Option-B

Question20:-A technology company headquartered in the united states establishes manufacturing plants in India, research centers in Germany, and sales offices in Brazil. This company is best classified as

A:-domestic enterprise

B:-joint sector company

C:-multinational corporation

D:-public sector enterprise

Correct Answer:- Option-C

Question21:-Which of the following reduces the investment of an owner of a business?

A:-purchases

B:-discount allowed to customers

C:-drawings

D:-none of the above

Correct Answer:- Option-C

Question22:-PQ Ltd has applied for a loan for expanding its business. Which of the following accounting information about PQ Ltd is required by the bank to sanction the loan?

A:-information on the impact on environment and its protection

B:-information on risk and return on investment

C:-credit worthiness of the company

D:-none of these

Correct Answer:- Option-C

Question23:-Carriage inwards is shown in

A:-trading account

B:-profit and loss account

C:-balance sheet

D:-cash book

Correct Answer:- Option-A

Question24:-Closing stock is valued at cost or market price whichever is less is the application of

A:-conservatism concept

B:-cost concept

C:-realisation concept

D:-none of the above

Correct Answer:- Option-A

Question25:-Which of the following statement/s is found to be correct?

- (i) Trade discount encourages the customers to make prompt payment
- (ii) Capital is an obligation and claim on the asset of a company
- (iii) Closing stock of a manufacturing concern includes only the amount of goods which are lying unsold.

A:-(i) (ii) and (iii) are correct

B:-Only (ii) is correct

C:-Only (i) and (iii) are correct

D:-Only (ii) and (iii) are correct

Correct Answer:- Option-B

Question26:-Goods withdrawn by the proprietor for personal use or debited to....

A:-Purchase account

B:-Capital account

C:-Drawings account

D:-Trading account

Correct Answer:- Option-C

Question27:-If closing stock appears inside the trial balance, it will be shown

A:-Only in Balance sheet

B:-Only in Trading account

C:-Only in Profit and Loss account

D:-Both in Trading account and Balance sheet

Correct Answer:- Option-A

Question28:-Which accounting concept requires assets to be recorded in the books of account at their purchase price, regardless of market changes?

A:-Money Measurement Concept

B:-Cost concept

C:-Realisation concept

D:-Materiality concept

Correct Answer:- Option-B

Question29:-The main objective of financial accounting in preparing financial statements is

A:-To assist the management in policy formation

B:-To control the cost

C:-To provide financial information to the stakeholders

D:-To control daily business operations

Correct Answer:- Option-C

Question30:-If Purchase returns are not recorded in the trading account, it will

A:-Overstate the profit

B:-Understate the profit

C:-Have no effect on the profit

D:-None of these

Correct Answer:- Option-B

Question31:-Which of the following statements is true regarding overheads?

A:-overheads are fixed costs only

B:-overheads include both fixed and variable costs

C:-overheads are always variable costs

D:-overheads are not included in product costing

Correct Answer:- Option-B

Question32:-Which statement explains a purchase order?

A:-A document sent by the supplier shows the acceptance of quotation

B:-An internal document requesting approval for purchase

C:-A formal document issued to a supplier indicating the details of goods/services to be supplied

D:-A receipt of goods received

Correct Answer:- Option-C

Question33:-If the ordering cost decreases, what is the likely effect on EOQ?

A:-EOQ will increase

B:-EOQ will decrease

C:-EOQ remains unchanged

D:-EOQ becomes zero

Correct Answer:- Option-B

Question34:-From the options identify when reorder is to be done

A:-When stock reaches minimum stock level

B:-At a point before stock falls below minimum level

C:-When stock reaches average stock level

D:-When stock reaches safety stock level

Correct Answer:- Option-B

Question35:-Which of the following is NOT a main objective of costing?

A:-determining the cost of goods sold

B:-assisting in price fixation

C:-preparing financial statements for external reporting

D:-controlling costs effectively

Correct Answer:- Option-C

Question36:-Which of the following is NOT considered an overhead cost?

A:-Production Wages

B:-Factory lighting

C:-Advertising Cost

D:-Depreciation on machinery

Correct Answer:- Option-A

Question37:-Choose correct answer based on the statements

Statement 1: In variance analysis, standard cost variances help in identifying areas of efficiency and inefficiency.

Statement 2: Favorable variances indicate an overspending.

A:-Both statements are true.

B:-Both statements are false.

C:-Statement 1 is false; Statement 2 is true.

D:-Statement 1 is true; Statement 2 is false.

Correct Answer:- Option-D

Question38:-Identify the primary advantage of using standard costing in a manufacturing firm

A:-accurate calculation of actual costs at the end of the period

B:-eliminates the need for cost records

C:-identify the historical cost

D:-simplification of cost control and variance analysis

Correct Answer:- Option-D

Question39:-Which type of inventory valuation method assigns the most recent purchase prices to ending inventory?

A:-FIFO (First-In, First-Out)

B:-LIFO (Last-In, First-Out)

C:-Weighted Average

D:-HIFO (Highest in First Out)

Correct Answer:- Option-B

Question40:-Choose right answer based on the two statements

Statement 1: Material requisition is a document used to authorize the withdrawal of materials from store.

Statement 2: Material requisition is prepared by production department

A:-Both statements are true

B:-Both statements are false

C:-Statement 1 is true, Statement 2 is false

D:-Statement 1 is false, Statement 2 is true

Correct Answer:- Option-A

Question41:-The demand curve generally slopes downward because of:

A:-Law of diminishing returns

B:-Law of demand

C:-Law of supply

D:-Law of variable proportions

Correct Answer:- Option-B

Question42:-Which of the following is a fixed cost?

A:-Raw materials

B:-Wages of casual workers

C:-Factory rent

D:-Power consumption

Correct Answer:- Option-C

Question43:-Break-even point occurs where:

A:-Total revenue > Total cost

B:-Total cost > Total revenue

C:-Total revenue = Total cost

D:-Marginal cost = Average cost

Correct Answer:- Option-C

Question44:-A demand function expresses the relationship between

A:-cost and output

B:-price and quantity demanded

C:-income and savings

D:-profit and revenue

Correct Answer:- Option-B

Question45:-If price elasticity of demand is greater than 1, demand is

A:-perfectly inelastic

B:-inelastic

C:-elastic

D:-unitary elastic

Correct Answer:- Option-C

Question46:-The production functions shows the relationship between

A:-inputs and outputs

B:-Price and supply

C:-Revenue and profit

D:-Cost and demand

Correct Answer:- Option-A

Question47:-Economies of scope arise when

A:-Large-scale production reduces cost per unit

B:-Producing multiple products reduces overall cost

C:-Demand increases with price

D:-Fixed costs increase with output

Correct Answer:- Option-B

Question48:-Under perfect competition, firms are:

A:-Price makers

B:-Price takers

C:-Monopoly sellers

D:-Government regulated

Correct Answer:- Option-B

Question49:-A Monopolist maximizes profit where:

A:-Price = Marginal Cost

B:-Marginal Revenue = Marginal Cost

C:-Average Cost = Price

D:-Total Revenue = Total Cost

Correct Answer:- Option-B

Question50:-If an oligopoly market, firms are highly interdependent because

A:-There are many small firms

B:-Products are identical

C:-Each firm's pricing affects rivals' decisions

D:-Entry is completely free

Correct Answer:- Option-C

Question51:-Who is credited with developing the concept of "Theorbligs" in the context of Scientific Management?

A:-Frederick Winslow Taylor

B:-Frank Gilbreth

C:-Lillian Gilbreth

D:-Henri Fayol

Correct Answer:- Option-B

Question52:-Which of the following is a technique used by the Quantitative School?

A:-Time and motion Study

B:-Hawthorne Studies

C:-Linear Programming

D:-Job Enrichment

Correct Answer:- Option-C

Question53:-Which of the following is an example of a tactical plan?

A:-A company's 5-year strategic plan

B:-A department's quarterly budget allocation

C:-A CEO's vision statement

D:-A mission statement

Correct Answer:- Option-B

Question54:-Which of the following is a technique used in organizing?

A:-SWOT analysis

B:-Performance appraisal

C:-Budgeting

D:-Job design

Correct Answer:- Option-D

Question55:-Which of the following is an example of a line function?

A:-Human Resources

B:-Accounting

C:-Production

D:-Marketing Research

Correct Answer:- Option-C

Question56:-Which of the following is an example of decentralisation?

- A:-A company headquarters making all decisions
- B:-Divisional offices having authority to make decisions
- C:-Centralised purchasing
- D:-Standardised policies across all units

Correct Answer:- Option-B

Question57:-Which of the following is a challenge facing global managers in the coordinating function?

- A:-Managing global supply chains
- B:-Coordinating across time zones
- C:-Communicating across languages
- D:-All of the above

Correct Answer:- Option-D

Question58:-In the context of opening up of economy, what is the primary role of the organising function?

- A:-structuring the organisation for global competitiveness
- B:-Focusing on local market needs
- C:-reducing workforce
- D:-increasing bureaucracy

Correct Answer:- Option-A

Question59:-Which of the following is an example of a control measure in an economic downturn?

- A:-Expanding credit facilities
- B:-Increasing production
- C:-Reducing inventory levels
- D:-Investing in new projects

Correct Answer:- Option-C

Question60:-Which of the following is a characteristic of the future workplace?

- A:-flexible and remote work arrangements

B:-hierarchical structure

C:-traditional 9-to-5 schedule

D:-limited use of technology

Correct Answer:- Option-A

Question61:-In the context of "Production as a Value Addition Process," if a company increases its output without increasing its resource consumption, which ingredient of the process has been most directly optimized?

A:-Input Materials

B:-Transformation Process Efficiency

C:-Output Quality

D:-Customer Feedback Loop

Correct Answer:- Option-B

Question62:-A manufacturing firm is deciding between a "product layout" and a "process layout". If the firm produces a high volume of a standardized item with low unit cost, which layout is most appropriate and why?

A:-process, layout, because it offers maximum flexibility

B:-product layout, because it optimizes flow and reduces handling time

C:-fixed position layout, because the product is heavy

D:-cellular layout, because it groups similar parts

Correct Answer:- Option-B

Question63:-When applying the "5 Ps of Operations Management," which element acts as the primary link between the design function and the physical delivery of the product?

A:-People

B:-Plants

C:-Processes

D:-Programs

Correct Answer:- Option-C

Question64:-A factory is experiencing high variation in the diameter of machined bolts. If the variation is caused by worn-out tool bits rather than random environmental factors, this is

classified as:

A:-Common cause variation

B:-Assignable cause variation

C:-Statistical stability

D:-Six Sigma perfection

Correct Answer:- Option-B

Question65:-Why is "Economy of Size" (scale) considered a critical factor in plant location and capacity planning?

A:-It ensures that total fixed costs increase linearly with production

B:-It allows for the reduction of average cost per unit as volume increases.

C:-It guarantees that larger plants always have higher quality output.

D:-It eliminates the need for Quality Circles

Correct Answer:- Option-B

Question66:-In a Total Quality Management (TQM) environment, who is ultimately responsible for the "Quality" of a finished product?

A:-The Quality Control Inspector

B:-The Production Manager

C:-Every employee involved in the process

D:-The Design Engineer

Correct Answer:- Option-C

Question67:-A company implements a Just-In-Time (JIT) system but finds that production frequently stops due to minor defects in raw materials. What does this indicate about their JIT implementation?

A:-JIT is working correctly by exposing hidden inefficiencies.

B:-JIT is a failure because it doesn't account for material quality.

C:-The company should increase its safety stock immediately

D:-JIT should only be used for service industries.

Correct Answer:- Option-A

Question68:-Which of the following best describes the primary goal of a "Quality Circle" within a manufacturing unit?

A:-To allow management to dictate new rules to workers

B:-To provide a forum for workers to solve localized production problems

C:-To replace the formal Quality Control department

D:-To increase the speed of machinery regardless of safety

Correct Answer:- Option-B

Question69:-In a Six Sigma project, the "Define" and "Measure" phases are complete. The team is now using data to identify the root cause of defects. Which phase of the DMAIC cycle are they in?

A:-Improve

B:-Control

C:-Analyze

D:-Design

Correct Answer:- Option-C

Question70:-"Service Quality" is often harder to measure than "Product Quality" because

A:-Services are tangible and easy to store

B:-Service delivery and consumption often happen simultaneously

C:-Services do not involve the use of machinery

D:-Service quality depends solely on the price of the service

Correct Answer:- Option-B

Question71:-One of the important functions of material management is:

A:-Purchasing

B:-Producing

C:-Distributing

D:-Selling

Correct Answer:- Option-A

Question72:-Which function is included in the integrated approach of material management?

A:-Purchasing

B:-Inventory Control

C:-Warehousing

D:-All of the Above

Correct Answer:- Option-D

Question73:-Overstocking of materials mainly leads to:

A:-Higher Production

B:-Higher Sales

C:-Higher Carrying Cost

D:-None of the Above

Correct Answer:- Option-C

Question74:-Quality control of materials mainly ensures:

A:-Proper Production

B:-Proper Standard

C:-Proper Sales

D:-Proper Movement

Correct Answer:- Option-B

Question75:-Which level leads with purchasing, storing and inventory within a firm?

A:-Micro Level

B:-Macro Level

C:-National Level

D:-Global Level

Correct Answer:- Option-A

Question76:-Material Budget is a part of:

A:-Cash Budget

B:-Production Budget

C:-Sales Budget

D:-Master Budget

Correct Answer:- Option-D

Question77:-Purchasing the right quality of material is called:

A:-Quality purchasing

B:-Scientific Purchasing

C:-Standard purchasing

D:-All of the Above

Correct Answer:- Option-B

Question78:-Checking quotations from suppliers is called:

A:-Price Comparison

B:-Price Fixing

C:-Price Analysis

D:-Price checking

Correct Answer:- Option-A

Question79:-Requesting suppliers to quote their prices is called

A:-Tendering

B:-Inquiry

C:-Negotiation

D:-Inspection

Correct Answer:- Option-B

Question80:-Purchase order contains details such as:

A:-Price and Quality

B:-Delivery Date

C:-Quality Specification

D:-All of the Above

Correct Answer:- Option-D

Question81:-Which inventory system maintains continuous record of stock?

A:-Periodic system

B:-Perpetual system

C:-Just-in-time

D:-Two-bin system

Correct Answer:- Option-B

Question82:-ABC analysis is based on:

A:-Volume of materials

B:-Criticality

C:-Annual consumption value

D:-Lead time

Correct Answer:- Option-C

Question83:-VED analysis is mainly used for:

A:-Cost control

B:-Spare parts control

C:-Sales forecasting

D:-Labour control

Correct Answer:- Option-B

Question84:-Exponential smoothing gives more weight to:

A:-Older data

B:-Random data

C:-Recent data

D:-Seasonal data

Correct Answer:- Option-C

Question85:-Moving average is a:

A:-Qualitative method

B:-Judgment method

C:-Quantitative time series method

D:-Simulation technique

Correct Answer:- Option-C

Question86:-Safety stock increases when:

A:-Demand variability increases

B:-Demand is constant

C:-Lead time is zero

D:-Holding cost decreases

Correct Answer:- Option-A

Question87:-Just-in-Time system aims to:

A:-Increase inventory

B:-Eliminate waste

C:-Increase buffer stock

D:-Increase ordering cost

Correct Answer:- Option-B

Question88:-Ordering cost includes:

A:-Warehouse rent

B:-Clerical cost

C:-Insurance

D:-Obsolescence

Correct Answer:- Option-B

Question89:-Economic order quantity variations include:

A:-Price discount model

B:-Break-even analysis

C:-Linear programming

D:-Simulation

Correct Answer:- Option-A

Question90:-FSN analysis classifies items based on:

A:-Cost

B:-Usage rate

C:-Criticality

D:-Lead time

Correct Answer:- Option-B

Question91:-What does E-Commerce stands for?

A:-Electrical Commerce

B:-Electronic Commerce

C:-Effective Commerce

D:-Enhanced Commerce

Correct Answer:- Option-B

Question92:-What is the primary purpose of a purchase order?

A:-To enter payments done by customer

B:-To identify historical sales data

C:-To place a legally binding order with a supplier

D:-To compare different purchase invoices

Correct Answer:- Option-C

Question93:-Which of the following refers to any transaction with monetary value that is conducted via a mobile communication network?

A:-M-Commerce

B:-Money transaction

C:-Money transfer

D:-E-Commerce

Correct Answer:- Option-A

Question94:-Which of the following statement is correct about Skimming Pricing?

A:-The pricing strategy that adjust product or service price based on buyer's location and purchasing power

B:-The pricing strategy which involves a low introductory price in the initial stage

C:-The pricing strategy which set prices that targets the emotions of customers instead of their logic to make products more affordable

D:-The pricing strategy which involves a high introductory price in the initial stage

Correct Answer:- Option-D

Question95:-Which of the following protocol is used to ensure secure communication and transactions on the web?

A:-HTTP

B:-HTTPS

C:-FTP

D:-SMTP

Correct Answer:- Option-B

Question96:-Which department maintains the Stores Ledger?

A:-Stores Department

B:-Accounts Department

C:-Costing Department

D:-Materials Department

Correct Answer:- Option-C

Question97:-Which of the following is considered as accounting record?

A:-Stores Ledger

B:-Bill of Material

C:-Bin Card

D:-None of these

Correct Answer:- Option-A

Question98:-Name the quantity of material to be ordered at one time in an inventory system.

A:-Maximum Quantity

B:-Minimum Quantity

C:-Re-order Quantity

D:-Ordering Quantity

Correct Answer:- Option-C

Question99:-Which of the following is NOT a core principle of public procurement?

A:-Accountability

B:-Equal treatment

C:-Transparency

D:-Secrecy

Correct Answer:- Option-D

Question100:-What is the full form of ABC analysis?

A:-Always Better Control

B:-Annual Better control

C:-Always Balance Control

D:-Annual Balance Capital

Correct Answer:- Option-A