

1. 26th November 2021 (Commerce)

Q.1 Tax Audit is compulsory in case a person is carrying on a business whose gross turn over/receipts exceeds:

- (1) Rs. 1 crore (3) Rs. 50 lakh
(2) Rs. 40 lakh (4) Rs. 60 lakh

Q.2 In which one of the following services price sensitivity is high?

- (1) Airlines (3) Retailing
(2) Car rentals (4) Sea Transport

Q.3 A U- shaped long-run average cost curve is based on the assumptions that

- A. Economies of scale prevails at small levels of output
B. Diseconomies of scale prevails at larger levels of output
C. Benefits of the division of labour and specialisation accrue more at the lower scale of production
D. Managerial inefficiencies are prone to a higher scale of operations

Choose the correct answer from the options given below:

- (1) A, B and C only (3) A, C, and D only
(2) A, B, C and D (4) B, C and D only

Q.4 Arrange the steps of market segmentation process in the proper sequence

- A. Segment "Acid Test"
B. Segment Attractiveness
C. Need Based Segmentation
D. Segment Profitability and Segment Positioning E. Segment Identification

Choose the correct answer from the options given below:

- (1) A, B, C, E, D (3) C, E, B, D, A
(2) A, E, C, D, B (4) E, C, D, B, A

Q.5 Match List I with List II

List I Events	List II Year
A. Bretton Woods Conference	I. 1948
B. GATT established	II. 1974
C. Multi-fibre Agreement	III. 1944
D. WTO replaced GATT	IV. 1995

Choose the correct answer from the options given below:

- (1) A - II, B - IV, C - III, D - I (3) A - III, B - I, C - IV, D - II
(2) A - III, B - I, C - II, D - IV (4) A - IV, B - II, C - I, D - III

Q.6 Arrange in sequence the steps in the procedure of e-filing of an Income Tax Return

- A. Login
B. Register
C. Verification
D. e-filing
E. Downloading utility and preparing the return

Choose the correct answer from the options given below

- (1) A, B, C, D, E (3) A, B, E, C, D
(2) A, B, C, E, D (4) B, A, E, D, C

Q.7 According to Plutchik, which one of the following is NOT a secondary emotion?

- (1) Distrust (3) Hostility
(2) Fear (4) Insecurity

Q.8 The functions of lower management are:

- A. Executing plans in accordance with the policies and directives of the top management
B. Maintaining discipline among the workers
C. Selecting suitable operative and supervisory personnel
D. Providing training to the workers
E. Maintaining good human relations

Choose the correct answer from the options given below:

- (1) A and B only (3) B, D and E only
(2) A, B and C only (4) C and D only

Q.9 Which one of the following generations is more pragmatic and individualistic?

- (1) Baby Boomers (3) Gen Y
(2) Gen X (4) Silent generation

Q.10 Which of the following statements are CORRECT?

- A. The critical value of Z for two tailed test with $\alpha = 0.5$ is 1.96
B. The critical value of Z for a two tailed test with $\alpha = 0.01$ is 2.575
C. The critical value of Z for one tailed test with $\alpha = 0.05$ is 1.96
D. The critical value of Z for a left-tailed test with $\alpha = 0.01$ is -2.33

Choose the correct answer from the options given below:

- (1) A and B only (3) A, B and D only
(2) A, B and C only (4) B, C and D only

Q.11 Identify three conditions that a firm must meet to practice price discrimination:

- A. The firm must have some control over the price and the product
- B. The firm must operate in the growth phase of its product life cycle
- C. The markets in which products are sold must be separable
- D. Price elasticity of demand for the product must differ
- E. The firm operates its plant at full capacity

Choose the correct answer from the options given below:

- (1) A, B and C only
- (2) A, C and D only
- (3) B, C and D only
- (4) B, D and E only

Q.12 Which one of the following is CORRECT?

- (1) $PE = \frac{.6475(1-r^2)}{\sqrt{n}}$
- (2) $PE = \frac{.6745(1-r^2)}{\sqrt{n}}$
- (3) $PE = \frac{.6475\sqrt{n}}{1-r^2}$
- (4) $PE = \frac{.6475(1-r^2)}{n}$

Q.13 Companies strive to stockpile internally generated cash. Such a cash reserve is called

- (1) Financial float
- (2) Financial slack
- (3) Margin of safety
- (4) Reserve float

Q.14 Arrange in the sequence, steps in the procedure for calling a statutory meeting of the company

- A. Contents of the statutory report
- B. A list of members must be produced at the commencement
- C. Twenty-one days notice
- D. Certification of the statutory report by not less than two directors, one of whom must be the managing director
- E. A certified copy of the statutory report must be delivered to the Registrar

Choose the correct answer from the options given below

- (1) A, D, E, B, C
- (2) B, E, C, A, D
- (3) C, A, D, E, B
- (4) D, C, B, A, E

Q.15 Which of the following are the limitations in the creation of credit of commercial banks?

- A. The amount of cash that commercial banks possess
- B. Supply of collateral security
- C. Monetary policy of the central bank
- D. Allied deposits scheme
- E. Deposits linked with special benefits

Choose the correct answer from the options given below:

- (1) A, C and E only
- (2) A, D and E only
- (3) C and D only
- (4) D and E only

Q.16 An economy grows at 5%, 12%, and 7% over the last three years. The average annual increase over this period would be:

- (1) 8% or less
- (2) At least 8%
- (3) Equal to 8%
- (4) Less than 8%

Q.17 Cash flows are presumably reinvested in capital budgeting decisions at

- A. Discount rate
- B. Market rate
- C. Cost of capital
- D. Riskless rate
- E. Internal rate of return

Choose the correct answer from the options given below:

- (1) A, C and D only
- (2) A, C and E only
- (3) B, C and D only
- (4) C, D and E only

Q.18 The resource seeking FDI moves to a country where:

- (1) Financial resources help MNCs improve their efficiency
- (2) Per capita income and size of the market are large
- (3) Raw materials and manpower are in abundance
- (4) Technologies are available to improve productivity

Q.19 Which of the following are objectives of the Competition Act, 2002?

- A. To prevent practices having an adverse effect on competition
- B. To impede and torment competition in the market
- C. To protect the interests of sellers
- D. To ensure freedom of trade carried on by other participants in markets

Choose the correct answer from the options given below:

- (1) A and D only
- (2) A, B and C only
- (3) A, B and D
- (4) B, C and D

Q.20 Factors that reduce price sensitivity are:

- A. Buyers cannot store the product
- B. The expenditure is a larger part of the buyer's total income
- C. Buyer are aware of substitutes
- D. The product is used in conjunction with assets previously bought
- E. Part of the cost is borne by another party

Choose the correct answer from the options given below:

- (1) A and B only
- (2) A, D and E only
- (3) B, D and E only
- (4) C, D and E only

Q.21 The practice of delaying receipts from the foreign currency designated receivables whose currencies are likely to appreciate and delaying foreign currency designated payables whose currencies are likely to depreciate

is known as:

- (1) Lagging
- (2) Leading
- (3) Netting
- (4) Risk hedging

Q.22 Match List I with List II

List I	List II
A. Dispersion	I. Involving relationship between the median and quartile
B. Karl Pearson's measures of skewness	II. Based on the relationship between the averages
C. Bowley's measures of skewness	III. Using percentile
D. Kelly's measure of skewness	IV. Amount of variation in given data

- (1) A - I, B - II, C - III, D - IV
- (2) A - IV, B - I, C - II, D - III
- (3) A - IV, B - II, C - I, D - III
- (4) A - IV, B - III, C - II, D - I

Q.23 Match List I with List II relating to The Sale of Goods Act

List I	List II
A. Actionable claim	I. Goods to be manufactured after the making of the contract
B. Appropriation of goods	II. Goods owned by the seller at the time of the making of the contract of sale
C. Existing goods	III. Separating the goods sold from other goods so as to determine and identify the actual goods to be delivered
D. Future goods	IV. Recovered only by means of a suit or an action in a court of law

Choose the correct answer from the options given below:

- A - I, B - II, C - III, D - IV
- A - II, B - IV, C - I, D - III
- A - III, B - I, C - IV, D - II
- A - IV, B - III, C - II, D - I

Q.24 The term current account transaction is defined as a transaction other than a capital account transaction and without prejudice to the generality of the foregoing, such transaction includes:

- A. Overseas direct investment, (ODIs) from India
- B. Payment due as interest on loans and as net income from investments
- C. Remittances for living expenses of parents, spouse, and children residing abroad
- D. Borrowing or lending in foreign exchange and in Indian rupees

Choose the correct answer from the options given below:

- A and B only
- A and D only
- B and C only
- D only

Q.25 Which one of the following is NOT true for the functional organization?

- (1) Functional managers are specialists in their respective areas
- (2) It is based on the principle of unity of command
- (3) It is useful for large-scale business
- (4) The discipline tends to become loose

Q.26 Given below are two statements:

Statement I: The aim of marketing is to make selling superfluous
 Statement II: Marketing should result in a customer who is ready to buy
 In light of the above statements, choose the most appropriate answer from the options given below

- (1) Both Statement I and Statement II are correct
- (2) Both Statement I and Statement II are incorrect
- (3) Statement I is correct but Statement II is incorrect
- (4) Statement I is incorrect but Statement II is correct

Q.27 With reference to product hierarchy, life insurance is an example of:

- (1) Product class
- (2) Product family
- (3) Product line
- (4) Product type

Q.28 The mode of joint venturing in international business that allows a company to conduct business in another country whose laws discourage foreign ownership is known as:

- Contract manufacturing
- International Franchising
- Joint ownership
- Licensing

Q.29 Match List I with List II

List I (Hedging Concepts)	List II (Description)
A. European option	I. Option contract exercised on any date up to maturity
B. Option premium	II. When the immediate exercise of an option yields positive value to its holder
C. In-the-money option	III. Option contract exercised only on the maturity date
D. American option	IV. It is paid by the buyer of the options upfront to the option seller

Choose the correct answer from the options given below:

- (1) A - I, B - II, C - III, D - IV (3) A - I, B - IV, C - II, D - III
 (2) A - I, B - II, C - IV, D - III (4) A - III, B - IV, C - II, D - I

Q.30 Identify the components of the credit policy of a business firm from the following:

- A. Collection policy D. Credit analysis
 B. Factoring E. Terms of sale
 C. Credit rating

Choose the correct answer from the options given below:

- (1) A, C and D only (3) B, C and D only
 (2) A, D and E only (4) C, D and E only

Q.31 Given below are two statements, one is labelled as Assertion A and the other is labelled as Reason R

Assertion A: Quick ratio is a more penetrating test of liquidity than the current ratio, yet a high quick ratio does not necessarily imply sound liquidity.

Reason R: A company with a high value of quick ratio can suffer from a shortage of funds if it has slow-paying, doubtful and long duration outstanding debtors In light of the above statements, choose the most appropriate answer from the options given below

- (1) A is correct but R is not correct
 (2) A is not correct but R is correct
 (3) Both A and R are correct and R is the correct explanation of A
 (4) Both A and R are correct but R is NOT the correct explanation of A

Q.32 Which of the following is INCORRECT about ways, the RBI can affect the structure of interest rates?

- A. By changing the treasury bill rate
 B. Blending of leading and trading activities
 C. By changing the Bank rate
 D. Fixing the maximum interest on time deposits with the bank
 E. Ineffective tapping and mobilization of savings

Choose the correct answer from the options given below:

- (1) A and D only (3) B and E only
 (2) A, C, D and E only (4) D and E only

Q.33 An ITR-1 can be used by an individual having an income from

- A. One house property
 B. Pension
 C. Interest on Fixed Deposits in Banks
 D. Winnings from lottery

Choose the correct answer from the options given below

- (1) A, B and C only (3) A, C and D only
 (2) A, B and D only (4) B, C and D only

Q.34 'A', 'B' and 'C' are partners sharing profits in the ratio of 3:2:1. 'D' is admitted for share and 'C' should retain his original share. The sacrificing ratio of A and B will be:

- 1 : 2/1 : 2
 2 : 1/2 : 1
 2 : 3/2 : 3
 3 : 2/3 : 2

Q.35 Bretton Woods resolutions led to the formation of:

- (1) GATT (3) UNCTAD
 (2) IMF (4) WTO

Q.36 The partial integration of agricultural with non-agricultural income is done in case of:

- (1) AOP/BOI (3) Co-operative society
 (2) Company (4) Firm

Q.37 Fill in the blanks:

For a holding company, all pre-acquisition profits/losses of the subsidiary company are _____ while all post-acquisition profits/losses of the subsidiary company are _____.

- (1) capital profits, capital losses
 (2) capital profits/losses, revenue profit/losses/
 (3) revenue profits, revenue losses
 (4) revenue profits/losses, capital profits/losses/

Q.38 Match List I with List II

List I	List II
A. Section 10 (1)	I. Amount received involuntary retirement
B. Section 10 (10 C)	II. Agricultural Income
C. Section 10 (13 A)	III. Leave Encashment
D. Section 10 (10 AA)	IV. House Rent Allowance

Choose the correct answer from the options given below:

- (1) A - II, B - I, C - III, D - IV (3) A - IV, B - III, C - I, D - II
 (2) A - II, B - I, C - IV, D - III (4) A - IV, B - III, C - II, D - I

Q.39 Logically sequence the following steps in the managerial decision-making process

- A. Determining the objective
 B. Selecting the best solution
 C. Implementing the decision
 D. Defining the problem

E. Identifying possible solutions

Choose the correct answer from the options given below:

- (1) A, E, B, C, D (3) D, A, C, E, B
(2) A, E, D, B, C (4) D, A, E, B, C

Q.40 Which one of the following statements are the advantages of the Decision Support System (DSS)?

- (1) Difficulty in quantifying all the data
(2) Generates new evidence in support of a decision
(3) System design failure
(4) Unaware of Assumptions

Q.41 Which one of the following is the most suitable coping mechanism if 'fear of overload' is the source of resistance to change?

- (1) Participation and involvement
(2) Role clarity and definition
(3) Role redefinition and re-orientation
(4) Support of resources

Q.42 The characteristics of online and social media marketing are:

- A. Personal
B. Rich
C. Timely
D. Interactive
E. Up to date

Choose the correct answer from the options given below:

- (1) A, C and D only (3) B and E only
(2) A, D and E only (4) B, D and E only

Q.43 The values in one of the series in a bivariate data set are multiplied by a constant K, which of the following would change as a result of this?

- A. Karl Pearson's coefficient of correlation
B. Standard deviation
C. Covariance between the variables
D. Rank correlation coefficient

Choose the correct answer from the options given below:

- (1) A, and D only (3) A, B, and D only
(2) A, B and C only (4) B and C only

Q.44 Given below are two statements:

Statement I: patents are defined as monopoly rights which one granted by the government, for full disclosure of invention for a limited period of time, that is for 20 years

Statement II: The purpose of granting patents is to encourage inventions by promoting their protection and utilization so as to contribute to the development of Industries

In light of the above statements, choose the most appropriate answer from the options given below

- (1) Both Statement I and Statement II are correct
(2) Both Statement I and Statement II are incorrect
(3) Statement I is incorrect but Statement II is correct
(4) Statement I is correct but Statement II is incorrect

Q.45 In which of the following cases, the Doctrine of Supervening impossibility will apply?

- (1) Commercial Impossibility
(2) Difficulty in performance
(3) Impossibility known to the parties at the time of making of the contract
(4) Strikes, Locks-outs, and civil disturbances

Q.46 Which of the following is NOT the feature of the Indian capital market?

- (1) Co-promotes state-level venture funds
(2) Government rules and regulations
(3) Link between savers and investment opportunities
(4) Utilises intermediaries

Q.47 A contract is said to be discharged by rescission:

- A. When terms of a contract are altered
B. When a party makes novation of a contract
C. When an aggrieved party exercises his option to avoid the contract
D. When a party to a contract waives his rights under the contract
E. Where none of the parties has performed its part for a long time and no other party has objected against it

Choose the correct answer from the options given below:

- (1) A, D and E only
(2) B and D only
(3) B, C and E only
(4) C and E only

Q.48 Which one of the following State Taxes have NOT been replaced by GST?

- (1) Luxury Tax
(2) Purchase Tax
(3) Special additional duty of customs
(4) Taxes on lotteries, betting, and gambling

Q.49 What is the sustainable growth rate of the company that enjoys return on equity = 30 percent and a dividend payout ratio of 40 percent?

- (1) 12 per cent (3) 30 per cent
(2) 18 per cent (4) 40 per cent

Q.50 A price ceiling below the equilibrium price often leads to a shortage of the commodity and possibly:

- (1) Black marketing
- (2) Commodity glut
- (3) Increased consumption
- (4) Price manipulations

Q.51 Match List I with List II

List I (Nature of commodities)	List II (Income Elasticities of Demand)
A. Normal goods	I. Greater than one
B. Inferior goods	II. Between zero and one
C. Luxurious commodities	III. Greater than zero (positive)
D. Necessities	IV. Less than zero (negative)

Choose the correct answer from the options given below:

- (1) A - II, B - IV, C - I, D - III
- (2) A - II, B - IV, C - III, D - I
- (3) A - III, B - I, C - IV, D - II
- (4) A - III, B - IV, C - I, D - II

Q.52 Constituents of Integrated marketing are:

- A. Customers
- B. Price
- C. Communications
- D. Products and services
- E. Channels

Choose the correct answer from the options given below:

- (1) A, B and C only
- (2) A, B, D and E only
- (3) B, C, D and E only
- (4) C, D and E only

Q.53 Which of the following losses are NOT deductible from business Income?

- A. Loss incurred in closing down the business
- B. Loss incurred due to damage destruction etc. of capital assets
- C. Loss of stock-in-trade due to enemy action
- D. Loss sustained before the business is commenced
- E. Loss of raw material finished good-in-transit

Choose the correct answer from the options given below:

- (1) A, B, C only
- (2) A, B, D only
- (3) A, D, E only
- (4) C, D, E only

Q.54 Arrange the following steps in a logical sequence of the claim settlement procedure in the Insurance

- A. Scrutinisation
- B. Investigation of an assessment
- C. Claim form
- D. Notice of loss
- E. Settlement and Arbitration

Choose the correct answer from the options given below:

- (1) A, B, C, D, E
- (2) C, A, D, B, E
- (3) C, B, A, E, D
- (4) D, C, A, B, E

Q.55 The sources of the Indian GAAP (IGAAP) include:

- A. Indian Companies Act, 2013
- B. Notifications issued by Ministry of Finance
- C. Accounting standards
- D. ICAI's pronouncements

Choose the correct answer from the options given below:

- (1) A and C only
- (2) A, B, and C only
- (3) A, C, and D only
- (4) B, C, and D only

Q.56 In Banking Technologies, Star Topology involves:

- (1) Devices are connected in a close loop
- (2) Devices on the network are connected to a single continuous cable
- (3) Each node is joined to the central node by a separate medium
- (4) Information is passed from one node to another in series

Q.57 Match List I with List II

List I	List II
A. Ind - AS: 1	I. Provisions, Contingent Liabilities and Contingent Assets
B. Ind - AS: 29	II. Consolidated Financial Statements
C. Ind - AS: 37	III. Presentation of Financial Statements
D. Ind - AS: 110	IV. Financial reporting in Hyperinflationary Economies

Choose the correct answer from the options given below:

- (1) A - III, B - I, C - II, D - IV
- (2) A - III, B - IV, C - I, D - II
- (3) A - IV, B - III, C - I, D - II
- (4) A - IV, B - III, C - II, D - I

Q.58 Which one of the following vehicles is used when traffic building is the consumer promotion objective?

- (1) Catalogue offers
- (2) Coupons
- (3) Discount sales
- (4) Special events

Q.59 Section 80GGC of Income tax is:

- (1) Deduction in respect of certain donation for scientific research
- (2) Deduction in respect of contribution given by any company to political parties
- (3) Deduction in respect of contribution given by any person to political parties
- (4) Deduction in respect of rent paid

Q.60 When the sum of exponents exceeds one (a+b>1)

in the Cobb - Douglas production function, it causes which one of the following?

- (1) Constant returns to scale

- (2) Decreasing returns to scale
- (3) Increasing returns to scale
- (4) Variable returns to scale

Q.61 Which one of the following is considered a necessary precondition by Richard Roll for markets to become efficient?

- (1) Costless trading
- (2) Free access to and flow of information
- (3) Prices approximate a random walk
- (4) Traders who make a living by 'beating the market' through trading

Q.62 Arrange the following steps in the process of hypothesis testing in proper sequence:

- A. Select the level of significance
- B. Setup null and alternative hypothesis
- C. Establish the decision rule
- D. Performance computations
- E. Select test statistics
- F. Draw conclusion

Choose the correct answer from the options given below

- (1) A, B, C, D, E, F (3) B, A, C, D, E, F
- (2) A, B, E, D, C, F (4) B, A, E, C, D, F

Q.63 The due date of the first instalment of advance tax paid by an assessee other than the company is:

- (1) 15th April (3) 15th June
- (2) 15th December (4) 15th September

Q.64 If each value in a given set is increased by K, it will:

- Increase the Pearson's coefficient of skewness value
- No change in Pearson's coefficient of skewness value
- No change in Bowley's coefficient of skewness value
- Reduce the value of Pearson's coefficient of skewness

Q.65 From the following information about a firm, what will be the contribution to sales (c/s) ratio and the profit?

Sales = ₹ 100,000
 Fixed Cost = ₹ 20,000
 Break-even Point = ₹ 40,000

- (1) C/S = 25% and Profit = ₹ 60,000
- (2) C/S = 50% and Profit = ₹ 30,000
- (3) C/S = 50% and Profit = ₹ 60,000
- (4) C/S = 60% and Profit = ₹ 30,000

Q.66 The cross-price elasticity of demand for complementary commodities is

- (1) Greater than one (3) Positive
- (2) Negative (4) Zero

Q.67 Which of the following order is followed in the issue

of shares under the "Fixed Price Offer Method"?

- A. Issue of a prospectus
- B. Receipt by the company of application for share
- C. Selection of merchant banker
- D. Issue of share certificates
- E. Allotment of shares to the applicant

Choose the correct answer from the options given below

- (1) A, D, E, C, B (3) C, B, A, D, E
- (2) C, A, B, E, D (4) E, B, A, C, D

Q.68 Match List I with List II

List I	List II
A. Role of Commercial Bank	I. Help to consumers
B. NBFC service	II. Mutual saving bank
C. Non-depository Institution	III. Hire purchase
D. Depository Institution	IV. Mutual fund

Choose the correct answer from the options given below:

- (1) A - I, B - III, C - IV, D - II (3) A - III, B - IV, C - II, D - I
- (2) A - II, B - I, C - III, D - IV (4) A - IV, B - II, C - I, D - III

Q.69 Match List I with List II

List I (Ego Defence Mechanism)	List II (Description)
A. Projection	I. Returning to a previous stage of development
B. Regression	II. Acting out unacceptable impulses in a socially acceptable way
C. Repression	III. Placing unacceptable impulses in yourself onto someone else
D. Sublimation	IV. Pulling into the unconscious

Choose the correct answer from the options given below:

- (1) A - I, B - III, C - II, D - IV (3) A - III, B - I, C - IV, D - II
- (2) A - II, B - I, C - IV, D - III (4) A - III, B - IV, C - I, D - II

Q.70 Which one of the following statement is FALSE regarding transactions of Internet Banking?

- (1) Balance inquiry
- (2) Statement of account is for a specific period
- (3) Transfer of funds from one account to another account
- (4) Withdrawal of cash anywhere in India

Q.71 Which market form leads to more technological change and product improvements than alternative forms of market structure?

- (1) Monopolistic competition (3) Oligopoly
- (2) Monopoly (4) Perfect competition

Q.72 Arrange the following levels of economic integration, from least integrated to the most integrated:

- A. Customs Union
- B. Free Trade Area
- C. Economic Union
- D. Common Market
- E. Political Union

Choose the correct answer from the options given below

- (1) A, B, C, D, E
- (2) B, A, D, C, E
- (3) D, C, A, B, E
- (4) E, D, C, A, B

Q.73 The characteristics of different levels of leaders are given below. Arrange these in an increasing order of levels

- A. He contributes to the achievement of group objectives and works effectively with others in a group
- B. He builds enduring greatness through a paradoxical combination of professional will and personal humanity
- C. He makes a productive contribution through talent, knowledge, skills, and good work habits
- D. He catalyses commitment to and vigorous pursuit of a clear and compelling vision and stimulates the group to high-performance standards
- E. He organises people and resources towards the effective and efficient pursuit of predetermined objectives

Choose the correct answer from the options given below

- (1) A, C, E, B, D
- (2) A, E, D, B, C
- (3) C, A, E, D, B
- (4) C, E, D, A, B

Q.74 A certain bivariate data byx and bxy have been calculated which is equal to 2.4 and 0.4, respectively. If the value of the x series are all multiplied by 5 and all values of y series are divided by 2, how would it affect the value of the two coefficients?

- (1) Both the coefficients get multiplied so byx = 6.0 and bxy = 4.0
- (2) Both the coefficients remains unchanged
- (3) The coefficients are revised by byx = 0.24 and bxy = 4.0.
- (4) The coefficients are revised by byx = 24 and bxy = 0.04

Q.75 Incentives schemes where earnings differ at different levels of output are:

- A. Gantt Task System
- B. Halsey Plan
- C. Rowan Plan
- D. Bedaux Plan
- E. Emerson's Efficiency Plan

Choose the correct answer from the options given below:

- (1) A and E only
- (2) A, C and D only
- (3) A, C and E only
- (4) B and E only

Q.76 Match List I with List II

List I	List II
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A. Value added by Channel Members- Low; Market Growth Rate-Low	I. Introductory stage
B. Value added by Channel Members-High; Market Growth Rate-Low	II. Growth stage
C. Value added by Channel Members-Low; Market Growth Rate-High	III. Mature stage
D. Value added by Channel Members-High; Market Growth Rate-High	IV. Decline stage

Choose the correct answer from the options given below:

- (1) A - I, B - IV, C - III, D - II
- (2) A - II, B - I, C - III, D - IV
- (3) A - III, B - I, C - IV, D - II
- (4) A - IV, B - I, C - III, D - II

Q.77 Which one of the following training methods is most suitable for developing problem-solving skills?

- (1) Case study
- (2) Lecture
- (3) Role playing
- (4) Sensitivity training

Q.78 Fill in the blanks

The collapse of Eastern Europe in _____ and USSR in _____ lead to emergence of the transitory economies.

- (1) 1980, 1987
- (2) 1988, 1995
- (3) 1989, 1991
- (4) 1997, 1991

Q.79 Arrange the following economic regions in increasing order of FDI inflows, as per the UNCTAD Report, 2020?

- A. Developing economies
- B. Transition economies
- C. North America
- D. Developed economies
- E. Europe

Choose the correct answer from the options given below

- (1) A, B, C, E, D
- (2) B, A, C, E, D
- (3) B, A, D, E, C
- (4) E, B, D, C, A

Q.80 Which one of the following is a structured review of the systems and procedures of an organisation in order to evaluate whether they are being conducted efficiently and effectively?

- Cost audit
- Financial audit
- Management audit
- Safety audit

Q.81 Which of the following are required to be studied for a deep understanding of Income Tax procedures?

- A. The Income Tax Act, 1961

- B. The Income Tax Rules, 1962
 C. Notifications, circulars and classification issued from time to time by the CBDT.
 D. Judicial decisions
 E. Companies Act, 2013

Choose the correct answer from the options given below:

- A, B and E only
 A, B, C and D only
 A, C, D and E only
 B, C, D and E only

Q.82 Given below are two statements, one is labelled as Assertion A and the other is labelled as Reason R

Assertion A: Two companies with the same general earning power and same general position in an industry, the one paying larger dividend will almost always sell at a higher price

Reason R: The discounted value of near dividends is higher than the present worth of distant dividends

In light of the above statements, choose the most appropriate answer from the options given below

- (1) A is correct but R is not correct
 (2) A is not correct but R is correct
 (3) Both A and R are correct and R is the correct explanation of A
 (4) Both A and R are correct but R is NOT the correct explanation of A

Q.83 Which of the following statements are TRUE in a contractual capacity?

- A. Law presumes that every person is competent to contract unless otherwise proved
 B. That a minor can make a contract for necessities of life
 C. That a person of unsound mind can enter into the family contracts
 D. A convict cannot enter into a valid contract nor can sue
 E. That a wife can always make valid business contracts and bind her husband

Choose the correct answer from the options given below:

- (1) A and E only (3) B and D only
 (2) A, C and E only (4) B, D and E only

Q.84 The technique of marginal costing is based upon which of the following assumptions:

- A. Fixed cost will tend to remain constant or unchanged for the entire volume of production
 B. Variable cost remains constant per unit of output irrespective of the level of output
 C. There will not be any change in pricing policy due to change in volume, competition, etc.

D. Operating efficiency of the firm may increase or decrease

Choose the correct answer from the options given below:

- (1) A and B only (3) A, B, and C only
 (2) A, B and D only (4) A, B, C and D

Q.85 Which one of the following is NOT true regarding input tax credit to avoid cascading effect?

- (1) Input Tax credit of CGST can be utilised for payment of CGST first and balance for payment of IGST on outward supply
 (2) Input Tax credit of SGST/UTGST can be utilised for payment of CGST
 (3) Input Tax credit of UTGST can be utilised for payment of UTGST first and balance for payment of IGST on outward supply
 (4) Input Tax credits of SGST can be utilised for payment of SGST first and balance for payment of IGST on outward supply

Q.86 Buoyancy is a basic principle of taxation which means:

- A. The system should be such that cost of collection is least
 B. Tax obligation of the payers should be well determined
 C. The system should be such that the tax revenue has the inherent tendency to increase as the economy grows
 D. Tax base should be fairly diversified so that the tax burden is widely spread

Choose the correct answer from the options given below:

- (1) A and B only (3) C only
 (2) A only (4) D only

Q.87 The basic premise of the MM-approach is based on which of the following assumptions?

- A. Asymmetrical information
 B. Efficient capital markets
 C. Investor rationality
 D. Diverse business risk profile
 E. 100% dividend payout ratio

Choose the correct answer from the options given below:

- (1) A, B and C only (3) B, C and E only
 (2) A, C and E only (4) C, D, and E only

Q.88 Which among the following are generally accepted methods of accounting for price level changes?

- A. Replacement Cost Method
 B. Current Purchasing Power Method
 C. Opportunity Cost Method
 D. Current Cost Accounting Method

E. Standard Cost Method

Choose the correct answer from the options given below:

- (1) A and C only (3) B and D only
(2) A, B and C only (4) C, D and E only

Q.89 Which one of the following statements are TRUE about the contract of Bailment?

- (1) A contract of Bailment does not result when a person leaves some goods with his friend for being looked after
(2) Bailee has a right of the general lien
(3) Hiring of bank locker is a contract of Bailment
(4) Money deposited in fixed deposit with a bank is a contract of Bailment

Q.90 Given below are two statements:

Statement I: Assessee is always a person but a person may or may not be an assessee

Statement II: The term 'person' includes an individual, a HUF, a company, a firm, an association of persons, local authority and every artificial juridical person

In light of the above statements, choose the most appropriate answer from the options given below

- (1) Both Statement I and Statement II are correct/
(2) Both Statement I and Statement II are incorrect/
(3) Statement I is correct but Statement II is incorrect/
(4) Statement I is incorrect but Statement II is correct/

Q.91-95: Read the given paragraph carefully and answer the questions that follow

For a developing economic nation, its industrial policy requires regular updation to meet the growing demands of the industry as well as to increase the share of manufacturing in overall GDP. As India's GDP has been dominated by services rather than agriculture or manufacturing, there are structural modifications always required so that manufacturing activity be increased substantially to meet the global market requirements. This requires legal amendments, with the new laws aimed to facilitate better manufacturing and exports.

Actually, India faces two challenges, rather opportunities that the bullishness on the Indian economy is to be export-oriented as well as to feed its ever-growing domestic consumption. Also, no economy can only be consumption oriented as its people should also save and invest actively. This brings to an important direction of banking system which plays a critically important role in achieving the above two objectives. The public sector banks require to build on to the capabilities and expertise on the due diligence methods for the credit appraisal for the loan requirements. Worth mentioning here is the data that the non-performing assets valuing Rs. 7.7 lakh crore (as on

December 2017) as per the latest figures of the Finance Ministry. Nevertheless, given their large structure and geographic percolation, the public sector banks must be recognized in India's development and that there is "no country in the world where banks have not had a problem."

Q.91 The credit appraisal process by a bank does NOT involve evaluation if the borrower on:

- (1) Bank ability or credit worthiness
(2) Economic viability
(3) Loan offtakes and paying ability of related companies in the geographical area
(4) Technical feasibility

Q.92 What problem is highlighted in the above passage?

- (1) Balance of payments issue
(2) High fiscal deficit
(3) Low growth in GDP
(4) Role of banking sector

Q.93 The Indian banking sector requires that it:

- (1) be more technology dependent
(2) build more manpower and ICT resources
(3) evaluate loan disbursals
(4) increase the frequency of change of the bank rates

Q.94 Which of the following is not a feature of the consumption economy?

- (1) Increasing population with increasing consumption
(2) It also prompts more exports than imports
(3) More contribution to indirect taxes
(4) The unsold goods create problems

Q.95 Which of the following set defines Sustainable Consumption and Production (SCP)?

- A. The use of services and related products which respond to basic needs and bring a better quality of life.
B. Minimizing the use of natural resources and toxic materials as well as the emission of waste as pollutants.
C. Pertinent use of service or product so as not to jeopardise the needs of future generations.
D. Planned cities with a lower cost of production minimizing the retail inflation.

Choose the correct answer from the options given below

- (1) A, B and C only (3) A, B, C and D
(2) A, B and D only (4) B, C and D only

Q.96-100: Read the paragraph carefully and give an answer to the question

The Economic Survey cautions against extended forbearance of credit default, drawing the lessons that extended forbearance in the wake of the 2007-08 global financial crisis led to the build-up of bad loans and dragged down investment rates and economic growth.

If followed through, this would mean a major squeeze on company finances, as they scramble for resources to service loans to avoid bankruptcy, and a big demand on the government to recapitalize the banks it owns, after they recognize and provide for a mass of bad loans

Regulatory forbearance must be an emergency medicine, not a staple diet, is sound advice. A moratorium by banks on debt service by borrowers has been a part of the COVID cushioning to corporates. Many of these firms would face acute liquidity problems when the moratorium ends

Fast growth that embraces all businesses would avert a crisis. Such Goldilocks perfection rarely materializes in real life. many companies that could survive with access to liquidity could go under when banks think it is time to do their asset quality reviews. The solution is to provide such companies with capital that does not need to be serviced when they do not make a profit on equity

Companies would need a whole lot of capital, to service existing loans and to invest in new production, to cater to the demand thrown up by economic revival. The government had promised a fund to funds that would mobilize large volumes of capital to invest in micro, small and medium enterprises.

This is the time to walk the talk. The equity stakes can be sold later, hopefully at a profit. Special situation funds, private equity, and allocations from retirement savings can be tapped for the needed capital. Managing the investment is the challenge.

Q.96 Given below are two statements, one is labelled as Assertion A and the other is labelled as Reason R

Assertion A: The government had promised a fund of funds that would mobilize large volumes of capital to invest in micro, small and medium enterprises

Reason R: Companies would need a whole lot of capital, to service existing loans and to invest in new production, to cater to the demand thrown up by economic revival.

In light of the above statements, choose the most appropriate answer from the options given below

- (1) A is correct but R is not correct
- (2) A is not correct but R is correct
- (3) Both A and R are correct and R is the correct explanation of A
- (4) Both A and R are correct but R is NOT the correct

explanation of A

Q.97 Given below are two statements, one is labelled as Assertion A and the other is labelled as Reason R

Assertion A: A moratorium by banks on debt service by borrowers has been a part of the COVID cushioning to corporates

Reason R: Regulatory forbearance must be an emergency medicine but not a staple diet

In light of the above statements, choose the most appropriate answer from the options given below

- (1) A is correct but R is not correct
- (2) A is not correct but R is correct
- (3) Both A and R are correct and R is the correct explanation of A
- (4) Both A and R are correct but R is NOT the correct explanation of A

Q.98 What is the theme of the paragraph narrated above?

- (1) Crisis of corporate funding during crisis times
- (2) Forbearance of credit default
- (3) Liquidity and survival of companies
- (4) Moratorium by banks on debt service

Q.99 Given below are two statements:

Statement I: Forbearance of credit default is a common phenomenon in Indian banking system

Statement II: Global financial crisis influences the quantum of bad loans in India

In light of the above statements, choose the correct answer from the options given below

- (1) Both statement I and statement II are false
- (2) Both statement I and statement II are true
- (3) Statement I is false but statement II is true
- (4) Statement I is true but statement II is false

Q.100 Which could be a suitable title for the above paragraph?

- (1) Bad loans and Indian corporates
- (2) Forbearance and Corporate Funding in Crisis Times
- (3) Funding crisis and COVID-19
- (4) Funding during crisis

Answers

1. A
2. A
3. B
4. C
5. B
6. D
7. B
8. C
9. B
10. C
11. B
12. B
13. B
14. C
15. D
16. D
17. B
18. C
19. A
20. B
21. A
22. C
23. D
24. C
25. B
26. A
27. C
28. D
29. D
30. B
31. C
32. C
33. A
34. D
35. B
36. A
37. B
38. B
39. D
40. B
41. B
42. D
43. D
44. A
45. C
46. A
47. D
48. C
49. B
50. A
51. D
52. C
53. B
54. B
55. C
56. C
57. B
58. D
59. C
60. C
61. D
62. D
63. C
64. B
65. B
66. B
67. B
68. A
69. C
70. D
71. C
72. B
73. C
74. C
75. A
76. D
77. A
78. C
79. D
80. C
81. B
82. C
83. C
84. C
85. B
86. C
87. C
88. C
89. C
90. A
91. D
92. B
93. B
94. B
95. B
96. C
97. C
98. A
99. B
100. B