

Paper – II
Commerce

Booklet Code

A

TEST BOOKLET NO.

Subject Code : **0 9**

Roll No. :

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(Figures as per admission card)

Roll No. (in words) : _____

OMR Sheet No. :

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Name and Signature of Invigilator/s

Signature : _____

Name : _____

Time : 2 Hours

Maximum Marks : 200

Number of Pages in this Booklet : 24

Number of Questions in this Booklet : 100

Instructions for the Candidates

1. Write your roll number in the space provided on the top of this page.
2. This paper consists of hundred (100) multiple-choice type of questions.
3. At the commencement of examination, the test booklet will be given to you. In the first 5 minutes, you are requested **to open the booklet and compulsorily examine it as below** :
 - (i) To have access to the Test Booklet, tear off the paper seal on the edge of the cover page. Do not accept a booklet without sticker seal or open booklet.
 - (ii) **Tally the number of pages and number of questions in the booklet with the information printed on the cover page. Faulty booklets due to pages/questions missing or duplicate or not in serial order or any other discrepancy should be got replaced immediately by a correct booklet from the invigilator within the period of 5 minutes. Afterwards, neither the Test Booklet will be replaced nor any extra time will be given.**
 - (iii) After the verification is over, the Test Booklet Number should be entered in the OMR Sheet and the OMR Sheet Number should be entered on this Test Booklet.
4. Each item has four alternative responses marked (A), (B), (C) and (D). You have to darken the circle as indicated below on the correct response against each item.

Example : (A) (B) (C) (D)

where (C) is the correct response.
5. Your responses to the questions are to be indicated in the **OMR Sheet kept inside this Booklet**. If you mark at any place other than in the circles, the OMR Sheet will not be evaluated.
6. Read the instructions given in OMR Sheet carefully. Fill the Booklet Code of Paper – II in OMR Sheet **Compulsorily**.
7. Rough Work is to be done in the end of this booklet.
8. If you write your name or put any mark on any part of the OMR Answer Sheet, except for the space provided for the relevant entries, which may disclose your identity, you will render yourself liable to disqualification.
9. You have to return the OMR Answer Sheet to the invigilators at the end of the examination compulsorily and must NOT carry it with you outside the Examination Hall.
10. You can take away test booklet and carbon copy of OMR Answer Sheet after the examination.
11. **Use only Blue/Black Ball point pen.**
12. **Use of any calculator, electronic gadgets or log table, etc. is prohibited.**
13. **There is no negative mark for incorrect answer.**

COMMERCE
Paper – II

- | | |
|---|---|
| <p>1. The incidence of tax on tax is called</p> <p>(A) Tax Cascading</p> <p>(B) Tax Pyramiding</p> <p>(C) Tax Evasion</p> <p>(D) Indirect Tax</p> <p>2. The Negotiable Instrument Act, 1881 extends to</p> <p>(A) Only to capital cities of the States</p> <p>(B) The whole of India except the States of Jammu and Kashmir</p> <p>(C) The whole of India except the Union Territories</p> <p>(D) The whole of India</p> <p>3. Motivation-force or level of efforts is not equal to satisfaction and performance's is propounded by</p> <p>(A) Vroom's expectancy theory</p> <p>(B) X and Y theory</p> <p>(C) Porter-Lawler model</p> <p>(D) Adam's equity theory</p> <p>4. A statement containing items such as job title, summary, duties, materials used, working conditions etc., is called</p> <p>(A) Job specification</p> <p>(B) Job evaluation</p> <p>(C) Job description</p> <p>(D) Job analysis</p> | <p>5. Which of the following is not true about employee grievances ?</p> <p>(A) Grievances provides a downward channel of communication</p> <p>(B) Grievances are a sign of employee's discontent with job or its nature</p> <p>(C) Grievances arise only when an employee feels that injustice has been done to him</p> <p>(D) Grievances can be real or imaginary</p> <p>6. Ramlal Sharma is a qualified doctor. He joined Arpana hospital as an employee on monthly salary. Their contract of service contained a clause restraining him to pursue practice beyond employment and paid him ₹ 3,00,000 as compensation for the same. The income will be taxable as</p> <p>(A) The monthly salary will be taxable under salary head and compensation as business income</p> <p>(B) The monthly salary will be taxable under salary head and compensation as income from other sources</p> <p>(C) The entire receipts would be taxable as salaries</p> <p>(D) The entire receipts would be taxable as business income</p> |
|---|---|

7. X Manager of XYZ Ltd. since 2005 was terminated by the company on 1st August, 2018 by paying a compensation ₹ 200 lakh. Such compensation is

- (A) Chargeable under the Wealth Tax Act, 1957
- (B) Not chargeable under the Income Tax Act, 1961
- (C) Chargeable u/s 17(3)(i)(d)
- (D) Chargeable u/s 28(ii)(a)

8. XYZ Ltd. started an undertaking in the notified backward area of Telangana. It purchased a plant for ₹ 10,00,000 on 20-6-2019. The rate of depreciation as per the block on plant is 20%. Find the amount of deduction available on plant on ground of depreciation, additional depreciation u/s 32 and investment allowance u/s 32 AD.

- (A) 2,00,000; 3,50,000; 1,50,000
- (B) 2,00,000; 2,80,000; 1,50,000
- (C) 2,00,000; 2,80,000; 75,000
- (D) 1,00,000; 2,80,000; 1,50,000

9. Tax is required to be deducted at _____ from interest payable to a resident. (Assuming PAN details are available).

- (A) 10%
- (B) 20% if payee is domestic company else 10%
- (C) 10% + Surcharge (if any) + Cess + SHEC
- (D) 20%

10. Which shareholders have a right to receive the arrears of dividend from future profits ?

- (A) Redeemable Preference Share
- (B) Participating Preference Share
- (C) Cumulative Preference Shares
- (D) Non-Cumulative Preference Shares

11. Match List – 1 with List – 2.

- | List – 1 | List – 2 |
|------------------------------|------------------------------------|
| a. Cyber crime | i. Intellectual Property Right Act |
| b. Doctrine of Caveat Emptor | ii. Negotiable Instrument Act |
| c. Dishonour of Bill | iii. Sale of Goods Act |
| d. Patent and Copyrights | iv. The Information Technology Act |

Choose the correct option :

- (A) a-iii b-iv c-i d-ii
- (B) a-iii b-ii c-iv d-i
- (C) a-iv b-iii c-ii d-i
- (D) a-ii b-iv c-iii d-i

12. Match the items of List – 1 with List – 2 and choose the correct answers from the option given below.

List – 1**List – 2**

- | | |
|--------------|---|
| a. NPA | i. The percentage of deposits to be kept with RBI in the form of cash |
| b. SLR | ii. The rate at which RBI lends money to Commercial Banks |
| c. Repo Rate | iii. Loan and advances not paid for more than 90 days |
| d. CRR | iv. The percentage of net demand and time liabilities to be kept in the form of liquid assets |

- | | | | |
|-----------|-------|------|------|
| (A) a-iii | b-ii | c-iv | d-i |
| (B) a-ii | b-iii | c-iv | d-i |
| (C) a-iii | b-iv | c-i | d-ii |
| (D) a-iii | b-iv | c-ii | d-i |

13. Read the following statements and choose the correct answers.

Statement (I) : Capital adequacy norms helps banks in strengthening their capital base.

Statement (II) : Capital adequacy norms helps banks in sanctioning more loans.

- (A) Both the statements (I) and (II) are correct
- (B) Both the statements (I) and (II) are not correct
- (C) Statement (I) is correct, but (II) is not correct
- (D) Statement (I) is not correct, but (II) is correct
14. The Commercial Banks do not perform one function out of the following.
- (A) Mobilisation of savings
- (B) Giving loans and advances
- (C) Issuing currency notes
- (D) Financing priority sectors
15. Which of the following will result into sources of fund ?
- i. Increase in current assets.
- ii. Decrease in current assets.
- iii. Increase in current liabilities.
- iv. Decrease in current liabilities.
- (A) i and iv (B) ii and iv
- (C) i and iii (D) ii and iii

16. The mean salary paid to 1,000 employees of an establishment was found to be Rs. 180.40. Later on, it was discovered that the salary of two employees was wrongly entered as Rs. 297 and 165. Their correct salaries were Rs. 197 and 185. The correct Arithmetic mean will be
- (A) 180.50
(B) 180.40
(C) 180.35
(D) 180.32
17. If $r = 0.6$, $b_{yx} = 1.2$ then $b_{xy} =$
- (A) 0.3
(B) 0.2
(C) 0.72
(D) 0.42
18. Why is it important to identify the primary audience for the research report ?
- (A) In order to adapt the findings to their liking
(B) In order to bypass undesirable readers
(C) So that the writer can adapt the writing to meet their needs
(D) In order to frame the discussion in such a way as to gain most approval for the findings
19. Matrix Structure refers to an organisation
- (A) Structure that creates dual lines of authority and combines functional and product departmentation
(B) Structure characterized by a low degree of departmentation, wide spans of control and authority centralized
(C) Structure which is typically a small, core organisation that outsources its major business functions
(D) Structure of a highly routine operating tasks achieved through specialization, very formalized rules and regulation, centralizes authority and decision making that follows the chain of command
20. **Statement (I)** : Management is not just a creature of the economy; it is a creator as well.
Statement (II) : He who can manage, can manage anything.
- (A) Statement (I) is correct, but (II) is incorrect
(B) Statement (II) is correct, but (I) is incorrect
(C) Both the statements (I) and (II) are incorrect
(D) Both the statements (I) and (II) are correct

21. Shopping goods have which of the following features ?

Choose the right answer from the options given below.

- i. These products are generally durable in nature.
- ii. Consumers generally compare the goods of various sellers and then buy such goods.
- iii. Per unit price of these goods are generally high.
- iv. These goods are regularly and continuously in demand.
- v. These goods are sold as a result of aggressive promotional efforts.

- (A) iii, iv and v
- (B) i, ii and iii
- (C) ii, iii and iv
- (D) i, iii and v

22. Which among the following is not included in seven P's of marketing mix given by Booms and Bitner ?

- (A) Process
- (B) People
- (C) Politics
- (D) Physical Evidence

23. Which of the following statements is true according to VALS framework of psychographic segmentation ?

- (A) The consumers who are motivated by achievement look for knowledge and principles
- (B) The consumers who are motivated by self expression don't desire social or physical activity, variety and risk
- (C) The consumers who are motivated by achievement desire social or physical activity, variety and risk
- (D) The consumers who are primarily motivated by ideals are guided by knowledge and principles

24. From the following two statements of Assertion (A) and Reason (R), indicate the correct codes.

Assertion (A) : A transformational appeal of communication elaborates on a non-product related benefit or image.

Reason (R) : Transformational appeals often do not attempt to stir up emotions that will motivate purchase.

Codes :

- (A) Both (A) and (R) are correct
- (B) (A) is correct, (R) is not correct
- (C) (A) is not correct, (R) is correct
- (D) Both (A) and (R) are incorrect

25. One of the techniques of stimulating creativity for developing new product where you start with an idea then thinking of the next idea and link, then think of the next association and do this with all associations that come up with each new idea, is known as

- (A) Attribute Listing
- (B) Forced Relationship
- (C) New Contexts
- (D) Mind Mapping

26. Under the Income Tax Act, 1961 “block of assets” for the purpose of charging depreciation means

- (A) Value of all the assets after depreciation
- (B) Value of all tangible assets after charging depreciation
- (C) Value of all those assets to which one rate of depreciation is applicable
- (D) Gross value of machinery and plant less accumulated depreciation

27. Michael Porter and Mark Kramer said that

- (A) Social responsibility does not matter for firm strategies
- (B) Socially responsible firms act against the interests of shareholders
- (C) Social responsibility can help firms to discover future business opportunities
- (D) Social responsibility is a long-term investment in a company’s advertising and public relations

28. Free international trade maximizes World output through

- (A) Countries specializing in production of goods they are best suited for
- (B) Reduction in taxes
- (C) Increased factor income
- (D) Encouraging competition

29. A _____ focuses on eliminating internal tariffs with member Countries levying a common external tariff on goods being imported from non-members. Additionally, this type of regional economic integration allows free mobility of production factors such as labor and capital.

- (A) free trade area
- (B) common market
- (C) customs union
- (D) complete economic integration

30. Which among the following are important bodies of WTO ?

- i. Dispute settlement body
- ii. USMCA
- iii. Trade Policy Review Body
- iv. ASEAN
- v. Council for Trade in Goods
- vi. Council for trade related aspects of Intellectual Property Rights
- vii. GATT

An appropriate combination is

- (A) i, ii, iii, iv (B) ii, iii, iv, v
(C) i, iii, v, vi (D) iv, v, vi, vii

31. Match the following :

List – I	List – II
(Year)	(Acts)

- | | |
|---------|---|
| a. 1948 | 1. Factories Act |
| b. 1959 | 2. The Employment Exchange (Compulsory notification of vacancies) Act |
| c. 1961 | 3. Maternity Benefit Act |
| d. 1972 | 4. Payment of Gratuity Act |

a	b	c	d
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- (A) 1 3 2 4
(B) 3 4 2 1
(C) 1 2 3 4
(D) 1 4 3 2

32. First Impression in a performance appraisal bias denotes

- (A) Halo effect
- (B) Primary effect
- (C) Horn effect
- (D) Stereo Typing

33. Match the following and select the codes of correct matching.

List – I

List – II

- | | |
|---|---------------------------------|
| 1. Motivating through rewards and penalties | i. Charismatic leadership |
| 2. Changing organisation by creating and communicating a vision | ii. Situational leadership |
| 3. Influencing by dint of personality and charm | iii. Transactional leadership |
| 4. Modifying style with respect to readiness of followers | iv. Transformational leadership |

Codes :

1	2	3	4
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- (A) iii i ii iv
(B) iii iv i ii
(C) iii iv ii i
(D) iv iii ii i

34. A key benefit of the STP process is
- (A) More effective and efficient matching of company resources to targeted market segments promising the greatest ROMI
 - (B) Enhancing a company's competitive position by providing direction and focus on marketing strategies
 - (C) Examining and identifying growth opportunities in the market through the identification of new customers, growth segments or new product uses
 - (D) All of the above
35. The category of products that come with warranty offered at the time of product buying and expires at some specific date is an example of
- (A) Augmented product
 - (B) Actual product
 - (C) Actual ownership
 - (D) Tangible products
36. The essence of law of diminishing returns is
- (A) Inelastic production
 - (B) Negative marginal production
 - (C) Declining total production
 - (D) Declining average production
37. Excess capacity is not notified in which of the following market conditions ?
- (A) Monopoly
 - (B) Perfect competition
 - (C) Monopolistic competition
 - (D) Oligopoly
38. In a perfect competition market, a firm in the long run operates at the level of output where
- (A) $AC = MC$ when MC is lowest
 - (B) $MC = AR = MR$ when MC is lowest
 - (C) $MR = MC$
 - (D) $AR = MR = AC = MC$
39. Read the following statements and choose the correct options.
- Statement (I)** : The isoquant curves are drawn to the origin due to diminishing technical rate of substitution.
- Statement (II)** : The lesser the convexity of the isoquant curve the greater the possibility of the complementarity of the two inputs.
- (A) Statement (I) and (II) both are correct
 - (B) Statement (I) is correct but (II) is incorrect
 - (C) Statement (I) is incorrect but (II) is correct
 - (D) Statement (I) and (II) both are incorrect

40. The theory suggesting that the patterns of international trade are determined by factor endowment rather than productivity was propounded by which one of the following ?
- (A) Adam Smith
(B) Michael Porter
(C) David Ricardo
(D) Heckscher and Bertil Ohlin
41. The demand for apples in a small town was 200 kg when the price was Rs. 20 per kg. It expanded to 250 kg when the price was reduced to Rs. 18 per kg. What is the elasticity of demand for apples in the town ?
- (A) – 2.5
(B) – 1.5
(C) 1.5
(D) 2.5
42. Many producers who use captive-product pricing set the price of the main product _____ and set _____ on the supplies necessary to use the product.
- (A) Low; low markups
(B) High; low markups
(C) Low; high markups
(D) High; high markups
43. As per the 'rule of 72', in how many years will the amount deposited today at an interest rate of 16% double ?
- (A) 4.5 years
(B) 4.6 years
(C) 4.7 years
(D) 5 years
44. If the last dividend declared is Rs. 2 per share, the growth rate in dividend is 12% and the price per share is Rs. 80, the cost of equity capital is
- (A) 14.5%
(B) 16.5%
(C) 17.6%
(D) 18.5%
45. **Assertion (A)** : Debt - equity ratio indicates the long term solvency of a company.
- Reason (R)** : It measures the ability of the company to pay off its long term liabilities.
- Select the correct answer from the codes given below :
- Codes** :
- (A) Both (A) and (R) are correct and (R) is the correct explanation of (A)
(B) Both (A) and (R) are correct but (R) is not a correct explanation of (A)
(C) (A) is correct, but (R) is wrong
(D) (A) is wrong, but (R) is correct

46. From the following statements of Assertion (A) and Reason (R), choose the correct option.

Assertion (A) : The value of import tends to be very high when there is a conjecture of high rate of economic growth and a sharp fall in the relative price of import and vice-versa.

Reason (R) : High rate of growth, ceteris paribus is associated with rise in import and increase in the import, ceteris paribus, is associated with a fall in the relative price of import.

- (A) Both (A) and (R) are correct and (R) is the correct explanation of (A)
- (B) Both (A) and (R) are correct but (R) is not a correct explanation of (A)
- (C) (A) is correct, but (R) is not correct
- (D) (A) is not correct, but (R) is correct

47. Which of the following is not the objective of the Competition Act, 2002 ?

- (A) Prohibition of Dominant Position
- (B) Prohibition of Anti-competitive Agreements
- (C) Regulation of Combinations
- (D) Prohibition of Restrictive Trade Practices

48. Match List – 1 with List – 2. Choose the correct option from those given below.

List – 1

(Trade and Finance Institution)

List – 2

(Headquarters)

- | | |
|--------|-----------------|
| a. WTO | i. Brussels |
| b. IMF | ii. Geneva |
| c. FAO | iii. Washington |
| d. EU | iv. Rome |

(A) a-ii b-iii c-iv d-i

(B) a-i b-ii c-iii d-iv

(C) a-iii b-ii c-i d-iv

(D) a-i b-iii c-ii d-iv

49. The Central Bank can significantly influence the savings, investments and consumer spending in the economy through which of the following policy ?

- (A) Fiscal Policy
- (B) Monetary Policy
- (C) Industrial Policy
- (D) Foreign Exchange Policy

50. Determine stock turnover ratio if, opening is Rs. 31,000, closing stock is Rs. 29,000, sales is Rs. 3,20,000 and gross profit ratio is 25% on sales.

(A) 31 times (B) 11 times
(C) 8 times (D) 32 times

51. Match the items in Column – I with the items in Column – II :

Column – I

Column – II

- | | |
|----------------------------|---|
| a. Materiality concept | i. The same accounting method used by firm from one period to another |
| b. Going concern concept | ii. An inappropriate assumption of a firm being bankrupt |
| c. Historical cost concept | iii. A normal basis used for accounting assets |
| d. Consistency concept | iv. Relates to the importance of an item or event |

a b c d

- (A) iv ii iii i
(B) i ii iii iv
(C) ii iii iv i
(D) iv ii i iii

52. Dual Aspect concept results in the following accounting equation

(A) Revenue = Expenses
(B) Capital + Profit = Assets + Expenses
(C) Capital + Liabilities = Assets
(D) Capital + Drawings = Owner's Equity

53. Which of the following is not correct ?

(A) Margin of Safety = Profit/PV ratio
(B) P/V ratio = Change in contribution/Change in sales × 100
(C) Required sales to earn desired profit = Desired profit/PV ratio
(D) Break-even point in units = Fixed cost/Contribution per unit

54. Which of the following statement is not true ?

(A) Wages paid for the installation of a new machine is usually debited to wages account
(B) Revenue expenditure is not intended to benefit future period
(C) Amount paid for acquiring good is capital expenditure
(D) An expenditure intended to benefit current year is revenue expenditure

55. The principle of double entry book keeping system published by

(A) John Passioli
(B) Wilson
(C) Lucas Passioli
(D) Silu Passioli

56. Which of the following statements is false ?

- (A) The opportunity cost of an input is considered in capital budgeting
- (B) Capital budgeting decisions are reversible in nature
- (C) Cash flows and accounting profits are different
- (D) An expansion decision is a capital budgeting decision

57. Match the items of List – I with those of List – II and indicate the correct codes.

List – I

List – II

- | | |
|-------------------------|--|
| a. ABC Analysis | i. Dividend Decision |
| b. Walter Model | ii. Capital Budgeting Decision |
| c. Capital Rationing | iii. Capital Structure Decision |
| d. Net Operating Income | iv. Working Capital Management Decision Approach |

Codes :

a b c d

- (A) i iii ii iv
- (B) ii i iii iv
- (C) iv i ii iii
- (D) iii i ii iv

58. Which one is more appropriate for cost of retained earning ?

- (A) Weighted average cost of capital
- (B) Expected rate of return by the investor
- (C) Opportunity cost of the firm
- (D) Same as cost of equity

59. Which method does not consider the time value of money ?

- (A) Net present value
- (B) Internal rate of return
- (C) Profitability index
- (D) Average rate of return

60. Match the item of List – I with List – II and choose the correct option.

List – I

List – II

- | | |
|--------------------------|---------------------------|
| a. High levered fund | i. Market risk |
| b. Increase in bank rate | ii. Purchasing power risk |
| c. Inflation | iii. Financial risk |
| d. Political instability | iv. Interest rate risk |

a b c d

- (A) iii i ii iv
- (B) i iii iv ii
- (C) iii iv ii i
- (D) ii iii i iv

61. Regionalism is

- (A) A protectionist policy created to exclude third World Countries from certain forms of international trade
- (B) The grouping of Countries into regional clusters based on geographic proximity
- (C) An international management orientation and a protectionist policy created to exclude third World Countries from certain forms of international trade
- (D) An international management orientation

62. The disadvantages of Greenfield FDI as compared to acquisition is

- (A) Profit will be less
- (B) Size of investment will be high
- (C) Lesser control in management
- (D) Delay in the establishment

63. A and B are partners sharing profits and losses in the ratio of 7 : 5. They agree to admit C, their manager into partnership who is to get $\frac{1}{6}$ th share in the profits. He acquires this share as $\frac{1}{24}$ th from A and $\frac{1}{8}$ th from B, the new profit sharing ratio will be

- (A) 13 : 7 : 4
- (B) 7 : 13 : 4
- (C) 7 : 5 : 6
- (D) 5 : 7 : 6

64. Which of the following is not required while vouching Sales Return ?

- (A) Examine debit notes
- (B) Examine cut-off points
- (C) Examine credit notes
- (D) Examine sales return book

65. If the demand equation is given by $D = 1000 - P$, and the supply equation is given by $S = 100 + 4P$, Price would be

- (A) 160
- (B) 180
- (C) 170
- (D) 200

66. Given below are two statements, one labelled as Assertion (A) and the other labelled as Reason (R). Read the statements and choose the correct answer using the option given below :

Assertion (A) : Technological changes and skill requirements have been made a subject of investigation in an organization.

Reason (R) : The neo-classical economic theory stated that technological changes require a broader variety of skills and higher average skills from the workers.

- (A) Both (A) and (R) are correct and (R) is the correct explanation of (A)
- (B) Both (A) and (R) are correct but (R) is not a correct explanation of (A)
- (C) (A) is correct, but (R) is not correct
- (D) (A) is not correct, but (R) is correct
67. In which of the following forms of worker's participation in management is the role of the Workers' Council not just advisory but the management is under a moral obligation to acknowledge, accept and implement the unanimous decision of the Council ?
- (A) Consultative participation
- (B) Associative participation
- (C) Decisive participation
- (D) Administrative participation

68. A leader who identifies what subordinates need to do to achieve objectives, clarify organizational roles and tasks, set up an organization structure, reward performance and provide for the social needs of their followers, is :

- (A) A transformational leader
- (B) A participative leader
- (C) A transactional leader
- (D) A autocratic leader
69. Which of the following reflects the sum of perceived tangible and intangible benefits and costs to a customer ?
- (A) Customer satisfaction
- (B) Customer delight
- (C) Customer value
- (D) Customer expectation

70. Building long-term mutually satisfying relations with key customers, suppliers, distributors in order to earn and retain their long-term preference and business is known as

- (A) Relationship marketing
- (B) Social marketing
- (C) Niche marketing
- (D) Service marketing

71. From the following statements of Assertion (A) and Reason (R), choose the correct option.

Assertion (A) : Industrial Liberalisation became an imperative condition for the growth of forces of competition leading to high efficiency and productivity in Indian industries.

Reason (R) : Industrial development and curbing of poverty is only possible through government intervention.

- (A) Both (A) and (R) are correct and (R) is the correct explanation of (A)
- (B) Both (A) and (R) are correct but (R) is not a correct explanation of (A)
- (C) (A) is correct, but (R) is not correct
- (D) (A) is not correct, but (R) is correct

72. Which of the following statement are not correct ?

Statement (I) : Sustainable development means an attempt to achieve the balance between economic growth and conservation/protection of environment.

Statement (II) : Sustainable development means meeting the needs of industries without compromising the needs of import-export balancing.

Statement (III) : Sustainable development means creation of sufficient surplus budgets through stock of capital assets including land.

- (A) Statement (I) and (III)
- (B) Statement (II) and (III)
- (C) Statement (I) and (II)
- (D) Statement (I), (II) and (III)

73. The arithmetic mean of 10 item is 50. If each item increased by 5, then arithmetic mean would be

- (A) 45
- (B) 50
- (C) 55
- (D) 60

74. Which of the following is not the characteristics of normal distribution ?
- (A) Bell - shaped and symmetric
- (B) Mean, Median and Mode of the distribution are equal
- (C) The total area under the curve for the normal probability distribution is one
- (D) The two tails of the distribution in both the directions touches the horizontal axis

75. From the following statements of Assertion (A) and Reason (R), indicate the correct codes.

Assertion (A) : A reasonable sized sample drawn randomly from large sized population contains almost all the characteristics which exist in the population.

Reason (R) : The theory of sampling based on the two important laws of statistics, viz, law of statistical regularity and law of inertia of large numbers.

Codes :

- (A) Both (A) and (R) are correct and (R) is the correct explanation of (A)
- (B) Both (A) and (R) are correct but (R) is not a correct explanation of (A)
- (C) (A) is correct, but (R) is not correct
- (D) (A) is not correct, but (R) is correct

76. Errors which arise on account of transactions not being recorded in the books of accounts, either wholly or partially are termed as
- (A) Error of Principle
- (B) Error of Omission
- (C) Error of Commission
- (D) Compensatory Errors

77. Match List – 1 and List – 2, choose the correct option from those given below.

List – 1

List – 2

- | | |
|----------|---|
| a. 80TTA | i. deduction in respect of payment of interest on loan taken for higher education |
| b. 80CCD | ii. deduction in respect of interest on loan taken for residential house property |
| c. 80E | iii. deduction in respect of interest on deposits in Savings Account |
| d. 80EE | iv. deduction in respect of contribution to National Pension System |

- | | | | |
|-----------|------|-------|------|
| (A) a-iii | b-iv | c-i | d-ii |
| (B) a-iii | b-iv | c-ii | d-i |
| (C) a-iii | b-i | c-ii | d-iv |
| (D) a-i | b-ii | c-iii | d-iv |

78. From the following statements of Assertion (A) and Reason (R), choose the correct option.

Assertion (A) : If the interest is payable outside India, tax must be deducted at source.

Reason (R) : If tax has not been deducted at source, the amount paid as interest will not be allowed as a deduction in computing business income.

- (A) Both (A) and (R) are correct but (R) does not a correct explanation of (A)
 (B) Both (A) and (R) are correct and (R) is the correct explanation of (A)
 (C) (A) is correct, but (R) is not correct
 (D) (A) is not correct, but (R) is correct
79. Which among the following is a correct statement about the residential status of a company ?
- (A) A company can be classified as “not ordinarily resident” with permission from the Ministry of Commerce
 (B) A company can be classified as “not ordinarily resident” with permission from the Ministry of Finance
 (C) A company can never be classified as “not ordinarily resident”
 (D) A company can be classified as “not ordinarily resident”

80. Match List – 1 with List – 2 and choose the correct option.

List – 1

List – 2

- | | |
|-----------------|-----------------------------|
| a. Sec 6(i) | i. Agricultural Income |
| b. Sec 10(10AA) | ii. Leave travel concession |
| c. Sec 10(i) | iii. Resident |
| d. Sec 10(5) | iv. Leave Salary |

(A) a-i b-iv c-iii d-ii

(B) a-iii b-iv c-ii d-i

(C) a-iii b-ii c-iv d-i

(D) a-iii b-iv c-i d-ii

81. The question of buyer “what I am really buying ?” is addressed in strategy called

- (A) Customisation
 (B) Customer cost
 (C) Customer focus
 (D) Customer core value

82. Read the following statements and choose the correct codes.

Statement (I) : A low market – penetration index indicates substantial growth potential for all the firms.

Statement (II) : Generally, price competition increases and margins fall when the market – penetration index is already high.

Codes :

- (A) Both the statements are correct
 - (B) Both the statements are incorrect
 - (C) Statement (I) is correct while statement (II) is incorrect
 - (D) Statement (I) is incorrect while statement (II) is correct
83. “A” took his wife “B” to England for vacations. Due to some business emergency A had to go back to his place of work immediately while leaving B in England owing to her ill-health. A promised to pay B 300 pounds per week as maintenance during her stay in England, but failed to pay. If A is sued by B then.
- (A) A is liable for breach of contract
 - (B) A is not liable because he cannot be presumed to have any intention to enter into a contract with his wife
 - (C) A is not liable because of the lack of consideration on the part of B
 - (D) A is liable because a promise to one’s wife result in a binding contract even in the absence of a consideration for the promise

84. Which are the Sections of IT Act deals with credit card fraud ?

- (A) 43; 66; 66C; 66D
- (B) 43; 43B; 66C; 66D
- (C) 43; 43B; 43C; 66D
- (D) 65; 66; 66C; 66D

85. In India, the literary work is protected until

- (A) Lifetime of author
- (B) 25 years after the death of author
- (C) 40 years after the death of author
- (D) 60 years after the death of author

86. An agreement to do an impossible act is

- (A) Legal
- (B) Illegal
- (C) Void
- (D) Voidable

87. Given below are two statements, one is labelled as Assertion (A) and the other is labelled as Reason (R).

Assertion (A) : Trademark registration gives exclusive proprietary rights to the trademark owner.

Reason (R) : A trademark is a recognizable sign, design or expressions which identifies products or services of a particular source from those of others and are used to claim exclusive proprietary rights of products or services.

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

- (A) Both (A) and (R) are correct and (R) is the correct explanation of (A)
 - (B) Both (A) and (R) are correct but (R) is not a correct explanation of (A)
 - (C) (A) is correct, but (R) is not correct
 - (D) (A) is not correct, but (R) is correct
88. Within how many days after receiving a reply on the first appeal, a second appeal can be filed ?
- (A) 2 months
 - (B) 30 days
 - (C) 45 days
 - (D) 90 days

89. Under GST, 'value addition' refers to

- (A) Expenses 'plus' profit
- (B) Cost 'plus' profit
- (C) Cost plus tax 'plus' profit
- (D) Tax 'plus' profit

90. Which Section of the Competition Act, 2002 deals with the Selection Committee for Chairperson and members of Competition Commission of India ?

- (A) Section 12 of the Competition Act, 2002
- (B) Section 9 of the Competition Act, 2002
- (C) Section 14 of the Competition Act, 2002
- (D) Section 20 of the Competition Act, 2002

91. Which of the following is not a determinant of service quality ?

- (A) Reliability
- (B) Responsiveness
- (C) Sensitivity
- (D) Assurance

92. The “Report on Currency and Finance” for each of the financial year in India is published by

- (A) Reserve Bank of India
- (B) Ministry of Finance
- (C) Planning Commission
- (D) Central Statistical Organization

93. In India the Commercial Banks are given licence of operation by

- (A) The Government of India
- (B) The Ministry of Finance
- (C) Reserve Bank of India
- (D) Banking Companies Regulation Act, 1949

94. Imperial Bank was established on January 27, 1921 on the advice of

- (A) J. M. Keynes
- (B) Lord Illingworth
- (C) King George V.
- (D) Winston Churchill

95. Chalapathi Rao Committee was constructed for restructuring of

- (A) State Financial Corporation in India
- (B) Commercial Banks in India
- (C) Co-operative Banks in India
- (D) Regional Rural Banks in India

96. Which of the following is the non-random method of selecting samples from a population ?

- (A) Systematic sampling
- (B) Cluster sampling
- (C) Quota sampling
- (D) Stratified sampling

97. F-test is used to test the significance of the difference between/among

- (A) Two sample mean
- (B) More than two samples mean
- (C) Variance of two samples
- (D) Both (B) and (C)

98. Read the following statement and choose the correct codes.

Statement (I) : Non-parametric tests are based on some assumptions about the present population from which the sample has been drawn.

Statement (II) : The standard deviation of the sampling distribution of mean is called standard error of mean.

Codes :

- (A) Both statements are true
- (B) Both statements are false
- (C) Statement (I) is false while statement (II) is true
- (D) Statement (I) is true while statement (II) is false

99. Cost of Equity Share Capital is more than Cost of Debt because

- (A) Equity shares are not easily saleable
- (B) Equity shares do not provide the fixed dividend rate
- (C) Generally the face value of equity shares is less than the face value of debentures
- (D) Equity shares have high risks than debt

100. Match the List – 1 with List – 2. Choose the correct option from those given below.

List – 1

List – 2

- | | |
|----------------------------|-------------------------------|
| a. Net income approach | i. Inventory management |
| b. Gordon model | ii. Capital budgeting |
| c. Internal rate of return | iii. Capital structure theory |
| d. Reorder level | iv. Dividend theory |
- (A) a-ii b-iii c-iv d-i
 - (B) a-iii b-iv c-ii d-i
 - (C) a-iv b-iii c-i d-ii
 - (D) a-i b-ii c-iii d-iv

Space for Rough Work

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