

DU MCom

Topic:- MCOM

1) Rohan Ltd. has bought a piece of machinery. Before ensuring that the machine is a condition of operation for the intended purpose, it operates a trial run. In this trial run, the machine produces 5 units of product @ Rs. 99 per piece. The fair market price of such product, being standard, is Rs.119 per piece. But these products, being extremely sub-standard, are sold in the market @ Rs.33 per piece. The amount of cost to be added to the machinery for initial recognition is[Question ID = 1572]

1. Rs. 660 [Option ID = 6285]
2. Rs. 330 [Option ID = 6286]
3. Rs. 495 [Option ID = 6287]
4. Rs. 165 [Option ID = 6288]

Correct Answer :-

- Rs. 330 [Option ID = 6286]

2) In the case of a problem based on the insolvency of partners as per Garner V. Murray case, a partner, though solvent, has a credit balance in his capital account on the date of dissolution but has a debit balance in his capital account after sharing the loss on realization. Such a partner should:[Question ID = 1573]

1. Neither share the loss of an insolvent partner nor bring in his share of realization loss in cash [Option ID = 6289]
2. Only share the loss of an insolvent partner [Option ID = 6290]
3. Share the loss of an insolvent partner and also bring in his share of realization loss in cash [Option ID = 6291]
4. Only bring the realization loss in cash [Option ID = 6292]

Correct Answer :-

- Share the loss of an insolvent partner and also bring in his share of realization loss in cash [Option ID = 6291]

3) Standard cost method related to the valuation of inventory of finished goods and work-in-progress is:[Question ID = 1574]

1. Only a method of determination of cost for the purpose of valuation of inventory [Option ID = 6293]
2. Only a method of valuation of inventory [Option ID = 6294]
3. Both a method of determination of cost for the purpose of valuation of inventory and also a method of valuation of inventory [Option ID = 6295]
4. Neither a method of determination of cost for the purpose of valuation of inventory nor a method of valuation of inventory [Option ID = 6296]

Correct Answer :-

- Only a method of determination of cost for the purpose of valuation of inventory [Option ID = 6293]

4) As per Accounting Standard (AS) 10 'Property, Plant and Equipment', the costs for regular major inspection for faults as a condition of continuing to operate an item of property, plant and equipment (PPE):[Question ID = 1575]

1. Should not be recognized in the carrying amount of that item of PPE even if decided by the management of the entity [Option ID = 6297]
2. Should be recognized in the carrying amount of that item of PPE only if decided by the management of the entity [Option ID = 6298]
3. Should be charged as an expense in the period in which these costs are incurred [Option ID = 6299]
4. Should be recognized in the carrying amount of that item of PPE and additionally, the carrying amount of previous inspection or if the carrying amount of previous inspection is not determinable, the cost thereof should be derecognized [Option ID = 6300]

Correct Answer :-

- Should be recognized in the carrying amount of that item of PPE and additionally, the carrying amount of previous inspection or if the carrying amount of previous inspection is not determinable, the cost thereof should be derecognized [Option ID = 6300]

5) Under 'Stock and Debtors' method related to a dependent inland branch, for abnormal loss of stock at branch, besides credit to 'Branch Stock A/c' by 'Branch Profit and Loss A/c' and 'Branch Adjustment A/c'[Question ID = 1576]

1. Only cost of abnormal loss is debited to 'Branch Profit and Loss A/c' [Option ID = 6301]
2. Only loading margin of abnormal loss is debited to 'Branch Adjustment A/c' [Option ID = 6302]
3. Neither cost of abnormal loss is debited to 'Branch Profit and Loss A/c' nor is loading margin of abnormal loss debited to 'Branch Adjustment A/c' [Option ID = 6303]
4. Cost of abnormal loss is debited to 'Branch Profit and Loss A/c' and loading margin of abnormal loss is debited to 'Branch Adjustment A/c' [Option ID = 6304]

Correct Answer :-

- Cost of abnormal loss is debited to 'Branch Profit and Loss A/c' and loading margin of abnormal loss is debited to 'Branch Adjustment A/c' [Option ID = 6304]

6) Unless otherwise stated a Preference Share is always deemed to be[Question ID = 1577]

1. Cumulative, Non-Participating and Non-Convertible. [Option ID = 6305]
2. Non-Cumulative, Non-Participating and Non-Convertible. [Option ID = 6306]
3. Cumulative, Participating and Non-Convertible. [Option ID = 6307]
4. Cumulative, Participating and Convertible. [Option ID = 6308]

Correct Answer :-

- Cumulative, Non-Participating and Non-Convertible. [Option ID = 6305]

7) In the Balance Sheet of a company, Reserve Capital[Question ID = 1578]

1. is required to be disclosed under Authorised Capital. [Option ID = 6309]
2. is required to be disclosed under Issued Capital. [Option ID = 6310]
3. is required to be disclosed under Subscribed Capital. [Option ID = 6311]
4. is not required to be disclosed. [Option ID = 6312]

Correct Answer :-

- is not required to be disclosed. [Option ID = 6312]

8) An item of Income or Expenditure is to be disclosed separately as per The Companies Act, 2013 if its amount exceeds[Question ID = 1579]

1. 1% of the revenue from operations or ₹ 1,00,000, whichever is higher; [Option ID = 6313]
2. 1% of the revenue from operations or ₹ 1,00,000, whichever is lower; [Option ID = 6314]
3. 1% of the revenue from operations or ₹ 10,00,000, whichever is higher; [Option ID = 6315]
4. 1% of the revenue from operations or ₹ 10,00,000, whichever is lower; [Option ID = 6316]

Correct Answer :-

- 1% of the revenue from operations or ₹ 1,00,000, whichever is higher; [Option ID = 6313]

9) Net Profits of AATMA Ltd. for the years 2020-2021,2019-2020,2018-2019,2017-2018,2016-2017 are ₹ 25 crore, ₹ 20 crore, ₹ 15 crore, ₹ 10 crore and ₹ 5 crore respectively. During 2020-2021, the company incurred ₹ 7,00,000 and ₹ 3,00,000 on free education and medical treatment of the employees of the company and their families respectively under CSR projects. State the short fall of expenditure on Corporate Social Responsibility as per The Companies Act, 2013. [Question ID = 1580]

1. ₹ 40,00,000 [Option ID = 6317]
2. ₹ 30,00,000 [Option ID = 6318]
3. ₹ 20,00,000 [Option ID = 6319]
4. ₹ 10,00,000 [Option ID = 6320]

Correct Answer :-

- ₹ 30,00,000 [Option ID = 6318]

10) On 31st March, 2021, Equity Shares of ₹ 10 each fully paid: ₹ 198 crore, 12% Red Pref. Share Capital: ₹ 42 Crore, Securities Premium: ₹ 10 crore, General Reserve: ₹ 200 crore, Infrastructure Development Reserve (Statutory Reserve) : ₹ 70 crore, Capital Redemption Reserve: ₹ 30 crore, Plant Revaluation Reserve : ₹ 8 crore. On 1st April, 2021, The company has offered buy back price at 20% over the Market Price. Market Price per share is ₹ 25. Calculate the Maximum permissible number of Equity Shares that can be bought back as per The Companies Act, 2013. [Question ID = 1581]

1. 4.95 crores [Option ID = 6321]
2. 3.75 crores [Option ID = 6322]
3. 2.25 crores [Option ID = 6323]
4. 1.75 crores [Option ID = 6324]

Correct Answer :-

- 3.75 crores [Option ID = 6322]

11) Under FSN system of inventory control, inventory is classified on the basis of :- [Question ID = 1582]

1. Volume of material consumption [Option ID = 6325]
2. Frequency of usage of items of inventory [Option ID = 6326]
3. Criticality of the item of inventory for production [Option ID = 6327]
4. Value of items of inventory [Option ID = 6328]

Correct Answer :-

- Frequency of usage of items of inventory [Option ID = 6326]

12) The repairs and maintenance expenses of a machinery at 6,000 machine hours run is Rs.1,12,000. If it runs for 9,000 machine hours, it will incur repairs and maintenance cost of Rs.1,48,000. What will this cost at 12,000 machine hours run? [Question ID = 1583]

1. Rs.2,24,000 [Option ID = 6329]
2. Rs.1,94,000 [Option ID = 6330]
3. Rs.1,84,000 [Option ID = 6331]
4. Rs.1,74,000 [Option ID = 6332]

Correct Answer :-

- Rs.1,84,000 [Option ID = 6331]

13) Controllable variances are best disposed-off by transferring to:- [Question ID = 1584]

1. Cost of goods sold [Option ID = 6333]
2. Inventories of WIP and Finished Goods [Option ID = 6334]
3. Cost of goods sold and inventories [Option ID = 6335]
4. Costing profit and loss account [Option ID = 6336]

Correct Answer :-

- Costing profit and loss account [Option ID = 6336]

14) A material of 7,500 kgs. was introduced in the process and the expected loss is 8% and if the actual output is 7,050 kgs. then there is a :-[Question ID = 1585]

1. Abnormal Gain of 200 kgs. [Option ID = 6337]
2. Abnormal Loss of 150 kgs. [Option ID = 6338]
3. Abnormal Gain of 150 kgs. [Option ID = 6339]
4. Abnormal Loss of 200 kgs [Option ID = 6340]

Correct Answer :-

- Abnormal Gain of 150 kgs. [Option ID = 6339]

15) A company earned a profit of 80,000 on the sales of Rs.4,00,000 in period 1. It's profit increases by Rs 20,000 on the sales of Rs.4,50,000 in period 2. The company will achieve its BEP at :-[Question ID = 1586]

1. Rs. 1,20, 000 [Option ID = 6341]
2. Rs. 80, 000 [Option ID = 6342]
3. Rs. 1,60, 000 [Option ID = 6343]
4. Rs. 2,00, 000 [Option ID = 6344]

Correct Answer :-

- Rs. 2,00, 000 [Option ID = 6344]

16) Statutory audit is:[Question ID = 1587]

1. A certificate as to the correctness of the financial statements. [Option ID = 6345]
2. An assurance as to the viability of the business of the entity [Option ID = 6346]
3. A guarantee that the books of accounts are free from errors and frauds [Option ID = 6347]
4. An expression of opinion on the true and fair view of the financial statements [Option ID = 6348]

Correct Answer :-

- An expression of opinion on the true and fair view of the financial statements [Option ID = 6348]

17) Who prepares the Audit Programme for conducting an audit?[Question ID = 1588]

1. The Auditor [Option ID = 6349]
2. The Client [Option ID = 6350]
3. The Institute of Chartered Accountants of India [Option ID = 6351]
4. The National Financial Reporting Authority [Option ID = 6352]

Correct Answer :-

- The Auditor [Option ID = 6349]

18) Which of the following is true for Internal Audit in India?[Question ID = 1589]

1. Optional for all the companies [Option ID = 6353]
2. Compulsory only for the public sector entities [Option ID = 6354]
3. Compulsory only for the listed companies [Option ID = 6355]
4. Mandatory for all listed companies and other specified companies. [Option ID = 6356]

Correct Answer :-

- Compulsory only for the public sector entities [Option ID = 6354]

19) The objective of 'Vouching' is[Question ID = 1590]

1. To ensure that the assets and liabilities of the entity exist on the date of the balance sheet. [Option ID = 6357]
2. To establish the accuracy and authenticity of the accounting entries in the books of accounts. [Option ID = 6358]
3. To ensure that the assets and liabilities are in possession of the entity [Option ID = 6359]
4. To ensure that assets of the entity are properly valued [Option ID = 6360]

Correct Answer :-

- To establish the accuracy and authenticity of the accounting entries in the books of accounts. [Option ID = 6358]

20) Who appoints the first auditor of a company (other than a government company)?[Question ID = 1591]

1. The Registrar of Companies [Option ID = 6361]
2. The National Company Law Tribunal [Option ID = 6362]
3. Audit Committee of the company [Option ID = 6363]
4. Board of Directors of the company [Option ID = 6364]

Correct Answer :-

- Board of Directors of the company [Option ID = 6364]

21) The mean of 15 observations is 40. The mean of first 8 observations is 36 and the mean of last 8 observations is 42. What is the value of the 8th observation?[Question ID = 1592]

1. 24 [Option ID = 6365]
2. 40 [Option ID = 6366]
3. 48 [Option ID = 6367]
4. 26 [Option ID = 6368]

Correct Answer :-

- 24 [Option ID = 6365]

22) Suppose that approximately 15% of the people are left-handed. If two people are selected at random, what is the probability that one is right-handed and the other is left-handed?[Question ID = 1593]

1. 0.1275 [Option ID = 6369]
2. 0.255 [Option ID = 6370]
3. 0.9775 [Option ID = 6371]
4. 0.745 [Option ID = 6372]

Correct Answer :-

- 0.255 [Option ID = 6370]

23) Which of the following is *not* a property of the coefficient of correlation?

[Question ID = 1594]

1. The coefficient of correlation lies between -1 and +1.
[Option ID = 6373]
2. The coefficient of correlation depends on the change of scale.
[Option ID = 6374]
3. The coefficient of correlation is the geometric mean of two regression coefficients.
[Option ID = 6375]
4. The coefficient of correlation gives the direction of relationship between variables.
[Option ID = 6376]

Correct Answer :-

- The coefficient of correlation depends on the change of scale.
[Option ID = 6374]

24) Which of the following is a relative measure of dispersion?[Question ID = 1595]

1. Range [Option ID = 6377]
2. Geometric mean [Option ID = 6378]
3. Coefficient of variation [Option ID = 6379]
4. Quartile deviation [Option ID = 6380]

Correct Answer :-

- Coefficient of variation [Option ID = 6379]

25) In which of the following cases can we use the binomial probability distribution?[Question ID = 1596]

1. To calculate the probability of travelling more than 15 kms on 1 litre of petrol. [Option ID = 6381]
2. To calculate the probability that students in a class study between 1 hour and 3 hours per day for a certain paper. [Option ID = 6382]
3. To calculate the probability that a bulb lasts for a longer time than the advertised figure. [Option ID = 6383]
4. To calculate the probability of getting an even number twice on rolling of a dice six times. [Option ID = 6384]

Correct Answer :-

- To calculate the probability of getting an even number twice on rolling of a dice six times. [Option ID = 6384]

26) Prosperity, recession and depression in a business is an example of which of the following:[Question ID = 1597]

1. Irregular trend [Option ID = 6385]
2. Secular trend [Option ID = 6386]
3. Cyclical trend [Option ID = 6387]
4. Seasonal trend [Option ID = 6388]

Correct Answer :-

- Cyclical trend [Option ID = 6387]

27) If the right tail in a distribution is longer than the left tail, then the distribution is:[Question ID = 1598]

1. Positively skewed [Option ID = 6389]
2. Negatively skewed [Option ID = 6390]
3. Symmetrical [Option ID = 6391]
4. Scattered [Option ID = 6392]

Correct Answer :-

- Positively skewed [Option ID = 6389]

28) A certain sum of money is invested at 4% p.a. compounded annually. If interest for second year is Rs.25 interest for 4th year will be Rs.[Question ID = 1599]

1. 25 [Option ID = 6393]
2. 27 [Option ID = 6394]
3. 26 [Option ID = 6395]
4. 27.04 [Option ID = 6396]

Correct Answer :-

- 27.04 [Option ID = 6396]

29) The demand function of a product is $X = 300 - P^2$. It will have unitary price elasticity of demand at P equal to Rs.

[Question ID = 1600]

1. 12 [Option ID = 6397]
2. 9 [Option ID = 6398]
3. 8 [Option ID = 6399]
4. 10 [Option ID = 6400]

Correct Answer :-

- 10 [Option ID = 6400]

30) Marginal cost function of a product is $MC(X) = 3(3X + 4)^{-0.5}$ with a fixed cost of Rs.2.00. Its per unit cost when firm produces 7 units will be Rs.[Question ID = 1601]

1. 2 [Option ID = 6401]
2. 8/7 [Option ID = 6402]
3. 8/3 [Option ID = 6403]
4. 8/5 [Option ID = 6404]

Correct Answer :-

- 8/7 [Option ID = 6402]

31) A machine costing Rs.C is depreciated at 100 r % p.a. using diminishing balance method. Its book value after 2 years will be -[Question ID = 1602]

1. $C(1-r)^2$ [Option ID = 6405]
2. $C(1-r^2)$ [Option ID = 6406]
3. $C(1-r)$ [Option ID = 6407]
4. $C(r^2-1)$ [Option ID = 6408]

Correct Answer :-

- $C(1-r)^2$ [Option ID = 6405]

32) A bill of Rs.5000 discounted by a customer with his bank due after 3 months. Bank charges discount at 12% p.a. Customer will get Rs.[Question ID = 1603]

1. 4800 [Option ID = 6409]
2. 4900 [Option ID = 6410]
3. 4850 [Option ID = 6411]
4. 4950 [Option ID = 6412]

Correct Answer :-

- 4850 [Option ID = 6411]

33) If the price elasticity of demand of a product is unitary at all levels, its demand function will be -[Question ID = 1604]

1. $P = X$ [Option ID = 6413]
2. $PX = \text{Constant}$ [Option ID = 6414]
3. $P = X^2$ [Option ID = 6415]
4. $X = P^2$ [Option ID = 6416]

Correct Answer :-

- $PX = \text{Constant}$ [Option ID = 6414]

34) If $A = \begin{bmatrix} 2 & 3 \\ 1 & 4 \end{bmatrix}$ and $B = \begin{bmatrix} 1 & a \\ b & 5 \end{bmatrix}$ and $AB = BA$, then a and b will be

[Question ID = 1605]

1. 2 and 6 [Option ID = 6417]
2. 6 and 2 [Option ID = 6418]
3. 4 and 3 [Option ID = 6419]
4. 3 and 4 [Option ID = 6420]

Correct Answer :-

- 6 and 2 [Option ID = 6418]

35) Mr. X, a non-Government employee, received Rs. 28,00,000 as cash equivalent of leave salary at the time of his retirement on 28 February 2021. The maximum amount which can be exempt in this case will be:[Question ID = 1606]

1. Rs. 3,00,000 [Option ID = 6421]
2. Rs. 3,50,000 [Option ID = 6422]
3. Rs. 10,00,000 [Option ID = 6423]
4. Rs. 20,00,000 [Option ID = 6424]

Correct Answer :-

- Rs. 3,00,000 [Option ID = 6421]

36) While computing the value of perquisite in respect of motor car sold by the employer to the employee on 31 January 2021, the following percentage and method will be followed:[Question ID = 1607]

1. 10% on straight line method [Option ID = 6425]
2. 20% on straight line method [Option ID = 6426]
3. 10% on written down value method [Option ID = 6427]
4. 20% on written down value method [Option ID = 6428]

Correct Answer :-

- 20% on written down value method [Option ID = 6428]

37) For the assessment year 2021-22, of any sum paid to a National Laboratory with a specific direction that the said sum shall be used for scientific research undertaken under a programme approved in this behalf by the prescribed authority is allowed as deduction under section 35 while computing income under the head Profits and Gains of Business or Profession.[Question ID = 1608]

1. 100% [Option ID = 6429]
2. 125% [Option ID = 6430]
3. 175% [Option ID = 6431]
4. 200% [Option ID = 6432]

Correct Answer :-

- 100% [Option ID = 6429]

38) Mr. X, a resident individual, has earned a short-term capital gain (covered under section 111A) of Rs. 4,00,000 and business income of Rs. 50,000 during the assessment year 2021-22. He has also invested Rs. 3,00,000 on 29 March 2021 which is eligible for deduction under section 80C. In this case, the amount of deduction under section 80C for the assessment year 2021-22 will be:[Question ID = 1609]

1. Nil [Option ID = 6433]
2. Rs. 50,000 [Option ID = 6434]
3. Rs. 1,50,000 [Option ID = 6435]
4. Rs. 3,00,000 [Option ID = 6436]

Correct Answer :-

- Rs. 50,000 [Option ID = 6434]

39) Mr. X gifts debentures of a private company of Rs. 10,00,000 to his wife, Mrs. X, without consideration. She earned interest of Rs. 1,00,000 on these debentures which she reinvested and then earned an interest of Rs. 10,000 on this reinvested amount. Assuming the assessment year 2021-22 is applicable, this Rs. 10,000 will be taxable in the hands of: [Question ID = 1610]

1. Mr. X [Option ID = 6437]
2. Mrs. X [Option ID = 6438]
3. Exempt from tax [Option ID = 6439]
4. Mr. X or Mrs. X, depending upon the Assessing Officer [Option ID = 6440]

Correct Answer :-

- Mrs. X [Option ID = 6438]

40) Mr. X supplies interior designing services to Mr. Y. The location of Mr. X is Tamil Nadu and location of Mr. Y is Canada. In such a situation, the place of supply of service will be determined as per:[Question ID = 1611]

1. Section 7 of the CGST Act [Option ID = 6441]
2. Section 7 of the IGST Act [Option ID = 6442]
3. Section 13 of the CGST Act [Option ID = 6443]
4. Section 13 of the IGST Act [Option ID = 6444]

Correct Answer :-

- Section 13 of the IGST Act [Option ID = 6444]

41) A good is subject to periodic increase in supply. Each time supply increases, the supplier finds the total revenue decreasing. Which of the following must be true of the good. [Question ID = 1612]

1. It is an inferior good [Option ID = 6445]
2. It has price inelastic supply [Option ID = 6446]
3. It is a superior good [Option ID = 6447]
4. It has price inelastic demand [Option ID = 6448]

Correct Answer :-

- It has price inelastic demand [Option ID = 6448]

42) Which of the following sets of commodities are likely to have positive cross elasticity of demand?[Question ID = 1613]

1. Aluminium & Plastic. [Option ID = 6449]
2. Pencil & Paper. [Option ID = 6450]
3. Men's and women's shoes. [Option ID = 6451]
4. Jam & Cheese. [Option ID = 6452]

Correct Answer :-

- Aluminium & Plastic. [Option ID = 6449]

43) An increase in the demand for a firm's output[Question ID = 1614]

1. increases the prosperity of the firm but decreases the prosperity of the factors hired by the firm [Option ID = 6453]
2. decreases the prosperity of the firm but increases the prosperity of the factors hired by the firm [Option ID = 6454]
3. increases the prosperity of both the firm & the factors hired by the firm [Option ID = 6455]
4. decreases the prosperity of both the firm & the factors hired by the firm [Option ID = 6456]

Correct Answer :-

- increases the prosperity of both the firm & the factors hired by the firm [Option ID = 6455]

44) Indifference curve for perfect substitutes are [Question ID = 1615]

1. straight line [Option ID = 6457]
2. bowed inward [Option ID = 6458]
3. bowed outward [Option ID = 6459]
4. right angles [Option ID = 6460]

Correct Answer :-

- straight line [Option ID = 6457]

45) Which of the statement about production function is correct[Question ID = 1616]

1. It shows the minimum output the inputs can produce [Option ID = 6461]
2. It relates employment of inputs to output [Option ID = 6462]
3. It identifies output cost relationships [Option ID = 6463]
4. It identifies the profit maximizing level of output [Option ID = 6464]

Correct Answer :-

- It relates employment of inputs to output [Option ID = 6462]

46) If the average product of labour when 5 workers are employed is 10 and when 6 workers are employed is 12, then[Question ID = 1617]

1. The MP curve lies above the average product curve between 5 and 6 workers [Option ID = 6465]
2. The Marginal Product curve lies below the average product curve between 5 and 6 workers [Option ID = 6466]
3. The total product curve is decreasing between 5 and 6 workers [Option ID = 6467]
4. Marginal product is negative [Option ID = 6468]

Correct Answer :-

- The Marginal Product curve lies below the average product curve between 5 and 6 workers [Option ID = 6466]

47) In the long run, the competitive firm's supply curve is the [Question ID = 1618]

1. entire Marginal Cost curve [Option ID = 6469]
2. portion of Marginal cost curve that lies above Average total cost curve [Option ID = 6470]
3. portion of Marginal cost curve that lies above Average variable total cost curve [Option ID = 6471]
4. upward sloping portion of the average variable cost curve [Option ID = 6472]

Correct Answer :-

- portion of Marginal cost curve that lies above Average total cost curve [Option ID = 6470]

48) Choose the correct combination of economic theory and economist who has contributed to it.[Question ID = 1619]

1. Theory of Rent by AC Pigou [Option ID = 6473]
2. Inflation Rate and Unemployment Rate Trade-off by AW Phillips [Option ID = 6474]
3. Theory of Absolute Advantage of Trade by David Ricardo [Option ID = 6475]
4. Theory of Liquidity Preference by John Williamson [Option ID = 6476]

Correct Answer :-

- Inflation Rate and Unemployment Rate Trade-off by AW Phillips [Option ID = 6474]

49) Which of the following economic variables is not a flow variable? [Question ID = 1620]

1. Profit [Option ID = 6477]
2. Wage [Option ID = 6478]
3. Exchange Rate [Option ID = 6479]
4. Rent [Option ID = 6480]

Correct Answer :-

- Exchange Rate [Option ID = 6479]

50) Given below are two statements

Statement I: According to the Keynesian Theory of Income Determination, given all other components of autonomous aggregate demand unchanged, the rise in tax rate leads to rise in equilibrium level of income.

Statement II: According to the Keynesian Theory of Income Determination, given all other components of autonomous aggregate demand unchanged, the rise in Marginal Propensity to Save (MPS) leads to fall in equilibrium level of income.

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

[Question ID = 1621]

1. Both Statement I and Statement II are correct.
[Option ID = 6481]
2. Both Statement I and Statement II are incorrect.
[Option ID = 6482]
3. Statement I is correct but Statement II is incorrect.
[Option ID = 6483]

4. Statement I is incorrect and Statement II is correct.

[Option ID = 6484]

Correct Answer :-

- Statement I is incorrect and Statement II is correct.

[Option ID = 6484]

51) A. Given all other determinants of money supply constant, the rise in Cash Reserve Ratio (CRR) leads to fall in equilibrium money supply.

B. Given all other determinants of money supply constant, the rise in Currency-Deposit Ratio leads to fall in equilibrium money supply.

C. Given all other determinants of money supply constant, the rise in high powered money leads to rise in equilibrium money supply.

D. Given all other determinants of money supply constant, the rise in Cash Reserve Ratio (CRR) leads to rise in equilibrium money supply.

Choose the *correct* answer from the options given below:

[Question ID = 1622]

1. A, B and D only

[Option ID = 6485]

2. A, B and C only

[Option ID = 6486]

3. B, C and D only

[Option ID = 6487]

4. C and D only

[Option ID = 6488]

Correct Answer :-

- A, B and C only

[Option ID = 6486]

52) Given below are two statements

Statement I: According to Quantity Theory of Money, the rise in nominal money supply leads to rise in prices given the velocity of money and real output constant.

Statement II: According to Fisher Equation, rise in nominal money supply leads to rise in real rate of interest. In light of the above statements,

choose the *most appropriate* answer from the options given below

[Question ID = 1623]

1. Both Statement I and Statement II are correct

[Option ID = 6489]

2. Both Statement I and Statement II are incorrect

[Option ID = 6490]

3. Statement I is correct but Statement II is incorrect

[Option ID = 6491]

4. Statement I is incorrect but Statement II is correct

[Option ID = 6492]

Correct Answer :-

- Statement I is correct but Statement II is incorrect

[Option ID = 6491]

53) In the national income accounts, all of the following are classified as government purchases except:[Question ID = 1624]

1. Payments for procuring military equipments. [Option ID = 6493]

2. Cash payments made to the people below poverty line. [Option ID = 6494]

3. Salaries paid to parliamentarians. [Option ID = 6495]

4. Salaries paid to judicial officers. [Option ID = 6496]

Correct Answer :-

- Cash payments made to the people below poverty line. [Option ID = 6494]

54) Monetary policy is linked to fiscal policy when government spending on health infrastructure is financed by:[Question ID = 1625]

1. Raising taxes. [Option ID = 6497]

2. Borrowing from the domestic market sources. [Option ID = 6498]
3. Printing money by the central bank. [Option ID = 6499]
4. Cutting down the expenses on purchase of arms equipment. [Option ID = 6500]

Correct Answer :-

- Printing money by the central bank. [Option ID = 6499]

55) One Nation One Ration Card Scheme announced recently will [Question ID = 1626]

1. Enable migrant workers and their family to access PDS benefits from any fair price shop in the country [Option ID = 6501]
2. Enable people below the poverty line to access PDS benefits from any fair price shop in the country [Option ID = 6502]
3. Enable people with disabilities to access PDS benefits from any fair price shop in the country [Option ID = 6503]
4. Enable small and marginal farmers to access PDS benefits from any fair price shop in the country [Option ID = 6504]

Correct Answer :-

- Enable migrant workers and their family to access PDS benefits from any fair price shop in the country [Option ID = 6501]

56) The National Population Policy of India (NPP) 2000 aims to achieve a stable population by [Question ID = 1627]

1. 2030 [Option ID = 6505]
2. 2040 [Option ID = 6506]
3. 2045 [Option ID = 6507]
4. 2050 [Option ID = 6508]

Correct Answer :-

- 2045 [Option ID = 6507]

57) Liquidity Adjustment Facility (LAF) is used by RBI to bring changes in which of the following [Question ID = 1628]

1. CRR, SLR, Repo and Reverse Repo rates, Bank rate [Option ID = 6509]
2. CRR, SLR, Repo and Reverse Repo rates [Option ID = 6510]
3. CRR, SLR only [Option ID = 6511]
4. Repo and Reverse Repo rates only [Option ID = 6512]

Correct Answer :-

- Repo and Reverse Repo rates only [Option ID = 6512]

58) Which of the following happens because of DBT(Direct Benefit Transfer)[Question ID = 1629]

1. Benefits are given directly to the beneficiary in hand [Option ID = 6513]
2. Money is directly given in hand to the beneficiary [Option ID = 6514]
3. Money is directly transferred to beneficiaries bank account [Option ID = 6515]
4. Money is given by the government official directly [Option ID = 6516]

Correct Answer :-

- Money is directly transferred to beneficiaries bank account [Option ID = 6515]

59) Which Indian think tank has been ranked among the top 30 think tanks globally, as per a recent report?[Question ID = 1630]

1. Observer Research Foundation (ORF) [Option ID = 6517]
2. NITI Aayog [Option ID = 6518]
3. Centre for Civil Society (CCS) [Option ID = 6519]
4. Centre for National Policy Research (CNPR) [Option ID = 6520]

Correct Answer :-

- Observer Research Foundation (ORF) [Option ID = 6517]

60) Green Revolution was associated with improving the productivity of wheat and other cereals. What is “silver fibre revolution” associated with?[Question ID = 1631]

1. Improving Jute production [Option ID = 6521]
2. Improving Cotton production [Option ID = 6522]
3. Improving egg/poultry production [Option ID = 6523]
4. Improving milk production [Option ID = 6524]

Correct Answer :-

- Improving Cotton production [Option ID = 6522]

61) Which of the following characteristics best define matrix structure of organisation?[Question ID = 1632]

1. It is a hybrid between functional and divisional structures. [Option ID = 6525]
2. A matrix is an array of rows and columns. [Option ID = 6526]
3. It is a hybrid between network and virtual organisations. [Option ID = 6527]
4. It is inspired from 'The Matrix' series of films. [Option ID = 6528]

Correct Answer :-

- It is a hybrid between functional and divisional structures. [Option ID = 6525]

62) Which of the following represent the twin most cited criteria of managerial performance?[Question ID = 1633]

1. Autonomy & Accountability [Option ID = 6529]
2. Adverse Selection & Moral Hazard [Option ID = 6530]

- Effectiveness & Efficiency [Option ID = 6531]
- Short Run & Long Run [Option ID = 6532]

Correct Answer :-

- Effectiveness & Efficiency [Option ID = 6531]

63) Which of the following is the discriminating factor between the definitions of market value added (MVA) and economic value added (EVA) measures of corporate performance?[Question ID = 1634]

- Net Operating Profit After Tax (NOPAT) [Option ID = 6533]
- Overall Weighted Cost of Capital [Option ID = 6534]
- Value of Debt Capital considered- Book Value versus Market Value. [Option ID = 6535]
- Value of Equity Capital considered -Book Value versus Market Value [Option ID = 6536]

Correct Answer :-

- Value of Equity Capital considered -Book Value versus Market Value [Option ID = 6536]

64) Which of the following is the most correct expression of the two factors in Frederick Herzberg's theory of motivation? [Question ID = 1635]

- Hygiene-Motivation [Option ID = 6537]
- Maintenance- Motivators [Option ID = 6538]
- Satisfiers-Dissatisfiers [Option ID = 6539]
- Lower Order Needs- Higher Order Needs [Option ID = 6540]

Correct Answer :-

- Hygiene-Motivation [Option ID = 6537]

65) Penalty as provided under the Information and Technology Act 2000 amounting to upto INR one crore is not levied if, any individual or group attempts to[Question ID = 1636]

- Damages a computer system [Option ID = 6541]
- Damages a computer database [Option ID = 6542]
- Disrupts a computer network [Option ID = 6543]
- Disrupts a computer system with permission of the owner of computer system [Option ID = 6544]

Correct Answer :-

- Disrupts a computer system with permission of the owner of computer system [Option ID = 6544]

66) Tampering with Computer Source Document as provided under the Information and Technology Act 2000, is not applied when a person or group of person[Question ID = 1637]

- Intentionally conceals a computer source code [Option ID = 6545]
- Destroys a computer source code [Option ID = 6546]
- Knowingly alters a computer source code [Option ID = 6547]
- Unknowingly causes another to conceal a computer source code [Option ID = 6548]

Correct Answer :-

- Unknowingly causes another to conceal a computer source code [Option ID = 6548]

67) Hacking a computer system or network as provided under the Information and Technology Act 2000 is penalized under the Information and Technology Act 2000 with[Question ID = 1638]

- Imprisonment of one year and penalty of INR 10,000 [Option ID = 6549]
- Imprisonment of upto three years and penalty of INR 100,000 [Option ID = 6550]
- Imprisonment of upto three years and penalty of upto INR 200,000 [Option ID = 6551]
- Imprisonment of upto three years and penalty of upto INR 200,000 or both [Option ID = 6552]

Correct Answer :-

- Imprisonment of upto three years and penalty of upto INR 200,000 or both [Option ID = 6552]

68) The essentials of valid agency, prescribed under the Contract Act, 1872 does not include:[Question ID = 1639]

- Privity of contract [Option ID = 6553]
- Principal be competent to contract [Option ID = 6554]
- Agent must have contractual capacity [Option ID = 6555]
- The principal is bound by the acts of his agent [Option ID = 6556]

Correct Answer :-

- Agent must have contractual capacity [Option ID = 6555]

69) First directors are appointed by the[Question ID = 1640]

- Shareholders [Option ID = 6557]
- Promoters [Option ID = 6558]
- Underwriters [Option ID = 6559]
- Managing director [Option ID = 6560]

Correct Answer :-

- Promoters [Option ID = 6558]

70) An alternate director can be appointed by[Question ID = 1641]

1. The shareholders in the annual general meeting [Option ID = 6561]
2. The board in board meeting by passing special resolution [Option ID = 6562]
3. The shareholders in the annual general meeting by passing a special resolution [Option ID = 6563]
4. The board in board meeting by passing resolution [Option ID = 6564]

Correct Answer :-

- The board in board meeting by passing resolution [Option ID = 6564]

71) Section 2 (46) of the Companies Act, 2013, defines the[Question ID = 1642]

1. Subsidiary company [Option ID = 6565]
2. Holding company [Option ID = 6566]
3. Statutory company [Option ID = 6567]
4. Associate company [Option ID = 6568]

Correct Answer :-

- Holding company [Option ID = 6566]

72) As per the Companies Act 2013, no person shall be eligible to incorporate or become a nominee in more than _____ One Person Company[Question ID = 1643]

1. One [Option ID = 6569]
2. Two [Option ID = 6570]
3. Ten [Option ID = 6571]
4. Fifteen [Option ID = 6572]

Correct Answer :-

- One [Option ID = 6569]

73) Which of the following statement is correct?[Question ID = 1644]

1. Independent directors are non- executive directors [Option ID = 6573]
2. Nominee Directors are independent directors [Option ID = 6574]
3. Non-executive directors are independent directors [Option ID = 6575]
4. Promoters are non-executive directors [Option ID = 6576]

Correct Answer :-

- Independent directors are non- executive directors [Option ID = 6573]

74) Choose the board structure Google Inc follows from the options below :[Question ID = 1645]

1. Two-Tier [Option ID = 6577]
2. One-Tier [Option ID = 6578]
3. Hybrid [Option ID = 6579]
4. Continental [Option ID = 6580]

Correct Answer :-

- One-Tier [Option ID = 6578]

75) Which of the following statement is incorrect[Question ID = 1646]

1. Chief Executive Officer leads the management team [Option ID = 6581]
2. In the Anglo - Saxon Model Executive and non- Executive directors sit in different boards [Option ID = 6582]
3. In the German Model Executive and non- Executive directors sit in different boards [Option ID = 6583]
4. India has adopted the Unitary model of Corporate Governance [Option ID = 6584]

Correct Answer :-

- In the Anglo - Saxon Model Executive and non- Executive directors sit in different boards [Option ID = 6582]

76) Corporate Governance is about :

A. System by which companies are directed and controlled

B. Rules and procedures for making decisions

C. Distribution of rights and responsibilities among different participants in the corporation

[Question ID = 1647]

1. A, B & C

[Option ID = 6585]

2. A only

[Option ID = 6586]

3. A & C

[Option ID = 6587]

4. B & A

[Option ID = 6588]

Correct Answer :-

- A, B & C

[Option ID = 6585]

77) _____ is one that after implementing a relief package spread over a period not exceeding five years from the commencement of the package, will continue to fulfil its repayment obligations as agreed upon without the help of concessions after the aforesaid period.[Question ID = 1648]

1. Corporate debt restructuring [Option ID = 6589]
2. Growth company [Option ID = 6590]
3. Medium enterprise [Option ID = 6591]
4. Potentially viable unit [Option ID = 6592]

Correct Answer :-

- Potentially viable unit [Option ID = 6592]

78) Reconfiguration of existing technology to create process improvement is known as:[Question ID = 1649]

1. Breakthrough innovation [Option ID = 6593]
2. Discontinuous innovation [Option ID = 6594]
3. Dynamically continuous innovation [Option ID = 6595]
4. Technological innovation [Option ID = 6596]

Correct Answer :-

- Dynamically continuous innovation [Option ID = 6595]

79) _____ is a highly creative process involving multiple possible solutions to the problem under consideration. [Question ID = 1650]

1. Convergent thinking [Option ID = 6597]
2. Divergent thinking [Option ID = 6598]
3. Lateral thinking [Option ID = 6599]
4. Vertical thinking [Option ID = 6600]

Correct Answer :-

- Divergent thinking [Option ID = 6598]

80) A financial transaction whereby a business entity sells its accounts receivables to a third party at a discount in exchange for immediate money to finance continued business is called _____.[Question ID = 1651]

1. Factoring [Option ID = 6601]
2. Seed funding [Option ID = 6602]
3. Shotgun approach [Option ID = 6603]
4. Venture capital [Option ID = 6604]

Correct Answer :-

- Factoring [Option ID = 6601]

81) Which of the following is not true for capital budgeting?[Question ID = 1652]

1. Sunk costs are ignored. [Option ID = 6605]
2. Opportunity costs are excluded. [Option ID = 6606]
3. International cash flows are considered. [Option ID = 6607]
4. Relevant cash flows are considered. [Option ID = 6608]

Correct Answer :-

- Sunk costs are ignored. [Option ID = 6605]

82) In order to find out cost of capital under CAPM, which of the following is not required?[Question ID = 1653]

1. Beta factor [Option ID = 6609]
2. Market rate of return [Option ID = 6610]
3. Market price of equity share. [Option ID = 6611]
4. Risk- free rate of return [Option ID = 6612]

Correct Answer :-

- Market price of equity share. [Option ID = 6611]

83) If the fixed cost of production is zero, which one of the following is correct?[Question ID = 1654]

1. Operating Leverage is zero. [Option ID = 6613]
2. Financial Leverage is zero. [Option ID = 6614]
3. Operating Leverage is one. [Option ID = 6615]
4. Financial Leverage is one. [Option ID = 6616]

Correct Answer :-

- Operating Leverage is one. [Option ID = 6615]

84) Dividend irrelevance argument of MM Model is based on :[Question ID = 1655]

1. Issue of debentures. [Option ID = 6617]
2. Issue of bonus shares. [Option ID = 6618]
3. Arbitrage. [Option ID = 6619]
4. Hedging. [Option ID = 6620]

Correct Answer :-

- Arbitrage. [Option ID = 6619]

85) If cash discount is offered to customers, then which of the following would increase ?[Question ID = 1656]

1. Sales. [Option ID = 6621]
2. Debtors. [Option ID = 6622]
3. Debt collection period. [Option ID = 6623]
4. Cost of production. [Option ID = 6624]

Correct Answer :-

- Sales. [Option ID = 6621]

86) Which one of the following is not the objective of Human Resource Management.[Question ID = 1657]

1. to identify and satisfy individual and group needs through adequate compensation policy [Option ID = 6625]
2. to decide organizational culture and strategy through managerial consensus [Option ID = 6626]
3. help attaining organizational goals through proper utilisation of human resource [Option ID = 6627]
4. creating congenial work environment through desirable working conditions [Option ID = 6628]

Correct Answer :-

- to decide organizational culture and strategy through managerial consensus [Option ID = 6626]

87) Compensation Management is function of HRM.[Question ID = 1658]

1. Operative [Option ID = 6629]
2. Managerial [Option ID = 6630]
3. Planning [Option ID = 6631]
4. Controlling [Option ID = 6632]

Correct Answer :-

- Operative [Option ID = 6629]

88) Job Description is part of (choose the option from below)[Question ID = 1659]

1. Job Specification [Option ID = 6633]
2. Job Evaluation [Option ID = 6634]
3. Job Enrichment [Option ID = 6635]
4. Job Analysis [Option ID = 6636]

Correct Answer :-

- Job Analysis [Option ID = 6636]

89) Psychometric Tests are done in order to assess (choose appropriate answer from the following)[Question ID = 1660]

1. Technical ability [Option ID = 6637]
2. Behavioural adaptability [Option ID = 6638]
3. Employee performance [Option ID = 6639]
4. Job satisfaction level [Option ID = 6640]

Correct Answer :-

- Behavioural adaptability [Option ID = 6638]

90) Which one of the following statements concerning Harvard Framework of Human Resource Management is not TRUE. [Question ID = 1661]

1. It identifies stakeholders' interest [Option ID = 6641]
2. It targets long-term consequences [Option ID = 6642]
3. It avoids situational factors [Option ID = 6643]
4. It identifies congruence as one of the HRM outcomes [Option ID = 6644]

Correct Answer :-

- It avoids situational factors [Option ID = 6643]

91) The set of beliefs held about a particular brand is known as[Question ID = 1662]

1. Brand recognition [Option ID = 6645]
2. Brand selection [Option ID = 6646]
3. Brand image [Option ID = 6647]
4. Brand preference [Option ID = 6648]

Correct Answer :-

- Brand image [Option ID = 6647]

92) The extended Ps of service marketing-mix is[Question ID = 1663]

1. People, Product, Place [Option ID = 6649]
2. Price, Physical evidence, Promotion [Option ID = 6650]
3. People, Process, Physical evidence [Option ID = 6651]
4. People, Process, Promotion [Option ID = 6652]

Correct Answer :-

- People, Process, Physical evidence [Option ID = 6651]

93) _____ are fashions adopted quickly by the public but which peak early and decline very fast.[Question ID = 1664]

1. Fads [Option ID = 6653]
2. Generic products [Option ID = 6654]
3. Arts [Option ID = 6655]
4. Sporting products [Option ID = 6656]

Correct Answer :-

- Fads [Option ID = 6653]

94) _____ involves charging a high price to achieve the highest possible contribution in a short period of time.[Question ID = 1665]

1. Penetration pricing [Option ID = 6657]
2. Skimming [Option ID = 6658]
3. Psychological pricing [Option ID = 6659]
4. Transfer pricing [Option ID = 6660]

Correct Answer :-

- Skimming [Option ID = 6658]

95) Consumer product channels tend to be _____ industrial product channels[Question ID = 1666]

1. shorter than [Option ID = 6661]
2. the same length as [Option ID = 6662]
3. longer than [Option ID = 6663]
4. identical to [Option ID = 6664]

Correct Answer :-

- longer than [Option ID = 6663]

96) Which of the following staffing policy requires host country nationals to be recruited to manage subsidiaries, while parent country nationals occupy key positions at corporate headquarters?[Question ID = 1667]

1. Geocentric Approach [Option ID = 6665]
2. Ethnocentric Approach [Option ID = 6666]
3. Polycentric Approach [Option ID = 6667]
4. Regiocentric Approach [Option ID = 6668]

Correct Answer :-

- Polycentric Approach [Option ID = 6667]

97) Which of the following theories of International trade assumes 2x2x2 model for explaining the theory?[Question ID = 1668]

1. The Comparative Advantage Theory [Option ID = 6669]
2. The Absolute Advantage Theory [Option ID = 6670]
3. The Opportunity Cost Theory [Option ID = 6671]
4. The Factor-Proportions Theory [Option ID = 6672]

Correct Answer :-

- The Factor-Proportions Theory [Option ID = 6672]

98) Which of the following is not a part of Current account of BOP?[Question ID = 1669]

1. Export of Goods [Option ID = 6673]
2. Export of Services [Option ID = 6674]
3. Errors and Omissions [Option ID = 6675]
4. Income payments [Option ID = 6676]

Correct Answer :-

- Errors and Omissions [Option ID = 6675]

99) Which of the following is not a feature of Common market under regional integration?[Question ID = 1670]

1. Eliminating tariff and non-tariff barriers [Option ID = 6677]
2. Unified monetary and fiscal policy [Option ID = 6678]
3. Common External Tariff [Option ID = 6679]
4. Free movement of product, labour and capital [Option ID = 6680]

Correct Answer :-

- Unified monetary and fiscal policy [Option ID = 6678]

100) Which of the following is the correct process of stages of internationalization of a company?

[Question ID = 1671]

1. Domestic company- multinational company-international company- transnational company
[Option ID = 6681]
2. Domestic company- multinational company - transnational company -international company
[Option ID = 6682]
3. Domestic company- transnational company- international company- multinational company

[Option ID = 6683]

4. Domestic company-international company-multinational company- transnational company

[Option ID = 6684]

Correct Answer :-

- Domestic company-international company-multinational company- transnational company

[Option ID = 6684]