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Question Booklet Alpha Code

A

Question Booklet Sl. No.

Total Number of Questions : 100

Time : 90 Minutes

Maximum Marks : 100

INSTRUCTIONS TO CANDIDATES

1. The Question Paper will be given in the form of a Question Booklet. There will be four versions of Question Booklets with Question Booklet Alpha Code viz. **A, B, C & D**.
2. The Question Booklet Alpha Code will be printed on the top left margin of the facing sheet of the Question Booklet.
3. The Question Booklet Alpha Code allotted to you will be noted in your seating position in the Examination Hall.
4. If you get a Question Booklet where the alpha code does not match to the allotted alpha code in the seating position, please draw the attention of the Invigilator **IMMEDIATELY**.
5. The Question Booklet Serial Number is printed on the top right margin of the facing sheet. If your Question Booklet is un-numbered, please get it replaced by new Question Booklet with same alpha code.
6. The Question Booklet will be sealed at the middle of the right margin. Candidate should not open the Question Booklet, until the indication is given to start answering.
7. Immediately after the commencement of the examination, the candidate should check that the Question Booklet supplied to him/her contains all the 100 questions in serial order. The Question Booklet does not have unprinted or torn or missing pages and if so he/she should bring it to the notice of the Invigilator and get it replaced by a complete booklet with same alpha code. This is most important.
8. A blank sheet of paper is attached to the Question Booklet. This may be used for rough work.
9. **Please read carefully all the instructions on the reverse of the Answer Sheet before marking your answers.**
10. Each question is provided with four choices **(A), (B), (C)** and **(D)** having one correct answer. Choose the correct answer and darken the bubble corresponding to the question number using Blue or Black Ball Point Pen in the OMR Answer Sheet.
11. **Each correct answer carries 1 mark and for each wrong answer 1/3 mark will be deducted. No negative mark for unattended questions.**
12. No candidate will be allowed to leave the examination hall till the end of the session and without handing over his/her Answer Sheet to the Invigilator. Candidates should ensure that the Invigilator has verified all the entries in the Register Number Coding Sheet and that the Invigilator has affixed his/her signature in the space provided.
13. Strict compliance of instructions is essential. Any malpractice or attempt to commit any kind of malpractice in the Examination will result in the disqualification of the candidate.

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1. Which of the following statement is/are correct ?
- The central aim of applied research is to discover a solution for some pressing practical problem.
 - Qualitative research is mainly concerned with generalisations and with formulation of a theory.
 - In analytical research, the researcher has to use facts or information already available.
- A) All of the above i, ii and iii B) Only i and ii
C) Only ii and iii D) Only i and iii
2. Consider the following Sampling designs :
- Stratified Sampling
 - Quota Sampling
 - Cluster Sampling
 - Multistage Sampling
- Which of the above are Complex Random Sampling Designs ?
- A) Only i, ii and iv B) Only i, iii and iv
C) Only iii and iv D) Only i and iv
3. Which of the following statement is/are the demerit of collection of data through questionnaire ?
- Respondents have adequate time to give well thought answers.
 - This method is likely to be the slowest of all.
 - It can be used only when respondents are educated and cooperating.
 - There is low cost even when the universe is large and is widely spread geographically.
 - The control over questionnaire may be lost once it is sent.
- A) Only i, ii and iv B) Only iii and iv
C) Only ii, iii and v D) Only v
4. If the monthly salary of 10 employees of a firm X are Rs. 2200, 2400, 2300, 2450, 2550, 2450, 2500, 2400.
Find out the Arithmetic Mean.
- A) Rs. 1925 B) Rs. 2050 C) Rs. 1850 D) Rs. 1775
5. Match the List – I with List – II and select the correct answer using the codes given below the List.
- | List – I | List – II |
|-----------------|--|
| i. Mode | a. The value of the middle item of series |
| ii. Median | b. Most widely used measure of dispersion |
| iii. Mean | c. Most frequently occurring value in a series |
| | d. The most common measure of central tendency |
- A) i – d, ii – b, iii – a B) i – a, ii – c, iii – d
C) i – b, ii – d, iii – c D) i – c, ii – a, iii – d

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6. Find the range of given observations.
33, 42, 29, 56, 35, 27, 24, 34, 39, 40.
A) 31 B) 32 C) 34 D) 29
7. From the following which one is the measure of flat-toppedness of a curve and points to the nature of distribution of items in the middle of a series ?
A) Measures of Relationship B) Skewness
C) Kurtosis D) Measures of Dispersion
8. Which one of the following is not a type of correlation ?
A) Positive correlation B) Relative correlation
C) Negative correlation D) Zero correlation
9. Which of the following statement is/are correct about Type I error and Type II error ?
i. Accepting the Null Hypothesis when it is true.
ii. Rejecting the Null Hypothesis when it is not true.
iii. Rejecting the Null Hypothesis when it is true.
iv. Accepting the Null Hypothesis when it is not true.
A) Only i and iii B) Only ii and iv C) Only ii and iii D) Only iii and iv
10. Which of the following is not a part of Report Writing ?
A) Logical analysis of the subject-matter B) Determining sample design
C) Rewriting and polishing D) Preparation of the final bibliography
11. State whether the following statements are true or false.
1. Financial System provides payment system for the exchange of goods and services in the economy.
2. Financial system provides the avenues for managing the risks faced by the market participants.
A) Both statements are true
B) Statement 1 is true and statement 2 is false
C) Statement 1 is false and statement 2 is true
D) Both statements are false
12. Characterising one institution as Creators of Credit and another as Purveyors of Credit clearly distinguishes between
A) Primary and Secondary markets B) Intermediaries and non-intermediaries
C) Banking and non-banking institutions D) Money market and capital market
13. "The risk that the real return on a security may be less than the nominal return" is popularly known as
A) Market risk B) Interest rate risk
C) Currency risk D) Inflation risk

14. "Smoothing of the short-term liquidity imbalances by developing an active money market and integrating various segments of the money market" is the basic objective of
 A) SEBI B) DFHI C) SHCIL D) IFCI

15. Match the following :

Regulations	Year of enactment
1. The Capital Issues (Control) Act	a. 1992
2. The Foreign Exchange Regulation Act	b. 1947
3. The Securities Contract Regulation Act	c. 1973
4. The SEBI Act	d. 1956
A) 1 – d ; 2 – a ; 3 – b ; 4 – c	B) 1 – b ; 2 – c ; 3 – d ; 4 – a
C) 1 – c ; 2 – b ; 3 – a ; 4 – d	D) 1 – a ; 2 – d ; 3 – c ; 4 – b

16. Raising of finance with the help of a consortium of banks and financial institutions is popularly known as

- A) Underwriting B) Portfolio management
 C) Credit syndication D) Corporate counselling

17. Which one is the first mutual fund launched in India ?

- A) Mastershare of UTI B) Unit Scheme 64 of UTI
 C) Dhanvidya of LIC D) ULIP

18. "Non-recourse purchase by a banker or any other financial institution of receivables arising from export of goods or services" is known as

- A) Lease financing B) Full factoring C) Forfeiting D) Invoice discounting

19. Match the following :

1. Anchoring	a. Tendency to make choices based on overconfidence or one's own knowledge
2. Herding	b. Attaching a spending level to a certain reference
3. Self attribution	c. Tendency to mimic the financial behaviour of the majority
4. Emotional gap	d. Decision making based on anxiety, excitement etc.
A) 1 – b ; 2 – c ; 3 – a ; 4 – d	B) 1 – a ; 2 – b ; 3 – d ; 4 – c
C) 1 – c ; 2 – a ; 3 – b ; 4 – d	D) 1 – d ; 2 – b ; 3 – c ; 4 – a

20. The economic conditions in which the government's regulatory and discretionary policies distort financial prices or interest rates, discourage saving, reduce investment and mis-allocate financial resources is popularly known as

- A) Financial Revolution B) Diversification
 C) Financial repression D) Disintermediation

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21. The treatment of funds from the viewpoint of Financial Management is based on
A) Accrual system
B) Cash flows
C) Both cash and mercantile system
D) None of these
22. State whether the following statements are true or false.
1. The likelihood that the managers may place personal goals ahead of corporate goals is known as Agency Problem.
2. Agency problem will increase due to hostile takeovers.
A) Both statements are true
B) Both statements are false
C) Statement 1 is false and statement 2 is true
D) Statement 1 is true and statement 2 is false
23. CAPM accounts for
A) Systematic risk
B) Unsystematic risk
C) Both
D) None
24. The ratio of earnings per share to the market value per ordinary share is known as
A) PE Ratio
B) Earnings Yield
C) Dividend Yield
D) Earnings Per Share
25. The maximum rate at which the firm can grow by using both internal sources as well as external debt without increasing financial leverage is known as
A) Sustainable Growth Rate
B) Compounded Growth Rate
C) Internal Growth Rate
D) None of the above
26. The discount rate that equates the present values of cash inflows with the initial investment associated with a project, thereby causing $NPV = 0$ is known as
A) Average Rate of Return
B) Return on Capital Employed
C) Internal Rate of Return
D) Profitability Index
27. The measure of the volatility of a security's return relative to the returns of a broad-based market portfolio is known as
A) Cost of Equity Capital
B) Unsystematic Risk
C) Beta
D) Return on Investment
28. Which one is not a Risk Evaluation Approach ?
A) Certainty Equivalent
B) Decision Tree
C) Probability Distribution
D) Profitability Index
29. The behavioural approach that evaluates the impact on the project's profitability of simultaneous changes in more than one variable at a time is known as
A) Scenario Analysis
B) Sensitivity Analysis
C) Decision Tree
D) None of the above

30. "Bird-in-hand Argument" on dividend theory was developed by
A) Modigliani-Miller
B) James E. Walter
C) Richardson
D) M. Gordon
31. What is the required rate of return on the shares of A Ltd. if, the return on the market is 11%, the risk free rate is 6%, and beta coefficient is 0.5 ?
A) 14.5%
B) 12%
C) 8.5%
D) 11%
32. Which one of the following is a tool for fundamental analysis ?
A) GAP
B) FLAG
C) PENNANS
D) PEG
33. The long thin lines above or below the body in a Candlestick chart are referred as
A) Cup and handle
B) Wicks and tails
C) Head and Shoulders
D) Doji Star
34. State whether the following statements are true or false regarding Random Walk Theory.
I. Nobody has better knowledge or information.
II. Stock markets are not efficient.
A) Both I and II are true
B) Both I and II are false
C) I is true and II is false
D) I is false and II is true
35. What are the following assumptions are true regarding Black-sholes Option Model ?
I. The stock underlying the call option provides no dividends during the life time of option.
II. The risk free rate of interest is consistent during the life of option.
III. The call option can be exercised at any time.
IV. There is no transaction cost.
A) I, II and III
B) II, III and IV
C) I, II and IV
D) All of the above
36. State whether the following statements are true or false regarding Random Walk Theory.
I. The systematic risk can be measure by the 'beta coefficient'
II. Higher the value of beta coefficient indicate more stability and less risky.
A) Both I and II are true
B) Both I and II are false
C) I is true and II is false
D) I is false and II is true
37. Which one of the following is a diversifiable risk ?
A) Wrong financial policy
B) Tax policy
C) Inflation
D) Raw-material availability

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38. State whether the following statements are true or false regarding efficient market hypothesis.
- I. Semi-strong form which absorbs only market price information.
 - II. Strong form which absorbs all type of information including insider information.
- A) Both I and II are true B) Both I and II are false
C) I is true and II is false D) I is false and II is true
39. State whether the following statements are true or false.
- I. Capital Market Line (CML) reflects the relationship between total risk and expected return.
 - II. Securities Market Line (SML) reflects the relationship between unsystematic risk and expected return.
- A) Both I and II are true B) Both I and II are false
C) I is true and II is false D) I is false and II is true
40. State whether the following statements are true or false.
- I. Options can be exercised at any time upto maturity date are called Asian option.
 - II. Option can be exercised only on the maturity date are called American option.
- A) Both I and II are true B) Both I and II are false
C) I is true and II is false D) I is false and II is true
41. State whether the following statements are true or false.
- I. Cost sheet is a memorandum statement.
 - II. Cost sheet is a statement designed to show the output of a particular accounting period along with break-up of costs.
- A) Both I and II are true B) Both I and II are false
C) I is true and II is false D) I is false and II is true
42. What will be the Re-order level if, Minimum limit – 10,000 units, Maximum limit – 50,000 units, daily requirement of material – 2000 units, time taken for fresh delivery of material – 10 days ?
- A) 31,000 units B) 30,000 units C) 25,000 units D) 20,000 units
43. Which one of the following is a replacement cost ?
- A) Cost of medical service B) Cost of welfare
C) Cost of recruitment D) Cost of education of children

44. State whether the following statements are true or false.
- I. The time lost when production is interrupted for machine maintenance is an abnormal idle time.
 - II. The time wasted due to breakdown of machinery is an abnormal idle time.
- A) Both I and II are true B) Both I and II are false
 C) I is true and II is false D) I is false and II is true
45. The cause for incurrence of overhead cost are known as
- A) Cost drivers B) Cost pool
 C) Cost element D) Cost process
46. Material Mix Variance is favourable when
- A) Standard quantity is more than the actual quantity
 - B) Actual quantity is lower than the revised standard quantity
 - C) Actual quantity is more than the revised standard quantity
 - D) Standard quantity is lower than the actual quantity
47. State whether the following statements are true or false.
- I. Standard costing helps to apply the principle of "Management by Exception".
 - II. Standard costing cannot be applied to service organisation.
- A) Both I and II are true B) Both I and II are false
 C) I is true and II is false D) I is false and II is true
48. Which of the following equation is wrong regarding variable cost ?
- A) Variable Cost = Sales – Contribution
 - B) Variable Cost = Sales (1 – Profit Volume ratio)
 - C) Variable Cost = Sales – (Sales × Profit Volume ratio)
 - D) All are correct
49. In a manufacturing company provides the information relating to process I : Material Consumed – 2500 units, Normal Loss – 15%, the net production in the process is 2150 units. Abnormal units will be
- A) 375 B) +25 C) – 25 D) None of these
50. Which of the following are indirect labours under selling overheads ?
1. Salaries of salesmen
 2. Commission of salesmen
 3. Salaries of godown employees
 4. Salaries of technical representatives
 5. Wages of drivers of delivery van
 6. Wages of packing and dispatch staff
 7. Fees of sales directors.
- A) 1, 2, 3, 7 B) 1, 2, 4, 7 C) 1, 2, 6, 7 D) 1, 2, 4, 6

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51. As per the Income Tax Act, 1961, Section 80DD deduction is available up to the amount
A) Rs. 75,000 B) Rs. 1,50,000 C) Rs. 50,000 D) Rs. 1,00,000
52. Gratuity received by a government employee is
A) Exempted up to Rs. 3,50,000 B) Partly taxable
C) Fully taxable D) Fully exempted
53. When a minor child's income is combined with a parent's income, the parent might claim an exemption of
A) Rs. 2,500 B) Rs. 3,000 C) Rs. 1,500 D) Rs. 1,000
54. The current Assessment Year as per the Income Tax Act, 1961
A) 1st April 2023 to 31st March 2024
B) 1st April 2024 to 31st March 2025
C) 1st April 2022 to 31st March 2023
D) None of the above
55. The Gross Total Income as per the Income Tax Act, 1961 is defined as per
A) Sec. 80 (1) B) Sec. 80 A C) Sec. 80 A (1) D) Sec. 80 C
56. Composition tax payers are obliged to file Form No.
A) GSTR-4 B) GSTR-1 C) GSTR-3 D) GSTR-2
57. An E-commerce business needs be registered
A) If he is liable to collect tax at source
B) If his aggregate turnover exceeds the threshold limit of INR 50,00,000
C) Irrespective of the threshold limit
D) If he is opting for Input tax credit
58. What taxes are levied on Inter-State supplies ?
A) SGST B) IGST C) CGST and SGST D) CGST
59. GSTIN refers to
A) GST Identification Number B) GST Information Network
C) GST Index Network D) GST Index Number
60. The tax paid on the goods or services involved in the supply is known as
A) Reverse tax B) Composite tax
C) Input tax D) Output tax
61. Which principle specifies that costs or expenses must be recorded at the same time as the revenue to which they correspond ?
A) Full Disclosure Principle B) Objectivity Principle
C) Revenue Recognition Principle D) Matching Principle

62. The Indian Accounting Standard for Investment in Associates and Joint Ventures is detailed in
A) IND-AS: 28 B) IND-AS: 20 C) IND-AS: 12 D) IND-AS: 10
63. What is meant by contributory in liquidation of Limited company ?
A) Secured Debenture holder
B) Creditors
C) Partly paid up Equity shareholder
D) Preference shareholder
64. When purchasing company pays purchase consideration, the consideration is debited to
A) Liquidator of Vendor Company's Account
B) Liquidator of Purchasing Company's Account
C) Business Purchase Account
D) Equity Shareholder's Account
65. The profit on reissue of forfeited shares is transferred to
A) Reserve fund B) Forfeited share account
C) General reserve D) None of the above
66. If the rate of Gross loss on sales is 20% and the cost of goods sold is Rs. 1,20,000, What is the amount of sales ?
A) Rs. 1,50,000 B) Rs. 1,44,000
C) Rs. 1,00,000 D) Rs. 96,000
67. Bad debts written off previously, if recovered subsequently
A) Credited to profit and loss account
B) Credited to provision account
C) Credited to debtors' account
D) Debited to profit and loss account
68. Assets are recorded at their original purchase price according to the
A) Business entity principle B) Consistency principle
C) Materiality principle D) Historical cost principle
69. Who will oversee the Corporate Insolvency Resolution Process ?
A) Company Law Board B) Board of Directors
C) Resolution Professional D) SEBI
70. Which of the following is an example of a short-lived asset not subject to inflation accounting ?
A) Goodwill B) Land
C) Inventory D) Debtors

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71. Mr. Lal is a corporate manager who prefers rule-regulated, orderly and unambiguous activities. He is dull and a stubborn person. But is very efficient in work related activities and is practical in his approach. What type is Mr. Lal's personality ?
A) Realistic B) Conventional C) Artistic D) Enterprising
72. Which of the following statements is true regarding cognitive framework of organisational behaviour ?
A) Cognition precedes behaviour and serves as an input for a person's thoughts, perception, problem solving and information processing
B) Cognitive framework deals with continuously improving the organisation
C) Cognitive framework deals with identifying latest trends in management
D) Cognitive focuses on observable behaviour rather than evasive mind
73. The Hawthorne experiments were the first systematic attempt to undertake serious research into the workplace. The series of experiments involved in development of Hawthorne studies is/are
I. Pavlov's experiment
II. The illumination experiment
III. Relay assembly room experiment
IV. Bank wiring observation room experiment
A) Only I B) Both I and II
C) Both I and IV D) II, III and IV
74. Which of the following statements are correct regarding the underlying principles of quality circles ?
I. The supervisor should be trained in facilitation skills.
II. Quality circles would be used only for addressing problems of a short term nature.
III. Continuous support from top management is essential for the success of quality circles.
IV. Quality circles are involuntary groups of people who come together to generate ideas.
A) Both I and II B) Both I and III
C) Both II and III D) I, II and III
75. Mentoring programs help the employees to manage diversity in the organisations. Which of the following statements is not true regarding mentor ?
A) Acts as a coach B) Acts as a protégé
C) Acts as a role model D) Acts as a sponsor

76. Two people may share a 48 hour per week job, with one working mornings and the other working afternoons. This is an example of
- A) Telecommuting
 - B) Job sharing
 - C) Flexible work hours
 - D) Compressed work week
77. Smt. Sheela Thomas is the manager of a company. She discusses problems with subordinates and seeks their suggestions before making a decision. Her leadership style can be referred to as
- A) Directive
 - B) Delegative
 - C) Participative
 - D) Supportive
78. The sum total of ways in which an individual interacts with people and reacts to situations is known as
- A) Emotions
 - B) Attitude
 - C) Behaviour
 - D) Personality
79. Which of the following statements are true about the underlying principles of TQM ?
- I. TQM tries to find better ways of managing different business processes, and not just departments and functions.
 - II. TQM aims not only at achieving the financial goals of the company, but also at making the company a socially responsible one.
- A) I only
 - B) II only
 - C) None of the above
 - D) All of the above
80. In which stage of the Lewin's model for introducing permanent change, the employees are educated about the external and internal factors that make change imperative ?
- A) Freeze
 - B) Unfreeze
 - C) Refreeze
 - D) Incremental stage
81. Which of the following is not an objective of ethical audit ?
- A) To help the business for establishing ethical conduct
 - B) To improve the quality of governance
 - C) To measure whether the business conducts against the moral or religious standards of a community
 - D) To evaluate the basis on which accounts are drawn
82. In which of the following corporate governance model do financial institutions have a major say in governance mechanism ?
- A) German Model
 - B) Indian Model
 - C) Japanese Model
 - D) All of these

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83. Altruistic action, such as donating money, time, goods or services to charitable, educational institutions etc. is known as
A) Social auditing B) Philanthropy C) Stake holding D) Ethical audit
84. A manager's social responsibility is to make decisions that promote the welfare and wellbeing of
I. Society
II. Government
III. Stake holders
A) Only I B) Both I and III C) Both II and III D) All of the above
85. The Committee whose recommendations have been brought into force by SEBI for the corporate Governance was chaired by
A) Kumara Mangalam Birla B) Rahul Bajaj
C) Bimal Jalan D) D. R. Mehta
86. Which of the following is not related to the recommendations made by the Cadbury Committee ?
A) Importance of audit B) Professional objectivity
C) Rotation of auditors D) Fixed auditors
87. Which of the following factors does not determine the code of ethics framed by a marketer ?
A) Individual factor B) Significant factor
C) Opportunity factor D) Tolerance factor
88. Corporate Conscience is best decided by
A) Middle level managers B) Senior managers
C) Board of Directors D) Government
89. Which of the following committee carries out selection of Directors ?
A) Remuneration Committee B) Nomination Committee
C) Steering Committee D) Ethics Committee
90. Which of the following are the important features of a corporate body ?
A) Perpetual succession B) Legal entity
C) Limited liability D) All of these
91. GDR stands for
A) Global Depository Receipts B) General Depository Receipts
C) Global Deposit Reserve D) None of these

92. The Smithsonian agreement was signed in
A) Sydney
B) Washington
C) New York
D) Berlin
93. The first original reference of Purchasing Power Parity Theory was made by
A) David Ricardo
B) Irving Fisher
C) M. Fleming
D) J. T. Harvey
94. The level of inventory that minimises total inventory carrying and ordering costs is known as
A) Minimum level
B) Average level
C) Economic ordering quantity
D) Maximum level
95. Which of the following are coming under derivatives ?
A) Forwards
B) Futures
C) Swaps
D) All the above
96. A systematic and detailed record of all the receipts and payments made at international level between countries is known as
A) Balance of Trade
B) Balance of Payment
C) Capital account
D) Revenue account
97. Currency convertibility in India took place in the year
A) 1991-92
B) 1992-93
C) 2004-05
D) 2014-15
98. The process of attaching currency of a member country with that of foreign country with which it undertakes larger volume of trade is known as
A) Pegging of Currencies
B) Managed Floating
C) Independent Floating
D) None of these
99. NAFTA is an international trade agreement made between
A) Canada, United States and Mexico
B) Canada, United States and Japan
C) United States, Mexico and Japan
D) Canada, United States and India
100. The country where the MNC is established or incorporated is termed as
A) Host country
B) Home country
C) Foreign country
D) None of these
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Space for Rough Work

