

FINAL ANSWER KEY

Question 3/2025/OL

Paper Code:

Category 440/2022

Code:

Exam: Secretary Cum Finance Manager

Date of Test 22-01-2025

Department Kerala State Development Corporation for CCSCRC Ltd.

Question1:-Which of the following statements are CORRECT with respect to the accounting for the issue of shares ?

- i. Companies Act 2013 prohibits the issue equity shares at a discount
- ii. Calls in Arrears account will be shown as a deduction from the called up capital to arrive the paid up share capital
- iii. Balance in the Forfeited Shares account will be shown as a deduction from the paid up capital

A:-Statements i and ii are correct

B:-Statements i and iii are correct

C:-Statements ii and iii are correct

D:-Statements i, ii and iii are correct

Correct Answer:- Option-A

Question2:-Which of the following statements are INCORRECT with respect to the accounting for the issue and redemption of debentures ?

- i. When Debentures are issued as collateral security, the Debenture Suspense Account will be shown in the liability side of balance sheet
- ii. Loss on Issue of Debenture a/c will be debited to the extent of redemption premium in the case the debentures are issued at par but redeemable at premium
- iii. DRR is to be created at a minimum of 10% of the outstanding debentures, before starting the redemption process

A:-Statements i and ii are incorrect

B:-Statements i and iii are incorrect

C:-Statements ii and iii incorrect

D:-Statement i alone is incorrect

Correct Answer:- Option-D

Question3:-Which of the following statements are TRUE with respect to the preparation of Final Accounts of Companies ?

- i. Shareholders fund consists of the share capital, reserves and surplus and the money received against the share warrants
- ii. Schedule II of the Companies Act 2013 provides the format of Balance Sheet and SOPL
- iii. Events after the reporting period refers to the significant events occurred in the business from the date of reporting period to the date of approval of financial statements by the Board of Directors

- A:-Statements i and ii are true
- B:-Statements i and iii are true
- C:-Statements ii and iii are true
- D:-Statements i, ii and iii are true

Correct Answer:- Option-B

Question4:-Which of the following is FALSE with respect to the accounting for amalgamation of companies ?

- i. Transferee company means the company which is amalgamated in to another company
- ii. Pooling interest method is used when there is amalgamation in the nature of merger
- iii. Under the Net Payment method of calculating purchase consideration, the Net Assets will be treated as purchase consideration

- A:-Statements i and ii are false
- B:-Statements ii and iii are false
- C:-Statements i and iii are false
- D:-Statements i, ii and iii are false

Correct Answer:- Option-C

Question5:-Which of the following statements are CORRECT with regard to the accounting for the internal reconstruction of companies ?

- i. Internal reconstruction will lead to the capital reduction
- ii. Capital reduction a/c will be credited with amount of capital reduced, amount sacrificed by the creditors and appreciation in the value of assets
- iii. Balance in the Capital Reduction a/c, after writing off of the fictitious assets, accumulated losses, decrease in the value of assets and settlement of liability, if any, shall be transferred to the Capital Reserve

- A:-Statements i and ii alone are correct
- B:-Statements i and iii alone are correct
- C:-Statements ii and iii alone are correct
- D:-Statements i, ii and iii are correct

Correct Answer:- Option-D

Question6:-Which of the following statements are TRUE with regard to the preparation of cash flow statement under direct method ?

- i. Net Cash from operation will be computed after deducting tax from the cash from operation
- ii. Payment of dividend to shareholders will be taken as an item in the Investing Activity
- iii. Dividend income received will be taken as an item of Financing Activities

- A:-Statement i alone is true
- B:-Statements i and ii alone are true
- C:-Statements ii and iii alone are true
- D:-Statements i and iii alone are true

Correct Answer:- Option-A

Question7:-Which of the following statements are FALSE with regard to the preparation of cash flow statement under indirect method ?

- i. Operating Profit before Working Capital Changes will be calculated by adding depreciation with the net profit
- ii. Increase in Current Assets should be added to the operating profit for calculating the cash from operation
- iii. Decrease in Current Liabilities should be deducted from operating profit to get the cash from operation

A:-Statements i and ii are false

B:-Statements i and iii are false

C:-Statements ii and iii are false

D:-Statements i, ii and iii are false

Correct Answer:- Option-C

Question8:-Identify the WRONG statements from the following in connection with the Ratio Analysis.

- i. Activity Ratios are also called as Efficiency Ratios
- ii. Quick ratio is also called as Acid Test Ratio
- iii. Inventory turnover ratio is calculated by dividing the Sales with the Average Inventory

A:-Statement iii alone is wrong

B:-Statements ii alone is wrong

C:-Statements i alone is wrong

D:-Statements i, ii and iii are wrong

Correct Answer:- Option-A

Question9:-Identify the INCORRECT statements from the following with respect to the ratio analysis.

- i. Quick assets = (Current Assets-Closing Stock-Prepaid Expenses)
- ii. Debt-Equity Ratio = Shareholders Funds/Total Debt
- iii. Ideal Current Ratio is 1:1

A:-Statements i and ii are incorrect

B:-Statements ii and iii are incorrect

C:-Statements i and iii are incorrect

D:-Statement iii alone is incorrect

Correct Answer:- Option-B

Question10:-Identify the FALSE statements from the following.

- i. Buyback of partly paid up shares are possible
- ii. Common Size Statements are used for inter-firm comparison
- iii. Trend percentage is calculated on year on year basis by comparing the figures of two consecutive years

A:-Statements i and ii are false

B:-Statements i and iii are false

C:-Statements ii and iii are false

D:-Statements i, ii and iii are false

Correct Answer:- Option-D

Question11:-Julius Grodinsky is associated with

A:-Economic analysis

B:-SWOT analysis

C:-Five force model

D:-Industry life cycle

Correct Answer:- Option-D

Question12:-The growth in book value per share shows the

A:-Rise in the share price

B:-Increase in networth

C:-Growth in reserves

D:-Increase in physical assets of the firm

Correct Answer:- Option-C

Question13:-GDP is a logical factor to analyse the economy in picking up a stock because it indicates

A:-Inflation/deflation

B:-Status of the economy

C:-Market value of assets

D:-Condition of the stock market

Correct Answer:- Option-B

Question14:-Markowitz approach has roots in

A:-Good portfolio management

B:-Proper entry and exit in the market

C:-Analysing the risk and return related to stock

D:-Estimation of stock return

Correct Answer:- Option-C

Question15:-Which of the following statement is wrong with regard to Beta ?

A:-Beta is an index of the systematic risk of an asset

B:-The larger the Beta, the less volatile the security

C:-A security can have Betas that are positive, negative or zero

D:-None

Correct Answer:- Option-B

Question16:-Order the following statements into SWOT of a pharmaceutical industry

i. Proposal to bring move drugs under drug price control

- ii. Proposal to establish various pharma SEZs across the country
- iii. Presence of large number of players and a fragmented industry
- iv. Large population, increasing health care expenditure

A:-iv, iii, ii, i

B:-i, iii, ii, iv

C:-ii, iii, i, iv

D:-i, ii, iii, iv

Correct Answer:- Option-A

Question17:-The bond yield remains constant over its life and the discount on premium amount will decrease

A:-At a decreasing rate as its life gets shorter

B:-At a decreasing rate as its life gets longer

C:-At an increasing rate as its life gets shorter

D:-At an increasing rate as its life gets longer

Correct Answer:- Option-C

Question18:-Yield to maturity is the single factor that makes

A:-The future value of the present cash flows from a bond equal to bond value

B:-The future values of the present cash flows equal to the future price of the bond

C:-Present value of the future cash flows of the bond equal to the current price of the bond

D:-The future value of the bond equal to the present price

Correct Answer:- Option-C

Question19:-Match the following :

- | | |
|-------------------------|--------------------------|
| i. High leverage | A. Market risk |
| ii Decline in bank rate | B. Purchasing power risk |
| iii. Inflation | C. Finance risk |
| iv. Kargil war | D. Interest rate risk |

A:-i-B ii-C iii-A iv-D

B:-i-C ii-D iii-B iv-A

C:-i-A ii-D iii-B iv-C

D:-i-C ii-D iii-A iv-B

Correct Answer:- Option-B

Question20:-The bargaining power of the supplier is high when

A:-There is possibility of suppliers integrating forward into the industry

B:-There is possibility of buyers integrating backwards into supply is lower

C:-The product may be demanded by not just a single industry but by others also

D:-All

Correct Answer:- Option-D

Question21:-'Place' in Marketing mix refers to

A:-The place of manufacturing the product

B:-Advertising channels used

C:-Making the product available to customer at convenient and accessible places

D:-Systems and process followed in the business

Correct Answer:- Option-C

Question22:-The marketing strategy used by companies with limited resources to serve only one or a few specific segments is known as

A:-Mass Marketing

B:-Niche Marketing

C:-Differentiated Marketing

D:-Undifferentiated Marketing

Correct Answer:- Option-B

Question23:-The type of buying behaviour where consumers are highly involved in purchase but sees little difference between brands is known as

A:-Dissonance-reducing Buying Behaviour

B:-Complex Buying Behaviour

C:-Habitual Buying Behaviour

D:-Variety Seeking Buying Behaviour

Correct Answer:- Option-A

Question24:-'Reverse Logistic' refers to

A:-Making the Product Available to Customers

B:-Increasing the Speed of Supply Chain Operations

C:-Delivering Product in the Reverse Order

D:-Managing the return, reuse, and disposal of products

Correct Answer:- Option-D

Question25:-The type of sampling in which the population is divided into different homogeneous groups and random samples are selected from each group is known as

A:-Quota Sampling

B:-Stratified Sampling

C:-Snow Ball Sampling

D:-Deliberate Sampling

Correct Answer:- Option-B

Question26:-Which of the following is not a perquisite ?

A:-Free housing

B:-Company car

C:-Medical reimbursement

D:-Interest on savings account

Correct Answer:- Option-D

Question27:-Which of the following deductions is allowed from salary income ?

A:-Entertainment expenses

B:-Interest on personal loan

C:-Professional tax

D:-Loss from business

Correct Answer:- Option-C

Question28:-Which of the following is not a deduction allowed from income from house property ?

A:-Municipal taxes

B:-Interest on housing loan

C:-Insurance premium on the property

D:-Repairs and maintenance expenses

Correct Answer:- Option-C

Question29:-Which of the following is not a general deduction allowed in computing business income ?

A:-Salary paid to employees

B:-Interest paid on business loan

C:-Dividend paid to shareholders

D:-Rent paid for business premises

Correct Answer:- Option-C

Question30:-What is the treatment of depreciation in computing business income ?

A:-It is fully deductible

B:-It is partially deductible

C:-It is not deductible

D:-It is deductible only for certain assets

Correct Answer:- Option-A

Question31:-What is the concept of 'grossing up' of interest income ?

A:-Adding back the tax deducted at source to the interest income

B:-Subtracting the tax deducted at source from the interest income

C:-Multiplying the interest income by a certain factor

D:-Dividing the interest income by a certain factor

Correct Answer:- Option-A

Question32:-A salaried individual claims a deduction under Section 80C for investment in PPF and ELSS. Additionally, he claims a deduction under Section 80CCD (1B) for additional contribution to NPS. Which of the following statements is correct ?

A:-The total deduction under Section 80C and 80CCD (1B) cannot exceed Rs. 1.5 lakhs

B:-The deduction under Section 80CCD (1B) is over and above the limit of Rs. 1.5 lakhs under Section 80C

C:-The deduction under Section 80CCD (1B) is included within the limit of Rs. 1.5 lakhs under Section 80C

D:-The deduction under Section 80CCD(1B) is not allowed for salaried individuals

Correct Answer:- Option-B

Question33:-A taxpayer sells a long-term capital asset and incurs a capital loss. How can he utilize this loss ?

A:-It can be set off against any other capital gain in the same assessment year

B:-It can be set off against any income from other sources in the same assessment year

C:-It can be carried forward and set off against capital gains in the subsequent eight assessment years

D:-It cannot be carried forward or set off against any other income

Correct Answer:- Option-C

Question34:-What is the primary objective of transfer pricing regulations ?

A:-To ensure that transactions between related parties are at arm's length

B:-To minimize tax liability for multinational corporations

C:-To promote international trade

D:-To protect domestic industries

Correct Answer:- Option-A

Question35:-Statement 1 : The Finance Act is an annual legislation that introduces amendments to the Income Tax Act.

Statement 2 : The Finance Act specifies the rates of income tax for the upcoming financial year.

A:-Only Statement 1 is correct

B:-Only Statement 2 is correct

C:-Both Statement 1 and Statement 2 are correct

D:-Neither Statement 1 nor Statement 2 is correct

Correct Answer:- Option-C

Question36:-Statement 1 : Perquisites are benefits received by an employee in addition to salary.

Statement 2 : Perquisites are fully taxable as salary income.

A:-Only Statement 1 is correct

B:-Only Statement 2 is correct

C:-Both Statement 1 and Statement 2 are correct

D:-Neither Statement 1 nor Statement 2 is correct

Correct Answer:- Option-C

Question37:-Statement 1 : Salary paid to employees is deductible in computing business income.

Statement 2 : Dividend paid to shareholders is deductible in computing business income.

A:-Only Statement 1 is correct

B:-Only Statement 2 is correct

C:-Both Statement 1 and Statement 2 are correct

D:-Neither Statement 1 nor Statement 2 is correct

Correct Answer:- Option-A

Question38:-Statement 1 : TDS is deducted at the time of making certain payments, such as salary, rent and professional fees.

Statement 2 : TCS is deducted at the time of making certain receipts, such as sale of goods or services.

A:-Only Statement 1 is correct

B:-Only Statement 2 is correct

C:-Both Statement 1 and Statement 2 are correct

D:-Neither Statement 1 nor Statement 2 is correct

Correct Answer:- Option-C

Question39:-A taxpayer claims a deduction under Section 80G for a donation made to a charitable institution. What conditions must be fulfilled for the donation to be eligible for deduction ?

A:-The institution must be approved by the Income Tax authorities

B:-The donation must be made by cheque or online transfer

C:-The taxpayer must have proof of the donation

D:-All of the above

Correct Answer:- Option-D

Question40:-What is bond washing ?

A:-A tax avoidance technique involving the sale and repurchase of bonds

B:-A method of calculating the fair market value of bonds

C:-A type of bond issued by the government

D:-A type of bond issued by a private company

Correct Answer:- Option-A

Question41:-Which tax is levied on an interstate supply of Goods ?

A:-CGST

B:-SGST

C:-IGST

D:-CGST & SGST

Correct Answer:- Option-C

Question42:-The rate of GST is recommended by

A:-Central Government

B:-State Government

C:-Both by Central and State Government

D:-The GST Council

Correct Answer:- Option-D

Question43:-In GST Act, Zero-rated Supply means

A:-Supply of goods/services by a SEZ developer/units

B:-Export of Goods or Services

C:-Supply of goods/services to a SEZ developer/units

D:-Both 2 and 3

Correct Answer:- Option-D

Question44:-The validity period of an E-way bill for a distance more than 1000 km is

A:-15 days from the date of generation

B:-10 days from the date of generation

C:-5 days from the date of generation

D:-3 days from the date of generation

Correct Answer:- Option-A

Question45:-In GST, "a supply made by a taxable person to a recipient comprising two or more supplies of goods or services or any combination thereof which are naturally bundled and supplied in conjunction with each other in the ordinary course of business, one of which is a principal supply" is called

A:-Mixed supply

B:-Composite supply

C:-Continuous supply

D:-Inward supply

Correct Answer:- Option-B

Question46:-For normal tax payers, the registration certificate issued under GST Act is valid for a period of

A:-Five years

B:-Ten years

C:-One year

D:-Valid till it is cancelled

Correct Answer:- Option-D

Question47:-In GST, ISD means

A:-Integrated Service Desk

B:-Input Service Distributor

C:-International Service Distributor

D:-International Sales Director

Correct Answer:- Option-B

Question48:-What is the rate of tax applicable to a registered person being a manufacturer opting tax under composite scheme under GST ?

A:-2%

B:-2.5%

C:-0%

D:-Composition scheme is not allowable for manufacturer

Correct Answer:- Option-A

Question49:-What is 'SAC' stands for in GST Act ?

A:-Standard Assessment Code

B:-Service Accounting Code

C:-Systematic Approach of Coding

D:-Simplified Accounting Code

Correct Answer:- Option-B

Question50:-What is the maximum time limit to claim the input tax credit under GST ?

A:-Till the date of filing the annual return

B:-Due date of the September month following the financial year

C:-Earliest of both 1 and 2

D:-Later of both 1 and 2

Correct Answer:- Option-C

Question51:-What does "stare decisis" mean ?

A:-To ignore previous decisions

B:-To follow precedent

C:-To appeal a decision

D:-To dismiss a case

Correct Answer:- Option-B

Question52:-Assume a company is formed with an unlimited share capital. what implications arise ?

A:-Limited liability for members, reduced financial risks

B:-Unlimited liability for members, potential financial risks

C:-No liability for members, complete financial security

D:-Uncertain liability for members, potential legal issues

Correct Answer:- Option-B

Question53:-What is the role of the Chairman at a shareholders' meeting ?

A:-To facilitate discussions

B:-To enforce quorum requirements

C:-To preside over voting procedures

D:-All of the above

Correct Answer:- Option-D

Question54:-Which among the following is true with the contract of agency ?

A:-The relation between the agent and principal is that of trust

B:-Its only when a person acts as a representative of the other in the creation, modification and termination of contractual obligations between that order and third persons that he is an agent

C:-The only essence of a contract of agency is the agent's representative capacity

D:-None of the above

Correct Answer:- Option-B

Question55:-Which among the following are right statements ?

i. An indemnity is for reimbursement of a loss, while a guarantee is for the security of the creditor.

ii. In a contract of indemnity the liability of the indemnifier is secondary and arises when the contingent event occurs. But in contract of guarantee the liability of surety is primary and arises when the principal debtor defaults.

iii. The indemnifier after performing his part of the promise has no rights against the third party and he can sue the third party only if there is an assignment in his favour. Whereas in a contract of guarantee the surety steps in to the shoes of the creditor on discharge of his liability and may sue the principal debtor.

iv. In a contract of indemnity, the liability of the indemnifier is primary and arise when the contingent even occurs. In case of contract of guarantee the liability of the surety is secondary and arises when the principal debtor defaults.

A:-i, ii and iii are right

B:-ii, iii and iv are right

C:-i, iii and iv are right

D:-i, ii and iv are right

Correct Answer:- Option-C

Question56:-What is the significance of intention to create legal relations ?

- A:-To establish a binding agreement
- B:-To create a contract enforceable by law
- C:-To provide a basis for dispute resolution
- D:-To limit liability

Correct Answer:- Option-B

Question57:-Assume a bill of exchange is negotiated before maturity. What consequences occur ?

- A:-Loss of negotiability
- B:-Reduced payment
- C:-Increased liability
- D:-Valid negotiation

Correct Answer:- Option-D

Question58:-Statement I : A company secretary is responsible for compliance with regulatory requirements.

Statement II : A company secretary need not maintain professional competence. Identify the correct statement(s)

- A:-Only statement I is correct
- B:-Only statement II is correct
- C:-Both statements are correct
- D:-Both statements are incorrect

Correct Answer:- Option-A

Question59:-What is the role of a company secretary in corporate social responsibility ?

- A:-To advise on CSR activities
- B:-To implement CSR activities
- C:-To report CSR activities
- D:-All of the above

Correct Answer:- Option-D

Question60:-What is the significance of intention to create legal relations in a contract of sale ?

- A:-Establishes a binding agreement
- B:-Creates a contract enforceable by law
- C:-Provides a basis for dispute resolution
- D:-Limits liability

Correct Answer:- Option-B

Question61:-**Assertion (A)** : Profit maximization is considered to be the ultimate objective of financial management.

Reason (R) : Profit maximization ignores the risk and time value of money, which are critical factors in decision-making.

- A:-Both (A) and (R) are true, and (R) is the correct explanation of (A)
 B:-Both (A) and (R) are true, but (R) is NOT the correct explanation of (A)
 C:- (A) is true, but (R) is false
 D:- (A) is false, but (R) is true
 Correct Answer:- Option-D

Question62:-Match the techniques in Column A with their characteristics in Column B and choose the correct option :

Column A	Column B
1. Net Present Value (NPV)	A. Ignores the time value of money
2. Payback Period	B. Considers the present value of cash inflows
3. Internal Rate of Return (IRR)	C. Measures profitability as a percentage
4. Accounting Rate of Return	D. Evaluates cash flows within a short recovery time

- A:-1-B, 2-D, 3-C, 4-A
 B:-1-C, 2-B, 3-D, 4-A
 C:-1-A, 2-B, 3-C, 4-D
 D:-1-D, 2-A, 3-B, 4-C

Correct Answer:- Option-A

Question63:-Consider the following statements regarding the determinants of capital structure :

1. Firms with stable cash flows can afford to take on higher debt.
 2. High levels of operating risk encourage firms to rely more on equity financing.
- Which of the above statements is/are correct ?

- A:-Only 1
 B:-Only 2
 C:-Both 1 and 2
 D:-Neither 1 nor 2

Correct Answer:- Option-C

Question64:-A company has the following information :

- Net income : Rs. 2,50,000
- Interest : Rs. 50,000
- Tax : Rs. 40,000
- Depreciation : Rs. 30,000
- Amortization : Rs. 20,000

What is the EBITDA of the company ?

- A:-Rs. 3,90,000
 B:-Rs. 3,40,000
 C:-Rs. 3,00,000
 D:-Rs. 2,00,000

Correct Answer:- Option-A

Question65:-A company has the following details :

- Sales : Rs. 12,00,000

- Variable Costs : Rs. 8,00,000
- Fixed Costs : Rs. 2,00,000
- Interest : Rs. 1,00,000

What is the composite leverage ?

A:-2

B:-3

C:-4

D:-5

Correct Answer:- Option-C

Question66:-Which of the following methods can be used to calculate the cost of equity ?

1. Dividend Discount Model
2. Capital Asset Pricing Model (CAPM)
3. Net Present Value Method
4. Gordon Growth Model

A:-1, 2, 3 and 4

B:-1, 3 and 4 only

C:-2, 3 and 4 only

D:-1, 2 and 4 only

Correct Answer:- Option-D

Question67:-What does the Marginal Cost of Capital (MCC) represent ?

A:-The cost of raising all funds used by a firm so far

B:-The cost of raising one additional unit of capital

C:-The historical average cost of all financing sources

D:-The total cost of equity and debt combined

Correct Answer:- Option-B

Question68:-Match the following :

Dividend Theory	Key Concept
A. Walter's Model	1. Dividend irrelevance in perfect markets
B. Gordon's Model	2. Dividends paid from leftover profits
C. Modigliani-Miller	3. Retention impacts share value
D. Residual Theory	4. Dividend relevance: relationship to firm's return

A:-A → 4, B → 3, C → 1, D → 2

B:-A → 3, B → 2, C → 4, D → 1

C:-A → 4, B → 2, C → 1, D → 3

D:-A → 1, B → 4, C → 3, D → 2

Correct Answer:- Option-A

Question69:-The operating cycle of a company measures the time

A:-Required to convert current liabilities to equity

B:-Taken to convert raw materials into cash

C:-Taken to recover non-current assets

D:-Required to repay long-term loans

Correct Answer:- Option-B

Question70:-A firm has the following data :

Inventory period : 45 days

Receivables collection period : 30 days

Payables deferral period : 20 days

What is the cash conversion cycle ?

A:-95 days

B:-75 days

C:-55 days

D:-35 days

Correct Answer:- Option-C

Question71:-Which among the following is the process of buying and selling securities within a short period of time ?

A:-Day trading

B:-Swing trading

C:-Position trading

D:-Scalping

Correct Answer:- Option-A

Question72:-The primary benefit of investing in a mutual fund is

A:-To earn a fixed return

B:-To invest in a savings account

C:-To diversify the portfolio and reduce risk

D:-To invest in single stock or bond

Correct Answer:- Option-C

Question73:-Green Shoe Option is intended to

A:-Increase the issue price

B:-Stabilize the stock price

C:-Reduce the underwriting fee

D:-Attract more investors

Correct Answer:- Option-B

Question74:-The basic difference between IPO and FPO are

A:-IPO is for new companies, FPO for existing companies

B:-IPO is for existing companies, FPO for new companies

C:-IPO is for small companies, FPO for large companies

D:-IPO is for large companies, FPO for small companies

Correct Answer:- Option-A

Question75:-The application amount blocked not deducted from bank account is ensured by ASBA through

- A:-A physical cheque
- B:-An electronic payment gateway
- C:-A bank guarantee
- D:-A debit mandate

Correct Answer:- Option-D

Question76:-ESOP is mainly focused to

- A:-Reward employees for their performance
- B:-Increase employee ownership and motivation
- C:-Attract and retain stake holders
- D:-Reduce employee turnover

Correct Answer:- Option-B

Question77:-Which among the following is a type of Qualified Institutional Buyer (QIB) ?

- A:-Retail investor
- B:-Individual investor
- C:-Foreign Portfolio investor
- D:-Institutional investor

Correct Answer:- Option-D

Question78:-A Credit Default Swap (CDS) is a type of

- A:-Loan which is secured by collateral
- B:-Derivative that protects against credit risk
- C:-Derivative which helps the investors to get bet on interest rates
- D:-Security that represents ownership in a company

Correct Answer:- Option-B

Question79:-Which of the following statements are correct about a Structured Note ?

- I. A type of derivative that allows investors to bet on interest rates
- II. A type of derivative that allows investors to bet on currency exchange rates
- III. A type of debt instrument that has a fixed interest rate
- IV. A type debt instrument that has a fixed maturity date

- A:-Only I and II
- B:-Only III and IV
- C:-Only II and III
- D:-All of the above

Correct Answer:- Option-A

Question80:-Which among the following is a prerequisite to become a mutual fund distributor in India ?

A:-Registration with AMFI

B:-Registration with SEBI

C:-Completion of a mutual fund certification program

D:-All of the above

Correct Answer:- Option-D

Question81:-During a BCG Matrix analysis, a company's product is placed in the "Dog" quadrant. What is the BEST course of action for the company ?

A:-Invest heavily to convert it into a "Star"

B:-Divest or liquidate the product to free up resources

C:-Increase market penetration aggressively

D:-Expand into new markets using the product

Correct Answer:- Option-B

Question82:-Match the strategic frameworks with their primary purpose :

A	B
1. Porter's Five Forces	a. Analyzing industry-level competition
2. SWOT Analysis	b. Identifying internal strengths and external threats
3. Blue Ocean Strategy	c. Analyzing activities for cost and value creation
4. Value Chain Analysis	d. Creating uncontested market space

A:-1-a, 2-b, 3-c, 4-d

B:-1-a, 2-b, 3-d, 4-c

C:-1-b, 2-a, 3-c, 4-d

D:-1-b, 2-a, 3-d, 4-c

Correct Answer:- Option-B

Question83:-Match the following strategic types with their corresponding characteristics :

A	B
1. Cost Leadership	a. Unique products, premium pricing
2. Differentiation Strategy	b. Targeting niche markets
3. Focus Strategy	c. Gaining control over suppliers or buyers
4. Vertical Integration	d. High market share, low margins

A:-1-a, 2-b, 3-c, 4-d

B:-1-b, 2-a, 3-d, 4-c

C:-1-d, 2-a, 3-b, 4-c

D:-1-c, 2-b, 3-a, 4-d

Correct Answer:- Option-C

Question84:-**Statement (A)** : In industries with high entry barriers, existing firms tend to earn above-average profits.

Statement (B) : High entry barriers limit the threat of new entrants, protecting the market share of existing firms.

A:-Statement (A) - True, Statement (B) - False

B:-Statement (B) - True, Statement (A) - False

C:-Both Statements are True

D:-Both Statements are False

Correct Answer:- Option-C

Question85:-**Statement (A)** : Blue Ocean strategies often render competitors irrelevant.

Statement (B) : Blue Ocean Strategies focus on creating uncontested market spaces by introducing unique value propositions.

A:-Statement (A) - True, Statement (B) - False

B:-Statement (B) - True, Statement (A) - False

C:-Both Statements are True

D:-Both Statements are False

Correct Answer:- Option-C

Question86:-**Statement (A)** : PESTLE analysis helps firms predict the impact of external factors on their strategy.

Statement (B) : PESTLE evaluates internal capabilities and core competencies of the firm.

A:-Statement (A) - True, Statement (B) - False

B:-Statement (B) - True, Statement (A) - False

C:-Both Statements are True

D:-Both Statements are False

Correct Answer:- Option-A

Question87:-**Statement (A)** : Strategic planning is less effective in dynamic environments.

Statements (B) : In dynamic environments, strategies often required frequent adjustments to remain relevant.

A:-Statement (A) - True, Statement (B) - False

B:-Statement (B) - True, Statement (A) - False

C:-Both Statements are True

D:-Both Statements are False

Correct Answer:- Option-C

Question88:-**Statement (A)** : Related diversification is generally more successful than unrelated diversification.

Statement (B) : Related diversification leverages existing resources and capabilities to create synergy.

A:-Statement (A) - True, Statement (B) - False

B:-Statement (B) - True, Statement (A) - False

C:-Both Statements are True

D:-Both Statements are False

Correct Answer:- Option-C

Question89:-A company in the automobile industry plans to introduce electric vehicles. Based on Porter's Five Forces, which factor would most likely determine the success of this strategic shift ?

A:-Bargaining power of suppliers for battery components

B:-Intensity of rivalry among competitors offering electric vehicles

C:-Threat of substitute products such as hybrid vehicles

D:-All of the above

Correct Answer:- Option-D

Question90:-Company X has identified that it lacks the technical know-how to implement a digital transformation. Which strategic option is most appropriate ?

A:-Focus on cost-leadership strategy

B:-Engage in strategic alliances with tech firms

C:-Reduce spending on non-digital initiatives

D:-Wait for competitors to act first

Correct Answer:- Option-B

Question91:-Which of the following statements are correct about National Income ?

A. Total flow of earnings of the factor owners, which they receive through the production of goods and services.

B. National income is measured in the context of economic and non-economic activities.

C. Exchange value of goods which are already produced or already existing are included in National income.

D. Scope of national income measurement includes non-capital goods and services demanded by business firms.

A:-A and B

B:-A and C

C:-B and D

D:-A and D

Correct Answer:- Option-D

Question92:-Fiscal deficit minus borrowings and other liabilities is equal to

A:-Revenue Deficit

B:-Primary Deficit

C:-Budget Deficit

D:-Capital Deficit

Correct Answer:- Option-C

Question93:-In the long run, a firm in monopolistic competition

A:-Always earn super profit

B:-Earns normal profits only

C:-Incurs losses

D:-May earn normal profits, super normal profits or incur losses

Correct Answer:- Option-B

Question94:-The statement "National Income is affected only by changes in output level" is true under which national income measurement base ?

A:-Current prices

B:-Constant prices

C:-Market prices

D:-None of the above

Correct Answer:- Option-B

Question95:-Usually the demand for necessities is

A:-Slightly elastic

B:-Slightly inelastic

C:-Highly elastic

D:-Highly inelastic

Correct Answer:- Option-D

Question96:-Under which economic conditions does the RBI conduct open market sale of securities ?

A:-Inflation

B:-Deflation

C:-Staflation

D:-None of the above

Correct Answer:- Option-A

Question97:-Which among the following countries is associated with NITI Aayog to develop E-Amrit Portal ?

A:-USA

B:-Japan

C:-U.K.

D:-Australia

Correct Answer:- Option-C

Question98:-Which among the following needs to approve the resolution plan first ?

A:-NCLT

B:-NCLAT

C:-COC

D:-Directors

Correct Answer:- Option-C

Question99:-On which basis the fast track corporate insolvency resolution process cannot be initiated in respect of specified corporate debtors ?

A:-Amount of debts

B:-Assets and income

C:-Class of creditors

D:-Share capital and networth

Correct Answer:- Option-D

Question100:-Which among the following sentences are true with regard to illiquid stock option segment of stock exchanges ?

i. SEBI introduced III Settlement scheme for entities involved in the illiquid stock option segment.

ii. Illiquid stock options are low-risk stocks and high traded volume.

iii. Illiquid stock options are far away from their expiration dates.

A:-i and iii

B:-i and ii

C:-ii and iii

D:-i, ii and iii

Correct Answer:- Option-A