

# STUDY PLANET

## COMMERCE MOCK TEST

- Which of the following statement is/are not true?
  - The goodwill of established firm is more when compared to new businesses.
  - Goodwill can never be negative.
  - Goodwill differs in its composition in different trades.
  - Both (a) and (c) above.
- Can you identify the incorrect statement, if yes then which one ?
  - The value of goodwill is more in case of purchase of super profit method as compared to the annuity method of super profit .
  - For the purpose of calculation of goodwill, past profits will have to be adjusted in order to determine the future expected profits.
  - In annuity method, goodwill is equated to the future value of present Profits earned by discounting them applying a normal rate of return.
- Mandatory amount to be collected on application of shares should be
  - Not more than 5% of nominal value of shares.
  - More than 5% of nominal value of shares.
  - More than 5% of issue price of shares.
  - Not more than 5% of issue price of shares.
- Find out the correct statement.
  - Bonus issue can be made in lieu of dividends.
  - Residual reserves after issue of bonus shares should be at least 40% of called up capital.
  - For calculating the value of shares, rate of earning and net rate of dividend should be taken into consideration if the shares are being acquired for control purposes.

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- C. Bonus issue cannot be made within 12 months of any rights issue.
- D. Both (a) and (b) above.
5. Identify the false statement.
- A. Brokerage and underwriting commission are the same.
- B. The broker buys the securities which have not been subscribed for.
- C. Broker does not guarantee the sale of a specified number of the securities.
- D. Both (a) and (b) above.
6. Point out the correct statement with regard to issue of shares at discount.
- A. The maximum rate of discount can be 15%.
- B. At least one year should have elapsed from the commencement of business before shares are issued at a discount.
- C. The issue should be authorized by a special resolution.
- D. The shares which are issued at a discount should not be of a class already issued.
7. In a public issue the minimum subscription amount that should be received is
- A. 75% of the issued capital
- B. 90% of issued capital
- C. 80% of the issued capital
- D. 75% of the authorized capital
8. Which of the following statement is not true with regard to redemption of preference shares ?
- A. Partly paid shares cannot be redeemed.
- B. The redemption of preference shares shall be taken as reduction of company's authorized share capital.
- C. When shares are issued for redemption in future, it will not be treated as increase in capital.
- D. Preference shares can be redeemed either out of the profit by capitalization or out of fresh issue of shares.

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9. Securities premium account may be applied by the company for ---
- A. Issue of fully paid bonus shares.
  - B. Writing-off preliminary expenses
  - C. The premium payable on the redemption of preference shares or debentures.
  - D. Writing -off discount allowed on shares or debentures.
  - E. All of the above.

10. The second schedule of Reserve Bank of India includes which of them ?
- A. Nationalized Bank
  - B. Regional Rural Banks
  - C. State co operative bank
  - D. Village level Primary Co-operative societies

Select the correct answer from the following options:

- A. Only a, b and c
- B. Only b, c and d.
- C. Only a, d and c
- D. All are correct

11. Statement which is/are correct regarding Cash Reserve Ratio (CRR) ?
- A. Section 42 of RBI Act, 1934 lays foundation for maintaining CRR by scheduled commercial bank with RBI.
  - B. At present CRR is 4% of NDTL
  - C. Banks have to maintain minimum 95 % of the required CRR on a daily basis and 100 % on an average basis during the fortnight.

Select the correct answer from the following options :

- A. Only a
- B. Only b
- C. Both a and b
- D. All are correct

12. Find out the correct statement regarding Statutory Liquidity Ratio (SLR) ?
- A. Section 42 of RBI Act, 1934 lays foundation for maintaining SLR by scheduled commercial bank with RBI.

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- B. Section 24 of the Banking Regulation Act, 1949 provide powers to RBI to specify SLR on Banks
- C. At present SLR is 19.50 % of NDTL
- D. Qualified liquid assets for purpose of SLR are :  
unencumbered  
government and other approved securities , gold, cash and excess CRR balance

Select the correct answer from the following options:

- A. A, B and C
- B. B, C and D
- C. A, C and D
- D. All are correct

13.Repo rate is defined by which of the following ?

- A. The rate at which banks place their surplus funds with the RBI
- B. The rate at which banks can borrow against their excess SLR securities to meet additional liquidity requirements
- C. The rate at which the RBI is prepared to buy or re-

discount bills of exchange or other commercial paper eligible for purchase.

- D. The rate at which bank borrow funds from the Reserve Bank against eligible collaterals

14.Which among the following defines Reverse Repo Rate accurately?

- A. The rate at which banks place their surplus funds with the RBI
- B. The rate at which banks can borrow against their excess SLR securities to meet additional liquidity requirements
- C. The rate at which the Reserve Bank is prepared to buy or re-discount bills of exchange or other commercial paper eligible for purchase
- D. The rate at which banks borrow funds from the Reserve Bank against eligible collaterals.

15.Marginal Standing Facility Rate is defined as

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- A. The rate at which banks place their surplus funds with the RBI
- B. The rate at which banks can borrow against their excess SLR securities to meet additional liquidity requirements
- C. The rate at which the Reserve Bank is prepared to buy or re-discount bills of exchange or other commercial paper eligible for purchase
- D. The rate at which bank borrow funds from the Reserve Bank against eligible collaterals
16. Bank rate is defined by :-
- A. The rate at which banks place their surplus funds with the RBI
- B. The rate at which banks can borrow against their excess SLR securities to meet additional liquidity requirements
- C. The rate at which the Reserve Bank is prepared to buy or re-discount bills of exchange or other commercial paper eligible for purchase
- D. The rate at which banks borrow funds from the Reserve Bank against eligible collaterals
17. Which of them is also known as 'base money' or 'high-powered money' or 'reserve money' ?
- A. M0
- B. M1
- C. M2
- D. M3
18. Which among the following is not a part of LAF (Liquidity Adjustment Facility) ?
- A. Repo rate
- B. Reverse Repo Rate
- C. Marginal Standing Facility (MSF)
- D. Open Market Operation (OMO)
19. Reserve Bank of India introduced Liquidity Adjustment Facility (LAF) in the year ----
- A. 1998
- B. 2000
- C. 2002
- D. 2004

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20. A firm may choose defensive advertising as per which one of the following approaches?
- A. Return on investment approach
  - B. Percentage to sales approach
  - C. Competitive parity approach
  - D. Objective and task approach
21. Which one of the following expresses the tendency of consumers to interpret information in a way that fits one's preconceptions in the consumer buying behaviour ?
- A. Selective attention
  - B. Selective Distortion
  - C. Selective Retention
  - D. Subliminal Perception
22. Price sensitivity of a product is not reduced by which of the following factor ?
- A. The product is more distinctive
  - B. Buyers are fully aware of substitutes.
  - C. Buyers cannot store the product
  - D. The product is assumed to have more quality, prestige, or exclusiveness.
23. Attributes or benefits that consumers strongly associate with a brand, positively evaluate, and believe they could not find to the same extent with a competitive brand is known as :
- A. Competitive points-of-parity
  - B. Relational points-of-parity
  - C. Correlational points-of-parity
  - D. Points-of-difference
24. Penetrated Market is best represented by which one ?
- A. The set of consumers who are buying the company's product.
  - B. The part of the qualified available market the company decides to pursue.
  - C. The set of consumers who have interest, income, and access to a particular offer.

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D. The set of consumers with a sufficient level of interest in a market offer.

25. Match the item of List-1 with those of List-2 and suggest the correct code :

List -1

List -2

(Components of holistic marketing constituent/ Dimension)	(Key)
(a) Internal marketing customer equity	(i) Brand &
(b) Performance marketing Stakeholder	(ii)
(c) Integrated marketing Marketing Department	(iii)
(d) Relationship marketing Communication)	(iv)

Code : (a) (b) (c) (d)

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

26. Match the item of List-1 with those of List-2 and suggest the correct code :

List -1

List -2

(a) Style (i) That comes quickly into public view, are adopted with great zeal, peak early, and decline very fast.

(b) Fashion (ii) Basic and distinctive mode of expression appearing in a field of human endeavor.

(c) Fad (iii) Currently accepted or popular style in a given field.

Code : (a) (b) (c)

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

27. Indicate the correct or incorrect statement relating to the new product development.

Statement (I) : Most established companies do not focus on incremental innovation for new product development.

Statement (II) : Most established companies enter new markets by tweaking products for new customers.

Code :

A. Both the statement are correct

B. Both the statement are incorrect

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- C. Statement (I) is correct while statement (II) is incorrect.
- D. Statement (I) is incorrect while Statement (II) is correct.

28. From the examples below find out the 'Real Needs' of a customer.

- A. The customer wants an inexpensive mobile phone
- B. The customer wants a car whose operating cost, not initial price, is low.
- C. The customer expects good service from the dealer.
- D. The customer wants friends to see him as a savvy consumer.

29. The following are functions of marketing channel members. Indicate the statement being correct or incorrect.

Statement (I) : Channel members do not gather information about potential and current customers, competitors and other actors and forces in the marketing environment.

Statement (II) : Channel members acquire the funds

to finance inventories at different levels in the marketing channel.

Code:

- A. Both the statements are correct
- B. Both the statements are incorrect
- C. Statement (I) is correct while Statement (II) is incorrect
- D. Statement (I) is incorrect while Statement (II) is correct.

30. Which one of the following attributes of advertising regarding launching of a new product calls for spending all the advertising budget in a single period?

- A. Pulsing
- B. Continuity
- C. Concentration
- D. Fighting

31. Find out the key constituents for performance marketing of Holistic marketing dimensions :

- (a) Customers
- (b) Brand and customer equity

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- (c) Employees
- (d) Ethics
- (e) Environment
- (f) Sales revenue
- (g) Financial Community

Codes: A. (a) , (b) , (c) and (d)  
B. (a) , (b) , (d) , (e) and (f)  
C. (c) , (e), (f) and (g)  
D (a) , (c) , (f) and (g)

32. Select the correct code of the Assertion (A) and Reason (R) :

Assertion (A) : Companies should measure the profitability of their products, territories, customer groups, segments, trade channels and order sizes.

Reason (R) : Measure of profitability helps companies determine whether to expand, reduce, or eliminate any product or marketing activities to ensure profitability control.

Code:

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

33. ----- types of store retailers, large, low-cost, low margin, high volume, self service store attributes are designed to meet total needs for food and household products?  
A. Supermarket  
B. Superstore  
C. Discount store  
D. Convenience store

34. Match List-1 item with List-2

List-1  
2

(Marketing and Business Practices)  
(Meaning)

(a) Customer partnering  
Working more

with

customers to add

List -

(i)

closely

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to their  
operations.  
(b) Uncovering  
data mining  
other analytical  
methods to  
develop deep  
insights into  
customers and how  
behave.  
(c) Broadening  
Studying "best  
practice  
companies" to improve  
performance.  
(d) Benchmarking  
the  
interests of customers,  
employees,  
shareholders, and  
other stakeholders  
into the activities of  
the enterprise.

Code: (a) (b) (c) (d)  
A. (i) (ii) (iii) (iv)  
B. (i) (ii) (iv) (iii)  
C. (iv) (ii) (i) (iii)  
D. (iv) (ii) (iii) (i)

35. Assertion (A) : Promotion is a move within the organization to a higher position that has

value

(ii) Using

and

they

(iii)

(iv) Factoring

greater responsibilities and requires more advanced skills.

Reason (R) : Promotion may not involve a raise in status but a hike in salary is a must.

Code :

A. (A) and (R) both are correct

B. (A) and (R) both are incorrect

C. (A) is correct whereas (R) is incorrect

D. (A) is incorrect whereas (R) is

correct

36. Herbert Simon's concept of administrative man assumes that ----

(a) He has satisfying approach in decision making rather than the maximizing approach.

(b) He can make decisions without determining all possible alternatives.

(c) He is completely rational in decision making.

A. (a) only

B. (b) only

C. Both (a) and (b)

D. (a), (b) and (c)

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37. Which of the following statement(s) is/are correct about scalar chain principle as given by Fayola?

- (a) Only (a) is correct.
- (b) Only (b) is correct.
- (c) Neither (a) nor (b) is correct.
- (d) Both (a) and (b) are correct.

38. Indicate the correct code by matching List-1 with List-2:

List-1  
List-2

(a) Equity theory (i)  
Motivation depends on the ratio of inputs and outcomes of self and others.

(b) Vroom's expectancy theory (ii)  
People are motivated to achieve a goal to the extent that certain action will help them to reach the goal.  
(c) Porter and Lawler (iii)  
There Model exists a complex relationship among motivation, performance

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satisfaction. and  
(d) Herzberg's theory (iv) A  
challenging job  
that has  
opportunities  
for achievement,  
recognition, responsibility  
and growth will motivate  
employees.

Codes : (a) (b) (c) (d)

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

39. Assertion (A) : 'Grapevine'  
tends to be more active  
during periods of change,  
excitement, anxiety and  
sagging economic conditions.  
Reason (R) : Employees use  
this communication to fill in  
important information gaps  
and clarify management  
decisions.

Codes:

- A. (A) is right and (R) is  
wrong.

- B. (A) is wrong and (R) is  
right.
- C. Both (A) and (R) are right  
and (R) explains (A).
- D. Both (A) and (R) are right  
but (R) does not explain  
(A).

40. Deterioration of mental  
efficiency, reality testing and  
moral judgement that results  
from in-group pressure?

- A. Group burnout
- B. Group think
- C. Harassment
- D. Group control

41. According to Fiedler's  
contingency model of  
leadership, favorableness of  
situation depends on which  
combination of the following?

- (a) Leader – member  
relationship
- (b) Member - member  
relationship
- (c) Leader's position power
- (d) Degree of task structure
- (e) Degree of training

Codes:

- A. (a), (b) and (c)
- B. (a), (c) and (d)
- C. (c), (d) and (e)
- D. (a), (b) and (e)

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42. The apex body at the highest level of the unit/division, which oversees the functioning of quality circles (QC), is called -----
- Facilitator
  - Coordinator
  - Steering committee
  - Supervisory committee

43. Which among the following is related to the practical means of determining a moral course of action?
- Meta ethics
  - Virtue ethics
  - Applied ethics
  - Normative ethics

44. Match the item in column-1 with those of column -2 and indicate the correct code:

Column-1  
Column-2

(a) D/E Ratio before

and

Interest on

term loans

(i) Net profit

interest

tax /

long

(b) Proprietary Ratio share  
(ii) Equity capital +

Reserves /

Preference share

Interest

finance

(c) Interest coverage Ratio  
(iii) Long term debts/

Shareholder's

(d) Capital Gearing  
Shareholder's

Ratio

Total

Codes: (a) (b) (c) (d)

A. (i) (ii) (iii) (iv)

B. (iii) (iv) (i) (ii)

C. (iii) (iv) (ii) (i)

D. (ii) (iii) (iv) (i)

45. Deferred revenue expenditure is explained as ---  
---

A. Legal expenses incurred on the purchase of land

B. Expenses on a mega advertisement campaign

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- while launching a new product.
- C. Expenses incurred on installation of a new machine.
- D. Wages paid for construction of an additional room in the building.
46. Payback period method has several features, which among them is not its feature ?
- A. It does not consider the time value of money .
- B. It does not consider the risk associated with the projects.
- C. It is simply a method of cost recovery and not of profitability.
- D. It is very difficult to calculate.
47. Find out the incorrect statement...
- A. Broken-date contract is a full month forward contract.
- B. Currency arbitrage refers to making profit by buying a currency cheap in one market and selling it dear in the other market at a particular point of time.
- C. Currency futures market refers to organized foreign exchange market where a fixed amount of a currency is exchanged on a fixed maturity date in the pit.
- D. Currency Options Market refers to market for the exchange of currency where the option buyer enjoys the privilege of not exercising the option if the rate is not favourable.
48. Earning portion distributed among shareholders in the form of dividend is called -----
- 
- A. Proprietary Ratio
- B. Earnings-yield Ratio
- C. Payout Ratio
- D. Retention Ratio
49. Select the correct code regarding motives for holding inventories by firms:
- (a) Transaction motive
- (b) Environmental motive
- (c) Precautionary motive
- (d) Speculative motive
- (e) Competitive motive

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Codes:

- A. (a) , (b) , (c) , (d)
- B. (a) , (b) , (d) , (e)
- C. (a) , (d) , (e)
- D. (a) , (c) , (d)

50. Operating leverage formulae is represented by .....

- A. Contribution/ Operating Profit
- B. Sales- Variable Cost / Earnings before interest and tax
- C. Percentage change in EBIT/ Percentage change in sales
- D. All of the above

51. Below are the determinants of the price elasticity of demand, indicate the correct code for the determinants having a positive relationship with the degree of the price elasticity of demand:

- (a) Range of substitutes of the commodity
- (b) Extent of the different uses of the commodity
- (c) Portion of the income of the buyer spent on the commodity

(d) Income group of buyers purchasing the commodity

Code:

- A. (a) and (b) only
- B. (c) and (d) only
- C. (a) , (b) and (c) only
- D. (b) , (c) and (d) only

52. Match List-1 with List-2 and suggest the correct code :

List-1

List-2

(a) Marginal Productivity/Average Productivity	(i) Isoquant Curve
(b) Substitutability of inputs	(ii) Isocost Line
(c) Constant Negative Slope	(iii) Production Function
(d) Convex to origin	(iv) Elasticity of Production

Code: (a) (b) (c) (d)

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

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53. From the following statement of Assertion (R) and Reason (R) suggest the correct code:  
Assertion (A): The equilibrium price is decided at the level where the quantity demanded equals the quantity supplied.  
Reason (R): At this level excess of demand and excess of supply both remain zero.

Code:

- A. (A) is correct , but (R) is incorrect
- B. (A) is in correct , but (R) is correct
- C. Both are correct , but (R) is not right explanation of (A)
- D. Both are correct and R is right explanation of (A)

54. Despite differences in cost of production the oligopolists will not vary the prices of their products as per which combination of the following models?  
(a) Collusion model  
(b) Cournot's model  
(c) Kinked Demand model  
(d) Price Leadership model

Select the correct code:

- A. (a) and (b) only
- B. (c) and (d) only
- C. (a) and (d) only
- D. (a) , (b) and (c) only

55. For the following two statements of Assertion (A) and Reason (R) suggest the correct code:

Assertion (A): Low initial price regarded as the principal means for entering into mass market for some new product.

Reason (R): Firms generally enter into production of new products with excess capacity of the plant initially.

Code:

- A. (A) is correct, but (R) is not correct.
- B. (A) is not correct , but (R) is correct.
- C. (A) and (R) both are correct and (R) is the right explanation of (A).
- D. (A) and (R) both are correct , but (R) is

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not the right explanation of (A).

56. Find out the combination which is concerned with managerial economics.
- (a) Investment Analysis and Decisions
  - (b) Production Behaviour and Cost Analysis
  - (c) Input Reward Analysis and Decisions
  - (d) Economic Environment Analysis

Code:

- A. (a) , (b) and (c)
- B. (b) , (c) and (d)
- C. (a) , (b) and (c)
- D. (a) , (c) and (D)

57. When  $P_0$  and  $P_1$  and  $Q_0$  and  $Q_1$  denote before and after change in the price and quantity respectively and in both the situations, total outlay remains the same, which of the following formulae give the similar value of the arc price-elasticity of demand?

$$(a) \frac{Q_0 - Q_1}{P_0 - P_1} \times \frac{P_0 + P_1}{Q_0 + Q_1}$$

$$(b) \frac{Q_0 - Q_1}{P_0 - P_1} \times \frac{P_0}{Q_1}$$

$$(c) \frac{Q_0 - Q_1}{P_0 - P_1} \times \frac{P_0}{Q_0}$$

$$(d) \frac{Q_0 - Q_1}{P_0 - P_1} \times \frac{P_1}{Q_1}$$

$$(e) \frac{Q_0 - Q_1}{P_0 - P_1} \times \frac{P_1}{Q_0}$$

Code:

- A. (b) , (c) and (e)
- B. (a) , (b) and (e)
- C. (a) , (c) and (e)
- D. (b) , (c) and (d)

58. In case of producer's equilibrium shifts to a higher isoquant due to decrease in price of an input, the curve combining the successive equilibrium positions is known as:

- A. Product Possibility Curve.
- B. Price factor curve
- C. Expansion Path
- D. Product Line

59. Point out the incorrect statement ?

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- A. Marginal cost declines at a faster rate as compared to the average cost.
- B. Marginal cost rises at a faster rate as compared to the average cost.
- C. Marginal cost equals average cost where average cost is minimum.
- D. Average cost equals marginal cost where marginal cost is minimum.
- E. All of the above.

60. Cost-Plus Pricing is not suitable for :
- A. Product Tailoring
  - B. Profit Maximizing
  - C. Monopsony Pricing
  - D. Public Utility Pricing

61. Assertion (A) : "Banks globally are facing more challenges now , and Macro sustainability is a necessity but not sufficient for sustainable economic growth."  
Reason (R) : " Putting regulations in place is only one part and their implementation is equally

important for achieving growth and sustainability."

- A. (A) and (R) both are true and (R) is the correct explanation of (A) .
- B. (A) and (R) both are true but (R) is not the correct explanation of (A).
- C. (A) is true and (R) is false.
- D. (A) is false and (R) is true.

62. Match List-1 with the correct correspondence of List-2:

List-1	List-2
(a) Exchange control	(i) Exporter surrender foreign exchange to the central bank.
(b) Trade Policy Measure	(ii) Bank rate raised by the central bank
(c) Expenditure reducing policy	(iii) Reduction in foreign exchange rate
(d) Expenditure switching policy	(iv) Enhancing exports by granting subsidies

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

63. Intellectual property rights is associated with ....

- A. GATS  
B. TRIMS  
C. TRIPs  
D. MFN

64. All are correct except one about International Development Association. Identify it ?

- (a) Following earthquake in 2015, IDA has helped Nepal rebuild and recover.  
(b) IDA ranks as the highest performing multilateral development bank in 2016.  
(c) IDA is a subsidiary bank of IBRD.  
(d) India has procured highest amount of international loan from IDA.

Codes:

- A. (a) and (b)  
B. (c)

- C. (d)  
D. (a) and (c)

65. The Foreign Trade Policy 2015-2020, states what about a three star export house ....

- A. Export performance (FOB/FOR) of US \$ 100 million during current and previous two years.  
B. Export performance (FOB/FOR) of US \$ 500 million during current and previous two years.  
C. Export performance (FOB/FOR) of US \$ 1000 million during current and previous two years.  
D. Export performance (FOB/FOR) of US \$ 2000 million during current and previous two years.

66. Match the Column :

Column-1	Column-2
(a) Exchange Control	(i) Adverse BOP
(b) Price Control	(ii) Domestic firms
(c) Import control	(iii) Mass consumption product
(d) Legislative control	(iv) Industrial location

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

67. Quantitative methods of control of credit creation practiced by the RBI includes

.....

- (a) Bank Rate
- (b) Open Market Operation
- (c) Variable Reserve Ratios
- (d) Credit Rationing

Codes :

- A. (a) , (b) and (c)
- B. (a) , (b) and (d)
- C. (b) , (c) and (d)
- D. (a) , (c) and (d)

68. Additional ports that are allowed for export and import in Foreign Trade Policy 2015-2020 are :

- (a) Calicut Airport, Kerala
- (b) Rajkot Airport, Gujarat
- (c) Arakonam ICD, Tamil Nadu
- (d) Ludhiana Airport, Punjab

69. Assertion (A) : Under FEMA , the receiver of laundered money is to be made culpable , instead of

sender/distributor.

Reason (R) : FEMA differs from the earlier exchange regulation Act FERA with regard to penalties and punishment in case of violation of the Act.

Codes:

- A. (A) is correct but (R) is not correct.
- B. (A) and (R) both are correct but (R) is not the right explanation of (A).
- C. (A) and (R) both are correct and (R) is the right explanation of (A).
- D. (A) and (R) both are incorrect.

70. Match the following :-

List-1	List-2
(a) Extended Fund Facility	(i) Repayment period 4-10 years
(b) Stan Arrangements	(ii) Repayment period 3-5 years
(c) Supplemente d Reserve Fund	(iii) Repayment period 2-5 years
(d) Poverty	(iv)

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Reduction and Growth	Repayment period 10 years Facility
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- Codes: (a) (b) (c) (d)
- A. (i) (ii) (iii) (iv)
- B. (iv) (iii) (ii) (i)
- C. (iv) (ii) (iii) (i)
- D. (i) (iv) (ii) (iii)

71. A contract of sale of goods is a contract whereby the seller transfers or agrees to transfer the property:

- (a) for a price
- (b) in goods
- (c) in goods to the buyer for a price
- (d) none of the options provided

72. The goods which form the subject of a contract of sale :

- (a) may be either existing goods, owned or possessed by the seller, or future goods.
- (b) are goods which are owned or possessed by the seller
- (c) are existing goods only

(d) none of the options provided

73. Where trees are sold to be cut and then taken away by the buyer;

- (a) that will be a contract for sale of immovable property.
- (b) that will be a contract for sale of movable property.
- (c) that will be a contract of existing goods
- (d) that will be a contract of future goods

74. The fundamental principle of the law on sale of goods is, that

- (a) The seller is bound to point out defects of his goods
- (b) The seller is not bound to point out defects of his own goods.
- (c) The buyer must inspect the goods to find out if they will suit his purpose.
- (d) Both options of B and C are correct

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75. Money orders ; Postal orders; Fixed Deposit receipts; share certificates; Letters of Credit are examples of:

- (a) Negotiable Instruments
- (b) Non-negotiable instruments
- (c) Some of these are negotiable instruments while others are not
- (d) None of the given options is correct

76. Match the items of List-II with the items of List-I , and suggest the correct code:

List-I	List-II
(Sources of resistance)	(Coping mechanisms)
(a) Perceived peripherality of change	(i) Role redefinition and re-orientation
(b) Fear of loss of power	(ii) Participation and involvement
(c) Fear of obsolescence	(iii) Participation in diagnosis
(d) Fear of imposition	(iv) Development of skills

Codes: (a) (b) (c)  
(d)

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

77. Which one of the following types of strike is without the consent of official of union ?

- A. Jurisdictional strike
- B. Wild cat strike
- C. Sympathy strike
- D. Slow down strike

78. Match the different model of organizational Behaviour with employee Orientation.

List-1	List-2
(Model of Organisational Behaviour)	(Employee Orientation)
(a) Autocratic	(i) Responsible Behaviour
(b) Custodial	(ii) Security and benefits
(c) Supportive	(iii) Job

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	performance
(d) Collegial	(iv) Obedience

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

79. Which one of the following describes the metamorphosis stage of employee socialization ?

- A. Employee joins organization with his values, attitudes and expectations.
- B. Employee studies the organization culture.
- C. Employee evaluates the dichotomy between expectations and reality.
- D. Employee becomes comfortable with organization and internalizes its norms.

80. When Employees work longer days in exchange for longer weekends or other days off, it is called :

- A. Flexi time  
B. Job sharing  
C. Compressed work week  
D. Extended timing

81. Which of the following distributions can best describe a process or an experiment which has only two possible outcomes and the probability of any outcome remains constant over time, and the outcome of one trial does not influence the outcome of another ..?

- A. Normal distribution  
B. Standard normal distribution  
C. Asymmetric distribution  
D. T-distribution  
E. Binomial distribution

82. Which of the following is an example of Type II error ?

- A. The null hypothesis is false and accepted.

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- B. The null hypothesis is false and rejected .
  - C. The alternative hypothesis is true and accepted.
  - D. The alternative hypothesis is not framed correctly.
  - E. The null hypothesis is not framed correctly.
- C. There is a negative correlation between the dependent and independent variables.
  - D. The regression line is perpendicular to the horizontal axis.
  - E. The regression line is parallel to the horizontal axis.

83. A multiple regression equation will

- A. Have only one dependent variable
- B. Have many dependent variables
- C. Have only one independent variable
- D. Have the same coefficient for all the independent variables
- E. Not have any constants.

84. Which of the following is true when the slope of a regression line is negative ?

- A. The correlation coefficient between the dependent and independent variables is zero.
- B. There is a positive correlation between the dependent and independent variables.

85. Testing a hypothesis at a significance level of 10 % means that ...

- A. The null hypothesis will be true 10 % of the times.
- B. The null hypothesis will be false 10 % of the times.
- C. The alternative hypothesis will be true 10 % of the times
- D. The alternate hypothesis will be false 10 % of the times.
- E. The null hypothesis will be rejected 10 % of the times though it may be true.

86. Which of the following is described by the coefficient of multiple correlation?

- A. It is the degree of correlation between some

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- specified independent variables.
- B. It is the degree of correlation between all the independent variables.
- C. It is the degree of correlation between the dependent variable and one independent variable when other independent variables are held constant.
- D. It is the degree of correlation between the dependent variable and all the independent variables.
- E. It indicates existence of cause and effect relationship between the dependent variable and the independent variables.
87. For which of the following purposes chi-square test cannot be used ?
- A. To test whether more than two population proportions can be considered equal.
- B. To test whether more than two population means can be considered equal.
- C. To test whether two attributes with respect to which a population is categorized are independent of each other
- D. To determine the goodness of fit of a theoretical distribution.
- E. To test whether there is a significant difference between an observed frequency distribution and a theoretical distribution.
88. If someone is using t-distribution, then which of the following will be true ?
- (i) The sample size is equal to or less than 30.
- (ii) The standard deviation of the population is known.
- (iii) The underlying population is normal or approximately so.
- A. Only (i) above
- B. Only (ii) above
- C. Only (iii) above
- D. Both (i) and (iii) above
- E. All of (i) , (ii) and (iii) above
89. Which among the following are not correct about the due date of issue of the TDS certificate?
- (i) Form no 16 -annually

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- (ii) Form no 16A- Quarterly
- (iii) Form no 16B- Half yearly
- (iv) Form no 16 C – Monthly

Choose the correct option from those below:-

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

90. On slump sale Capital gain is

- ...
- A. Always short term capital gain
- B. Always long-term capital gain
- C. Depends on period of holding of capital asset being undertaken
- D. Not taxable

91. While computing taxable interest on delayed compensation, a standard deduction is allowed at :

- A. 50%
- B. 30%
- C. 15%
- D. NIL

92. Match The following (Sufficient to give the corresponding item in column 2 for column 1 :-

Column-1	Column-2
(i) Section 80	(a) Effects of changes in foreign exchange rates
(ii) ICDS VI	(b) Compulsory filing of loss return
(iii) Section 80P	(c) Zero Coupon Bonds
(iv) Section 59	(d) Income of Co-Operative societies
(v) Section 2(48)	(e) Profit chargeable to tax

- Code:- (i) (ii) (iii) (iv) (v)
- A. (a) (b) (c) (d) (e)
  - B. (b) (a) (d) (e) (c)
  - C. (c) (d) (e) (a)
  - D. (a) (e) (b) (c)

(b)  
(d)

93. Mr BMW, a citizen of Norway, arrived in India for the first time on 1<sup>st</sup> July 2018 and left for Nepal on 15<sup>th</sup> Dec 2018.

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He arrived to India again on 1st January 2019 and stayed till the end of the financial year 2018-2019. His residential status for the assessment year 2019-2020 is .....

- A. Resident (ordinary resident)
- B. Non-resident
- C. Not ordinarily resident
- D. Non of the above

94. Determine under the heads of income, that which one is not a capital asset under capital gains.

- A. Stock in trade
- B. Goodwill of business
- C. Agricultural Land in Mumbai
- D. Jewellery

95. According to the provision of Income Tax Act, 1961 unabsorbed depreciation can be carried forward for set-off purpose:

- A. For 4 years
- B. For 5 years
- C. For 8 years
- D. For unspecified period

(Answer the question 96-100 as per the passage)

Management by objectives (MBO) is a [strategic management](#) model that aims to improve the performance of an organization by clearly defining objectives that are agreed to by both management and employees. According to the theory, having a say in goal setting and action plans encourages participation and commitment among employees, as well as aligning objectives across the organization. The term was first outlined by management guru Peter Drucker in his 1954 book, *The Practice of Management*.

96. MBO was first coined by:

- A. Henry Fayol
- B. McCarthy
- C. Peter Drucker
- D. F.W Taylor

97. In which year "The Practice of Management" was published ..?

- A. 1954
- B. 1953
- C. 1945
- D. 1935

98. Who claims that MBO are that it improves employee motivation and commitment and allows for better communication between

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management and employees

?

- A. Scientists
- B. Management Thinkers
- C. HR Managers
- D. Practitioners

99. \_\_\_\_ receive daily feedback, and focus is on \_\_\_\_ rather than \_\_\_\_ .

- A. Reward, employees , punishment
- B. Employees, Reward , punishment
- C. Punishment, Employees , Reward
- D. Reward , Punishment , Employees

100. MBO is generally not a cure at all, but it is basically a organizations \_\_\_\_\_ .

- A. System
- B. Principle
- C. Process
- D. Tool

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Answer key ..

- |      |      |
|------|------|
| 1. B | 18.D |
| 2. D | 19.A |
| 3. B | 20.C |
| 4. C | 21.B |
| 5. D | 22.B |
| 6. B | 23.D |
| 7. B | 24.A |
| 8. B | 25.A |
| 9. E | 26.A |
| 10.C | 27.D |
| 11.D | 28.B |
| 12.B | 29.D |
| 13.D | 30.C |
| 14.A | 31.B |
| 15.B | 32.A |
| 16.C | 33.A |
| 17.A | 34.B |
|      | 35.C |
|      | 36.C |
|      | 37.A |
|      | 38.A |
|      | 39.C |
|      | 40.B |
|      | 41.B |
|      | 42.C |
|      | 43.D |
|      | 44.B |
|      | 45.B |
|      | 46.D |
|      | 47.A |
|      | 48.C |
|      | 49.D |
|      | 50.D |
|      | 51.C |
|      | 52.C |

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- 53.D
- 54.C
- 55.D
- 56.C
- 57.B
- 58.B
- 59.D
- 60.B
- 61.A
- 62.A
- 63.C
- 64.C
- 65.A
- 66.D
- 67.A
- 68.A
- 69.C
- 70.A
- 71.C
- 72.A
- 73.B
- 74.C
- 75.B
- 76.C
- 77.B
- 78.A
- 79.D
- 80.C
- 81.E
- 82.A
- 83.A
- 84.C
- 85.E
- 86.D
- 87.B
- 88.D
- 89.D
- 90.C
- 91.A
- 92.B
- 93.C
- 94.A
- 95.D
- 96.C
- 97.A
- 98.D
- 99.B
- 100.C