

68/24

Question Booklet Sl. No.

Question Booklet Alpha Code

A

A

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.

A

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1. A promise is
  - A) A valid offer
  - B) A contract
  - C) An accepted offer
  - D) A valid agreement
  
2. An approach of tender to supply specific period it becomes
  - A) An agreement
  - B) A contract
  - C) A standing offer
  - D) None of these
  
3. A void agreement
  - A) is unlawful and illegal
  - B) is unenforceable by law
  - C) violate legal procedure
  - D) both A) and B)
  
4. The presentment for acceptance is required in case of a
  - A) Bill of Exchange
  - B) Cheque
  - C) Promissory Note
  - D) Both A) and B)
  
5. Hundi when paid up and cancelled is then called
  - A) Parpeth
  - B) Peth
  - C) Khoka
  - D) None of these
  
6. Preference shares are entitled to vote on every resolution placed before the company at any meeting if the dividend due on such shares are in arrears for a period of \_\_\_\_\_ or more.
  - A) 4 years
  - B) 3 years
  - C) 2 years
  - D) 1 year
  
7. Under the PF Act, 1952 "Insurance Fund" means
  - A) Unit Linked Insurance Plan
  - B) Deposit Linked Insurance Fund
  - C) Employees' Group Accident Insurance
  - D) Medical Insurance Fund
  
8. Shareholders Section 162 is not applicable to
  - A) Listed Company
  - B) Specified IFSC Public Company
  - C) Private Company
  - D) Both B) and C)





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21. The 'Bird-in-the-hand argument' was given by
- A) Walter Model
  - B) M.M. Model
  - C) Gordon Model
  - D) Residual Income Theory
22. The risk-free rate of return of Alpha Traders is 6% and its market risk premium rate is 10%. If the company has an equity Beta of 75%, what will be the cost of the company's equity as per CAPM ?
- A) 9%
  - B) 16%
  - C) 4%
  - D) 12%
23. Which among the following statements are true as per Net Operating Income approach to capital structure decisions ?
- A) Overall cost of capital ( $k_o$ ) and cost of debt ( $k_i$ ) are constant and cost of equity ( $k_e$ ) will decrease by use of more debt capital
  - B) Overall cost of capital ( $k_o$ ) and cost of debt ( $k_i$ ) are constant and cost of equity ( $k_e$ ) will increase by use of more debt capital
  - C) Cost of equity ( $k_e$ ) and cost of debt ( $k_i$ ) are constant and the overall cost of capital ( $k_o$ ) will decrease by use of more debt capital
  - D) Cost of equity ( $k_e$ ) and cost of debt ( $k_i$ ) are constant and the overall cost of capital ( $k_o$ ) will increase by use of more debt capital
24. BCG Ltd. expects annual sales of 4000 units and the firm buy the product at Rs. 20 per unit. The ordering cost per order is Rs. 40 and the carrying cost as a percentage of inventory value has been estimated at 10%. What is the Economic ordering quantity ?
- A) 200 units
  - B) 800 units
  - C) 1600 units
  - D) 400 units

A

25. Read the following statements regarding working capital and select the right answer from the given alternatives.

**Statement – I :** With the increase in length of the production cycle, the need for working capital increases.

**Statement – II :** The term 'Financing mix of working capital' involves the proportion of long-term or short-term sources of finance to invest in current assets.

- A) Statement I is true and statement II is false  
 B) Statement I is false and statement II is true  
 C) Both statements are true  
 D) Both statements are false
26. Which of the following statements are true ?
- Statement – I :** PB method determines the number of years required to recover initial investment.
- Statement – II :** The interpolation technique is used to calculate IRR.
- Statement – III :** NPV method is used to evaluate varying-sized projects.
- Statement – IV :** PI method is used to evaluate mutually exclusive projects.
- A) Only statements III and IV are true  
 B) Only statements I and II are true  
 C) Only statements I, III and IV are true  
 D) Only statements I, II and III are true
27. According to Walter model, share value will be maximum at 100% dividend payout ratio, if

- A) Rate of return is greater than cost of capital ( $r > k$ )  
 B) Rate of return is less than cost of capital ( $r < k$ )  
 C) Both rate of return and cost of capital are equal ( $r = k$ )  
 D) None of these

28. Which among the following is not a 'short cost' in cash management decisions ?

- A) Borrowing cost  
 B) Transaction cost  
 C) Credit rating cost  
 D) Opportunity cost





33. Which of the following is not an exempted income ?
- A) Income from agriculture
  - B) Gratuity received by retiring employee
  - C) Sum assured received from a life insurance company
  - D) Bonus received by employees
34. Which of the following statement is incorrect with regard to the deductions under the old regime of Income Tax ?
- i. Maximum amount allowed as deduction of interest on housing loan for an individual assessee is ₹ 2,00,000.
  - ii. Maximum amount allowed as deduction under Sec. 80 C is ₹ 1,50,000.
  - iii. Voluntary contribution to NPS up to ₹ 1,00,000 are deductible under Sec. 80 CCD1(B).
- A) Statement i is incorrect
  - B) Statement ii is incorrect
  - C) Statement iii is incorrect
  - D) All statements are incorrect
35. Which of the following statements are true with respect to the direct tax in India ?
- i. The levy and collection of direct tax is entrusted to the CBDT.
  - ii. The rate and slabs of income tax will be fixed and amended as per the Finance Act.
  - iii. Progressive system of taxation is followed for the Income Tax.
  - iv. Income Tax Act was passed in the year 1971.
- A) Statements i, ii and iv are true
  - B) Statements i, iii and iv are true
  - C) Statements ii, iii and iv are true
  - D) Statements i, ii and iii are true
36. Which of the following is the correct response with respect to the Residential status of an individual as a Resident in India ?
- A) Resides in India for a period of not less than 181 days in the relevant previous year
  - B) Resides in India for a minimum of 60 days in the relevant previous year and resided in India not less than 365 days in the immediately preceding four years
  - C) Both A) and B) together are required
  - D) Either of A) or B) is to be fulfilled

37. Which of the following is wrong with regard to the Income Tax Return 1 (Shahaj) ?
- A) ITR 1 is applicable for persons having business income
  - B) ITR 1 can be filed if the total income does not exceed ₹ 50 lakhs
  - C) ITR 1 can be used if the agricultural income does not exceed ₹ 5,000
  - D) ITR 1 can be used if the individual does not have more than one house property
38. Which of the following statements are true with regard to the deductions under Chapter VI-A ?
- i. Deductions under Sec. 80 E deals with the interest on Education Loan.
  - ii. Health Insurance premium up to ₹ 25,000 is allowed under Sec. 80 D.
  - iii. Sec. 80 G provides for the deduction of donation paid in cash up to ₹ 2,00,000.
- A) Statements i and iii are true
  - B) Statements ii and iii are true
  - C) Statements i and ii are true
  - D) Statements i, ii and iii are true
39. Identify the wrong statement from the following.
- A) Income Tax deducted by the employer from the salary of employee is called the TDS
  - B) Income Tax paid by the assessee after the assessment is called the Advance Tax
  - C) Income Tax deducted by the bank from the interest income of a customer is called the TCS
  - D) Self-Assessment Tax is paid by the assessee in addition to the TDS and TCS
40. Which of the following is incorrect with respect to the Long Term Capital Gain ?
- A) LTCG on listed equity shares up to ₹ 1 lakh is exempted from tax
  - B) Listed equity shares held for a period of more than 12 months are termed as long term capital assets
  - C) Income Tax on LTCG of listed equity shares were charged at 10%
  - D) Unlisted shares requires a holding period of more than 12 months for considering it as long term capital assets
41. Which Article of the Indian Constitution gives power to levy and make laws related to the Goods and Service Tax ?
- A) Article 246
  - B) Article 246 A
  - C) Article 279
  - D) Article 279 A

42. Which of the following statements are true with regard to the GST ?
- i. GST is a destination based consumption tax.
  - ii. Producing States will be more benefited by way of increased revenue.
  - iii. In India, we follow the Dual GST Model.
  - iv. Under the Dual GST model, both the Central and State governments levy tax simultaneously.
- A) Statements i, ii and iii are true                      B) Statements ii, iii and iv are true  
 C) Statements i, iii and iv are true                      D) Statements i, ii and iv are true
43. Identify the incorrect statement from the following.
- i. IGST collected is fully entitled to the central government.
  - ii. CGST collected is fully available to the central government.
  - iii. IGST is levied on inter-state supply.
  - iv. CGST and SGST are levied on intra-state supply.
- A) Statement i is incorrect                                  B) Statement ii is incorrect  
 C) Statement iii is incorrect                                D) Statement iv is incorrect
44. Which of the following statement is false ?
- A) Composite supply involves supply of naturally bundled products
  - B) Distinct goods or service bundled together and offered at a single price is termed as Mixed Supply
  - C) Health and Educational Services are Exempt Supply
  - D) Essential goods of regular consumption such as unpacked food grains, salt, fresh milk, etc. are taxed at 5% of GST
45. Which of the following is not a condition for claiming ITC ?
- A) Recipient must have in possession of tax invoice or debit note issued by the registered supplier
  - B) Must have paid the invoice amount to the supplier within 240 days
  - C) Must have the actual receipt of the goods or services mentioned
  - D) Supplier must have paid the tax amount as shown in the invoice

46. Which of the following is not applicable to the composition scheme under GST ?
- A) Composition scheme can be opted by a taxpayer if the annual turnover is below ₹ 1.5 Crore
  - B) Composition taxpayers pays nominal rate of GST from their profit margin
  - C) Composition taxpayer can collect GST from the customers at the specified slab rate
  - D) Composition taxpayers cannot avail the ITC
47. Identify the correct statements from the following.
- i. GSTR 1 is used for declaring the outward supply.
  - ii. GSTR 2A/2B is an auto-populated statement indicating the inward supply and ITC.
  - iii. GSTR 3B is a summary return used to settle tax liability and make payment of tax.
  - iv. GSTR 9 is quarterly return filed by taxpayers.
- A) Statements i, ii and iii are correct
  - B) Statements ii, iii and iv are correct
  - C) Statements i, iii and iv are correct
  - D) Statements i, ii and iv are correct
48. Identify the correct statements from the following.
- i. Time of supply is relevant for determining the due date of tax payment.
  - ii. Place of supply is relevant for determining the type of GST payable (IGST or CGST and SGST).
  - iii. Value of supply is crucial for determining the amount of GST.
  - iv. Nature and type of supply is crucial for the determination of applicable tax rates.
- A) Statements i, ii and iii are correct
  - B) Statements ii, iii and iv are correct
  - C) Statements i, iii and iv are correct
  - D) Statements i, ii, iii and iv are correct

49. Which of the following statements are true ?
- i. GST Council advises the Government on the GST rates and thresholds.
  - ii. HSN Codes are used to classify Service and fix tax rates.
  - iii. E-Way bills are required for the movement of goods worth ₹ 50,000 or more.
  - iv. Every registered taxpayer will be granted a GSTIN.
- A) Statements i, ii and iii are true  
B) Statements i, iii and iv are true  
C) Statements i, ii and iv are true  
D) Statements ii, iii and iv are true
50. Which of the following is a false statement ?
- A) GST provides seem-less flow of credit without cascading effect  
B) GTA service is typical example of reverse charge mechanism  
C) Casual taxable persons needs to make advance payment of GST  
D) Registered E-Commerce Operators are required to collect TDS
51. Identify the difference between Auditing and Accounting.
- a. Accounting is done with inductive reasoning and Auditing is done with deductive reasoning.
  - b. Accounting work is done continuously throughout the year whereas auditing is normally done at the end of the year or periodically.
- A) Only statement a is true  
B) Only statement b is true  
C) Both statements a and b are true  
D) Neither statement a nor statement b is true
52. Which of the following statement/s is/are true relating to statutory audit ?
- a. Statutory audit is an external audit.
  - b. Statutory audit may be a partial audit.
- A) Only statement a is true  
B) Only statement b is true  
C) Both statements a and b are true  
D) Neither statement a nor statement b is true









69. Distinguish between revaluation account and realization account.
- A) First is prepared at the time of admission and later is prepared at the time of dissolution
  - B) First is prepared at the time of retirement and later is prepared at the time of insolvency of partner
  - C) Both A) and B)
  - D) None of the above
70. Sacrificing ratio and old ratio will be equal when
- A) New partner will get a share of total profit
  - B) New partner will get a portion of profit from different partner's profit
  - C) Both A) and B)
  - D) None of the above
71. Identify odd one/which of the following is not correct with regard to principles of business ethics ?
- A) Standardisation
  - B) Workable
  - C) Driven from the top levels
  - D) Driven from the lower levels
72. The word 'ethics' has originated from
- A) Latin 'Ethicus'
  - B) Greek 'Ethicos'
  - C) Word 'Ethos'
  - D) All of these
73. Consumer rights in India not include
- A) Safety
  - B) Security
  - C) Informed
  - D) Redressal
74. Arguments for social responsibility includes
- A) Changing social values
  - B) Lack of public support
  - C) High cost
  - D) Difficult to measure

75. Principles of Corporate Governance includes

- a. Internal control
- b. Rights of shareholders
- c. Compensation
- d. Protection of interest of stakeholders

Choose most appropriate answer from the given below.

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

76. Which of the following is not correct with regard to consumer exploitation ?

- A) Substandard quality
- B) Promoting consumer awareness
- C) Supply of adulterated goods
- D) Fixing a higher price

77. Economic ill effects of advertising includes

- A) Creation of unnecessary competitive war
- B) Discrimination among people leading to conflicts
- C) Increase cost of production which ultimately affects price
- D) All of these

78. Key areas of CSR cannot be identified through

- A) National issues
- B) Social scanning
- C) Corruptions
- D) Social audit

79. Which of the following are correct with regard to arguments against social responsibility ?

- a. High cost
- b. Welfare state
- c. Against profit maximisation principle
- d. Long run benefits
- e. Difficult to measure

Choose the correct answers from the options given below.

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

80. Corporate Governance theories does not includes
- A) Stewardship theory
  - B) Need-hierarchy theory
  - C) Agency theory
  - D) Stakeholders theory
81. Oral communication takes place through
- A) e-mail
  - B) voice-mail
  - C) Fax
  - D) Facsimile
82. Barriers of listening includes
- A) Rapid thoughts
  - B) Egotism
  - C) Cultural difference
  - D) All of these
83. \_\_\_\_\_ is the official record of business transacted, discussions held and decisions taken.
- A) Agenda
  - B) Notice
  - C) Minutes
  - D) Resolutions
84. Choose odd one with regard to starting a speech.
- A) Raising a question
  - B) Opening with a striking quotation
  - C) Building up a climax
  - D) Highlighting shocking facts
85. Most desirable type of listening is
- A) Passive listening
  - B) Selective listening
  - C) Active listening
  - D) None of these
86. \_\_\_\_\_ is a proposition or proposal put before a meeting for discussion and decisions.
- A) Agenda
  - B) Minutes
  - C) Quorum
  - D) Motion

87. Stages of group development does not include

- A) Forming
- B) Storming
- C) Norming
- D) Commanding

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

**Assertion (A)** : Essential for effective communication be clear about your target audience.

**Reason (R)** : The intended message can not bring about the desired result unless it reaches the right person or group of persons.

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

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

89. Match List – I with List – II (Personality Traits).

**List – I (Primary Traits)**

**List – II (Opposite Traits)**

- |                    |                    |
|--------------------|--------------------|
| a. Tough minded    | i. Imaginative     |
| b. Group dependent | ii. Experimenting  |
| c. Trusting        | iii. Sensitive     |
| d. Practical       | iv. Suspicious     |
| e. Conservative    | v. Self sufficient |

Choose correct answer from the options given below.

- A) a – iii, b – v, c – iv, d – i, e – ii
- B) a – i, b – iii, c – v, d – ii, e – iv
- C) a – v, b – i, c – iii, d – iv, e – ii
- D) a – ii, b – iv, c – i, d – iii, e – v

90. Match List – I with List – II.

**List – I (Theory)**

- a. Contingency model
- b. Path-goal leadership theory
- c. Trait theory
- d. Managerial grid

**List – II (Inventor)**

- i. Blake and Mouton
- ii. Robert House
- iii. Fred E. Fiedler
- iv. Kelly

Choose correct answer from the options given below.

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

91. Enterprise Resource Planning supports \_\_\_\_\_ currency value.

- A) Multiple
- B) Three
- C) Two
- D) One

92. Which among the following is at the heart of any ERP system ?

- A) Suppliers
- B) Employees
- C) Data
- D) Database

93. **Statement – 1** : An ERP system centralises an organization’s data.

**Statement – 2** : The processes ERP system enforces are the processes the organization adopts.

- A) Statement 1 is correct and statement 2 is incorrect
- B) Statement 1 is incorrect and statement 2 is correct
- C) Both statements are correct
- D) Both statements are incorrect

94. **Assertion (A)** : Supply Chain Management (SCM) systems optimize the flow of goods and services from suppliers to customers.

**Reason (R)** : SCM systems help organizations to manage inventory levels, improve coordination with suppliers, and reduce lead times.

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

95. \_\_\_\_\_ is an approach both historically preceded and inspired BPM.

- A) Supply Chain Management
- B) Total Quality Management
- C) Enterprise Resource Planning
- D) Customer Relationship Management

96. Which among the following is not a critical enabler for a high-performance business process; without them, a process will be unable to operate on a sustained basis ?

- A) Process Metrics
- B) Process Infrastructure
- C) Process Owner
- D) Process Hour

97. Which among the following statements is/are incorrect about SCM ?

- i. A supply chain is a network of supplier, manufacturing, assembly, distribution and logistics facilities.
- ii. SCM is utilized to facilitate the coordination with outside business entities, or in the scope of extended enterprise.
- iii. The cost of participation in a public business to business exchange SCM is significantly higher than implementing our own SCM system.
- iv. Suppliers, manufacturers and distributors are generally involved in a supply chain.

- A) Only i and ii
- B) Only iv
- C) Only iii
- D) All of the above

98. Which is the correct order of processes in implementation phase of Business Process Automation ?

- i. Blue printing
- ii. Realisation
- iii. Project preparation
- iv. Go live and support
- v. Final preparation

A) iii, i, ii, iv, v

B) i, iii, v, iv, ii

C) iii, i, ii, v, iv

D) ii, iii, i, v, iv

99. \_\_\_\_\_ allows for the creation of a consolidated view of the customer from multiple customer data stores.

A) Customer Data Information

B) Customer Data Integration

C) Customer Data Inquiry

D) Customer Data Infinity

100. Among the following which is not a key aspect of Core Banking System ?

- i. Information flow
- ii. Customer centric
- iii. Regulatory compliance
- iv. Resource optimization
- v. Relationship management

A) Only iv and v

B) Only v

C) Only iv

D) None of the above

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Space for Rough Work