



UGC NET Commerce- Previous Years Question Papers

In any UGC NET exam, you will find large number of questions appearing from previous papers. So whatever sources/books/websites/coaching you are preparing from, going through previous papers is a MUST.

So, how to make best use of these question papers ? Start solving papers one by one. While solving each question, try to understand the “entire concept” not just the given “question”. For example, if question is:

Which of following is not one of 4 Ps of marketing?

(A) Product (B) Price (C) Place (D) Process

Now do not just look for the Answer (Option D)? Also find out, what exactly is 4 Ps of marketing? Which management Guru gave this concept? What each P stand for? What are additional 3 Ps for Services? etc. Do not just solve the particular question...Learn the Concept...Questions will not repeat in next exam...Concepts will repeat...You should be equipped handle any question on 4 Ps of Marketing, just because you did one question.

Please mind it that, it will take time. May be 8-10 hours for each paper.... But if you attempt all previous years' papers with this approach, no one can stop you from getting very good score in UGC NET.

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1.) Given below are two statements – one is labelled as Assertion A and the other is labelled as Reason R.

Assertion A: Tax should not be charged on dividend income from the shareholders

Reasons R: Some economists are of the opinion that when tax has already been paid on the profit of the company and balance is distributed as dividend to the owners, tax need not be levied on them.

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

- (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

2.) Which of the following is NOT a method for calculating or ascertaining the amount of purchase consideration?

- (A) Net Payment Method
- (B) Net Assets Method
- (C) Gross Receipts Method
- (D) Share Exchange Method

3.) In the recent years-the major gain in logistical efficiency have come from which one of the following?

- (A) Advances in information Technology
- (B) Reduction in petroleum prices
- (C) Fast order processing
- (D) Increase in production of commercial vehicles

4.) 14 Days intermediate T-bills were brought into effect from 1996-97 after the abolition of which of the following?

- (A) 91 Days T-bills
- (B) 182 Days T-bills
- (C) 273 Days T-bills
- (D) 364 Days T-bills

5.) Which of the following statements are true?

- (a) Skewness studies the flatness or peakedness of the distribution
- (b) A positively skewed distribution curve is stretched more to the right than to the left
- (c) On the basis of empirical relationship between mean, mode and median for moderately asymmetrical distribution, Karl Pearson's coefficient of skewness can be measured by $3 \left(\frac{\text{Mean} - \text{Median}}{\text{standard Deviation}} \right)$
- (d) If $\text{mean} < \text{mode}$, the distribution is positively skewed

Choose the correct option from those given below:

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

6.) Which among the following is a correct statement about residential status of a company?

- (A) A company can be classified as "not ordinarily resident"
- (B) A company can never be classified as "not ordinarily resident"

(C) A company can be classified as “not ordinarily resident” with the permission from Ministry of Finance

(D) A company can be classified as “not ordinarily resident” with the permission from Ministry of Commerce

7.) ‘Maximization of firm’s growth rate subject to managerial and financial constraints’ as one of the important alternative objectives of especially large business corporation was pleaded by:

(A) Milton Friedman

(B) Robin Marris

(C) Cyert and March

(D) H.A. Simon

8.) Match the following Banking Sector reform committees with their respective purpose:
Committee

(a) Y.V. Reddy Committee

(b) Rashid Jilani Committee

(c) S.M Kelkar Committee

(d) I.T Vaz Committee

Purpose

(i) Revised method of lending in place of cash credit system

(ii) Rationalization of interest rate on small savings

(iii) Working capital lending norms

(iv) Regional Rural Banks

Choose the correct option from those given below:

(A) (a)-(i), (b)-(ii), (c)-(iii), (d)-(iv)

(B) (a)-(ii), (b)-(i), (c)-(iv), (d)-(iii)

(C) (a)-(iv), (b)-(iii), (c)-(ii), (d)-(i)

(D) (a)-(ii), (b)-(iii), (c)-(iv), (d)-(i)

9.) Match the modes of communication in marketing and their communication platforms

Mode of Communication

(a) Advertising

(b) Sales Promotion

(c) Word of mouth marketing

(d) Personal selling

Communication Platform

(i) Blogs

(ii) brochures & Booklets

(iii) Sales meetings

(iv) Contests

Choose the correct option:

(A) (a)-(ii), (b)-(iii), (c)-(iv), (d)-(i)

(B) (a)-(ii), (b)-(iv), (c)-(i), (d)-(iii)

(C) (a)-(iv), (b)-(iii), (c)-(ii), (d)-(i)

(D) (a)-(iv), (b)-(iii), (c)-(i), (d)-(ii)

10.) Michael Porter proposed generic strategies that provide good starting points for strategic thinking. Identify them from the below mentioned strategies

(a) Overall cost leadership

(b) Innovation

- (c) Focus
- (d) Differentiation

Choose the correct answer from the options given below:

- (A) (a) and (b) only
- (B) (a), (c) and (d) only
- (C) (a), (b) and (d) only
- (D) All of these- a, b, c, d

11.) Which two of the following statements are true?

- (a) A simple monopoly firm always earns super normal profit
- (b) Sweezy's kinked demand curve model is the best known model explaining relatively more satisfactory behaviour of oligopoly firm for price rigidity
- (c) A perfectly competitive firm is price-taker
- (d) Firms under monopolistic competition earn only normal profits

Choose the correct option from those below:

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

12.) A company raises Rs. 1,00,000 by issue of 1000, 10% debentures of Rs. 100 each at a discount of 2% redeemable after 10 years. If the corporate tax rate is 40%, what would be the cost of capital?

- (A) 6.82%
- (B) 5.98%
- (C) 6.18%
- (D) 5.5%

13.) Which two of the following statements are true?

- (a) Pay-back period method considers all cash flows of a project
- (b) Pay-back period method concerns more with the recovery of cost than profitability
- (c) Net present Value represents net addition to the wealth of shareholders
- (d) Accounting Rate of Return method incorporates risk as well as time value of money

Choose the correct option from those below:

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

14.) Given below are two statements – one is labelled as Assertion A and the other is labelled as Reason R.

Assertion A: Auto companies and other consumer goods companies offer cash rebates to encourage purchase of the manufacturer's products within a specified period

Reasons R: The same product is priced differently at different times.

In the context of the two statements above related to pricing strategy, which one of the following options is correct?

- (A) Both A and R are correct
- (B) Both A and R are not correct
- (C) A is correct, but R is not correct
- (D) A is not correct, but R is correct

15.) Arrange the steps to e-filing of Income Tax Return in correct sequence:

- (a) Register yourself
- (b) Verify ITR V
- (c) Select the requisite form
- (d) Fill form and upload

Choose the correct option from those below:

- (A) a – c – d – b
- (B) a – b – c – d
- (C) a – b – d – c
- (D) c – a – d – b

16.) Given below are two statements – one is labelled as Assertion A and the other is labelled as Reason R.

Assertion A: Globalization refers to the free cross-border movement of goods, services, capital, information and people

Reasons R: Countries are consistently evolving innovative marketing barriers that are WTO compatible

In the light of the above stated two statements, choose the correct option from the choices given below:

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

17.) Which two of the following statements are correct?

- (a) In the short – run, $\Delta TFC = 0$, therefore $\Delta TC = \Delta TVC$
- (b) If decrease in $AFC <$ increase in AVC , then AC decreases
- (c) If decrease in $AFC =$ increase in AVC , AC remains constant
- (d) If decrease in $AFC >$ increase in AVC , then AC increases

Choose the correct from the options given below:

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

18.) Which two of the following statements are true?

- (a) Transaction exposure is inherent in all foreign currencies denominated contractual transactions
- (b) Transaction exposure relates to the change in accounting income and balance sheet statements caused by change in exchange rate
- (c) Economic exposure has an impact on the valuation of a firm
- (d) Operating exposure does not have any impact on the firm's future operating revenues or future operating costs

Choose your answer from the following options:

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

19.) Which of the following is the correct sequence of various stages of operating cycle of a manufacturing company?

- (A) Raw material conversion period, work-in-progress conversion period, Finished goods conversion period, Receivables conversion period
- (B) Raw material conversion period, work-in-progress conversion period, Creditors payment period, Receivables conversion period
- (C) Creditors payment period, Raw material conversion period, Receivables conversion period, work-in-progress conversion period
- (D) Raw material conversion period, finished goods conversion period, work-in-progress conversion period, Receivables conversion period

20.) Which of the following statements is NOT correct regarding the duties of an auditor?

- (A) Physical verification of fixed assets is primarily the responsibility of the auditor
- (B) Ownership of fixed assets should be verified by examining the title deed by the auditor
- (C) Auditor should ascertain that the assets are in the possession of the client
- (D) The auditor should satisfy himself that the assets have been valued in the financial statements according to the accounting principles

21.) In which of the following years, the Bretton Woods Agreement was signed by the delegates from 44 nations which led to the establishment of the IMF?

- (A) 1940
- (B) 1952
- (C) 1944
- (D) 1957

22.) Which of the following measures of central tendency are NOT capable of algebraic treatment?

- (a) Geometric Mean
- (b) Median
- (c) Arithmetic Mean
- (d) Mode
- (e) Harmonic Mean

Choose the correct answer from the options given below:

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

23.) Which of the following is the non-random method of selecting samples from a given population?

- (A) Stratified Sampling
- (B) Systematic Sampling
- (C) Quota Sampling
- (D) Multi-stage Sampling

24.) Match the tests with suitable situations of their application for hypothesis-testing:

Test

- (a) Z-test
- (b) ANOVA
- (c) Chi-square Test
- (d) Kruskal-Wallis Test

Situation

- (i) Comparing the differences in the mean values of more than two sample groups (Parametric data)

- (ii) Testing the significance of the difference between averages of two large sized sample groups (Parametric data)
- (iii) Comparing the differences in the mean values of more than two sample groups (Non-parametric data)
- (iv) Testing the significance of the association between two attributes

Choose the correct option from those given below:

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

25.) Which two of the following statements are true?

- (a) The sum of the deviations from mean (ignoring algebraic signs) is greater than the sum of the deviations from median (ignoring algebraic signs)
- (b) Standard deviation is independent of change of origin and change of scale
- (c) In a symmetrical distribution, mean deviation equals $\frac{4}{5}$ of standard deviation
- (d) In a symmetrical and bell shaped distribution, quartile deviation is $\frac{1}{3}$ of standard deviation

Choose the correct option from the options given below:

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

26.) Under which of the following categories, a partner of partnership firm will be assessed?

- (A) An individual
- (B) HUF
- (C) Firm
- (D) Body of an individual

27.) Which of the following sections of Companies Act, 2013 facilitates amalgamation, absorption and reconstruction of companies?

- (A) 319
- (B) 320
- (C) 410
- (D) 502

28.) ADEN Rules, 1953 is related to which of the following?

- (A) Tax exemption
- (B) Residential status
- (C) Double taxation relief
- (D) Assessment of corporate entity

29.) Which two of the following statements is false?

- (A) When value of correlation coefficient is one, the two regression lines coincide
- (B) The regression coefficients are independent of the change of origin and of scale
- (C) The sign of the regression coefficients are always the same
- (D) The square of the coefficient of correlation is called coefficient of determination

30.) Choose incorrect statement from the following:

- (A) 28 Days T- bills were introduced in 1998

- (B) 364 Days T- bills were introduced in 1992
- (C) 182 Days T- bills were introduced in 1986
- (D) 273 Days T- bills were introduced in 2006

31.) Which of the two following are correct about TDS Certificates?

- (a) TDS on non-salary payment-Form 16
- (b) TDS on non-salary payment-Form 16 A
- (c) TDS on sale of property payment-Form 16 B
- (d) TDS on rent-Form 16 C

Choose the correct option from those given below:

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

32.) The following are the two statements regarding elasticity of demand and its measurement

Statement I: On every point on the straight-line demand curve, the point elasticities are all equal

Statement II: On every point on the rectangular hyperbola shaped demand curve, the point elasticities are not equal

Select the correct option for those below:

- (A) Both the statements are correct
- (B) Both the statements are not correct
- (C) Statement I is correct while statement II is incorrect

33.) Market logistic planning has the following four steps. Arrange the steps in correct sequence

- (a) Develop operational excellence in sales forecasting, warehouse management, transportation and material management
- (b) Select the best channel design and network strategy for reaching the customers
- (c) Implement the solution with the best information systems, equipment, policies and procedures
- (d) Decide on company's value proposition to its customers

Select the correct option from those below:

- (A) a – b– c– d
- (B) d – b– a– c
- (C) d – b– c– a
- (D) d – c– b– a

34.) Which three of the following types of cyber attacks may occur in the process of mobile banking?

- (a) Backdoor attack
- (b) Front door attack
- (c) Denial of service attack
- (d) Direct access attack

Choose the correct option from those below:

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

35.) If the risk-free return (R_f) is 6%, Beta value (β) is 1.5 and market rate of return (R_m) is 10%, the expected rate of return would be

- (A) 15%

- (B) 12%
- (C) 17.5%
- (D) 16%

36.) Match List I with List II

List I

- (a) Qualified Report
- (b) Examine valuation and Disclosure
- (c) Access to records of company and its subsidiaries
- (d) Mis-statement in prospectus in company issue of capital

List II

- (i) Auditor Duty
- (ii) Auditor Liabilities
- (iii) Auditor Report
- (iv) Auditor Right

Choose the correct option from those given below:

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

37.) Given below are two statements – one is labelled as Assertion A and the other is labelled as Reason R.

Assertion A: If the firm is prepared to incur increased cost on transportation, it may be in a position to reduce its inventory cost

Reasons R: As in such a case, the firm can use the fastest mode of transport and rush the goods/stocks to the desired warehouse, unmindful of the cost of transportation

In the context of the above two statements related to logistics management, which of the following options is correct

- (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

38.) Match List I with List II

List I

- (a) Size of the market
- (b) Demographic environment
- (c) Export-oriented units
- (d) Multinational corporations

List II

- (i) Globalization of business
- (ii) Foreign trade policy
- (iii) Macro-environment
- (iv) Non-economic environment

Choose the correct option from those given below:

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

39.) On which of the following assumptions, the theory of consumer behaviour or cardinal utility approach is NOT based?

- (A) Consumer is rational
- (B) Limited money income of the consumer
- (C) Maximisation of total satisfaction
- (D) Diminishing marginal utility of money

40.) The informal group's communication system is called

- (A) Group Dynamics
- (B) Grapevine
- (C) Exchange
- (D) Interaction

41.) What are the drivers of globalization?

- (a) Population mobility especially of labour
- (b) Financial flows
- (c) Exporting
- (d) Assembly operations

Choose the correct answer from the following

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

42.) Which of the following are true about conditions according to the Sales of Goods Act?

- (a) Title
- (b) Description
- (c) Quiet possession
- (d) Encumbrances

Choose the correct answer from the following options:

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

43.) In e-commerce, one of the key design elements of an affective website-community refers to

- (A) Its layout and design
- (B) The way site enables user to user communication
- (C) Site's ability to tailor itself to different users or to allow users to personalize the site
- (D) Degree that the site is linked to the other sites

44.) Which one of the following is Not correct according to the Consumer Protection Act?

- (A) District forum shall consist of a lady social worker
- (B) State commission shall consist of person who is or has been a Judge of a High Court
- (C) District Forum shall consist of Four members
- (D) National Consumer Disputes Redressal Commission shall consist of a person who is or has been a Judge of the Supreme Court

45.) Math List I with List II

List I

- (a) Transfer of ownership
- (b) Sale of goodwill after dissolution
- (c) Buy-back of securities
- (d) Promissory Note

List II

- (i) Negotiable Instrument
- (ii) Contract of sale of goods
- (iii) Dissolution of partnership firm
- (iv) Share capital of company

Choose the correct option from those given below:

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

46.) Which of the following are part of Corporate Social Responsibility (CSR) to consumers?

- (a) Reasonable chances and proper system for accomplishment and promotion
- (b) To supply goods at reasonable prices even when there is seller's market
- (c) Improving the efficiency of the business operation
- (d) To provide an opportunity for being heard and redress genuine grievances

Choose your answer from the following options:

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

47.) Following are the events which generally happen in the life of a public limited company

- (a) Public issue of shares (IPO)
- (b) Firm Incorporation
- (c) Preliminary expenditures
- (d) Issue of equity shares to promoters of the company

Choose the correct sequence (chronological order) of the events from the options given below:

- (A) a – b– c– d
- (B) b – c– d– a
- (C) c – b– a– d
- (D) c – b– d– a

48.) The indemnity holder is NOT entitled to

- (A) All damages which he may be compelled to pay in any suit in respect of any matter to which the promise applies
- (B) All costs that he may be compelled to bear in defending any such suit
- (C) All sums that he may have paid under the terms of any compromise of such suit
- (D) Damages for liability incurred which is not absolute

49.) Given below are two statements – one is labelled as Assertion A and the other is labelled as Reason R.

Assertion A: Indian Accounting Standards contain some 'curve outs' and for convergence with IFRS with some changes applied in India

Reasons R: Financial statements prepared in India with Indian Accounting Standard will not be IFRS compliant

In the light of the above stated two statements, choose the correct option from the choices given below:

- (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

50.) Given below are two statements – one is labelled as Assertion A and the other is labelled as Reason R.

Assertion A: In the case of short run cost behaviour, MC curve intersects AC curve at its minimum

Reasons R: While AC continues to decrease, MC begins to rise. Also when AC is at its minimum, it is neither increasing nor decreasing. It is constant when AC is constant, it is equal to MC at the point of intersection

In the light of the above stated two statements, choose the correct option from the choices given below:

- (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

51.) The sum total of the values of two variables 'X' and 'Y' is equal for all the observations. The value of the coefficient of correlation between 'X' and 'Y' is:

- (A) +1 (perfectly positive)
- (B) -1 (perfectly negative)
- (C) Zero (no correlation)
- (D) $> 0 < 1$ (Imperfect correlation)

52.) A production function expressed as

$$Q = A[\alpha K^{-\beta} + (1 - \alpha)L^{-\beta}]^{-\frac{1}{\beta}}$$

Or

$$Q = A[\alpha L^{-\beta} + (1 - \alpha)K^{-\beta}]^{-\frac{1}{\beta}}$$

When $A > 0$, $0 < \alpha < 1$ and $\beta > -1$

Where L= labour, K = Capital and A, α and β are three parameters is called

- (A) Constant elasticity substitution function
- (B) Variable elasticity substitution function
- (C) Leontief-type function
- (D) Cobb-Douglas function

53.) Which two of the following are correct in terms of rate of tax deduction at source (TDS)?

- (a) Income by way of winning from horse race: @ 30%
- (b) Insurance Commission: @ 10%
- (c) Rent of Plant & Machinery: @ 5%
- (d) Rent of furniture: @ 5%

Choose the correct option from the following :

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

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

54.) Which of the following is NOT a factor contributing to MBO program failure?

- (A) Altering goals to meet changes in circumstances
- (B) Easy goals
- (C) Lack of management support
- (D) Setting of unrealistically difficult goals

55.) Which among the following is NOT a correct statement?

- (A) The Reserve Bank of India worked as Central Bank of Burma till April 1947
- (B) The Reserve Bank of India worked as Central Bank of Pakistan till June 1948
- (C) The Reserve Bank of India worked as Central Bank of Bangladesh from January 1972 to December 1975
- (D) The Reserve Bank of India commenced its operations on April 1, 1935

56.) Arrange the following financial institutions in ascending order of their year of establishment:

- (a) National Housing Bank
- (b) Export-Import Bank of India
- (c) NABARD
- (d) Unit Trust of India

Choose the correct option from those below:

- (A) a – b– c– d
- (B) b – c– d– a
- (C) d – b– c– a
- (D) c – b– d– a

57.) Companies that are becoming skilled in Customer Relationship Management (CRM) focus on:

- (A) Understanding the perceived performance and buyer's expectations
- (B) Giving benefits to the customers by reducing cost
- (C) Developing programs to attract and retain the right customers and meeting the individual needs of valued customers
- (D) Giving the quality in features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs

58.) The theories that explain the formation of 'Informal Groups' are to include which of the following?

- (a) Propinquity Theory
- (b) Similarity(or) Balance Theory
- (c) Displacement Theory
- (d) Need for achievement Theory

Choose the correct option from the following options:

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

59.) Which one is odd?

- (A) Economic Policies
- (B) Economic Planning

- (C) Socio-cultural factors
- (D) Macro-economic scenario

60.) Which of the following laws affect business organizations?

- (A) Incorporation and Bankruptcy laws
- (B) Environmental Protection Laws
- (C) Occupational Health and Safety Laws
- (D) Competition Laws

61.) Which among the following are NOT qualified to be appointed as auditor of a company?

- (a) An individual who is a Chartered Accountant and holds a Certificate of Practice as per CA Act, 1949
- (b) A limited liability partnership firm, which has all partners as Chartered Accountants
- (c) Officer or employee of a company who is qualified Chartered Accountant degree holder too
- (d) Any Chartered Accountant whose appointment will result in the person being the auditor of more than 10 companies

Choose the most appropriate option:

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

62.) Which of the following is NOT a presumption about a negotiable instrument?

- (A) Date
- (B) Consideration
- (C) Stamp
- (D) Absolute and good title to the transferee

63.) National Housing Bank was established in 1987 as wholly owned subsidiary of which of the following?

- (A) State Bank of India
- (B) Life Insurance Corporation of India
- (C) Reserve Bank of India
- (D) Industrial Finance Corporation of India

64.) Which of the following types of authorities are found in most organizations?

- (a) Division Authority
- (b) Line Authority
- (c) Staff Authority
- (d) Functional Authority

Choose the correct option from the following options:

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

65.) Which of the following are the function of WTO?

- (a) To facilitate the implementation, administration and operation of trade agreement
- (b) To carry out periodic reviews of the trade policies of its member countries
- (c) To assist in the establishment of a multilateral system of payments

(d) To promote international monetary cooperation

Choose your answer from the following options:

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

66.) Which of the following statements are correct?

(a) Dividend payout ratio refers to that portion of total earnings which is distributed among equity shareholders of the company

(b) 'Bird in hand' argument is given by Gordon's model

(c) MM model suggest that dividend payment is very relevant for value of the firm

(d) Walter's Model suggests that dividend payment does not affect the market price of the share

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

67.) Who are the parties to a cheque?

- (a) Drawer
- (b) Payee
- (c) Acceptor
- (d) Holder

Choose the correct option from the following options:

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

68.) Match the following theories of profit with their propounders

Theory

(a) Profit as Rent of Ability

(b) Dynamic Theory of Profit

(c) Risk Theory of profit

(d) Innovation Theory of Profit

Propounder

(i) F.B. Hawley

(ii) Joseph A Schumpeter

(iii) J.B. Clark

(iv) F.A. Walker

Choose the correct option from those given below:

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

69.) Which of the following is NOT part of the process of management audit?

- (A) Identification of responsibility center
- (B) Review of performance of each responsibility center
- (C) Review of organizational structure

(D) Investigating the depreciation method and its application on fixed assets in the company

70.) Non-Banking Financial Companies can be classified as:

- (a) Asset Finance Company (AFC)
- (b) Investment Company (IC)
- (c) Loan Company (LC)
- (d) Foreign Trade Company (FTC)

Choose the correct option from the following options:

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

71.) What percentage of income from compensation on disaster is exempted from tax liability?

- (A) 100%
- (B) 75%
- (C) 50%
- (D) 25%

72.) Which of the following is an incomplete experimental research design?

- (A) Before and after with control group design
- (B) Factorial design
- (C) One group before-after design
- (D) Latin Square design

73.) Quality circle is a type of

- (A) Problem-solving team
- (B) Cross-functional team
- (C) Self-directed team
- (D) Project team

74.) Match the following countries with the types of Double Taxation Avoidance Agreement signed by India with them:

Country

- (a) Austria
- (b) Bahamas
- (c) Lebanon
- (d) Sri Lanka

Type of Agreement

- (i) Limited Agreement
- (ii) Comprehensive Agreements
- (iii) Comprehensive Agreements/ Limited Multilateral Agreement
- (iv) Tax Information Exchange Agreement

Choose your answer from the following options:

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

75.) Which of the following is NOT true web marketers?

- (A) Web marketers usually try to attract prospects to their site through email, advertisements in newspapers
- (B) Use attractions like discounts, gifts and contests
- (C) Ask customers to give their personal data mandatorily
- (D) Give a lot of publicity to the discount schemes

76.) Which one of the following relates to warranty?

- (A) It is of vital importance for completion of contract
- (B) If there is breach, the aggrieved party can repudiate the contract
- (C) It is essential to the main purpose of the contract
- (D) In case of breach, the aggrieved party can claim only damages

77.) Match the following methods of capital budgeting with their respective formula:

Method

- (a) ARR method
- (b) Pay back period
- (c) NPV Method
- (d) Probability Index

Formula

- (i) Present Value of cash Inflows - Present Value of cash Outflows
- (ii) Present Value of cash Inflows \div Present Value of cash Outflows
- (iii) Average Income \div Average Investment
- (iv) Investment \div Annual Cash Inflows

Choose your answer from the following options:

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

78.) Which of the following is the odd one out?

- (A) Specific goods
- (B) Un-ascertained goods
- (C) Future goods
- (D) Ascertained goods

79.) According to FEMA, foreign Exchange does NOT include

- (A) Deposits payable in any foreign currency
- (B) Bills of exchange drawn in Indian currency but payable in any foreign currency
- (C) Travellers cheques drawn by institutions outside India but payable in Indian currency
- (D) Drafts drawn by banks outside India and payable in foreign currency

80.) Which two of the following are correct about the due date of issue of the TDS certificate?

- (a) Form No. 16 - Annual
- (b) Form No. 16A - Quarterly
- (c) Form No. 16B – Half Yearly
- (d) Form No. 16C - Monthly

Choose your answer from the following options:

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

81.) Which one of the following is a void contract?

- (A) Unilateral contract
- (B) A contract which ceases to be enforceable by law
- (C) Implied contract
- (D) Express contract

82.) According to Sale of Goods Act, which two of the following are defined as 'goods'?

- (a) Moveable property
- (b) Growing crops
- (c) Actionable claims
- (d) Book debt

Choose your answer from the following options:

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

83.) For calculating posterior probabilities (conditional probabilities under statistical dependence), the following information is available

- (a) conditional probabilities
- (b) original probability estimates (prior - probabilities) of mutually exclusive and collectively exhaustive events
- (c) Arbitrary event with probability $\neq 0$ and for which conditional probabilities are also known
- (d) Joint probabilities of prior probability and conditional probability

Given the information that the arbitrary event has occurred, arrange the above information in a sequence of their requirement as per Baye's Theorem

Choose the correct option:

- (A) $a \rightarrow b \rightarrow d \rightarrow c$
- (B) $c \rightarrow b \rightarrow a \rightarrow d$
- (C) $b \rightarrow c \rightarrow d \rightarrow a$
- (D) $b \rightarrow a \rightarrow d \rightarrow c$

84.) In the case consumers' equilibrium to be explained through an ordinal approach, when there are two commodities with their prices given and with limited income of the consume, the following information is required:

- (a) Price line/ budget line
- (b) Indifference map
- (c) Point of tangency between IC and budget line
- (d) Equality of the slopes of IC and budget line

Arrange the information required in the correct sequence and choose the right option from those below

- (A) $b \rightarrow d \rightarrow a \rightarrow c$
- (B) $b \rightarrow a \rightarrow d \rightarrow c$
- (C) $a \rightarrow d \rightarrow b \rightarrow c$
- (D) $a \rightarrow b \rightarrow c \rightarrow d$

85.) Match the 'category of Compensation' with 'Compensation plan'

(Category of Compensation)

- (a) Pay for time not worked

- (b) Services and perquisites
- (c) Protection Programme
- (d) Incentive pay
- (e) Deferred Pay

(Compensation plan)

- (i) Savings Plan
- (ii) Stock Option
- (iii) Pension
- (iv) Sick Leave
- (v) Low cost Meals

Choose your answer from the following options:

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

86.) Functions of a first-level or front-line supervisor are to include which of the following?

- (a) To determine individual job assignment
- (b) To attend to grievances and resolve conflicts
- (c) To provide technical knowledge and guidance to workers
- (d) To supply strategic information relating to production to management

Choose the correct option from those given below:

- (A) (a) and (b) only
- (B) (a) and (c) only
- (C) (a), (b) and (c) only
- (D) All of them – (a), (b), (c), (d)

87.) What is the typical sequence in which the following selection devices are used by the company?

- (a) Reference checks
- (b) Physical examination
- (c) Application Blank
- (d) Hire
- (e) Conditional Offers
- (f) More interviews
- (g) Screening interviews
- (h) Tests

Choose your answer from the following options:

- (A) c → g → h → f → a → e → b → d
- (B) d → g → f → h → a → e → b → c
- (C) c → h → g → a → f → e → b → d
- (D) d → g → h → f → a → e → b → d

88.) Which of the following are the methods of determining cost behaviour?

- (a) High and low point method
- (b) Least square regression method
- (c) Accounting or analytical approach
- (d) Non-parametric method

Choose your answer from the following options:

- (A) (a), (b) and (d)
- (B) (a), (c) and (d)

- (C) (b), (c) and (d)
- (D) (a), (b) and (c)

89.) Which of the following terms means the tendency of a supervisor to rate a subordinate lower than his performance?

- (A) Horns effect
- (B) Halo effect
- (C) Central tendency
- (D) Pointing tendency

90.) Under which of the following approaches, the cost of equity is assumed to increase linearly with leverage, i.e., the average cost of capital remains constant with increased use of leverage?

- (A) Net Operating income Approach
- (B) Net Income Approach
- (C) Traditional Approach
- (D) Walter Approach

Read the given passage carefully and answer the questions that follow:

Life Insurance in its modern form came to India from England in the year 1818. The Oriental Life Insurance Company started by Europeans in Calcutta was the first life insurance company on Indian Soil. All the insurance companies established during that period were brought up with the purpose of looking after the needs of European community and Indian natives were not being insured by these companies. However, later with the efforts of eminent people like Babu Muttylal Seal, the foreign life insurance companies started insuring Indian lives too. But Indian lives were being treated as sub-standard lives and heavy extra premiums were being charged upon them. The Bombay Mutual Life Assurance Society heralded the birth of first Indian life insurance company in the year 1870 and covered Indian lives at normal rates. Starting as Indian enterprise with highly patriotic motives, insurance companies came into existence to carry the message of insurance and social security through insurance to various sectors of society. In 1907, Hindustan Co-operative Insurance Company took its birth in one of the rooms of 'The Jorasanko', house of the great poet Rabindranath Tagore, in Calcutta. The Indian Mercantile, General Assurance and Swadeshi Life (later Bombay Life) were some of the companies established during the same period. Prior to 1912 India had no legislation to regulate insurance business. In the year 1912, the Life Insurance Companies Act, and the Provident Fund Act were passed. The Life Insurance Companies Act, 1912 made it necessary that the premium rate tables and periodical valuations of companies should be certified by an actuary. But the Act discriminated between foreign and Indian companies on many accounts, putting the Indian companies at a disadvantage.

91.) Which among the following was later renamed as Bombay Life?

- (A) The Indian Mercantile general Assurance
- (B) The Oriental life Insurance Company
- (C) National Insurance
- (D) Swadeshi Life

92.) Which one among the following grew along with insurance business in India?

- (A) Pension Fund
- (B) Provident Fund
- (C) Gratuity
- (D) Arbitrage

93.) The paragraph is about which of the following?

- (A) Genesis of insurance in India
- (B) Struggle of insurance business
- (C) Conflict of insurance business
- (D) Complications of insurance business

94.) The insurance business in India was started first by which one of the following.

- (A) Americans
- (B) Indian merchants
- (C) Europeans
- (D) Afro-Indians

95.) Identify the correct statement from the following

- (A) Initially, insurance companies used to discriminate Indian and European clients
- (B) There was no discrimination in Indian and European clients by the insurance companies initially
- (C) Indian clients were charged lower premium by the insurance companies in the beginning
- (D) Indian insurance companies charged higher premium to Europeans at a later stage

Read the given passage carefully and answer the questions that follow:

Companies often define themselves in terms of products: They are in the “auto business” or the “clothing business.” Market definitions of a business, however, describe the business as a customer satisfying process. Products are transient; basic needs and customer groups endure forever. Transportation is a need: the horse and carriage, automobile, railroad, airline, ship, and truck are products that meet that need. Viewing business in terms of customers can suggest additional growth opportunities. There exists a difference between a target market definition and a strategic market definition. To define its mission, a company should address Peter Drucker’s classic question: What is our business?

96.) Pepsi could define its ‘target market; as:

- (A) Everyone who drinks carbonated soft drinks and are competitors
- (B) Anyone who drinks liquid
- (C) Everyone who drinks non-milk drinks
- (D) Anyone who drinks competitor’s drinks

97.) Which of the following is the correct market definition of ‘BPCL’?

- (A) We distribute oil products
- (B) We are the largest oil supply company in India
- (C) We supply energy
- (D) Bharat’s own oil distribution company

98.) Which of the following is the correct product definition of ‘Blue Star’?

- (A) We provide climate control in homes and offices
- (B) We supply air conditioners
- (C) We make air cooling systems
- (D) we make air conditioners

99.) Which of the following is the correct combination Product definition and Market Definition of Xerox company?

- (A) Product definition- We sell photocopies
Market Definition- We help improve office efficiency
- (B) Product definition- we make photo machines

Market Definition- We improve copy speeds

(C) Product definition -We sell copying equipment

Market Definition- We make office more efficient

(D) Product definition- We make copying equipment

Market Definition- we help improve office productivity

100.) Which of the following is NOT a major characteristic of a good mission statement?

(A) They have very limited words

(B) They focus on a limited number of goals

(C) They stress the company's major competitive spheres in which company will operate

(D) They have a long term view