



Topic:- MCOM S2

1) Under conditions of perfect competition if a particular firm is facing a price which is greater than average variable cost but less than average cost, then

[Question ID = 8092]

1. The firm is recovering the entire variable costs but not recovering some part of the fixed costs and is facing losses. [Option ID = 32362]
2. The firm is recovering the entire fixed costs but not recovering some part of the variable costs and is facing losses. [Option ID = 32363]
3. The firm must necessarily shut down operations as it faces losses in the short run [Option ID = 32364]
4. The firm is earning profits as prices are greater than average variable cost. [Option ID = 32365]

Correct Answer :-

- The firm is recovering the entire variable costs but not recovering some part of the fixed costs and is facing losses. [Option ID = 32362]

2) Under the Keynesian Theory of Employment, Interest and Income, the monetary policy shall be less effective if:

[Question ID = 8093]

1. Interest rates fell [Option ID = 32366]
2. Interest rates rose [Option ID = 32367]
3. Investment demand is inelastic [Option ID = 32368]
4. Investment demand is elastic [Option ID = 32369]

Correct Answer :-

- Investment demand is inelastic [Option ID = 32368]

3) Oligopoly is a market structure wherein there is:-

- A. intense competition among few firms in the industry.
- B. firms could be producing homogeneous or differentiated products
- C. firms recognise interdependence in their decision making
- D. firms may enter into overt or tacit cartels.

Choose the correct answer from the options given below:-

[Question ID = 8094]

1. A and D only
[Option ID = 32370]
2. A, C and D only
[Option ID = 32371]
3. A, B and D only
[Option ID = 32372]
4. A, B, C and D only
[Option ID = 32373]

Correct Answer :-

- A, B, C and D only
[Option ID = 32373]

4) Which of the following stakeholders are most financially hurt under conditions of unanticipated inflation?

[Question ID = 8095]

1. Borrowers with fixed rate loans [Option ID = 32374]
2. Borrowers with variable rate loans [Option ID = 32375]
3. Creditors [Option ID = 32376]
4. Neither borrowers and nor creditors are hurt. [Option ID = 32377]

Correct Answer :-

- Creditors [Option ID = 32376]

5) The production possibility curve is often represented as concave (bowed out) from the origin because of

[Question ID = 8096]

1. Decreasing opportunity cost [Option ID = 32378]
2. Increasing opportunity cost [Option ID = 32379]
3. Constant opportunity cost [Option ID = 32380]
4. Constant returns to scale [Option ID = 32381]

Correct Answer :-

- Increasing opportunity cost [Option ID = 32379]



[Question ID = 8097]

1. Increase in aggregate supply
[Option ID = 32382]
2. Increase in aggregate demand
[Option ID = 32383]
3. Decrease in aggregate supply
[Option ID = 32384]
4. Decrease in aggregate demand
[Option ID = 32385]

Correct Answer :-

- Decrease in aggregate supply
[Option ID = 32384]

7) The price of good rises from Rs 4 to Rs 5 per unit and the quantity demanded for that good contracts from 100 units to 80 units. The price elasticity of demand for the good (in absolute terms) is:-

[Question ID = 8098]

1. 1
[Option ID = 32386]
2. 0.8
[Option ID = 32387]
3. - 1
[Option ID = 32388]
4. - 0.8
[Option ID = 32389]

Correct Answer :-

- 1
[Option ID = 32386]

8) Economic growth will be sluggish when interest rates rise, because;

[Question ID = 8099]

1. Firms will invest in fewer projects with future payoffs thus limiting growth. [Option ID = 32390]
2. Firms will invest in more projects with future payoffs thus limiting growth. [Option ID = 32391]
3. Firms will invest the same amount in projects with future payoffs at all interest levels thus leaving growth unaffected. [Option ID = 32392]
4. Firms will pay more in dividends and as a result retained earnings will fall. [Option ID = 32393]

Correct Answer :-

- Firms will invest in fewer projects with future payoffs thus limiting growth. [Option ID = 32390]

9) For a monopoly firm, under conditions of short run equilibrium earning just normal profits, the following relationship holds true between price (P) and marginal cost (MC)

[Question ID = 8100]

1. $P > MC$
[Option ID = 32394]
2. $P < MC$
[Option ID = 32395]
3. $P = MC$
[Option ID = 32396]
4. P and MC are unrelated
[Option ID = 32397]

Correct Answer :-

- $P > MC$
[Option ID = 32394]

10) A basic assumption of the Classical School of economic thought is :-

[Question ID = 8101]

1. Prices and wages are flexible. [Option ID = 32398]
2. Short-run inflation is unlikely to occur. [Option ID = 32399]
3. Short-run unemployment is unlikely to occur. [Option ID = 32400]



11) Existence of external diseconomies of scale shall cause the

[Question ID = 8102]

1. Long run average cost curve to fall [Option ID = 32402]
2. Long run average cost curve to rise [Option ID = 32403]
3. Long run average cost curve to shift downwards [Option ID = 32404]
4. Long run average cost curve to shift upwards [Option ID = 32405]

Correct Answer :-

- Long run average cost curve to shift upwards [Option ID = 32405]

12) An increase in the long run aggregate supply curve can be caused by

[Question ID = 8103]

1. An increase in government spending. [Option ID = 32406]
2. An increase in literacy levels of the population. [Option ID = 32407]
3. An increase in taxes. [Option ID = 32408]
4. An increase in interest rates. [Option ID = 32409]

Correct Answer :-

- An increase in literacy levels of the population. [Option ID = 32407]

13) Which of the following conditions are to be satisfied for a market structure to be termed as monopol?

- A. there is only one seller in the market
- B. the seller produces a product for which there are no close substitutes
- C. there exist strong barriers to entry
- D. the monopoly firm has an upward rising supply curve.

Choose the correct answer from the options given below:-

[Question ID = 8104]

1. A, B and C only
[Option ID = 32410]
2. A, B, C and D only
[Option ID = 32411]
3. A only
[Option ID = 32412]
4. A, B and D only
[Option ID = 32413]

Correct Answer :-

- A, B and C only
[Option ID = 32410]

14) An adverse supply shock

[Question ID = 8105]

1. Can be anticipated and decreases aggregate supply [Option ID = 32414]
2. Cannot be anticipated but decreases aggregate supply [Option ID = 32415]
3. Can be anticipated and increases aggregate supply [Option ID = 32416]
4. Cannot be anticipated but increases aggregate supply [Option ID = 32417]

Correct Answer :-

- Cannot be anticipated but decreases aggregate supply [Option ID = 32415]

15) What describes the most appropriate relationship between social cost, private cost and external cost in context of "negative externalities of production":

[Question ID = 8106]

1. Social Cost = Private Cost - External Cost [Option ID = 32418]
2. Social Cost = Private Cost + External Cost [Option ID = 32419]
3. Social Cost = (Private Cost) multiplied by (External Cost) [Option ID = 32420]
4. Social costs, private costs and external costs are unrelated to each other. [Option ID = 32421]

Correct Answer :-

- Social Cost = Private Cost + External Cost [Option ID = 32419]

16) During the expansionary phase of the business cycle

[Question ID = 8107]



1. GDP declines and inflation rises. [Option ID = 32422]
 2. GDP rises and inflation falls. [Option ID = 32423]
 3. GDP rises and unemployment falls. [Option ID = 32424]
 4. Interest rates rise and the number of business failures rises. [Option ID = 32425]

Correct Answer :-

- Real GDP rises and unemployment falls. [Option ID = 32424]

17) A monopolistically competitive firm advertises in order to
 [Question ID = 8108]

1. Reduce the industry's barrier to entry [Option ID = 32426]
2. Shift the demand curve for its product to the left [Option ID = 32427]
3. Make the demand for its product less price elastic [Option ID = 32428]
4. Increase its negative externalities [Option ID = 32429]

Correct Answer :-

- Make the demand for its product less price elastic [Option ID = 32428]

18) Initially, a country is in a no-trade situation and then this country decides to allow imports of a good. This will result in:

[Question ID = 8109]

1. Domestic consumers lose, domestic producers gain, and the gains outweigh the losses.
 [Option ID = 32430]
2. Domestic consumers gain, domestic producers lose, and the gains outweigh the losses.
 [Option ID = 32431]
3. Domestic consumers gain, domestic producers lose, and the losses outweigh the gains.
 [Option ID = 32432]
4. Domestic consumer gain, but domestic producers lose an equal amount
 [Option ID = 32433]

Correct Answer :-

- Domestic consumers gain, domestic producers lose, and the gains outweigh the losses
 [Option ID = 32431]

19) How much health and educational cess in 2019 has been imposed by the government on all union taxes?

[Question ID = 8110]

1. 1%
 [Option ID = 32434]
2. 4%
 [Option ID = 32435]
3. 3%
 [Option ID = 32436]
4. 5%
 [Option ID = 32437]

Correct Answer :-

- 4%
 [Option ID = 32435]

20) Who recommends the Minimum Support Price (MSP) fixed by the government?

[Question ID = 8111]

1. Ministry of Finance
 [Option ID = 32438]
2. Empowered group of ministers
 [Option ID = 32439]
3. CACP
 [Option ID = 32440]
4. Minister of Agriculture
 [Option ID = 32441]

Correct Answer :-

- CACP
 [Option ID = 32440]



1. $MSF > RR > RRR$

[Option ID = 32442]

2. $MSF < RR < RRR$

[Option ID = 32443]

3. $MSF > RRR > RR$

[Option ID = 32444]

4. $RRR > MSF > RR$

[Option ID = 32445]

Correct Answer :-

• $MSF > RR > RRR$

[Option ID = 32442]

22) The Asset Management Company managing Bharat ETF 22 is

[Question ID = 8113]

1. Bajaj Allianz [Option ID = 32446]

2. ICICI Prudential [Option ID = 32447]

3. Axis [Option ID = 32448]

4. DHFL [Option ID = 32449]

Correct Answer :-

• ICICI Prudential [Option ID = 32447]

23) Smart Metering System will be used for measuring

[Question ID = 8114]

1. Smart Cities in meters [Option ID = 32450]

2. Consumption of electric energy [Option ID = 32451]

3. Food Intake by Individuals [Option ID = 32452]

4. Consumption of Energy fuels [Option ID = 32453]

Correct Answer :-

• Consumption of electric energy [Option ID = 32451]

24) Bharat net is related to

[Question ID = 8115]

1. Connecting the rivers of India [Option ID = 32454]

2. Building ports in coastal towns [Option ID = 32455]

3. Providing Broad Band Services to Rural areas [Option ID = 32456]

4. Building Highways network [Option ID = 32457]

Correct Answer :-

• Providing Broad Band Services to Rural areas [Option ID = 32456]

25) The 2019 Ease of Doing Business Ranking in India is

[Question ID = 8116]

1. 60 [Option ID = 32458]

2. 66 [Option ID = 32459]

3. 69 [Option ID = 32460]

4. 63 [Option ID = 32461]

Correct Answer :-

• 63 [Option ID = 32461]

26) In case of rising prices (inflation), FIFO method will:

[Question ID = 8117]

1. Provide lowest value of closing stock and profit [Option ID = 32462]

2. Provide highest value of closing stock and profit [Option ID = 32463]

3. Provide highest value of closing stock but lowest value of profit [Option ID = 32464]

4. Provide highest value of profit but lowest value of closing stock [Option ID = 32465]

Correct Answer :-

• Provide highest value of closing stock and profit [Option ID = 32463]

27) Which of the following will cause difference on a trial balance

[Question ID = 8118]

1. An invoice omitted from the sale day book [Option ID = 32466]

2. An invoice of Rs1500 entered in the sale day book as 15000 [Option ID = 32467]

3. An invoice of Rs5000 entered in the sale day book not included in the monthly total [Option ID = 32468]



28) International Accounting Standards (IAS) have been developed by:-

[Question ID = 8119]

1. The European commission

[Option ID = 32470]

2. The international accounting standard committee

[Option ID = 32471]

3. The financial reporting council

[Option ID = 32472]

4. All of these

[Option ID = 32473]

Correct Answer :-

• The international accounting standard committee

[Option ID = 32471]

29) How many years' financial statements are required to be annexed to the declaration for initiating voluntary liquidation?

[Question ID = 8120]

1. Previous 2 years or the period since incorporation whichever is later [Option ID = 32474]

2. Previous 2 years or the period since incorporation whichever is prior [Option ID = 32475]

3. Previous 3 years or the period since incorporation whichever is later [Option ID = 32476]

4. Previous 5 years or the period since incorporation whichever is later [Option ID = 32477]

Correct Answer :-

• Previous 2 years or the period since incorporation whichever is later [Option ID = 32474]

30) Which one of the following item cannot be recorded in the appropriation account in case of partnership accounting

[Question ID = 8121]

1. Interest on capital [Option ID = 32478]

2. Interest on drawings [Option ID = 32479]

3. Rent paid to partners [Option ID = 32480]

4. Partners salary [Option ID = 32481]

Correct Answer :-

• Rent paid to partners [Option ID = 32480]

31) In the absence of partnership deed, interest on partners loan is payable by firm @

[Question ID = 8122]

1. 12% p.a [Option ID = 32482]

2. 6% p.a [Option ID = 32483]

3. 10% p.a [Option ID = 32484]

4. 16% p.a [Option ID = 32485]

Correct Answer :-

• 6% p.a [Option ID = 32483]

32) Reserve capital can be called up

[Question ID = 8123]

1. In an emergency only [Option ID = 32486]

2. Any time by passing an ordinary resolution [Option ID = 32487]

3. In the event and for the purpose of company being wound -up [Option ID = 32488]

4. If all directors agree [Option ID = 32489]

Correct Answer :-

• In the event and for the purpose of company being wound -up [Option ID = 32488]

33) Stock split is the process of

[Question ID = 8124]

1. Consolidating the face value of the shares of the company [Option ID = 32490]

2. Reducing the capital of the company [Option ID = 32491]

3. Restructuring of capital of the company [Option ID = 32492]

4. Reducing face value of the shares of the company by dividing one shares into two or more parts [Option ID = 32493]

Correct Answer :-

• Reducing face value of the shares of the company by dividing one shares into two or more parts [Option ID = 32493]

34) Royalties revenue should be recognized



- Question ID = 8125
- Revenue is recognized on the time proportion basis in accordance with the terms of the relevant agreement [Option ID = 32494]
- On an accrual basis [Option ID = 32496]
- On an actual basis [Option ID = 32496]
- Revenue is recognized on the time proportion basis [Option ID = 32497]

Correct Answer :-

- On an accrual basis in accordance with the terms of the relevant agreement [Option ID = 32494]

35) AS-29 is Applicable only to

[Question ID = 8126]

- Provision for valuation adjustment for fixed Assets [Option ID = 32498]
- Provision for Liabilities and charges [Option ID = 32499]
- Provision for valuation adjustment for current assets [Option ID = 32500]
- Furniture [Option ID = 32501]

Correct Answer :-

- Provision for Liabilities and charges [Option ID = 32499]

36) Interest paid by other than financial enterprise is shown in the cash flow statement under:-

[Question ID = 8127]

- Operating activities
[Option ID = 32502]
- Investing activities
[Option ID = 32503]
- Financing activities
[Option ID = 32504]
- Accumulated profit
[Option ID = 32505]

Correct Answer :-

- Financing activities
[Option ID = 32504]

37) Profit prior to incorporation is

[Question ID = 8128]

- Debited to Goodwill Account [Option ID = 32506]
- Credited to General Reserve Account [Option ID = 32507]
- Credited to capital reserve Account [Option ID = 32508]
- Credited to Reserve [Option ID = 32509]

Correct Answer :-

- Credited to capital reserve Account [Option ID = 32508]

38) Which is the cost unit is applicable to the bicycle industry?

[Question ID = 8129]

- Per part of bicycle
[Option ID = 32510]
- Per bicycle
[Option ID = 32511]
- Per tonne
[Option ID = 32512]
- Per day
[Option ID = 32513]

Correct Answer :-

- Per bicycle
[Option ID = 32511]

39) Stores Ledger is a:

[Question ID = 8130]

- Quantitative as well as value wise records of material received, issued and balance; [Option ID = 32514]
- Quantitative record of material received, issued and balance [Option ID = 32515]
- Value wise records of material received, issued and balance [Option ID = 32516]
- Record of labour attendance [Option ID = 32517]

Correct Answer :-



[Question ID = 8131]

1. Produced
[Option ID = 32518]
2. Under production
[Option ID = 32519]
3. Targeted to produce
[Option ID = 32520]
4. Sold to customers
[Option ID = 32521]

Correct Answer :-

- Under production
[Option ID = 32519]

41) Calculate EOQ (approx.) from the following details:-

Annual Consumption: 24000 units,
Ordering cost: Rs. 10 per order,
Purchase price: Rs. 100 per unit,
Carrying cost: 5%

[Question ID = 8132]

1. 310
[Option ID = 32522]
2. 400
[Option ID = 32523]
3. 290
[Option ID = 32524]
4. 300
[Option ID = 32525]

Correct Answer :-

- 310
[Option ID = 32522]

42) A worker is allowed 60 hours to complete the job but he completes in 50 hours. How much wages will he get under the Halsey Plan?

[Question ID = 8133]

1. Rs. 720 [Option ID = 32526]
2. Rs. 540 [Option ID = 32527]
3. Rs. 600 [Option ID = 32528]
4. Rs. 660 [Option ID = 32529]

Correct Answer :-

- Rs. 660 [Option ID = 32529]

43) Which of the following is not a reason for an idle time variance?

[Question ID = 8134]

1. Wage rate increase [Option ID = 32530]
2. Machine breakdown [Option ID = 32531]
3. Illness or injury to worker [Option ID = 32532]
4. Non-availability of material [Option ID = 32533]

Correct Answer :-

- Wage rate increase [Option ID = 32530]

44) A budget which is prepared in a manner so as to give the budgeted cost for any level of activity is known as :

[Question ID = 8135]

1. Master budget [Option ID = 32534]
2. Zero base budget [Option ID = 32535]
3. Functional budget [Option ID = 32536]
4. Flexible budget [Option ID = 32537]

Correct Answer :-

- Flexible budget [Option ID = 32537]



1. Debited with the scrap value of the abnormal loss units [Option ID = 32539]
2. Debited with the full production cost of the abnormal loss units [Option ID = 32539]
3. Credited with the scrap value of the abnormal loss units [Option ID = 32540]
4. Credited with the full production cost of the abnormal loss units [Option ID = 32541]

Correct Answer :-

- Credited with the full production cost of the abnormal loss units [Option ID = 32541]

46) If sales is Rs. 1,00,000 in 2018 and Rs. 4,00,000 in 2019 and loss Rs. 10,000 in 2018 and profit Rs. 50,000 in 2019, P/V ratio will be

[Question ID = 8137]

1. 50% [Option ID = 32542]
2. 20% [Option ID = 32543]
3. 30% [Option ID = 32544]
4. 40% [Option ID = 32545]

Correct Answer :-

- 20% [Option ID = 32543]

47) Improvement of profit-volume ratio can be done by

[Question ID = 8138]

1. Increasing selling price [Option ID = 32546]
2. Increasing the variable cost [Option ID = 32547]
3. Reducing the fixed cost [Option ID = 32548]
4. Increase in sales volume [Option ID = 32549]

Correct Answer :-

- Increasing selling price [Option ID = 32546]

48) Budget which is directed towards long-term strategic goals is known as

[Question ID = 8139]

1. Zero - base budget [Option ID = 32550]
2. Capital budget [Option ID = 32551]
3. Rolling budget [Option ID = 32552]
4. Master Budget [Option ID = 32553]

Correct Answer :-

- Capital budget [Option ID = 32551]

49) The two ways to measure the financial performance of an investment centre are

[Question ID = 8140]

1. ROI and ROE [Option ID = 32554]
2. ROI and segment residual income [Option ID = 32555]
3. Segment residual income and ROE [Option ID = 32556]
4. ROI and leverage ratio [Option ID = 32557]

Correct Answer :-

- ROI and segment residual income [Option ID = 32555]

50) Which of the following organisations should not be advised to use service costing?

[Question ID = 8141]

1. Distribution service
[Option ID = 32558]
2. Hospitals
[Option ID = 32559]
3. Maintenance division of a manufacturing company
[Option ID = 32560]
4. Light engineering company
[Option ID = 32561]

Correct Answer :-

- Light engineering company
[Option ID = 32561]

51) If a curve is more peaked than the normal curve, it is called

[Question ID = 8142]

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1. Mesokurtic [Option ID = 32562]
2. Platykurtic [Option ID = 32563]

Leptokurtic [Option ID = 32564]
Platykurtic [Option ID = 32565]

Correct Answer :-

- Leptokurtic [Option ID = 32564]

52) Two dice are thrown and the side of both dice facing up are observed. Which of the following events are mutually exclusive events?

[Question ID = 8143]

1. A: Both dice are the same number B: Both dice are even number [Option ID = 32566]
2. A: One of the dice shows a two B: The sum is greater than 8 [Option ID = 32567]
3. A: The sum of both dice is even B: The product of both dice is odd [Option ID = 32568]
4. A: The product of both dice is even. B: The sum of both dice is odd. [Option ID = 32569]

Correct Answer :-

- A: One of the dice shows a two B: The sum is greater than 8 [Option ID = 32567]

53) Given that the equation for a line is $Y=18-10X$, which of the following statement is true?

[Question ID = 8144]

1. The relationship of Y to X is direct and linear. [Option ID = 32570]
2. The relationship of Y to X is direct and non-linear. [Option ID = 32571]
3. The relationship of Y to X is inverse and linear. [Option ID = 32572]
4. The relationship of Y to X is inverse and non-linear. [Option ID = 32573]

Correct Answer :-

- The relationship of Y to X is inverse and linear. [Option ID = 32572]

54) Which of the following is not a property of the binomial distribution?

[Question ID = 8145]

1. The trials are statistically dependent. [Option ID = 32574]
2. Each trial has only two possible outcomes. [Option ID = 32575]
3. The probability of the outcomes does not change from trial to trial. [Option ID = 32576]
4. The experiment consists of a fixed number of trials 'n' [Option ID = 32577]

Correct Answer :-

- The trials are statistically dependent. [Option ID = 32574]

55) Which approach to probability would be used to calculate the probability of India winning a match against Australia?

[Question ID = 8146]

1. Classical approach [Option ID = 32578]
2. Subjective approach [Option ID = 32579]
3. Relative frequency approach [Option ID = 32580]
4. Cluster approach [Option ID = 32581]

Correct Answer :-

- Relative frequency approach [Option ID = 32580]

56) In which of the following case would the Poisson distribution be a good approximation of the binomial distribution?

[Question ID = 8147]

1. $n=40, p=0.32$ [Option ID = 32582]
2. $n=40, q=0.79$ [Option ID = 32583]
3. $n=10, p=0.03$ [Option ID = 32584]
4. $n=200, p=0.02$ [Option ID = 32585]

Correct Answer :-

- $n=200, p=0.02$ [Option ID = 32585]

57) Under statistical dependence, if we sum up all the probabilities of the joint events in which a certain event A occurs, the result is:

[Question ID = 8148]

1. Relative probability of A [Option ID = 32586]
2. The marginal probability of A [Option ID = 32587]
3. The conditional probability of A [Option ID = 32588]
4. Bayesian probability of A [Option ID = 32589]

Correct Answer :-

- The marginal probability of A [Option ID = 32587]

58) Which of the following is a measure of dispersion?

[Question ID = 8149]

1. Standard deviation [Option ID = 32590]
2. Median [Option ID = 32591]
3. Mode [Option ID = 32592]
4. Geometric mean [Option ID = 32593]



59) While computing a weighted index, the current period quantities are used in the:

[Question ID = 8150]

1. Laspeyres method [Option ID = 32594]
2. Bayes method [Option ID = 32595]
3. Marshall Edgeworth method [Option ID = 32596]
4. Paasche's method [Option ID = 32597]

Correct Answer :-

- Paasche's method [Option ID = 32597]

60) Which of the following is a continuous random variable?

[Question ID = 8151]

1. Gender of the customer while selling an automobile. [Option ID = 32598]
2. Number of returns containing error in an audit of 100 tax returns. [Option ID = 32599]
3. Time between customer arrivals in a bank. [Option ID = 32600]
4. Number of employees absent from the first shift during working days. [Option ID = 32601]

Correct Answer :-

- Time between customer arrivals in a bank. [Option ID = 32600]

61) The proportion of total variation in the dependent variable that is explained by the independent variable is measured by

[Question ID = 8152]

1. Coefficient of determination [Option ID = 32602]
2. Coefficient of correlation [Option ID = 32603]
3. Coefficient of deviation [Option ID = 32604]
4. Coefficient of skewness [Option ID = 32605]

Correct Answer :-

- Coefficient of determination [Option ID = 32602]

62) The difference between 'expected payoff under perfect information' and 'expected payoff under optimal action' is called:

[Question ID = 8153]

1. Expected payoff [Option ID = 32606]
2. Expected value of perfect information [Option ID = 32607]
3. Expected regret [Option ID = 32608]
4. State of nature [Option ID = 32609]

Correct Answer :-

- Expected value of perfect information [Option ID = 32607]

63) Supply function of a product is $X=4P^2+15$. Its price elasticity of supply at $P=Rs.5$ will be:-

[Question ID = 8154]

1. 1.50
[Option ID = 32610]
2. 1.74
[Option ID = 32611]
3. 1.70
[Option ID = 32612]
4. 2.00
[Option ID = 32613]

Correct Answer :-

- 1.74
[Option ID = 32611]

64) If $\begin{bmatrix} 2X-3Y & Z-W & 3 \\ 5 & X+4Y & 3Z+4W \end{bmatrix} = \begin{bmatrix} 1 & -2 & 3 \\ 5 & 6 & 29 \end{bmatrix}$, then X, Y, Z and W will be equal to

[Question ID = 8155]

1. 2, 5, 1, 3
[Option ID = 32614]
2. 2, 1, 5, 3
[Option ID = 32615]
3. 2, 1, 3, 5

Correct Answer :-

- 2, 1, 3, 5

[Option ID = 32616]

65) Marginal cost function of a product is $MC(X) = 2(2X+9)^{-1/2}$ and fixed cost is Rs.4, then per unit cost at $X=8$ units will be Rs.

[Question ID = 8156]

1. 2

[Option ID = 32618]

2. 3

[Option ID = 32619]

3. 2.5

[Option ID = 32620]

4. 1

[Option ID = 32621]

Correct Answer :-

- 1

[Option ID = 32621]

66) A sum of Rs.10000 deposited for 10 years at 10% p.a. compounded continuously will amount to Rs.

[Question ID = 8157]

1. 20,000 [Option ID = 32622]

2. 21,000 [Option ID = 32623]

3. 27,183 [Option ID = 32624]

4. 25,000 [Option ID = 32625]

Correct Answer :-

- 27,183 [Option ID = 32624]

67) A linear demand function provides that quantity demanded is NIL at $P=Rs.50$ and demand is 100 units if $P=0$. Its price elasticity of demand $|EP|$ at $P=Rs.25$ will be

[Question ID = 8158]

1. -2 [Option ID = 32626]

2. -1.5 [Option ID = 32627]

3. 1 [Option ID = 32628]

4. 1.5 [Option ID = 32629]

Correct Answer :-

- 1 [Option ID = 32628]

68) Marginal revenue function of a product is $MR(X)=2-6X$. Corresponding demand function will be

[Question ID = 8159]

1. $X=(P-2)/3$ [Option ID = 32630]

2. $X=(2-P)/3$ [Option ID = 32631]

3. $X=3(P-2)$ [Option ID = 32632]

4. $X=3(2-P)$ [Option ID = 32633]

Correct Answer :-

- $X=(2-P)/3$ [Option ID = 32631]

69) The average cost function of a product is $AC(X)=X+5+36/X$. The total cost of producing 10 units will be Rs.

[Question ID = 8160]

1. 36 [Option ID = 32634]

2. 85 [Option ID = 32635]

3. 100 [Option ID = 32636]

4. 186 [Option ID = 32637]

Correct Answer :-

- 186 [Option ID = 32637]

70) If $A = \begin{bmatrix} 4 & -2 \\ 1 & 3 \end{bmatrix}$, then A^{-1} will be:

[Question ID = 8161]



$$2. \begin{bmatrix} 2/7 & -1/7 \\ 1/14 & 3/14 \end{bmatrix}$$

[Option ID = 32639]

$$3. \begin{bmatrix} 3/14 & 1/7 \\ -1/14 & 2/7 \end{bmatrix}$$

[Option ID = 32640]

$$4. \begin{bmatrix} -2/7 & -1/7 \\ 1/14 & -3/14 \end{bmatrix}$$

[Option ID = 32641]

Correct Answer :-

$$\bullet \begin{bmatrix} 3/14 & 1/7 \\ -1/14 & 2/7 \end{bmatrix}$$

[Option ID = 32640]

71) Profit is maximum when:-

[Question ID = 8162]

$$1. MR = MC \text{ and } \frac{d(MR)}{dx} < \frac{d(MC)}{dx}$$

[Option ID = 32642]

$$2. MR = MC \text{ and } \frac{d(MR)}{dx} > \frac{d(MC)}{dx}$$

[Option ID = 32643]

$$3. MR = 0$$

[Option ID = 32644]

$$4. MR = MC \text{ and } \frac{d(MR)}{dx} = \frac{d(MC)}{dx}$$

[Option ID = 32645]

Correct Answer :-

$$\bullet MR = MC \text{ and } \frac{d(MR)}{dx} < \frac{d(MC)}{dx}$$

[Option ID = 32642]

72) A bill of Rs.1000 due after 3 months is discounted at 12% p.a, the bank will give Rs.

[Question ID = 8163]

$$1. 98 \text{ [Option ID = 32646]}$$

$$2. 97 \text{ [Option ID = 32647]}$$

$$3. 99 \text{ [Option ID = 32648]}$$

$$4. 95 \text{ [Option ID = 32649]}$$

Correct Answer :-

$$\bullet 97 \text{ [Option ID = 32647]}$$

73) The manufacturing cost of a product consists of Rs.1000 as overheads, material cost Rs.2 per unit and the labour cost of Rs. $X^2/90$ for X units produced. Its most economic level of output will be:-

[Question ID = 8164]

$$1. 200 \text{ units}$$

[Option ID = 32650]

$$2. 250 \text{ units}$$

[Option ID = 32651]

$$3. 300 \text{ units}$$

[Option ID = 32652]

$$4. 350 \text{ units}$$

[Option ID = 32653]

Correct Answer :-

$$\bullet 300 \text{ units}$$

[Option ID = 32652]

74) If a demand function has unitary price elasticity, then corresponding demand function will be

[Question ID = 8165]

$$1. X=P \text{ [Option ID = 32654]}$$



Correct Answer :-

- X=Constant/P [Option ID = 32655]

75) If interest is compounded semi-annually at 12% p.a., then corresponding effective rate will be -

[Question ID = 8166]

1. 12.00% p.a. [Option ID = 32658]
2. 13.00% p.a. [Option ID = 32659]
3. 12.50% p.a. [Option ID = 32660]
4. 12.36% p.a. [Option ID = 32661]

Correct Answer :-

- 12.36% p.a. [Option ID = 32661]

76) Which one of the following statements is not FALSE?

[Question ID = 8167]

1. Entrepreneurship is a strategy to capture larger market share
[Option ID = 32662]
2. To a greater extent entrepreneurship promotes concentration of economic power
[Option ID = 32663]
3. Entrepreneurship does not promote capital formation
[Option ID = 32664]
4. Entrepreneurship encourages balanced regional growth
[Option ID = 32665]

Correct Answer :-

- Entrepreneurship encourages balanced regional growth
[Option ID = 32665]

77) When was Startup Action Plan launched by the Indian government?

[Question ID = 8168]

1. 2015
[Option ID = 32666]
2. 2016
[Option ID = 32667]
3. 2017
[Option ID = 32668]
4. 2018
[Option ID = 32669]

Correct Answer :-

- 2016
[Option ID = 32667]

78) Which one of the following statements is not TRUE for an LLP?

[Question ID = 8169]

1. It is a body corporate [Option ID = 32670]
2. It does not have legal entity [Option ID = 32671]
3. It has perpetual succession [Option ID = 32672]
4. It is an alternative form to run corporate business [Option ID = 32673]

Correct Answer :-

- It does not have legal entity [Option ID = 32671]

79) We have moved to knowledge economy over the last few decades. Who among the following visualised the emergence of Knowledge Worker?

[Question ID = 8170]

1. Peter Drucker [Option ID = 32674]
2. Peter Senge [Option ID = 32675]
3. CK Prahalad [Option ID = 32676]
4. Tom Peters [Option ID = 32677]

Correct Answer :-

- Peter Drucker [Option ID = 32674]



1. Human skills, Technical skills, Conceptual skills [Option ID = 32678]
2. Conceptual skills, Human skills, Technical skills [Option ID = 32679]
3. Technical skills, Human skills, Conceptual skills [Option ID = 32680]
4. Human skills, Conceptual skills, Technical skills [Option ID = 32681]

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Correct Answer :-

- Technical skills, Human skills, Conceptual skills [Option ID = 32680]

81) For a manufacturing organization, which one of the following shall not be considered business function?

[Question ID = 8172]

1. Finance [Option ID = 32682]
2. Marketing [Option ID = 32683]
3. HR [Option ID = 32684]
4. Production [Option ID = 32685]

Correct Answer :-

- HR [Option ID = 32684]

82) Which one of the following is least characterised as a quality of a charismatic leader?

[Question ID = 8173]

1. Personal Risk-taking [Option ID = 32686]
2. Sensitivity to follower needs [Option ID = 32687]
3. Vision and articulation [Option ID = 32688]
4. Conventional behaviour [Option ID = 32689]

Correct Answer :-

- Conventional behaviour [Option ID = 32689]

83) Filtering is considered as a _____ to effective communication.

[Question ID = 8174]

1. Feedback
[Option ID = 32690]
2. Barrier
[Option ID = 32691]
3. Strength
[Option ID = 32692]
4. Comprehension
[Option ID = 32693]

Correct Answer :-

- Barrier

84) Which of the following statements is not TRUE.

[Question ID = 8175]

1. The principle of unity of command leads to a thinking that a subordinate should have one supervisor [Option ID = 32694]
2. A simple organizational structure has a low degree of departmentalization and a narrow span of control [Option ID = 32695]
3. Divisional structure groups employees into units by product, service, customer, or geographic market area [Option ID = 32696]
4. Matrix structure combines functional and product structures [Option ID = 32697]

Correct Answer :-

- A simple organizational structure has a low degree of departmentalization and a narrow span of control [Option ID = 32695]

85) Robert Kaplan and David Norton developed Balanced Scorecard to measure strategic organizational performance. Which one of the following is not the part of the scorecard?

[Question ID = 8176]

1. Financial performance [Option ID = 32698]
2. Culture [Option ID = 32699]
3. Product [Option ID = 32700]
4. Work-life conflict [Option ID = 32701]

Correct Answer :-

- Work-life conflict [Option ID = 32701]

86) As per Section 22, of the Companies Act 2013, for execution of a bill of exchange

[Question ID = 8177]

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1. A company may or may not have common seal with authorization of Company Secretary [Option ID = 32702]
2. A company shall mandatorily have a common seal [Option ID = 32703]

86) A company shall not have a common seal. [Option ID = 32704]

87) A company may or may not have a common seal with authorization of company secretary and one director [Option ID = 32705]

Correct Answer :-
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- A company may or may not have common seal with authorization of company secretary and one director [Option ID = 32705]

87) According to Section 2 (92) of the Companies Act, 2013, "unlimited company" means a company
[Question ID = 8178]

1. Not having any limit on the liability of its members. [Option ID = 32706]
2. Not having any limit on number of members [Option ID = 32707]
3. Not having any limit on amount of subscribed capital [Option ID = 32708]
4. Not having any limit on amount of creditors [Option ID = 32709]

Correct Answer :-

- Not having any limit on the liability of its members. [Option ID = 32706]

88) The fees payable to the Registrar(ROC) at the time of registration of a new company differs according to the
[Question ID = 8179]

1. Authorised capital [Option ID = 32710]
2. Paid up capital [Option ID = 32711]
3. Loan available [Option ID = 32712]
4. Number of members [Option ID = 32713]

Correct Answer :-

- Authorised capital [Option ID = 32710]

89) A Public Limited Company having share capital, may commence its business activities
[Question ID = 8180]

1. From the date of its incorporation [Option ID = 32714]
2. From the date of submission of documents [Option ID = 32715]
3. From the date of online registration of company [Option ID = 32716]
4. From the date of Commencement of Business Certificate [Option ID = 32717]

Correct Answer :-

- From the date of its incorporation [Option ID = 32714]

90) The offer under the Indian Contract Act 1872 does not stand lapsed
[Question ID = 8181]

1. By communicating the revocation [Option ID = 32718]
2. By lapse of time [Option ID = 32719]
3. By failure to accept [Option ID = 32720]
4. By accepting the offer [Option ID = 32721]

Correct Answer :-

- By accepting the offer [Option ID = 32721]

91) In a valid contract under the Indian Contract Act 1872 consideration may not be
[Question ID = 8182]

1. Past [Option ID = 32722]
2. Present [Option ID = 32723]
3. Future [Option ID = 32724]
4. Adequate [Option ID = 32725]

Correct Answer :-

- Adequate [Option ID = 32725]

92) An agreement under the Indian Contract Act 1872 is void if having a minor as
[Question ID = 8183]

1. Beneficiary [Option ID = 32726]
2. Offeror [Option ID = 32727]
3. Offeree [Option ID = 32728]
4. Shareholder [Option ID = 32729]

Correct Answer :-

- Offeror [Option ID = 32727]

93) Penalty under Information and Technology Act 2000, amounting to upto INR one Crore is not levied if, any individual or group attempts to
[Question ID = 8184]

1. Introduce any virus [Option ID = 32730]
2. Causes to introduce a virus [Option ID = 32731]
3. Without permission access a computer system [Option ID = 32732]
4. With permission secure access to a computer system [Option ID = 32733]

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Correct Answer :-



permission secure access to computer system or network. [Option ID = 32733]

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The FirstRanker's choice prescribed under the Contract Act, 1872 does not include:

[Question ID = 8185]

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1. Privy of contract [Option ID = 32734]
2. Principal be competent to contract [Option ID = 32735]
3. Agent need not have contractual capacity [Option ID = 32736]
4. Agency for Criminal Act [Option ID = 32737]

Correct Answer :-

- Agency for Criminal Act [Option ID = 32737]

95) Sec 2 (a) of the Information and Technology Act 2000 defines:

[Question ID = 8186]

1. Addressee [Option ID = 32738]
2. Access [Option ID = 32739]
3. Adjudicating Officer [Option ID = 32740]
4. Appropriate Government [Option ID = 32741]

Correct Answer :-

- Access [Option ID = 32739]

96) Finance Bill 2020 proposed to reduce the rate of Dividend Distribution Tax (DDT) which is applicable on the amount of dividend declared, distributed or paid, by a domestic company, from 15% to -

[Question ID = 8187]

1. 12.5% [Option ID = 32742]
2. 10% [Option ID = 32743]
3. 5% [Option ID = 32744]
4. 0% [Option ID = 32745]

Correct Answer :-

- 0% [Option ID = 32745]

97) For the assessment year 2020-21, dividend paid by an Indian company outside India is deemed to be -

[Question ID = 8188]

1. Received in India [Option ID = 32746]
2. Accrued in India [Option ID = 32747]
3. Received outside India [Option ID = 32748]
4. Accrued outside India [Option ID = 32749]

Correct Answer :-

- Accrued in India [Option ID = 32747]

98) For the assessment year 2020-21, the parent in whose hands the income of minor child is clubbed can claim an exemption of -

[Question ID = 8189]

1. Rs. 3,500 in respect of income of two minor children [Option ID = 32750]
2. Rs. 3,500 in respect of income of each minor child [Option ID = 32751]
3. Rs. 1,500 in respect of income of two minor children [Option ID = 32752]
4. Rs. 1,500 in respect of income of each minor child [Option ID = 32753]

Correct Answer :-

- Rs. 1,500 in respect of income of each minor child [Option ID = 32753]

99) For the assessment year 2020-21, loss from the activity of owning and maintaining race horses can be carried forward to -

[Question ID = 8190]

1. 4 years
[Option ID = 32754]
2. 8 years
[Option ID = 32755]
3. Unlimited number of years
[Option ID = 32756]
4. Can never be carried forward
[Option ID = 32757]

Correct Answer :-

- 4 years

[Option ID = 32754]

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For the assessment year 2020-21, the deduction under section 80G is respect of donation to National Children's Fund

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1. 50% of the amount donated without any limit on the donated amount [Option ID = 32759]
2. 100% of the amount donated without any limit on the donated amount [Option ID = 32759]
3. 50% of the amount donated subject to some limits on the donated amount [Option ID = 32760]
4. 100% of the amount donated subject to some limits on the donated amount [Option ID = 32761]

Correct Answer :-

- 100% of the amount donated without any limit on the donated amount [Option ID = 32759]

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