

SERIES-I

- An economic activity consisting of production, buying and selling of products and Services is -
  - (a) Business
  - (b) Profession
  - (c) Vocation
  - (d) Occupation
- Commercial Awareness involves knowledge of-
  - (a) how Businesses make money
  - (b) what customers want
  - (c) what problems are there in particular areas of business
  - (d) all of the above
- Which of the following statements distinguishes business from entrepreneurship?
  - (a) Entrepreneurs are the business owners too
  - (b) All business owners are entrepreneurs too
  - (c) Entrepreneurs seek out new opportunities and pursue innovative business ideas
  - (d) (a) and (b)
- The three most valuable attributes to be successful in business -
  - (a) Can-Do Attitude
  - (b) Resistance to change
  - (c) Commercial Awareness
  - (d) Traditional approach
  - (e) Contentment
- Technical Skills
  - (a) (i), (ii) and (iii)
  - (b) (i), (iii) and (vi)
  - (c) (iii), (v) and (vi)
  - (d) (iv), (v) and (vi)
- Which of the following is a Business activity?
  - (a) Manufacturing of goods
  - (b) Trading of goods
  - (c) Provision of services
  - (d) All of the above
- Which of the following statements does not comprise business activity?
  - (a) Sale of old furniture by a household for a profit
  - (b) A carpenter made furniture for its domestic use
  - (c) Steel furniture industry
  - (d) Domestic appliances industry
- Trade is broadly classified into -
  - (a) Domestic and Foreign
  - (b) Wholesale and Retail
  - (c) Inter-state and Intra-state
  - (d) None of the above
- Stock Market Players who raise the stock prices through building a buy pressure are called
  - (a) Bulls
  - (b) Bears
  - (c) Cash cows

- None of the above
- Which of the following is not an economic objective of the firm?
  - (a) Sales growth
  - (b) Improvement in market share
  - (c) Profits and return on investment
  - (d) Conservation of natural resources
- Stock Market Players that have pessimistic expectations -
  - (a) Bulls
  - (b) Bears
  - (c) Cash cows
  - (d) None of the above
- BCK helps CAs in -
  - (a) Becoming more aware and responsible
  - (b) Conducting audit diligently
  - (c) Handling business issues and providing solutions
  - (d) All of the above
- The level of Business and Commercial Knowledge Commercial Awareness may be referred to as
  - (a) BCK Percentage
  - (b) BCK Share
  - (c) BCK Quotient
  - (d) Degree of BCK
- Which of these is true about updating the level of BCK?
  - (a) Non-Commercial Background is a negative for improving BCK.
  - (b) Only Business Newspaper helps in updating BCK
  - (c) Even a TV commercial can impart knowledge
  - (d) Reflective Thinking on various observations and updates is a must.
- (a) (i) and (ii)
- (b) (ii) and (iii)
- (c) (iii) and (iv)
- (d) All the above
- Which is not true about an economic activity?
  - (a) Measured in terms of money
  - (b) Pragmatic approach
  - (c) Driven by emotions and sentiments
  - (d) Adds value to National Income
- Activity performed without any regard to monetary gain is -
  - (a) Economic Activity
  - (b) Commercial Activity
  - (c) Non-Economic Activity
  - (d) None of the above
- An example of Non-Economic Activity
  - (a) Running a profitable business enterprise
  - (b) Employment in a company
  - (c) Practicing as a Doctor

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- (a) Manufacturing goods for charitable purpose
17. Trading implies buying for the purposes of selling. Applying this criterion, tell which of the following activities would not qualify as trading?
- (a) Purchase of goods in bulk quantity from the manufacturer and sale in smaller quantities to the retailers
- (b) Buying from the wholesaler and selling it to the consumers
- (c) Buying from the retailer for self-consumption
- (d) Purchase of raw materials from the suppliers for further processing in the factory
18. Production represents the \_\_\_\_\_ side of economics
- (a) Demand
- (b) Supply
- (c) Income
- (d) Investment
19. Productive activity means production of goods -
- (a) For self
- (b) For family
- (c) For market
- (d) All the above
20. Which of the following occupations requires rendering of services based upon specialised knowledge and membership of an accreditation and assessment body?
- (a) Employment
- (b) Profession
- (c) Business
- (d) Agriculture
21. Income - Spending =
- (a) Savings
- (b) Investment
- (c) Wealth
- (d) Revenue
22. Transfer of Interest exists in -
- (a) Business
- (b) Profession
- (c) Employment
- (d) None of the above
23. The occupation in which people work for others and get remunerated in return is known as:
- (a) Business
- (b) Employment
- (c) Profession
- (d) None of these
24. Economic activities may be classified into Business, \_\_\_\_\_ and Employment
- (a) Profession
- (b) Occupation
- (c) Vocation
- (d) Work
25. What is the psychological motive of employment

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- (a) Service to society
- (b) Earning livelihood
- (c) Earning profits
- (d) Displaying skills
26. Which of the following statements describes the best Joint Hindu / Hindu Undivided Family (HUF) Business?
- (a) It is a form of business particular to and recognized as such in India
- (b) Every family business is in fact a HUF Business
- (c) In HUF businesses, there is a family involvement in business
- (d) Either (a) or (c)
27. Which of the following is not an advantage of single ownership?
- (a) Risk sharing
- (b) Business growth
- (c) Pooling of capital
- (d) All the above
28. Which of the following is an advantage of joint ownership?
- (a) Quick decisions
- (b) Pooling of Capital
- (c) Personal Interest
- (d) All the above
29. Sustainable development/ businesses imply:
- (a) Consistent economic performance
- (b) Attention to social problems
- (c) Harmony with nature
- (d) All of the above
30. Personal interest in business is more in
- (a) HUF
- (b) Partnership
- (c) Sole Proprietorship
- (d) LLP
31. Non-corporate Entity includes -
- (a) Sole Proprietorship, HUF and Partnership
- (b) HUF, Trust and LLP
- (c) Partnership LLP and Private companies
- (d) Sole Proprietorship, LLP and Partnership
32. Which of the following statements characterises the best non-economic activities?
- (a) Non-economic activities do not require any investment of resources
- (b) These activities do not entail any operational costs
- (c) These activities are undertaken by ascetics
- (d) The underlying purpose of these activities is not earning of a livelihood but social, psychological or spiritual satisfaction
33. \_\_\_\_\_ is a type of enterprise that is owned and run by one natural person and in which there is no legal distinction between the Owner and the Business Entity.



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- (a) Sole Proprietorship
  - (b) Company
  - (c) LLP
  - (d) One Person Company
34. Demerits of a Sole Proprietorship
- (a) Unlimited liability
  - (b) Uncertain business life
  - (c) Limited scope for expansion
  - (d) All the above
35. The Indian Companies Act provides for the registration of:
- (a) Private Limited and Public Company
  - (b) One Person Company and Small Company
  - (c) Defunct Company
  - (d) All of the above
36. HUF consists of -
- (a) all persons lineally descended from a common ancestor, including Wives and Unmarried Daughters
  - (b) all persons lineally descended from a common ancestor, except Wives and Unmarried Daughters
  - (c) all male members lineally descended from a common ancestor
  - (d) none of the above
37. \_\_\_\_\_ successive generations of an Undivided Family are known as HUF.
- (a) 2

- (a) 3
- (b) 4
- (c) 5

38. Which of the following is not true about HUF?

- (a) There is uncertainty as to the fate of the HUF Entity as a Going Concern
- (b) Ownership in Family Business arises by birth or agreement
- (c) A HUF enjoys a Separate Entity Status under the Income Tax Act, 1961
- (d) HUF includes Jain or Sikh or Buddhist or Parsi Families



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Answers SERIES-I

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a	a	b	a	b	d	d	b	d	c	a	d	a	d	d	a	b	b		



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SERIES-II

- In which Country is the Headquarter of Deutsche Bank located?
  - Germany,
  - China,
  - Holland,
  - England
- Who is the present chairman of HDFC bank?
  - Deepak S Parekh
  - M.K. Sharma
  - Sanjiv Singh
  - ChandanKumar Dey
- Who is the present chairman of ICICI bank?
  - M. K. Sharma,
  - ChandaKochar,
  - Rakesh Jha,
  - None of the Above
- Which of the following Brand is not owned by TATA?
  - Titan,
  - Sonata,
  - Voltas,
  - B- Natural
- When was Reliance Industries Ltd. incorporated?
  - 1965
  - 1966
  - 1978
  - 1959
- Who is the present chairman of SBI?
  - Rajnish Kumar,
  - NatrajanChandrasekaran
  - Alok Kumar Agarwal,
  - None of the Above
- 'Growth with Truth and Hard Work' is the Mission of which Company?
  - Idhayam,
  - Tata Sons,
  - Bajaj,
  - None of the Above
- Which pharmaceutical company has the slogan 'caring for life'?
  - Dr. Reddy's
  - Lupin Ltd.
  - Gpla Ltd.
  - Sun Pharmaceutical Industries Ltd.
- Who is the present CFO of Asian Paints?
  - Jayesh Merchant,
  - KBS Anand,
  - SanjivMisra,
  - None of the Above
- Which year SBI was incorporated?
  - 1905,
  - 1806,
  - 1812,
  - 1912



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- Which gas company owns India's largest pipeline network?
  - GAIL (India) Ltd.
  - Bharat Petroleum Corporation Ltd.
  - Reliance Industries Ltd.
  - ONGC
- Who is the present CEO of Airtel?
  - Gopal Vittal,
  - Bharti Mittal,
  - Badal Bagri,
  - None of the Above
- Which year American Express was incorporated?
  - 1850,
  - 1860,
  - 1870,
  - 1880
- Where are the Headquarters of ITC Limited?
  - Kolkata
  - Mumbai
  - Delhi,
  - Bengaluru
- When was Bajaj incorporated?
  - 1955,
  - 1965,
  - 1975,
  - 1945
- 'Good Food. Good Life' is tagline of which company?
  - ITC,
  - Nestle,
  - Walmart,
  - Idhayam
- State Bank of India was formerly known as:
  - Bank of Madras
  - Bank of Calcutta
  - Imperial Bank
  - Indian Bank
- When was ITC incorporated?
  - 1911,
  - 1910,
  - 1909,
  - 1912
- Which among the following is not a competitor of Nestle?
  - Patanjali,
  - AMul,
  - Kraft Foods,
  - Maggi
- Jayesh Merchant is the CFO of which company?
  - Asian Paints Ltd.
  - Ambuja cements Ltd.
  - Bosch Ltd.
  - Ultratech cement Ltd.
- When was Idhayam Group incorporated?
  - 1986,
  - 1987,
  - 1989,
  - 1991





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22. Where is the Headquarter of Microsoft located?  
 (a) Washington,  
 (b) New York,  
 (c) New Jersey,  
 (d) California
23. Which industrial category does Wipro Ltd. come under?  
 (a) Pharmaceuticals & Drugs  
 (b) Diversified  
 (c) Media  
 (d) IT- Software
24. When was IBM incorporated?  
 (a) 1913,  
 (b) 1915,  
 (c) 1911,  
 (d) 1917
25. Who is the present CEO of Microsoft?  
 (a) Satya Nadella,  
 (b) Tim Cook,  
 (c) SundarPichai,  
 (d) Bill Gates
26. Which of the following IT companies is not based in the US?  
 (a) Microsoft Corporation  
 (b) Intel Corporation  
 (c) HCL Technologies Ltd.  
 (d) IBM Corporation
27. Where is the Headquarters of Cipla Limited?  
 (a) Chennai,  
 (b) Kolkata,  
 (c) New Delhi,  
 (d) Mumbai
28. Where is the Headquarter of IBM located?  
 (a) Washington,  
 (b) New York,  
 (c) New Jersey,  
 (d) California
29. NESTLE is a beverage partner with which of the following companies?  
 (a) Coca-Cola India  
 (b) PepsicoIndia Holdings Pvt. Ltd.  
 (c) Red Bull India Pvt. Ltd  
 (d) Dabur India Ltd
30. Where is the Headquarters of Infosys Limited?  
 (a) Mysuru,  
 (b) Vijawada,  
 (c) Bengaluru,  
 (d) Chennai
31. Where is the Headquarter of Intel located?  
 (a) Washington,  
 (b) New York,  
 (c) New Jersey,  
 (d) California
32. Where are the headquarters of Walmart?  
 (a) Arkansas, US  
 (b) California, US  
 (c) Newyork, US



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- (d) None of the above
33. Where is the Headquarters of Reliance Industries Limited?  
 (a) Chennai,  
 (b) Mumbai,  
 (c) Kolkata,  
 (d) Delhi
34. Which of the following is not a brand of Intel?  
 (a) Core,  
 (b) Atom,  
 (c) Pentium,  
 (d) MSN
35. Who founded Wipro Limited?  
 (a) Azim Premji  
 (b) Mohamed Premji  
 (c) Champaklal H. Choksi  
 (d) Chimanlal N. Choksi
36. Ravi Bhamidipaty is the CFO of which Company?  
 (a) Reliance,  
 (b) Adani,  
 (c) Unilever,  
 (d) HP
37. Where is the Headquarter of HP located?  
 (a) Washington,  
 (b) New York,  
 (c) New Jersey,  
 (d) California
38. The major textile brand 'Vimal' was introduced in which year?  
 (a) 1975  
 (b) 1965  
 (c) 1985  
 (d) 1986
39. Asian Paints operates in how many countries?  
 (a) 19,  
 (b) 17,  
 (c) 15,  
 (d) 13
40. Which year was HP incorporated?  
 (a) 1939,  
 (b) 1941,  
 (c) 1942,  
 (d) 1943
41. Who is the present CEO of Microsoft Corporation?  
 (a) Satya Nadella  
 (b) Army Hood  
 (c) Brain M. Krzanich  
 (d) Tim Cook
42. Which of the following is not a service of Retail Banking?  
 (a) Cheque,  
 (b) DD,  
 (c) Loans,  
 (d) Trustee Services
43. Which of the following is not a brand of Apple?  
 (a) Mac,  
 (b) iTunes,  
 (c) Nike+,  
 (d) iBall

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44. Which IT company acquired Beats Electronics in 2014?  
 (a) Microsoft Corporation  
 (b) Apple  
 (c) Intel Corporation  
 (d) IBM Corporation
45. 'Distinctly Ahead' is a tagline of which company?  
 (a) Honda,  
 (b) Bajaj,  
 (c) Intel,  
 (d) IBM
46. Who is the Present CEO of Apple?  
 (a) Tim Cook,  
 (b) Steve Jobs,  
 (c) Satya Nadella,  
 (d) Sundar Pichai
47. Which Bank provides the digital service PayZapp?  
 (a) Axis Bank Limited  
 (b) HDFC Bank Limited  
 (c) ICICI Bank Limited  
 (d) SBI
48. In which year Bharti Airtel acquired Tikona Networks' 4G Business?  
 (a) 2015  
 (b) 2017  
 (c) 2014  
 (d) 2013
49. Where is the Headquarter of Walmart located?  
 (a) Arkansas,  
 (b) New York,  
 (c) New Jersey,  
 (d) California
50. Who is the present chairman of Bajaj Auto Ltd.,?  
 (a) Mr. Rahul Bajaj  
 (b) Mr. Rajiv Bajaj  
 (c) Jammalal Bajaj  
 (d) Kevin P D'sa
51. BPCL is not involved in which of the following Business?  
 (a) Retail,  
 (b) Lubricants,  
 (c) Aviation and  
 (d) Chemicals
52. Which of the following is not a Competitor for Walmart?  
 (a) K Mart,  
 (b) Target,  
 (c) Aldi,  
 (d) Sam's Club
53. Which of the following is not a product of Bajaj Auto Limited?  
 (a) Avenger  
 (b) Discover  
 (c) Splendor  
 (d) CT 100
54. Cipla was incorporated in  
 (a) 1933  
 (b) 1935  
 (c) 1938  
 (d) 1939

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55. Where is the Headquarter of Honda located?  
 (a) Tokyo,  
 (b) Beijing,  
 (c) Sydney,  
 (d) Mumbai
56. Which of the following is a subsidiary of Gail India Limited?  
 (a) Central Coalfields Limited  
 (b) Mahanadi Coalfields Limited  
 (c) Western Coalfields Limited  
 (d) Brahmaputra Cracker and Polymer Limited
57. CIL and NTPC has Joint venture  
 (a) 40:60  
 (b) 50:50  
 (c) 30:70  
 (d) None of the Above
58. Which of the following is not Manufactured by Honda?  
 (a) Automobiles,  
 (b) Aircraft,  
 (c) Power Equipment,  
 (d) Bicycles
59. Which company is ranked 33rd in Forbes 2000 companies in 2016?  
 (a) Nestle  
 (b) Walmart  
 (c) IBM Corporation  
 (d) RIL
60. "Bringing expensive medicine within reach" is a Philosophy of which company?  
 (a) Dr. Reddy's,  
 (b) Cipla,  
 (c) Ranbaxy,  
 (d) None of the Above
61. Which year was Cadburys' incorporated?  
 (a) 1824,  
 (b) 1834,  
 (c) 1844,  
 (d) 1854
62. Who is the present CFO of Adani Ports and Special Economic Zone Ltd.?  
 (a) Ravi Bhamidipaty  
 (b) Karan Gautambhai Adani  
 (c) Alok Kumar Agarwal  
 (d) Farokh Nariman Subedar
63. Who is the Chairman of GAIL?  
 (a) Bhuvan Chandra Tripathi,  
 (b) Chandra Kochhar,  
 (c) Sanjiv Misra,  
 (d) None of the Above
64. Which of the following is not Manufactured by Cadburys?  
 (a) Chocolates,  
 (b) Biscuits,  
 (c) Beverages,  
 (d) None of the Above

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65. Deutsche Bank was founded in Berlin in which year?  
 (a) 1970  
 (b) 1870  
 (c) 1890  
 (d) 1980
66. Which of the following is the core value of HDFC Bank?  
 (a) Operational Excellence,  
 (b) Customer Focus,  
 (c) Product Leadership  
 (d) All the above
67. Where is the Headquarter of Unilever located?  
 (a) London,  
 (b) Rotterdam,  
 (c) New Jersey,  
 (d) Both a and b
68. American Express was ranked the 17th most admired company by Fortune in which year?  
 (a) 2014  
 (b) 2015  
 (c) 2016  
 (d) 2017
69. HDFC Bank merged with which Bank in February, 2000?  
 (a) RBS,  
 (b) Bank of Mathura,  
 (c) Times Bank,  
 (d) None of the Above
70. Which of the following is not a brand of Unilever?  
 (a) Kwality Walls,  
 (b) Axe,  
 (c) Hamam,  
 (d) Pantene
71. The mission of which transnational company is 'Good Food, Good Life?'  
 (a) Tata Group  
 (b) Reliance fresh  
 (c) Nestle  
 (d) Starbucks
72. Who is the CFO of ICICI Bank?  
 (a) Rakesh Jha,  
 (b) Bhuvan Tripathi,  
 (c) ChandaKochar,  
 (d) None of the above
73. For the 15th time in 16 years, Unilever was named leader of the Food, Beverage & Tobacco Industry Group with a score of \_\_\_\_\_ out of 100?  
 (a) 95,  
 (b) 92,  
 (c) 89,  
 (d) 88.
74. When did Microsoft begin its business in India?  
 (a) 1990  
 (b) 1991  
 (c) 1995  
 (d) 1989
75. The Bank of Rajasthan (BOR) was acquired by which Bank?  
 (a) HDFC,

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- (b) ICICI,  
 (c) Axis Bank,  
 (d) SBI
76. Which Company was ranked 8th on Forbes World's Biggest Public Companies list of 2016?  
 (a) Apple,  
 (b) Walmart,  
 (c) IBM,  
 (d) Microsoft
77. What is Intel's rank in the "Fortune 500 World's Most Admired Companies" in 2017?  
 (a) 48th  
 (b) 46th  
 (c) 45th  
 (d) 38th
78. Indian Catalyst Private Limited is the subsidiary of which company?  
 (a) IOC,  
 (b) BPCL,  
 (c) NTPC,  
 (d) ONGCO
79. Which Company was ranked 46th in "Fortune 500 World's Most Admired Companies" list of 2017?  
 (a) Apple,  
 (b) Intel,  
 (c) IBM,  
 (d) Microsoft
80. Who was the founder of Walmart?  
 (a) Sam Watson  
 (b) Bret Biggs  
 (c) Greg Penner  
 (d) Luca Maestri
81. In which Year Infosys for renamed to "Infosys Limited"?  
 (a) 2011,  
 (b) 2013,  
 (c) 2015,  
 (d) 2009
82. What was the initial name of Apple Inc.?  
 (a) Apple corporation  
 (b) Apple Computer Inc.  
 (c) Apple IT solutions  
 (d) Apple Mac Inc.
83. What was Indian Tobacco Company called before?  
 (a) Imperial Tobacco Company,  
 (b) International Tobacco Company,  
 (c) Indonesia Tobacco Company,  
 (d) None of the Above
84. What was ICICI Bank's rank among private sector banks in India as per Brand Equity's 'Most Trusted Brands of 2016' survey?  
 (a) 1st  
 (b) 2nd  
 (c) 3rd  
 (d) 4th



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85. Which of the following is not a FMCG product?
- (a) Sunfeast,  
(b) Engage,  
(c) Fiana and  
(d) Soya meal
86. Indane LPG is the product of which corporation in India?
- (a) IOCL  
(b) NTPC  
(c) ONGC  
(d) PGCIL
87. L&T has over \_\_\_\_\_ subsidiaries?
- (a) 130,  
(b) 145,  
(c) 115,  
(d) 119
88. By what name are the Education and Stationary products by ITC known in India?
- (a) Camel  
(b) Apsara  
(c) Natraj  
(d) Classmate
89. Which year L&T was incorporated?
- (a) 1938,  
(b) 1937,  
(c) 1939,  
(d) 1941
90. Where are the headquarters of L&T?
- (a) Bengaluru
- (b) Delhi  
(c) Mumbai  
(d) Chennai
91. What is the commissioned capacity of NTPC?
- (a) 48,028MW,  
(b) 32 GW,  
(c) 45,280 MW,  
(d) 32, 380 MW
92. Who is the CMD of Power Grid Corporation of India Ltd.?
- (a) I.S. Jha  
(b) K Sreekant  
(c) Vishal Sikka  
(d) M. D. Ranganath
93. Who is the Chairman of NTPC?
- (a) Gurdeep Singh,  
(b) SanjivMisra,  
(c) ArundathiBattacharya,  
(d) None of the above
94. Power System Operation Corporation Limited (POSOCO) is a subsidiary of:
- (a) IOCL  
(b) NTPC  
(c) ONGC  
(d) PGCIL
95. How much does ONGC contributes towards production of India's crude oil?
- (a) 23%,  
(b) 37%,  
(c) 77%,



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- (d) 63%
96. 'My customer First' is the Vision of which Bank?
- (a) SBI  
(b) Axis Bank  
(c) HDFC Bank  
(d) Bank of Baroda
97. Power System Operation Corporation Limited is a subsidiary of which company?
- (a) ONGC,  
(b) Power Grid,  
(c) IOC,  
(d) NTPC
98. What is the Global banking platform by EdgeVerve Systems(Infosys) called?
- (a) Mana  
(b) Finacle  
(c) Skava  
(d) Panaya Cloud Suite
99. Reliance Industries are into what type of Business?
- (a) Concentrated,  
(b) Conservative,  
(c) Conglomerate,  
(d) None of the above.
100. Which of the following is not a subsidiary of NTPC?
- (a) Kanti Bijlee Utpadan Nigam Limited  
(b) PatratuVidyutUtpadan Nigam Limited  
(c) Bhartiya Rail Bijlee Company Limited  
(d) Kalinga BidyutPrasaran Nigam Private Limited.

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Answers SERIES-II

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21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
a	a	d	c	a	c	d	b	a	c	d	a	b	d	b	b	d	a	a	a

41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60
a	d	d	b	b	a	b	b	a	a	d	d	c	b	a	d	b	d	a	a

61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80
a	a	a	d	b	d	d	d	c	d	c	a	b	a	b	a	b	a	b	a

81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
a	b	a	a	d	a	a	d	a	c	a	a	a	d	c	a	b	b	c	d

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SERIES-III

1. In which of the following basic categories can Business Environment be divided?
  - (a) Local and Regional
  - (b) Regional and National
  - (c) Internal and External
  - (d) Financial and Non-financial
2. .... represents all external forces, factors or conditions that exert some degree of impact on the business decisions, strategies and actions taken by the Firm.
  - (a) Business Location
  - (b) Business Environment
  - (c) Business Threat
  - (d) Business Surrounding
3. Organisations depend upon which environment for Input:
  - (a) Technological Environment
  - (b) Social-Economic Environment
  - (c) External Environment
  - (d) Legal Environment
4. Business Environment represents \_\_\_\_\_ forces that exert some degree of impact on the business decisions taken by the Firm.
  - (a) Internal Forces
  - (b) External Forces
  - (c) Financial Forces
  - (d) National Forces
5. External factors in a Business Environment include -
  - (a) Opportunities
  - (b) Threats
  - (c) Both (a) and (b)
  - (d) None of the above
6. Environmental Analysis helps in:
  - (a) Providing input for strategic decision making
  - (b) Turning threat's to firms advantage
  - (c) Anticipate opportunities and to take optimal responses
  - (d) All of the above
7. \_\_\_\_\_ environment is within the control of the business.
  - (a) Internal
  - (b) External
  - (c) Micro
  - (d) Macro
8. \_\_\_\_\_ environment is beyond the control of the business.
  - (a) Internal
  - (b) External
  - (c) Micro
  - (d) Macro
9. Internal factors affecting a business environment is also referred to as \_\_\_\_\_ factors.
  - (a) controllable.
  - (b) uncontrollable factors.



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- (c) relevant.
- (d) global.
- 10. Trends relate to:
  - (a) Happening of events in internal Environment
  - (b) Grouping of similar or related events
  - (c) Demands made by Interested group
  - (d) None of the above
- 11. External factors affecting a business environment is also referred to as \_\_\_\_\_ factors.
  - (a) controllable
  - (b) relevant
  - (c) global
  - (d) uncontrollable
- 12. Which of the following does not characterize the Business Environment?
  - (a) Methods of production
  - (b) Complexity
  - (c) Uncertainty
  - (d) Relativity
- 13. Which of the following exhibit characteristic of Business Environment?
  - I. Environment is static
  - II. Environment is dynamic
  - III. Environment is complex and multi-faceted
  - IV. It has short term reach Options
  - (a) Point I & III
  - (b) Point I, II & III
- (c) Point II & IV
- (d) Point II & III
- 14. What are the pre-requisites for a Firm to respond to the External Environment?
  - (a) Monitoring the Environment
  - (b) Identifying the factors
  - (c) Capacity to develop effective responses
  - (d) All of the above
- 15. A change in the Environment -
  - (a) is always Accepted by Firms
  - (b) is always declined by Firms
  - (c) may be an opportunity to some and threat to some other Firms
  - (d) None of the above
- 16. A threat is
  - (a) An unfavourable condition in organisation environment which creates risk or damage to the environment
  - (b) An inherent limitation or constraint
  - (c) An unfavourable condition in organisation environment which consolidates its strength
  - (d) None of the above
- 17. Which type of Enterprise does not have the need to interact with the Environment?
  - (a) Small Enterprises



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- (b) Proprietary Firm
- (c) Micro Enterprises
- (d) None of the above
- 18. Who occupies the central position in the marketing environment?
  - (a) Consumer
  - (b) Customer
  - (c) Organisation
  - (d) All of the above
- 19. Characteristics of a Business Environment include -
  - (a) Dynamism
  - (b) Complex
  - (c) Multi-faceted
  - (d) All of the above
- 20. The price sensitivity of the market is an important factor of which element of Micro environment:
  - (a) Suppliers
  - (b) Market
  - (c) Intermediaries
  - (d) Customer
- 21. The basic goals of Environmental Analysis include
  - (a) Knowing and understanding the changes in the environment
  - (b) Collecting relevant information for decision making
  - (c) Facilitating strategic thinking
- (d) All of the above
- 22. Why is it difficult to understand Environmental Influences?
  - (a) It has different sub-systems
  - (b) It cannot be predicted easily
  - (c) It has a complex frame work
  - (d) All of the above
- 23. \_\_\_\_\_ with their own bargaining power affect the cost structure of the industry.
  - (a) Intermediaries
  - (b) Suppliers
  - (c) Consumer
  - (d) Government
- 24. Procedure of analyzing threats and opportunities of organization's environment is classified as
  - (a) Environmental influences
  - (b) Environmental economics
  - (c) Environmental planning
  - (d) Environmental scanning
- 25. In external environmental scanning, interest rates, cycle of recessions and inflation are classified as
  - (a) geographic influences
  - (b) government influences
  - (c) economic influences
  - (d) technological advancement





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26. Which of the following is not a factor of Demographic Environment?
- Ethnic Mix
  - Legal
  - Population size
  - Geographic Distribution
27. In external environmental scanning, tax legislations, social security legislations and tax provisions are classified as
- geographic influences
  - government influences
  - economic influences
  - technological advancement
28. Business and technology are:
- Interrelated
  - Interdependent
  - Interrelated & Interdependent
  - None of the above
29. Which of the following is not a part of the external environment of the organization?
- Technological factor
  - Political factor
  - Legal factor
  - Organizational structure
30. Environment which is close to business and affect its capacity to work is known as \_\_\_\_\_ environment:
- Micro
  - Macro
  - Internal
  - External
31. SWOT analysis refers to -
- Strength, Weakness, Options and Threats
  - Strength, Weakness, Opportunities and Threats
  - Strength, weakness, Options and Traits
  - Strength, Weakness, Opportunities and Traits
32. A Firm's capacity to take advantage over its competitors is known as -
- Opportunity
  - Power
  - Strength
  - Prospect
33. Study of human population is called as \_\_\_\_\_ environment.
- Political
  - Demographic
  - Global
  - Economic
34. \_\_\_\_\_ is an inherent limitation or constraint which creates a strategic disadvantage.
- Weakness
  - Threat
  - Risk
  - Competition
35. Opportunity is a \_\_\_\_\_ condition in the Firm's



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- environment which enables it to consolidate and strengthen its position.
- Unfavourable
  - Risky
  - Favourable
  - New
36. What is the single word that can best describe today's business?
- Technology
  - Persistence
  - Profit making
  - Change
37. Internal factors in SWOT analysis include -
- Strength and Weakness
  - Strength and Opportunities
  - Opportunities and Threats
  - Threats and Weakness
38. Under SWOT Analysis, Strength of a Firm does not refer to-
- Competitive Advantage
  - Availability of Resources
  - Advantages enjoyed by Employees
  - Favourable Market
39. Competition is beneficial to the competing firms besides benefiting the \_\_\_\_\_?
- Intermediaries
  - Customers
  - Producers
  - Financiers
40. Effective use of social media for marketing is
- Strength
  - Weakness
  - Opportunity
  - Threat
41. Interactions with Environment does not include -
- Exchange of information
  - Exchange of resource
  - Exchange of influence
  - None of the above
42. \_\_\_\_\_ is the process by which organizations monitor their relevant environment to identify opportunities and threats affecting their business for the purpose of taking strategic decisions.
- Forecasting
  - Assessment
  - Scanning
  - None of the above
43. Interactions between the Organization and Environment include -
- Gathering data about the Organization and its surrounding
  - Collecting information about the Shareholders
  - Gathering information about the Employees
  - All of the above





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44. The following statement relates to which strategic response approach to the environment: They seek to monitor the changes in that environment, analyse their impact on their own goals and activities and translate their assessment in terms of specific strategies for survival, stability and strength.
- Proceed with caution
  - Least resistance
  - Dynamic response
  - Static Response
45. The Environment offers -
- Opportunities, incentives and rewards
  - Constraints, threats and restrictions
  - Both (a) and (b)
  - Neither (a) nor (b)
46. While considering factors for Environmental Scanning what does "Trends" indicate?
- specific occurrences taking place in different environmental sectors
  - general tendencies or the courses of action along which events take place
  - current concerns and emerging issues
  - demands made by interested groups in the light of their concern for issues
47. Which of the following is not a part of the economic environment?
- Market and trade cycles
  - Consumer buying patterns
  - Strength of consumer spending
  - Interest and exchange rates
48. While considering factors for Environmental Scanning what does "Issues" indicate?
- specific occurrences taking place in different environmental sectors
  - general tendencies or the courses of action along which events take place
  - current concerns that arise in response to events and trends and emerging issues
  - demands made by interested groups in the light of their concern for issues
49. The immediate environment with which the firm operates is called -
- Micro Environment
  - Macro Environment
  - External Environment
  - Peripheral Environment
50. Micro Environment is also known as -
- Internal Environment



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- Task Environment
  - General Environment
  - Both (a) and (b)
51. What is the kind of response that businesses should make efforts to exploit the opportunity and thought the threats:
- Strategic Responses
  - Least resistance
  - Diversify
  - Simplify
52. Macro Environment is also known as -
- Internal Environment
  - Task Environment
  - General Environment
  - Both (a) and (b)
53. Which of the following elements constitute Micro Environment?
- Competitors
  - Customers
  - Suppliers
  - All the above
54. Which of the following is not a characteristic of least resistance strategic response:
- Simple goal maintaining
  - Passive approach
  - Dynamic
  - All of the above
55. Indirect Competition means -
- Competition between Firms, which are in same business activity
  - Competition between Firms in different areas of activity
  - Competition between Firms in different locations
  - There is no such competition
56. Competitors refer to the other business entities that compete for -
- Resources only
  - Markets only
  - Resources as well as markets
  - None of the above
57. Perceiving the needs of the external environment and catering to them, satisfying the expectations and demands of the clientele groups is
- Reciprocal agreement
  - Interdependent process
  - Management process
  - Interaction process
58. Which of the following groups are important for the self analysis of the Organisation?
- Shareholders
  - Directors
  - Employees
  - All of the above
59. Supplier Environment does not have an impact on -
- Quality of materials



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- (b) Cost of Materials and Service
  - (c) Changes in consumer tastes, preferences and expectations
  - (d) Availability of materials and services
60. Process of strategy formulation starts with:
- (a) Appraisal of external and internal environment of the of an organisation
  - (b) Performance analysis
  - (c) Choice of strategy
  - (d) None of the above
61. Which of the following issues should be considered while analysing the market?
- (a) Maturity Level of the market
  - (b) Cost Structure of the market
  - (c) Price Sensitivity of the market
  - (d) All of the above
62. \_\_\_\_\_ response not merely recognise and ward o threats but also covert threat into opportunities:
- (a) Aggressive
  - (b) Dynamic
  - (c) Static
  - (d) Passive
63. Intermediaries in the marketing channel establish a link between -
- (a) Organisation Customers and
  - (b) Organisation Suppliers and
  - (c) Suppliers and Customers and the
  - (d) Wholesalers Retailers and
64. \_\_\_\_\_ occupies the Central position in the marketing environment.
- (a) Supplier
  - (b) Customer
  - (c) Retailer
  - (d) Advertiser
65. Through SWOT analysis:
- (a) Strengths and weakness existing within the environment can be matched with opportunities and threats in the organisation.
  - (b) Strengths and weakness existing outside the organisation can be matched with opportunities and threats with the internal environment.
  - (c) Strengths and weakness existing outside the organisation can be matched with opportunities and threats with the external environment.
  - (d) Strengths and weakness existing within an organisation can be



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- matched with opportunities and threats in the environment.
66. The elements of the Microenvironment consist of -
- (a) Political, competitive pressures, Social and physical forces
  - (b) Suppliers, competitors, customers and distributors
  - (c) Technology, legal legislation, supply chain and competitors
  - (d) Economic, Customers, Social and Political forces
67. Elements of Macro Environment include -
- (a) Legal Environment
  - (b) Competitors
  - (c) Customers
  - (d) All of the above
68. The businesses should continuously \_\_\_\_\_ and \_\_\_\_\_ to the environment if it is to service and prosper.
- (a) Identify, appraise
  - (b) Monitor, adapt
  - (c) Identify, monitor
  - (d) Monitor, appraise
69. Socio Cultural Factors affecting business environment include -
- (i). Role of women
  - (ii). Education levels
  - (iii). Population size
  - (iv). Political pressure
70. Relationship between organisation and environment can be described through:
- (a) Exchange of information
  - (b) Exchange of resources
  - (c) Exchange of influence and power
  - (d) All of the above
71. "Demographics" denote -
- (a) Density of population
  - (b) Growth rate of population
  - (c) Characteristics of population
  - (d) Bottlenecks of over population
72. "Demographics" denote characteristics of population which include -
- (a) Race
  - (b) Age
  - (c) Employment status
  - (d) All of the above
73. According to Peter Drucker aim of the business is to \_\_\_\_\_ and \_\_\_\_\_
- (a) Create and retain customer
  - (b) Retain customer and create profits



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- (c) Create and retain consumer  
(d) Retain consumer and maximise wealth
74. Factors to be considered for analysing Demographic Environment does not include -  
(a) Population Size  
(b) Family structure  
(c) Cultural composition  
(d) Income distribution
75. Analysis of Income Distribution of the population comes under -  
(a) Economic Environment  
(b) Social Environment  
(c) Legal environment  
(d) Demographic Environment
76. The non-specific elements of the organisations, surroundings that may affect its activities are;  
(a) Customers, suppliers and employees  
(b) Suppliers, owners, employees  
(c) Owners, Board of Directors and Employees  
(d) Customers, Intermediaries, Suppliers.
77. Monetary Policy includes -  
(a) activities and interventions that aim at smooth supply of credit to the business and a boost to trade and industry.  
(b) Policy in respect of Public Expenditure, Taxation (both Direct and Indirect) and Public Debt.  
(c) regulating the inflow of Foreign Investment in various sectors for speeding up industrial development, and related objectives  
(d) increasing exports and bridge the gap between Exports and Imports
78. The \_\_\_\_\_ environment refers to the nature and direction of the economy in which a company competes or may compete.  
(a) Socio-cultural  
(b) Internal  
(c) Micro  
(d) Economic
79. Which of the following are key economic indicators?  
(a) Import/ Export factors  
(b) Stock market trends  
(c) GDP trends  
(d) All the above
80. \_\_\_\_\_ Policy aims at regulating the inflow of foreign investment in various sectors for speeding up industrial development, and related objectives.  
(a) Fiscal  
(b) Monetary  
(c) Foreign Investment



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- (d) Both (a) and (c)  
(a) Complex  
(b) Static  
(c) Dynamic  
(d) Diverse
81. Which of the following statement is not a factor influencing socio-cultural environment:  
(a) Family structure and changes in it, attitude towards and within the family, and family values.  
(b) Educational levels, awareness and consciousness of rights, and work ethics of members of society.  
(c) Opportunities arising out of technological innovation.  
(d) Role of women in society, position of children and adolescents in family and society
82. Which of the following is an effect of Globalization at the Organizational Level?  
(a) Company commits itself heavily with several manufacturing locations around the world and offers products in several diversified industries  
(b) Company has the ability to compete in domestic markets with foreign competitors.  
(c) Both (a) and (b)  
(d) None of the above
83. Analyzing process of change in the business environment involves conceptualising its as:  
(a) Political  
(b) Legal  
(c) Economic  
(d) Environmental
84. The Process of integration of the world into one huge market is called as -  
(a) Nationalization  
(b) Globalization  
(c) Capitalization  
(d) None of the above
85. \_\_\_\_\_ factors describe how and to what extent the Government intervenes in the economy and the activities of Business Firms.  
(a) Political  
(b) Legal  
(c) Economic  
(d) Environmental
86. The performance of business in the private sector is measured by:  
(a) Profitability  
(b) Customer Satisfaction  
(c) Number of employees  
(d) The salary of BOD
87. PESTLE Analysis involves the analysis of -  
(a) Micro Environment  
(b) Macro Environment  
(c) Business Environment  
(d) Global environment





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88. \_\_\_\_\_ Analysis is a way of scanning the environmental influences that have affected or are likely to affect an organization or its policy.
- SWOT
  - PESTLE
  - COSMIC
  - None of the above
89. Joint Ventures, Federations, Strategic Alliances, etc. are a way of -
- Competitive response
  - Collective response
  - Confident response
  - None of the above
90. Which of the following statements is true about Competitive Response?
- It seeks to enhance the Entity's performance by establishing a Competitive Advantage over its rivals.
  - It aims at defining the Entity's purpose and key tasks in relationship to particular environments.
  - It helps Entities to manage environmental uncertainty and perform tasks that are too costly and complicated for single Entities to perform.
  - All the above
91. In the PEST framework for environmental analysis what does the letter E stand for?
- Ecological
  - Economic
  - Ethical
  - Educational
92. Business Responses to Environment are classified as
- Conservative, Cautious and Confident
  - Administrative, Legal, Competitive
  - Administrative, Competitive and Collective
  - Conservative, Sluggish and Aggressive
93. Which approach has the least resistance in responding to the Environment?
- Confident Approach
  - Conservative Approach
  - Cautious Approach
  - Careful Approach
94. All are elements of micro environment except:
- Consumer.
  - Suppliers.
  - Competitors.
  - Society.
95. Which approach has the dynamic response to the Environment?
- Confident Approach
  - Conservative Approach
  - Cautious Approach
  - Careful Approach



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96. The approach adopted by enterprises which are very passive in their behaviour and are solely guided by the signals of external environment.
- Cautious approach
  - Confident approach
  - Conservative approach
  - Careful approach
97. Select the correct statement out of the following:
- Environmental factors are totally beyond the control of a single industrial enterprise.
  - Environmental factors are largely beyond the control of a single industrial enterprise.
  - Environmental factors are totally within the control of a single industrial enterprise.
  - None of the above.
98. Firms that adopt a cautious approach -
- manage to survive by way of coping with their changing external environments.
  - regard the external environmental forces as partially manageable and controllable by their actions.
  - take an intelligent interest to adapt with the changing external environment
  - all of the above
99. In response to the changes in the environment organizations in general should:
- Understand the impact of changes on the strategy and make appropriate modifications.
  - Make efforts that changes are reverted back so that organizations can function smoothly.
  - Ignore the changes.
  - None of the above.
100. Which one of the following cannot be included under the nature of relationship between business and environment?
- Interdependence
  - Dynamic
  - Social Change
  - Fixed
101. All are elements of macro environment except:
- Society.
  - Government.
  - Competitors.
  - Technology.
102. Globalisation can create problems for business because
- It can result in more competition
  - It increases vulnerability to the political risk and uncertainty when operating abroad



- (c) It means that they can increase price
- (d) All the options are correct

103. Read the following three statements:

- (i) The environment is constantly changing in nature.
- (ii) Various environmental constituents exist in isolation and do not interact with each other.
- (iii) The environment has a far reaching impact on organizations. From the combinations given below select an alternative that represents statements that are true:

- (a) (i) and (ii).
- (b) (ii) and (iii)
- (c) (i) and (iii)
- (d) (i), (ii) and (iii)

104. TO determine a country's attractiveness to business require

- (a) A detailed analysis of elements in the macro environment
- (b) An assessment of the political and financial risks of doing business in that country

- (c) An analysis of the competitive environment
- (d) All of the above

105. \_\_\_\_\_ refers to an external forces that have a bearing on the functioning of the business.

- (a) Environment
- (b) Culture
- (c) System
- (d) None of these

106. Which environmental factors regulate the values and beliefs, traditions and customs of society?

- (a) Political-legal factors
- (b) Technological factors
- (c) Economic factors
- (d) Socio-cultural factors

107. Which of the following is not a business opportunity generated by Globalisation?

- (a) Access to low cost labour
- (b) Cheap International Transport
- (c) Currency Crisis
- (d) Less stringent regulations of the Business Environment

108. The term PESTLE analysis is used to describe a framework for analyzing:

- (a) Macro Environment
- (b) Micro Environment
- (c) Both Macro and Micro Environment
- (d) None of above



Answers SERIES-III

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
c	b	c	b	c	d	a	b	a	b	d	a	d	d	c	a	d	a	d	b

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d	d	b	d	c	b	b	c	d	a	b	c	b	a	c	d	a	d	b	c

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d	c	a	b	a	b	b	b	b	a	b	c	b	d	a	c	b	C	a	d

101	102	103	104	105	106	107	108	109
c	a	c	d	a	d	c	a	b

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SERIES-IV

1. \_\_\_\_\_ is a course or principle of action adopted or proposed by an organization or individual.
  - (a) Rule
  - (b) Procedure
  - (c) Policy
  - (d) Strategy
2. Who was the regulatory body for controlling financial affairs in India before SEBI?
  - (a) Controller of Capital Issues
  - (b) Reserve Bank of India
  - (c) Insurance Regulatory and Development Authority of India
  - (d) Government of India
3. MNCs have to align their operations according to the \_\_\_\_\_ of those nations where from they operate.
  - (a) Government policy
  - (b) Public policy
  - (c) Business policy
  - (d) Trade policy
4. Identify the one which may be considered as a public policy:
  - (a) A decision by a central government to purchase a fleet of cars
  - (b) An old building to be demolished by a municipal corporation
  - (c) All citizens are to be provided with biometric aadhar card
  - (d) Government passes a special resolution to change the name of a park
5. Public Policies on monetary aspects, economy, market, taxes etc. are reflected in
  - (a) Annual Budget
  - (b) Annual Report
  - (c) National Survey report
  - (d) None of the above
6. \_\_\_\_\_ is a plan or course of action, of a Government, intended to influence and determine decisions, actions, and other matters.
  - (a) Public policy
  - (b) Business policy
  - (c) Government policy
  - (d) Trade policy
7. Which of the following statement is correct?
  - (a) A Policy emanates from decision and decision is taken in line with the goal
  - (b) A Decision emanates from policy and policy is taken in line with the goal
  - (c) A goal emanates from decision and decision is taken in line with the policy



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- (d) A Policy emanates from goal and decision is taken in line with the goal
8. Public Policies are always \_\_\_\_\_. Fill in the gap by taking the appropriate expression from the following:
  - (a) Goal oriented
  - (b) Minutely defined
  - (c) Pro-rich
  - (d) For the poor
9. Targets of the Government is called -
  - (a) Decision
  - (b) Policy
  - (c) Objective
  - (d) Goal
10. Policy is concerned with the -
  - (a) Targets of the Government
  - (b) General welfare and development of the Society
  - (c) Choosing one particular course of action, out a many alternatives available
  - (d) All of the above
11. Act of making choice is called
  - (a) Decision
  - (b) Judgement
  - (c) Assessment
  - (d) selection
12. Gabriel Almond popularized the idea of a -
  - (a) political culture
  - (b) social culture
  - (c) Politics-policy relationship
  - (d) None of the above
13. David Easton propounded a Model on Politics-Policy Relationship known as -
  - (a) Feedback
  - (b) Black Box Model
  - (c) White Box Model
  - (d) Both (a) and (b)
14. OCBs mean:
  - (a) Overseas Corporate Bodies
  - (b) Ordnance Commission Bilateral secretariat
  - (c) Oversees Civic Boards
  - (d) Oversees Commercial Bilateral Treaties
15. The Governments try to look for some avenues to look for a feedback process towards Public Policy. These processes are known as -
  - (a) Policy Developments
  - (b) Policy Reforms
  - (c) Policy changes
  - (d) None of the above
16. Policies based on nature of economy is classified as -
  - (a) Developed Economy, Emerging Economy, Socialist and Communist States



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- (b) Monarchy, Aristocracy, and Democracy  
 (c) Urban, Rural and Semi-urban  
 (d) None of the above
17. FEMA replaced FERA as legislation in:  
 (a) 1991  
 (b) 1992  
 (c) 1999  
 (d) 2006
18. Which of the following is not an example of Public Policy?  
 (a) Restructuring of Government debts  
 (b) Separate compartment for Women in trains  
 (c) To make River Ganga pollution free  
 (d) None of the above
19. When was SEBI constituted?  
 (a) 1988  
 (b) 1990  
 (c) 1986  
 (d) 1989
20. Public Policies are classified as -  
 (a) Positive, Negative, Neutral  
 (b) Regulatory, Facilitative, Restrictive and Distributive  
 (c) Govt. driven, business driven and people driven  
 (d) None of the above
21. NABARD refines the financial institutions which finances the \_\_\_\_\_  
 (a) Urban sector  
 (b) Rural sector  
 (c) Secondary sector  
 (d) Service sector
22. Waiving of farm loans is an example of -  
 (a) Regulatory Policy  
 (b) Facilitative Policy  
 (c) Restrictive Policy  
 (d) Distributive Policy
23. How many members of SEBI should be from RBI?  
 (a) 4  
 (b) 3  
 (c) 1  
 (d) 2
24. Establishment of Central Board of Film Certification is an example of-  
 (a) Regulatory Policy  
 (b) Facilitative Policy  
 (c) Restrictive Policy  
 (d) Distributive Policy
25. Reforms in Dowry Act and Divorce Act are the examples of:  
 (a) Economic Reforms  
 (b) Cultural Reforms  
 (c) Commercial Reforms  
 (d) Socio-cultural, Reforms

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26. The process by which a legislative proposal is brought before a law making body and then translated into the law of the land is called -  
 (a) Policy Drafting  
 (b) Law making  
 (c) Presenting the Law  
 (d) None of the above
27. NABARD serves as an apex financing agency for the institutions providing investment and production credit for promoting the various developmental activities in \_\_\_\_\_  
 (a) Rural areas  
 (b) Urban areas  
 (c) Sub-urban areas  
 (d) All of the above
28. Law making body at the Central Level in India -  
 (a) Vidhan Sabha  
 (b) Lok Sabha  
 (c) Vidhan Parishad  
 (d) All the above
29. Law making body at the State Level in India -  
 (a) Rajya Sabha  
 (b) Lok Sabha  
 (c) Vidhan Parishad  
 (d) All the above
30. Where can the first appeal against SEBI be made?  
 (a) High Court  
 (b) Supreme Court  
 (c) Securities Appellate Tribunal  
 (d) RBI
31. The Lower House in State Legislature -  
 (a) Rajya Sabha  
 (b) Vidhan Sabha  
 (c) Lok Sabha  
 (d) Vidhan Parishad
32. The Upper House in State Legislature -  
 (a) Rajya Sabha  
 (b) Vidhan Parishad  
 (c) Lok Sabha  
 (d) Vidhan Parishad
33. The EXIM bank does not perform one of the following functions:  
 (a) It finances exports and imports of goods and services of India  
 (b) It finances exports and imports of goods and services of third world countries  
 (c) It finances exports and imports of machinery on lease basis.  
 (d) It finances ventures in global market to acquire Indian firms.
34. When a State has both Vidhan Sabha and Vidhan Parishad, the Proposed Bills should be passed -



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- (a) Atleast in the Vidhan Sabha
- (b) Atleast in the Vidhan Parishad
- (c) Both Vidhan Sabha and Vidhan Parishad
- (d) At the discretion of the State
35. Decisions on annual financial spending, Taxes and Duties and Military spending are considered in:-
- (a) Policies
- (b) Budget
- (c) Goal Setting
- (d) Long term planning process
36. The Economic Change Process is characterized by -
- (a) Liberalization
- (b) Privatization
- (c) Globalization
- (d) All of the above
37. Who regulates the currency in the country?
- (a) RBI
- (b) Central Bank
- (c) Finance Ministry
- (d) All of the above
38. The Economic policy which refers to the gradual decrease in Government command and control over the economic policies -
- (a) Liberalization
- (b) Privatization
- (c) Globalization
- (d) Delegation
39. NABARD is the most important institution in the country which looks after the development of the
- (a) Cottage industry.
- (b) Small industry
- (c) Village industry
- (d) All of the above.
40. Transfer of Government Ownership to private hands is called -
- (a) Nationalization
- (b) Globalization
- (c) Privatization
- (d) Liberalization
41. Which of the following institutions has been scrapped recently?
- (a) Minerals and Metals Regulatory Commission
- (b) Coal India Limited
- (c) Planning Commission
- (d) FIPB
42. Which of the following is an impact of Liberalization?
- (a) Divestment
- (b) Foreign Investment
- (c) Rapid restructuring and reforming of the PSUs
- (d) All of the above

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43. Who of the following is not primarily a profit seeking institution?
- (a) NABARD
- (b) EXIM Bank
- (c) SIDBI
- (d) RBI
44. Privatization may have an adverse effect on -
- (a) Growth and expansion of Industries
- (b) Enhancing efficiency, quality and competitiveness.
- (c) Employee morale generating fear of dislocation or termination
- (d) All of the above
45. The RBI has been vested with extensive power to control and supervise commercial banking system under which Act?
- (a) The Reserve Bank of India Act, 1933
- (b) The Reserve Bank of India Act, 1934
- (c) The Reserve Bank of India Act, 1935
- (d) The Reserve Bank of India Act, 1936
46. FDI involves the acquisition of atleast \_\_\_\_\_ of the voting power in an Enterprise by Foreign Investors.
- (a) 25%
- (b) 51%
- (c) 10%
- (d) 20%
47. Who cannot be a Foreign Direct Investor?
- (a) Governments or Government Agencies.
- (b) Estates, Trusts, or other organizations.
- (c) Unincorporated Private or Public Enterprises
- (d) None of the above
48. The Reserve Bank of India performs all the central banking functions. Which one of the following is not the functions of RBI?
- (a) Issue of currency
- (b) Banker to the government
- (c) Watchdog of the unethical competition in the market
- (d) Custodian of the nation's foreign exchange reserves
49. A Watch Company of Malaysia investing in a textile Company in India is an example of -
- (a) Horizontal FDI
- (b) Vertical FDI
- (c) Conglomerate FDI
- (d) None of the above
50. Which one of the following is not the role of the Competition Commission of India?



- (a) To promote practices having adverse effect on competition.
- (b) To promote and sustain competition in markets.
- (c) To protect the interests of consumers and,
- (d) To ensure freedom of trade carried on by other participants in markets in India.
51. \_\_\_\_\_ is a process in which the Resident of one Country acquires ownership of **Financial Assets / Securities** in another Country.
- (a) Foreign Direct Investment
- (b) Foreign Industrial Investment
- (c) Foreign Portfolio Investment
- (d) None of the above
52. When was IRDAI constituted?
- (a) 1997
- (b) 1998
- (c) 1999
- (d) 2000
53. Which of the following statements is not true about FPI
- (a) Speculative in nature
- (b) Increase in Output, Employment, Wage Levels, etc. of the Country in which Investment takes place.
- (c) No Interest in Management or Control
- (d) Constitutes Investment in Nominal Capital
54. In India, Foreign Investments is prohibited in -
- (a) Chit Funds
- (b) Real Estate
- (c) Cigar manufacturing
- (d) All of the above
55. The form of privatization, where government keeps hold of responsibility and private enterprise handles the management of it fully or partly is known as:
- (a) Disinvestment
- (b) Deregulation
- (c) Delegation
- (d) Decentralization
56. A category of Facilitators, who operate to ease the doing of business -
- (a) Business Facilitators
- (b) Trade Facilitators
- (c) Industry Facilitators
- (d) All the above
57. Which Section of IRDAI Act, 1999 lays down the duties, powers and functions of IRDAI?
- (a) Section 10
- (b) Section 12
- (c) Section 14
- (d) Section 5



58. An example of Point of Contact (POC) Business Facilitators
- (a) Transport Agency
- (b) Business Incubator
- (c) Bank
- (d) Insurance Company
59. SIDBI caters to the needs of -
- (a) Micro Industries
- (b) Small Enterprises
- (c) Medium Enterprises
- (d) All the above
60. SEBI, RBI and IRDA are:
- (a) Regulatory Institutions
- (b) Policy Institutions
- (c) Satellite Institutions
- (d) Goal setting bodies
61. Which of the following is not a function of SIDBI?
- (a) Leasing and Factoring Services to MSMEs.
- (b) Assistance to the Service Sector including Transport, Health Care, Tourism, etc.
- (c) Re-Financing of Loans and Advances given by the Primary Lending Institutions
- (d) Financing the Joint Ventures abroad.
62. Who is the custodian of the nation's foreign exchange reserves?
- (a) Central Government of India
- (b) President of India
- (c) Reserve Bank of India
- (d) State Bank of India
63. The Subsidiary of SIDBI that enables faster realization of receivables by MSMEs
- (a) SMERA
- (b) RXIL
- (c) MUDRA
- (d) SVCL
64. Which of the following statements about RBI is incorrect?
- (a) It deals largely with Governments, Central and State Banks.
- (b) Its role is to ensure monetary stability, including stability of domestic price levels.
- (c) One of its missions is to protect the interest of policyholders.
- (d) The RBI is the sole authority for the issue of currency in India.
65. EXIM Bank acts as an apex Banking Institution in -
- (a) Foreign Trade
- (b) Agriculture
- (c) Industrial loan
- (d) All the above
66. The RBI has been vested with extensive power to control and supervise commercial banking system under the-

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- (a) Reserve Bank of India Act, 1934.  
 (b) The Banking Regulation Act, 1949.  
 (c) Both (a) and (b).  
 (d) None of the above.
67. EXIM Bank activities include -  
 (a) Import of technology  
 (b) Export marketing.  
 (c) Overseas investment.  
 (d) All the above
68. A \_\_\_\_\_ emanates from decision and decision is taken in line with \_\_\_\_\_. Identify the right expression to fill in the blanks:  
 (a) Policy; Goal  
 (b) Budget; Plan  
 (c) Plan; Budget  
 (d) Goal; Plan
69. Which of the following is not a function of EXIM Bank?  
 (a) Financing the exports and imports of goods and services of third world countries  
 (b) Financing the exports and imports of machinery on lease basis  
 (c) Financing the Joint Ventures abroad  
 (d) None of the above
70. For the discharge of its functions efficiently, SEBI has been vested with the following powers:  
 (a) To approve by-laws of stock exchanges.  
 (b) To inspect the books of accounts and call for periodical returns from recognized stock exchanges.  
 (c) To compel certain companies to list their shares in one or more stock exchanges.  
 (d) All of the above
71. Provision of finance for agriculture is now handled by  
 (a) Export-Import Bank of India (EXIM Bank)  
 (b) Small Industries Development Bank of India (SIDBI)  
 (c) Reserve Bank of India (RBI)  
 (d) National Bank for Agriculture and Rural Development (NABARD)
72. What is the constitution of Competition Commission of India?  
 (a) A chairperson and 6 members appointed by the Central Government  
 (b) A chairperson and 5 members appointed by the Central Government  
 (c) A chairperson and 5 members appointed by the RBI  
 (d) A chairperson and 6 members appointed by the RBI

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73. NABARD is a -  
 (a) Bank  
 (b) Board  
 (c) Exchange Programme for consumer goods  
 (d) Department
74. SEBI has several functions rolled into one body. Which one of the following is not the function of SEBI?  
 (a) Quasi-legislative  
 (b) Quasi-judicial  
 (c) Quasi-professional  
 (d) Quasi-executive
75. Which of the following is not correct about RBI?  
 (a) Central Bank of our country  
 (b) Apex Monetary Institution of the highest authority in India  
 (c) It has the responsibility for controlling the country's EXIM Policy  
 (d) It is the Custodian of the Nation's Foreign Exchange Reserves
76. In case of Maruti-Suzuki, the Union Government surrendered partial ownership and sold the majority stake to Suzuki of Japan in course of time. This is a case of:  
 (a) Partial Disinvestment  
 (b) Displacement  
 (c) Delegation
77. RBI Nationalized in \_\_\_\_\_  
 (a) 1949  
 (b) 1969  
 (c) 1935  
 (d) 1991
78. Which of the following is not a development bank?  
 (a) IFCI  
 (b) NABARD  
 (c) EXIM  
 (d) SBI
79. Central Bank is one which constitutes the -  
 (a) Apex of the monetary and banking structure  
 (b) Base of the monetary and banking structure  
 (c) At the middle of the monetary and banking structure  
 (d) None of the above
80. In case of NOCIL (National Organic Chemicals Industries Limited), the Reliance Industries Limited as a private enterprise expanded and gradually displaced the government entity. It was a case of:  
 (a) Partial Disinvestment  
 (b) Complete Privatization  
 (c) Delegation  
 (d) Displacement
81. Which of the following is the monetary authority of a country?





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- (a) Government of the country
  - (b) Banking system of the country
  - (c) The Central Bank of the country
  - (d) All of these
- (b) Banker of Banks
  - (c) Arranging for clearing arrangements between Banks
  - (d) All of the above

82. The Industrial Finance Corporation of India (IFCI) was established in which year?

- (a) 1945
- (b) 1946
- (c) 1947
- (d) 1948

83. Identify which of these is not a function of the Central Bank.

- (a) Custodian of Foreign Exchange Reserves
- (b) Issue of Currency
- (c) Paying interest on deposits obtained from the public
- (d) Custodian of Cash Reserves

84. Blackrock invested 30 million USDs as a portfolio investor in Indian stock market. This may be a case of:

- (a) FDI
- (b) FII investment
- (c) Indirect investment
- (d) NRI investment

85. Identify which of these is not a function of the Central Bank.

- (a) Formulating the Government Budget

86. In order to take a decision, there must be \_\_\_\_\_ course of action. Fill in the blank space with appropriate expression.

- (a) One
- (b) Specific
- (c) Financial
- (d) More than one

87. Identify which of these is not a function of the Central Bank.

- (a) Clearing arrangements among Banks
- (b) Implementing Government's monetary policy
- (c) Specifying Income Tax Rates
- (d) Custody of Cash Reserves

88. Which of the following is not the function of RBI.

- (a) Banker's Bank
- (b) Issue of currency.
- (c) Regulation of Foreign Trade
- (d) Custodian of Forex Reserves

89. FDI in sectors /activities which do not require any prior approval either of the Government or the Reserve Bank of India is identified as:



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- (a) Green Channel
- (b) Priority route
- (c) Non-Commercial Route
- (d) Automatic Route

90. Since when has IFCI been converted into a private limited company?

- (a) 1991
- (b) 1992
- (c) 1993
- (d) 1994

91. Which of the following statements about Central Bank is incorrect?

- (a) Central Bank regulates currency in accordance with the requirements of business and the general public
- (b) Central Banks performs general banking and agency service for the state
- (c) Central Bank generally deals with the public and tries to encourage saving habits among people
- (d) None of the above.

92. SEBI has to be responsive to the needs of groups, which constitute the market:

- (a) The issuers of securities
- (b) The investors
- (c) The market intermediaries
- (d) All of the above

93. The current CRR is -

- (a) 3%
- (b) 5%
- (c) 4%
- (d) 6%

94. Which one of the following statements is incorrect?

- (a) The SEBI members consist of a Chairman, who shall be appointed by Central Government.
- (b) The SEBI members consist of two members from amongst the officials of the Ministry of the Central Government.
- (c) The SEBI members consist of one member from amongst the official of RBI, who shall be nominated by RBI.
- (d) The SEBI members consist of five other members out of which atleast four members shall be whole-time members, who shall be appointed by Central Government.

95. The current SLR is -

- (a) 17.50
- (b) 19.50
- (c) 19.00
- (d) 17.00

96. Which of the following statements about IFCI is not true?



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- (a) It guarantees loans raised by the industrial concerns.  
 (b) It underwrites shares and debentures of the industrial concerns.  
 (c) IFCI has been a Private Financial Institution since its inception.  
 (d) I-Fin is a subsidiary of IFCI.
97. Which of the following is a quantitative measure of credit policy -  
 (a) Direct Credit  
 (b) SLR  
 (c) CRR  
 (d) Both (b) and (c)
98. The method of FDI other than Automatic route is called -  
 (a) NRI Route  
 (b) Government Route  
 (c) Institutional Route  
 (d) Priority Route
99. Which of the following is a quantitative measure of credit policy -  
 (a) Direct Credit  
 (b) SLR  
 (c) CRR  
 (d) Both (b) and (c)
100. Which of the following is a direct beneficiary of IFCI?  
 (a) Agro-based industry  
 (b) Service industry  
 (c) Capital & Intermediate goods industry  
 (d) All of the above
101. The rate of interest at which the RBI lends to Banks  
 (a) Repo Rate  
 (b) Bank Rate  
 (c) Reverse Repo Rate  
 (d) Time Rate
102. FIPB stands for:  
 (a) Foreign Institutional Promotion Board  
 (b) Foreign Institutional Preparatory Board  
 (c) Foreign Investment Priority Board  
 (d) Foreign Investment Promotion Board
103. Bank Rate at 1% =  
 (a) 10 basis points  
 (b) 100 basis points  
 (c) 1000 basis points  
 (d) None of the above
104. Which institution has been recently designated as a nodal agency for "Scheme of Credit Enhancement Guarantee for Scheduled Entrepreneurs"?  
 (a) IDBI  
 (b) SIDBI  
 (c) IFCI  
 (d) NABARD

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105. If current Bank Rate is 9% and RBI decreases it by 10 basis points, the New Rate will be  
 (a) 8%  
 (b) 8.10%  
 (c) 9.10%  
 (d) 8.90%
106. \_\_\_\_\_ is rate at which Banks borrow money from the RBI against pledging or sale of Government Securities to RBI.  
 (a) Demand Rate  
 (b) Interest Rate  
 (c) Repo Rate  
 (d) Reverse Repo Rate
107. \_\_\_\_\_ is the rate of interest offered by RBI, when Banks deposit their Surplus Funds with the RBI for short periods.  
 (a) Demand Rate  
 (b) Interest Rate  
 (c) Repo Rate  
 (d) Reverse Repo Rate
108. Which of the following, set up in 1990, is the Principal Financial Institution for the promotion, financing and development of the Micro, Small and Medium enterprise sector?  
 (a) SIDBI  
 (b) EXIM Bank  
 (c) NABARD  
 (d) IFCI
109. SEBI stands for -  
 (a) Securities and Exchange Bank of India  
 (b) Securities and Exchange Board for Investment  
 (c) Securities and Exchange Board of India  
 (d) None of These
110. Identify the sector where, FDI is not permitted:  
 (a) Automobile  
 (b) Infrastructure  
 (c) Textile  
 (d) Real Estate
111. Headquarter of SEBI is located at  
 (a) New Delhi  
 (b) Mumbai  
 (c) Kolkata  
 (d) None of These
112. Which among the following complaints not dealt by SEBI  
 (a) Complaints falling under the purview of the regulatory bodies like RBI, IRDA, PFEDA, CCI, FMC etc.  
 (b) Complaints regarding Pension Fund  
 (c) Complaints regarding Commodities  
 (d) All of Above
113. The Chairman of SEBI shall be appointed by the  
 (a) Central Government  
 (b) RBI  
 (c) Members of SEBI  
 (d) None of the above

114. SIDBI does not function as a Nodal/ Implementing Agency to which ministry of the Government:
- Ministry of textiles
  - Ministry of Food Processing and industry
  - Ministry of Commerce and Industry
  - Ministry of External Affairs
115. How many officials of RBI shall be members of the SEBI Board?
- No minimum limit
  - Atleast 1
  - Atleast 2
  - RBI Officials cannot be members of SEBI
116. Simplification of trade restrictions related to import is an example of:
- Globalization
  - Privatization
  - Disinvestment
  - Aggregation
117. Duties of SEBI does not include
- Protecting of the interests of investors in securities
  - Promoting the development of Securities Market
  - Regulating the Securities Market
  - None of the above
118. Which bank took over the operations of the international finance wing of IDBI, and became the principal financial institution in the field of international trade in India?
- EXIM bank
  - IFCI
  - SIDBI
  - None of the above
119. Which of the following groups does not constitute the Securities Market?
- Investors
  - Issuers of Securities
  - Intermediaries
  - None of the above
120. SEBI has its Western Regional Office in:
- Pune
  - Mumbai
  - Ahmedabad
  - Surat
121. SEBI's functions are classified as-
- Quasi-Legislative, Quasi-Judicial and Quasi-Administrative
  - Quasi-Legislative, Quasi-Judicial and Quasi-Executive
  - Quasi-Legislative, Quasi-Authority and Quasi-Executive

- (d) Quasi-Governmental, Quasi-Judicial and Quasi-Executive
122. Sale of 50% stake in a PSU to a single private sector company is an example of:
- Displacement of stake
  - Decentralization of Authority
  - Delegation of stake
  - Disinvestment to form a Joint Venture
123. Appeal against SEBI's Orders lies to the
- Stock Market Tribunal
  - Securities Appellate Tribunal
  - Supreme Court
  - None of the above
124. Which of the given statements does not stand true for EXIM Bank?
- It was set up in 1982.
  - It finances joint ventures abroad.
  - It provides counselling services to companies engaged in exports and imports.
  - It is a member of the Alliance for Financial inclusion
- (c) Secondary Market
- (d) Investment Market
126. Example of Secondary Market
- BSE
  - NSE
  - NYSE
  - All the above
127. Where is the headquarter of NABARD? ;
- Mumbai
  - Delhi
  - Gurugram
  - Bengaluru
128. Power of SEBI under the SEBI Act
- withdraw recognition of Stock Exchange
  - issue directions to recognised Stock Exchanges
  - prevent fraudulent and unfair trade practices
  - handle licensing of Dealers in Securities in certain areas
129. Large number of SHGs have been linked to credit, resulting in an important Indian tool for microfinance, by the endeavour of:
- NABARD
  - SIDBI
  - IDBI
  - SEBI
125. When a Company publicly sells new stocks and bonds for the first time, it does so in -
- Stock Market
  - Primary Market

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130. Under the SCRA, the SEBI has power to
- investigation
  - seize records
  - specify Listing Requirements
  - withdraw recognition of Stock Exchange.
131. Hyundai India Limited came to India through the FDI route. It followed the path of:
- Divestment in Public Sector Unit
  - Joint Venture
  - By creating a 100% Indian subsidiary
  - Replacement of a government sector business.
132. A situation in a market in which Sellers independently strive for the Buyers' patronage, in order to achieve certain business objective
- Market share
  - Competition
  - Market segment
  - All the above
133. Increase in Competition leads to
- Producers will have maximum incentive to innovate and specialize
  - Reduced costs
  - Wider choice to Consumers
  - All the above
134. The regional office of SEBI is not located in:
- Chennai
  - Kolkata
  - Chandigarh
  - Ahmedabad
135. The situation where products perform the same function and compete against each other is called -
- Conventional Competition
  - Direct Competition
  - Straight Competition
  - None of the above
136. FDI is allowed in:
- Tea Plantation
  - Coconut Plantation
  - Sugarcane Plantation
  - All of the above
137. \_\_\_\_\_ is the conflict between vendors whose products or services are not the same, but that could satisfy the same consumer need.
- Indirect Competition
  - Secondary Competition
  - Unconventional Competition
  - All of the above
138. Which one of the following is an Indian regulatory body that facilitates business organizations?
- EXIM Bank
  - NABARD
  - IRDAI
  - IFCI

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139. IRDAI stands for -
- Income Regulatory and Development Authority of India
  - Indemnity Regulatory and Development Authority of India
  - Insurance Regulatory and Development Authority of India
  - Insurance Regulatory Department of India
140. \_\_\_\_\_ is an Indian Development Bank.
- RBI
  - SEBI
  - SIDBI
  - IRDAI
141. Which of the following statements is true? IRDAI comprises of -
- Not more than 5 Whole-Time Members, and Not more than 4 Part-Time Members
  - Not more than 4 Whole-Time Members, and Not more than 5 Part-Time Members
  - More than 4 Whole-Time Members, and Not more than 5 Part-Time Members
  - Not more than 5 Whole-Time Members, and Not more than 5 Part-Time Members
142. After independence, India followed a:
- Socialistic Path of Development
  - Commonwealth Model of Growth
  - Mixed Economic Path
  - Capitalistic Model of Development
143. FDI Limit in Insurance Sector is
- 39%
  - 49%
  - 29%
  - 59%
144. Which of the following is not an Indian Development Bank?
- EXIM Bank
  - NABARD
  - RBI
  - IFCI





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Answers SERIES-IV

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
c	a	b	c	a	c	a	a	d	b	a	a	d	a	b	a	c	d	a	b

21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
b	d	c	a	d	b	a	b	c	c	b	b	d	a	b	d	b	a	d	c

41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60
c	b	d	c	b	c	d	c	c	a	c	c	b	d	c	a	c	b	d	a

61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80
d	c	b	c	a	c	d	a	d	d	d	a	a	c	c	d	a	d	a	d

81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
c	d	c	b	a	d	c	c	d	c	d	d	c	d	b	c	d	b	a	d

101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120
b	d	b	c	d	c	d	a	c	d	b	d	a	d	b	a	d	a	d	c

121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144
b	d	b	d	b	d	a	c	a	d	c	b	d	c	b	d	a	c	c	c	a	c	b	c



SERIES-V

1. To charge a regular portion of an expenditure over a fixed period of time.
  - (a) Amortize
  - (b) Appreciation
  - (c) Arbitrage
  - (d) Offer.
2. Payments occur at the beginning of each period.
  - (a) Appreciation
  - (b) Arbitrage
  - (c) Offer
  - (d) Annuity Due
3. Appreciation is
  - (a) Increase in Value
  - (b) Decrease in Value
  - (c) No Change in Value
  - (d) None of the above
4. The simultaneous purchase and sale of two identical commodities or instruments is called
  - (a) Amortize
  - (b) Appreciation
  - (c) Arbitrage
  - (d) Offer
5. Careful review of financial records of an organisation to verify their accuracy is called
  - (a) Appreciation
  - (b) Audit
  - (c) Offer
  - (d) Arbitrage
6. A statement of the financial position of a company at a single specific time is called
  - (a) Bond
  - (b) Debt
  - (c) Balance Sheet
  - (d) Book Value
7. \_\_\_\_\_ is a type of long-term Promissory Note
  - (a) Bond
  - (b) Debt
  - (c) Balance Sheet
  - (d) Book Value
8. The amount of revenue from sales which exactly equals the amount of expense at
  - (a) Budget
  - (b) Balance Sheet
  - (c) Break Even Point
  - (d) None of the above
9. \_\_\_\_\_ is a detailed plan for the future, usually expressed in formal quantitative terms.
  - (a) Budget
  - (b) Balance Sheet
  - (c) Break Even Point
  - (d) None of the above
10. Bear is a situation in which\_\_\_\_\_
  - (a) stock-market players are pessimists
  - (b) they expect share prices or any other type of investment to fall
  - (c) prices are going to go lower and majority o dealers will sell as quickly as possible for fear of holding shares which diminish in value
  - (d) All the Above

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11. The price of a security at the beginning of the trading day which is used to determine the Day Minimum/Maximum and the Operational ranges for that day is called
- Base Price
  - Basket Price
  - Stock Price
  - None of the above
12. Carrying forward of transaction form one settlement period to the next without effecting delivery or payment is called
- Bear Market
  - Base Price
  - Badla
  - Blue Chips
13. Shares of large, well established and financially sound companies with an impressive record of earnings and dividends are called
- Bonds
  - Blue Chips
  - Badla
  - None of the above
14. Measurement of relationship between stock price of any particular stock and the movement of whole market is called
- Beta
  - Alpha
  - Bid
  - Bond
15. Promissory note issued by companies or government to its buyers is called
- Beta
  - Alpha
  - Bid
  - Bond
16. market in which the stock price is increasing consistently is called
- Bear Market
  - Bull Market
  - Stock Market
  - None of the above
17. Business day
- Monday - Friday
  - Except Public holidays
  - Stock Markets are open
  - All the above
18. The demand by a company or any other issuer of shares for payment is called
- Call
  - Offer
  - Bid
  - None of the above
19. A free allotment of shares made in proportion to existing shares out of accumulated reserves is called
- Bond
  - Bonus
  - Bid
  - Offer
20. The financial markets for stocks and for intermediate or long-term debt is called
- Bull Market
  - Bear Market
  - Capital Market
  - None of the above

21. A type of debt instrument that is not secured by physical assets or collateral is
- Bond
  - Debenture
  - Promissory Note
  - None of the above
22. Depreciation is
- A way of spreading the cost of an asset over its expected useful economic life
  - It is an expense allowance made for wear and tear on an asset over its estimated useful life
  - It is an expense that is supposed to reflect the loss in value of a fixed asset
  - All the above
23. Reducing the investment risk by purchasing shares of different companies operating in different sectors is
- Diversification
  - Penetration
  - Development
  - None of the above
24. An attempt to increase the number of outstanding shares of a company by splitting the existing shares is called
- Stock Split
  - Stock Addition
  - Stock Fix
  - None of the above
25. A market in which there are comparatively low number of bids to buy and offers to sell is called
- Thick market
  - Stock Market
  - Thin Market
  - None of the Above
26. Benchmarking is
- the process of comparing the products and services of a business against those of competitors in a market, or leading businesses in other markets, in order to and ways of improving quality and performance
  - An analysis of competitor strengths and weaknesses
  - used to evaluate a Firm's relative competitive position opportunities or improving
  - All the above
27. Which of the following statements are true with brand Equity?
- Brand Equity refers to the value of a brand.
  - Brand equity is based on the extent to which the brand has high brand loyalty, name awareness, perceived quality and strong product associations.
  - Brand equity also includes other "intangible" assets such as patents, trademarks and channel relationships.
  - All the above
28. a strongly motivated and long standing decision of the customer to purchase a particular product or service is called
- Brand Equity

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- (b) Brand value  
(c) Brand Loyalty  
(d) None of the above
29. the collection of businesses and products that make up the business is called  
(a) Business Diversification  
(b) Consortium  
(c) Business Portfolio  
(d) None of the above
30. a combination of several companies working together for a particular purpose is called  
(a) Business Diversification  
(b) Consortium  
(c) Business Portfolio  
(d) None of the above
31. Using a customer's buying history to select them for related offers is called  
(a) Cross Selling  
(b) Up selling  
(c) Aggressive selling  
(d) None of the above
32. Feeling or attitude that inclined a customer either to return to a company, shop or outlet to purchase there again, or else to re-purchase a particular product, service or brand is called  
(a) Customer need  
(b) Customer satisfaction  
(c) Customer Loyalty  
(d) None of the above
33. When businesses and non-profit organizations market their products, services or causes directly to consumers based on consumer interests is called  
(a) Indirect marketing  
(b) Direct marketing  
(c) Advertisement  
(d) None of the above
34. any goods that are stored, delivered and used in its electronic format.  
(a) Consumer Goods  
(b) Capital Goods  
(c) Digital Goods  
(d) None of the above
35. Which of the following is not an example of Digital Goods?  
(a) Ticket  
(b) e-Books  
(c) Music  
(d) Magazines
36. The network of organisations necessary to carry goods or services from the manufacturers to the consumers is called  
(a) Communication Channel  
(b) Marketing Channel  
(c) Distribution Channel  
(d) None of the above
37. A reduction in costs through larger operating units, spreading fixed costs over large numbers of items/units is called  
(a) Economies of scale  
(b) Diseconomies of scale  
(c) Returns to scale  
(d) None of the above
38. The conditions and forces that define a firm's competitive position

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- and influences its strategic options is called  
(a) External Environment  
(b) Internal Environment  
(c) Competitive Environment  
(d) Both a and c
39. FMCG stands for  
(a) Fast moving Consumer goods  
(b) Fast Moving Capital goods  
(c) First moving Commercial Goods  
(d) None of the above
40. The process of estimating future demands by anticipating what buyers are likely to do under a given set of marketing conditions is called  
(a) Benchmarking  
(b) Forecasting  
(c) Prediction  
(d) None of the above
41. The process of eliciting support for a company and its activities among its own employees, in order to encourage them to promote its goals is called  
(a) External Environment  
(b) Internal Environment  
(c) Competitive Environment  
(d) Both a and c
42. A third party commercial operation established by two or more firms to pursue a particular market, resource supply, or other business opportunity is called  
(a) Merger  
(b) Acquisition  
(c) Joint venture  
(d) None of the above
43. The company that has control over a certain market is called  
(a) Market Follower  
(b) market Leader  
(c) market niche  
(d) None of the above
44. The systematic gathering, recording and analysing of data about problems relating to the marketing of goods and services is called  
(a) Benchmarking  
(b) Forecasting  
(c) market Research  
(d) None of the above
45. as the percentage of all sales within a market that is held by one brand / product or company is called  
(a) Market Population  
(b) Market Potential  
(c) Market Share  
(d) None of the above
46. the science and art of exploring, creating and delivering value to satisfy the needs of a target market at a profit is called  
(a) Sales  
(b) Forecasting  
(c) Marketing  
(d) None of the above
47. When many consumers receive the same message from businesses and non-profit organizations through media is called



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- (e) Mass Marketing  
 (b) Green Marketing  
 (c) Marketing Mix  
 (d) None of the above
48. a process when two or more companies come together to expand their business operations is called  
 (a) Merger  
 (b) Acquisition  
 (c) Joint venture  
 (d) None of the above
49. the exploitation of comparatively small market segments by businesses that decide to concentrate their efforts is called  
 (a) Mass Marketing  
 (b) Green Marketing  
 (c) Niche Marketing  
 (d) None of the above
50. — occurs when a firm charges a different price to different groups of consumers for an identical good or service, for reasons not associated with costs.  
 (a) Price rigidity  
 (b) Price discrimination  
 (c) Price sensitivity  
 (d) None of the above
51. the effect a change in price will have on customers is called  
 (a) Price rigidity  
 (b) Price discrimination  
 (c) Price sensitivity  
 (d) None of the above
52. charging a relatively high price for a short time where a new, innovative, or much-improved product is launched onto a market is called  
 (a) Price rigidity  
 (b) Price skimming  
 (c) Price sensitivity  
 (d) None of the above
53. a financial expression of the value of that product is called  
 (a) Price  
 (b) Cost  
 (c) Expenditure  
 (d) None of the above
54. Reaching out to a group of consumers sharing common consumer characteristics with the most appropriate advertisements is called  
 (a) Target marketing  
 (b) test marketing  
 (c) Telemarketing  
 (d) None of the above
55. a new product is tried with a sample of customers, or launched in a restricted geographical area, to judge customers' reactions.  
 (a) Target marketing  
 (b) test marketing  
 (c) Telemarketing  
 (d) None of the above
56. a customer benefit that no other product can claim is called  
 (a) Unique selling proposition  
 (b) Unique selling point  
 (c) Unified selling point  
 (d) None of the above

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57. a signed instrument of acknowledgment that indicates the approval is called  
 (a) Acceptance  
 (b) Terms  
 (c) Conditions  
 (d) None of the above
58. the interest, accumulated on an investment but is not yet paid is called  
 (a) Simple interest  
 (b) Compound interest  
 (c) Accrued interest  
 (d) None of the above
59. rates of interest which can be changed contractually by lender is called  
 (a) bank rate  
 (b) administered rates  
 (c) Accrued interest  
 (d) None of the above
60. ADR stands for  
 (a) American Deposit rate  
 (b) American Depository ratio  
 (c) American Depository receipt  
 (d) None of the above
61. ATM stands for  
 (a) Automated Money  
 (b) Automated Teller Machine  
 (c) Any Time Money  
 (d) None of the above
62. rate at which the Central Bank in the discharge of its function as Banker's Bank lends to the commercial banks is called  
 (a) bank rate  
 (b) administered rates  
 (c) Accrued interest  
 (d) None of the above
63. measure of change in financial parameters such as interest, stock indices and market rates is called  
 (a) Census  
 (b) Index  
 (c) Basis point  
 (d) None of the above
64. a limit that regulates the increase or decrease in the rate of interest and installments of an adjustable rate mortgage is called  
 (a) Gap  
 (b) Cap  
 (c) Basis point  
 (d) None of the above
65. the total amount of cash that is present in the bank account and can also be withdrawn immediately is called  
 (a) Credit  
 (b) Reserve  
 (c) Bond  
 (d) None of the above
66. — is a negotiable instrument that instructs the bank to pay a particular amount of money from the writer's bank, to the receiver is called  
 (a) Promissory Note  
 (b) Letter of Credit  
 (c) Cheque  
 (d) None of the above
67. secondary protection sometimes required by a bank and intended to guarantee a borrower's

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- performance on a debt obligation is called
- (a) Share Value  
(b) market value  
(c) Customer value  
(d) None of the above
68. a charge that is paid by any borrower or debtor for the use of money is called
- (a) bank rate  
(b) administered rates  
(c) Interest rate  
(d) None of the above
69. A document issued by a bank (on behalf of the buyer or the importer), stating its commitment to pay a third party (seller or the exporter), a specific amount, for the purchase of goods by its customer, who is the buyer is called
- (a) Promissory Note  
(b) Letter of Credit  
(c) Cheque  
(d) None of the above
70. a legal agreement between the lender and the borrower where real estate property is used as collateral for the loan, in order to secure the payment of the debt is called
- (a) Mortgage  
(b) Letter of Credit  
(c) Cheque  
(d) None of the above
71. the value at which the demand of consumers and the supply of the manufacturers decide the price of a commodity or service is called
- (a) Demand  
(b) Market value  
(c) Customer value  
(d) None of the above
72. a check or rather an amount of check, which is above the balance available in the account of the payer is called
- (a) Demand draft  
(b) Cheque  
(c) Overdraft  
(d) None of the above
73. The sum or portion of the value that is at stake of subject to loss from a variation in prevalent interest rates is called
- (a) Value at risk  
(b) Value at par  
(c) Certain Value  
(d) None of the above
74. The rate at which banks borrow money from the RBI against pledging or sale of government securities to RBI is known as
- (a) Repo rate  
(b) reverse repo rate  
(c) Interest rate  
(d) None of the above
75. It is the rate of interest offered by RBI, when banks deposit their surplus funds with the RBI for short periods is called
- (a) Repo rate  
(b) reverse repo rate  
(c) Interest rate  
(d) None of the above
76. A very large loan extended by a group of small banks to a single

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- borrower, especially corporate borrowers is called
- (a) Corporate Loan  
(b) Syndicated Loan  
(c) Personal Loan  
(d) None of the above
77. economic insolvency, wherein the person's assets are liquidated, to pay off all liabilities is called
- (a) Acquisition  
(b) Liability  
(c) Bankruptcy  
(d) None of the above
78. a systematic process of removing the barriers to international trade in goods and services and the international flows of capital is called
- (a) Privatisation  
(b) Globalisation  
(c) MNC  
(d) None of the above
79. a systematic process of easing of government's control over the private business activity is called
- (a) Privatisation  
(b) Globalisation  
(c) Liberalisation  
(d) None of the above
80. a commercial activity implying moving of supplies to the production facilities and goods and services to their respective markets is called
- (a) Supply chain  
(b) Logistics  
(c) Production  
(d) None of the above
81. a systematic process of dispensing with the state ownership of business enterprises is called
- (a) Privatisation  
(b) Globalisation  
(c) Liberalisation  
(d) None of the above
82. a road map of a company's future - providing specifics about technology and customer focus, the geographic and product markets to be pursued is called
- (a) Mission  
(b) Vision  
(c) Quality Policy  
(d) None of the above
83. A statement typically focused on its present business scope is called
- (a) Mission  
(b) Vision  
(c) Quality Policy  
(d) None of the above
84. What is consolidation?
- (a) It is an expense that is supposed to reflect the loss in value of a fixed asset combination of two or more entities that occurs when the entities transfer all their net assets to a new entity created for that purpose.  
(b) Potential liability arising from a past transaction or a subsequent event.  
(c) Costs that can be attributed clearly to the activity you are considering.



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85. A portion of the after-tax profits paid out to the owners of a business as a return on their investment is:
- Dividend
  - Expense
  - Expenditure
  - Deferred income
86. Which of the following statements are true?
- Brand equity refers to the value of a brand.
  - Brand equity is based on the extent to which the brand has high brand loyalty, name awareness, perceived quality and strong product associations.
  - Brand equity includes other "intangible" assets such as patents, trademarks and channel relationships.
  - All of the above
87. What is meant by B2B?
- Buying behaviour that concerns the process that buyers go through when deciding whether or not to purchase goods or services.
  - A company's business model is management's storyline for how the strategy will be a money maker.
  - Marketing activity directed from one business to another.
  - None of the above
88. 'Personal selling' is done through:
- Written communication
  - Oral communication
  - TV and media
  - Sign language
89. What is price sensitivity?
- the effect a change in price will have on customers.
  - charging a relatively high price for a short time where a new, innovative, or much-improved product is launched onto a market.
  - a strategy involves setting low prices in order to discourage or deter potential new entrants to the suppliers market.
  - It measures the responsiveness of a change in demand for a product following a change in its own price.
90. What is a bull market?
- A market in which the stock price are increasing consistently.
  - A market in which the stock price are decreasing consistently.
  - A market in which the stock price are stable over a long time.
  - None of the above
91. Bid is the opposite of
- Ask/offer
  - Call
  - Equity
  - None of the above
92. A stock that provides a constant dividends and stable earnings

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- even in the periods of economic downturn is \_\_\_\_\_
- Defensive Stock
  - Cash budget
  - Income stock
  - Listed stock
93. What are mutual funds?
- A pool of money managed by experts by investing in stocks, bonds and other securities with the objective of improving their savings.
  - A number of shares which are less than or greater than but not equal to the board lot size.
  - A company's first issue of shares to general public.
  - None of the above
94. \_\_\_\_\_ is the measure of return on investments in terms of percentage
- Yield
  - Index
  - Equity
  - Bonus
95. The number of units of given currency that can be purchased for one unit of another currency is called \_\_\_\_\_
- Current ratio
  - Exchange rate
  - Equity
  - dividend
96. Risk is a probable chance that investments' actual returns will be \_\_\_\_\_ than as calculated.
- Increased
  - Reduced
  - Equal
  - None of the above
97. \_\_\_\_\_ is a very wide term that is used in context with financial agreements and contracts.
- Account balance
  - Acceptance
  - Annuity
  - Arbitrage
98. What is a cap?
- A cap is a limit that regulates the increase or decrease in the rate of interest and instalments of an adjustable rate mortgage.
  - A cap is the total amount of cash that is present in the bank account and can also be withdrawn immediately.
  - A cap is the certificate of savings deposit that promises the depositor the sum back along with appropriate interest.
  - A cap is a loan where the time and cash flow between a short term loan and a long term loan is filled up.
99. What is a financial instrument?
- anything that ranges from cash, deed, negotiable instrument, or for that matter any written and authenticated evidence that shows the existence of a transaction or agreement.
  - is basically any security that is held with the government



and has the highest possible rate of interest.

- (c) is a contract where the borrower, who is also the purchaser, pays a series of instalments that includes the interest of the principal amount
- (d) none of the above

specified period of time, which is called the \_\_\_\_\_

- (a) Lock-in period
- (b) Maturity
- (c) Holding Period
- (d) Due date

100. \_\_\_\_\_ is a strategy that is used to minimize the risk of a particular investment and maximize the returns of an investment.

- (a) Cap
- (b) Encryption
- (c) Hedge
- (d) Term insurance

101. \_\_\_\_\_ is a technology where the banking organizations resort to the use of electronics, computers and other networks to execute transactions and transfer funds.

- (a) E-cash
- (b) Digi-cash
- (c) Hedge
- (d) Cap

102. \_\_\_\_\_ is the simultaneous purchase and sale of two identical commodities or instruments. This simultaneous sale and purchase is done in order to take advantage of the price variations in two different markets.

- (a) Cap
- (b) Term insurance
- (c) Arbitrage
- (d) Hedge

103. A guarantee given by the lender that there will be no change in the quoted mortgage rates for a



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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
a	d	a	c	b	c	a	c	a	d	b	c	b	a	d	b	d	c	b	c

21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40
c	d	a	a	c	d	d	c	c	b	a	c	b	c	d	c	a	d	a	b

41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60
b	c	b	c	c	c	a	a	c	b	c	b	a	a	b	a	a	c	b	c

61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80
b	a	c	b	b	c	a	c	b	a	b	c	a	a	b	b	c	b	c	b

81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
a	b	a	a	a	d	c	b	d	a	a	a	a	a	b	b	b	A	a	c

101	102	103
c	a	a

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