

FINAL ANSWER KEY

Question Paper Code: 4/2023/OL
Category Code: 066/2019
Exam: Deputy Finance Manager
Date of Test: 06-01-2023
Department: Kerala State Co operative Coir Marketing Federation Ltd
Alphacode: A

Question1:-The excess of selling price of finished product sold by the firm over the price paid to procure the inputs is known as

- A:-Margin of safety
- B:-Revenue
- C:-Value Addition
- D:-None of these

Correct Answer:- Option-C

Question2:-Select the correct code of the following statements being 'TRUE' :

- (i) Working capital from business operations can be determined from Profit and Loss A/c.
- (ii) Interest paid on debentures is an operating activity.
- (iii) Cash from operations can be determined from income statement.

- A:-(i) only
- B:-(iii) only
- C:-(ii) only
- D:-(ii) and (iii) only

Correct Answer:- Option-A

Question3:-Which of the following is a more rigorous test of the solvency position of a business firm?

- A:-Interest Cover Ratio
- B:-Debt-Equity Ratio
- C:-Debt-Service Coverage Ratio
- D:-Acid Test Ratio

Correct Answer:- Option-C

Question4:-Which of the following statements are CORRECT about finance function?

- (i) Finance Function reconciles the potential conflicts between functional goals and stake holder's interest.
- (ii) The ultimate responsibility for carrying out financial functions lies with the top management.
- (iii) Finance function involves procurement and effective utilization of funds.

- A:-(i) and (ii) only
- B:-(ii) and (iii) only
- C:-(i) and (iii) only
- D:-All the above ((i), (ii) and (iii))

Correct Answer:- Option-D

Question5:-The risk of the actual return being below the expected return is known as

- A:-Return Risk
- B:-Longevity Risk
- C:-Performance Risk
- D:-Downside Risk

Correct Answer:- Option-D

Question6:-A company issues 18% irredeemable preference shares of face value Rs. 100 each. The flotation costs are estimated at 10% of the expected sales price. The cost of capital, if the shares are issued at 10% discount is

- A:-18.28%
- B:-22.22%
- C:-20%
- D:-18%

Correct Answer:- Option-B

Question7:-Arrange the following financing choices in order of preference suggested by the pecking order theory in capital structure.

- (i) Reinvestment of earning

- (ii) New issue of equity
- (iii) Issue of Debt

A:-(ii), (iii), (i)

B:-(i), (ii), (iii)

C:-(i), (iii), (ii)

D:-(iii), (ii), (i)

Correct Answer:- Option-C

Question8:-For a credit period of 30 days, a customer is entitled for a cash discount of 3% if payments are made within 20 days. This can be expressed in credit term abbreviation as

A:-30/20 net 3

B:-3/20 net 30

C:-20/3 net 30

D:-3/30 net 20

Correct Answer:- Option-B

Question9:-Select the correct code of the following statements being 'True' or 'False'

- (i) Cost of capital is the cost of borrowing funds.
- (ii) Overall cost of capital decreases on payment of entire long term debt.

A:-Both (i) and (ii) are True

B:-(i) is True and (ii) is False

C:-(ii) is True and (i) is False

D:-Both (i) and (ii) are False

Correct Answer:- Option-D

Question10:-Select the correct code of the following statements being 'True' or 'False' :

- (i) Budgets are an important tool of profit planning.
- (ii) Sales and purchase budgets are special decision budgets.

A:-Both (i) and (ii) are True

B:-(i) is True and (ii) is False

C:-(i) is False and (ii) is True

D:-Both (i) and (ii) are False

Correct Answer:- Option-B

Question11:-A situation in the Bond Market when the rate of interest falls to the lowest level and the speculative demand for money becomes perfectly elastic is known as

A:-Cash crunch

B:-Liquidity Trap

C:-Infinite supply

D:-Zero money velocity

Correct Answer:- Option-B

Question12:-The hedge that seeks to mitigate risk of investment by incurring expenses in the same currency in which the firm generate revenue is known as

A:-Financial Hedge

B:-Natural Hedge

C:-Perfect Hedge

D:-Interest Rate Hedge

Correct Answer:- Option-C

Question13:-Given below are two statements. One is labelled as Assertion (A) and other is labelled as Reason (R) :

Assertion (A) : Working capital refers to the gross working capital and represents the amount of funds invested in current assets.

Reason (R) : Current Assets are those assets which in the ordinary course of business can be converted into cash within a short period of time. From the above, find the correct answer.

A:-Both Assertion (A) and Reason (R) are correct

B:-Both Assertion (A) and Reason (R) are incorrect

C:-Only Assertion (A) is correct

D:-Only Reason (R) is correct

Correct Answer:- Option-A

Question14:-How many digits are there in a CIBIL score?

A:-3

B:-4

C:-6

D:-5

Correct Answer:- Option-A

Question15:-Treasury Bills are short term debt instruments issued by the Govt of India are presently issued in 3 tenors namely

A:-90 days, 181 days and 364 days

B:-92 days, 182 days and 365 days

C:-91 days, 181 days and 365 days

D:-91 days, 182 days and 364 days

Correct Answer:- Option-D

Question16:-Identify the fastest stock exchange in the world

A:-London Stock Exchange

B:-New York Stock Exchange

C:-Bombay Stock Exchange

D:-Tokyo Stock Exchange

Correct Answer:- Option-C

Question17:-When exchange rate in terms of domestic currency rises

A:-Imports become cheaper

B:-Exports become cheaper

C:-Exports become costlier

D:-Imports become costlier

Correct Answer:- Option-A

Question18:-For a foreign exchange of specific currency, the non-hedged position is classified as

A:-Close position

B:-Currency long position

C:-Open position

D:-Currency short position

Correct Answer:- Option-C

Question19:-The difference between ask price and bid price of a security or asset in stock market is known as

A:-Option

B:-Yield

C:-Margin

D:-Spread

Correct Answer:- Option-D

Question20:-Which of the following statements is/are correct about Indian Stock Exchanges?

(I) The first computerised stock exchanged in India is Bombay Stock Exchange (BSE).

(II) NIFTY and SENSEX are calculated based on market capitalisation rate.

A:-II only

B:-I only

C:-Both I and II

D:-Neither I nor II

Correct Answer:- Option-A

Question21:-1. Sir James Wilson introduced income tax for the first time in India.

2. The Income Tax Act, 1961 came into effect on 1st April 1962.

3. The Income Tax Act, 1961 applies to whole of India.

Which among the above statements regarding income tax are correct?

A:-1 and 2 only

B:-2 and 3 only

C:-1 and 3 only

D:-All of the above

Correct Answer:- Option-D

Question22:-1. Rebate under Section 87 A is available to a resident individual.

2. Rebate under Section 87 A is not available to a non resident individual.

3. Rebate under Section 87 A is available to HUF.

4. There is a ceiling on total income for claiming rebate under Section 87 A.

Which among the above statements are correct?

- A:-1, 2 and 3 only
- B:-2, 3 and 4 only
- C:-All of the above
- D:-1, 2 and 4 only

Correct Answer:- Option-D

Question23:-What is the rate of surcharge on income tax applicable for individual in the assessment year 2022-2023 where the total income exceeds rupees 50 lakh but does not exceed rupees 1 crore?

- A:-10%
- B:-15%
- C:-20%
- D:-25%

Correct Answer:- Option-A

Question24:-Which of the following allowances is exempted under the head income from salary?

- A:-Dearness Allowance
- B:-Foreign Allowance
- C:-City Compensatory Allowance
- D:-Deputation Allowance

Correct Answer:- Option-B

Question25:-Which among the following statements are correct?

1. Rent collected in respect of staff quarters let out to employees is assessable as income from house property.
2. Income from house property owned by registered Trade Union is fully exempted.
3. Income from subletting of a building is assessable as income from other sources.

- A:-1 and 3 only
- B:-1 and 2 only
- C:-2 and 3 only
- D:-All of the above

Correct Answer:- Option-C

Question26:-What is the maximum period for the carry forward of long term capital loss?

- A:-4 Assessment Years
- B:-6 Assessment years
- C:-8 Assessment years
- D:-5 Assessment years

Correct Answer:- Option-C

Question27:-What is the maximum deduction in respect of medical insurance premium paid for a senior citizen?

- A:-Rs. 25,000
- B:-Rs. 30,000
- C:-Rs. 40,000
- D:-Rs. 50,000

Correct Answer:- Option-D

Question28:-What is the maximum income limit for income tax exemption in case of resident senior citizen for the assessment year 2022-2023?

- A:-Rs. 2,50,000
- B:-Rs. 3,00,000
- C:-Rs. 3,50,000
- D:-Rs. 4,00,000

Correct Answer:- Option-B

Question29:-What is the result of 'input tax deducted from tax collected on sales' under GST System?

- A:-Tax on Value Addition
- B:-Central GST

C:-Tax cascading

D:-Tax Pyramiding

Correct Answer:- Option-A

Question30:-A person responsible for doing any work under income tax act and he fails to do it, then that person is referred to as

A:-Deemed Assessee

B:-Assessee

C:-Assessee in Default

D:-Association of persons

Correct Answer:- Option-C

Question31:-Which among the following is applicable in respect of disqualification of a committee member of a cooperative society?

- i. If he is a near relative of a paid employee of the society.
- ii. If he is carrying on the same business as being carried on by the Society.
- iii. If he has applied for insolvency.
- iv. If he has been surcharged under Sec. 68.

A:-Only i & ii

B:-Only i, ii & iii

C:-Only ii, iii & iv

D:-All of the above (i, ii, iii & iv)

Correct Answer:- Option-D

Question32:-Powers of Liquidator of a Co-Operative Society is specified in

- i. Sec. 70 Rule 68
- ii. Sec. 73 Rule 69
- iii. Sec. 69 Rule 73
- iv. Sec. 73 Rule 74

A:-Only i

B:-Only i, ii

C:-Only ii

D:-Only iii, & iv

Correct Answer:- Option-C

Question33:-Section 87 of the Kerala Co-operative Societies Act 1969 deals with

- i. Appeal to Tribunal
- ii. Revision by Tribunal
- iii. Review of Orders by Tribunal
- iv. Powers of Revision of Registrar and Government

A:-Only i

B:-Only ii

C:-Only iii & iv

D:-Only iv

Correct Answer:- Option-D

Question34:-The duty to maintain all accounts, registers, office records and seal of the society can be done by

- i. Secretary
- ii. Manager
- iii. President
- iv. Registrar

A:-Only i

B:-Only i & ii

C:-Only i, ii & iii

D:-All of the above i, ii, iii & iv

Correct Answer:- Option-C

Question35:-Which are the instruments exempted from compulsory registration by a Co-Operative Society?

- i. Shares of Co-operative Societies
- ii. Debentures issued by Co-operative Societies
- iii. Endorsement upon transfer of any Debentures issued
- iv. GEHAN

A:-Only iv

B:-only i & ii

C:-Only i, ii & iii

D:-All of the above (i, ii, iii & iv)

Correct Answer:- Option-C

Question36:-'Co-operative Ombudsman' is constituted as per

A:-Section 69

B:-Section 69A

C:-Section 70

D:-Section 70A

Correct Answer:- Option-B

Question37:-The committee is liable to call a Special General Body

- i. On getting a requisition from the Registrar.
- ii. On getting a requisition from 1/10 of the total members.
- iii. On getting a requisition from 1/5 of the total members.
- iv. On getting a requisition from the majority of Creditors of the society.

A:-Only i & iii

B:-Only i, ii & iv

C:-Only iii

D:-All of the above (i, ii, iii & iv)

Correct Answer:- Option-A

Question38:-Award on Dispute is issued under

A:-Rule 67

B:-Section 69

C:-Section 70

D:-Section 70 B

Correct Answer:- Option-C

Question39:-Which among the following is/are the reasons for appointment of new committee or administrator on failure to constitute committee?

- i. Where the existing committee resigns enbloc.
- ii. Where the term of the office of a committee has expired and a new committee has not been constituted.
- iii. Where the committee fails to hold regular meeting consecutively for six months
- iv. Where a new committee cannot be constituted before the expiry of the term of office of the existing committee.

A:-Only ii & iii

B:-Only i & iv

C:-Only i, ii & iv

D:-All of the above (i, ii, iii & iv)

Correct Answer:- Option-D

Question40:-The Supervision and Inspection of a Co-operative Society is conducted by the Registrar as per

A:-Section 64

B:-Section 65

C:-Section 66

D:-Section 67

Correct Answer:- Option-C

Question41:-Class A Co-Operatives should not have over dues above

A:-10%

B:-20%

C:-25%

D:-40%

Correct Answer:- Option-A

Question42:-The audit fee of a Co-operative Society dealing in goods (except Coir Societies) shall be levied on the basis of

A:-Working capital

B:-Gross Income

C:-Sale proceeds

D:-Operating Profit

Correct Answer:- Option-C

Question43:-Concurrent Auditors are appointed for Societies having working capital or annual sales above

- A:-10 Lakhs
- B:-20 Lakhs
- C:-25 Lakhs
- D:-50 Lakhs

Correct Answer:- Option-C

Question44:-Queries about the items noted during the process of Co-operative Audit is entered in

- A:-Audit Register
- B:-Audit Note Book
- C:-Audit Memorandum
- D:-Audit File

Correct Answer:- Option-B

Question45:-The Auditor of a Co-operative Society is appointed by

- A:-Registrar of Co-operative Audit
- B:-Board of Directors
- C:-General Body
- D:-Secretary

Correct Answer:- Option-A

Question46:-The errors of omission or commission in the journal or ledger can be identified by

- A:-Administrative Audit
- B:-Mechanical Audit
- C:-Management Audit
- D:-Cost Audit

Correct Answer:- Option-B

Question47:-Serious defects requiring immediate attention and warranting quick action by the competent authority is reported by the Co-operative Auditor in

- A:-Part A of Summary of Defects
- B:-Part B of Summary of Defects
- C:-Audit Certificate
- D:-Auditor's Report

Correct Answer:- Option-A

Question48:-The audit cost means

- A:-Fee payable by the society to Government
- B:-Fee and allowances payable to Internal Auditors
- C:-Fee and allowances payable to Concurrent Auditors
- D:-Fee and allowances payable to Cost Auditors

Correct Answer:- Option-C

Question49:-An Audit Classification Statement is attached with

- A:-Audit Certificate
- B:-Auditor's Report
- C:-Audit Note
- D:-Audit Memorandum

Correct Answer:- Option-D

Question50:-Which among the following is not covered under Administrative Audit?

- A:-Irregularities on the appointment of employees
- B:-Adherence to Act, Rules and Byelaws
- C:-Interest of the members and objectives of the society
- D:-Overdues of the Society

Correct Answer:- Option-D

Question51:-A consumer-focused series of procedures to assess the health of a brand, uncover its sources of brand equity and suggest ways to improve and leverage its equity.

- A:-Brand audit
- B:-Brand tracking
- C:-Brand valuation
- D:-Brand analysis

Correct Answer:- Option-A

Question52:-Which one is not the apt marketing strategy at the decline stage of a product?

- A:-Restage strategy
- B:-Flanker strategy
- C:-Divesting strategy
- D:-Harvesting strategy

Correct Answer:- Option-B

Question53:-The marketing that ensures multiple means of creating, delivering and communicating value are employed and combined in the best way

- A:-Relationship marketing
- B:-Performance marketing
- C:-Integrated marketing
- D:-Internal marketing

Correct Answer:- Option-C

Question54:-Where product life cycles are expected to be short, the effective pricing will be

- A:-Penetration pricing
- B:-Discount pricing
- C:-Skimming pricing
- D:-Promotional pricing

Correct Answer:- Option-C

Question55:-The apex cooperative marketing agency in India dealing in procurement, distribution, export and import of selected agricultural commodities.

- A:-NABARD
- B:-NAFED
- C:-MARKETFED
- D:-NCCF

Correct Answer:- Option-B

Question56:-Match the following :

- | | |
|----------------------|--|
| a. Convenience goods | i. Luxury car, designer clothing |
| b. Shopping goods | ii. Soaps, toothpastes |
| c. Specialty goods | iii. Smoke, detectors, fire extinguisher |
| d. Unsought goods | iv. Furniture, refrigerator |

A:-a-ii, b-iv, c-i, d-iii

B:-a-iv, b-ii, c-i, d-iii

C:-a-ii, b-iii, c-i, d-iv

D:-a-iv, b-i, c-ii, d-iii

Correct Answer:- Option-A

Question57:-The strategy of slowly eroding a rivals' market share through a series of unpredictable attacks on their weaker areas

- A:-Bypass
- B:-Frontal attack
- C:-Guerrilla
- D:-Encirclement

Correct Answer:- Option-C

Question58:-If a marketing manager introduces more variants of a particular product, his decision will effect

- A:-Product length

B:-Product depth

C:-Product width

D:-Product range

Correct Answer:- Option-B

Question59:-Which one is not true with 'marketing concept'?

- I. Unflinching consumer orientation
- II. Integrated management action with marketing as fulcrum
- III. Offering ideally designed and engineered products
- IV. Emphasis on generating consumer satisfaction

A:-i

B:-ii

C:-iii

D:-iv

Correct Answer:- Option-C

Question60:-Identify the circumstances under which price wars are more likely to occur

- i. When markets have marginal or negative growth prospects.
- ii. When neither supplier nor buyers are dominant in a market.
- iii. When there is little brand loyalty in evidence from customers.
- iv. When firms introduce very similar products to one another.

A:-All except i

B:-All except ii

C:-All except iii

D:-All except iv

Correct Answer:- Option-B

Question61:-The change in total cost as result of a managerial decision to change the present level of operation

A:-Opportunity cost

B:-Out of pocket cost

C:- Differential cost

D:-Controllable cost

Correct Answer:- Option-C

Question62:-Match the following :

- | A | B |
|--------------------|-----------------|
| a. Unit costing | i. Bakery |
| b. Process costing | ii. Brick kilns |
| c. Job costing | iii. Textiles |
| d. Batch costing | iv. Printing |

A:-a-iv, b-ii, c-iii, d-i

B:-a-ii, b-iii, c-iv, d-i

C:-a-i, b-iii, c-ii, d-iv

D:-a-i, b-iv, c-ii, d-iii

Correct Answer:- Option-B

Question63:-While considering the expansion of a factory, the future costs to be incurred like depreciation of new plant and machinery, additional power and fuel cost, etc. are

A:-Postponable costs

B:-Avoidable costs

C:-Imputed costs

D:-Relevant costs

Correct Answer:- Option-D

Question64:-Purchase requisition is prepared by

A:-Purchase manager

B:-Stores manager

C:-Production supervisor

D:-Accounts manager

Correct Answer:- Option-B

Question65:-Materials issued are priced at the price of the latest purchase order submitted is under

- A:-LIFO method
- B:-HIFO method
- C:-NIFO method
- D:-FIFO method

Correct Answer:- Option-C

Question66:-Calculate the net profit at a sale of Rs. 1,00,000 if, Profit Volume ratio is 40% and margin of safety ratio is 60%.

- A:-Rs 24,000
- B:-Rs. 36,000
- C:-Rs. 20,000
- D:-Rs. 40,000

Correct Answer:- Option-A

Question67:-Identify the statements which are true

- i. Inefficiency of workers leads to material usage variance.
- ii. JIT aims at zero inventory level.
- iii. There is built-in escalation clause in cost plus contract
- iv. An increase in fixed cost lead to a decrease in break-even point.
- v. ABC system uses activities instead of cost centers for accumulating costs.

- A:-i, ii & iii
- B:-i, ii, iii & v
- C:-i, iii, iv & v
- D:-All of these

Correct Answer:- Option-B

Question68:-5,000 units of a particular raw material are introduced in a process. 6% of the input is normal loss. Work in progress 100 units (70% complete). 4,600 units are transferred to the next process. The equivalent production for period is

- A:-4,630 Units
- B:-4,670 Units
- C:-4,730 Units
- D:-4,600 Units

Correct Answer:- Option-B

Question69:-In contract costing, work-in-progress consists of

- A:-Work certified only
- B:-Both work certified and work uncertified
- C:-A-Profit kept as reserve
- D:-B-Profit kept as reserve

Correct Answer:- Option-D

Question70:-Find Prime cost if, Factory cost Rs. 45,000, Factory overheads Rs. 15,000, Work in Progress (opening) Rs. 2,500 and work in progress (closing) Rs. 4,500.

- A:-Rs. 22,000
- B:-Rs. 32,000
- C:-Rs. 38,000
- D:-Rs. 34,500

Correct Answer:- Option-B

Question71:-The three BASIC components of SCM are

- A:-Materials, Labour, Overheads
- B:-Factory Overheads, Selling & Distribution Overheads and Administrative Overheads
- C:-Perception, Attitude and Learning
- D:-Materials Flows, Information Flows, Financial Flows

Correct Answer:- Option-D

Question72:-"Information is replacing Inventory" in the context of SCM means

- A:-Companies are moving from production to service
- B:-IT sector grows but production falls
- C:-Companies that are adept at managing information are less likely to carry costly inventory
- D:-None of these

Correct Answer:- Option-C

Question73:-In e-Procurement, RFP/RFQ facilitators classified under

- A:-Third Generation Trading Exchanges
- B:-First Generation Trading Exchanges
- C:-Second Generation Trading Exchanges
- D:-None of the above

Correct Answer:- Option-B

Question74:-Which of the following is the correct sequence in the evolution of ERP?

- A:-MRP-ERP-CRP-XRP
- B:-MRP-CRP-XRP-ERP
- C:-XRP-MRP-CRP-XRP
- D:-CRP-ERP-MRP-XRP

Correct Answer:- Option-A

Question75:-XBRL is

- A:-Expandable Basic Reporting Language
- B:-Extensible Business Reporting Language
- C:-Exceptional Business Reforms Laws
- D:-None of the above

Correct Answer:- Option-B

Question76:-A Distributed Denial of Service (DDoS) is an example for

- A:-Cyber Vandalism
- B:-M-Commerce
- C:-E-Commerce
- D:-Cloud Computing

Correct Answer:- Option-A

Question77:-Section 3 of IT Act, 2000 deals with

- A:-E-Governance
- B:-Digital signature
- C:-Certifying Authorities
- D:-None of these

Correct Answer:- Option-B

Question78:-Indian Computer Emergency Response Team is

- A:-The National Agency for Incident Response U/S 70B of IT Act, 2000
- B:-A National Nodal Agency designated U/S 70A of IT Act, 2000
- C:-National Nodal Agency in respect of Critical Information Infrastructure Protection designated U/S 70A (1)
- D:-None of the above

Correct Answer:- Option-A

Question79:-Expand "CORE" in Corebanking Systems

- A:-Computerised Operations and Resource Engineering
- B:-Customised Online Requirement Extension
- C:-Centralised Online Realtime Exchange
- D:-None of the above

Correct Answer:- Option-C

Question80:-Which of the following statements well describes Business Intelligence?

1. Business Intelligence is based on personalised information, is proactive and data driven.
2. Business intelligence means Knowledge Management using internet.
3. Business Intelligence means data analysis.

A:-Statement 1 is more suitable to explain the concept of Business Intelligence

B:-Statement 3 well describes the concept

C:-Statement 2 is apt in explaining the concept

D:-None of the above describes the concept of business intelligence

Correct Answer:- Option-A

Question81:-Which of the following statement/s is/are True?

Statement 1 : Unit matrices and scalar matrices are special types of diagonal matrices.

Statement 2 : A unit matrix is a scalar matrix but not vice versa.

A:-Statement 1 True and Statement 2 False

B:-Statement 1 False and Statement 2 True

C:-Both statements are True

D:-Both Statements are False

Correct Answer:- Option-C

Question82:-The matrix obtained from a given matrix A by replacing each of its elements by their corresponding complex conjugates is called

A:-Transpose of a Matrix

B:-Conjugate of a Matrix

C:-Adjoint of a Matrix

D:-Inverse Matrix

Correct Answer:- Option-B

Question83:-Which of the following property/ies is/are True with respect to Determinants?

Property 1 : If all elements in a row (or column) are zero, then the value of the determinant is zero.

Property 2 : If two rows (or columns) of a determinant are identical, then its value is zero

A:-Both Statements are TRUE

B:-Both Statements are FALSE

C:-Statement 1 is TRUE and Statement 2 is FALSE

D:-Statement 1 is FALSE and Statement 2 is TRUE

Correct Answer:- Option-A

Question84:-If $b^2 - 4ac$ is a perfect square, then the quadratic equation will have

A:-Roots that are real, rational and equal

B:-Roots are real and rational but not equal

C:-Roots will be real but unequal and irrational

D:-No roots

Correct Answer:- Option-B

Question85:-The process of finding derivative of a function is called

A:-Permutation

B:-Combination

C:-Differentiation

D:-Integration

Correct Answer:- Option-C

Question86:-If the nominal rate of interest is compounded annually, then

A:-Nominal Rate of Interest is more than the Effective Rate of Interest

B:-Nominal Rate of Interest is equal to Effective Rate of Interest

C:-Nominal Rate of Interest is less than the Effective Rate of Interest

D:-None of these

Correct Answer:- Option-B

Question87:-Percentiles are

A:-Mathematical Averages

B:-Progressive averages

C:-Positional Averages

D:-None of these

Correct Answer:- Option-C

Question88:-"The reciprocal of the arithmetic average of the reciprocals of the values of

the variable" is known as

- A:-Geometric Mean
- B:-Harmonic Mean
- C:-Weighted Arithmetic Mean
- D:-Quadratic Mean

Correct Answer:- Option-B

Question89:-Coefficient of Variation is a relative measure of

- A:-Mean Deviation
- B:-Quartile Deviation
- C:-Range
- D:-Standard Deviation

Correct Answer:- Option-D

Question90:-In the equation showing relationship between correlation coefficient and regression coefficients

ie $r = \pm \sqrt{b_{yx} \times b_{xy}}$, r will be negative when

- A:-Both regression coefficients are negative
- B:-One coefficient negative and other positive
- C:-Both regression coefficients are positive
- D:-None of these

Correct Answer:- Option-A

Question91:-Among the following which is the correct sequence of investment process

- A:-Investment policy-Analysis-Valuation-Portfolio construction-Portfolio Evaluation
- B:-Investment Policy - Valuation - Portfolio Construction - Analysis - Portfolio Evaluation
- C:-Investment Policy-Portfolio Construction-Analysis-Portfolio Evaluation-Valuation
- D:-Investment Policy-Portfolio Evaluation-Valuation-Portfolio Analysis-Analysis

Correct Answer:- Option-A

Question92:-The method of computation of BSE Sensex is based on

- A:-Full market capitalisation methodology
- B:-Free-float Market Capitalisation Methodology
- C:-A hybrid methodology
- D:-None of the above

Correct Answer:- Option-B

Question93:-Nikkei 225 is the Stock Market Index of

- A:-Shanghai Stock Exchange
- B:-Tokyo Stock Exchange
- C:-New York Stock Exchange
- D:-Korean Stock Exchange

Correct Answer:- Option-B

Question94:-Among the following, who is NOT associated with CAPM Model Structuring

- A:-Markowitz
- B:-William Sharpe
- C:-James Walter
- D:-Jan Mossin

Correct Answer:- Option-C

Question95:-The framing effect and Prospects Theory was introduced by

- A:-Daniel Kahneman and Amos Tversky
- B:-Daniel Bernoulli and S.D. Poisson
- C:-Friedman and Savage
- D:-Fermat and Pascal

Correct Answer:- Option-A

Question96:-Which of the following explains "Payment Decoupling" in association with mental accounting?

- A:-Feeling of Consumer Surplus on purchase
- B:-Pay more for goods when using credit cards than if they are paying with cash
- C:-Purchasing goods on credit terms
- D:-Difference between expected utility and actual price

Correct Answer:- Option-B

Question97:-A trader or investor who makes decisions regarding buy and sell trades in securities market without the support of professional advice or advanced fundamental or technical analysis.

- A:-Arbitrageur
- B:-Budliwala
- C:-Noise Trader
- D:-Jobber

Correct Answer:- Option-C

Question98:-The mathematical model for the dynamics of a financial market containing derivative investment instruments

- A:-Harrod Domar Model
- B:-Black-Scholes Model
- C:-Feldman Model
- D:-Growth Model

Correct Answer:- Option-B

Question99:-The tendency to take personal responsibility for positive outcomes and blame external factors for negative outcomes

- A:-Confirmation Bias
- B:-Self-serving Bias
- C:-Anchoring Bias
- D:-Hindsight Bias

Correct Answer:- Option-B

Question100:-The concept of Mental Accounting was developed by

- A:-B.F. Skinner
- B:-I. Pavlov
- C:-Richard Thaler
- D:-None of the above

Correct Answer:- Option-C