

Roll No.

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(Write Roll Number from left side exactly as in the Admit Card)

Signature of Invigilators

1. \_\_\_\_\_
2. \_\_\_\_\_

**0615**

Question Booklet Series

**A**

**PAPER-III**

Question Booklet No.

**Subject Code : 06**

OMR Sheet No. ....

(To be filled by the candidate)

**COMMERCE**

Time : 2 Hours 30 Minutes

Maximum Marks: 150

*Instructions for the Candidates*

1. Write your Roll Number in the space provided on the top of this page as well as on the OMR Sheet provided.
2. At the commencement of the examination, the question booklet will be given to you. In the first 5 minutes, you are requested to open the booklet and verify it:
  - (i) To have access to the Question Booklet, tear off the paper seal on the edge of this cover page.
  - (ii) Faulty booklet, if detected, should be got replaced immediately by a correct booklet from the invigilator within the period of 5 minutes. Afterwards, neither the Question Booklet will be replaced nor any extra time will be given.
  - (iii) After this verification is over, the Question Booklet Series and Question Booklet Number should be entered on the OMR Sheet and the OMR Sheet Number should be entered on this Question Booklet.
3. This paper consists of seventy-five (75) multiple-choice type questions. All the questions are compulsory. Each question carries *two* marks.
4. Each Question has four alternative responses marked: **(A)** **(B)** **(C)** **(D)**. You have to darken the circle as indicated below on the correct response against each question.

*Example:* **(A)** **(B)** **(C)** **(D)**, where **(C)** is the correct response.
5. Your responses to the questions are to be indicated correctly in the OMR Sheet. If you mark your response at any place other than in the circle in the OMR Sheet, it will not be evaluated.
6. Rough work is to be done at the end of this booklet.
7. If you write your Name, Roll Number, Phone Number or put any mark on any part of the OMR Sheet, except for the space allotted for the relevant entries, which may disclose your identity, or use abusive language or employ any other unfair means, such as change of response by scratching or using white fluid, you will render yourself liable to disqualification.
8. Do not tamper or fold the OMR Sheet in any way. If you do so, your OMR Sheet will not be evaluated.
9. You have to return the Original OMR Sheet to the invigilator at the end of the examination compulsorily and must not carry it with you outside the Examination Hall. You are, however, allowed to carry question booklet and duplicate copy of OMR Sheet after completion of examination.
10. **Use only Blue/Black Ball point pen.**
11. **Use of any calculator or log table or mobile phone etc. is strictly prohibited.**
12. **There are no negative marks for incorrect answers.**

[ Please Turn Over ]



## COMMERCE

## PAPER III

1. The following can not be a measure of security risk
  - (A) Beta
  - (B) Standard deviation
  - (C) Variance
  - (D) Expected value
  
2. OTCEI in India was floated as per the style of formation of the following foreign stock exchange
  - (A) NYSE
  - (B) NASDAQ
  - (C) Luxembarg
  - (D) London
  
3. The following party bears a limited amount of risk in options trading:
  - (A) Option buyer
  - (B) Option writer
  - (C) Jobber
  - (D) Broker
  
4. The following statement is *not* true about lease financing:
  - (A) Lease is an off-the balance sheet source of financing.
  - (B) Lease can be both a short-term and long-term source of financing.
  - (C) The lessee becomes the eventual owner of the leased asset in all types of lease.
  - (D) Repair and maintenance cost of the leased asset may be borne either by the lessee or by the lessor.
  
5. The following can *not* be a money market instrument:
  - (A) Treasury bill
  - (B) Commercial paper
  - (C) Certificate of deposit
  - (D) Fixed deposit
  
6. In calculation of return of securities, the following component can *not* have any representation
  - (A) Cash Dividend
  - (B) Bonus Dividend
  - (C) Price difference
  - (D) Stock or share split
  
7. The following is *not* any credit rating agency:
  - (A) CRISIL
  - (B) CARE
  - (C) ICRA
  - (D) CDSL
  
8. Which of the following is a fund-based financial service?
  - (A) Credit rating
  - (B) Venture capital financing
  - (C) Broker to an issue
  - (D) Banker to an issue
  
9. In the following nurturing, the VCFs play a passive role in the affairs of the venture
  - (A) Hands on
  - (B) Hands off
  - (C) Hands holding
  - (D) Hands down

[ Please Turn Over ]

**10.** In pursuance of its Corporate Social Responsibility policy, a company is required to spend

- (A) at least 2% of the average net profits of three immediately preceding financial years.
- (B) at least 1% of the average net profits of five immediately preceding financial years.
- (C) at least 2% of the average net profits of five immediately preceding financial years.
- (D) at least 1% of the average net profits of three immediately preceding financial years.

**11.** Which one of the following is the major limitation of Lev and Schwartz model for determination of human value of capital?

- (A) It is difficult to understand.
- (B) It is not mandatory as per accounting standard.
- (C) Both (A) & (B).
- (D) It ignores the possibility that a person may quit the organization before death or retirement.

**12.** AS 26 deals with

- (A) Fixed assets
- (B) Current assets
- (C) Current liability
- (D) Intangible assets

**13.** Which of the following is not an objective of accounting standard?

- (A) Ensuring comparability
- (B) Ensuring uniformity
- (C) Ensuring objectivity
- (D) Ensuring that accounting is only done by the Chartered Accountants

**14.** H. Ltd. acquired 60% of shares in S. Ltd. on April 1, 2013 and further 20% shares on October 1, 2013. P&L balance of S. Ltd. on April 1, 2013 and March 31, 2014 was ₹ 2,00,000 and ₹ 3,00,000 respectively. The share of capital profit of H. Ltd. in S. Ltd. would be

- (A) ₹ 1,60,000
- (B) ₹ 1,70,000
- (C) ₹ 70,000
- (D) ₹ 1,80,000

**15.** Which of the following financial statements is *not* mandatory for the listed companies in India?

- (A) Profit & Loss Account
- (B) Balance Sheet
- (C) Statement of changes in Net Working Capital
- (D) Cash flow statement

**16.** A further 3Ps incorporated into the marketing mix are

- (A) physical evidence, process and price.
- (B) process, people and promotion.
- (C) physical evidence, people and production.
- (D) physical evidence, process and people.

**17.** The key term in the American Marketing Association's definition of marketing is

- (A) process
- (B) sales
- (C) products
- (D) value

**18.** The process of collecting information about the external marketing environment is

- (A) environmental management
- (B) environmental scanning
- (C) marketing management
- (D) marketing research

19. The phenomenon that customers are happy to work with companies and organizations to solve problems is referred as

- (A) Crowd sourcing
- (B) Communication sourcing
- (C) Customer co-creation
- (D) Mass-sourcing

20. With respect to consumer behaviour, one's friends and relatives could be considered a/an

- (A) Impersonal influence
- (B) Reference group influence
- (C) Perceptual influence
- (D) Institutional influence

21. The purchasing strategy is based on collaboration in research and development. This is called:

- (A) Bargainer
- (B) Clockwiser
- (C) Adaptator
- (D) Updator

22. Needs are hidden, our subject is unaware of his or her need. This is referred to as

- (A) Passive
- (B) Esteem
- (C) Latent
- (D) Picking

23. Social grade is a means of classifying the population by

- (A) Needs
- (B) Occupation
- (C) Lifestyle
- (D) Personality

24. Providing free samples of perfumes in magazines is an example of

- (A) Classical conditioning
- (B) Operant conditioning
- (C) Social learning
- (D) Behavioural learning

25. The process that creates changes in behaviour is called

- (A) Selective adaptation
- (B) Learning
- (C) Involvement manipulation
- (D) Attitude adjustment

26. Three broad groups of consumer segmentation criteria are

- (A) behavioural, psychological and profile criteria.
- (B) behavioural, gender and industry-type variables.
- (C) organisational size, demographic and behavioural variables.
- (D) psychographic, sociological and price variables.

27. Which of the following is *not* an example of a behavioural variable?

- (A) Product usage
- (B) Media usage
- (C) Purchase occasion
- (D) Personality

28. ACORN, a segmentation analysis technique stands for

- (A) a corresponding Official Residential Notation.
- (B) a Classification of Reported Nationals.
- (C) a Classification of Residential Neighbourhoods.
- (D) a Countrywide Official Resources Navigation.

[ Please Turn Over ]

29. When a successful brand is used to launch a new product into a new market, it is known as
- (A) Brand leader
  - (B) Brand follower
  - (C) Brand equity
  - (D) Brand extension
30. These are brands sold without any promotional materials or any means of identifying the company
- (A) Distribution brands
  - (B) Generic brands
  - (C) Co-branding
  - (D) Manufacturer brands
31. Which one of the following is *not* the operative function of HRM?
- (A) Development
  - (B) Controlling
  - (C) Compensation
  - (D) Integration
32. The purpose of job evaluation is
- (A) Fixation of Responsibility
  - (B) Promotion
  - (C) Wage Determination
  - (D) Transfer to better job
33. HRM does not include
- (A) Job evaluation
  - (B) Performance appraisal
  - (C) Sales promotion
  - (D) Job enrichment
34. The mechanism to identify employees growth potentials is done through
- (A) Job enrichment
  - (B) Job evaluation
  - (C) Assessment Centre
  - (D) Position Description
35. The last stage in a grievance redressal procedure is handled by
- (A) Union
  - (B) Voluntary Arbitrator
  - (C) H. R. Department
  - (D) Grievance Committee
36. Human Resource Department is
- (A) Line Department
  - (B) Functional Department
  - (C) Strategic Department
  - (D) Corporate Development plan
37. A performance appraisal system can be used for the following except
- (A) Human Resource planning
  - (B) Take up performance
  - (C) Identify individual with high potential
  - (D) Discipline employees
38. The Industrial Dispute Act, 1947 provides the following industrial relations machinery for resolution of conflicts except \_\_\_\_\_.
- (A) Cancellation
  - (B) Arbitration
  - (C) Negotiations
  - (D) Adjudication
39. PIP test seeks to measure
- (A) IQ
  - (B) Personality, Interest and Preferences
  - (C) Quality of a product
  - (D) Preferred Investment Plan
40. The Government of India introduced Workers Participation in Management in Parliament in
- (A) 1983
  - (B) 1988
  - (C) 1990
  - (D) 1981

41. Labour Productivity higher than 100% means
- (A) Output is greater than input
  - (B) Output is less than input
  - (C) Output is equal to input
  - (D) Output is negative
42. Which one of the following relates to performance appraisals?
- (A) Task method
  - (B) Price method
  - (C) MBO
  - (D) Link method
43. Attrition is related to
- (A) Job description
  - (B) Job evaluation
  - (C) Resignation/Termination
  - (D) Promotion
44. Safety and accident prevention should concern managers for all the following reasons except\_\_\_\_\_.
- (A) Criminal Liability
  - (B) Human suffering of the injured workers
  - (C) Retaliatory actions by workers
  - (D) Work-related accident figures are staggering
45. Human Resource can be thought of as “the total knowledge, skill, creative abilities, talents and attitudes of an organisation’s work force as well as the value attitudes and beliefs of the individuals involved”—who gave this statement?
- (A) Lean C. Megginson
  - (B) Merton
  - (C) Philip Kotler
  - (D) D. Philopho
46. The theory of comparative advantage has been propounded by
- (A) Adam Smith
  - (B) Michael E. Porter
  - (C) Eli Heckscher
  - (D) David Ricardo
47. Backwash effects of international trade have been mentioned by
- (A) Myrdal
  - (B) Mills
  - (C) J.M. Keynes
  - (D) T.R. Malthus
48. Infant industry argument for protection was put forward by
- (A) Marshall
  - (B) Ricardo
  - (C) List
  - (D) Smith
49. Which of the following is *not* an item of Current Account?
- (A) Exporting
  - (B) Payment of interest on Foreign Loan
  - (C) Borrowing from Asian Development Bank
  - (D) Unilateral transfer
50. Which are two exogenous factors in Michael porter’s Diamond Theory for determining national competitive advantage?
- (A) Basic Factors and advanced Factors
  - (B) Factor Endowments and Demand Conditions
  - (C) Firm strategy structure and related industry
  - (D) Chance and Government

[ Please Turn Over ]

**51.** Foreign Direct Investment helps to improve the BOP of the host country through

- (A) making available capital inflow.
- (B) export promotion.
- (C) import substitution.
- (D) all (A), (B) and (C).

**52.** According to Marshall-Lerner condition, devaluation will be successful if

- (A)  $e_x + e_m = 0$
- (B)  $e_x + e_m > 1$
- (C)  $e_x + e_m < 1$
- (D)  $e_x + e_m = 1$

**53.** Balance of payments depends on the principle of

- (A) Single Entry system
- (B) Double Entry system
- (C) Double Account system
- (D) Hybrid system of Accounting

**54.** *Assertion (A)* : Devaluation improves balance of payments deficit.

*Reason (R)* : Devaluation leads to increase in prices of imported goods and decrease in prices of exported goods.

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

**55.** The balance of payments of a country is conventionally divided into

- (A) visible account and invisible account.
- (B) current account and non-current account.
- (C) current account and capital account.
- (D) long-term capital account and short-term capital account.

**56.** The major difference between FDI and FPI is

- (A) Tenure of investment
- (B) Nature of investment
- (C) Place of investment
- (D) Controlling interests

**57.** The IMF has been playing a vital role in providing international

- (A) Peace
- (B) Justice
- (C) Liquidity
- (D) Transparency

**58.** As per the constitution of Asian Development Bank (ADB) who is the Governor for India in the ADB?

- (A) President of India
- (B) Prime Minister of India
- (C) Finance Minister of India
- (D) Governor of the RBI

**59.** The quotas of all the member countries with IMF are valued in term of

- (A) SDR
- (B) Dollar
- (C) Gold
- (D) Foreign Exchange

**60.** Arrange the following organisations in increasing order of their establishment years

1. BRICS
  2. NAFTA
  3. SAARC
  4. ASEAN
- (A) 4, 1, 2, 3  
(B) 4, 3, 2, 1  
(C) 3, 2, 1, 4  
(D) 3, 1, 2, 4

**61.** Maximum marginal rate of tax of Resident Individual is

- (A) 30%  
(B) 20.6%  
(C) 30.99%  
(D) 33%

**62.** Rebate u/s 87A of Income Tax Act is allowed if

- (A) Gross Total Income less than ₹ 6,00,000.  
(B) Total Income greater than ₹ 5,00,000.  
(C) Total Income less than ₹ 5,00,000.  
(D) Gross Total Income greater than ₹ 6,00,000.

**63.** Investment in Pension Plan is an example of

- (A) Tax Planning mechanism  
(B) Tax Avoidance mechanism  
(C) Tax Evasion mechanism  
(D) Tax Recovery mechanism

**64.** Mr. John, a citizen of USA, came to India for last 10 years and stayed in India for a period of 100 days in each of the previous years. His residential status for the previous year 2014-15 is

- (A) Non-resident  
(B) Resident of India  
(C) Resident and ordinarily resident of India  
(D) Resident but not ordinarily resident of India

**65.** Income from growing and manufacturing Tea is ₹ 1,00,000. The taxable amount under the head 'Business Income' is

- (A) ₹ 60,000  
(B) ₹ 40,000  
(C) ₹ 65,000  
(D) ₹ 35,000

**66.** Mrs. X joined in ITC Ltd. at a scale of pay ₹ 7,000-2,000-13,000 on 1.1.2012. His total Basic Salary for the previous year 2014-2015 is

- (A) ₹ 1,38,000  
(B) ₹ 1,45,000  
(C) ₹ 1,62,000  
(D) ₹ 1,79,000

**67.** Mr. A received a sum of ₹ 4,00,000 from unrecognised provident fund of which ₹ 1,50,000 is her own contributions and ₹ 15,000 is the interest thereon. Such interest is taxable under

- (A) Salary  
(B) Professional Income  
(C) Income from other sources  
(D) Exempted

**68.** Maximum limit for deduction under Income from House Property u/s 24(b) for house property deemed to be let out u/s 23(4) is

- (A) ₹ 1,50,000  
(B) ₹ 30,000  
(C) ₹ 2,00,000  
(D) No limit

**69.** Book Profit of a partnership firm is ₹ 6,00,000 and amount paid to working partner is ₹ 5,00,000. Maximum permissible limit u/s 40(b)

- (A) ₹ 4,50,000  
(B) ₹ 5,40,000  
(C) ₹ 5,00,000  
(D) Fully disallowed

[ Please Turn Over ]

70. ABC Ltd. engaged in a business of Bio-Technology and spent ₹ 1,00,000 for in house Scientific Research Expenditure. The amount of deduction u/s 35 (2AB) for the previous years 2014-2015 is

- (A) ₹ 1,00,000
- (B) ₹ 1,50,000
- (C) ₹ 1,75,000
- (D) ₹ 2,00,000

71. Salary of Mr. X for the previous year 2014-15 is ₹ 8,00,000 and interest from Fixed Deposit in SBI in the name of his minor child is ₹ 2,00,000. Total Income for Mr. X for the previous year 2014-15 is

- (A) ₹ 10,00,000
- (B) ₹ 8,00,000
- (C) ₹ 9,98,500
- (D) ₹ 9,85,000

72. Indexation Benefit under computation of capital gain is available in case of

- (A) Slump sale
- (B) Depreciable Assets
- (C) Sale of Debentures
- (D) Sale of Residential House

73. Maximum Deduction available u/s 80C in the Assessment year 2015-16 is

- (A) ₹ 1,50,000
- (B) ₹ 1,00,000
- (C) ₹ 2,00,000
- (D) ₹ 1,20,000

74. Due date of filing return of income a partnership firm having International Transaction for the previous year 2014-15 is

- (A) 31.07.2015
- (B) 30.09.2015
- (C) 31.10.2015
- (D) 30.11.2015

75. Which of the following is *not* considered as assessment order?

- (A) 153A–Search and Seizure
- (B) 143 (1)–Intimation
- (C) 143 (C)–Scrutiny
- (D) 147–Income Escaping

A-11

0615-III

**ROUGH WORK**

*0615-III*

A-12

**ROUGH WORK**