

**Inspiring Strategic
Preparation**



EDUGORILLA
Your Guide To Success

RBI Grade B 2021 Mains Exam (Phase 2)

[Economic & Social Issues + Finance & Management]



Latest Edition Practice Kit

16

Mock Tests

[8 Paper-I + 8 Paper-III]



**Multiple Choice Questions
modeled on important
topics**



**Detailed explanations for
better understanding of
questions**

RBI Officer Grade B Mains (Phase 2) Solved Mock Test

FREE MOCK TESTS **FOR EXAM PREPARATION**

**DOWNLOAD INDIA'S NO. 1
TEST SERIES APP
EduGorilla**

SCAN QR CODE



HERE YOU WILL GET:

**41,280+ mocks for 1,320+
competitive exams**

**A multitude of mocks,
sectional tests, and
previous year papers**

**Questions that you
would probably get
in your exam**

Tests in 9 languages



We cover 1,320+ major online exams such as IIT-JEE, NEET, UPSC, UPPSC, BANK PO/-CLERK, SSC CGL, CAT, RAILWAY, UP POLICE, UPTET/CTET, UGC NET, DEFENCE, GATE, UPSSSC, CLAT UG/PG, AP/TS ICET, IGNOU, IPM etc. Download our app and get a one-stop solution to all your career-related queries.



Inspiring Strategic Preparation

RBI Grade B 2021

Mains Exam (Phase 2)

Latest Edition Practice kit

16 Tests based on Real Exam pattern

- **Thoroughly Revised and Updated**
- **Detailed Analysis of all MCQs**

Title : RBI Grade B 2021 Mains Exam (Phase 2)
Author Name : Mr. Rohit Manglik
Published By : EduGorilla Community Pvt. Ltd.
Publishers Address : 12/651, First Floor Opp. Arvindo Park,
Near Jama Masjid, Lucknow, Uttar Pradesh-226016, India

© 2021 by EduGorilla Community Pvt. Ltd

All Rights Reserved

ISBN : 978-81-94630-46-3

First Edition

All rights reserved. No part of this book may be reproduced, distributed, or transmitted in any form by any means, without the prior written permission of the publisher.

Disclaimer: Although the author and publisher have made every effort to ensure the accuracy of information in this book, we do not assume any responsibility to errors and hereby disclaim any liability to any party for any loss, damage, or disruption caused by errors or omissions, whether such errors or omissions result from negligence, accident, or any other cause.

Compiled and created by EduGorilla Community Pvt. Ltd

Printer Details : EduGorilla Community Pvt. Ltd.

EDITOR'S NOTE



ROHIT MANGLIK
CEO, **EduGorilla**

Dear Aspirants,

Let's make the path to your success more innovative and practical with EduGorilla! Why does the path to your dreams have to be boring and stringent? Why can't it be enjoyable? I have spent the last few years trying to answer these questions, and my approach to making your success path more enthusiastic & enjoyable ultimately resulted in the foundation of EduGorilla. We are working rigorously to make the career path of students more progressive and enjoyable along with acquainting them with every aspect of learning.

I truly believe in your ambitions and aspire to make your journey as enjoyable as possible. With these test series and mock papers, you will be able to get maximum marks easily without spending hours and days trying to cramp up information. Our competent test series helps you to accelerate your exam preparation by saving your study-time upto 40%. The smart-user interface of EduGorilla's online test series encourages aspirants to learn different aspects of the exam with ease.

EduGorilla is an intensive learning platform helping thousands of young aspirants to achieve their goals easily with a consistent learning approach. The mock tests and online test series provided by EduGorilla are the best in terms of reliability and quality and provide a better understanding of concept-based learning. Our proficient experts have specifically designed the test series to help you achieve easy, effective, and efficient learning.

Our test series covers the most competent questions from a variety of sections including the previous year's question paper as well. The questions included in our mock tests often appear in the .Moreover, our team has also included a detailed explanation of every question to help you understand the concepts better.

We cover more than 1,320 major online exams with more than 41,280 mock tests. Hence it doesn't matter what your life ambitions are, be assured that the journey will be easy with EduGorilla.

In fact, you only need to successfully solve 10 mock papers to improve your chances of selection by 5 times!

ALL THE BEST!

There is an elevator to success, it is called EduGorilla.



Introduction

EduGorilla is a bunch of youth who make exam preparation easy. We create and curate multi language online test series to cater to the success of students. In short, we let students breathe victory. We don't lead students on the crooked path of competitive exam preparation. Rather we guide them along the straight path to success.

EduGorilla is a pioneer in online test preparation. Our website holds easy and exclusive test series for more than 1320 competitive exams. And this book is an endeavor to offer our digitized Gorilla Series in printed format. This book is not just a compilation of mocks, it rather your guide to success!

The book has been written to meet the requirements of aspirants and provide them with well-conceptualized and structured practice material. It contains multiple-choice questions modeled on the relevant subjects and topics. The volume has been prepared by a team of prolific experts after thoroughly analyzing the exam pattern, syllabus, and previous years' papers.

The Gorilla Series begins with an overview of the exam and goes on to cover practice sets along with hints and solutions. The subsequent part of the book also includes previous years' question papers and their solutions. This gives a fair idea to the students about the structure of the question paper and the type of questions asked in the exam. Students can analyze their performance and gauge their preparation level.

Why RBI Gorilla Series?

- 16 Mock Tests [8 Paper-I + 8 Paper-III]
- Tests modeled on the latest exam pattern
- Detailed explanation of questions

About RBI Grade B Mains Exam (Phase 2) 2021

RBI Officer Grade B (Phase II)

RBI is an acronym of Reserve Bank of India, the central bank of our country, RBI is responsible for issuing currency notes, credit control and framing of monetary policies. The Reserve Bank of India is the main institution that regulates and controls the whole banking system of India. RBI conducts various examinations to recruit officers for its various branches.

RBI Grade B exam is a National Level Competitive test. This exam is one of the important examinations amongst all banking examinations conducted every year. RBI Grade B exam which comprises three different grades. These three different grades are DR (Direct Recruit), DEPR (Department of Economic Policy and Research) and DSIM (Department of Statistics and Information Management).

RBI Officer Grade B (phase II) Notification 2021

The recruitment process for RBI Officer Grade B Phase (II) will begin soon. The exam will be conducted by the Reserve Bank of India (RBI) in the upcoming months.

The application fee for Staff is Nil and for SC, ST, and PWD is INR 100, while the same for the rest of the candidates is INR 850.

RBI Grade B Exam Pattern - Main Examination

Name of the Paper	Type of the Paper	Time (Min)	Marks
Paper I: Economic & Social Issues	Objective Type	90	100
Paper II: English (Writing Skills)	Descriptive (type with keyboard)	90	100
Paper III Finance & Management	Objective Type	90	100

TABLE OF CONTENT

Paper	Page
1. Finance and Management Mock Test-1	1-13
2. Economic and Social Issue Mock Test-1	14-26
3. Finance and Management Mock Test-2	27-41
4. Economic and Social Issue Mock Test-2	42-53
5. Finance and Management Mock Test-3	54-67
6. Economic and Social Issue Mock Test-3	68-79
7. Finance and Management Mock Test-4	80-91
8. Economic and Social Issue Mock Test-4	92-105
9. Economic and Social Issue Mock Test-5	106-116
10. Finance and Management Mock Test-5	117-127
11. Finance and Management Mock Test-6	128-138
12. Economic and Social Issue Mock Test-6	139-153
13. Economic and Social Issue Mock Test-7	154-164
14. Finance and Management Mock Test-7	165-177
15. Finance and Management Mock Test-8	178-189
16. Economic and Social Issue Mock Test-8	190-200

FINANCE AND MANAGEMENT MOCK TEST-1

Finance and Management

1. In the case of a straight-line demand curve meeting the two axes, the price-elasticity of demand at the mid-point of the line would be

- A. 0
- B. 1
- C. 1.5
- D. 2
- E. None of these

2. Which is the first-order condition for the profit of a firm to be maximum?

- A. $AC=MR$
- B. $MC=MR$
- C. $MR=AR$
- D. $AC=AR$
- E. None of these

3. Which of the following is one of the assumptions of perfect competition?

- A. Few buyers and few sellers
- B. Many buyers and few sellers
- C. Many buyers and many sellers
- D. All sellers and buyers are honest
- E. None of these

4. Price and demand are positively correlated in case of

- A. Normal goods
- B. Comforts
- C. Giffen goods
- D. Luxuries
- E. None of these

5. Identify the coefficient of price-elasticity of demand when the percentage increase in the quantity of a commodity demanded is smaller than the percentage fall in its price

- A. Equal to one
- B. Greater than one
- C. Small than one
- D. Zero
- E. None of these

6. In which form of the market structure is the degree of control over the price of its product by a firm very large?

- A. Monopoly
- B. Imperfect condition
- C. Oligopoly
- D. Perfect competition
- E. None of these

7. A firm under perfect competition is

- A. Price maker
- B. Price breaker
- C. Price taker
- D. Price shaker
- E. None of the above

8. The elasticity of demand of durable goods is

- A. Less than unity
- B. Greater than unity
- C. Equal to unity
- D. Zero
- E. None of these

9. In the case of an inferior good, the income elasticity of demand is

- A. Positive
- B. Zero
- C. Negative
- D. Infinite
- E. none of these

10. Which is the other name that is given to the average revenue curve?

- A. Profit curve
- B. Demand curve
- C. Average cost curve
- D. Indifference curve
- E. None of these

11. In this technique, personnel specialists and operating managers prepare lists of statements of very effective and very ineffective behavior for an employee.

- A. Critical incident technique
- B. Forced choice
- C. Essay evaluation
- D. Management by Objective
- E. None of these

12. Which of the following issues is related to microeconomics?

- A. The impact of oil prices on car production
- B. The impact of money on inflation
- C. The impact of technology on economic growth
- D. The impact of the deficit on saving
- E. None of these

13. The word economy comes from the Greek word for

- A. "Environment."
- B. "One who participates in a market."
- C. "One who manages a household."
- D. "Conservation."
- E. None of these

14. Economics deals primarily with the concept of

- A. Poverty
- B. Scarcity
- C. Change
- D. Power
- E. None of these

15. The opportunity cost of an item is

- A. The number of hours needed to earn money to buy it.
- B. What you give up to get that item
- C. Always less than the dollar value of the item
- D. Always equal to the dollar value of the item.
- E. None of these

16. Factors of production are :

- A. Inputs into the production process
- B. Weather, social, and political conditions that affect production.
- C. The physical relationships between economic inputs and outputs
- D. The mathematical calculations firms make to determine production.
- E. None of these

17. In the circular-flow diagram,

- A. Firms are sellers in the resource market and the product market.
- B. Households are sellers in the resource market.
- C. Firms are buyers in the product market.
- D. Spending on goods and services flow from firms to

households

- E. None of these

18. In the circular-flow diagram,

- A. Spending on goods and services flow from firms to households.
- B. Goods and services flow from households to firms.
- C. Factors of production flow from firms to households
- D. Income from factors of production flows from firms to households
- E. None of these

19. Scarcity is a condition that exists when

- A. There is a fixed supply of resources.
- B. There is a large demand for a product.
- C. Resources are not able to meet the entire demand for a product.
- D. Either A or B
- E. None of the above

20. Company goals that are concerned with creating employee and customer satisfaction and maintaining a high degree of social responsibility are called _____ objectives.

- A. Social
- B. Noneconomic
- C. Welfare
- D. Public Relations
- E. None of these

21. Discuss the roles of the HR Manager

- A. Administrator / evaluator / career development advisor / instructor or facilitator
- B. marketing programmes and services / instructor material producer
- C. Needs analyst /organisational changer / researcher + (a) above
- D. Both (B) + (C)
- E. None of these

22. The objectives of HR audit are –

- A. To determine the effectiveness of management programmes
- B. Analyse the factors and recommend for correcting deviations + (A)
- C. extent to which line managers have complied with

HRD polices + (B)

- D. To study future manpower inventory and identify shortfalls
- E. None of these

23. Employee accountability is strengthens in

- A. HR Audit B. HR Training
- C. Succession Planning D. HR functions
- E. None of these

24. The main barriers of communications are –

- A. Organisational + Semantic
- B. Personal + psychological + resistance to new ideas
- C. Both (A) + (B)
- D. Organisational / psychological
- E. None of these

25. Manpower planning consists of –

- A. Determining the jobs to be done / identifying the skills / estimating the exists likely / filling up the requirements
- B. Identifying the skills / filling up the requirements
- C. Estimating the turnover likely to happen in near future
- D. Determining the jobs to be done
- E. None of the above

26. Promotion is basically a reward for –

- A. Efficiency B. Seniority
- C. Physical fitness D. Retention
- E. None of these

27. What is 360° appraisal?

- A. A process that provides an employee opportunity in decision making
- B. A process that provides an officer opportunity of feedback about own performance
- C. A process that provides an employee with feedback about his / her workplace performance
- D. Both (A) + (B)
- E. None of these

28. Role of performance management is to accomplish –

- A. Performance needs of the organisation
- B. Guide the development of individuals for skill and knowledge
- C. Motivate individuals / provide data adopt condition of human capital + (B)
- D. Motivate individuals / provide data adopt condition of human capital + (A)
- E. All above

29. Competency Mapping is possible through approaches like –

- A. Job analysis / workforce skills analysis / supply and demand analysis
- B. Job analysis / Gap analysis / solution analysis
- C. Gap analysis / solution analysis + (A)
- D. Both (A) + (B)
- E. None of these

30. Which out of the following is not a function of management?

- A. Planning
- B. Staffing
- C. Controlling
- D. Co-operating
- E. None of these

31. The degree to which jobs are standardized and guided by rules and procedures is called:-

- A. Formalization B. Decentralization
- C. Centralization D. Work Specialization
- E. None of these

32. The following system is simple, less expensive and less time consuming-

- A. Checklist Method
- B. Ranking
- C. Confidential report system
- D. Paired comparison
- E. None of the above.

33.is the simple act of comparison and learning for organisational improvement?

- A. Job Evaluation

- B. Ranking
- C. Benchmarking
- D. (i), (ii) and (iii)
- E. None of these

34. What approach towards the followers dominates in the leader member exchange theory?

- A. Solitary
- B. Unitary
- C. Dyadic
- D. Task oriented
- E. None of these

35. The following technique is used to evaluate an employee individually.

- A. Paired Comparison
- B. Ranking
- C. Graphic Rating Scale
- D. Forced Distribution
- E. None of these

36. The probability of bankrupt is higher.

- A. for a levered firm than an unlevered firm
- B. for an unlevered firm than a levered firm
- C. only levered firm
- D. only unlevered firm
- E. none of these

37. Which of the following statement is true if the Net Present Value (NPV) of a positive?

- A. The IRR must be greater than 0
- B. The discount rate exceeds the cost of capital.
- C. The profitability index equals 1
- D. Accepting the project has an indeterminate effect on shareholders
- E. none of these

38. All of the following influence capital budgeting cash flows EXCEPT.

- A. accelerated depreciation
- B. salvage value
- C. tax rate changes
- D. method of project financing used
- E. none of these

39. If interest rates rose, you would expect to also rise.

- A. business risk
- B. financial risk
- C. liquidity risk
- D. inflation risk
- E. none of these

40. Financial management is indispensable in any organization as it helps in_____

- A. taking sound financial decisions
- B. proper use and allocation
- C. improving the profitability of funds
- D. all the above
- E. none of these

41. This type of risk is avoidable through proper diversification.

- A. portfolio risk
- B. systematic risk
- C. unsystematic risk
- D. total risk
- E. none of these

42. Financial analysts, working capital means the same thing as

- A. total assets
- B. fixed assets
- C. current assets
- D. current assets minus current Liabilities
- E. none of these

43. Which of the following is a basic principle of finance as it relates to the management of working capital?

- A. Profitability varies inversely with risk
- B. Liquidity moves together with risk
- C. Profitability moves together with risk
- D. Profitability moves together with liquidity
- E. none of these

44. The return relative solves the problem of

- A. inflation
- B. negative returns
- C. interest rates
- D. tax differences
- E. none of these

45. If the Dow Jones Industrials had a price appreciation of 6 percent one year and yet Total return for the year was 11 percent; the difference would be due to_____.

- A. the tax treatment of capital gains
- B. the cumulative wealth effect
- C. dividends
- D. profits
- E. none of these

46. Shareholder wealth in a firm is represented by

- A. the number of people employed in the firm
- B. the book value of the firm's assets less the book value of its liabilities
- C. the amount of salary paid to its employees
- D. the market price per share of the firm's common stock
- E. none of these

47. In order to determine the compound growth rate of an investment over some period, an investor would calculate the

- A. arithmetic mean
- B. geometric mean
- C. calculus mean
- D. arithmetic median
- E. none of these

48. Net present value is a popular method which falls

- A. With in non- discount cash flow method
- B. With in discount cash flow method
- C. Equal With in non- discount cash flow method
- D. No discount cash flow
- E. none of these

49. A major difference between real and nominal returns is that

- A. real returns adjust for inflation and nominal returns do not
- B. real returns use actual cash flows and nominal returns use expected cash flows
- C. real returns adjust for commissions and nominal returns do not
- D. real returns show the highest possible return and nominal returns show the lowest possible return
- E. none of these

50. When most people refer to the mean, they are referring to the

- A. median
- B. arithmetic mean
- C. geometric mean
- D. cumulative mean
- E. none of these

51. The gross working capital is a

- A. Going concern
- B. money measurement
- C. revenue concept
- D. cost concept
- E. none of these

52. _____ is concerned with the interrelationships between security returns.

- A. random diversification
- B. correlating diversification
- C. Friedman diversification
- D. Markowitz diversification
- E. none of these

53. The rate of return on investment

- A. falls
- B. going
- C. constant
- D. change
- E. none of these

54. Portfolio weights are found by

- A. dividing standard deviation by expected value
- B. calculating the percentage each asset is to the total portfolio value
- C. calculating the return of each asset to total portfolio return
- D. dividing expected value by the standard deviation
- E. none of these

55. Greater the size of a business unit working capital.

- A. larger
- B. lower
- C. no change
- D. fixed
- E. none of these

56. The four unique elements to services include:

- A. Independence, intangibility, inventory, and inception
- B. Independence, increase, inventory, and intangibility
- C. Intangibility, inconsistency, inseparability, and inventory

- D. Intangibility, independence, inseparability, and inventory
- E. none of these

57. A change in an individual's behavior prompted by information and experience refers to which one of the following concept?

- A. Learning B. Role selection
- C. Perception D. Motivation
- E. none of these

58. While buying milk which kind of behavior is displayed by a person?

- A. Extensive problem solving behavior
- B. Routinized buying behavior
- C. Variety seeking behavior
- D. None of the above
- E. All of the above

59. Whether to sell via intermediaries or directly to consumers, how many outlets to sell through, and whether to control or cooperate with other channel members are examples of decisions marketers must make about

- A. Promotion B. Price
- C. Distribution D. Product
- E. none of these

60. The extended Ps of service marketing mix is:

- A. People, Product, Place
- B. Price Physical Evidence, Promotion
- C. Physical Evidence, Process, People
- D. Product, Process, Physical Environment
- E. none of these

61. A social and managerial process by which individuals and organizations obtain what they need and want through value creation refers to which one of the following concepts?

- A. Selling B. Advertising
- C. Barter D. Marketing
- E. none of these

62. What is the basic property of a service which makes it different from a product?

- A. Shape B. Size
- C. Very expensive D. Intangibility
- E. none of these

63. Which one of the following phrases reflects the marketing concept?

- A. The supplier is a king in the market
- B. Marketing should be viewed as hunting not gardening
- C. This is what I make, won't you please buy it
- D. This is what I want, won't you please make it
- E. none of these

64. The solution to price competition is to develop a differentiated:

- A. Product, price, and promotion
- B. Offer, delivery, and image
- C. Package and label
- D. International Web site
- E. none of these

65. You purchase cleaning supplies for your custodial help regularly. It is showing which buying situation?

- A. Modified rebuy B. Straight rebuy
- C. Modified straight rebuy D. Consumer buy
- E. none of these

SMART ANSWERSHEET

Correct % - Indicates percentage of students who answered Questions Correctly.

Skipped % - Indicates percentage of students who skipped Questions .

Q.	Ans.	Correct
		Skipped
1	B	7.69 % 76.93 %
2	B	7.69 % 84.62 %
3	C	0.0 % 84.62 %
4	C	15.38 % 84.62 %
5	C	15.38 % 84.62 %
6	A	15.38 % 76.93 %
7	C	7.69 % 76.93 %
8	B	15.38 % 76.93 %
9	C	7.69 % 84.62 %
10	B	15.38 % 84.62 %
11	A	15.38 % 84.62 %
12	A	0.0 % 84.62 %
13	C	0.0 % 84.62 %

Q.	Ans.	Correct
		Skipped
14	B	7.69 % 84.62 %
15	B	23.08 % 69.23 %
16	A	7.69 % 84.62 %
17	B	7.69 % 84.62 %
18	A	0.0 % 84.62 %
19	C	0.0 % 84.62 %
20	B	7.69 % 84.62 %
21	D	15.38 % 84.62 %
22	C	7.69 % 76.93 %
23	A	15.38 % 76.93 %
24	C	0.0 % 84.62 %
25	A	15.38 % 84.62 %
26	A	0.0 % 84.62 %

Q.	Ans.	Correct
		Skipped
27	C	7.69 % 76.93 %
28	E	0.0 % 84.62 %
29	C	7.69 % 84.62 %
30	B	7.69 % 84.62 %
31	A	0.0 % 84.62 %
32	A	7.69 % 84.62 %
33	C	0.0 % 84.62 %
34	C	7.69 % 84.62 %
35	C	7.69 % 84.62 %
36	C	7.69 % 84.62 %
37	C	23.08 % 0.0 %
38	D	7.69 % 84.62 %
39	C	7.69 % 84.62 %

Q.	Ans.	Correct
		Skipped
40	D	7.69 % 84.62 %
41	C	7.69 % 84.62 %
42	D	7.69 % 84.62 %
43	C	7.69 % 69.23 %
44	B	7.69 % 69.23 %
45	C	15.38 % 76.93 %
46	D	7.69 % 84.62 %
47	B	7.69 % 84.62 %
48	B	15.38 % 84.62 %
49	A	15.38 % 69.24 %
50	B	7.69 % 84.62 %
51	A	7.69 % 84.62 %
52	D	7.69 % 84.62 %

Q.	Ans.	Correct
		Skipped
53	A	7.69 % 84.62 %
54	B	7.69 % 84.62 %
55	A	7.69 % 84.62 %
56	C	15.38 % 84.62 %
57	A	7.69 % 84.62 %
58	B	15.38 % 84.62 %
59	C	15.38 % 84.62 %
60	C	0.0 % 84.62 %
61	D	0.0 % 84.62 %
62	D	0.0 % 76.92 %
63	D	0.0 % 84.62 %
64	B	7.69 % 84.62 %
65	B	15.38 % 84.62 %

Performance Analysis

Avg. Score (%)	8.0%
Toppers Score (%)	48.0%
Your Score	

HINTS AND SOLUTIONS

1. In the case of a straight-line demand curve meeting the two axes, the price-elasticity of demand at the mid-point of the line would be 1.

2. $MC=MR$ is the first-order condition for the profit of a firm to be maximum. The Profit Maximization Rule states that if a firm chooses to maximize its profits, it must choose that level of output where Marginal Cost (MC) is equal to Marginal Revenue (MR) and the Marginal Cost curve is rising. In other words, it must produce at a level where $MC = MR$.

3. Many buyers and many sellers is one of the assumptions of perfect competition. Yes, in a perfectly competitive market, there are many buyers and many sellers. As a consequence, they have no market power and cannot influence the market price. This is an assumption of the model of perfect competition

4. Price and demand are positively correlated in case of Giffen goods. A Giffen good is a product for which demand increases as the price increases and falls when the price decreases.

5. The coefficient of price-elasticity of demand is smaller than one when the percentage increase in the quantity of a commodity demanded is smaller than the percentage fall in its price.

6. In Monopoly market structure the degree of control over the price of its product by a firm very large. In a monopoly type of market structure, there is only one seller, so a single firm will control the entire market. It can set any price it wishes since it has all the market power.

7. A firm under perfect competition is Price taker. In perfect market conditions (also called perfect competition) a firm is a price taker because other firms can enter the market easily and produce a product that is indistinguishable from every other firm's product. This makes it impossible for any firm to set its own prices.

8. The elasticity of demand of durable goods is greater than unity. Price elasticity of demand for durable goods is generally more elastic in short run than in long run. That is, quantity demanded is more sensitive to price changes of such durable goods in short run and not so much in the long run.

9. In the case of an inferior good, the income elasticity of demand is Negative. A negative income elasticity of demand is associated with inferior goods; an increase in income will lead to a fall in the demand and may lead to changes to more luxurious substitutes.

10. Demand curve is the other name that is given to the average revenue curve. Average revenue curve is often called the demand curve due to its representation of the product's demand in the market.

11. In Critical incident technique, personnel specialists and operating managers prepare lists of statements of very effective and very ineffective behavior for an employee. Critical incident method or critical incident technique is a performance appraisal tool in which analyses the behavior of employee in certain events in which either he performed very well and the ones in which he could have done better.

12. The impact of oil prices on car production

13. The English term 'Economics' is derived from the Greek word 'Oikonomia'. Its meaning is 'household management'. Economics was first read in ancient Greece. Aristotle, the Greek Philosopher termed Economics as a science of 'household management'

14. Economics deals primarily with the concept of Scarcity and choice. Scarcity is the limited availability of a commodity, which may be in demand in the market. Scarcity also includes an individual's lack of resources to buy commodities.

15. Economists use the term opportunity cost to indicate what must be given up to obtain something that's desired. ... The idea behind opportunity cost is that the cost of one item is the lost opportunity to do or consume something else; in short, opportunity cost is the value of the next best alternative.

16. Factors of production are inputs used to produce an output, or goods and services. They are resources a company requires to attempt to generate a profit by producing goods and services. Factors of production are divided into four categories: land, labor, capital and entrepreneurship.

17. Households are sellers in the resource market.

Households are sellers in the market for resources. Households sell land, labor, capital, and entrepreneurial activity in exchange for money, which in this case is called

income. Households are buyers in the market for goods and services. Households exchange income for goods and services.

18. Spending on goods and services flow from firms to households.

The diagram suggests that the economy can reproduce itself. The idea is that as households spend money of goods and services from firms, the firms have the means to purchase labor from the households, which the households to then purchase goods and services.

19. Resources are not able to meet the entire demand for a product.

20. Company goals that are concerned with creating employee and customer satisfaction and maintaining a high degree of social responsibility are called Noneconomic objectives.

21. B. marketing programmes and services / instructor material producer.

C. Needs analyst /organisational changer / researcher + (a) above

Human resources managers plan, direct, and coordinate the administrative functions of an organization. They oversee the recruiting, interviewing, and hiring of new staff; consult with top executives on strategic planning; and serve as a link between an organization's management and its employees.

22. HR audits may accomplish a variety of objectives, such as ensuring legal compliance; helping maintain or improve a competitive advantage; establishing efficient documentation and technology practices; and identifying strengths and weaknesses in training, communications and other employment practices.

23. HR Audit

Regardless of organization or industry, accountability in the workplace is critical to the success of your employees and your business. ... As a leader, it's your job to understand what makes each of your employees tick, then use that information to position them for success.

24. Although the barriers to effective communication may be different for different situations, the following are some of the main barriers:

- Linguistic Barriers.
- Psychological Barriers.

- Emotional Barriers.
- Physical Barriers.
- Cultural Barriers.
- Organisational Structure Barriers.
- Attitude Barriers.
- Perception Barriers.

25. Determining the jobs to be done / identifying the skills / estimating the exists likely / filling up the requirements

Manpower Planning which is also called as Human Resource Planning consists of putting right number of people, right kind of people at the right place, right time, doing the right things for which they are suited for the achievement of goals of the organization.

26. Promotion may be an employee's reward for good performance, i.e., positive appraisal. ... A promotion can involve advancement in terms of designation, salary and benefits, and in some organizations the type of job activities may change a great deal. The opposite of a promotion is a demotion.

27. a process that provides an employee with feedback about his / her workplace performance

28. Performance Management Helps to Create Employee Development Strategies. Continuous performance management means you are proactively developing employees by covering their development needs. ... Use strategies that not only play to employees' strengths but also reflect the direction the business is heading.

29. Gap analysis / solution analysis + (A)

Having a competency map makes it easier for firms to identify qualified candidates, assess performance, focus training efforts and enhance overall productivity. Common competency mapping approaches include assessment center, critical incidents technique, interviewing, questionnaires and psychometric tests.

30. There are four functions of management that span across all industries. They include: planning,organizing, leading, and controlling.Staffing forms a part of the human resource planning function.

31. Formalization in organizational structure is a process in which managers specify (in writing), procedures, rules and responsibilities for the individual employees,organizational units, groups, teams and the organization as a whole,

which leads to the development of processes, relationships, and operating procedures. Work specialization, sometimes called a division of labor, refers to the degree to which an organization divides individual tasks into separate jobs. The advantages of work specialization include: Employees can be an expert to some degree in their specific task at higher levels of productivity.

32. The following system is simple, less expensive and less time consuming Checklist Method.

33. Bench marking is a process of measuring the performance of a company's products, services, or processes against those of another business considered to be the best in the industry. The point of benchmarking is to identify internal opportunities for improvement. By studying companies with superior performance, breaking down what makes such superior performance possible, and then comparing those processes to how your business operates, you can implement changes that will yield significant improvements.

34. The leader-member exchange (LMX) theory is a relationship-based approach to leadership that focuses on the two-way (dyadic) relationship between leaders and followers. It suggests that leaders develop an exchange with each of their subordinates, and that the quality of these leader-member exchange relationships influences subordinates' responsibility, decisions, and access to resources and performance. Relationships are based on trust and respect and are often emotional relationships that extend beyond the scope of employment. Leader-member exchange may promote positive employment experiences and augment organizational effectiveness. It is widely used by many managers and is replacing many of its predecessors.

35. Graphic Rating Scale is a type of performance appraisal method in which traits or behaviours that are important for effective performance are listed out and each employee is rated against these traits. The rating scale method offers a high degree of structure for appraisals. Each employee trait or characteristic is rated on a bipolar scale that usually has several points ranging from "poor" to "excellent" (or some similar arrangement).

36. The probability of bankrupt is higher only levered firm.

37. If interest rates rises, you would expect liquidity risk to also rise. Liquidity is the ability of a firm, company, or even an individual to pay its debts without suffering catastrophic losses.

38. All of the following influence capital budgeting cash flows except method of project financing used. Capital budgeting is the process a business undertakes to evaluate potential major projects or investments.

39. If interest rates rises, you would expect liquidity risk to also rise. Liquidity is the ability of a firm, company, or even an individual to pay its debts without suffering catastrophic losses.

40. Financial management is dispensable in any organization as it helps in taking sound financial decisions, proper use and allocation and improving the profitability of funds.

41. Unsystematic type of risk is avoidable through proper diversification. Unsystematic risk, also known as specific risk or idiosyncratic risk, is a category of risk that only affects an industry or a particular company. Unsystematic risk is the risk of losing an investment due to company or industry-specific hazard.

42. Financial analysts, working capital means the same thing as current assets minus current Liabilities. Financial analyst is one of the most coveted roles in the financial services industry.

43. Profitability moves together with risk is a basic principle of finance as it relates to the management of working capital. Profitability is ability of a company to use its resources to generate revenues in excess of its expenses.

44. The return relative solves the problem of negative returns. A negative return occurs when a company or business has a financial loss or lackluster returns on an investment during a specific period of time.

45. If the Dow Jones Industrials had a price appreciation of 6 percent one year and yet Total return for the year was 11 percent; the difference would be due to dividends. A dividend is the distribution of reward from a portion of the company's earnings and is paid to a class of its shareholders.

46. Shareholder wealth in a firm is represented by the market price per share of the firm's common stock. Shareholder wealth is defined as the present value of the expected future returns to the owners (that is, shareholders) of the firm.

47. In order to determine the compound growth rate of an investment over some period, an investor would calculate

the geometric mean. The geometric mean is the average of a set of products, the calculation of which is commonly used to determine the performance results of an investment or portfolio.

48. Net present value is a popular method which falls with in discount cash flow method. Discounted cash flow (DCF) is a valuation method used to estimate the value of an investment based on its future cash flows.

49. A major difference between real and nominal returns is that real returns adjust for inflation and nominal returns do not.

50. When most people refer to the mean, they are referring to the arithmetic mean. The arithmetic mean is the simplest and most widely used measure of a mean, or average.

51. Gross working capital is also known as going concern concept since finance manager is highly concerned with the management of these assets with a view of bringing about productivity from other assets.

52. Markowitz diversification is concerned with the interrelationships between security returns. A strategy that seeks to combine in a portfolio assets with returns that are less than perfectly positively correlated, in an effort to lower portfolio risk (variance) without sacrificing return.

53. The rate of return on investment falls with the shortage of working capital. Return on Investment (ROI) is a performance measure used to evaluate the efficiency of an investment or compare the efficiency of a number of different investments.

54. Portfolio weights are found by calculating the percentage each asset is to the total portfolio value. A portfolio is a grouping of financial assets such as stocks, bonds, commodities, currencies and cash equivalents, as well as their fund counterparts, including mutual, exchange-traded and closed funds.

55. Greater the size of a business unit larger will be the requirements of working capital. Working capital, also known as net working capital (NWC), is the difference between a company's current assets, such as cash, accounts receivable (customers' unpaid bills) and inventories of raw materials and finished goods, and its current liabilities, such as accounts payable.

56. The four unique elements to services include Intangibility, inconsistency, inseparability and inventory.

Intangibility refers to the tendency of services to be a performance that cannot be held or touched, rather than an object. Inconsistency is a characteristic of services because they depend on people to deliver them, and people vary in their capabilities and in their day-to-day performance. Inseparability refers to the difficulty of separating the deliverer of the service (hair stylist) from the service itself (hair salon). Inventory refers to the need to have service production capability when there is service demand.

57. A change in an individual's behavior prompted by information and experience refers to Learning. Learning is the process of acquiring new, or modifying existing, knowledge, behaviors, skills, values, or preferences.

58. While buying milk Routinized buying behavior kind of behavior is displayed by a person. Buying Behavior is the decision processes and acts of people involved in buying and using products.

59. Whether to sell via intermediaries or directly to consumers, how many outlets to sell through, and whether to control or cooperate with other channel members are examples of decisions marketers must make about Distribution. Distribution means the process by which we make the goods or the service available to the end consumer. Generally, the place of production is not the same as the place of consumption. So the goods have to be distributed to overcome the barrier of place.

60. The extended Ps of service marketing mix is Physical Evidence, Process, People. The physical evidence within the service marketing mix refers to an environment in which a service comes about from an interaction between an employee and a customer which is combined with a tangible commodity. The element 'Process' of the service marketing mix represents the activities, procedures, protocols and more by which the service in question is eventually delivered to the customer. As services are results of actions for or with customers, a process involves a sequence of steps and activities to get there. In Booms and Bitner's service marketing mix, 'people' include people who are directly or indirectly involved in the trade of the product or service. These are mainly customer contact employees (contact centre employees, representatives, account managers, etc.), customers, personnel and management.

61. A social and managerial process by which individuals and organizations obtain what they need and want through value creation refers to Marketing. "Marketing is a social and managerial process by which individuals and groups