AAFM GLO_CWM_LVL_1 Mock Exam

Shared by Talley on 17-06-2026

For More Free Questions and Preparation Resources

Check the Links on Last Page

Question 1

Question Type: MultipleChoice

Sources of risk to investors who purchase government bonds include

I.	Reinvestment rate risk
II.	Risk of default
III.	Interest rate risk

Options:

A- I and II

B- I and III

C- II and III

D- Zero-coupon bonds generally require the investor to switch to a coupon-bearing bond after a period of 5 years.

Answer:

B

Question 2

Question Type: MultipleChoice

Forward contracts are

Options:

A- Standardized

B- Traded on exchange

C- Customized

D- Forward price is at the same price level as that of expected future spot price

Answer:

C

Question 3

Question Type: MultipleChoice

International Development Association is an agency of _____

Options:

A- IMF

B- World Bank Group

C- United Nations

D- Surveillance, United nations development business

Answer:

B

Question 4

Question Type: MultipleChoice

RBI has stated that KYC of banks should incorporate the following elements __________.

Options:

A- Customer Acceptance policy

B- Customer identification procedure

C- Monitoring of transactions

D- Calculate Treynor's performance index for each of the funds on the assumption that r=6% where r stands for the risk -- free interest rate.

Answer:

D

Question 5

Question Type: MultipleChoice

Dividend received by a shareholder from an Indian company the whole of whose income is agricultural income shall be treated as:

Options:

A- agricultural income in the hands of shareholder and thus exempt

B- agricultural income and thus exempt but it will be subject to partial integration

C- exempt under section 10(34) but taxable in the hands of the company

D- income taxable under the head income from other sources

Answer:

C

Question 6

Question Type: MultipleChoice

A contract is said to be caused by coercion when it is obtained by:

I.	Committing any act which is forbidden by the Indian Penal Court
II.	Threatening to commit any act which is forbidden by the Indian Penal Court
III.	Unlawful detaining of any property
IV.	Threatening to detain any property

Options:

A- I,II and III

B- I,III and IV

C- II,III and IV

D- Allowed as a deduction spread over five successive previous year beginning with the previous year in which the amalgamation or demerger takes place

Answer:

D

Question 7

Question Type: MultipleChoice

For claiming exemption u/s 54G, the assessed shall acquire the new asset within:

Options:

A- 2 years from the date of transfer
B- 3 years from the date of transfer
C- one year before or 2 years after the date of transfer
D- one year before or 3 years from the date of transfer

Answer:

D

Question 8

Question Type: MultipleChoice

Find the Human Life Value for a person who is 30 years old.He wishes to retire at age of 60. Interest rate is expected to be 12%. He spends Rs. 60000 on his personal clothing and Rs. 40,000 on his conveyance. He has paid Rs. 65000 as tax for the year. His gross annual income is Rs. 5 lakhs.

Options:

A- 3022305
B- 1822305
C- 1722305
D- 1625000

Answer:

A

Question 9

Question Type: MultipleChoice

A Family consists of karta, his wife four sons and their wires and children and its income is Rs. 1000000 if by family arrangement income yield property is settled on karta his wife and sons & daughter in law than tax liability would be

Options:

A- Nil

B- 100000

C- Calculated as per income tax Act 1961

D- Taxable under the head income from house property.

Answer:

A

Question 10

Question Type: MultipleChoice

In case where amount of wealth tax exceeds one hundred thousand rupees rigorous imprisonment for a term not be less than ....

Options:

A- One month which may extend to one year

B- Only fine

C- Six months which may extend to 7 years

D- On year to 10 years

Answer:

C