

## LEGAL ENVIRONMENT FOR CO-OPERATIVES

Core course – V Semester BCom  
(Co-operation specialisation-2014 Admn onwards)

### Objective Questions

1. *Co-operative movement originated first in*  
(A) Germany (B) England  
(C) France (D) Spain
2. *Co-operative Principles are associated with \_\_\_\_\_ committee.*  
(A) Craficard (B) Karve  
(C) Nicholson (D) Gorwala
3. *Which of the following organizational structure is followed by Co-operatives in India?*  
(A) Unitary Structure (B) Federal Structure  
(C) Centralized Structure (D) Decentralized Structure
4. *The Chairman of the committee which suggest criteria to determine the genuiness of membership in Co-operatives?*  
(A) Madhavadas (B) V.L.Mehta  
(C) B.Sivaraman (D) R.N.Mirdha
5. *The formation of Indian Co-operative movement is closely associated with which of the following person?*  
(A) Edward Law (B) Vaikunta Mehta Bhai  
(C) Frederic Nicholson (D) Jawaharlal Nehru
6. *‘One man one vote’ principle was recommended by ----- Committee*  
(A) Gorwala (B) Mac Lagan  
(C) Minto Morley (D) Montague Chelmsford
7. \_\_\_\_\_ *is the first Co-operative Societies Act in India.*  
(A) 1904 (B) 1901  
(C) 1884 (D) 1879
8. *First state co-operative act was passed by*  
(A) Bombay State (B) Madras State  
(C) Bihar State (D) Orissa State
9. *MacLagan committee was appointed in the year*  
(A) 1910 (B) 1911  
(C) 1912 (D) 1914
10. *Royal Commission was appointed by*  
(A) Government of India (B) RBI  
(C) SBI (D) Madras Provision Govt.

11. *10% of profit transferred to charitable purpose deals in \_\_\_\_\_ Act at first*  
(A) 1904 (B) 1912  
(C) 1919 (D) 1925
12. *NCDC was established in :*  
(A) 1963 (B) 1962  
(C) 1975 (D) 1974
13. *Chairman of the committee on consumption credit (1976)*  
(A) Gadgil (B) B. Sivaraman  
(C) S.G.Sarriyah (D) V.C. Mehta
14. *The committee responsible for the evaluation of Co-operative farming societies*  
(A) Gadgil (B) Venkatapathi  
(C) Mirdha (D) Calvert
15. *Expand NDDB:*  
(A) National Dairy Development Board (B) National Dairy Development Business  
(C) National Dairy Development Basis (D) National Dairy Development Bench
16. *The Kerala Co-operative Societies Act 1969, came into effect on \_\_\_\_\_*  
(A) 1-4-1969 (B) 15-4-1969  
(C) 1-5-1969 (D) 15-5-1969
17. *\_\_\_\_\_ is the law relating Co-operative Societies in the State.*  
(A) KCSA 1969 (B) KCSA 1970  
(C) KCSA 1914 (D) KCSA 1913
18. *Name the first society organized under Travancore Co-op. Societies Act*  
(A) Kottayam Central co-operative Bank (B) Travancore Central Co-operative Bank  
(C) Kollam Central Co-operative Bank (D) Trivandrum Central Co-operative Bank
19. *\_\_\_\_\_ number of persons are required for registration in a Co-operative Society.*  
(A) 25 (B) 10  
(C) 8 (D) 11
20. *According to Section \_\_\_\_\_ the government may appoint a person to be the Registrar.*  
(A) 3(1) (B) 3(2)  
(C) 3(3) (D) 3(4)
21. *According to rule \_\_\_\_\_ lies down the classification of society.*  
(A) 14 (B) 15  
(C) 13 (D) 16
22. *Rule 16 and 20 of the Societies Act lies down two procedures for getting:*  
(A) Identity Card (B) Membership  
(C) Registration (D) None of these
23. *Section 18 of the Act, a Society can admit individual as a:*  
(A) Nominal member (B) Active member  
(C) Sleeping member (D) None of these

24. *Co-operative Societies shall pay audit fees to government within \_\_\_\_\_ of receipt of annual audit certificate.*
- (A) 2 months (B) 6 months  
(C) 3 months (D) 1 month
25. \_\_\_\_\_ *is considered the supreme authority of a society.*
- (A) Committee (B) Manning committee  
(C) Adhoc committee (D) General body
26. *The determination of dispute by the decision of one or more persons is called:*
- (A) Arbitration (B) Audit  
(C) Surcharge (D) None of these
27. *The election of the members of the committee shall be conducted according to the rule \_\_\_\_\_ of the Act.*
- (A) 35 (B) 34  
(C) 33 (D) 32
28. *Sec. 65 deals with \_\_\_\_\_*
- (A) Enquiry (B) Audit  
(C) Election (D) Appointment
29. *Rule 69 specifies the \_\_\_\_\_ procedure.*
- (A) Liquidation (B) Arbitration  
(C) Registration (D) None of these
30. \_\_\_\_\_ *is a document issued by the Court directing a person to appear before a Court.*
- (A) Decree (B) Award  
(C) Summons (D) None of these
31. \_\_\_\_\_ *is filing a petition by the aggrieved party before a higher authority.*
- (A) Decree (B) Order  
(C) Appeal (D) None of these
32. *The area of Central Co-operative Bank is :*
- (A) All India (B) Kerala  
(C) India except J.K (D) A Revenue District
33. *Sec. \_\_\_\_\_ provides that a Society arc exempted from stamp duty.*
- (A) 36 (B) 38  
(C) 40 (D) 41
34. *The KSCU is the biggest \_\_\_\_\_ body of the co-operative movement in the state.*
- (A) General (B) Managing  
(C) Non-official (D) Official
35. *Audit fee calculated by transport society is :*
- (A) Hire charges collected (B) Sales  
(C) Total income (D) Working Capital

36. *The secretary of a Society may be :*

- |                      |                   |
|----------------------|-------------------|
| (A) Paid or honorary | (B) Paid          |
| (C) Honorary         | (D) None of these |

37. *As per Sec. \_\_\_\_\_ every member of a Society shall exercise the vote in person.*

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|--------|--------|
| (A) 22 | (B) 21 |
| (C) 23 | (D) 24 |

38. *Audit of a co-operative society is*

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|--------------|---------------|
| (A) Internal | (B) Final     |
| (C) Company  | (D) Statutory |

39. *Audit of a co-operative society is done as per section \_\_\_\_\_*

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|--------|--------|
| (A) 62 | (B) 63 |
| (C) 80 | (D) 32 |

40. *Auditor's plan of action is called \_\_\_\_\_*

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|---------------------|----------------|
| (A) Audit Programme | (B) Audit note |
| (C) Audit Procedure | (D) Auditing   |

41. *Who will be the chief of audit of co-operative societies as per latest Amendment?*

- |                                     |                                    |
|-------------------------------------|------------------------------------|
| (A) Registrar                       | (B) Finance Secretary              |
| (C) Registrar of Co-operative Audit | (D) Director of Co-operative Audit |

42. \_\_\_\_\_ *is considered as essence of auditing.*

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|--------------|-------------------|
| (A) Vouching | (B) Interim audit |
| (C) Voucher  | (D) Fraud         |

43. *Quorum of managing committee is 50% and it is defined in Section \_\_\_\_\_*

- |           |           |
|-----------|-----------|
| (A) 28(1) | (B) 28(4) |
| (C) 28(5) | (D) 32    |

44. *Maximum shares held by a member shall not exceed \_\_\_\_\_*

- (A) 1 /5th of total share capital  
(B) Rs. 5000/-  
(C) 1/4th of total share capital  
(D) 1/5th of total share capital or Rs. 5000 whichever is less.

45. *The State Co-operative Union is established under \_\_\_\_\_ of the KCSA 1969.*

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|----------------|----------------|
| (A) Section 86 | (B) Section 87 |
| (C) Section 88 | (D) Section 89 |

46. *The Co-operative Service Examination Board is established as per \_\_\_\_\_ of the KCS Act 1969.*

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|-----------------|-----------------|
| (A) Section 80  | (B) Section 80A |
| (C) Section 80B | (D) Section 80C |

47. *A member admitted within \_\_\_\_\_ days immediately prior to the date of election shall not have the right to vote*

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|--------|--------|
| (A) 15 | (B) 30 |
| (C) 45 | (D) 60 |

48. *No. of seats reserved for women in the committee of the society.*  
(A) 7 (B) 5  
(C) 3 (D) 8
49. *Every application for registration of a Co-operative society shall be made in Form No. \_\_\_\_*  
(A) 1 (B) 2  
(C) 3 (D) 4
50. *A per Sec. 27 of KCS Act, \_\_\_\_ is the final authority in a Co-operative Society.*  
(A) Registrar (B) President  
(C) General Body (D) Chief Executive
51. *Any member who acts against the interest of the society, he may be \_\_\_\_ from the society as per Sec. 17.*  
(A) Superseeded (B) Suspended  
(C) Expelled (D) Executed
52. *In a Central Society, Government nominees are appointed by \_\_\_\_*  
(A) President (B) Registrar  
(C) President (D) Committee
53. *Co-operative Tribunal deals in section*  
(A) 80 (B) 81  
(C) 82 (D) 83
54. *The fee for Registration of a Co-operative society is*  
(A) 100 (B) 200  
(C) 500 (D) 1000
55. *Amendment of byelaws is passed by \_\_\_\_ majority of members present and voting in favour of amendment.*  
(A) 1/3 (B) 2/3  
(C) 1/5 (D) 2/5
56. *'One man one vote' deals in section \_\_\_\_ of KCS Act.*  
(A) 19 (B) 20  
(C) 21 (D) 22
57. *Registration of a Co-operative society, the application shall be accompanied by \_\_\_\_ copies of the proposed byelaws.*  
(A) One (B) Two  
(C) Three (D) Four
58. *Who can become a member in a Co-operative society.*  
(A) Individual (B) Any other society  
(C) Government or Local Self Govt. (D) All of these
59. *Minutes book for recording the proceedings of \_\_\_\_*  
(A) Sub-committee (B) Committee  
(C) General Body (D) All of these

60. *As per the Co-operative Societies Act, the term of office of a managing committee is prescribed as \_\_\_\_\_ years.*
- (A) Two (B) Three  
(C) Four (D) Not exceeding five
61. *Normally a member can withdraw his shares after a period of*
- (A) One Year (B) Two years  
(C) Three Years (D) Five years
62. *Annual report of a society is approved by*
- (A) Board of directors (B) Registrar  
(C) General body (D) Auditor
63. *The Bye-law of Co-operative Society can be amended by*
- (A) The General Body passing simple majority  
(B) The General Body passing by 2/3 majority  
(C) The direction of the Registrar  
(D) 2/3 majority of the Board of Directors
64. *When the Registrar refuses to register a society applied for registration he shall communicate the order of refusal within .....days*
- (A) 15 days of such order (B) 7 days of such order  
(C) 20 days of such order (D) 30 days of such order
65. *A person who has been holding the post of District Judge can be appointed as the*
- (A) Registrar (B) Tribunal  
(C) Returning Officer (D) Liquidator
66. *An officer appointed to decide a dispute in a co-operative society is called*
- (A) Liquidator (B) Sale Officer  
(C) Arbitrator (D) Registrar
67. *The punishment can be imposed by the president of the society to the clerk of the society is*
- (A) Censure (B) Fine  
(C) Dismissal (D) Demotion
68. *The resolution for amendment of bye laws shall be sent to the registrar within*
- (A) 1 month (B) 2 months  
(C) 3 months (D) 6 months
69. *What is called 'Brightest spot' in co-op movement*
- (A) District Co-operative Bank (B) Co-operative Urban Bank  
(C) Employees Co-operative Credit Societies (D) Primary Agricultural Credit Societies
70. *Who shall be the secretary of the Circle Co-operative Union*
- (A) The Assistant Registrar of co-operative Societies (Audit)  
(B) The Assistant Registrar of co-operative Societies (General)  
(C) The Joint Registrar of Co-operative Societies (Audit)  
(D) The Joint Registrar of Co-operative Societies (General)

71. *After election to Circle Co-operative Union, the Secretary of the Circle Co-operative Union shall preserve the ballot papers for a period of*
- (A) 1 month from the date of poll (B) 2 months from the date of poll  
(C) 3 months from the date of poll (D) 4 months from the date of poll
72. *The Date on which State Co-operative Union Kerala came into existence*
- (A) 21st Nov, 1970 (B) 21st Dec, 1970  
(C) 21st Jan, 1971 (D) 21st Oct 1970
73. *Who is considered as the 'Friend, Philosopher, and Guide' of the Co-operative Department of Kerala*
- (A) Minister (B) Registrar  
(C) President (D) Secretary
74. *Rule 66 of the Co-operative societies act deals with*
- (A) Conduct of enquiry and inspection (B) Levy of audit fees  
(C) Audit (D) Writing off bad debts
75. *Co-operative Arbitration Court on receipt of reference of dispute shall pass*
- (A) Decree (B) Award  
(C) Order (D) Surcharge
76. *Section \_\_\_\_ of KCS Act states that Co-op society can be registered with limited Liability?*
- (A) Sec. 5 (B) Sec. 6  
(C) Sec. 4 (D) Sec.7
77. *\_\_\_\_\_ is the monthly publication of the Co-operative Department in Kerala.*
- (A) Kerala Co-operative Journal (B) Sahakarana Veedhi  
(C) Paraspara Sahay (D) Sahakarana Prabhodhini
78. *The resignation letter from a member of the Managing Committee of a society can be accepted or rejected by \_\_\_\_\_*
- (A) President (B) Registrar  
(C) Managing Committee (D) General Body
79. *Audit classification helps to guage the \_\_\_\_\_ of a society.*
- (A) Financial stability (B) Profitability  
(C) General working (D) Liquidity
80. *Securing of possession of records of a Co-operative society is dealt with under Section \_\_\_\_ of KCS Act.*
- (A) 34 (B) 24 (C) 40 (D) 44
81. *Disposal of net profit of Co-operative societies shall be made as per section \_\_\_\_\_*
- (A) 58 (B) 56 (C) 57 (D) 55
82. *Sec 28AB of KCS Act 1969 deals with \_\_\_\_\_*
- (A) Election and removal of President, Vice President  
(B) State Co-operative Election Commission  
(C) Annual general body meeting  
(D) Special general body meeting

83. *A Central society shall utilize the Subsidiary State Partnership Fund for the purpose of \_\_\_\_\_*  
(A) Purchasing shares in primary societies      (B) Making payments to Apex society  
(C) All of these      (D) None of these
84. *An apex society shall utilize Principal State Partnership Fund for the purpose of \_\_\_\_\_*  
(A) Directly purchasing shares in other societies with limited liability  
(B) Providing moneys to central society to enable them to purchase shares in other societies  
(C) Making payments to the Government in accordance with provisions of KCS Act  
(D) All of these
85. *Annual General body meeting of a Co-operative Society shall be held*  
(A) Within one year  
(B) Within six months of close of the year  
(C) Within 6 months of closing of the financial year  
(D) Within 3 months on getting the audit report
86. *The accounts of a Co-operative Society should be audited within \_\_\_\_\_ of the close of the financial year.*  
(A) Six months      (B) One year  
(C) Two years      (D) The period as mentioned in the byelaw
87. *In a Co-operative Society \_\_\_\_\_ is never allowed*  
(A) Meeting      (B) Proxy  
(C) Audit      (D) Voting
88. *The member of a Co-operative Society have*  
(A) Limited liability      (B) Unlimited liability  
(C) Joint and Several liability      (D) Joint liability
89. *Apex Society means*  
(A) State level society      (B) District level society  
(C) Village level society      (D) National level society
90. *The basic principle of a Co-operative Society is*  
(A) One share one vote      (B) One member one vote  
(C) Proxy vote      (D) Open votes
91. *The motto of Co-operative Society is*  
(A) Each for all and all for each      (B) Each for all  
(C) All for each      (D) All for all
92. *The Audit memorandum is prepared by*  
(A) Registrar      (B) Director of Co-op. Audit  
(C) Auditor      (D) Committee of the society
93. *Change of name of society is defined in Section*  
(A) 12      (B) 13  
(C) 14      (D) 10

94. *Every society shall start business within a period of ----- from registration*  
(A) 5 Months (B) 3 Months  
(C) 6 Months (D) 12 Months
95. *Annual General body of a society is defined in Section -----*  
(A) 43 (B) 29  
(C) 28 (D) 28 (5)
96. *The Co-operative Arbitration Court entertains?*  
(A) Only monetary issue (B) Only non-monetary issues  
(C) Both monetary and non-monetary issues  
(D) Monetary issues upto Rs. 10000 and non-monetary issues
97. *Who among the following has all powers of the Registrar except those laid under Sections 32, 71 (1) and 87 of the Kerala Co-operative Societies Act 1969?*  
(A) Deputy Registrar (B) Additional Registrar  
(C) Joint Registrar (D) Assistant Registrar
98. *As per which section, the Government gets direct partnership in the capital of a Co-operative Society?*  
(A) Section 41 (B) Section 42  
(C) Section 50 (D) Section 51
99. *The jurisdiction of a Circle Co-operative union is?*  
(A) Grama Panchayath (B) Block Panchayath  
(C) Taluk (D) District
100. *The members of District Co-operative Bank consist of?*  
(A) Only individuals (B) Individual and Societies  
(C) Primary Co-op. Credit Societies and Urban Co-op. Bank  
(D) Only Primary Credit Societies
101. *Which section of the KCS Act 1969 provides for the reservation of seats for women and others belonging to the Scheduled Cast and Scheduled Tribe in the managing committee of the society?*  
(A) Section 27 (B) Section 27 A  
(C) Section 28 (D) Section 28 A
102. *The norms pertaining to disqualification of a member of Managing Committee of a society are laid under*  
(A) Section 28 and Rule 44 (B) Section 36 and Rule 51  
(C) Section 37 and Rule 52 (D) Section 58 and Rule 55
103. *Representative general body may be constituted by*  
(A) Society having one Taluk as its area of operation  
(B) Society having one Taluk as its area of operation and having not less than 1000 members  
(C) Society having one Taluk or more than one Taluk as its area of operation and not less than 1000 members  
(D) Society having more Taluks as its area of operation and having more than 1000 members

104. *Recovery of sums due from the Society to the Government is explained in*  
(A) Rule 60 (B) Rule 70  
(C) Rule 80 (D) Rule 94
105. *A 'surcharge' order can issued against which of the following persons/authorities?*  
(A) Paid employees (B) Committee members  
(C) Past members of committee (D) All of these
106. *The concerned authority of Registration of Bye-law Amendment of a PACS?*  
(A) General Body (B) Joint Registrar  
(C) Govt. (D) Committee
107. *The Registrar of Co-op. Societies has the right to rescind any Resolution of a Co-op. Society as per Rule.*  
(A) 170 (B) 176  
(C) 178 (D) 180
108. \_\_\_\_\_ % of net profit is given as dividend to Govt. by Co-operative Societies?  
(A) 10 (B) 20  
(C) 25 (D) No dividend
109. *State Co-operative union is a succeeding organizations of \_\_\_\_\_*  
(A) Cochin Central Co-operative Institute Ltd  
(B) Malabar Co-operative Institute  
(C) The South Kerala Co-operative Union Ltd  
(D) All of these
110. *Audit fee of Credit Society is calculated on the basis of \_\_\_\_\_*  
(A) Gross Income (B) Working Capital  
(C) Sales (D) None of these
111. *Primary Credit Society with village as area of operation must affiliate to \_\_\_\_\_ as per Sec. 90*  
(A) Circle Co-operative Union (B) State Co-operative Union  
(C) DCB (D) State Co-operative Bank
112. *A Co-operative society must keep their audit certificate for a period of \_\_\_\_\_ years.*  
(A) 5 (B) 7  
(C) 10 (D) Permanent
113. *As per Co-operatives Act 'Officer' means*  
(A) Secretary (B) President  
(C) Administrator (D) All of these
114. *Co-operation is included in the ----- schedule of Indian Constitution*  
(A) V (B) VI  
(C) VII (D) IX
115. *Co-operative societies with area of operation more than two states is registered by*  
(A) Central Government (B) NCUI  
(C) Central Registrar (D) RBI

116. *The Section deals with Co-operative Ombudsman:*

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|-----------------|-----------------|
| (A) Section 77A | (B) Section 67A |
| (C) Section 69A | (D) Section 80A |

117. *The committee on co-operation appointed in the year 1964 was under the chairmanship of*

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|-----------------|------------------|
| (A) C.D. Datey  | (B) V.L. Mehta   |
| (C) R.N. Mirdha | (D) A.D. Gorwala |

118. *The previous name of National Co-operative Union of India was \_\_\_\_\_*

- (A) Indian Co-operative Union
- (B) Co-operative Union
- (C) All India Co-operative Institute and Association
- (D) Co-operative Training Association

119. *The Vaikunth Mehta National Institute of Co-operative Management (1967) is situated at*

- |            |               |
|------------|---------------|
| (A) Bombay | (B) New Delhi |
| (C) Pune   | (D) Kolkata   |

120. *The objective of Co-operative Management is:*

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|---|------------------------------|
| (A) Provide better quality service to members | (B) Conduct maximum business |
| (C) Profit maximization                       | (D) Proper accounting        |

121. *The Registrar office who is incharge of general administration*

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|--------------------------|-------------------------|
| (A) Additional Registrar | (B) Assistant Registrar |
| (C) Joint Registrar      | (D) Deputy Registrar    |

122. *The Taluk level officer who conduct audit of a co-operative society is*

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|---|--|
| (A) Joint Director of Co-op. Audit      | (B) Deputy Director of Co-op. Audit    |
| (C) Additional Director of Co-op. Audit | (D) Assistant Director of Co-op. Audit |

123. *As per 1904 Act minimum number of persons required to register a co-operative society?*

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|--------|--------|
| (A) 10 | (B) 20 |
| (C) 25 | (D) 9  |

124. *The objectives of Multi State Co-operative Societies Act, 2002 are*

- (A) To facilitate the voluntary formation and democratic functioning of co-operatives
- (B) To enable them to promote their economic and social betterment
- (C) To provide functional autonomy and freedom to co-operatives
- (D) All of these

125. *The committee "Task Force on Revival of Co-operative Credit Institutions" (2005) was formed under the chairman of*

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|---------------------|-----------------------------|
| (A) A. Vaidyanathan | (B) Y.K. Alagh              |
| (C) Radhakrishna    | (D) Choudhary Brahm Prakash |

**ANSWERS**

1	B	26	A	51	C	76	A	101	D
2	B	27	A	52	B	77	B	102	A
3	B	28	A	53	B	78	A	103	C
4	D	29	A	54	C	79	A	104	D
5	C	30	C	55	B	80	A	105	D
6	B	31	C	56	B	81	B	106	B
7	A	32	D	57	C	82	A	107	B
8	A	33	C	58	D	83	C	108	B
9	D	34	C	59	D	84	D	109	D
10	A	35	A	60	D	85	C	110	B
11	B	36	A	61	C	86	A	111	B
12	A	37	B	62	C	87	B	112	D
13	B	38	D	63	B	88	A	113	D
14	A	39	B	64	B	89	A	114	C
15	A	40	A	65	B	90	B	115	C
16	D	41	D	66	C	91	A	116	C
17	A	42	A	67	D	92	C	117	C
18	D	43	A	68	A	93	D	118	A
19	A	44	A	69	B	94	B	119	C
20	A	45	D	70	B	95	B	120	A
21	B	46	C	71	C	96	B	121	A
22	B	47	D	72	A	97	A	122	D
23	A	48	C	73	B	98	B	123	A
24	D	49	A	74	A	99	C	124	D
25	D	50	C	75	B	100	C	125	A

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