

COMBINED TECHNICAL SERVICES EXAMINATION
(INTERVIEW POSTS)
COMPUTER BASED TEST
PAPER – II – FINANCIAL AND COST ACCOUNTANCY
(PG DEGREE STANDARD)

1. The direct material usage variance for last period was Rs.3,400 adverse. What reasons could have contributed such a variance?

- (A) Output was higher than budgeted
- (B) The purchase department bought poor quality material
- (C) The original standard usage was set extremely low
- (D) An old inefficient machine was causing excess wastage
- (E) Answer not known

2. Find out efficiency ratio by using following inputs.

Standard hours – 11000

Actual hours – 10000

Budgeted hours for the month – 8500

Idle time hours – 100

- (A) 121% (B) 850%
- (C) 100% (D) 110%
- (E) Answer not known

3. Which items are non-controllable variances?

- (1) Labour hours
 - (2) Increase in wage rates
 - (3) The rise in prices of material
 - (4) Idle time of labour hours
- (A) (2) and (3) (B) (1) and (4)
 - (C) (2) and (4) (D) (3) and (4)
 - (E) Answer not known

4. Which of the following may be the cause of Material Price Variance?
- (A) Change in quantity of purchase (or) uneconomical size of purchase order
 - (B) Failure to take advantage of off-season price (or) failure to purchase when price is cheaper
 - (C) Change the basic purchase price of material
 - (D) All of the above
 - (E) Answer not known
5. Which formula is used for calculating Direct Material Price Variance?
- (a) $(\text{Std price} \times \text{Standard Qty for Actual Output}) - (\text{Actual Price} \times \text{Actual Quantity})$
 - (b) $(\text{Std Price} \times \text{Actual Qty for Standard Output}) - (\text{Actual Price} \times \text{Actual Quantity})$
 - (c) $(\text{Std Price} \times \text{Standard Qty for Actual Output}) - (\text{Actual Price} \times \text{Standard Quantity})$
 - (A) (a) and (b) (B) (a)
 - (C) (b) (D) (c)
 - (E) Answer not known
6. MN paid Rs.5,30,000 for a Machine used to powder wheat. The machine can be sold for Rs.1,30,000. The Sale value of wheat is Rs.8,00,000 and its variable cost is Rs.4,00,000. The Opportunity cost of producing wheat flour is
- (A) Rs. 5,30,000 (B) Rs. 1,30,000
 - (C) Rs. 3,50,000 (D) Rs. 8,00,000
 - (E) Answer not known

10. _____ Strategy drives the management to constantly work on reducing cost at every level.
- (A) Cost leadership (B) Price leadership
(C) Value chain control (D) Optimum utilisation of assets
(E) Answer not known
11. _____ is a set of revenue maximization strategies and tactics meant to improve the business profitability.
- (A) Cost-Conscious Culture (B) Yield Management
(C) Profit Management (D) Turnover Management
(E) Answer not known
12. Which one is not a Methods of Transfer Pricing?
- (A) Pricing based on cost (B) Market price as transfer price
(C) Negotiated pricing (D) Absorption pricing
(E) Answer not known
13. _____ is the difference in costs under two or more decision alternatives, specifically two different projects or situations.
- (A) Differential Costs (B) Sunk Cost
(C) Marginal Cost (D) Activity based Cost
(E) Answer not known

14. Compute Break even Sales from the following :

(a) Sales = Rs. 10,00,000

(b) Fixed Cost = Rs. 3,00,000

(c) Profit = Rs. 2,00,000

(A) Rs. 5,00,000/-

(B) Rs. 6,00,000/-

(C) Rs. 7,00,000/-

(D) Rs. 6,50,000/-

(E) Answer not known

15. During the current year, a company reported profit of Rs. 1,80,000 on a Sale of Rs. 30,00,000. The variable expenses were Rs. 21,00,000. Find out P/V ratio?

(A) 20%

(B) 60%

(C) 70%

(D) 30%

(E) Answer not known

16. By noting "P/V Ratio will increase" or "P/V Ratio will decrease (or) P/V Ratio will not change", as the case may be, state how the following situations will affect the P/V Ratio.

An increase in Physical Sales Volume.

(A) No change

(B) Increase

(C) Decrease

(D) Multiple

(E) Answer not known

17. Which one is incorrect answer in relation to the following statement?
Cost Volume Profit analysis is useful to the Finance Manager in the following respects.
- (A) It helps him in forecasting the profit fairly accurately
 - (B) It helps in formulating price policy
 - (C) It also assists him in performance evaluation for purposes of Management Control
 - (D) It helps in determining the only fixed overheads
 - (E) Answer not known

18. Find out P/V ratio :-
The following figures of Sales and Profit for two periods are available in respect of concern

Year	Sales	Profit
1	100000	12000
2	140000	22000

- (A) 12%
 - (B) 25%
 - (C) 15.7%
 - (D) 13.1%
 - (E) Answer not known
19. A Ltd. maintains a margin of safety of 40% with a profit of Rs. 4 lakhs. Its contribution Sales ratio is 40% calculate Sales?
- (A) Rs. 4,00,00,000
 - (B) Rs. 32,00,000
 - (C) Rs. 16,00,000
 - (D) Rs. 25,00,000
 - (E) Answer not known

20. The Shut down point (in Rs.) is arrived at by the following formula.

- (A) Avoidable Fixed Costs / P/V ratio
- (B) Avoidable Fixed Cost / Contribution per Unit
- (C) Avoidable Fixed Cost / Variable Cost
- (D) Avoidable Fixed Cost / Contribution in Rs.
- (E) Answer not known

21. GST presently not leviable to the following products

- (A) Petroleum – Crude Oil
- (B) Diesel
- (C) Natural Gas
- (D) All of the above
- (E) Answer not known

22. Mr. Chandrakant imported a Car from Britain (UK). After the Car arrived in the port and was unloaded, he went and saw the Car and found that it was damaged and it was possible to get the Car repaired and use it. The examination by customs for the purpose for Assessment is not over. He is seeking advice as to what are the options available to him under the Customs Act, 1962.

- (A) Get the damaged Car valued by the Proper Officer
- (B) It may be sold by the Proper Officer by Public auction
- (C) Can be sold with the consent of Mr. Chandrakant in any other manner
- (D) Any of the above mode
- (E) Answer not known

25. Mr. A (GST registered supplier) is causing movement of goods upto the place of his recipient. He is sending goods in his own vehicle. E way bill has been generated covering the consignment. From which date validity period shall be counted:

(1) Date of Invoice : 10th April 2021

(2) Date of Preparation of PART A of EWB : 12th April 2021
[EWB No. Stands generated]

(3) Date of Preparation of PART B : 15th April 2021
[EWB Stands generated / completed] consumption value more than
Rs.50,000

(A) 15th April 2021

(B) 10th April 2021

(C) 12th April 2021

(D) No need to check, since sending goods in his own vehicle

(E) Answer not known

26. As per Section 16 of the IGST Act :

Zero rated supply means, supplies which are either

(A) Export of goods or services or both

(B) Supply of goods or services or both to SEZ unit

(C) Supply of goods or services or both to SEZ developer

(D) Any of the above

(E) Answer not known

27. Sagar Managing Director of Telecom Answers Ltd. is issued a summon to appear before the Central Tax officer to produce the books of accounts of Telecom Answers Ltd. in an inquiry conducted on said company. Determine the amount of Penalty, if any that may be imposed on Sagar, if he fails to appear before the Central Tax Officer.
- (A) Penalty upto Rs. 25,000 (B) Rs. 25,000
(C) Rs. 50,000 (D) Penalty upto Rs. 50,000
(E) Answer not known
28. Mr. Pankaj, an unregistered Person under GST, purchases the goods supplied by Mr. Raman who is a registered person without receiving a tax invoice from Mr. Raman and thus helps in tax evasion by Mr. Raman. What is the quantum of Penalty payable by Mr. Raman.
- (A) Higher of Rs. 10,000 or 100% of tax evaded
(B) Higher of Rs. 25,000 or 100% of tax evaded
(C) Higher of Rs. 10,000 or 100% of tax evaded and upto Rs. 25,000
(D) Rs. 1,00,000
(E) Answer not known

29. Asha Traders dealing in supply of garments received the following subsidies.

- (a) Value of taxable supply of garments is Rs. 45,000
- (b) Subsidy directly linked to the supply and received from a Trust engaged in promotion of such garments Rs. 12,000.
- (c) Subsidy from Central Government for promoting such units is Rs. 9,000

Determine the Transaction value of supply as per Section 15 of (GST Act, 2017.)

- (A) Rs. 45,000
- (B) Rs. 12,000
- (C) Rs. 57,000
- (D) Rs. 66,000
- (E) Answer not known

30. M/S X Ltd., being a manufacturer, sold goods to M/S Y Ltd. wholesaler, and issued invoice for the Sale on 1st Aug 2021.

Find the time of Supply of goods in the following case :

M/S X Ltd., removes the goods for delivery to M/S Y Ltd., on 16th August 2021.

- (A) 1st Aug 2021
- (B) 16th Aug 2021
- (C) 31st Aug 2021
- (D) 30th Aug 2021
- (E) Answer not known

31. From the following particulars, Compute Gross Total Income of Mr.Z. for Assessment Year 2024-25.

Mr.Y. Transferred his residential house to Mr.Z for Rs. 10 Lakhs on 01.04.2023. The value of the said house as per stamp valuation authority was Rs. 18 Lakhs. Mr. Z is a childhood friend of Mr.Y.

- (A) Rs. 18,00,000 (B) Rs. 10,00,000
 (C) Rs. 8,00,000 (D) Rs. 0 / NIL
(E) Answer not known

32. From the following ascertain On what value as Full Value Consideration taken by Assessing Officer?

X purchased house property on 18.06.2003 for Rs.20,00,000/- which was sold to A on 18.10.2023 for Rs. 48,75,000. The sub registrar at the time of Registration of Sale deed, charged stamp duty on Rs.65,00,000/- which was paid by buyer. The AO while assessing for Capital Gain referred the matter to the Valuation Officer. The Valuation Officer determined the value of property at Rs. 60,00,000 on the date of Transfer.

- (A) Rs. 48,75,000 (B) Rs. 65,00,000
 (C) Rs. 60,00,000 (D) Rs. 20,00,000
(E) Answer not known

33. X Ltd. is paid Rs.1,00,000/- to commodity broker for commodity transactions at MCX. The amount was debited to Profit and Loss account and no tax was deducted at source on this payment.

Determine the amount disallowable U/S 40(a)(ia) for non deduction of TDS.

- (A) Rs. 1,00,000 (B) Rs.30,000
(C) Rs. 70,000 (D) NIL
(E) Answer not known

34. An institution having its main object as "advancement of general public utility" received Rs. 30 Lakhs in aggregate during the previous year 2023-2024. From an activity in the nature of trade. Total Receipts of the institution including donations, was Rs. 140 Lakhs. It applied 85% of its total receipts from such activity during the same year for its main object. What would be the tax consequences of such receipts?

- (A) Entire Receipts Rs. 140 Lakhs taxable
- (B) Rs. 30 Lakhs Business Receipts taxable
- (C) Rs. 119 Lakhs taxable
- (D) Rs. 21 Lakhs is taxable
- (E) Answer not known

35. Examine the TDS implications U/S 194A in the following cases.

On 1.10.2023 Mr. Harish, Aged 45 years, made 6 month fixed deposit of Rs. 10 Lakh @ 9% p.a. with ABC Co-operative Bank. The fixed deposit matures on 31.03.2024.

- (A) Rs. 45,000
- (B) Rs. 90,000
- (C) Rs. 4,500
- (D) Rs. 9,000
- (E) Answer not known

36. As per Section 44 AB, every person inter alia carrying on business or profession is required to get his accounts audited before the "specified date" by an accountant, if total sales, turnover or gross receipts in business exceeds Rs. _____ in any previous year.

- (A) Rs. 10 Crore
- (B) Rs. 1 Crore
- (C) Rs. 2 Crore
- (D) Rs. 50 Lakhs
- (E) Answer not known

37. Chris Gayle, a West Indies Cricket player visits India for 102 days in every financial year. This has been his practice for the past 10 financial years. Find out his residential status for the Assessment Year 24-25.
- (A) Resident Ordinarily Resident
 - (B) Non Resident
 - (C) Resident but not Ordinarily Resident
 - (D) Residential Status not applicable
 - (E) Answer not known
38. Penalty for non compliance of direction issued U/S 142(2A) of Income Tax Act 1961.
- (A) Rs. 10,000
 - (B) Rs. 25,000
 - (C) Rs. 5,000
 - (D) Rs. 50,000
 - (E) Answer not known
39. Who shall verify the return of Income of a LLP? Generally,
- (A) Every Partner
 - (B) Any One Partner
 - (C) Designated Partner
 - (D) Financial Officer
 - (E) Answer not known

40. T and Q are individuals, who constitute Association of persons, sharing Profit and Losses in the ratio of 2:1. Their AOP income Net profit = Rs. 52,43,000. T and Q had for this year, Income from other sources of Rs. 3,60,000 and Rs. 2,32,000 respectively.

What is the tax implication for that year in the hands of the individual Members?

- (A) Share income of members not taxable in their hands individually
- (B) AOP income is taxable to Q only
- (C) AOP income is taxable to T only
- (D) AOP income is taxable both T and Q
- (E) Answer not known
41. Audit working papers generally include which of the following?
- (1) Audit programmes
- (2) Analysis
- (3) Issues memoranda
- (4) Summaries of significant matters
- (5) Letters of confirmation representation
- (A) (1), (2) only
- (B) (3), (4), (5) only
- (D) All of the above
- (C) (2), (4) only
- (E) Answer not known

42. Which of the following are the techniques of evaluation of Internal Control?

(1) Questionnaire

(2) Check List

(3) Flow Chart

(A) All of the above

(B) (1) and (2) only

(C) (2) only

(D) (2) and (3) only

(E) Answer not known

43. Internal control is designed, implemented and maintained to address identified business risks that threaten the achievement of any of the entity's objectives that concern: _____

(a) The reliability of entity's Financial reporting

(b) The effectiveness and efficiency of its operations

(c) Its compliance with applicable laws and regulations

(d) Safeguarding of assets

(A) (a) only

(B) (b) and (c) only

(C) (a), (b) and (c) only

(D) All the above

(E) Answer not known

44. The methods of evaluation of Internal Control are:

- (1) Narrative Records
- (2) Checklist
- (3) Internal Control Questionnaire
- (4) Flow Chart
- (5) Decision Tree

(A) (2), (3), (4) only

(C) (1), (2), (5) only

(E) Answer not known

(B) (1), (2), (3), (4) only

(D) All the above

45. The means available to the auditor for selecting items for testing to obtain Audit Evidence are:

- (A) Selecting all items (100% Examination)
- (B) Selecting Specific Items
- (C) Audit Sampling

(D) Any of the above which is suitable to the entity

(E) Answer not known

46. Audit documentation of a company is the Property of

(A) Shareholder

(C) Management

(E) Answer not known

(B) Auditor

(D) Company

47. Which of the following is least likely to be included in audit documentation of a company engaged in manufacturing and export of goods?
- (A) Previous year audited financial statements
 - (B) Projected cash flow statement for next twelve months provided by management in support of going concern assumption
 - (C) Statement showing dispatch of overseas consignments in accordance with delivery schedules of overseas buyer
 - (D) Statement showing verification of ageing of trade receivables as on date of balance sheet
 - (E) Answer not known
48. Which of the following is not an example of events or conditions that may cast significant doubt on the entity's ability to continue as a going concern?
- (A) Adverse key financial ratios
 - (B) Inability to invest in Modernisation of Plant
 - (C) Inability to pay creditors on time
 - (D) Inability to pay salary of staff
 - (E) Answer not known
49. Identify which one of the following is not the method of selection of sample in the Audit
- (A) Random sampling
 - (B) Non-Monetary unit sampling
 - (C) Hapazard sampling
 - (D) Block sampling
 - (E) Answer not known

50. Other Reporting responsibilities of an Auditor shall be addressed in a separate heading titled
- (A) Other Reports
 - (B) Miscellaneous Reports
 - (C) Report on other Legal and Regulatory requirements
 - (D) Report on other Legal and Statute requirements
 - (E) Answer not known
51. _____ is a paragraph included in the auditor's report that refers to a matter appropriately presented or disclosed in the financial statements that, in the auditors judgment, is of such importance that it is fundamental to the users understanding of financial statements
- (A) Emphasis of Matter Paragraph
 - (B) Other Matter Paragraph
 - (C) Key Audit Matter
 - (D) Management Responsibility Paragraph
 - (E) Answer not known
52. Statement 1 :- Communicating Key Audit matter in the auditor's report constitute a substitute for disclosure in the financial statements
- Statement 2 :- Instead of modifying an opinion in accordance with SA 705, the statutory auditor can use Key Audit matter paragraph in the audit report with an unmodified opinion
- (A) Only Statement 1 is correct
 - (B) Only Statement 2 is correct
 - (C) Both the statements are correct
 - (D) None of the statement is correct
 - (E) Answer not known

53. Secretarial Audit Report shall be given in form
- (A) MR-1 (B) MR-2
 (C) MR-3 (D) MR-4
 (E) Answer not known
54. Mr. P, the cost auditor of ABC Ltd, who was appointed for financial year 2021-2022. He has resigned due to some personal reasons. As per companies Act, 2013, who is required to filling up the vacancy created by Mr. P?
- (A) Central Government (B) Board of Directors
 (C) Audit Committee (D) Shareholders
 (E) Answer not known
55. In respect of Co-operative societies Act, 1912 who shall have the access to all the books, accounts, papers and securities of the society at all time.
- (A) The Registrar
 (B) The Collector
 (C) Any person authorised by general or special order writing in this behalf by the register
 (D) Any of the above person
 (E) Answer not known
56. An auditor should ensure that proper valuation of _____ at the balance sheet date is made and included in the accounts in the case of audit of Hotel.
- (A) No of room booked (B) Occupancy in Progress
 (C) Vacancy of Rooms (D) All of the above
 (E) Answer not known

57. "Save Democracy" is an NGO working in cause of promoting democracy and democratic institutions in many countries including India. Its Indian counterpart has received funds from a renowned "Flower Trust" of us. As auditor of NGO, which of the following laws/orders would be relevant to you in context of above information?
- (A) Income Tax Act, 1961
 - (B) Foreign Contribution Regulation Act, 2010
 - (C) Companies Act, 2013
 - (D) Orders issued by Ministry of Social Justice and Empowerment
 - (E) Answer not known
58. What are the points are included in scope of audit of Financial Statements?
- (A) Coverage of all aspects of entity
 - (B) Reliability and sufficiency of Financial Information
 - (C) Proper disclosure of Financial Information
 - (D) All of the above
 - (E) Answer not known
59. Which of the following is not a likely benefit of Auditing?
- (A) Since auditing is connected to future events, audited information can be easily relied upon by users
 - (B) Errors or frauds may be discovered during audit
 - (C) Government authorities can make use of audited accounts for different purposes
 - (D) It can help in bringing out deficiencies in maintenance of financial records
 - (E) Answer not known

60. Professional skepticism is defined as
- (A) An attitude to avoid significant mistakes which could influence the economic decisions of users taken on the basis of the financial statements
 - (B) The application of relevant training, knowledge and experience in making informed decision about the course of action that are appropriate in the circumstances of audit engagement
 - (C) An analysis of management decisions in terms of paid outcomes
 - (D) An attitude that includes a questioning mind, being alert to conditions which may indicate possible misstatements due to error or fraud, and a critical assessment of evidence
 - (E) Answer not known
61. As per MSME Act 2006, the day following immediately after the expiry of the period of 15 days of acceptance or the day of deemed acceptance of any goods or any service by a buyer for the supplier is called
- (A) Day of Acceptance
 - (B) Actual Day
 - (C) Appointed Day
 - (D) Deemed Day of appointment
 - (E) Answer not known
62. Someone who harasses or bullies others using electronic devices like computer, mobile thru social media is known as
- (A) Cyber bullying
 - (B) Cyber talking
 - (C) Cyber grooming
 - (D) Cyber Crime
 - (E) Answer not known

63. DPDP Act 2023 passed to protect data principles and restrict the activities of data fiduciaries. DPDP stands for
- (A) Data Protection and Digital Act 2023
 - (B) Digital Personal Data Protection Act 2023
 - (C) Data Protection and Digital Protection Act 2023
 - (D) Digital Protection and Data Protection Act 2023
 - (E) Answer not known
64. A system of a secure key pair consistency of a private key for creating a digital signature and a public key to verify the digital signature is called
- (A) Certifying Authority
 - (B) Asymmetric Crypto System
 - (C) Cyber Cafe System
 - (D) Cyber Security System
 - (E) Answer not known
65. In view of Section 54 of Factories Act 1948, no advet worker shall be allowed or required to work in a factory for more than _____ in any day
- (A) 7 Hours
 - (B) 8 Hours
 - (C) 9 Hours
 - (D) 10 Hours
 - (E) Answer not known
66. A child who has not completed his _____ year, shall not be allowed or required to work in any factory
- (A) 14th year
 - (B) 15th year
 - (C) 16th year
 - (D) 18th year
 - (E) Answer not known

67. As per Section 2(b) of the payment of Gratuity Act 1972, completed year of service means continuous service for _____ year
- (A) Five years (B) Three years
 (C) One year (D) Ten years
(E) Answer not known
68. An employee sometimes be entitled to receive better terms of Gratuity under any award, or agreement or contract with the employer. It is known as _____ as per section 4(5) of Gratuity Act
- (A) Exempted Gratuity (B) Better Terms of Gratuity
(C) Nil Gratuity (D) Maximum Gratuity
(E) Answer not known
69. According to the definition of 'basic wages' as per _____ of EPF Act 1952, the cash value of any food concession is stated to be excluded from the purview of Basic Wages
- (A) Sec. 2 (6) (B) Sec. 2 (99)
(C) Sec. 2 (c) (D) Sec. 2 (d)
(E) Answer not known
70. According to Explanation II to Sec. 6 defines an allowance payable for the time being to an employee of any factory or other establishment during any period in which the establishment is not working for retaining his service is known as
- (A) Dearness Allowance (B) Retaining Allowance
(C) Exempted Allowance (D) Excluded Allowance
(E) Answer not known

71. As per Sec 2(3) of the Employees State Insurance Act 1948, a labour resulting in the issue of living child or labour after 26 weeks of pregnancy resulting in the issue of child whether alive or dead, is known as

- (A) Contribution
- (B) Confinement
- (C) Dependant
- (D) Benefit period
- (E) Answer not known

72. As per Section 32 of Payment of Bonus Act 1965, the following persons are excluded from the operation of the Act.

- (a) Employees employed by L.I.C.
 - (b) Employees employed by Universities
 - (c) Employees employed by RBI
 - (d) Employees and Public Sector Banks
- (A) (a) and (b)
 - (B) (c) and (b)
 - (C) (a), (b) and (c)
 - (D) (d) alone
 - (E) Answer not known

73. State True or False:

(a) As per Sec. 10 of Payment of Bonus Act, every employer shall be bound to pay a minimum bonus which shall be 8.33% by salary/wages or Rs. 100 (Rs. 60 per below 15 years age) whichever is higher

(b) The minimum bonus is payable whether or not the employer has any allocable surplus

(A) (a) above true

(B) Both (a) and (b) are true

(C) (b) above true

(D) Both (a) and (b) are wrong

(E) Answer not known

74. As per Sec. 20(1) of the minimum wages Act 1948, the following can be Authority under this Act

(a) any commissioner for workmen's compensation

(b) any office of Central Government, functioned as Labour Commissioner for any resict

(c) any office and State Government not below the rank of Labour Commissioner

(d) any other office with experience as judge of a civil court

(A) (a) (b) (c) and (d) are true

(B) (a) (c) true

(C) (b) (d) true

(D) (a) (d) true

(E) Answer not known

75. A certificate of incorporation given by Registrar in respect of a company is conclusive evidence for registration and it is known as
- (A) Rule of Solomon case (B) Rule of Lewi's case
 (C) Rule in Peel's case (D) Rule in Krishna case
(E) Answer not known
76. As per Section 14(1) of the Companies Act 20D, for conversion of Public Company into a Private Company requires approval of _____ to make the conversion valid
- (A) State Government
(B) Registrar of Company
(C) Both State and Central Government
 (D) Central Government
(E) Answer not known
77. The process by which electronic holdings are converted back to physical form is called
- (a) Dematerialisation
(b) Rematerialisation
(c) Securitisation
(d) Desecuritisation
- (A) (b) alone
(B) (a) alone
(C) (a) and (b)
(D) (c) and (d)
(E) Answer not known

78. As per Section 169, a company may remove a director, except appointed by Tribunal under Sec. 2012, before the expiry of the period after giving him time and reasonable opportunity of hearing by passing
- (A) Special Resolution
 - (B) Ordinary Resolution
 - (C) Extra Ordinary General Resolution
 - (D) Resolution in Annual General Meeting
 - (E) Answer not known
79. State True or False.
- As per Sec. 138 of companies Act 2013, a company is required to appoint an internal auditor to conduct internal audit, who shall be either a
- (a) Cost Accountant
 - (b) Chartered Accountant
 - (c) MBA in Finance
 - (d) Such other professionals as may be decided by Board
- (A) (a) and (b) true
 - (B) (b) and (c) true
 - (C) (a) (b) and (d) true
 - (D) (c) only true
 - (E) Answer not known
80. As per Sec. 210 of Insolvency and Bankruptcy code, information utility means
- (A) Broadband which is used as information utility
 - (B) Broadband and Internet which are used as information utility
 - (C) A person is registered with Board as information utility
 - (D) Arranging and getting information from requisite source
 - (E) Answer not known

81. Strengths and weakness may not include
- (1) Company Culture
 - (2) Brand identity
 - (3) Market Size
 - (4) Staff
 - (5) Economy
- (A) (1) and (2)
(B) (1) and (3)
 (C) (3) and (5)
(D) (3) and (4)
(E) Answer not known
82. Which of the following could be a strength?
- (A) Weather
 - (B) New international Market
 - (C) High Price of Competetor
 - (D) Location of business
 - (E) Answer not known
83. In 'Industry Bench Marking' comparison is made with
- (A) direct competetors
 - (B) other company in the same industry
 - (C) other department in same company
 - (D) All the above
 - (E) Answer not known

84. Assertion [A] : Bench marking is the process of evaluation the business performance with the standard business metrics of the industry

Reason [R] : It used for bridging the gap by way of bench trending

(A) [A] is true but [R] is false

(B) Both are true and [R] is the correct explanation of [A]

(C) [A] is False but [R] is true

(D) Both are true and [R] is not the correct explanation of [A]

(E) Answer not known

85. TPM targets elimination of six major losses which brings OEE. Here OEE means

(A) Overall engineering effectiveness

(B) Overall equipment energy

(C) Overall energy effect

(D) Overall equipment effectiveness

(E) Answer not known

86. OEE is a multiplication of 3 issues. It means $OEE = A \times PR \times Q$. Here 'A' means

(A) Availability of Machine

(B) Accuracy of Machine

(C) Appropriateness of Machine

(D) Alternativeness of Machine

(E) Answer not known

87. The top key performance indicators of the order to cash are
- (A) Process Cycle Time (B) Days Sale Outstanding
 (C) Ontime Delivery Performance (D) All the above
 (E) Answer not known

88. Match the following

List I	List II
(a) Comparative Statements	1. Horizontal Analyses
(b) Trend Analyses	2. Pyramid method
(c) Common Size Statements	3. Vertical Analyses

- | | (a) | (b) | (c) |
|-----|------------------|-----|-----|
| (A) | 1 | 2 | 3 |
| (B) | 1 | 3 | 2 |
| (C) | 2 | 1 | 3 |
| (D) | 2 | 3 | 1 |
| (E) | Answer not known | | |

89. Arrange the hierarchy of Data base in descending order

- (1) Record
 (2) Characters
 (3) Database
 (4) File
 (5) Field
- (A) (1) (2) (3) (4) (5)
 (B) (3) (4) (1) (2) (5)
 (C) (3) (4) (1) (5) (2)
 (D) (3) (4) (5) (1) (2)
 (E) Answer not known

90. In Management Information System 'CAM' means
- (A) Computer Aided Machine
 - (B) Computer Aided Manufacturing
 - (C) Computer Aided Methods
 - (D) Computer Aided Manual
 - (E) Answer not known
91. The value of information is directly liable to
- (A) Its Accuracy and completeness
 - (B) Its verifiability
 - (C) Its simplicity and security
 - (D) How it helps decision makers achieve organisational goals
 - (E) Answer not known
92. Supply Chain Management is the coordination of production, inventory _____ and transportation on among the participants in a supply chain to achieve efficiency
- (A) Storage
 - (B) Location
 - (C) Supply
 - (D) Sales
 - (E) Answer not known
93. In supply chain the participating companies are
- (A) Partners
 - (B) Suppliers
 - (C) Customers
 - (D) links
 - (E) Answer not known

94. The PDCA cycle is application oriented model of the Deming Wheel. There 'Do' resembles
- (A) Planning activity (B) Production activity
(C) Control activity (D) Research activity
(E) Answer not known
95. To document the standard procedures regarding improvement is a part of which phase of the PDCA cycle
- (A) Plan (B) DO
(C) Check (D) Act
(E) Answer not known
96. Choose the odd one in Balance Score Card
- (1) BSC provides better strategic planning
(2) BSC gives better MIS
(3) BSC involves substantial shifts in corporate culture
(4) BSC helps to align better process
- (A) (1)
(B) (2)
 (C) (3)
(D) (4)
(E) Answer not known
97. In nine step guide for implementation of Balance Score Card, the sixth step is
- (A) Measures and targets (B) Strategic Map
(C) Alignment (D) Strategic initiatives
(E) Answer not known

98. In Six Sigma or 6σ statistical concept, DMADV methodology consists, define, measure, analyse _____ and _____
- (A) design, validate (B) design, verify
 (C) develop, verify (D) develop, validate
 (E) Answer not known
99. Lean manufacturing emphasis reduction of inventory cost and wastage and increases
- (A) Production (B) Productivity
 (C) Quality (D) Profitability
 (E) Answer not known
100. General Electric implemented six sigma in 1995, in which seven key roles are presented. In this key role 'Green belts' are
- (A) Full time professionals (B) Experts in methodology etc
 (C) Part time professionals (D) Core team members
 (E) Answer not known
101. Valuation of Human Resources is ascertained through:
- (i) Cost approach, income approach and market approach.
 (ii) Cost approach only
 (iii) Income approach only
 (iv) Cost and Income approach
- (A) (i) (B) (ii)
 (C) (iii) (D) (iv)
 (E) Answer not known

104. If Market Value Added (MVA) is positive, the firm has added value. If it is negative, the firm has destroyed value. Is it correct or not?

(i) Incorrect

(ii) Partly correct

(iii) Partly incorrect

(iv) Correct

(A) (i)

(B) (ii)

(C) (iii)

~~(D)~~ (iv)

(E) Answer not known

105. Aim of the company should be to maximise :

(i) MVA

(ii) EVA

(iii) EPS

(iv) P/E ratio

(A) (iv)

(B) (ii)

~~(C)~~ (i)

(D) (iii)

(E) Answer not known

106. Stocks and Bonds are floated in _____

- (i) Money market
- (ii) Capital market
- (iii) Commercial bank
- (iv) Equity market
- (A) (i)
- (C) (iii)
- (E) Answer not known

(B) (ii)
(D) (iv)

107. Beta of a stock is measured by

- (i) Covariance of the stock with respect to market divided by Variance of market relative to its mean
- (ii) Variance of market relative divided by Covariance of stock
- (iii) Variance of stock with respect to market divided by covariance of market relative to its mean
- (iv) Any of the above

(A) (i) (B) (ii)
(C) (iii) (D) (iv)
(E) Answer not known

108. Which of the following statements is/are true?

- (i) Just like other assets, Intangibles can be valued using market, Income and Cost approach
 - (ii) Intangibles can be valued using cost and income approach only
 - (iii) Intangible assets can be valued using cost approach alone
 - (iv) Intangibles can be valued using income approach only
- (A) (iii) (B) (ii)
 (C) (i) (D) (iv)
(E) Answer not known

109. Which of the following statements is/are not correct?

- (i) Goodwill is depreciated in P and L Account every year as per Income Tax.
 - (ii) Goodwill is not required to be tested for impairment under accounting regulations
 - (iii) Goodwill is generally calculated using super profit method, Avg. profit method and annuity method
 - (iv) Goodwill appears in financial statements only in case of acquisition
- (A) (iii) and (iv) (B) (i) and (ii)
(C) (i) and (iii) (D) (ii) and (iv)
(E) Answer not known

110. Which of the following is/are true?

- (i) Beta refers to systematic risk
 - (ii) Beta represents unsystematic risk
 - (iii) Risk free return means the rate of interest paid by SBI on a Fixed Deposit for 5 years
 - (iv) Risk free return is 10 year Govt. Bond yield
- (A) (i) and (iii) (B) (ii) and (iii)
 (C) (i) and (iv) (D) (ii) and (iv)
(E) Answer not known

111. Which of the following are true about Profitability Index (PI)?

- (i) $PI = \frac{PV \text{ of cash inflows}}{\text{Initial cash outflows}}$
 - (ii) $PI = \frac{\text{Initial cash outflows}}{PV \text{ of cash inflows}}$
 - (iii) Accept the project when PI is greater than 1
 - (iv) Accept the project when PI is less than 1
- (A) (i) only (B) (i) and (iii)
(C) (i) and (iv) (D) (ii) and (iv)
(E) Answer not known

114. What does the P/E ratio measure?

- (i) the multiple the market places on a company's earnings
 - (ii) number of times that dividend paid are covered by profits
 - (iii) the return received by way of dividends as a percentage of current market price
 - (iv) amount of profit available to equity share holders
- (A) (ii) (B) (iii)
 (C) (i) (D) (iv)
(E) Answer not known

115. Certain costs which are excluded in valuation of inventory are

- (i) Import duties and Import related expenses if procured from overseas sources
 - (ii) All logistics costs, including warehousing and stock keeping expenses
 - (iii) Abnormal amounts of wasted materials, labour and other production costs
 - (iv) Selling costs
- (A) (i) and (ii) (B) (ii) and (iii)
 (C) (iii) and (iv) (D) (i) and (iv)
(E) Answer not known

116. Reinvestment risk refers to the risk that the proceeds from a bond will be reinvested at a _____ than the bond originally provided.

- (i) higher rate
- (ii) lower rate
- (iii) same rate
- (iv) slightly higher rate

- (A) (ii)
- (B) (i)
- (C) (iii)
- (D) (iv)
- (E) Answer not known

117. Cost of investments :

- (i) includes the consideration paid and brokerage
- (ii) includes consideration but not brokerage
- (iii) includes consideration and acquisition charges such as brokerage, fees, duties and bank charges
- (iv) excludes bank charges

- (A) (ii)
- (B) (iv)
- (C) (i)
- (D) (iii)
- (E) Answer not known

120. The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date is

(i) Fair market value

(ii) Market value

(iii) Equitable value

(iv) Fair value

(A) (ii)

(B) (i)

(C) (iv)

(D) (iii)

(E) Answer not known

121. PM module in ERP stands for

(A) Project management

(B) Plant maintenance

(C) Production management

(D) Plant management

(E) Answer not known

122. Calculate BEP (Break-Even Point) if P/V ratio is 40%, Margin of safety is 25% and sales is Rs. 8,00,000

(A) Rs. 6,00,000

(B) Rs. 7,00,000

(C) Rs. 6,60,000

(D) Rs. 8,00,000

(E) Answer not known

123. In choosing an appropriate transfer price, three problems of

(1) _____ (2) _____ and (3) _____

must be considered simultaneously.

(A) (1) ROI (2) RI and (3) Dupont analysis

(B) (1) Margin (2) Turnover and (3) Fixed cost

(C) (1) Goal congruence (2) Performance evaluation and (3) Autonomy

(D) (1) Financial leverage (2) Operating leverage and (3) Combined leverage

(E) Answer not known

124. The Eastern Division sells goods internally to the Western Division of the same company. The quoted external price in industry publications from a supplier near Eastern Division is Rs. 200 per ton plus transportation. In costs Rs. 20 per ton to transport the goods to Western Division Eastern Division's actual market cost breakup is materials Rs. 100 labour Rs. 50 other actual cost of storage and handling are Rs. 40. The company president selects a transfer price of Rs. 220. This is an example of

(A) Negotiated transfer pricing

(B) Cost plus 20% transfer pricing

(C) Cost based transfer pricing

(D) Market based transfer pricing

(E) Answer not known

125. Division P transfers its output to division Q at variable cost. Once a year P charges a fixed fee to Q representing an allowance for P's fixed cost. This type of transfer pricing system is commonly known as
- (A) Dual pricing
 - (B) Negotiated transfer pricing
 - (C) Opportunity cost based transfer pricing
 - (D) Two part tariff transfer pricing
 - (E) Answer not known
126. Direct labour needed to make first machine = 1000 hrs.
Learning curve = 90%
- What is the total time hours for making 4 machines?
- (A) 3240 hours
 - (B) 2916 hours
 - (C) 3600 hours
 - (D) 2860 hours
 - (E) Answer not known
127. The learning curve theory proposes that a learner's efficiency in a task _____ over time the more the learner performs the task.
- (A) decreases
 - (B) improves
 - (C) stagnant
 - (D) All the above
 - (E) Answer not known

128. Learning curve can be expressed as $Y = ax^b$

Where,

Y = is the average time per unit for x units

a = the time for first unit

x = the cumulative number of units then b is what

- (A) the time for 2nd unit (B) the learning co-efficient
(C) average time for all units (D) the total output in a year
(E) Answer not known

129.

	Rs.
Total sales for the year 1998	1,00,000
Cash sales – 1998	20,000
Debtors as on 1.1.1998	10,000
Debtors as on 31.12.1998	15,000
Bills receivable – 1.1.98	7,500
Bills receivable – 31.12.98	12,500

The Debtor – turnover ratio is _____

- (A) 1.71 times (B) 2.00 times
 (C) 3.56 times (D) 3.89 times
(E) Answer not known

130. Comparison of two or more departments or divisions belonging to the same firm with the objective of making meaningful analysis for the purpose of increasing the effectiveness or efficiency of the department or division involved is termed as

- (A) Inter-firm comparison (B) Internal-firm comparison
 (C) Intra-firm comparison (D) Value analysis
(E) Answer not known

131. In the cash flow statement, net profit plus increase in outstanding expenses is termed as

- (A) cash available for debtors
- (B) cash from operations
- (C) increase in the sales
- (D) increase in the administrative expenses
- (E) Answer not known

132. A company is having following financial structure:

	Rs.
1. Equity share capital	1,00,000
2. 6% preference capital	1,00,000
3. 7% debenture	40,000
4. 8% public debt	20,000
5. Creditors	60,000
6. Reserve	1,50,000
7. P and L Account (C)	20,000
8. Preliminary expenses	10,000
9. Goodwill	35,000

Work out debt to Equity ratio.

- (A) 0.91
- (B) 0.18
- (C) 0.81
- (D) 1.11
- (E) Answer not known

133. According to CIMA, London, a systematic inter-disciplinary examination of factors affecting the cost of a product or service in order to devise means of achieving the specified purpose most economically at the required standard of quality and reliability is known as
- (A) Value added concept (B) Value analysis
(C) Ratio analysis (D) SWOT analysis
(E) Answer not known
134. Debt to equity ratio is also known as
- (A) Liquidity ratio (B) Solvency ratio
(C) Profitability ratio (D) Capital ratio
(E) Answer not known
135. Financial statements are indicators of the two significant factors:
- (a) Profitability
(b) Financial soundness
(c) Market share
- (A) (a) alone true (B) (a) and (b) true
(C) (b) alone true (D) (c) alone is true
(E) Answer not known
136. According to Chartered Institute of management Accountants, London, a location, a person or item of equipment for which cost may be ascertained and used for the purpose of cost control is termed as
- (A) Cost unit (B) Unit of cost
 (C) Cost centre (D) Centre of cost
(E) Answer not known

137. Conversion cost is the sum total of

- (a) Direct material cost and direct wages cost
- (b) Direct wages, direct expenses and factory overheads
- (c) Indirect wages and factory overheads
- (A) (a) and (c) true
- (B) (b) and (c) true
- (C) (b) alone true
- (D) (a) alone true
- (E) Answer not known

138. International Accounting Standards committee came into existence in _____ when 16 accounting bodies from nine nations signed the agreement for formation.

- (A) 29.06.1973
- (B) 29.07.1973
- (C) 29.08.1973
- (D) 29.09.1973
- (E) Answer not known

139. Which cost doesn't include in life cycle costing?

- (A) Energy fuel
- (B) Water usage
- (C) Depreciation cost
- (D) Residual value of an asset
- (E) Answer not known

140. In which analysis through put accounting has a tight focus on investment only in areas that impact capacity constraint – to other investment proposals that are rejected?

- (A) capital investment analysis
- (B) capital inflow analysis
- (C) capacity variance analysis
- (D) all the above
- (E) Answer not known

141. Eswar Ltd operates throughput accounting system. The details of product A per unit are as under.

Selling price – Rs. 75

Material cost – Rs. 30

Conversion cost – Rs. 20

Time to bottleneck resources : 10 minutes

What is the throughput contribution per bottleneck resource per hour?

- (A) Rs. 270 (B) Rs. 150
(C) Rs. 120 (D) Rs. 90
(E) Answer not known

142. A company ABC, produces a product that has a selling price of Rs. 50, the direct material cost for each product manufactured is Rs. 20, factory hours of production 10000 hours, operating expenses for each month is Rs. 1,00,000. Find out return per factory hour?

- (A) Rs. 50 per hour (B) Rs. 10 per hour
(C) Rs. 20 per hour (D) Rs. 15 per hour
(E) Answer not known

143. Which one is not phases of value analysis?

- (A) Functional analysis (B) Innovation
 (C) Marketability (D) Evaluation
(E) Answer not known

144. In which area Kaizen eliminate waste and reduce cost?

- (1) over production
- (2) inventory storage
- (3) defective units
- (4) waiting
- (A) (1) and (2) only
- (B) (3) and (4) only
- (C) (4) and (1) only
- (D) All the above
- (E) Answer not known

145. Target costing is the answer to

- (A) Market driven prices
- (B) Sellers market
- (C) No profit situation
- (D) All the above
- (E) Answer not known

146. Find out target cost per unit. ABC Inc is a big FMCG player that operates in a very competitive market. It sells packaged food to end customers. ABC can only charge \$20 per unit. Profit margin 10%.

- (A) \$ 22
- (B) \$ 20
- (C) \$ 18
- (D) \$ 2
- (E) Answer not known

147. The companies that would benefit from back – flush costing include companies

- (A) Which have fast manufacturing lead time
- (B) Whose inventory vary from period to period
- (C) Companies that require audit trails
- (D) All the above
- (E) Answer not known

148. Which of the following is not a primary activity of value chain?
- (A) Inbound logistics (B) Operations
(C) Service (D) Infrastructure
(E) Answer not known
149. _____ involves the radical redesign of core business processes to achieve dramatic improvements in productivity cycle time and quality.
- (A) Product process reengineering
(B) Business process reengineering
(C) Sales process reengineering
(D) Value process reengineering
(E) Answer not known
150. _____ reflect an entrepreneur's dream to have an unexplored market allowing innovators to create and introduce new products that capture a large share of the market.
- (A) Blue ocean strategies (B) Red ocean strategies
(C) Marketing strategies (D) Competitive strategies
(E) Answer not known
151. "If a type of shoe did not adequately protect someone's feet" – What type of value it denotes in value engineering
- (A) Cost value (B) Esteem value
(C) Use value (D) Exchange value
(E) Answer not known

152. _____ is a process of comparing of ABC derived activity costs of one segment of company with those of other segments. It requires uniformity in the definition of activities and measurement of their costs

- (A) Standard costing
- (B) Bench marking
- (C) Management audit
- (D) Statutory audit
- (E) Answer not known

153. In activity based costing costs are accumulated by activity using

- (A) Cost drivers
- (B) Cost objects
- (C) Cost pools
- (D) Cost benefit analysis
- (E) Answer not known

154. What are all levels involved under activity based costing?

1. Unit level activities
 2. Batch level activities
 3. Sales level activities
 4. Facilities level activities
- (A) 1, 2 and 3
 - (B) 1, 2 and 4
 - (C) 2, 3 and 4
 - (D) 3, 4 and 1
 - (E) Answer not known

155. ABC management

- (A) Accurately identifies sources of profit and loss
- (B) Assigns costs using measure of service consumed
- (C) Recognizes the casual relationship of cost drivers to activities
- (D) All of the above
- (E) Answer not known

156. A company manufactures 500 units of product AX. The following details are available

Material cost to manufacture	Rs.1,50,000
Labour cost	Rs.2,65,000
Material reorder cost	Rs. 4,500
Material handling cost	Rs.2,500

Material order 35, material movement-20.

What is total material cost under activity based costing?

- (A) Rs.3,15,000
- (B) Rs.4,22,000
- (C) Rs.4,29,000
- (D) Rs.1,57,000
- (E) Answer not known

157. Activity based costing is a technique used for

- (A) Distribution of marketing costs
- (B) Distribution of overhead costs
- (C) Distribution of prime cost
- (D) Distribution of wages
- (E) Answer not known

158. ABC system first traces costs to _____ and then to _____

- (A) Activities and products/jobs
- (B) Engineering and design improvements
- (C) Transaction and duration
- (D) Products and pricing
- (E) Answer not known

159. Which of the following is/are correct?

- (i) VaR is a risk measure that estimates the minimum loss that a firm can suffer over a period of time
 - (ii) VaR is a statistical tool
 - (iii) VaR is a risk measure that estimates the maximum loss that a firm or investments can suffer over a period of time
 - (iv) VaR is a quantile of the loss function, meaning that it indicates the threshold of loss that will not be exceeded within a certain probability
- (A) (i), (ii) and (iii)
 - (B) (i) and (ii)
 - (C) (ii) and (iii)
 - (D) (ii), (iii) and (iv)
 - (E) Answer not known

162. Du Pont analysis deals with:

- (i) Analysis of working capital
 - (ii) Analysis of profit
 - (iii) Capital budgeting
 - (iv) Analysis of fixed assets
- (A) (i) (B) (iii)
(C) (iv) ~~(D)~~ (ii)
(E) Answer not known

163. There is a deterioration in the management of working capital of XYZ Ltd. What does it refer to?

- (i) The sales have decreased
 - (ii) The capital employed has reduced
 - (iii) The profitability has increased
 - (iv) The debtors collection period has increased
- (A) (i) and (ii) (B) (iii) and (ii)
~~(C)~~ (iv) (D) (ii) and (iv)
(E) Answer not known

164. The shareholder value maximisation model holds that the primary goal of the firm is to maximise its:

(i) Accounting profit

(ii) Liquidity

(iii) Market value

(iv) Working capital

(A) (i) and (ii)

(B) (ii) and (iv)

(C) (ii) and (iii)

(D) (iii)

(E) Answer not known

165. Financial management is mainly concerned with:

(i) Acquiring and developing assets to forfeit its overall benefit

(ii) Efficient management of business

(iii) Acquiring, financing and managing assets to accomplish overall goal of business enterprise

(iv) Sole objective of profit maximisation

(A) (i) and (ii)

(B) (iv)

(C) (iii)

(D) (ii)

(E) Answer not known

166. Time value of money facilitates comparison of cash flows occurring at different periods of time by:

- (i) Compounding all cash flows to a common point of time
- (ii) Discounting all cash flows to a common point of time
- (iii) Either (i) or (ii)
- (iv) Neither (i) nor (ii)

- (A) (i) (B) (ii)
- (C) (iii) (D) (iv)
- (E) Answer not known

167. In working capital management, operating cycle is also called as

- (i) Business cycle
- (ii) Working capital cycle
- (iii) Working cycle
- (iv) Current asset cycle

- (A) (i) (B) (ii)
- (C) (iii) (D) (iv)
- (E) Answer not known

168. Which of the following is not an advantage of trade credit?

- (i) Buyout financing
- (ii) Informality
- (iii) Easy availability
- (iv) Flexibility

- (A) (i) (B) (ii)
- (C) (iii) (D) (iv)
- (E) Answer not known

172. How many depositories are there in India?

(i) 2

(ii) 3

(iii) 4

(iv) 5

(A) (i)

(B) (ii)

(C) (iii)

(D) (iv)

(E) Answer not known

173. Which of the following is/are true?

(i) Retained earnings are cost free

(ii) External equity is cheaper than Internal equity

(iii) Retained earnings are cheaper than External equity

(iv) Retained earnings are costlier than External equity

(A) (i)

(B) (ii) and (iii)

(C) (ii) and (iv)

(D) (iii)

(E) Answer not known

174. Minimum rate of return that a firm must earn in order to satisfy its investors is known as .

(i) Average return on investment

(ii) Weighted average cost of capital

(iii) Net profit ratio

(iv) Average cost of borrowing

(A) (i)

(B) (iii)

(C) (ii)

(D) (iv)

(E) Answer not known

175. If the risk free return is 5%, market return is 10% and cost of equity is 15%, value of beta is

(i) 1.8

(ii) 1.9

(iii) 2.0

(iv) 2.1

(A) (i)

(B) (ii)

(C) (iii)

(D) (iv)

(E) Answer not known

176. Which of the following steps may be adopted to avoid the negative consequence of over capitalisation?

(i) Shares of the company should be split up. This will reduce dividend per share, though EPS shall remain unchanged

(ii) Issue of bonus shares

(iii) Revising upward the par value of shares in exchange of the existing shares held by share holders

(iv) Reduction in claims of debenture holders and creditors

(A) (i) and (ii)

(B) (ii)

(C) (ii) and (iii)

(D) (iv)

(E) Answer not known

177. Which of the following is not used in capital budgeting?

- (i) Time value of money
- (ii) Sensitivity analysis
- (iii) Net asset method
- (iv) Cash flows
- (A) (i) and (ii)
- (B) (iii)
- (C) (ii) and (iv)
- (D) (iv)
- (E) Answer not known

178. In capital budgeting, sunk cost is excluded because it is

- (i) of small amount
- (ii) not incremental
- (iii) not reversible
- (A) (i) and (ii)
- (B) (i) and (iii)
- (C) (ii)
- (D) (ii) and (iii)
- (E) Answer not known

179. Match the following in ERP environment:

- | | |
|---------|--------------------|
| (a) CO | (1) Finance |
| (b) CRM | (2) Control |
| (c) FI | (3) Customer |
| (d) HR | (4) Human resource |

- | | | | |
|----------------------|-----|-----|-----|
| (a) | (b) | (c) | (d) |
| (A) 2 | 3 | 1 | 4 |
| (B) 2 | 3 | 4 | 1 |
| (C) 2 | 4 | 1 | 3 |
| (D) 2 | 4 | 3 | 1 |
| (E) Answer not known | | | |

180. Choose the wrong match type:

- (1) ERP – Integrated System
- (2) ERP – Reduced Risk of Data Loss
- (3) ERP – Centralised System
- (4) ERP – Better Control

- (A) (2) only
- (B) (1) only
- (C) (3) only
- (D) (4) only
- (E) Answer not known

181. ERP can be expanded as

- (A) Enterprise Resource Planning
- (B) Enterprise Resource Program
- (C) Enterprise Resource Package
- (D) Enterprise Resource Process
- (E) Answer not known

182. Upkeep of ground Expense paid of a sports club will be accounted as _____ in final accounts.

- (A) Expense in Income and Expenditure a/c
- (B) Liabilities in Balancesheet (Expense)
- (C) Both in Income and Expenditure and in Balance sheet (Liabilities)
- (D) Assets in Balance sheet
- (E) Answer not known

183. The club has 50 members each paying Rs. 300 per year as subscription. The outstanding subscriptions on 31.3.23 is Rs. 4,000. Subscriptions received as per Receipts and payments account is; for 21-22 – Rs. 3,000, for 22-23 – Rs. 13,000, for 23-24 – Rs. 2,000. Find the amount of subscriptions to be shown in Income and Expenditure a/c for the year ending 31.3.23 of the club.
- (A) Rs. 4,000
 - (B) Rs. 15,000
 - (C) Rs. 18,000
 - (D) Rs. 13,000
 - (E) Answer not known
184. Which of the following statement is/are about specific legacy true about Accounts of Non-Profit organisation?
- (i) Legacy is the amount given to non-profit organisation by the will of a deceased person.
 - (ii) It is shown in the Receipts and payments accounts as a capital Receipt.
 - (iii) It is shown in the asset side of the Balance sheet.
- (A) (i) only
 - (B) (ii) and (iii) only
 - (C) (i) and (ii) only
 - (D) (ii) only
 - (E) Answer not known

185. In Debtor system of Branch accounts under debendent branch, abnormal loss _____ in branch account

- (A) Does not appear
- (B) Debited
- (C) Credited
- (D) Added with goods sent to branch a/c
- (E) Answer not known

186. Branch stock account is prepared in

- (A) Head office books
- (B) Branch books
- (C) In both books
- (D) In branch godown
- (E) Answer not known

187. Goods are sent to branch on cost plus 80%. Goods are sold to customer cost plus 140%. If all the goods sent to branch are sold to customer for Rs. 24,000/-. What is invoice price?

- (A) Rs. 6,000/-
- (B) Rs. 10,000/-
- (C) Rs. 18,000/-
- (D) Rs. 8,000/-
- (E) Answer not known

188. As per section 35 of co-operative societies Act 1912, dividend to members should not be more than _____ %

- (A) 7.50
- (B) 6.25
- (C) 8.33
- (D) 10
- (E) Answer not known

189. As per section 33 of the co-operative societies Act, 1912, the first _____ % of the net profit earned during any year should be transferred to a reserve fund.

- (A) 15
- (B) 20
- (C) 25
- (D) 30
- (E) Answer not known

190. 'Loose tools' is categorised under _____ of part I – form of balance sheet as per companies Act 2013.

- (A) Other non current assets
- (B) Property, plant and equipment
- (C) Other current assets
- (D) Inventories
- (E) Answer not known

191. "Calls unpaid" is categorised under _____ as per part I – form of Balance sheet as per companies act 2013.

- (A) Share capital
- (B) Other current liabilities
- (C) Reserves and surpluses
- (D) Other current assets
- (E) Answer not known

192. Balance sheet as per form set out in schedule III of companies act 2013 is not applicable for

- (A) Telecommunication companies
- (B) Manufacturing companies
- (C) Banking companies
- (D) Construction companies
- (E) Answer not known

193. Provision for a bad debt is a _____ account.

- (A) Real a/c
- (B) Personal a/c
- (C) Nominal a/c
- (D) Representative Personal a/c
- (E) Answer not known

194. The Life Insurance Fund of Bajaj Insurance was Rs.20,00,000/- as on 31.3.23. It's actuarial valuation on 31.3.23 is Rs.15,00,000/- It paid Interim bonus Rs.3,00,000/- It is now proposed to carry forward Rs.2,00,000/- What is the share for share holders?

- (A) Rs.20,000/-
- (B) Rs.50,000/-
- (C) Rs.30,000/-
- (D) Rs.40,000/-
- (E) Answer not known

195. As per Schedule III of companies act 2013, current maturities of long term borrowings should be shown under

- (A) Non current liability
- (B) Current liability
- (C) Current assets
- (D) Non current assets
- (E) Answer not known

196. The balance of securities premium a/c can be used for

- (i) Writing of preliminary expenses
 - (ii) Payment of dividend
 - (iii) Buy back of shares
 - (iv) Discount on issue of shares
- (A) (i), (ii), (iii) only
 - (B) (i), (ii), (iv) only
 - (C) (i), (iii), (iv) only
 - (D) (ii), (iii), (iv) only
 - (E) Answer not known

197. Select the cost allowed for calculation of inventories.

- (1) Import duties
- (2) Salaries of account department
- (3) Freight expenses
- (A) 1 and 2 only
- (B) 1 and 3 only
- (C) 1, 2, 3
- (D) 2 and 3 only
- (E) Answer not known

198. J Ltd has plant with a initial cost of Rs.1,00,000/- At the date of revaluation accumulated depreciation amounted to Rs.85,000/- The fair value of asset, by reference to similar assets is 65,000/- Pass journal for Revaluation as per Ind AS-16

- (A) Plant a/c Dr 50,000
 To Revaluation Reserve 50,000
- (B) Plant a/c Dr 20,000
 To Revaluation Reserve 20,000
- (C) Plant a/c Dr 15,000
 To Revaluation Reserve 15,000
- (D) Plant a/c Dr 35,000
 To Revaluation Reserve 35,000
- (E) Answer not known

199. P Ltd offers magazine subscriptions to customers. When customer subscribe, they receive a printed copy of magazine every month and access to magazine's online content. Determine how many performance obligation P Ltd have as per Ind AS-115

- (A) One
- (B) Two
- (C) Three
- (D) Four
- (E) Answer not known

200. Match the following

- | | |
|----------------|------------------------|
| (a) Ind AS 108 | (1) Leases |
| (b) Ind AS 111 | (2) Joint Arrangements |
| (c) Ind AS 116 | (3) Employee Benefits |
| (d) Ind AS 19 | (4) Operating segments |

- | | (a) | (b) | (c) | (d) |
|---|-------------------|-----|-----|-----|
| (A) | 4 | 2 | 3 | 1 |
| (B) | 4 | 1 | 3 | 2 |
| <input checked="" type="checkbox"/> (C) | 4 | 2 | 1 | 3 |
| (D) | 2 | 4 | 1 | 3 |
| (E) | Answer not known. | | | |