

**Section 1 - Section 1**

**Question No.1**

4.00

Bookmark

Dividing net sales by average debtors would yield:

- Debtors turnover ratio
- Collection period ratio
- Return on sales ratio
- Inventory turnover ratio

**Question No.2**

4.00

Bookmark

Job costing is suitable for \_\_\_\_\_.

- service industries
- sugar industries
- business
- job order

**Question No.3**

4.00

Bookmark

Bank should open letter of credit on behalf of the ----- only

- non customer
- outside
- irregular customer
- regular customer

**Question No.4**

4.00

Bookmark

All insurance contract are contract of indemnity except \_\_\_\_\_ and \_\_\_\_\_

- fire, marine insurance
- life, fire accident
- Life, Personal accident
- life, general insurance

**Question No.5**

4.00

Bookmark

The Theory X and Theory Y of Motivation was propounded by:

- Peter Drucker
- McGregor
- Fredrick Herzberg
- Maslow

**Question No.6**

4.00

Bookmark

If the cost of the asset is Rs. 21000, its scrap value being Rs. 1000, the annual amount of depreciation at 10 % pa will be:

- Rs. 2100
- Rs. 2500
- Rs. 2200
- Rs. 2000

**Question No.7**

4.00

Bookmark 

If the BCR (Benefit Cost Ratio) of a project is unity, then NPV is:

- Zero
- 1
- 1
- > 1

**Question No.8**

4.00

Bookmark 

Good restaurants serving pure vegetarian food are very hard to \_\_\_\_\_.

- come by
- go through
- get in
- take to

**Question No.9**

4.00

Bookmark 

The multi rate assessment is known as:

- MBO
- 360 degree feedback
- Checklist
- Graphic rating Scale

**Question No.10**

4.00

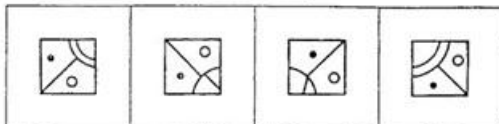
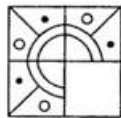
Bookmark 

The average of a probability distribution is

- Opportunity Value
- Normal Value
- Expected Value
- Conditional Value

**Question No.11**

4.00

Bookmark 

- (A)
  - (B)
  - (C)
  - (D)
- B
  - D
  - C
  - A

**Question No.12**

4.00

**Bookmark** 

Statements: Some bats are snakes, No snake is dangerous

Conclusion:

I. Some dangerous animals are snakes

II. Some bats are not dangerous.

- If only conclusion II follows
- If neither I nor II follows
- If either I or II follows
- If only conclusion I follows

**Question No.13**

4.00

**Bookmark** 

In the case of companies, the compulsory audit was introduced by:

- Companies Act of 2013
- Companies Act of 1913
- Companies Act of 1923
- Companies Act of 1956

**Question No.14**

4.00

**Bookmark** 

The ratio establishes the relationship between profit before interest and tax and fixed interest charges is\_\_\_\_\_.

- dividend yield ratio
- fixed dividend cover ratio
- interest cover ratio.
- debt service coverage ratio

**Question No.15**

4.00

**Bookmark** 

The best indicator of economic development of any country is?

- Its gross production
- Its agriculture
- Its per capita income
- Its transport

**Question No.16**

4.00

**Bookmark** 

Under Section 56 of the Income Tax Act of 1961, gifts received by staff from their companies will be taxed if the same exceeds:

- Rs. 100000
- Rs. 50000
- Rs. 200000
- Rs. 75000

**Question No.17**

4.00

**Bookmark** 

Direction is a managerial function performed by

- Subordinates
- Middle level management
- Top level management
- Lower level management

**Question No.18**

4.00

**Bookmark** 

NPA stands for

- Non Performing Asset
- Non Performance Asset
- Numerical Performance Asset
- Net Performing Asset

**Question No.19**

4.00

**Bookmark** 

Costs that are traceable to the cost units are called:

- Fixed costs
- Indirect costs
- Overall costs
- Direct costs

**Question No.20**

4.00

**Bookmark** 

Which of the costing methods is used by the electricity generating company:

- Batch costing method
- Unit costing method
- Operating costing method
- Process costing method

**Question No.21**

4.00

**Bookmark** 

Under which of the section of the Income Tax Act of 1961, is the income of the political parties exempt?

- Under section 11A of the Act
- Under section 12A of the Act
- Under section 10A of the Act
- Under section 13A of the Act

**Question No.22**

4.00

**Bookmark** 

The type of ratio that is used to determine the ability of the firm to honour its commitments towards the payment of interest and principal is:

- Debt service ratio
- Debt-equity ratio
- Operating ratio
- Liquidity ratio

**Question No.23**

4.00

**Bookmark** 

Quoting PAN is mandatory for every single transaction above:

- Rs. 2 lakh
- Rs. 3 lakh
- Rs. 4 lakh
- Rs. 1 lakh

**Question No.24**

4.00

**Bookmark** 

Based on the information given, answer the below question.

1. A,B,C,D,E and F are travelling in a bus.
2. There are two reporters, two mechanics, one photographer and one writer in the group.
3. Photographer A is married to D who is a reporter.
4. The writer is married to B who is of the same profession as that of F.
5. A,B,C,D are two married couples and no one in this belong to the same profession.
6. F is the brother of C.

How is C related to F?

- Sister
- Brother-in-law
- Brother
- Cannot be determined

**Question No.25**

4.00

**Bookmark** 

In a code language, 321 means "Hot Black Coffee", 536 means "Very Hot Summer", and 589 means "Summer and Winter". Which digit stands for "Very" ?

- 9
- 6
- 5
- 3

**Question No.26**

4.00

**Bookmark** 

An overstatement of WIP at end of a period will result in:

- Understatement of current assets
- Overstatement of gross profit
- Understatement of gross profit
- Overstatement of cost of goods sold

**Question No.27**

4.00

**Bookmark** 

Based on the given information, answer the following question.

1. Six friends P,Q,R,S,T and U are members of a club and play different games of Football, Cricket, Tennis, Basketball, Badminton and Volleyball
2. T who is taller than P and S plays Tennis.
3. The tallest among them plays Basketball.
4. The Shortest among them plays volleyball.
5. Q and S neither play Volleyball nor Basketball.
6. R plays Volleyball
7. T is between Q who plays Football and P in order of height

What does S Play?

- Cricket
- Badminton
- Either Cricket or Badminton
- None of the above

**Question No.28**

4.00

**Bookmark** 

The test that measures a person's strength, dexterity and co-ordination is called:

- Psychomotor test
- Aptitude Test
- Proficiency Test
- Job Knowledge test

**Question No.29**

4.00

**Bookmark** 

Macro economics is the study done on

- Small entrepreneurs
- Money matters of many companies
- Individuals
- Money matters of a nation

**Question No.30**

4.00

**Bookmark** 

Which of the following would not reflect a working capital decision

- The amount of inventory to keep on hand.
- Whether to invest in a new machine
- Whether to grant credit to customers
- The amount of cash to keep in the bank

**Question No.31**

4.00

**Bookmark** 

Goodwill, Copyright and Trademarks should be classified as—.

- Intangible assets
- Fictitious assets
- Tangible assets
- Current assets

**Question No.32**

4.00

**Bookmark** 

An offer made to the public in general which anyone can accept and do the desired act is

- special offer.
- general offer.
- cross offer.
- counter offer

**Question No.33**

4.00

**Bookmark** 

The use of financial leverage has the potential to maximize:

- EPS
- MPS
- DPS
- DY

**Question No.34**

4.00

**Bookmark** 

Which one of the following accounting conventions stipulates that contingent assets appear as a footnote in the balance sheet?

- Conservation
- Materiality
- Consistency
- Disclosure

**Question No.35**

4.00

**Bookmark** 

The credit purchase transactions of goods is recorded in:

- The Purchase Day Book
- The Creditors Book
- The Sales Day Book
- The Cash Book

**Question No.36**

4.00

**Bookmark** 

Choose the correct meaning of the italicized idiom.  
Anil got me into trouble by giving a *false colour* to my statement.

- Giving a wrong colour box
- Giving a wrong character
- Colouring the sentence
- Giving good impression

**Question No.37**

4.00

**Bookmark** 

Assertion: - India's president is appointed on a five-year term

Reason: -PratibhaPatil was appointed as India's first woman president in 2007

- A is true but R is false
- Both A and R are true and R is not the correct explanation of A
- A is false but R is true
- Both A and R are true and R is the correct explanation of A

**Question No.38**

4.00

**Bookmark** 

Choose the correct meaning of the italicized idiom.  
Sheela's work seems to be a *Penelope's web*.

- Declining
- In her best form
- Difficult
- Endless

**Question No.39**

4.00

**Bookmark** 

Study the following information carefully and answer the question below it

The Director of an MBA college has decided that six guest lectures on the topics of Motivation, Decision Making, Quality Circle, Assessment Centre, Leadership and Group Discussion are to be organised on each day from Monday to Sunday.

- (i) One day there will be no lecture (Saturday is not that day), just before that day Group Discussion will be organised.
- (ii) Motivation should be organised immediately after Assessment Centre.
- (iii) Quality Circle should be organised on Wednesday and should not be followed by Group Discussion
- (iv) Decision Making should be organised on Friday and there should be a gap of two days between Leadership and Group Discussion

How many lectures are organised between Motivation and Quality Circle?

- Four
- Two
- Three
- One

**Question No.40**

4.00

**Bookmark** 

Ramesh had a cold and couldn't go to the party, so I bought him a cake to make up for his \_\_\_\_\_

- disappointment
- disillusion
- depression
- disgust

**Question No.41**

4.00

**Bookmark** 

The principle of 'unity of command' implies

- Unity amongst subordinates
- Instructions from staff authority
- Instructions from line authority
- Unity of thought and action

**Question No.42**

4.00

**Bookmark** 

The contract of insurance is made between the two parties i.e \_\_\_\_\_ and \_\_\_\_\_

- agents, policyholders
- agents, insured
- agents, manager
- Insurer, Insured

**Question No.43**

4.00

**Bookmark** 

What is the time limit for holding of a Financial Asset, to be called Short Term Capital Asset?

- Not more than 24 months.
- Not more than 12 months.
- Not more than 36 months.
- Not more than 6 months.



**Question No.44**

4.00

**Bookmark** 

An amount that becomes payable only on the occurrence of an event is called:

- Short-term liability
- Contingent liability
- Current liability
- Provision

**Question No.45**

4.00

**Bookmark** 

To increase a given present value, the discount rate should be adjusted

- true
- Downward
- Upward
- false

**Question No.46**

4.00

**Bookmark** 

The loss on sale of furniture of a non-profit organization is reflected in its:

- The Profit and Loss Account
- The Cash Account
- Receipts and Payments Account
- The Income and Expenditure Account

**Question No.47**

4.00

**Bookmark** 

Identify the underlined part of speech:

Sorry, I don't know any foreign languages

- adverb
- adjective
- noun
- pronoun

**Question No.48**

4.00

**Bookmark** 

Examination of alternative course of action is an activity connected with:

- Organizing function
- Control function
- Direction function
- Planning function

**Question No.49**

4.00

**Bookmark** 

Choose the correct meaning of the italicized idiom.

He had great difficulty to *save his bacon* when he was blackmailed.

- Save pork
- Put bacon in the refrigerator
- Threaten somebody
- Escape death

**Question No.50**

4.00

**Bookmark** 

Which one of the following accounting equations is correct?

- Assets = Liabilities – Owner's Equity
- Assets + Liabilities = Owner's Equity.
- Assets = Liabilities + Owner's Equity
- Assets = Owner's Equity

**Question No.51**

4.00

**Bookmark** 

It takes eight hours for a 600 km journey, if 120 km is done by train and the rest by car. It takes 20 minutes more, if 200 km is done by train and the rest by car. The ratio of the speed of the train to that of the cars is:

- 2:3
- 1:4
- 3:4
- 1:2

**Question No.52**

4.00

**Bookmark** 

Where fully paid shares are issued to the promoters of the company, account that must be debited is:

- The Goodwill Account
- The Promotional Expenses Account
- The Bank Account
- The Share Capital Account

**Question No.53**

4.00

**Bookmark** 

Choose the best antonym of the italicized word.

Ravi and Raghu are really *obstinate* men.

- understanding
- friendly
- considerate
- compliant

**Question No.54**

4.00

**Bookmark** 

Which of the following are not objectives of auditing?

- Ascertain the profit and preparation of P/L Account, Balance sheet.
- Give a true and fair view of financial amount.
- To submits the accounts to Government of India.
- Detection and prevention of frauds and errors.

**Question No.55**

4.00

**Bookmark** 

The term 'trading-on-equity' means:

- On-line share trading
- Using more equity funds in the capital structure of a firm
- Equity trading in the stock market
- Using more long-term debt in the capital structure of a firm

**Question No.56**

4.00

**Bookmark** 

Which of the following is not the most commonly used measure of stock market ratio:

- Liquidity ratio
- Debt to equity ratio
- Price to earnings ratio
- Price to book ratio

**Question No.57**

4.00

**Bookmark** 

Preliminary Expenses are an example of:

- Investment.
- Fictitious assets
- Fixed Assets
- Current assets

**Question No.58**

4.00

**Bookmark** 

Contribution margin is equal to \_\_\_\_\_

- Sales – profit
- Sales — fixed cost-profit.
- Fixed cost - loss.
- Profit + variable cost.

**Question No.59**

4.00

**Bookmark** 

Choose the best synonym of the italicized word.

Each one of us is the subject of *derision* at some time or the other in our life.

- irony
- laughter
- ridicule
- criticism

**Question No.60**

4.00

**Bookmark** 

A type of budget designed to provide budgeted costs for any level of activity actually attained is:

- Flexible budget
- Fixed budget
- Discretionary budgets
- Budgetary control

**Question No.61**

4.00

**Bookmark** 

Scheduled Bank is

- Foreign banks
- Lead Banks
- Private Banks
- Banks included in 2<sup>nd</sup> Schedule of RBI Act 1934

**Question No.62**

4.00

Bookmark 

Interim audit may be ordered for

- Quarter
- Quarter or six months
- Quarter and six months
- Six months

**Question No.63**

4.00

Bookmark 

The \_\_\_\_\_ defines a company's relations with the outside world.

- Articles of association
- Statement in lieu of prospectus
- Memorandum of association
- Prospectus

**Question No.64**

4.00

Bookmark 

Choose the missing term: 3F,6G,11I,18L, ?

- 26N
- 28Q
- 27O
- 27P

**Question No.65**

4.00

Bookmark 

Any transaction between a current account and another current account does not affect

\_\_\_\_\_.

- funds
- working capital
- capital
- profit

**Question No.66**

4.00

Bookmark 

The expenditure incurred in an accounting period, the benefits of which are derived for long future period is known as:

- Revenue expenditure
- Deferred revenue expenditure
- Capital expenditure
- Routine expenditure

**Question No.67**

4.00

Bookmark 

The method of depreciation adopted for mines is:

- Reducing balance method
- Annuity method
- Straight line Method
- Depletion method

**Question No.68**

4.00

**Bookmark** 

A contract which cannot be enforceable in a court of law \_\_\_\_\_.

- Voidable contract
- Void contract
- Valid contract
- All the above

**Question No.69**

4.00

**Bookmark** 

\_\_\_\_\_ means transfer of rights of an insured to another person.

- Transfer
- Assignment
- Selling
- Subrogation

**Question No.70**

4.00

**Bookmark** 

Wages paid to a labour who was engaged in production activities can be termed as.

- Direct cost.
- Indirect cost.
- Sunk cost.
- Imputed cost.

**Question No.71**

4.00

**Bookmark** 

Margin of Safety is the excess of the difference between:

- Actual sales and break-even sales
- Actual sales and standard sales
- Standard sales and actual sales
- Break-even sales and actual sales

**Question No.72**

4.00

**Bookmark** 

Income which accrue outside India from a business controlled from India is taxable in case of:

- Not ordinarily resident only
- Non-resident
- Both ordinarily resident and NOR
- Resident only

**Question No.73**

4.00

**Bookmark** 

The budget which usually takes the form of budgeted profit and loss account and balance sheet is known as \_\_\_\_\_

- Flexible budget.
- Master budget.
- Purchase budget.
- Cash budget .

**Question No.74**

4.00

Bookmark 

The coefficient of correlation ranges between

- 1 and 100
- 1 and +1
- minus infinity and plus infinity
- 0 and 1

**Question No.75**

4.00

Bookmark 

Excess of acquired share of equity (net assets) over and above the amount of purchase price is called:

- Revenue reserve
- Goodwill
- Minority interest
- Capital reserve

**Question No.76**

4.00

Bookmark 

Obtain the missing term.

300, 296, 287, 271, ?, 210

- 246
- 250
- 244
- None of the above

**Question No.77**

4.00

Bookmark 

Fixation of standards, measurement of performance, comparison, and correction of deviation are the steps in\_\_\_\_\_.

- organizing
- Planning
- Control process
- Staffing

**Question No.78**

4.00

Bookmark 

At BEP, contribution is equal to:

- Margin of safety
- Fixed cost
- Marginal cost
- Variable cost

**Question No.79**

4.00

Bookmark 

If sales are Rs. 160000 and P/V ratio is 80 %, the amount of variable cost will be:

- Rs. 32000
- Rs. 28000
- Rs. 64000
- Rs. 16000

**Question No.80**

4.00

Bookmark 

The theory of dividend irrelevance was propounded by:

- Modigliani and Miller
- Myron Gordon
- James E. Walter
- Martin

**Question No.81**

4.00

Bookmark 

Cost of intangible fixed assets are \_\_\_\_\_ over their useful lives.

- Allocated
- Amortised
- Charged
- Depreciated

**Question No.82**

4.00

Bookmark 

The secretary of a company may be \_\_\_\_\_.

- only an individual.
- Shareholders.
- group of persons.
- only body corporate

**Question No.83**

4.00

Bookmark 

Select the option which improves the underlined part of the sentences.

The Prime Minister called on the President.

- by
- No improvement
- to
- in

**Question No.84**

4.00

Bookmark 

Total utility is maximum when marginal utility is

- Positive
- Zero
- Negative
- Rising

**Question No.85**

4.00

Bookmark 

Where a contract has to be inferred from the conduct of parties, it is called

- Express contract.
- Tacit contract.
- Implied contract.
- Unlawful contract.

**Question No.86**

4.00

**Bookmark** 

The maximum number of members of a public limited company is

- Twenty
- Fifty
- Unlimited
- seventy

**Question No.87**

4.00

**Bookmark** 

Which of the following statements about preferred stock is false?

- Preferred stock never matures
- Dividend payments to preferred stockholders are made from the firm's before-tax earnings
- Some preferred stock is callable
- Most preferred stock is cumulative

**Question No.88**

4.00

**Bookmark** 

Section 44 AA of the Income Tax Act of 1961 deals with:

- Unearned income
- Residential income
- Presumptive income
- Residual income

**Question No.89**

4.00

**Bookmark** 

Find out the missing term:

1, 2, 3, 6, 11, 20, 37, 68, ?

- 105
- 126
- 124
- 125

**Question No.90**

4.00

**Bookmark** 

Contribution means

- Fixed cost plus profit
- Variable cost plus profit
- Sales less fixed cost
- Fixed cost minus profit

**Question No.91**

4.00

**Bookmark** 

The degrees of freedom for a contingency table of two rows and two columns in the case Chi-square test will be :

- 3
- 1
- 2
- 0



**Question No.92**

4.00

**Bookmark** 

The experiment of tossing a coin, the possible outcomes are Head T and these two events are

- independent events
- Dependent events
- Mutually exclusive events
- Mutually exclusive and exhaustive events

**Question No.93**

4.00

**Bookmark** 

Interim dividend is always shown:

- In P&L Appropriation a/c
- In P&L a/c
- On the assets side of the balance sheet
- On the liabilities side.

**Question No.94**

4.00

**Bookmark** 

When the sale proceeds of pledged security is not sufficient to pay off secured creditors fully, the balance due to them should be added to:

- Equity share capital
- Preferential creditors
- Preference Share capital
- Unsecured creditors

**Question No.95**

4.00

**Bookmark** 

Under the Income Tax Act of 1961, donation by a single individual is reduced from Rs. 20000 to:

- Rs. 10000
- Rs. 2000
- Rs. 5000
- Rs. 15000

**Question No.96**

4.00

**Bookmark** 

With respect to depreciation, technological advancements make old equipment obsolete; therefore, the:

- Replacement cost will exceed the market price
- Historical costs will be overstated
- Book value can exceed the market value
- Market value can exceed the book value

**Question No.97**

4.00

**Bookmark** 

Expand IAASB

- International Accounting and Assurance Standards Board
- International Auditing and Accounting Standards Board
- International Auditing and Assurance Standards Board
- Independent auditor who appointed without qualification

**Question No.98**

4.00

**Bookmark** 

A project's cost is Rs. 2500. Its total present value of estimated future cash inflows generated for a period of five years is Rs. 2725. The amount of net wealth generated by the project is:

- Rs. 225
- Rs. 205
- Rs. 235
- Rs. 215

**Question No.99**

4.00

**Bookmark** 

The contract of indemnity is a\_\_\_\_\_.

- wagering contract.
- quasi-contract.
- contingent contract
- void agreement

**Question No.100**

4.00

**Bookmark** 

Internal control is the:

- Overall control of environment by an client with related to accounts for control of its operations
- Overall control of environment established by management of an enterprise for effective and efficient monitoring and control of its operations
- Overall control of environment established by government for control of its operations
- Overall control of environment by an auditor with related to accounts for control of its operations