

• Question No. 1

Calculate the interest coverage ratio of a company is it reported Net profit after tax of Rs.60,000, falls under 40% Tax rate and has 15% Debentures of Rs.10 00,000.

**Options :**

- 1. 0.67
- 2. 1.67
- 3. 2.67
- 4. 1.5
- 5. 2.5

Answer : 1.67

• Question No. 2

Calculate the valuation of closing stock using simple average method from the following information:

- 100 units purchased for 20 each
- 200 units purchased for 22 each
- Sold 250 units at 23 each

**Options :**

- 1. 1000
- 2. 1100
- 3. 1050
- 4. 1200
- 5. 1250

Answer : 1050

• Question No. 3

As per AS- 2 what should be the valuation of inventory from the following information:

Purchase Price = 2000

Trade Discount = 200

Cash Discount = 100

Delivery Cost = 500

Import Cost = 600

**Options :**

1. 2600
2. 2000
3. 2900
4. 3100
5. 2800

Answer : 2900

• Question No. 4

Which of the following statement is incorrect with respect to provisions?

**Options :**

1. Provision is a liability of uncertain timing and amount
2. Provisions are contingent upon happening/non happening of an event
3. A provision is recognized when an entity has a present obligation that is a result of past event.
4. A provision is recognized when a reliable estimate can be made of the amount of obligation
5. All are correct

Answer : Provisions are contingent upon happening/non happening of an event

• Question No. 5

ABC Ltd purchased an asset of Rs.70 crore. As on date of purchase, 1 USD was equivalent to Rs.70. the company paid after a year when the exchange rate changed to Rs.72.5 for a dollar. What would be the effect of exchange difference?

**Options :**

1. Profit of Rs.2 crore
2. Loss of Rs.2 crore
3. Profit of Rs.2.5 crore
4. Loss of Rs.2.5 crore
5. None of the above

Answer : Loss of Rs.2.5 crore

• Question No. 6

What would be the profit as per cash basis of accounting based on the following information:

Revenues on account = Rs.50000

Cash Sales = Rs.70000

Salaries paid in cash = Rs.50000

Ticket purchased for Rs.11500 for next year travel

**Options :**

1. 8000
2. 8500
3. 70000
4. 58500
5. 10000

Answer : 8500

• Question No. 7

Which of the following Statement is correct with respect to cash and cash equivalents?

**Options :**

1. Cash and cash equivalents include cash on hand only
2. Earmarked balance with banks is not separately disclosed in balance sheet
3. Bank deposits of less than 12 months need not be disclosed separately
4. Drafts on hand have to be disclosed separately
5. All of the above

Answer : Bank deposits of less than 12 months need not be disclosed separately

• Question No. 8

A company earns profit of Rs.175000 in the first year of operations. It's issued capital consists of 70,000 shares of Rs.10 each. If the market value of the share is Rs.13, what will be the book value per share?

**Options :**

1. Rs.10
2. Rs.13
3. Rs.2.5
4. Rs.12.5
5. Rs.15.5

Answer : Rs.12.5

• Question No. 9

A company did sales of Rs.1 lakh during the year. It had total purchases of Rs.75000 of which Rs.2000 worth was returned. The company paid Rs.2000 for carriage inward and Rs.5000 towards wages. If the inventor decreased by Rs.10000 during the year, what will be the gross profit margin of the company?

**Options :**

1. 7%
2. 10%

3. 15%

4. 17%

5. 20%

Answer : 10%

• Question No. 10

The cost of a machine with life of 10 years was Rs.12 lakh with no salvage value expected at the end of the life of the machine. However, after 5 years, the life of the machine increased by 3 years by incurring refurbishment cost of Rs.1,20,000. What would be the depreciation in the 6th year of this machine?

**Options :**

1. Rs.1,20,000

2. Rs.1,00,000

3. Rs.90,000

4. Rs.60,000

5. Rs.1,60,000

Answer : Rs.90,000

• Question No. 11

Which of the following is a notional cost?

**Options :**

1. Purchase cost

2. Freight inwards

3. Direct conversion costs

4. Standard cost

5. All of the above

Answer : Standard cost

- Question No. 12

Anger, frustration, humor etc. are which types of barriers to the effective communication?

**Options :**

1. Mental
2. Emotional
3. Perceptual
4. Physiological
5. Personal

Answer : Emotional

- Question No. 13

Identify the HRD Sub-System where in employee performance is increased with increase in knowledge and ability?

**Options :**

1. Training and development
2. Performance Appraisal
3. Employee engagement
4. Recruitment and Selection
5. None of the above

Answer : Training and development

- Question No. 14

In which of the following leadership style the leader has an inspirational and charismatic approach?

**Options :**

1. Transactional leadership
2. Transformational leadership
3. Delegative leadership

- 4. Participative leadership
- 5. None of the above

Answer : Transformational leadership

• Question No. 15

Which of the following role is a manager performing where manager solves the problem, provide feedback, duly recognizes his employees, provides training and development and monitors the work?

**Options :**

- 1. Performance Management
- 2. Effective supervision
- 3. Training and Development
- 4. Talent Management
- 5. None of the above

Answer : Performance Management

• Question No. 16

Which of the following is a feature of an incentive and not a reward?

**Options :**

- 1. Given to stimulate greater production
- 2. Recognition of past performance
- 3. Forward looking
- 4. Providing cash for something done in past
- 5. None of the above

Answer : Forward looking

• Question No. 17

Which of the following is related to organization morale?

**Options :**

1. Work Environment
2. Compensation
3. Individual motivation
4. Both b and c
5. None of the above

Answer : Work Environment

• Question No. 18

Which of the following HRD principle focusses on development of human resources, development of organizational health, improvement of problem-solving capabilities, development of diagnostic ability and increased employee productivity and commitment?

**Options :**

1. Focus on Enabling capabilities
2. Balancing adaptation and change in organisation culture
3. Attention to contextual factors
4. Building linkages with other functions
5. All of the above

Answer : Focus on Enabling capabilities

• Question No. 19

Improving the employee performance is a key part of human resource development. Which of the following helps in achieving this by increasing employee's knowledge and ability?

**Options :**

1. Potential Appraisal
2. Employee engagement
3. Counselling



4. Training and development

5. Recruitment and Selection

Answer : Training and development

- Question No. 20

Which of the following methods is not a method of quantitative control by RBI?

**Options :**

1. CRR
2. SLR
3. Marginal Standing facility
4. Reverse Repo
5. Credit Rationing

Answer : Credit Rationing

- Question No. 21

Which app is launched by SEBI to create awareness among the investors about the basic concepts of Securities Market, KYC Process, trading and settlement, mutual funds, recent market developments, investor grievances redressal mechanism?

**Options :**

1. SAARTHI
2. VIDYA
3. KRISHNA
4. SAATHI
5. None of the above

Answer : SAARTHI

- Question No. 22

\_\_\_\_\_ is a theory according to which the interest rate differential between two countries is equal to the differential between the forward exchange rate and spot exchange rate.

**Options :**

1. Interest rate Swap theory
2. Differential Interest Rate theory
3. Interest rate Parity
4. Foreign exchange rate
5. None of the above

Answer : Interest rate Parity

• Question No. 23

Where any Trade receivables are financed through Trade Receivables Discounting System (TReDS); the concerned TReDS on behalf of a factor, shall within a period of \_\_\_\_\_. days from the date of such assignment or satisfaction thereof can file with the Central Registry the relevant details.

**Options :**

1. 5 days
2. 7 days
3. 10 days
4. 15 days
5. 30 days

Answer : 10 days

• Question No. 24

Which of the following is applicable on Dynamic QR code of on B2C invoices under GST applicable from July 2021?

**Options :**

1. All taxpayers with an annual turnover of more than 500 crores in any preceding financial year (starting from 2017-18) to compulsorily generate a dynamic QR Code on their B2C invoices

2. An insurance or a banking company including a NBFC
3. A goods transport agency supplying services in relation to transportation of goods by roads
4. Supplying passenger transportation services
5. Supplying services by way of admission to exhibition of cinematograph of a film in multiplex.

Answer : All taxpayers with an annual turnover of more than 500 crores in any preceding financial year (starting from 2017-18) to compulsorily generate a dynamic QR Code on their B2C invoices

• Question No. 25

Which of the following is not one of the four themes mentioned in the 15<sup>th</sup> Finance Commission w.r.t grant-in aid-to states?

**Options :**

1. Social Sector
2. Rural Economy
3. Power Reforms
4. Governance and Administrative Reforms
5. Manufacturing

Answer : Manufacturing

• Question No. 26

Identify the incorrect statement about NBFC (Nonbanking finance company)

**Options :**

1. NBFCs can accept demand deposits
2. NBFCs cater to medium- and long-term needs of an industry
3. NBFCs are registered under the Companies act
4. NBFCs do not form part of the payment and settlement system and cannot issue cheques drawn on itself
5. None of the above

Answer : NBFCs can accept demand deposits

- Question No. 27

Calculate the Break-even point from the following information.

Fixed overheads = Rs.60,000

Selling Price per unit = Rs.30

Direct material cost per unit = Rs.12

Direct Labour cost per unit = Rs.6

Variable overheads are absorbed as 50% of direct labour cost

Trade discount = 10%

Options :

1. 5000

2. 10000

3. 6666

4. 2500

5. 20000

Answer : 10000

- Question No. 28

What is the value of per unit of inventory if the firm uses absorption costing?

Direct material cost per unit = Rs.3

Direct Labour cost per unit = Rs.4

Variable overheads are absorbed as 50% of direct labour cost

Fixed production overheads = Rs.120,000

Budgeted production = 20,000 units

**Options :**

1. 13
2. 10
3. 9
4. 15
5. 20

Answer : 15

• Question No. 29

Which of the following is a modern technique of managerial accounting?

**Options :**

1. Marginal accounting
2. Standard accounting
3. Responsibility accounting
4. Differential accounting
5. Budget accounting

Answer : Responsibility accounting

• Question No. 30

Under the \_\_\_\_\_ method, the semi variable costs are not classified into fixed and variable costs.

**Options :**

1. Graphical method
2. Least squares Method
3. High and low method
4. Straight piece method
5. Simultaneous equation method

Answer : Straight piece method

• Question No. 31

A company incurred direct material costs of Rs.100,000, direct labour cost of Rs.68,000, variable overheads of Rs.24,000 and fixed overheads of Rs.1,50,000. What is the prime cost?

**Options :**

1. Rs.1,00,000
2. Rs.1,68,000
3. Rs.1,74,000
4. Rs.1,92,000
5. Rs.3,42,000

Answer : Rs.1,68,000

• Question No. 32

Which of the following is not a feature of the cellular manufacturing?

**Options :**

1. Increase in quality control
2. Increase in pace of production
3. Increase in expenses
4. Decrease in WIP inventory
5. All are features

Answer : Increase in expenses

• Question No. 33

Which of the following is eligible for appointment as an auditor of a company?

**Options :**

1. CA
2. CS
3. CFA
4. CMA
5. All of the above

Answer : CA

• Question No. 34

The amount payable on application on every security shall not be less than how much of the nominal amount of the security?

Options :

1. 1%
2. 5%
3. 7%
4. 10%
5. 25%

Answer : 5%

• Question No. 35

Where an application is made by the transferor alone and relates to partly paid shares, the transfer shall not be registered, unless the company gives the notice of the application, in such manner as may be prescribed, to the transferee and the transferee gives no objection to the transfer within \_\_\_\_\_ from the receipt of notice.

Options :

1. 3 days
2. 7 days
3. 2 weeks
4. 1 month
5. 3 months

Answer : 2 weeks

• Question No. 36

For calling a meeting of the Board, what is the minimum period of notice to be given in writing to the every director at his registered address?

**Options :**

1. 2 days
2. 3 days
3. 5 days
4. 7 days
5. 10 days

Answer : 7 days

• Question No. 37

The unpaid or unclaimed dividend lying in the Unpaid Dividend Account has to be transferred to the IEPF after how what period?

**Options :**

1. 30 days
2. 180 days
3. 1 year
4. 5 years
5. 7 years

Answer : 7 years

• Question No. 38

How many directors can be appointed by small shareholders in a company?

**Options :**



- 1. 0
- 2. 1
- 3. 2
- 4. 3
- 5. Depends on size of the company

Answer : 1

• Question No. 39

An independent director can be appointed for a tenure up to \_\_\_\_\_

**Options :**

- 1. 2 consecutive years
- 2. 3 consecutive years
- 3. 4 consecutive years
- 4. 5 consecutive years
- 5. No fixed term

Answer : 5 consecutive years

• Question No. 40

What is the minimum number of members required to form an Audit committee of the Board?

**Options :**

- 1. 2
- 2. 3
- 3. 4
- 4. 1/3rd of Board strength
- 5. 50% of Board strength

Answer : 3

- Question No. 41

The president of the NCLT and the chairperson and Judicial members of the NCLAT are appointed in consultation with whom?

**Options :**

1. Prime Minister of India
2. President of India
3. Finance Minister of India
4. Chief Justice of India
5. Minister of Corporate Affairs

Answer : Chief Justice of India

- Question No. 42

Which of the following is not-non planned expenditure?

**Options :**

1. Defense Expenditure
2. Debt Servicing
3. Expenditure on electricity generation
4. Interest payments
5. Subsidies

Answer : Expenditure on electricity generation

- Question No. 43

What is monetary base?

**Options :**

1. Money issued by central bank
2. Currency in circulation+ commercial bank deposits held in RBI's reserves

- 3. Currency in circulation
- 4. None of these
- 5. All of these

Answer : Currency in circulation+ commercial bank deposits held in RBI's reserves

• Question No. 44

Calculate NNP<sub>fc</sub> from GNP<sub>mp</sub> = 5069, Consumption of fixed capital = 626, indirect tax = 475, subsidies = 49

**Options :**

- 1. 4017
- 2. 8096
- 3. 8766
- 4. 4234
- 5. 7954

Answer : 4017

• Question No. 45

Which of the following statements is incorrect regarding Phillips's curve?

**Options :**

- 1. High inflation and high unemployment are because of recession/depression
- 2. As per Friedman, there is no relation between unemployment and inflation in the long-run
- 3. It depicts relationship between inflation rate and unemployment rate
- 4. None of these
- 5. All of these

Answer : High inflation and high unemployment are because of recession/depression

• Question No. 46

Which of the following statements is incorrect regarding monopolistic competition?

**Options :**

1. No excess capacity with Price = AC
2. In case of monopolistic competition, there are only normal profits in the long run and there is no excess capacity.
3.  $LMC=LAC$  at the minimum point of the latter
4. Consumer surplus reduces
5. None of these

Answer : In case of monopolistic competition, there are only normal profits in the long run and there is no excess capacity.

• Question No. 47

Which of the following statements is correct if the demand function is  $D = 18-3P$ ?

**Options :**

1. Max Price = 6 and demand curve is non-linear
2. Demand curve is linear with slope -3
3. A and B
4. All of these
5. None of these

Answer : None of these

• Question No. 48

Find the incorrect option regarding the elasticity of commodities?

**Options :**

1. Demand for salt is perfectly elastic
2. If price of Colgate increases, demand for closeup increases
3. Elasticity measures the percentage change in quantity demanded for a percentage change in price
4. All of these

5. None of these

Answer : Demand for salt is perfectly elastic

- Question No. 49

The theory dealing with fiscal \_\_\_\_\_ is where the federal is trying to align government expenditure with government revenue.

**Options :**

1. Fiscal Prudence
2. Fiscal jurisprudence
3. Fiscal Federalism
4. None of these
5. All of these

Answer : Fiscal Prudence

- Question No. 50

Which the following is not the reason for demand pull inflation?

**Options :**

1. Increase in export demand
2. Increase in money supply
3. Increase in govt spending
4. Increase in administered price
5. None of these

Answer : Increase in administered price

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