138/2025

Question Booklet Alpha Code **A**

Question Booklet Serial Number

Total No. of questions : 100

Time : 1 Hour 15 Minutes

Maximum : 100 Marks

INSTRUCTIONS TO CANDIDATES

1. The question paper will be given in the form of a Question Booklet. There will be four versions of question booklets with question booklet alpha code viz. A, B, C & D.
2. The Question Booklet Alpha Code will be printed on the top left margin of the facing sheet of the question booklet.
3. The Question Booklet Alpha Code allotted to you will be noted in your seating position in the Examination Hall.
4. If you get a question booklet where the alpha code does not match to the allotted alpha code in the seating position, please draw the attention of the Invigilator IMMEDIATELY.
5. The Question Booklet Serial Number is printed on the top right margin of the facing sheet. If your question booklet is un-numbered, please get it replaced by new question booklet with same alpha code.
6. The question booklet will be sealed at the middle of the right margin. Candidate should not open the question booklet, until the indication is given to start answering.
7. Immediately after the commencement of the examination, the candidate should check that the question booklet supplied to him contains all the 100 questions in serial order. The question booklet does not have unprinted or torn or missing pages and if so he/she should bring it to the notice of the Invigilator and get it replaced by a complete booklet with same alpha code. This is most important.
8. A blank sheet of paper is attached to the question booklet. This may be used for rough work.
9. **Please read carefully all the instructions on the reverse of the Answer Sheet before marking your answers.**
10. Each question is provided with four choices (A), (B), (C) and (D) having one correct answer. Choose the correct answer and darken the bubble corresponding to the question number using Blue or Black Ball-Point Pen in the OMR Answer Sheet.
11. **Each correct answer carries 1 mark and for each wrong answer $1/3$ mark will be deducted. No negative mark for unattended questions.**
12. No candidate will be allowed to leave the examination hall till the end of the session and without handing over his/her Answer Sheet to the Invigilator. Candidates should ensure that the Invigilator has verified all the entries in the Register Number Coding Sheet and that the Invigilator has affixed his/her signature in the space provided.
13. Strict compliance of instructions is essential. Any malpractice or attempt to commit any kind of malpractice in the Examination will result in the disqualification of the candidate.

Maximum : 100 marks

Time : 1 hour and 15 minutes

1. Punch marked coins are the ____________

(A) Earliest coins circulated among Harappans

(B) These are the earliest coins introduced in India around 6^{th} century B C, during the period of *Mahajanapadas*

(C) Coins introduced by Samudragupta during the period of second urbanization

(D) Introduced under Chola empire and these earliest coins were known as 'Karshapanas'

2. Champaran, Ahmedabad and Kheda struggles were important because ____________

(A) These struggles marked the entry of Gandhiji in Indian politics

(B) It helped to demonstrate Gandhian political strategy

(C) Gandhiji could understand closely the strength and weaknesses of the masses and also the viability of the Gandhian style

(D) All of the above

3. Read the following statements and choose the correct answer.

(A) Shubhanshu Shukla was first ISRO *Gaganyatri* to visit ISS as part of Axion mission

(B) As part of Columbia space mission Rakesh Sharma became the first Indian astronaut landed in space

(C) Shubhansu Shukla was the first Indian collaborated with Soyuz project

(D) Space X Dragon is a International space station owned by Russia

4. Madhav Gadgil report related to ____________

(i) A report on the environmental consequences of Nuclear Power plants.

(ii) The report classified 37% of western ghats as Eco-sensitive area and remaining more populated areas as cultural landscapes with less stringent regulation.

(iii) This report recommends strict conservation of western ghats region in India. It recommended severe restrictions on mining, thermal power plants and dam construction.

(iv) The report also known as WGEEP submitted to the Ministry of Environment and forest, Govt. of India on 31^{st} August, 2011.

(A) Option (ii) and (iv)

(B) Option (i) and (ii)

(C) Option (iii) and (iv)

(D) Only Option (ii)

5. Select the correct statement about Tehri Dam.

(i) The dam is situated in Uttarakhand and it is built on Alakananda river.

(ii) This dam is considered as the tallest Dam in India built on Narmada river.

(iii) This dam was built on Bhageerathi river in Uttarakhand.

(iv) It is a multi purpose dam and considered as the largest earthen dam in India.

(v) Environmentalists like Sunderlal Bahuguna and Virendra Dutt Saklani pointed out the environmental consequences of the project.

(A) Option (iii) and (iv)
(B) Option (i) and (iv)
(C) Option (ii) and (v)
(D) Option (iii) and (v)

6. Among the following which is correct about Lex Loci Act of 1850?

(A) The act promoted and made legally right widow remarriage in colonial India
(B) The act provided the right to inherit ancestral property to Hindu converts to Christianity.
(C) The act introduced by Dalhousie banned the practice of sati and made it a criminal act
(D) As per this act natives were not allowed to serve better positions in the army.

7. Which one of the following is/are correct about Rafael Mariano Grossi?

(A) Director General of International Monetary Fund
(B) Director General of International Atomic Energy Agency
(C) Director General of International Labour Organisation
(D) Director General of the World Wild Life Fund

8. Who invented World Wide Web and in which year?

(A) Introduced in 1989 by Tim Berners Lee with Robert Caillian
(B) Chester Carlson in 1989
(C) Hubert Cecil Booth in 1998
(D) Introduced by Charles Babbage in 1989

9. What is the importance of 42^{nd} constitutional Amendment?

(A) This Amendment empowered the state to create special provisions for backward castes
(B) This amendment in 1976 enhances the powers of president and Governors to pass ordinances.
(C) Through this amendment which came into force on 18^{th} December, 1976 the word 'secular' was also added in the preamble of the constitution
(D) All of the above

10. Select the correct statement about Albert Einstein.

(A) He received Nobel Prize in Physics in 1921 for his invention of the law of photo electric effect
(B) He won Nobel Prize in 1913 for his general theory of relativity
(C) He was the member of Manhattan project.
(D) He invented Atom Bomb

11. Choose the pronoun that best fits :
"Each of the boys must bring ____________ own lunch."

(A) their (B) his
(C) them (D) hers

12. Which of the following is NOT a possessive pronoun?

(A) Yours (B) His
(C) Our (D) Theirs

13. Choose the passive form of the sentence :
"The company will launch a new product".

(A) A new product was launched by the company
(B) A new product has been launched by the company
(C) A new product will be launched by the company
(D) The company launched a new product

14. In which sentence is the gerund the object of the verb?

(A) Sleeping is his favourite pastime
(B) I love eating apples
(C) Eating is his hobby
(D) He loves accumulating wealth

15. The candidate ____________ speaking for ten minutes.

(A) had (B) had been
(C) was (D) is

16. Which form is the past participle of *"bid"* (in the sense of offering a price)?

(A) bade (B) bidded
(C) bid (D) bidden

17. What type of adverb is in the sentence: "I have never been to Paris."

(A) Adverb of place (B) Adverb of frequency
(C) Adverb of time (D) Adverb of manner

18. Which sentence uses "the" correctly?

(A) I saw the sun rising in the morning
(B) She is the intelligent girl
(C) We went to the home
(D) The water is tasteless

19. He was commended ____________ his bravery during the rescue.

(A) for (B) of
(C) about (D) with

20. Unscramble the letters : "RALNE". What is the correct word?

(A) Learn (B) Renal
(C) Realn (D) Neral

21. If the greatest common divisor of two numbers a and b is 10, which of the following equations has integer solution x, y?

(A) $ax + by = 2$
(B) $ax + by = 5$
(C) $ax + by = 15$
(D) $ax + by = 20$

22. The remainder in the division of the polynomial $2x^5 - 3x^4 - 12x^3 + 7x^2 - 4x + 10$ by $x - 1$ is,

(A) 10
(B) 0
(C) 28
(D) 2

23. The roots of a quadratic equation $ax^2 + bx + c = 0$ are $3 + \sqrt{2}$ and $3 - \sqrt{2}$. What is the value of $\frac{c}{a}$?

(A) 5
(B) 6
(C) $2\sqrt{2}$
(D) 1

24. The number of solutions of the system of equations $2x + 3y = 5$, $7x + 4y = 10$ is :

(A) 0
(B) infinite
(C) 1
(D) can't determine

25. The value of y in the system of equations $3x + 5y = 9$, $5x + 3y = -1$ is :

(A) –2
(B) 5
(C) 1
(D) 3

26. Given 2 arithmetic progressions 13, 18, 23,... and –1, 4, 9,..... A third sequence is formed by summing up the corresponding terms of these progressions. Which of the following numbers is a term of the third sequence?

(A) 5^5
(B) 10^5
(C) 11^5
(D) 12^5

27. If a, b, c are the cube roots of 1, then the value of $a + b + c$ is :

(A) 0
(B) 1
(C) 3
(D) –1

28. Given that $a = \sqrt{5} - \sqrt{7}$, $b = \sqrt{5} + \sqrt{7}$ what is the value of $a^2 + b^2$?

(A) 24
(B) 25
(C) 49
(D) 144

29. Two numbers a and b are in the ratio 3 : 2. What is the ratio of the numbers $2a^2 + 3b^2$ and $3a^2 + 2b^2$?

(A) 4 : 9
(B) 6 : 7
(C) 7 : 6
(D) 4 : 8

30. A tap fills a water tank in 2 hours. A leak at the bottom of the tank empties it in 3 hours. Both were opened for 1 hour after that the leak has closed. By how much time will the tank fill?

(A) 3 hours
(B) 5 hours 12 minutes
(C) 2 hours 12 minutes
(D) 2 hours 40 minutes

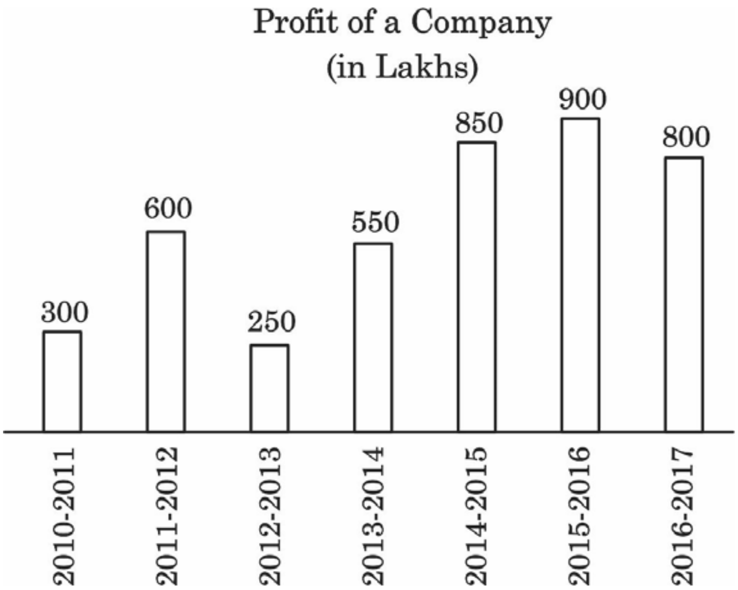
31. A man spends 80% of his salary and gives 5% of the remaining amount for charity. If he is left with him Rs. 2,850. Find his salary.

(A) 15,000
(B) 19,000
(C) 14,000
(D) 18,000

32. How many years does it take for Rs. 31,250 to amount Rs. 35,152 at 8% interest per annum, interest being compounded half yearly?

(A) 1
(B) $1\frac{1}{2}$
(C) 2
(D) $2\frac{1}{2}$

33. The following bar graph shows the profit of a company in different years. Find the year in which percentage increase of profit over the previous year is the highest.



(A) 2011-2012
(B) 2013-2014
(C) 2014-2015
(D) 2015-2016

34. Weights (in kg) of five persons in a group were 68, 71, 74, 77 and 80. A person having a weight of 65 kg joined the group later. Find the difference between the average weights of persons in the old group and the new group.

(A) 3 kg
(B) 2.5 kg
(C) 2 kg
(D) 1.5 kg

35. From a point P, the length of the tangent to a circle is 15 cm and the distance of P from the center is 17 cm. What is the radius of the circle?

(A) 16 cm (B) 13 cm

(C) 8 cm (D) 2 cm

36. Find the area of a triangle with lengths of the sides as 90 cm, 54 cm and 72 cm.

(A) 432 cm^2 (B) 2430 cm^2

(C) 1944 cm^2 (D) 3240 cm^2

37. A cap is in the form of a right circular cone having its base radius 8 cm and height 15 cm. Find the area of the sheet required to make such a cap.

(A) 136 π (B) 120 π

(C) 320 π (D) 184 π

38. A man of 1.6 m height sees the top of a tree at an angle of elevation 60°. If the man stands 10 m away from the foot of the tree, what is the height of the tree?

(Take $\sqrt{3}$ = 1.73)

(A) 13.33 m (B) 7.38 m

(C) 21.6 m (D) 18.9 m

39. A point (x, y) equidistant from (1, 4) and (–2, –5) satisfies the relation :

(A) $x+3y+2=0$ (B) $x+3y-2=0$

(C) $3x+y+2=0$ (D) $3x+y-2=0$

40. In a group of 50 students, 32 students play Badminton or Tennis, but not both ; 10 students do not play either Badminton or Tennis ; number of students playing Badminton is same as the number of students playing Tennis. What is the number of students playing Badminton?

(A) 16 (B) 24

(C) 20 (D) 22

41. ____________ uses “fair value” (current market value) to value assets and liabilities, instead of relying on historical cost.

(A) AS 22
(B) IFRS
(C) IAS 16
(D) AS 26

42. Explain the financial position of the reporting entity at the end of the accounting period.

(A) Income statement
(B) Balance sheet
(C) Ledger
(D) Notes & schedules

43. Which of the following are revenue expenditure for an office equipment dealer?

(i) Sales promotion costs.
(ii) Warehouse extension costs.
(iii) Purchase of office equipment for resale.
(iv) Purchase of delivery vehicle for sales department.

(A) (i) and (ii)
(B) (i) and (iii)
(C) (ii) and (iv)
(D) (iii) and (iv)

44. Which of the following statement is correct about Intangible assets?

(A) It comes under AS 22
(B) It comes under AS 23
(C) It comes under AS 24
(D) It comes under AS 26

45. For withdrawal of goods for personal or domestic purpose, the account transferred is :

(A) Capital A/c Dr (Decrease in capital)
To Drawings A/c

(B) Drawings A/c Dr
To Purchase/Stock A/c

(C) Drawings A/c Dr
To Cash A/c

(D) None of the above

46. With double accounting system, which of the following accounts are prepared?

(i) Profit & Loss a/c
(ii) Revenue account
(iii) Profit & Loss Appropriation Account
(iv) Net Revenue account

(A) (i), (ii) and (iii)
(B) (i), (ii), (iii) and (iv)
(C) (i) and (ii)
(D) (ii) and (iv)

47. The following Companies Act 2013 deals with the company definition :

(A) Section 2(20) (B) Section 3

(C) Section 4 (D) Section 5

48. It descries the Scope of Accounting Standards :

(A) Preparing and Exploring Draft, Analysing the draft

(B) Auditors report, Books of Accounts

(C) Financial statement, Global application

(D) None of the above

49. What is the extension of SMPS?

(A) Switch Mode Power Supply (B) Simple Mode Power Supply

(C) Storage Mode Power Supply (D) Storage Mode Power Shortage

50. The financial statement give a true and fair view of the company's financial health and they must be prepared using the Accounting Standards :

(A) Section 129 - Financial Statement

(B) Section 210 - Books of Accounts

(C) Section 211(2) - Trust and Fair View

(D) Section 143 - Auditor's report

51. Following Factors Contributed to the Development of IFRS :

(A) International Investment (B) Technological advancement

(C) Market integration (D) All the above

52. X Ltd. Enter into contract with customers to sell goods at transaction price :

(a) Transferred within 15 days – Transaction price Rs. 10,00,000

(b) Transferred after 30 days, but within 45 days – Transaction price Rs. 9,80,000

(c) Transferred after 30 days but within 45 days – Transaction price Rs. 9,60,000.

Calculate variable consideration :

(A) 20,000 (B) 40,000

(C) 12,000 (D) 60,000

53. Which of the following statements are correct about Net Revenue Account under double accounting system?

Statement 1 : Interest paid on debentures is debited to Net Revenue account.

Statement 2 : Interest received from loans is credited to Net Revenue account.

Statement 3 : Net Revenue account is similar to Profit and Loss Account of any trading concern.

(A) All of the above
(B) Only 1 and 2
(C) Only 1 and 3
(D) Only 2 and 3

54. A reserve created out of profits in excess of the reasonable return earned by an electricity company is called :

(A) Tariff and Dividend Control Reserve
(B) Contingency Reserve
(C) Development Reserve
(D) None of the above

55. In financial statements under double accounting, preliminary expenses appears on :

(A) General Balance Sheet
(B) Capital Account
(C) Revenue Account
(D) Net Revenue Account

56. Which of the following statements are true with respect to double accounting system?

Statement 1 : Fixed assets are shown at cost in Capital Account.

Statement 2 : Income Statement is prepared in two parts namely Revenue Account and Net Revenue Account.

Statement 3 : Balance sheet includes Capital Account and General Balance sheet.

(A) All of the above
(B) Only 1 and 3
(C) Only 2 and 3
(D) Only 1 and 2

57. Calculate the amount to be capitalized if the original cost of an asset used in an electricity company is Rs. 50,000, present cost of replacement of that asset is Rs. 75,000 and an amount of Rs. 85,000 is spent for its replacement :

(A) Rs. 25,000
(B) Rs. 35,000
(C) Rs. 10,000
(D) Rs. 75,000

58. In final accounts of electricity companies, Reserve for Rebate to consumers is shown on :

(A) Credit side of Net Revenue Account
(B) Debit side of Revenue Account
(C) Debit side of Net Revenue Account
(D) Credit side of Revenue Account

59. An electric supply company wants to replace one of its plants. However materials recovered from the old plant of a value of Rs. 50,000 has been used in new construction. What journal entry will be passed for this transaction?

(A) Replacement Account Dr Rs. 50,000
    To Bank Account Rs. 50,000

(B) Plant Account Dr Rs. 50,000
    To Replacement Account Rs. 50,000

(C) Bank Account Dr Rs. 50,000
    To Replacement Account Rs. 50,000

(D) Replacement Account Dr Rs. 50,000
    To Plant Account Rs. 50,000

60. Which of the following statements are correct about Capital Account prepared under double accounting system?

Statement 1 : Capital Account records all receipts and expenditure on capital account.

Statement 2 : Capital Account gives the general public full and complete information about raising and utilization of fixed capital.

Statement 3 : Capital account is similar to a cash account.

(A) Only 1 and 2
(B) Only 1 and 3
(C) Only 2 and 3
(D) All of the above

61. In electricity companies, the excess of clear profit over the reasonable rate of return is the :

(A) Deficit
(B) Surplus
(C) Appropriation
(D) None of the above

62. Total receipts in Capital Account of an electricity company is Rs. 2,00,000 and Company has a debentures of Rs. 3,00,000. Which amount should be shown in the General Balance Sheet?

(A) Rs. 2,00,000
(B) Rs. 3,00,000
(C) Both amounts
(D) None of the amounts

63. What is the treatment of depreciation on fixed assets under double accounting system?

(A) Credited to Net Revenue Account
(B) Debited to Depreciation Fund Account
(C) Debited to Net Revenue Account
(D) Credited to Depreciation Fund Account

64. Which of the following statements are true with respect to double accounting system?

Statement 1 : Public utility concerns follow double account system.

Statement 2 : Shares forfeited account is shown in liabilities side of General Balance Sheet.

Statement 3 : Loans and debentures are shown in Capital Account.

(A) All of the above
(B) Only 1 and 3
(C) Only 2 and 3
(D) Only 1 and 2

65. Which of the following statements is / are correct about reserve capital and capital reserve?

(i) Reserve Capital is created out of uncalled capital.

(ii) Capital Reserve is created out of capital profits.

(iii) Capital reserve can be used to write off capital losses.

(iv) Special resolution is required to create reserve capital.

(A) (i) and (ii) only
(B) (i) and (iii) only
(C) (i) and (iv) only
(D) All of the above

66. __________ is a scheme under which the company gives option or right and not obligation to the whole-time directors, officers, or employees to purchase or subscribe at a future date the equity shares at a predetermined price.

(A) ESOS
(B) Sweat Equity shares
(C) Right shares
(D) Bonus shares

67. Identify journal entry for Securities premium payable with allotment money :

(A) Securities Premium Reserve a/c Dr
Share allotment a/c Dr
To Share Capital

(B) Share Allotment a/c Dr
To Share Capital a/c
To Securities Premium Reserve a/c

(C) Share Allotment a/c Dr
To Share Capital
To Bank a/c

(D) None of the above

68. Which of the following statements is / are correct about debentures?

(i) Debentures are creditorship securities.

(ii) Debentures have voting rights.

(iii) Debentures are unsecured.

(iv) Debenture holders are creditors.

(A) (i) and (ii) only
(B) (i) and (iv) only
(C) (iii) and (iv) only
(D) All of the above

69. Securities Premium reserve account can be applied only for the following purposes.

(i) To issue fully paid bonus shares.

(ii) To write off preliminary expenses of the company.

(iii) To buy back its own shares.

(iv) To write off discount allowed on issue of shares or debentures of the company.

Which of the above statements is / are correct about Securities premium?

(A) (i) and (ii) only
(B) (ii) and (iii) only
(C) (iii) and (iv) only
(D) All of the above

70. Which of the following statements is/are correct about provision?

(i) Provision is a charge against profit to meet any specific liability in future.

(ii) Provision is kept for known liability.

(iii) Provision is shown as a deduction from the asset concerned.

(iv) It is shown in the form of accumulated liability.

(A) (i) and (ii) only
(B) (ii) and (iii) only
(C) (iii) and (iv) only
(D) All of the above

71. Section which defines a Company under Companies Act 2013 :

(A) Section 2(21)
(B) Section 2(20)
(C) Section 3(20)
(D) Section 2(22)

72. Which of the following statements is / are correct about stock?

(i) A stock is a bundle of shares of a company.

(ii) Stock is always fully paid up.

(iii) Stock has no nominal value.

(iv) Stocks have a distinct number.

(A) (i), (ii) and (iii) only
(B) (i) and (ii) only
(C) (iii) and (iv) only
(D) All of the above

73. Identify the correct journal entry for issue of debentures for consideration other than cash :

(A)	Sundry assets a/c		Dr
	Goodwill a/c		Dr
		To Liabilities a/c	
		To Vendors a/c	
(B)	Sundry assets a/c		Dr
		To Liabilities a/c	
		To Vendors a/c	
		To Capital Reserve	

(C) Both (A) and (B)

(D) None of the above

74. Which of the following statements is / are correct about over-subscription? Over-subscription of shares leads to :

(i) Total rejection of some applications.

(ii) Acceptance of some application in full.

(iii) Allotment of remaining applicants on a pro-rata basis.

(A) (i), (ii) and (iii)
(B) (i) and (iii) only
(C) (ii) and (iii) only
(D) (i) and (ii) only

75. Which of the following statements is / are correct about calls in arrears?

(i) It is the amount called up by the company but paid by shareholders.

(ii) It is the amount not due to the company from the shareholders.

(iii) It shows credit balance.

(A) (i) and (ii) only
(B) (ii) and (iii) only
(C) None of the above
(D) All of the above

76. Which of the following statements is / are correct about Hire purchase system?

(i) The possession of goods is transferred to the buyer immediately.

(ii) The ownership passes to the buyer (hirer) when he pays all instalment.

(iii) The property in the goods remains with the vendor (hiree) till the last instalment is paid.

(A) (i) only
(B) (ii) and (iii) only
(C) (i) and (ii) only
(D) All of the above

77. Which of the following statements is / are correct about source of dividend?

(i) Current year's profit after depreciation.

(ii) Previous year's profit after depreciation.

(iii) Both current years profit and previous year's profit.

(iv) Money provided by Central Govt. or State Govt. for the payment of dividend in pursuance of a guarantee given by that Govt.

(A) (i) and (ii) only

(B) (i), (ii) and (iii) only

(C) All of the above

(D) None of the above

78. Under Section 197 of the Companies Act, 2013, which of the following statements regarding managerial remuneration are correct?

(i) Total managerial remuneration to directors, including Managing Director and Whole-time Directors, cannot exceed 11% of net profits.

(ii) If a company has no or inadequate profits, Schedule V applies for remuneration limits.

(iii) In case of inadequate profits, managerial remuneration can be paid without Central Government approval, subject to Schedule V.

(iv) Sitting fees to directors are excluded from managerial remuneration.

(A) Only (i), (ii) and (iv)

(B) Only (i) and (ii)

(C) Only (ii) and (iii)

(D) All of the above

79. Which of the following is correct in the context of Company Final Accounts?

(A) Depreciation is an appropriation of profit

(B) Preference dividend is shown under Finance costs

(C) Provision for taxation is an appropriation of profit

(D) Managerial remuneration is charged to the Statement of Profit & Loss before arriving at profit for appropriation

80. Assertion (A) : Dividend cannot be declared from revaluation reserve.

Reason (R) : Revaluation reserve is an unrealised reserve and does not represent actual profits.

(A) Both (A) and (R) are true, and (R) is the correct explanation

(B) Both (A) and (R) are true, but (R) is not the correct explanation

(C) (A) is true, but (R) is false

(D) (A) is false, but (R) is true

81. Company A and Company B report the following :

Particulars	Company A	Company B
Current ratio	3.5	1.5
Quick ratio	1.2	0.8
Inventory turnover	3 times	7 times

Which of the following interpretations is correct?

(A) Company A has stronger liquidity and better inventory efficiency

(B) Company B has weaker liquidity but better inventory management

(C) Both companies are equally efficient in asset use

(D) Company B’s quick ratio indicates over-investment in current assets

82. Which of the following statements is/are correct regarding Ratio Analysis?

(i) Liquidity ratios primarily evaluate a firm’s short-term solvency and ability to meet current obligations.

(ii) Activity ratios measure the efficiency of utilizing assets in generating sales revenue.

(iii) Leverage ratios reflect the extent of reliance on debt financing and its effect on financial risk.

(iv) Profitability ratios are independent of sales and measure only operational efficiency.

(A) (i), (ii), and (iii) only | (B) (ii) and (iv) only

(C) (i) and (iii) only | (D) All of the above

83. Consider the following statements under AS-3 regarding classification of activities :

(i) Cash received from issue of debentures is classified as financing activity.

(ii) Dividend paid is classified as financing activity, whereas dividend received is an investing activity (for non-financial enterprises).

(iii) Acquisition of machinery by issue of shares is disclosed as a cash outflow under investing activity.

(iv) Repayment of bank loan is classified as financing activity.

Which of the above statements are correct?

(A) Only (i), (ii) and (iv) | (B) Only (ii) and (iii)

(C) Only (i) and (iii) | (D) All of the above

84. Assertion (A) : A funds flow statement highlights changes in working capital between two balance sheet dates.

Reason (R) : A funds flow statement focuses only on cash and cash equivalents and ignores non-cash adjustments.

Choose the correct option :

(A) (A) and (R) are true and (R) explains (A)

(B) (A) and (R) are true but (R) does not explain (A)

(C) (A) is true, (R) is false

(D) Both (A) and (R) are false

85. Which one of the following statements is correct regarding working capital?

(A) Gross working capital is the difference between current assets and current liabilities

(B) Net working capital is always equal to total current assets

(C) Net working capital represents the excess of current assets over current liabilities

(D) Gross working capital represents long-term funds invested in fixed assets

86. Which of the following statements is/are not true about holding companies?

(i) As per AS 21, every holding company should mandatorily prepare consolidated balance sheet.

(ii) Excess of the cost of investment over the value of proportionate net assets of subsidiary co. is known as capital reserve.

(iii) Any profit or loss on revaluation of assets and liabilities of subsidiary company is a capital profit or loss.

(A) Only (i)

(B) Only (i) and (ii)

(C) Only (ii) and (iii)

(D) All are true

87. A company which retains voting power or control of another company, in spite of the fact that the company itself is already controlled by another entity is :

(A) Pure

(B) Mixed

(C) Immediate

(D) Intermediate

88. Which of the following statements is/are not true about minority interest?

(i) Represents the claims of the outside shareholders of a subsidiary.

(ii) The term “controlling interest” is synonymous with minority interest.

(iii) The amount of minority interest is shown on the liabilities side of Balance Sheet between the Share Capital and Reserves and Surplus.

(A) (iii) only

(B) (ii) and (iii) only

(C) (i) and (ii) only

(D) (ii) only

89. Which of the following lists attached to Statement of Affairs gives the list of assets which are specifically pledged in favour of fully secured and partly secured creditors?

(A) List A

(B) List B

(C) List C

(D) List D

90. The order of priority in paying off debts in winding up shall be follows :

(a) Cost and expenses of winding up

(b) Workmen’s dues and debts due to secured creditors

(c) Preferential debts

(d) Floating charge

(e) Unsecured Creditors

(A) (a)-(b)-(c)-(d)-(e)

(B) (d)-(a)-(b)-(c)-(e)

(C) (b)-(a)-(c)-(d)-(e)

(D) (b)- (c)-(a)-(d)-(e)

91. Salaries due to clerk is preferential for a period not exceeding

(A) 5 months

(B) 4 months

(C) 3 months

(D) None of the above

92. Dividend paid by subsidiary to its holding company, out of capital profits, should be credited by the parent company in its :

(A) Profit and loss account

(B) Dividend account

(C) Shares invested in Subsidiary account

(D) None of the above

93. In which of the following cases can winding up be ordered by the Tribunal which are grounds for compulsory winding up :

(i) If a company has, by special resolution, resolved that the company be wound up by the Tribunal.

(ii) If the company has made default in filing with the Registrar its financial statements or annual returns for immediately preceding five consecutive financial years.

(iii) If the company's actions are detrimental to the integrity and sovereignty of India.

(A) Only (i)
(B) Only (i) and (ii)
(C) Only (iii)
(D) (i), (ii) and (iii)

94. The following facts are related to M/s Omega Co Ltd. you are required to find profit as per financial accounts :

Profit as per Costing Books	Rs. 17,232
Over recovery of selling expenses	Rs. 1,700
Dividend received	Rs. 1,100
Goodwill written off	Rs. 1,200
Under recovery of administration expense	Rs. 720
Finished stock (as per Trading account)	Rs. 8,200
Closing stock valued at cost of production	Rs. 8,832

(A) Rs. 16,984
(B) Rs. 17,480
(C) Rs. 18,744
(D) Rs. 15,720

95. The following attributes are related to characteristics of Job costing. Which one of the following is (are) incorrect?

(i) There is predetermined flow line for the job and as such careful routing and scheduling is prerequisite for successful compliance.

(ii) The production cycle is long as of production cycle of long-term contracts.

(iii) Each job is given a unique job number; each job is a separate cost unit and costed independently.

(iv) Consulting firms, printing companies and ship Building firms usually use job order costing.

(v) Selling and administration costs are not considered as part of Job and are shown separately on the cost sheet and income statement.

(A) (i) and (ii) only
(B) (ii) and (iii) only
(C) (iii) and (iv) only
(D) (iv) and (v) only

96. A Company sells its products at Rs. 30 per Unit. In a period when it produces and sells 16000 units, it incurs a loss of Rs. 10 per unit. If the volume is raised to 40,000 units, it earns a profit of Rs. 8 per unit. Calculate variable cost per unit

(A) Rs. 23
(B) Rs. 10
(C) Rs. 8
(D) Data insufficient

97. You are given the following figures in respect of a firm following process account. Based on FIFO Method, calculate the value of cost per unit of Equivalent Production :

Opening stock of work in progress (30 per cent complete) 2000 Units Rs. 6,000

Unit introduced during the current period 7,000 Units

Unit completed during the current period 8400 Units

(transferred to the next process)

Closing stock of work in work in progress (50 per cent complete) 600 Units

Cost incurred during the current period Rs. 69,200

(A) Rs. 9.5
(B) Rs. 8.8
(C) Rs. 9.2
(D) Rs. 8.5

98. Which of the following fact (s) correctly describe the characteristics of various standards in standard costing?

	Standards		Basic characteristic
I.	Current Standard	1.	Change in trend of price and efficiency
II.	Attainable Standard	2.	Cash budgeting, inventory valuation
III.	Ideal Standard	3.	Use over short period of Time
IV.	Basic Standard	4.	No provision for Shrinkage, spoilage

	I	II	III	IV
(A)	2	3	1	4
(B)	4	1	2	3
(C)	1	2	3	4
(D)	3	2	4	1

99. You are given attributes of Periodic and perpetual inventory system. Which combination of attributes are incorrect with respect to characteristics of both system of maintaining inventory?

Combination	Periodic Inventory System	Perpetual Inventory System
I.	Inventory is ascertained on the basis of physical count	Inventory is ascertained on the basis of records
II.	Inventory is calculated as a residual figure i.e. Closing inventory = Opening + Purchases – cost of goods sold	Inventory is calculated by applying method of valuation of inventories like FIFO, LIFO
III.	It doesn't require closing down of work for stock taking	It requires closing down for stock taking
IV.	It facilitates the continuous stock checking	It doesn't facilitate the continuous stock checking

(A) (I), (II) and (III) only

(B) (II), (III) and (IV) only

(C) (I), (III) and (IV) Only

(D) All of the combinations

100. Calculate cost of production from the following details of a company :

Cost of goods sold	Rs. 2,05,000
Sales	Rs. 3,00,000
Opening stock of finished goods	Rs. 75,000
Closing stock of finished goods	Rs. 50,000

(A) Rs. 95,000

(B) Rs. 2,30,000

(C) Rs. 3,25,000

(D) Rs. 1,80,000

SPACE FOR ROUGH WORK

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