

114/2015

Maximum : 100 marks

Time : 1 hour and 15 minutes

1. 'Nails used in furniture manufacturing' is an example of _____.
(A) Consumable stores (B) Indirect material
(C) Direct material (D) All the above
2. Audit with respect to efficient utilization of resources is known as :
(A) Cost audit (B) Financial audit
(C) Social audit (D) Technical audit
3. Which of the following is not an example of item excluded from cost books?
(A) Income tax (B) Preliminary expense
(C) Abnormal idle time (D) Normal loss
4. The segment of activity of business responsible for both revenue and expense is called _____.
(A) Service centre (B) Cost centre
(C) Profit centre (D) Product centre
5. Goodwill is _____.
(A) Good reputation (B) Intangible asset
(C) Fictitious asset (D) Ability to earn super profit
6. Dilapidation is concerned with :
(A) Leasehold asset (B) Wasting asset
(C) Livestock (D) Intangible asset
7. In preparing final accounts, goods invoiced at Rs.6,000 sent on sale or return for which approval is not received is to be included in the stock at Rs. _____ if the rate of gross profit is 20% on cost.
(A) 1,200 (B) 5,000
(C) 4,800 (D) 1,000
8. Under self balancing system, debtors ledger adjustment account is opened in _____.
(A) Creditors ledger (B) Debtors ledger
(C) Nominal ledger (D) None of these

9. Financial derivatives are useful in :
- | | |
|------------------|-------------------|
| (A) Hedging risk | (B) Arbitrage |
| (C) Speculation | (D) All the above |
10. ASBA system protects the investors from :
- | | |
|-------------------------|----------------------|
| (A) Denial of allotment | (B) Loss of interest |
| (C) Inflation | (D) Loss of capital |
11. Load in mutual fund is connected with :
- | | |
|------------------------|-------------------|
| (A) Open ended scheme | (B) Income scheme |
| (C) Close ended scheme | (D) Growth scheme |
12. NPV method is superior to IRR because :
- | | |
|------------------|-------------------|
| (A) Multiple IRR | (B) Comparability |
| (C) BC Ratio | (D) All the above |
13. Red-herring prospectus is associated with :
- | | |
|-------------------|--------------------|
| (A) Budla | (B) T+3 Settlement |
| (C) Book building | (D) Offer for sale |
14. Kerb dealing is now not relevant because :
- | | |
|------------------------------|----------------------|
| (A) Online trading | (B) Off-market deals |
| (C) Regional stock exchanges | (D) OTCEI |
15. The powers of CCI is merged with :
- | | |
|----------|-----------------------|
| (A) SCRA | (B) DFHI |
| (C) SEBI | (D) Company Law Board |
16. Close ended mutual funds are traded on the basis of :
- | | |
|------------------|--------------|
| (A) Market value | (B) NAV |
| (C) NAV + Load | (D) NAV-Load |
17. Shares are traded between announcement date and record date at :
- | | |
|--------------------|---------------------|
| (A) Ex-right price | (B) Cum-right price |
| (C) Value of right | (D) All the above |
18. Routine management of mutual funds including the designing of schemes is carried out by :
- | | |
|-------------|---------------|
| (A) Trustee | (B) Sponsour |
| (C) AMC | (D) Custodian |

19. Which of the following is not a credit rating agency of Indian origin?
 (A) CRISIL (B) ICRA
 (C) CARE (D) IBCA Ltd
20. An indenture means :
 (A) Debenture Trust Deed (B) Association of debenture holders
 (C) Ability of debt servicing (D) Fund for redemption of debentures
21. Which of the following is the prominent consideration of investing in equity?
 (A) Capital gain (B) Dividend
 (C) Voting right (D) Bonus shares
22. Income tax paid is treated in the final accounts of a sole trader as :
 (A) Revenue expense (B) Drawings
 (C) Capital expenditure (D) Off- balance sheet item
23. Live stock in the case of mixed farming is :
 (A) Fixed asset (B) Tangible asset
 (C) Wasting asset (D) Current asset
24. If the standard turnover is Rs.78,000, Actual turnover is Rs.18,000 and the rate of gross profit on cost is $33\frac{1}{3}\%$ the claim for loss of profit will be Rs :
 (A) 20,000 (B) 18,000
 (C) 15,000 (D) 45,000
25. If opening stock is Rs.13,500, Purchases Rs.82,500, Sales Rs. 1,20,000, stock salvaged is Rs. 1,260 and the rate of gross profit on cost is 50%, the stock destroyed by fire will be Rs :
 (A) 10,740 (B) 22,740
 (C) 14,740 (D) 17,260
26. Under debtors system branch account is a _____ account.
 (A) Real (B) Nominal
 (C) Personal (D) Debtors
27. Consignment account is a _____ account.
 (A) Real (B) Nominal
 (C) Personal (D) Revenue

28. Salary outstanding account is a _____ account.
- (A) Representative personal (B) Personal
(C) Real (D) Nominal
29. Insurance of factory building is _____ cost.
- (A) Period (B) Variable
(C) Semi-variable (D) Uncontrollable
30. Which of the following is a costing system?
- (A) Marginal costing (B) Direct costing
(C) Contract costing (D) Uniform costing
31. The cost of a group of identical products is ascertained under :
- (A) Process costing (B) Job costing
(C) Batch costing (D) Operation costing
32. The suitable method of pricing material issues at times of rising prices is :
- (A) FIFO (B) LIFO
(C) Average cost (D) Inflated price
33. Inventory includes :
- (A) Stock of raw materials (B) Stock of work-in-progress
(C) Stock of finished goods (D) All the above
34. Damage caused to goods in the course of manufacturing which cannot be rectified/deformed valuably by imputing additional cost is called :
- (A) Spoilage (B) Defective
(C) Wastage (D) Scrap
35. Under _____ method of pricing material issues, the new price is determined after every purchase.
- (A) Average cost (B) FIFO
(C) LIFO (D) Market price
36. If sales during the first quarter is Rs.1,00,000, sales during the second quarter is Rs.1,30,000, profit for the first quarter is Rs.30,000, profit during the second quarter is Rs.45,000 and fixed cost is Rs.30,000, the Break Even sales is Rs :
- (A) 90,000 (B) 60,000
(C) 70,000 (D) 85,000

37. Which of the following is not a closing entry?
- (A) P/L a/c Dr
To Salaries
- (B) Discount received a/c Dr
To P/L a/c
- (C) Sales a/c Dr
To Trading a/c
- (D) Closing stock a/c Dr
To Trading a/c
38. To which of the following accounts periodic totals are posted when the journal is subdivided?
- (A) Sales a/c (B) Debtors a/c
(C) Creditors a/c (D) All the above
39. In which of the following, accounting period is relevant :
- (A) Cash system (B) Mercantile system
(C) Accounting information system (D) Tax accounting sub-system
40. Proprietor's personal accounts are maintained on the basis of _____ concept.
- (A) Going concern (B) Revenue recognition
(C) Business entity (D) Money measurement
41. Which of the following is not a hybrid instrument?
- (A) Preference shares (B) Bonds
(C) SPN (D) Zero coupon bonds
42. In a statistical series, the C.V is 40% and the SD is 16, find arithmetic mean :
- (A) 6.4 (B) 64
(C) 40 (D) 4
43. Which of the following is the most suitable one in averaging variables expressed in compound units?
- (A) Harmonic mean (B) Geometric mean
(C) Median (D) Mean
44. Which of the following is a relative measure of dispersion?
- (A) Standard deviation (B) Coefficient of determination
(C) Coefficient of alienation (D) Coefficient of variation

45. The reversal of debit and credit rules of real, personal and nominal accounts will hamper :
- (A) Agreement of trail balance (B) Agreement of balance sheet
(C) Universal understandability (D) Preparation of P/L a/c
46. Which of the following is true in relation to determination of the rate of depreciation if, C = Cost of the asset, S = Scrap value, R = Rate of depreciation and n = number of years of working :
- (A) $C(1+R)^n = S$ (B) $1 - \sqrt[n]{\frac{S}{C}}$
(C) $1 - \sqrt[n]{\frac{C}{S}}$ (D) $C(1-R)^n = S$
47. _____ is used to judge the main activity of a business concern.
- (A) Gross profit (B) Operating profit
(C) Net profit (D) EBIT
48. Insurance business in India is regulated and controlled by :
- (A) IRDA (B) SEBI
(C) SCRA (D) IDFC
49. In the case of rectification after preparation of final statements, the increase/decrease in profit after rectification is passed through :
- (A) P/L appropriation a/c (B) Revaluation a/c
(C) Realisation a/c (D) P/L adjustment a/c
50. Purchase of a machinery on credit is recorded in :
- (A) Purchase day book (B) Purchases account
(C) Journal proper (D) Cash book
51. Which of the following normally does not appear in the trial balance?
- (A) Trade discount (B) Cash discount
(C) Depreciation (D) Expenses outstanding
52. A contra balance in the debtors account will arise in the debtors account in the event of :
- (A) Bad debts
(B) Advance paid by customers
(C) Discount allowed
(D) Return of empties before making full payments

53. Which of the following is not a formula for margin of safety?
- (A) $\frac{\text{Profit}}{\text{P/V ratio}}$ (B) $\frac{\text{Profit}}{\text{V/C ratio}}$
- (C) Present sales - Actual sales (D) $\frac{\text{Profit}}{1 - \text{V/C ratio}}$
54. Which of the following is not a part of inventory carrying cost?
- (A) Interest (B) Insurance
- (C) Carriage inwards (D) Obsolescence
55. The analysis and control of materials exercised with respect to the importance in the production process is known as :
- (A) ABC (B) CIE
- (C) JIT (D) VED
56. Under Walter's model, a growth firm is identified when :
- (A) $r > k$ (B) $r = k$
- (C) $r \leq k$ (D) $r < k$
57. A company with high P/E Ratio is normally expected to :
- (A) have low earnings potential
- (B) be good for investment
- (C) have high potential growth in market value
- (D) pay high dividends in future
58. Which of the following is not an application of cost of capital?
- (A) Decision criterion in capital budgeting
- (B) Capital structure decision
- (C) Evaluating financial performance of the management
- (D) Rate of return expected by the owners
59. Which of the following is a high risk portfolio?
- (A) Defensive (B) Leveraged
- (C) Aggressive (D) Global minimum variance
60. A new company which cannot go on public can resort to _____ in raising capital.
- (A) Mutual funds (B) Venture capital
- (C) Bridge financing (D) Merchant banking

61. The relation $P_{01} \times P_{10} = 1$ should be satisfied in _____ test of index numbers.
 (A) Unit (B) Factor reversal
 (C) Time reversal (D) Circular
62. The correlation between attributes is calculated by using :
 (A) Karl Pearson's coefficient
 (B) Spearman's coefficient
 (C) Sign test
 (D) Coefficient of concurrent deviations
63. If $r_{x,y} = 0.8$, $\sigma_x^2 = 9$ and $b_{yx} = 1.2$, find σ_y :
 (A) 2 (B) 13.5
 (C) 8.64 (D) 4.5
64. The tendency exhibited by a time series for a long period of time is known as :
 (A) Trend (B) Seasonal variation
 (C) Random variation (D) Cyclical fluctuation
65. Which of the following may be considered as market maker?
 (A) Brokers (B) Jobbers
 (C) Remisiers (D) DPs
66. A valid documents are usually used in :
 (A) Factoring (B) Merchant banking
 (C) Underwriting (D) Forfeiting
67. The irrelevance model of capital structure is put forward by :
 (A) Modigliani and Miller (B) Walter
 (C) Ezra Solomon (D) William Sharpe
68. SEBI has got statutory powers in :
 (A) 1988 (B) 1991
 (C) 1992 (D) 1997
69. When the events are equally likely, _____ approach is used to determine probability.
 (A) Relative frequency (B) Empirical
 (C) Subjective (D) Classical

70. The effect of wealth maximization objective of financial management is ultimately reflected in :
- (A) Market value of shares (B) Rate of growth in profits
(C) Cost of capital (D) Firm's IRR
71. Which of the following is a credit card service provider of Indian origin?
- (A) VISA (B) Rupe
(C) Mastercard (D) Smartcard
72. The credit worthiness of a borrower from bank in India is judged and informed by :
- (A) CRISIL (B) ICRA
(C) CIBIL (D) CARE
73. Which of the following ratios can be used to measure a firm's ability of prompt payment of interest and repayment of capital with respect to debt?
- (A) DSCR (B) ICR
(C) FCCR (D) DTR
74. Financial leverage shows the effect of changes in _____ on _____.
- (A) Turnover on EBIT
(B) Turnover on EPS
(C) EBIT on EPS
(D) Interest charges on EBIT
75. While relating Abraham Maslow's Need Hierarchy Theory and Frederick Herzberg's Hygiene theories of motivation, which needs of Hierarchy Theory will fall under the hygiene factors?
- (A) Self-actualization, social and esteem needs
(B) Social, esteem and social needs
(C) Physiological and safety needs
(D) Self-realization needs
76. The world renowned management theorist and speaker who passed away in 2005 and wrote the book "The end of Economic Man" :
- (A) E F L Breach (B) Peter F. Drucker
(C) Keith Davis (D) Max Weber

77. Mr. X maintains books of accounts on the calendar year basis, details are as follows :

Accounting year	Income as per books of accounts (Rs)	Quarter wise break up of income	
		January -March (Rs)	April-December (Rs)
2012	60,000	18,000	42,000
2013	70,000	26,000	44,000
2014	90,000	21,000	69,000

How much is the taxable income of Mr. X for the assessment years 2013-14 and 2014-15

- (A) Rs. 65,000 and Rs. 68,000 (B) Rs. 68,000 and Rs. 65,000
 (C) Rs. 44,000 and Rs. 47,000 (D) Rs. 70,000 and Rs. 90,000
78. The system of employee or manager evaluation by everyone above, alongside and below him in the hierarchy is known as :
- (A) 360 degree evaluation (B) Peer evaluation
 (C) Parallel evaluation (D) Continuous evaluation
79. If any assessee receives extra money on account of devaluation of currency, it is _____ income.
- (A) Deemed (B) Non taxable
 (C) Exempted (D) Taxable
80. A strategic model for measuring the effectiveness of different stages of advertisement on consumer's awareness comprehension, conviction and action is known as :
- (A) ADARB (B) AIDA
 (C) DAGMAR (D) ADCAI
81. Which article in Indian constitution prohibits " Child Labour " :
- (A) Article 331 (B) Article 24
 (C) Article 324 (D) Article 148
82. The CAG of India is appointed by :
- (A) The president (B) The prime minister
 (C) MHRD (D) Election commission
83. The right to information Act was passed by the parliament on :
- (A) 1st November 2001 (B) 15 June 2005
 (C) 1st April 2010 (D) 4th August 2009

84. Name the viceroy who appointed the " Ralieggh Education Commission" :
- (A) Lord Warren Hasting (B) Lord Delhousi
(C) Lord Wellasly (D) Lord Curson
85. " Sadhu Jana Paripalana Sangham " was founded by :
- (A) Sree Narayana Guru (B) Poikayil Kumara Gurudhevan
(C) Subhananda Swamikal (D) Ayyankali
86. " Channar Lahala is popularly " known as :
- (A) Kallumala Samaram (B) Mukkuthy Samaram
(C) Melmundu Samaram (D) Achi pudava Samaram
87. The movement that led to the formation of the first public service commission in the state of Travancore was :
- (A) Vaikom Satyagraha (B) Nivarthana Agitation
(C) Civil Disobedience (D) Malayali Memorial
88. 'Vivekodayam ' Magazine was published in the year :
- (A) 1905 (B) 1904
(C) 1958 (D) 1903
89. " Lakhu bhaskariyam " is related to :
- (A) Mathematics (B) Astronomy
(C) Grammar (D) Astrology
90. Which is the biggest literary Award in Malayalam?
- (A) Vallathol Award (B) Vayalas Award
(C) Odakkuzhal Award (D) Ezhuthachan Award
91. In which place Chattampi Swamikal attained " Samadhi " :
- (A) Kannammula (B) Panmana
(C) Vaikala (D) Kollam
92. In which district our spiritual leader and social reformer Sree Narayan Guru was born :
- (A) Kollam (B) Thiruvananthapuram
(C) Kottayam (D) Alappuzha

93. Father of the king Marthanda Varma was :
- (A) Raja Raja Varma (B) Kerala Varma Valiya koyithamburan
(C) Kilimanoor Koyithamburan (D) Raja Ravi Varma
94. Who is popularly known as “ Bharatha Kesari ” ?
- (A) Kesari Balakrishna Pillai (B) T.K. Madhavan
(C) Mannathu Padmanabhan (D) K.Kelappan
95. “ Bala Ramayanam ” was written by :
- (A) Kumaranasan (B) Kalidhasan
(C) Ezhuthachan (D) Ulloor S. Parameswarayyar
96. Who is popularly known as “Kerala Kalidasan”?
- (A) Kerala Varma Pazhassi Raja
(B) Kodungalloor Kunjikullan Tampuran
(C) Vallathol Narayana Munru
(D) Kerala Varma Vahija Koilthamburan
97. The river which flows through “Silent Valley” is :
- (A) Chandragiri Puzha (B) Kunthipuzha
(C) Chaliyar (D) Kabani
98. The first Hydro electric project in Kerala was :
- (A) Pallivasal (B) Idukki
(C) Malampuzha (D) Kallada
99. Whose birthday is celebrating as “ National Educational day ” in India?
- (A) Joseph Mudassery (B) Mahatma Gandhi
(C) Moulana Abdul Kalam (D) B.R. Ambedkar
100. Who wrote “ A System of National Education”?
- (A) Tagore (B) Aravind Ghosh
(C) Swami Vivekanandan (D) Sri Sankaracharyar