

49/2019

Question Booklet  
Alpha Code

**A**

Question Booklet  
Serial Number

107501

Total Number of questions : 100

Time : 75 Minutes

Maximum Marks : 100

### 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 unnumbered, 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.

001. Revenue received from the sale of goods is treated as an earnings during the period in which
- (A) the sale is made (B) the products are manufactured  
(C) the cash is collected (D) the planning takes place
002. Which Accounting Standard deals with revenue recognition?
- (A) IAS 12 (B) IAS 18  
(C) IAS 28 (D) IAS 17
003. Which Accounting Convention states that accounting practices should remain unchanged from time to time?
- (A) Full disclosure (B) Conservatism  
(C) Materiality (D) Consistency
004. Repairs incurred before using a second-hand van purchased recently is a
- (A) Capital Expenditure (B) Revenue Expenditure  
(C) Deferred Revenue Expenditure (D) None of these
005. State the minimum percentage of profit that has to be transferred to General Reserve by a Joint Stock Company if the dividend declared is 18%
- (A) 0% (B) 10%  
(C) 7.5% (D) 5%
006. Income Tax paid by a Sole Proprietor on his business income should be
- (A) Debited to Profit and Loss Account  
(B) Debited to Trading Account  
(C) Credited to Profit and Loss Account  
(D) Deducted from Capital Account in the Balance Sheet
007. The cancellation of shares at the initiative of the shareholder is termed as
- (A) Forfeiture (B) Underwriting  
(C) Surrender (D) None of the accounts
008. The profit on depreciation policy is transferred to
- (A) Depreciation Reserve Account (B) Profit and Loss Account  
(C) Asset Account (D) Balance Sheet

**A**

009. Donations received by Non-profit-making Organizations for a special purpose will be taken to the
- (A) Income and Expenditure Account (B) Assets side of the Balance Sheet  
(C) Liability side of the Balance Sheet (D) Will not be considered at all
010. Under Single Entry System, the amount of opening stock can be ascertained by preparing a / an
- (A) Memorandum Trading Account (B) Total Creditors Account  
(C) Opening Statement of Affairs (D) None of these
011. If the rate of gross profit is 20% on cost of goods sold and the sales is Rs. 1,00,000, the amount of gross profit will be
- (A) Rs. 25,000 (B) Rs. 16,667  
(C) Rs. 20,000 (D) Rs. 28,000
012. On seizure of goods by the hire vendor in a Hire Purchase deal, the balance in the asset account is transferred to
- (A) Profit and Loss Account (B) Goods Repossessed Account  
(C) Recovery Account (D) Hire Vendor's Account
013. Amount collected by a company as Security Premium should be used to
- (A) Issue fully paid Bonus Shares  
(B) Write off Preliminary expenses  
(C) To buy back the Company's own shares  
(D) All of the above
014. A predetermined cost of an activity, operation or process established as a basis for control and reporting is known as
- (A) Social cost (B) Sunk cost  
(C) Standard cost (D) Total cost
015. Dividend declared by Board of Directors in between two Annual General Body meeting is known as
- (A) Proposed dividend (B) Unclaimed dividend  
(C) Scrip dividend (D) Interim dividend

**A**

016. If vendors are issued fully paid shares of Rs. 1,00,000 in consideration of net asset worth Rs. 85,000, the balance of Rs. 15,000 will be debited to
- (A) Profit and Loss Account (B) Goodwill Account  
(C) Capital Reserve Account (D) None of these
017. The balance in the Share Forfeited Account after the reissue of forfeited shares is transferred to
- (A) Reserve Capital (B) Share Capital  
(C) Capital Reserve (D) Profit and Loss Account
018. A right of one person to satisfy a claim against another by holding or retaining the possession of others property is termed as
- (A) Right shares (B) Legacy  
(C) Lien (D) Underwriting
019. The balance of the Debenture Sinking Fund account after redemption of Debentures is transferred to
- (A) Profit and Loss Account  
(B) Capital Reserve  
(C) Debenture Redemption Fund Account  
(D) General Reserve
020. The shares issued as part of capitalisation of reserves
- (A) Bonus share (B) Right shares  
(C) Preference share (D) None of these
021. Loss suffered from the date of acquisition of business to the date of incorporation should be debited to
- (A) Goodwill Account (B) Profit and Loss Account  
(C) Capital Reserve Account (D) Preliminary Expenses Account
022. Reduction of Share Capital requires the permission of
- (A) Central Govt. (B) SEBI  
(C) Court (D) All of these
023. Preliminary expenses are transferred by the vendor company at the time of absorption to
- (A) Realization account (B) Equity shareholders account  
(C) Purchasing company's account (D) Revaluation account

**A**

024. Policy maturing only on the death of the insured is termed as  
(A) Endowment Policy (B) Whole life policy  
(C) With profit policy (D) None of these
025. Reversionary bonus is the bonus payable by the insurance company  
(A) On maturity of the policy (B) On making huge profits  
(C) In the middle of a year (D) None of these
026. Rebate on bills discounted for a banking company is  
(A) an expense (B) an income  
(C) a liability (D) an asset
027. Provision for doubtful debts in case of standard asset is to be made at  
(A) 1% (B) 5%  
(C) 4% (D) 0.4%
028. A reserve created by a banking company as per Section 17 of the Banking Regulation Act, 1949  
(A) General Reserve (B) Statutory Reserve  
(C) Investment Reserve (D) Capital Reserve
029. As per IRDA regulations, an Insurance company is required to prepare  
(A) Revenue Account (B) Profit and Loss Account  
(C) Balance Sheet (D) All of the above
030. On replacement of an asset, any amount realised on account of sale of old materials is credited to  
(A) Replacement Account (B) Asset Account  
(C) Revenue Account (D) Profit and Loss Account
031. An irrecoverable cost which is caused by complete abandonment of a plant  
(A) Replacement cost (B) Imputed cost  
(C) Sunk cost (D) Marginal cost
032. Per unit fixed cost  
(A) Increases with increase in output  
(B) Decreases with Increase in output  
(C) Remains constant with increase in output  
(D) None of these

033. Which method of costing is used in a refinery?
- (A) Standard costing (B) Budgetary costing  
(C) Process costing (D) Batch costing
034. Quantity of material to be ordered at one time is known as
- (A) Reorder quantity (B) Economic order quantity  
(C) Optimum quantity (D) None of these
035. FIFO method of valuing material issues is suitable in times of
- (A) Falling prices (B) Rising prices  
(C) Constant prices (D) Fluctuating prices
036. Which method of valuing material issue is suitable for materials purchased for a particular work or job?
- (A) Inflated price method (B) Market price method  
(C) Specific price method (D) Average cost method
037. Wages sheet is prepared by the
- (A) Personnel Department (B) Payroll Department  
(C) Cost Accounting Department (D) Marketing Department
038. Labour turnover is calculated by
- (A) Number of Additions / Average number of workers  
(B) Number of workers left / Average number of workers  
(C) Number of workers replaced by / Average number of workers  
(D) None of these
039. Which of the following methods of wage payment is most suitable where the speed of production is beyond the control of worker?
- (A) Time rate system (B) Halsey premium system  
(C) Time rate system (D) None of these
040. Under Merrick's multiple piece rate system, 110% of ordinary piece rate is given to workers whose level of performance is between
- (A) 50% - 80% of standard output (B) 83% - 100% of standard output  
(C) 80% - 100% of total output (D) None of these

**A**

041. What is the basis of apportionment of crèche expenses?  
(A) No. of employees (B) No. of children in the crèche  
(C) No. of female employees (D) No. of hours spent
042. Expenses which are not actually incurred, but is included for taking managerial decisions are called  
(A) Normal expenses (B) Fixed expenses  
(C) Abnormal expenses (D) Notional expenses
043. The costing method in which each job is treated as a cost unit to which all costs are assigned is  
(A) Contract costing (B) Job costing  
(C) Batch costing (D) Process costing
044. Where actual loss in a process is less than the anticipated loss, the difference between the two is considered to be  
(A) Normal gain (B) Normal loss  
(C) Abnormal gain (D) Abnormal loss
045. The most important criterion for distinguishing between scrap, byproduct and joint products is  
(A) Quality of the product (B) Relative sales value  
(C) Acceptability of the product (D) None of these
046. To obtain break-even point in rupee sales value, total fixed cost is divided by  
(A) Variable cost per unit (B) Contribution margin per unit  
(C) Fixed cost per unit (D) Profit / Volume ratio
047. The break-even point is the point at which  
(A) There is no profit no loss  
(B) Contribution margin is equal to total fixed cost  
(C) Total revenue is equal to total fixed cost  
(D) All of the above
048. Margin of safety is referred to as  
(A) Excess of actual sales over fixed expenses  
(B) Excess of actual sales over variable expenses  
(C) Excess of actual sales over break-even analysis  
(D) Excess of budgeted sales over fixed cost

049. Make or buy decision is made by comparing purchase price outside with
- (A) Fixed cost (B) Variable cost  
(C) Average cost (D) None of the above
050. Activity ratio can be found by using the formula
- (A)  $(\text{Standard hours of actual production} / \text{budgeted standard hours}) \times 100$   
(B)  $(\text{Actual hours worked} / \text{budgeted hours}) \times 100$   
(C)  $(\text{Standard hours of actual production} / \text{Actual hours worked}) \times 100$   
(D) None of these
051. An unfavourable material price variance occurs because of
- (A) price increase in raw materials  
(B) price decrease in raw materials  
(C) less than anticipated normal wastage in the manufacturing process  
(D) more than anticipated normal wastage in the manufacturing process
052. Who introduced the concept of "Management by Objectives"?
- (A) Elton Mayo (B) Peter F. Drucker  
(C) C.K. Prahalad (D) Henri Fayol
053. If a company has separate Production Managers, Marketing Manager and Finance Manager, what basis of departmentation is followed by that company?
- (A) Products (B) Territory  
(C) Functions (D) None of the above
054. The very specific guide to action is called
- (A) Strategy (B) Rule  
(C) Policy (D) Procedure
055. Which is the oldest form of organization?
- (A) Line organization (B) Line and Staff organization  
(C) Functional (D) None of these
056. The first women authority in management is
- (A) Mary Parker Follett (B) Lillian Gilberth  
(C) T.N. Whitehead (D) Marie Curie



**A**

057. Selecting one from several alternatives is called
- (A) Forecasting (B) Decision-making  
(C) Planning (D) Directing
058. *Esprit de corps* means
- (A) Buyer beware (B) Service is our motto  
(C) Union is strength (D) Post-buying behaviour
059. Responsibility is
- (A) Power to command (B) Delegation of power  
(C) Getting things done (D) Obligation to do duty
060. A person who has entrepreneur skills but works within an organization or venture that seeks dynamism
- (A) Entrepreneur (B) Intrapreneur  
(C) Interpreneur (D) None of the above
061. Name the form of business in which the members are having limited liability.
- (A) Sole proprietorship (B) Joint stock company  
(C) Partnership (D) All of the above
062. Motivation available at the time of performance of work:
- (A) Negative motivation (B) Intrinsic motivation  
(C) Financial motivation (D) Positive motivation
063. Delegation creates
- (A) New work (B) Existing work  
(C) Obligation (D) New line of management
064. A plan relating to a period of time expressed in numerical terms is a
- (A) Budget (B) Policy  
(C) Programme (D) Strategy
065. Administration deals with
- (A) Implementation of policy (B) Framing of policy  
(C) Planning (D) Controlling

066. The number of persons reporting directly to a superior person is called
- (A) Communicating (B) Co-ordinating  
(C) Span of control (D) Leadership
067. When was the Indian Partnership Act enacted?
- (A) 1932 (B) 1939  
(C) 1942 (D) 1956
068. "In order to market a product, just make the product available in the market in plenty"  
– Which concept of marketing is expressed through this statement?
- (A) Selling concept (B) Product concept  
(C) Production concept (D) Societal concept
069. The specific group of customers, who have a particular interest in your product
- (A) Target market (B) Supporters  
(C) Marketing mix (D) None of the above
070. Dividing the customers of a product based on their attitude towards the product, its usage rate and status is termed as
- (A) Geographical segmentation (B) Behavioural segmentation  
(C) Psychographic segmentation (D) Demographic segmentation
071. A paid, non-personal communication designed to create an awareness of a product or company
- (A) Branding (B) Labelling  
(C) Advertising (D) All of these
072. The practice of adding tasks that increase both responsibility and opportunity for growth in a job:
- (A) Job Enrichment (B) Job Enlargement  
(C) Job Rotation (D) None of the above

**A**

073. Collecting feedback from all directions – from supervisors, reporting subordinates, co-workers and even customers is termed as
- (A) Upward feedback (B) 360 degree feedback  
(C) On-the-job feedback (D) None of these
074. The return received on investing in the shares of a company is
- (A) Interest (B) Dividend  
(C) Rent (D) None of these
075. The set of exclusive rights granted by a government to an investor or his assignee for a limited period of time in exchange for a public disclosure of innovation
- (A) Trademark (B) Copyright  
(C) Patents (D) Public right
076. When was the Consumer Protection Act enacted?
- (A) 1968 (B) 1986  
(C) 1978 (D) 1987
077. What is the full form of BPO?
- (A) Business Protection Office  
(B) Business Problems and Opportunities  
(C) Big Profit Organization  
(D) Business Process Outsourcing
078. For what does TQM stand for?
- (A) Total Quality Management  
(B) Total Quality Measurement  
(C) Total Quantity Management  
(D) Total Quantity Measurement
079. The buying and selling of products and services over electronic system such as internet and other computer networks are known as
- (A) e-purchase (B) e-advertising  
(C) e-commerce (D) e-chatting
080. A market where all kinds of financial instruments are bought and sold:
- (A) Credit market (B) Financial market  
(C) Bond market (D) Derivative market

081. Which among the following is the one and only major fresh water lake in Kerala?  
(A) Sasthamcotta lake (B) Kumbha lake  
(C) Ashtamudi lake (D) Vembanad lake
082. Which is the largest western flowing river in India?  
(A) Tapti (B) Sabarmati  
(C) Narmada (D) Mahi
083. What is the name of Sri Lanka's first satellite?  
(A) Colombo 1 (B) Raavana 1  
(C) Vibhishna 1 (D) Nirbhay
084. Who among the following holds the record of longest serving member of Kerala Legislative Assembly?  
(A) K.M. Mani (B) K.R. Gouri Amma  
(C) Oommen Chandy (D) None of these
085. Which country suggested the name Fani to the cyclone which hit the State of Odisha in May 2019?  
(A) India (B) Bangladesh  
(C) Pakistan (D) Myanmar
086. Chattampi Swamikal was born at  
(A) Chempazhanthy (B) Panmana  
(C) Kannammoola (D) Alathur
087. Who among the following authored *Mokshapradeepam*?  
(A) Sri Narayana Guru (B) Vaikunta Swami  
(C) Swami Vagbhatananda (D) Brahmananda Sivayogi
088. Where did 'Breast-Cloth Agitation' take place in Kerala?  
(A) North Malabar (B) South Malabar  
(C) North Travancore (D) South Travancore
089. Who led the *Savarna Jatha* in support of Vaikom Satyagraha?  
(A) K. Kelappan (B) A.K. Gopalan  
(C) Mannathu Padmanabhan (D) T.K. Madhavan
090. In which language Vakkom Abdul Khader Moulavi published the monthly *Al Islam*?  
(A) Arabic (B) Arabic-Malayalam  
(C) Urdu (D) Persian

**A**

091. Would you mind ..... the movie with me?  
(A) watching (B) to watch  
(C) watched (D) of watching
092. Last week I made ..... my priority.  
(A) of studying (B) a study  
(C) studying (D) on study
093. No sooner ..... I closed my eyes than I fell asleep.  
(A) had (B) when  
(C) as (D) did
094. .... is one who makes charitable donations intended to increase human well-being.  
(A) Pacifist (B) Paddler  
(C) Peeler (D) Philanthropist
095. I ..... him from Bengaluru a month back.  
(A) have met (B) met  
(C) had met (D) metted
096. 'Cow' is to 'buffalo' as ..... is to 'donkey'.  
(A) Jenny (B) Bear  
(C) Bitch (D) Doe
097. The English Idiom 'break a leg' means:  
(A) face an accident (B) become angry  
(C) good luck (D) to make a situation worse
098. I prefer coffee ..... tea.  
(A) than (B) with  
(C) more than (D) to
099. Which is NOT a compound word?  
(A) real estate (B) superman  
(C) notebook (D) examination
100. "Necessity is the ..... of invention".  
(A) need (B) cause  
(C) mother (D) reason

