

157/23

Question Booklet Alpha Code

A

Question Booklet Sl. No.

Total Number of Questions : 100

Time : 90 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 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/her 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.

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1. Arguments in favour of profit maximization is
 - A) It serves the interest of society also
 - B) It is an appropriate measure of firm's performance
 - C) Both A) and B)
 - D) None of the above

2. The components of cost of capital are

A) Equity	B) Debt
C) Retained earnings	D) All of the above

3. **Statement I** : At optimum capital structure, the overall cost of capital is minimum and the total market value of the firm is maximum.
Statement II : At optimum capital structure, the overall cost of capital is maximum and the total market value of the firm is minimum.
 Which of the statements is/are correct ?

A) Statement I	B) Statement II
C) Statement I and II	D) None of these

4. One of the source of raising long term finance is

A) Factoring	B) Advances from customers
C) Cash Credit	D) Venture capital funding

5. **Statement I** : Working capital management is concerned with how much to invest in each type of current assets.
Statement II : Working capital management deals with the way in which current assets can be financed.
 Which of the statements is/are correct ?

A) Statement II	B) Statement I
C) Statement I and II	D) None of these

6. **Statement I** : Commercial papers and certificate of deposits are money market instruments.
Statement II : Money market instruments are short term instruments.
Statement III : Money market is a market where long term instruments are traded.

A) Statement I is correct but Statement II and Statement III is incorrect
B) Statement III is correct but Statement II and Statement I is incorrect
C) Statement I and II is correct but Statement III is incorrect
D) Statement I and III is correct but Statement II is incorrect

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22. Checking whether financial statements are prepared using existing accounting policies is an element of

- A) Audit report
B) Audit strategy
C) Audit memorandum
D) All of the above

23. A report which states that the financial statements give a true and fair view of the books of accounts is

- A) qualified report
B) clean report
C) unqualified report
D) both B) and C)

24. Mr. Jain, a non-government employee (with no gratuity) got 75% of his pension commuted on retirement and received ₹ 75,000 during the assessment year 2023-24. How much is his eligible amount of exemption on commuted pension ?

- A) ₹ 25,000 B) ₹ 50,000 C) ₹ 37,500 D) ₹ 75,000

25. Which of the following are not agricultural incomes ?

1. Rent received from land granted for agricultural use.
2. Income from saplings and seedlings grown in a nursery.
3. Income from dairy and poultry farming.
4. Dividend received from a company, engaged in agricultural operations.

Choose the correct option.

- A) 2 and 4 B) 1 and 3 C) 1 and 4 D) 3 and 4

26. Match List – I with List – II.

List – I

1. Tax Planning
2. Tax Avoidance
3. Tax Evasion
4. Tax Management

List – II

- a. Procedure to comply with the provisions of the law
- b. Reduce tax liability by taking advantage of the loopholes in the Act
- c. Reduce the tax liability deliberately by non/under-reporting income
- d. Reduce tax liability by taking full advantage of the provisions of the Act

Choose the correct answer from the options given below :

- A) 1 – d 2 – c 3 – b 4 – a
B) 1 – a 2 – b 3 – c 4 – d
C) 1 – d 2 – b 3 – c 4 – a
D) 1 – a 2 – c 3 – d 4 – b

27. Which form should be furnished for submitting the details of inward supplies u/s 38 ?

- A) GSTR-1 B) GSTR-2 C) GSTR-3 D) GSTR-5

A

28. X and Y are resident individuals (non-senior) whose total incomes were ₹ 6,00,000 and ₹ 4,00,000 respectively. Z, a non-resident individual had a total income of ₹ 5,00,000. What will be the amount of the rebate under 87A eligible for X, Y and Z for the A.Y. 2023-24 ?

Choose the correct option.

- A) X-12,500 Y-7,500 Z-12,500 B) X-12,500 Y-12,500 Z-Nil
C) X-Nil Y-7,500 Z-Nil D) X-Nil Y-7,500 Z-12,500
29. Choose the correct option based on the given statements.

Statement I : Unabsorbed depreciation can be carried forward for any number of years.

Statement II : Unabsorbed depreciation cannot be carried forward if the return of income has not been filed within time.

- A) Statement I is false and Statement II is true
B) Statement I is true and Statement II is false
C) Both Statement I and Statement II are false
D) Both Statement I and Statement II are true
30. Compute the gross annual value of the property, which has a gross annual municipal value of ₹ 3,50,000, fair rent of ₹ 4,00,000 p.a., standard rent of ₹ 5,00,000 p.a. and actual rent of ₹ 6,00,000 p.a. The property remained vacant for 3 months.
- A) ₹ 4,00,000 B) ₹ 5,00,000 C) ₹ 4,50,000 D) ₹ 3,50,000

31. Match the following Sections related to penalty and what they are dealing with.
- | | |
|----------|---|
| 1. 270 A | a. Failure to maintain or retain books of accounts, documents, etc. |
| 2. 271 A | b. Failure to deduct tax at source |
| 3. 271 B | c. Under-reporting and misreporting of income |
| 4. 271 C | d. Failure to get the accounts audited or to furnish the audited report |

Choose the correct answer from the options given below:

- A) 1 – c 2 – a 3 – d 4 – b B) 1 – b 2 – a 3 – d 4 – c
C) 1 – c 2 – b 3 – a 4 – d D) 1 – b 2 – c 3 – d 4 – a
32. Mr. Ajay resided in Kochi and received ₹ 50,000 as basic salary, ₹ 30,000 as D.A. (fully forms part of retirement benefits), ₹ 20,000 as a commission (fixed % on turnover), and ₹ 24,000 as HRA during the previous year 2022-23. He paid ₹ 22,000 as house rent. What will be his exempted amount of HRA ?
- A) ₹ 14,000 B) ₹ 12,000 C) ₹ 10,000 D) ₹ 22,000

33. Considering the two statements about GST, choose the correct option.
- Statement I :** Input Credit Tax on account of CGST cannot be utilized towards Payment of SGST.
- Statement II :** Input Credit Tax on account of SGST can be utilized towards Payment of CGST.
- A) Statement I is true and Statement II is false
 B) Statement I is false and Statement II is true
 C) Both Statement I and Statement II are false
 D) Both Statement I and Statement II are true
34. Minimum Alternate Tax is not applicable to any income accruing or arising to a company from the business of
- A) Banking
 B) Supply of electricity
 C) Life insurance
 D) All of the above
35. 'Previous Company Law' does not include
- A) Indian Companies Act, 1872
 B) Indian Companies Act, 1866
 C) Indian Companies Act, 1882
 D) Indian Companies Act, 1913
36. Nudum Pactum refers to
- i. Bare promise.
 ii. A promise without consideration.
 iii. A promise without acceptance.
- A) Only (i and iii)
 B) Only (ii and iii)
 C) All of the above (i, ii and iii)
 D) Only (i and ii)
37. As per Sec.63, a company may issue fully paid bonus shares to its members out of
- i. Free reserves.
 ii. Security Premium Account.
 iii. Capital redemption reserve account
- A) All of the above (i, ii and iii)
 B) Only (i and ii)
 C) Only (i and iii)
 D) Only (ii and iii)
38. The first AGM of a company must be held within a period of nine months from the date of
- A) Incorporation of the company
 B) Commencement of business
 C) Closing of the first financial year
 D) Issue of notice
39. A bill of exchange executed for assisting someone to raise fund through discounting mechanism
- i. Kite Bills.
 ii. Accommodation Bills.
 iii. Documentary Bills.
- A) All of the above (i, ii and iii)
 B) Only (i and ii)
 C) Only (ii and iii)
 D) Only (i and iii)

40. Which of the following is not an objective of Competition Act, 2002 ?
- A) To prevent practices having adverse effect on competition
 - B) To prevent foreign entry to domestic market
 - C) To promote and sustain competition in the market
 - D) To ensure freedom of trade carried on by other participants
41. Under what circumstances a banking company can be wound up ?
- A) For submitting false or inaccurate returns
 - B) When it fails to submit returns
 - C) When it is unable to pay its debts
 - D) All of these
42. What is the quorum for meetings in case of public company, if the number of members as on the date of the meeting exceeds five thousand ?
- A) Seven members
 - B) Twenty-five members
 - C) Fifteen members
 - D) Thirty members
43. When the goods are identified after the contract of sale as per the terms of agreement, the goods are called
- A) Specific goods
 - B) Ascertained goods
 - C) Unascertained goods
 - D) Future goods
44. Under 'free pricing of shares' SEBI permits the companies to issue shares
- A) At free of price
 - B) At a discount
 - C) At any price
 - D) Bonus shares
45. The permission to issue a greater number of shares than what it is actually offered by a company through prospectus
- A) Green shoe option
 - B) Book building
 - C) Sweat equity
 - D) Preferential issue
46. NFRA stands for
- A) National Financial Reporting Authority
 - B) National Financial Reporting Agency
 - C) National Financial Reporting Association
 - D) National Financial Rating Agency
47. Under stock and debtors system, the account which gives profit and loss of each Branch is
- A) Trading and Profit and Loss Account
 - B) Branch Debtors Account
 - C) Branch Account
 - D) Branch Adjustment Account

56. Income Tax paid by a sole proprietary entity is to be
 A) Debited in Profit and Loss Account
 B) Debited in Income Tax Account
 C) Debited in Cash/Bank Account
 D) Debited in Drawings Account
57. A square matrix will be a diagonal matrix if all elements a_{ij} for which ____ are zero.
 A) $i = j$ B) $i > j$ C) $i \neq j$ D) $i < j$
58. Find the derivative of e^{x^2} .
 A) e^{x^2} B) $2x$ C) $2e^{x^2}$ D) $2xe^{x^2}$
59. What is the derivative of x^n ?
 A) n B) nx^n C) nx^{n-1} D) nx^{n-2}
60. Coefficient of range can be defined as
 A) $L - S/L + S$ B) $L + S/L - S$ C) $L + S/2$ D) $L - S/2$
61. Which of the following cannot be obtained by graphical method ?
 A) Arithmetic mean B) Median C) Mode D) Quartiles
62. If x is a prime number then $\sqrt[n]{x}$ is always
 A) Conjugate Surds B) Binomial Quadratic Surds
 C) Similar Surds D) Surds
63. The sum of two Conjugate Surds $a + \sqrt{b}$ and $a - \sqrt{b}$ is the rational number $2a$ and their product is
 A) $a^2 - b^2$ B) $a - b$ C) $a + b$ D) $a^3 - b^3$
64. Two persons A and B are awarded pensions in proportion to the number of years they served. A served 8 years longer than B and received Rs. 400 p.m. more in pension. If A had served 12 years longer than B. His pension would have been double that of B. How long did each of them serve ?
 A) A – 15 years
 B – 13 years
 B) A – 20 years
 B – 12 years
 C) A – 8 years
 B – 20 years
 D) A – 12 years
 B – 20 years
65. Solve the proportion $\frac{a+2}{4} = \frac{2a-5}{6}$.
 A) $a = 8$ B) $a = 12$ C) $a = 16$ D) $a = 18$

A

66. Equal sums of money are invested at 3% and 6% respectively. If the income at 3% is 250, what is the income at 6% ?
 A) 500 B) 600 C) 700 D) 800
67. Two numbers are in the ratio 3/4. If 4 is subtracted from each they are in the ratio 5/7. Find the numbers.
 A) 18 and 32 B) 24 and 32 C) 24 and 38 D) 38 and 18
68. When materials are procured in Economic Order Quantities, total carrying cost will be equal to
 A) Total ordering cost B) Total set up cost
 C) Total purchase cost D) Total inventory cost
69. A cost which is already incurred and could not be reverted is known as
 A) Notional cost B) Imputed cost
 C) Sunk cost D) Discretionary cost
70. In respect of a material to be used in the manufacturing process, it is given that usage as 250 to 500 units per week and re-order period as 8 to 12 weeks. What will be its re-order level ?
 A) 2000 units B) 3000 units C) 4000 units D) 6000 units
71. Under which method of pricing the issues, material consumption reflects latest market prices ?
 A) FIFO B) LIFO
 C) HIFO D) Standard Price
72. Given that rate per hour as Rs. 20, standard time 15 hours and time taken as 10 hours. Then, what will be the total earnings of the worker under Halsey Plan ?
 A) Rs. 250 B) Rs. 300 C) Rs. 400 D) Rs. 500
73. Which one of the following is not a preventive cost of labour turnover ?
 A) Cost of providing welfare facilities
 B) Cost of providing pension, gratuity, etc.
 C) Cost of recruiting and training new workers
 D) Cost of providing good working conditions
74. Which one of the following is not a method of absorbing overheads ?
 A) Machine hour rate B) Labour hour rate
 C) Repeated distribution D) Percentage of prime cost
75. Technique of inventory control which requires classification of materials based on the speed with which it is consumed is
 A) ABC analysis B) HML analysis C) VED analysis D) FSN analysis
76. In respect of a material, it is given that
- | | Standard | Actual |
|----------|----------|--------|
| Quantity | 100 kg | 120 kg |
| Price/kg | Rs. 5 | Rs. 6 |
- What will be the material price variance ?
 A) Rs. 100 (A) B) Rs. 100 (F) C) Rs. 120 (A) D) Rs. 120 (F)

87. Long term budgets are prepared for
 A) Long term finance
 B) Capital expenditure
 C) Research and Development
 D) All of the above
88. A budget which requires justification of entire budget in detail from the beginning is
 A) Master budget
 B) Cash budget
 C) Zero base budget
 D) Sales budget
89. Budgetary control facilitates the introduction of
 A) Standard costing
 B) Marginal costing
 C) Both A) and B)
 D) None of the above
90. IT Act, 2000 essentially deals with
 a. Legal recognition of electronic documents.
 b. Legal recognition of digital signatures.
 c. Offences and contraventions.
 d. Justice dispensation system for cyber crimes.
 A) a and b
 B) a, b and c
 C) c and d
 D) All of the above
91. Section 65 of IT Act, 2000 deals with
 A) Cyber stalking
 B) Pornography
 C) Intellectual property crime
 D) Child pornography
92. The term BPM stands for
 A) Business Policy Management
 B) Business Process Management
 C) Business Processing Management
 D) Business Programming Management
93. Identify the correct order of steps in BPM.
 a. Analyze existing processes
 b. Implement the new process
 c. Identify the processes for change
 d. Design the new process
 e. Continuous measurement
 A) b – a – d – c – e
 B) c – a – d – b – e
 C) a – b – c – d – e
 D) e – c – d – b – a
94. Identify the most important factors inhibiting an organisation's move towards a DBMS.
 a. Resistance to acquiring a new tool.
 b. Resistance to choosing to use a new tool.
 c. Resistance to learning how to use a new tool.
 d. Resistance to using a new tool.
 A) Both a and b
 B) Both a and c
 C) a, b and c
 D) All of the above

95. _____ may change or steal the password or may modify records in protected files or may allow illicit users to use the systems and have access to data and information stored there.
 A) Worms B) Bombs C) Trojan Horse D) Viruses
96. Consider the following statements.
1. Strategic management focuses on applying the management concepts and functions to the critical areas of the organization.
 2. Strategic management is a wider concept which involves the identification and description of various strategies adopted by managers to attain better performance and competitive advantage for their organization.
- A) Both 1 and 2 B) Only 1
 C) Only 2 D) None of the above
97. Match the following :
- | List – I | List – II |
|----------------------------------|---|
| a. Transaction processing | 1. Scheduling to activities and performance |
| b. Operational control reports | 2. Formulation of objectives |
| c. Management control allocation | 3. Order processing |
| d. Strategic Planning | 4. Formulation of budgets and resources |
| A) a – 1, b – 2, c – 3, d – 4 | B) a – 2, b – 1, c – 3, d – 4 |
| C) a – 1, b – 3, c – 4, d – 2 | D) a – 3, b – 1, c – 4, d – 2 |
98. **Assertion (A)** : The leaders/ managers have to tackle upcoming environmental challenges intelligently, quickly and responsibly.
Reason (R) : Therefore, effective strategic management is the precondition of success for modern dynamic organisations, which aims at inventing new avenues and opportunities for the future.
 A) Both (A) and (R) are correct and (R) is the correct explanation of (A)
 B) Both (A) and (R) are incorrect, but (R) is not the correct explanation of (A)
 C) (A) is correct, but (R) is incorrect
 D) (A) is incorrect but (R) is correct
99. ERP systems play a vital role in supporting
 A) The business processes and operations of an organization
 B) Decision making by employees and managers of an organization
 C) The strategies of an organization for competitive advantage
 D) All of the above
100. ERP system is a highly integrated and enterprise wide information system that covers
 A) All the functional areas of an organization
 B) Manufacturing
 C) Zarea of an organization
 D) Materials department of an organization

Space for Rough Work