

• Question No. 1

Avinash Ltd needs approves to raise capital through rights issue to its existing shareholders in the ratio of 1:2. If, the market value of the share is Rs. 220 and the company is offering one share of Rs. 160 each under rights issue, what is the value of the right offered by the company?

**Options :**

1. Rs.0
2. Rs.20
3. Rs.40
4. Rs.60
5. Rs.100

Answer : Rs.20

• Question No. 2

A company bought a new machinery worth Rs.4 lakh by issuing 10% Debentures of value Rs.160 were issued at a premium of 25%. How much amount is credited to the Debenture Account?

**Options :**

1. Rs.80000
2. Rs.160,000
3. Rs.300,000
4. Rs.320,000
5. Rs.280,000

Answer : Rs.320,000

• Question No. 3

A company paid Rs.15 lakh for a machine imported from Germany. The machine was tested at a cost of Rs.18,000. The company also spent on freight and installation to the tune of Rs.25,000 and Rs.40,000 respectively. What will be

the cost of the machine as per the accounting standards?

**Options :**

1. Rs.15.00 lakh
2. Rs.15.83 lakh
3. Rs.15.65 lakh
4. Rs.15.25 lakh
5. Rs.15.18 lakh

Answer : Rs.15.83 lakh

• Question No. 4

A company foreited certain equity shares. These were re-issued later in the year. The profit on Forfeiture of these shares would be transferred to which of the following accounts?

**Options :**

1. Securities Premium Reserve
2. Capital Redemption Reserve
3. Capital reserve
4. General reserve
5. Statutory Reserve

Answer : Capital reserve

• Question No. 5

A company reported net profit ratio of 5% and RoA of 9% on total assets of Rs.90 Lakh. What will be the Total Asset Turnover Ratio of the company?

**Options :**

1. 1.2
2. 1.6
3. 1.8

4. 2.0

5. None of the above

Answer : 1.8

• Question No. 6

A company purchased 50,000 units of raw material at Rs.2 per unit. At what value will the raw material inventory be recorded in the books of accounts if the market price of the units as at 31 March 2021 is Rs.1.6 per units?

**Options :**

1. Rs.100,000

2. Rs.80,000

3. Rs.20,000

4. A or B as per accounting policy of the company

5. A or C as per accounting policy of the company

Answer : Rs.80,000

• Question No. 7

ABC Ltd had issued 20,000 debentures with FV of Rs.100 each, redeemable at 5% premium. Debenture holders have an option to convert 20% of redemption value of their holdings into equity shares having face value of 10 issued at a premium of 50%. If, 2500 debenture holder did not avail the conversion option, how many shares would the company have to issue?

**Options :**

1. 36,750

2. 35,000

3. 23,500

4. 24,500

5. 25,500

Answer : 24,500

- Question No. 8

Mentoring is a relationship between two people with the goal of professional and personal development. The person with whom the knowledge, experience, and advice related to a particular trade are shared is known as \_\_\_\_\_

**Options :**

1. Mentor
2. Apprentice
3. Consultant
4. Guide
5. Disciple

Answer : Apprentice

- Question No. 9

Human resource planning is a continuous process. Which of the following is a part of the human resource planning process?

**Options :**

1. Human resource inventories
2. Action plans
3. Control and evaluation
4. Manpower gaps
5. All of the above

Answer : All of the above

- Question No. 10

Which of the following business management style focuses on identifying and handling cases that deviate from the norm, recommended as best practice by the project management method?

**Options :**

1. Management by Objectives
2. Management by Results
3. Management by Exception
4. Management by Bureaucracy
5. All of the above

Answer : Management by Exception

• Question No. 11

When employees exhibit control and restraint over himself/herself in difficult or adverse situations, it depicts which of the following characteristics?

**Options :**

1. Openness
2. Extroversion
3. Emotional maturity
4. Agreeableness
5. Empathy

Answer : Emotional maturity

• Question No. 12

Which of the following is a type of organisational barrier to communication that may hinder the flow of information among the employees that might result in a commercial failure of an organization?

**Options :**

1. Diversified Board of Directors
2. No transparency
3. Clear policy rules and adherence
4. Training culture

5. None of the above

Answer : No transparency

• Question No. 13

A leader must match the leadership style according to the readiness of subordinates. This is true as per which of the following theory?

**Options :**

1. Path goal theory
2. Fiedler's Contingency theory
3. Likert's Theory
4. Situational Theory
5. Continuum theory

Answer : Situational Theory

• Question No. 14

Which of the following is an endogenic factor influencing morale in an organisation?

**Options :**

1. Attitude of the employee towards the job
2. Feelings and social beliefs of the employee at workplace
3. Working conditions provided to employee at workplace
4. Skill and education of employee for the job
5. All of the above

Answer : Working conditions provided to employee at workplace

• Question No. 15

What is the maximum amount of deposits that can be accepted by Payment Banks?

**Options :**

1. Rs.50000
2. Rs.1 lakh
3. Rs.1.5 lakh
4. Rs.2 lakh
5. Payment banks cannot accept deposits

Answer : Rs.2 lakh

• Question No. 16

Which of the following markets are not regulated by RBI?

**Options :**

1. G-Sec market
2. T-bills market
3. Money market
4. Capital market
5. All are regulated by RBI

Answer : Capital market

• Question No. 17

All of the following are part of money market, except \_\_\_\_\_

**Options :**

1. T bills
2. Derivatives
3. Commercial papers
4. Certificate of Deposits
5. All are part of Money market

Answer : Derivatives

- Question No. 18

Which of the following best describes the 'Open interest' in stock market?

**Options :**

1. Contracts traded in the cash segment
2. Sellers outstanding
3. Buyers outstanding
4. Sellers and buyers outstanding
5. Contracts outstanding

Answer : Contracts outstanding

- Question No. 19

P-Notes are used by foreign entities to invest in Indian markets, via registered foreign investors, without registering themselves. Who regulates P-notes in India?

**Options :**

1. RBI
2. SEBI
3. PFRDA
4. IRDA
5. Ministry of Finance

Answer : SEBI

- Question No. 20

Which of the following derivative instrument is a type of financial derivative in which fixed payments of interest are exchanged by two counterparties for floating payments of interest?

**Options :**

1. Interest rate option



2. Index option
3. Interest rate swap
4. Future contract
5. Repo contract

Answer : Interest rate swap

• Question No. 21

Which of the following is not an objective of a forward contract?

**Options :**

1. Lock a future price for a commodity
2. Reduce risk of loss due to adverse movement in price of an asset in future
3. Lower transactions costs for future
4. Help in better price discovery of the underlying asset
5. Earn profit on an underlying asset

Answer : Earn profit on an underlying asset

• Question No. 22

When the coupon of a bond is less than the market risk free interest rate, it will trade at

**Options :**

1. Par
2. Discount
3. Premium
4. Par or discount
5. Par or premium

Answer : Discount

• Question No. 23

A trader buys one futures contract at Rs.50 and sold it at Rs.80. If the lot size is 75 and the total expense of trading in the contract is Rs.225, what is the return of the trader?

**Options :**

1. Profit of Rs.2250
2. Profit Rs.2025
3. Loss of Rs.195
4. Loss of Rs.14625
5. None of the above

Answer : Profit Rs.2025

- Question No. 24

Which of the following is a technique of inventory management?

**Options :**

1. ABC analysis
2. LIFO method
3. FIFO method
4. Six Sigma
5. All of the above

Answer : ABC analysis

- Question No. 25

In which of the following industry, batch costing will be used?

**Options :**

1. Construction
2. Drug manufacturing
3. Automobile manufacturing
4. Interior designing

5. None of the above

Answer : Drug manufacturing

• Question No. 26

If 8000 units are introduced in a process and normal loss is 5% of input, Closing WIP is 1000 units which is 60% complete and 6600 units are transferred to the next process, what is the equivalent production for the period?

**Options :**

1. 6600
2. 6800
3. 7200
4. 7600
5. 8000

Answer : 7200

• Question No. 27

What will be the BEP in units when the sales price is Rs.40 per unit, fixed cost is Rs.60000 and the PV ratio is 40%?

**Options :**

1. 1500 units
2. 600 units
3. 3750 units
4. 1000 units
5. 2550 units

Answer : 3750 units

• Question No. 28

Irrelevant and historical cost is \_\_\_\_\_

**Options :**

1. Sunk cost
2. Variable cost
3. Notional cost
4. Shut down cost
5. Capitalized cost

Answer : Sunk cost

• Question No. 29

Calculate the Material Price variance, if Material Cost variance is 24000 (F) and the Material Usage variance is 29750 (F).

**Options :**

1. 5750 (A)
2. 5750 (F)
3. 53750 (A)
4. 53750 (F)
5. Cannot be calculated

Answer : 5750 (A)

• Question No. 30

Which of the following correctly describes the scope of cost accounting?

**Options :**

1. presentation of cost and financial statements
2. ascertaining, presenting and controlling costs
3. ascertaining costs and tax planning
4. financial accounting and cost control
5. All of the above

Answer : ascertaining, presenting and controlling costs

- Question No. 31

In costing, which of the following standards are also known as the past performance standards?

**Options :**

1. Basic standards
2. Ideal standards
3. Practical standards
4. Normal standards
5. None of the above

Answer : Normal standards

- Question No. 32

As per Section 139 of the Companies Act, 2013, every company shall, at the first AGM, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its \_\_\_\_\_ AGM.

**Options :**

1. 4th
2. 5th
3. 6th
4. 8th
5. 10th

Answer : 6th

- Question No. 33

As per Companies Act, a Prospectus is to be issued within \_\_\_\_\_ from the date of delivery of prospectus to the Registrar.

**Options :**

1. 15 days
2. 30 days
3. 60 days
4. 90 days
5. 100 days

Answer : 90 days

• Question No. 34

Which of the following Section deals with 'Company to accept unpaid share capital, although not called up'?

**Options :**

1. Section 43
2. Section 50
3. Section 53
4. Section 62
5. Section 63

Answer : Section 50

• Question No. 35

Within how many days of incorporation should the first meeting of Board of Directors to be held according to Companies Act, 2013?

**Options :**

1. 30 days
2. 45 days
3. 60 days
4. 90 days
5. 120 days

Answer : 30 days

• Question No. 36

As per Section 26(9) of Companies Act 2013, what is the amount of fine in case the prospectus is issued in contravention of the section related to matters to be stated in the prospectus?

**Options :**

1. 50,000 to 3,00,000
2. 25,000 to 3,00,000
3. 25,000 to 2,00,000
4. 50,000 to 2,00,000
5. None of the above

Answer : 50,000 to 3,00,000

• Question No. 37

As per Companies Act, 2013, the balance in Securities Premium account can be used for the following purposes except \_\_\_\_\_

**Options :**

1. issue of fully paid bonus shares
2. issue of Rights shares at a discount
3. to write off preliminary expenses
4. for buy-back of own shares or securities
5. It can be used for all of the above purposes

Answer : issue of Rights shares at a discount

• Question No. 38

What is the maximum Managerial Remuneration that can be paid in case of Absence or Inadequacy of Profit?

**Options :**

1. 5% of net profit

2. 7.5% of net profit
3. 9% of net profit
4. 11% of net profit
5. 12.5% of net profit

Answer : 11% of net profit

• Question No. 39

Which of the following statements are not a part of the financial statements as per Companies Act?

**Options :**

1. Trial Balance
2. Balance Sheet
3. Income statement
4. Cashflow statement
5. All are included

Answer : Trial Balance

• Question No. 40

The appointment of Directors is to be approved by company in \_\_\_\_\_

**Options :**

1. Annual General meeting
2. General Meeting
3. Special Meeting
4. Extraordinary Meeting
5. Board meeting

Answer : General Meeting

• Question No. 41



Which of the following best describes the law of demand?

**Options :**

1. When price rises, quantity demanded falls
2. When supply rises, demand rises
3. When price rises, quantity demand rises
4. When supply rises, demand falls
5. All of the above

Answer : When price rises, quantity demanded falls

- Question No. 42

The Reserve Bank of India (RBI) uses the monetary policy to manage liquidity or \_\_\_\_\_ in a manner that balances inflation and at the same time aids growth.

**Options :**

1. Bank credit
2. Money Supply
3. Money Demand
4. Bank asset quality
5. Capital

Answer : Money Supply

- Question No. 43

Which of the following are used by RBI as key measure of inflation?

**Options :**

1. WPI
2. PPI
3. CPI
4. PMI

5. None of the above

Answer : CPI

• Question No. 44

Which of the following is the fiscal deficit for the current year minus interest payments on previous borrowings?

**Options :**

1. Fiscal deficit
2. Primary deficit
3. Current account deficit
4. Effective revenue deficit
5. Trade deficit

Answer : Primary deficit

• Question No. 45

What is the difference between GVA and GDP?

**Options :**

1. Investment
2. Taxes and subsidies
3. Depreciation
4. Inflation
5. All of the above

Answer : Taxes and subsidies

• Question No. 46

What is the full form of PRAN?

**Options :**

1. Permanent Reserve Account Number
2. Permanent Retirement Account Number
3. Permanent Reinvestment Account Number
4. Permanent Reinsurance Account Number
5. Permanent Requirement Account Number

Answer : Permanent Retirement Account Number

- Question No. 47

What is the maximum age to contribute under the Atal Pension Yojana?

Options :

1. 10 years
2. 20 years
3. 40 years
4. 60 years
5. 70 years

Answer : 40 years

- Question No. 48

NPS is regulated by \_\_\_\_\_

Options :

1. Ministry of Finance
2. Ministry of Labour and Employment
3. EPFO
4. PFRDA
5. IRDA

Answer : PFRDA

- Question No. 49

Which of the following standard immediate annuity product has IRDA recently asked all life insurance companies to offer?

**Options :**

1. Saral Pension
2. Subh Pension
3. Sahaj Pension
4. Sulabh Pension
5. Sulajh Pension

Answer : Saral Pension

- Question No. 50

Which of the following is the Trustee bank under the NPS structure?

**Options :**

1. State Bank of India
2. ICICI Bank
3. Axis Bank
4. Bank of Baroda
5. All of the above

Answer : Axis Bank

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