

108/2021



Maximum : 100 marks

Time : 1 hour and 15 minutes

1. When debentures are issued as a collateral security, Debenture Suspense Account is :

- (A) Added to debentures account in the balance sheet
- ☒ (B) Deducted from debentures account in the balance sheet
- (C) No adjustment is required
- (D) None of the above



2. Which of the following is correct?

- (A) Opening capital = Closing capital + Additional Capital – Drawings – Profit
- (B) Opening Capital = Closing Capital + Drawings – Additional Capital – Loss
- ☒ (C) Opening Capital = Closing Capital + Drawing – Additional Capital – Profit
- (D) Opening Capital = Closing Capital – Additional Capital – Drawings – Loss

3. Income tax paid by Mr. A to Rs. 3,000. The accounting treatment is :

- (A) To be credited to the Profit and Loss Account
- (B) To be ignored altogether
- ☒ (C) To be deducted from Capital
- (D) To be debited to the Trading Account

4. Donation received for special purpose should be :

- ☒ (A) Credited to a Separate Account and shown in the balance Sheet
- (B) Treated as revenue
- (C) Treated as revenue unless the amount is large
- (D) Not recorded at all

A

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[P.T.O.]



5. Second hand furniture worth Rs. 6000 was purchased. It was repaired for Rs. 600 and installed by workmen to whom Rs. 200 was paid as wages. The furniture should be capitalised for :
- (A) Rs. 5000 (B) Rs. 5500
☒ (C) Rs. 6800 (D) None of the Above
6. If the amount of any known liability can be determined with substantial accuracy :
- ☒ (A) a definite liability should be created
 (B) a provision should be created
 (C) a reserve should be created
 (D) none of these
7. When closing capital is greater than opening capital, it denotes :
- (A) Profit
 (B) Loss
☒ (C) Profit if there is no introduction of fresh capital
 (D) No profit no loss
8. The total sum payable by the hirer under a hire purchase agreement in order to complete the purchase of or acquisition of property in the goods is known as :
- (A) Cash price (B) Down payment
☒ (C) Hire purchase Price (D) Hire purchase Charges
9. Equity shares issued at a discount or for consideration other than cash for providing know how or making available rights in the nature of intellectual property rights or value addition are known as :
- (A) Stock Invest Scheme (B) Employee Stock Purchase Scheme
 (C) Right Issue of Shares ☒ (D) Sweat Equity Shares
10. A bill of Exchange must be :
- (A) Conditional ☒ (B) Unconditional
 (C) Drawer (D) None of these

11. When an underwriter agrees to buy a definite number of shares or debentures in addition to the shares or debentures he has to take under the underwriting agreement, it is known as :
- (A) Firm underwriting (B) Partial underwriting
(C) Complete underwriting (D) None of these
12. Net payment method is used to calculate :
- (A) Reserve fund (B) Purchase Consideration
(C) Underwriting Commission (D) None of these
13. Surplus Account (negative balance) is transferred by the vendor company at the time of absorption to :
- (A) Realisation Account (B) Purchasing Company's Account
(C) Equity Shareholders Account (D) None of the above
14. When Statutory Reserve of the Vendor company is maintained by the Purchasing Company, then Purchasing Company gives debit to :
- (A) Statutory Reserve (B) Amalgamation adjustment Account
(C) Goodwill Account (D) Capital Reserve Account
15. Which of the following should be deducted from the share capital to find out paid up capital?
- (A) Calls in advance (B) Calls in arrear
(C) Securities Premium (D) Bonus
16. Capital gearing ratio denotes the relationship between :
- (A) Debentures and Share capital
(B) Assets and capital
(C) Loan and capital
(D) Equity shareholders' fund and long-term borrowed funds
17. 50000 equity shares of Rs. 10 each issued at Rs. 20, for the purpose of redemption of preference share capital amounting Rs. 750000. How much amount will be transferred to capital redemption reserve?
- (A) Rs. 200000 (B) Rs. 250000
(C) Rs. 500000 (D) Rs. 1000000

18. As per AS-14 Purchase Consideration is what is payable to :
- (A) Debenture holders and creditors (B) Share holders and creditors
(C) Share holders and debenture holders (D) Share holders
19. Discount on issue of share is :
- (A) Revenue loss (B) Capital loss
(C) Revenue profit (D) Capital profit
20. That part of Share capital which can be called up only on the winding up of the company :
- (A) Reserve Capital (B) Subscribed Capital
(C) Issued Capital (D) Authorised Capital
21. The process of collecting cost data through an accounting system is known as :
- (A) Cost apportionment (B) Cost Allocation
(C) Cost accumulation (D) None of the above
22. Prime cost plus Factory Overhead cost is :
- (A) Conversion Cost (B) Production Cost
(C) Total Cost (D) Cost of Sales
23. Basic objective of Cost accounting is :
- (A) Tax Compliance (B) Financial Audit
(C) Cost Ascertainment (D) None of these
24. Warehouse rent is a part of :
- (A) Prime cost (B) Distribution overhead
(C) Selling overhead (D) Factory overhead
25. In the context of standard costing basic standard is established for :
- (A) Short period (B) Current period
(C) Indefinite period (D) Pre defined period

26. A variable such as activity that causes cost over a given time :
- (A) Cost driver ☒ (B) Cost behaviour
(C) Cost centre (D) None of these
27. The cost that is irretrievable by managerial actions and not relevant to current decision making :
- (A) Joint cost ☒ (B) Sunk cost
(C) Labour cost (D) None of the above
28. The value of benefit sacrificed in favour of an alternative course of action is :
- (A) Direct cost (B) Steps cost
☒ (C) Opportunity cost (D) Benefit cost
29. Reorder quantity 2000 units, Lead time 4-8 weeks, Usage – maximum 500 units per week, Normal usage 400 units per week, Minimum usage 300 units per week. The maximum stock level is :
- (A) 1600 units (B) 4000 units
(C) 4700 units ☒ (D) 4800 units
30. The method of recording the employee time that will be paid by the firm is known as :
- (A) Time Checking (B) Time booking
☒ (C) Time keeping (D) Time Management
31. Who is the founder of modern motion study technique?
- (A) Harold Koontz ☒ (B) Frank B Gilbreath
(C) Frank B Gilton (D) Frank M Gilbreath
32. Process of studying and assessing relative values of job is known as :
- (A) Job study (B) Job rating
☒ (C) Job evaluation (D) None of these

33. Under Halsey plan bonus is paid :

- | | |
|---------------------------|--|
| (A) At 100% of time saved | (B) At 75% of time saved |
| (C) At 80% of time saved | <input checked="" type="checkbox"/> (D) At 50% of time saved |

34. Contract costing is the most appropriate method of costing for :

- | | |
|----------------------|---|
| (A) Banking industry | <input checked="" type="checkbox"/> (B) Construction industry |
| (C) Sugar mills | (D) Cement industry |

35. Which of the following statements is/are not correctly matched?

- | | | |
|---|---|------------------------------|
| (A) Total fixed cost | – | Remains constant in total |
| (B) Standard cost | – | What cost should be |
| <input checked="" type="checkbox"/> (C) Period cost | – | Added value of a new product |
| (D) Actual cost | – | Incurred cost |

36. Which costing method is appropriate for Cement industry?

- | | |
|--|-----------------------|
| <input checked="" type="checkbox"/> (A) Single or output costing | (B) Operation costing |
| (C) Job costing | (D) Operating costing |

37. Cost reduction demands :

- | | |
|-----------------------|--|
| (A) Close monitoring | <input checked="" type="checkbox"/> (B) Creativity |
| (C) Corrective action | (D) None of these |

38. Anything for which a separate measurement of cost is desired is :

- | | |
|---|----------------------|
| <input checked="" type="checkbox"/> (A) Cost object | (B) Cost measurement |
| (C) Cost centre | (D) Cost unit |

39. Costs incurred for a period and within certain limits of activity level and tend to be unaffected by fluctuations in the activity level are known as :

- | | |
|-------------------|--|
| (A) Activity Cost | <input checked="" type="checkbox"/> (B) Fixed Cost |
| (C) Direct cost | (D) Pattern Cost |

40. Over absorption in overhead in cost accounts results in :
 (A) ☒ Decrease in costing profits
 (B) Decrease in financial accounting Profit
 (C) No effects on profits
 (D) None of these
41. Unitary elasticity of demand is :
 (A) ☒ Equal to one
 (B) Greater than one
 (C) Equal to zero
 (D) Less than one
42. Calculate elasticity of demand when a 60% increase in the price of rice, causes the amount of rice you buy to fall by 120% :
 (A) ☒ 2
 (B) 4
 (C) 6
 (D) 8
43. Which one is not a type of demand?
 (A) Price demand
 (B) Derived demand
 (C) ☒ Supply demand
 (D) Joint demand
44. The various degrees of price elasticity of demand can be shown on a single demand curve as per which one of the following?
 (A) Total outlay method
 (B) Proportional method
 (C) Arc method
 (D) ☒ Geometrical method
45. The difference between the lower limit and upper limit of the class is known as :
 (A) Class limit
 (B) ☒ Class interval
 (C) Midpoint of Class
 (D) None of these
46. Non sampling error occur at the time of :
 (A) Observation
 (B) Approximation
 (C) Processing of data
 (D) ☒ All of these

47. Chi-square is to be applied only, when the individual observations of sample are :
 (A) Dependent ☒ (B) Independent
 (C) Both (A) and (B) (D) Neither (A) nor (B)
48. Which one of the following is the first generation language?
 (A) BASIC (B) PASCAL
 (C) COBOL ☒ (D) Machine language
49. Railway Reservation is an example of which type of processing?
☒ (A) Real time processing (B) Batch processing
 (C) Both (A) and (B) (D) Neither (A) nor (B)
50. The Operating system is stored on the _____ of the Computer System.
 (A) Data Base ☒ (B) Hard Disk
 (C) System Software (D) None of these
51. Father of modern management is :
 (A) F.W. Taylor ☒ (B) Henry Fayol
 (C) Koontz and O' Donnell (D) Stainley Vense
52. Unity of objective principle states that there should be :
☒ (A) Only one objective (B) Pre determined objective
 (C) Coordination among objectives (D) None of the Above
53. Grapevine is associated with :
 (A) Formal communication ☒ (B) Informal communication
 (C) Horizontal Communication (D) Vertical communication
54. Which leadership theory focuses on actions of leaders not on mental qualities or internal states?
 (A) Situational theory ☒ (B) Behavioural theory
 (C) Participative Theory (D) Relationship theory

55. The strongest determinant of demand is :
 (A) Supply ☒ (B) Price
 (C) Distribution (D) None of these
56. Which one of the following element is not in the marketing mix?
 (A) Price (B) Product
☒ (C) Storage (D) Promotion
57. The process of dividing potential market into distinct sub markets of consumers with common needs and characteristics is known as :
 (A) Target marketing (B) Differentiation
☒ (C) Market Segmentation (D) None of these
58. One Criterion that should always be applied to market segmentation is :
 (A) Mass marketing ☒ (B) Homogeneity
 (C) Parsimony (D) Image appeal
59. An analytical technique which facilitates dividing a market in to segments is :
 (A) Market segmentation (B) Market targeting
☒ (C) Market Gridding (D) Market Analysis
60. The model that assumes buyer is a rational man and his buying decisions are totally governed by the concept of utility :
 (A) Sociological model (B) Learning model
 (C) Psycho analytical model ☒ (D) Economic Model
61. Annual report on currency and finance is published by :
 (A) SIDBI ☒ (B) RBI
 (C) Ministry of Finance (D) None of the above
62. Lead Bank scheme introduced in :
 (A) 1967 (B) 1968
☒ (C) 1969 (D) 1974

63. EXIM Bank is owned by :
- (A) Government of India and RBI jointly
 - (B) RBI and selected commercial banks jointly
 - ☒ (C) Fully owned by Government of India
 - (D) None of the above
64. E-Banking is Synonymous with :
- (A) Tele banking
 - ☒ (B) Internet banking
 - (C) Euro Banking
 - (D) None of these
65. Tax charged firstly in India in :
- (A) 1962
 - ☒ (C) 1860
 - (B) 1961
 - (D) 1960
66. Income from subletting of House Property is taxable under the head :
- (A) Income from house property
 - ☒ (B) Income from Other Sources
 - (C) Capital Gain
 - (D) Profits and gains of business and profession
67. The rate of taxation that does not discriminate rich and poor is known as :
- (A) Slab rate
 - ☒ (C) Flat rate
 - (B) Marginal rate
 - (D) None of the above
68. Dividend paid by an Indian Company outside India is :
- (A) Taxable in India in the hands of the recipient
 - ☒ (B) Taxable in the hands of the company and exempt in the hand of recipient
 - (C) Taxable outside India
 - (D) Exempt in the hands of the recipient
69. Form issued for TDS on Salary is :
- ☒ (A) Form 16
 - (B) Form 16A
 - (C) Form 12BA
 - (D) Form 10A

- 70.** Tax hedging within the frame of law is known as :
- (A) Tax planning (B) Tax evasion
(C) Tax management ☒ (D) Tax avoidance
- 71.** Conversion cost is equal to the total of :
- (A) Material cost plus direct wages
(B) Material cost and indirect wages
(C) Material cost and factory overhead
☒ (D) Direct wages and factory overhead
- 72.** Overheads collected for a period are allocated or apportioned to various production and service departments are known as :
- (A) Allocation of overhead ☒ (B) Primary distribution
(C) Secondary distribution (D) Normal distribution
- 73.** Which of the following is correct at break even point?
- ☒ (A) Contribution = Fixed cost
(B) Sales revenue = Total cost – variable cost
(C) Profit = Fixed cost + Variable cost
(D) Sales Revenue = Variable Cost
- 74.** Cash from Operation is equal to :
- ☒ (A) Net profit plus decrease in current assets
(B) Net profit plus increase in current assets
(C) Net profit minus decrease in current assets
(D) None of the above
- 75.** Pareto Analysis is related to :
- (A) Business Analytics (B) Profit Management
☒ (C) Inventory Management (D) Automobile
- 76.** If margin of safety is Rs. 240000 (40% of sale) and P/V ratio is 30%, the Break even Sales will be :
- (A) 350000 ☒ (B) 360000
(C) 380000 (D) 108000

77. The budgeted variable overheads for March are Rs. 3840. Budgeted production for the month is 38400 units. The actual variable overheads incurred were Rs. 3830 and actual production was Rs. 38640 units. Variable Production overhead variance is :
- (A) Rs. 3864 (B) Rs. 3680
(C) Rs. 3560 (D) Rs. 3652
78. In FNSD Analysis N stands for :
- (A) Normal Value (B) Normal Moving items
(C) Normative Analysis (D) Novel Value
79. Back flush Accounting System is related to :
- (A) JIT Systems (B) Financial System
(C) Network System (D) Operating System
80. Clientele effect is related to :
- (A) Interest (B) Tax
(C) Dividends (D) Speculation
81. A program that has capability to infect other programs and make copies of itself and spread into other programs is called :
- (A) Worm (B) Virus
(C) Trojan (D) None of these
82. Which agency made the investigation related to India's First Cyber Crime Conviction?
- (A) Mumbai Police (B) Chennai Police
(C) CBI (D) Kerala Police
83. An intermediate between computer hardware and software is :
- (A) Firmware (B) Interface
(C) Desktop (D) System Software
84. First Computer virus is known as :
- (A) Rabbit (B) Creeper Virus
(C) Elk Cloner (D) SCA Virus

85. Which one of the following is not a linear data structure?
 (A) Stack (B) Array
 (C) Queue ☒ (D) Binary Tree
86. Which one is the first search engine in internet?
 (A) Google ☒ (B) Archie
 (C) AltaVista (D) WAIS
87. In computer terminology, OCR stands for :
☒ (A) Optical Character Reader (B) Optical Card Reader
 (C) Office Cash Receiver (D) Online Computer Retrieval
88. Key of keyboard which is used to get back to beginning of a document is called :
☒ (A) Home key (B) End key
 (C) F12 key (D) ESC key
89. Scanner incorporates a special sort of camera which is made up of :
 (A) Sensor (B) Chip
☒ (C) Charged coupled device (D) Laser light
90. Which of the following is a cyber crime?
 (A) Hacking (B) Worm attack
 (C) Virus attack ☒ (D) All of these
91. Which of the following statements are written by “Gandhij about the Temple Entry Proclamation?
 (i) The action has been long overdue. But better late than never
 (ii) The Proclamation should have no political significance, as it has none
 (iii) The right of entering temples abolishes untouchability at a stroke
 (iv) Reformers should see to it that Harijans enter these temples after proper ablutions and in a clean condition.
 (A) (ii) and (iii) (B) (i), (iii) and (iv)
 (C) (i), (ii) and (iv) ☒ (D) All of the above

92. Consider the following statements about the social reform activities of Vaikunda Swamikal, K. Ayyappan, Vagbhatananda and Mannathu Padmanabhan :

- (i) All of them supported inter-dining for the eradication of caste system
- (ii) All of them supported inter-marriage for the promotion of friendship among different communities
- (iii) All of them founded organisations to promote social reform
- (iv) All of them used journalistic platform to intervene in the social reform process

Which of the above statements are correct?

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

93. Identify the literary work which NOT carries message against the feudal system :

- (A) *Rantidangazhi* by Thakazhi Sivasankara Pillai
- (B) *Manninte Maaril* by Cherukad
- ☒ (C) *Aarkku Vendi* by Kesav Dev
- (D) *Viplava Beejam* by S K Pottekkad

94. Which of the following group of newspapers actively reported the happenings of Vaikom Satyagraha?

- ☒ (A) *Samadarshi, Kerala Kaumudi and Mathrubhoomi*
- (B) *Mitavadi, Kesari and Malayala Manorama*
- (C) *Keralan, Kesari and Kerala Kaumudi*
- (D) *Mathrubhoomi, Kerala Patrika and Malayala Manorama*

95. Given below are two statements, one labelled Assertion (A) and the other labelled Reason(R) :

Assertion (A): The resistance of Namboodiri women, the highest in the caste hierarchy, take on forms that are more closely interlinked with the radical social reform within the caste.

Reason (R): Both Parvathy Nenmenimangalam and Lalithambika Antarjanam critiqued the male social reformers and argued that they are trying to establish women as feeble.

From the above statements, find out the correct answer given below :

- (A) Both (A) and (R) are true and (R) is the correct explanation of (A)
- ☒ (B) Both (A) and (R) are true but (R) is not the correct explanation of (A)
- (C) (A) is true but (R) is false
- (D) (A) is false but (R) is true

96. The Census of 1931 (Travancore) stated that “Most of them (i.e. the communities) have organised association on caste or communal lines for the betterment of their social, economic, religious or political conditions”. Which one of the following organisations is not mentioned in the report?

- (A) Sadhu Jana Paripalana Sangham
- ☒ (B) Prathyaksha Reksha Daiva Sabha
- (C) All Kerala Araya Mahajana Yogam
- (D) Lajmathul Mohamadiya Sabha

97. Consider the following statements about the social reform movements :

- (i) The reform movement of NSS was pioneered in the field of marriage and law of inheritance.
- (ii) Yogakshema Sabha appointed a Women’s Education Commission headed by V T Bhattathiripad.
- (iii) SNDP Yogam organised an industrial and agricultural exhibition as part of its second annual general meeting
- (iv) SJPS published a monthly magazine, *Sadhujana Paripalini*, the earliest magazine by the Dalit community in Travancore

Which of the above statement (s) is (are) factually incorrect?

- (A) (i) and (iii)
- (B) (ii) and (iv)
- ☒ (C) (ii) Only
- (D) (iv) Only

98. Consider the following poetic articulations :

- (1) In one of his poems, the poet makes the King say that “Caste has no sanctions either in religion or in Codes of social morality”
- (2) The sight of a tied pulaya girl with a heavy grass bundle on her head made the poet to think that her social position was beneath even that of grass.
- (3) A Nair restrains the untouchables to fetch water from the well even to extinguish the fire that was consuming his own house, the poet sarcastically comments: “You have saved your priceless caste.”

Identify the poets form the following codes :

- ☒ (A) (1) Asan (2) Ulloor (3) Vallathol
- (B) (1) Ulloor (2) Asan (3) Vallathol
- (C) (1) Vallathol (2) Ulloor (3) Asan
- (D) (1) Asan (2) Vallathol (3) Ulloor

99. Given below are the names of social reformers and the national level organisations with which they were associated with. Match List — I with List —II and select the correct answer from the codes given below :

List I

List II

(a) Ayyathan Gopalan

(i) Arya Samajam

(b) Manjeri Rama lyer

(ii) Ramakrishna Mission

(c) Ananda Theerthan

(iii) Theosophical Society

(d) Agamananda

(iv) Brahmo Samaj

(a) (b) (c) (d)

(A) (iv) (i) (iii) (ii)

(B) (ii) (iii) (iv) (i)

(C) (iii) (iv) (i) (ii)

☒ (D) (iv) (iii) (i) (ii)

100. Given below are some of the contributions of Christian missionary groups in Kerala :

- (i) Founding of schools for the girls
- (ii) Establishment of printing press
- (iii) Starting of Industrial Schools
- (iv) Founding of Industrial/commercial establishments

Which of the above are true about the activities of the Basel Evangelical Mission ?

(A) (i), (ii) and (iii)

(B) (i), (iii) and (iv)

(C) (i), (ii) and (iv)

☒ (D) All of the above

SPACE FOR ROUGH WORK



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