

SEM III

SYBAF

Cost Accounting III

Sample Questions

1. Form of specific order costing which consists of a group of similar articles which maintain its identity throughout one or more stages of production.

- (a) Job Order Costing (b) Batch Costing
(c) Contract Costing (d) Process Costing

2. Which of the following items is not included in preparation of a cost sheet?

- (a) Carriage inward (b) Purchase returns
(c) Sales commission (d) Interest paid

3. A company must pay 10,000 per unit royalty to the designer of a product which it manufactures and sells. The royalty charge would be classified as a

- (a) Direct expense (b) Production overhead
(c) Administrative overhead (d) Selling overhead

4. Wherever part of the manufacturing operation is subcontracted, the subcontract charges related to materials shall be

- (a) ignored (b) treated as cost of materials
(c) treated as works overheads (d) treated as direct expenses

5. Research and development cost relating to an existing product

- (a) shall be treated as Capital Expenditure
(b) shall be treated as deferred revenue expenditure
(c) shall be treated as Direct Expenses
(d) shall be ignored

6. Which of the following are prime costs?

- (I) Direct materials (ii) Direct labour
(iii) Indirect labour (iv) Indirect expenses
(a) (i) and (ii) (b) (i) and (iii)
(c) (ii) and (iii) (d) (ii) and (iv)

7. The term "prime cost" refers to

- (a) all manufacturing costs incurred to produce units of output
- (b) all manufacturing costs other than direct labor and raw material costs
- (c) raw material purchased and direct labor costs
- (d) the raw material used and direct labor costs

8. Overheads consist of all the following except

- (a) Indirect materials
- (b) Factory utilities
- (c) Direct labour
- (d) Indirect labour

9. From the following details, compute cost of goods manufactured : Cost of goods sold Rs. 2,00,000; Opening stock of finished goods Rs. 50,000; Closing stock of finished goods Rs. 1,00,000 and Closing stock of work-in-progress Rs. 10,000.

- (a) Rs. 2,00,000
- (b) Rs. 2,50,000
- (c) Rs. 2,40,000
- (d) Rs. 3,00,000

10. The opening stock of finished goods is Rs. 50,000; closing stock of finished goods is Rs. 1,00,000 and the cost of goods manufactured is Rs. 2,00,000. What is cost of goods sold ?

- (a) Rs. 2,00,000
- (b) Rs. 2,50,000
- (c) Rs. 1,00,000
- (d) Rs. 1,50,000

11. . Consider the following:

Raw material used	Rs. 1,40,000
Direct labour	Rs. 5,00,000
Total manufacturing overhead	Rs. 6,00,000
Beginning work-in-progress	Rs. 15,000
Cost of goods sold	Rs. 12,05,000

What is the value of the closing work-in-progress?

- (a) Rs. 65,000
- (b) Rs. 35,000
- (c) Rs. 50,000
- (d) Rs. 70,000

12. . R Company manufactures desks. The beginning balance of Raw Material Inventory was Rs.4,500; raw material purchases of Rs, 29,600 were made during the month. At month end, Rs. 7,700 of raw material was on hand. Raw material used during the month was

- (a) Rs. 26,400
- (b) Rs. 34,100
- (c) Rs.37,300
- (d) Rs. 29,600

13. In Reconciliation Statement, Expenses shown only in Financial Accounts are

- (a) added to financial profit
- (b) deducted from financial profit
- (c) ignored
- (d) added to costing profit

14. In Reconciliation Statement, Expenses shown only in Cost Accounts are

- (a) added to financial profit
- (b) deducted from financial profit
- (c) ignored
- (d) deducted from costing profit

15. In Reconciliation Statement, transfers to reserves are

- (a) added to financial profit
- (b) deducted from financial profit
- (c) ignored
- (d) added to costing profit

16. In Reconciliation Statement, Incomes shown only in Financial Accounts are

- (a) added to financial profit
- (b) deducted from financial profit
- (c) ignored
- (d) deducted from costing profit

17. In Reconciliation Statement, Closing Stock Undervalued in Financial Accounts is

- (a) added to financial profit
- (b) deducted from financial profit
- (c) ignored
- (d) added to costing profit

18. In Reconciliation Statement, Closing Stock Overvalued in Financial Accounts is

- (a) added to financial profit
- (b) deducted from financial profit
- (c) ignored
- (d) deducted from costing profit

19. In Reconciliation Statement, Opening Stock Overvalued in Financial Accounts is

- (a) added to financial profit
- (b) deducted from financial profit

- (c) ignored (d) added to costing profit
20. Contract costing is a variant of _____ costing.
- (a) Job (b) Process
(c) Unit (d) Batch
21. The degree of completion of work is determined by comparing the work certified with
- (a) Contract price (b) Work in progress
(c) Cash received on contract (d) Retention money
22. In contract costing credit is taken only for a part of the profit on
- (a) Completed contract (b) Incomplete contract
(c) Work uncertified (d) Work Certified
23. In contract costing payment of cash to the contractor is made on the basis of
- (a) Uncertified work (b) Certified work
(c) Work in progress (d) Retention Money
24. The cost of any sub-contracted work is
- (a) A direct expense of a contract and is debited to the contract account
(b) An indirect expense of a contract and is debited to the contract account
(c) A direct expense of a contract and is debited to the client account
(d) An indirect expense of a contract and is debited to the client account
25. Progress payments received by the contractor from the client are
- (a) Debited to the contract account (b) Credited to the contract account
(c) Debited to the client account (d) Credited to the client account
26. . Material supplied by the Contractee
- (a) is debited to the Contract Account (b) is ignored in the Contract Account
(c) is credited to the Contract Account (d) is debited to the Contractee Account
27. Work Certified is valued at
- (a) Cost price (b) Market price
(c) Cost or market price whichever is less (d) Estimated price
28. Value of Work Certified Less Profit =
- (a) Work-in-progress (b) Cost of Work Certified
(c) Retention Money (d) Cost of uncertified work

29. Work certified is between 25% and 50% of the contract price. The transfer to P & L A/c will be

- (a) 1/3 rd of Notional profits, reduced in the ratio of cash received to work certified
- (b) NIL
- (c) 2/3 rd of Notional profits, reduced in the ratio of cash received to work certified
- (d) 100% of Notional profits

30 . Work certified is between 50% and 90% of the contract price. The transfer to P & L A/c will be

- (a) 1/3 rd of Notional profits, reduced in the ratio of cash received to work certified
- (b) NIL
- (c) 2/3 rd of Notional profits, reduced in the ratio of cash received to work certified
- (d) 100% of Notional profits

31. If a contract is 40% complete, credit taken to the profit and loss account is

- (a) 40% of the notional profit
- (b) 1/3 rd of Notional profits, reduced in the ratio of cash received to work certified
- (c) NIL
- (d) 2/3 rd of Notional profits, reduced in the ratio of cash received to work certified

32. Contract cost – Rs. 2,80,000

Contract value – Rs. 5,00,000

Cash received – Rs. 2,70,000

Uncertified work – Rs. 30,000

Deduction from bills by way of retention money is 10%.

How much profit, if any, you would take to the profit and loss account?

- (a) Rs. 50,000 (b) Rs. 33,333
- (c) Rs 30,000 (d) Nil

33. Unit Cost is equal to

- (a) Normal Cost – Scrap Value \div Normal Output
- (b) Total Cost – Scrap Value / Actual Output
- (c) Normal Cost = Total Output
- (d) Total Cost + Total Output

34 Which of the given units can never become part of first department of Cost of Production Report?

- (a) Units received from preceding department
- (b) Units transferred to subsequent department
- (c) Lost units
- (d) Units still in process

35. When production is below standard specification or quality and cannot be rectified by incurring additional cost, it is called

- (a) Defective
- (b) Spoilage
- (c) Waste
- (d) Scrap

36. What will be the impact of normal loss on the overall per unit cost ?

- (a) Per unit cost will increase
- (b) Per unit cost will decrease
- (c) Per unit cost remain unchanged
- (d) Normal loss has no relation to unit cost

37. 12,000 kg of a material were input to a process in a period. The normal loss is 10% of input, There is no opening or closing work-in-progress. Output in the period was 10,920 kg. What was the abnormal gain/loss in the period ?

- (a) Abnormal gain of 120 kg
- (b) Abnormal loss of 120 kg
- (c) Abnormal gain of 1,080 kg
- (d) Abnormal loss of 1,080 kg

38. opening stock of material is 5000 purchase Rs.30000. closing stock of materials Rs.2000 cost of material used is

- (a) Rs. 35000
- (b) Rs. 33,000
- (c) Rs 33,000
- (d) 40,000

39. Prime cost is 10,00,000 work overhead is 6634000 Factory cost is

- (a) Rs. 16634000
- (b) Rs. 14,50,000
- (c) Rs 12,40,000
- (d) Rs. 10,25,000

40. Total cost is 36,12,000 profit is 10% on selling price Calculate sales.

- (a) Rs. 45,15,000
- (b) Rs. 45,50,000
- (c) Rs 50,00,000
- (d) Rs. 40,25,000

41. Total cost is 23,07,930 profit on cost is 10 %. Calculate sales

- (a) Rs. 25,00,000 (b) Rs. 25,38,723
(c) Rs 23,80,000 (d) Rs. 20,25,000

42. Financial loss is Rs. 50000

Dividend cr. to P & L A/c Rs. 120000

Overvaluation of Closing Stock in Financial A/c 37,000

Costing Loss

- (a) Rs. 2,07,000 (b) Rs. 2,10,000
(c) Rs 1,07,000 (d) Rs. 1,20,000

43. Financial profit is 40000 overabsorption's of overheads Rs.15,000 Costing Profit is

- (a) Rs. 55,000 (b) Rs. 2,5,000
(c) Rs 30,000 (d) Rs. 22,000

44. Cash Received is 2,00,000. It is 80% Of Work certified . Calculate Work Certified.

- a) Rs. 2,50,000 (b) Rs. 2,00,000
(c) Rs 1,50,000 (d) Rs. 1,75,000

45. Abnormal loss is calculated by

- (a) Normal output - Actual output (b) Input - Normal output
(c) Actual output - Normal output (d) Input - Actual output

46. Abnormal gain arises when

- a) Actual output is more than expected output
b) Actual output is less than expected output
c) Actual out is equal to expected output
d) Expected output equal Input

47. The Standard that applicable to Contract costing is ____

- a) AS 3 b) AS 7 c) As 9 AS 12

48 . The clause which provide contactor to change the price of contact

- a) Average Clause b) Escalation Clause c) Noun Clause d) Change Clause

49. Part of Contract price kept by Contractee due to security reason Known as _____

a) Retention Money b) Down payment c) Balance amount d) Security Amount.

50. Reliance oil industry use _____method of costing.

a) Process Costing b) Contract Costing c) Standard Costing d) Marginal Costing

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SEM III

SAMPLE QUESTIONS

FINANCIAL ACCOUNTING III

1. In case of import when there is a decrease in the rate of exchange the company will make _____

- A] Foreign exchange fluctuation profit
- B] Foreign exchange fluctuation loss
- C] Foreign exchange fluctuation surplus
- D] Foreign exchange fluctuation deficit

2. The liability of partners in a firm is

- A] Limited
- B] Partly limited
- C] Unlimited
- D] Zero

3. For finding unit value capital is divided by _____

- A] Profit sharing ratio
- B] Gain ratio
- C] capital ratio
- D] Sacrifice ratio

4. The interest on loan is converted at rate on the date _____

- A] Of loan borrowed
- B] Of accrual of Interest
- C] Of payment
- D] Of Balance sheet

5. On conversion, the price discharged by a company for purchasing a partnership firm is called _____

- A] Purchase price
- B] Sale price
- C] Take over price
- D] Purchase consideration

6. Unproductive wages are debited to _____

- A] Profit and loss a/c
- B] Profit and loss appropriation a/c
- C] Partners capital a/c
- D] Trading a/c

7. Preferential liabilities are _____

- A] Payable to creditors
- B] Payable to government
- C] Payable to partners
- D] Payable to bank

8. Realisation expenses are _____

- A] Debited to bank a/c
- B] Debited to realisation a/c
- C] Credited to capital a/c
- D] Credited to bank a/c

9. _____ A/c is debited when any partner is paid salary

- A] Profit and loss appropriation
- B] Adjustment
- C] Foreign exchange fluctuation
- D] Debtors

10. Gross profit is transferred to _____ a/c

- A] Profit and loss
- B] Capital
- C] Current
- D] Trading

11. The balance in receivable as on the date of balance sheet is converted at rate _____

- A] On the date of sale of goods
- B] On the date of balance sheet
- C] On the date of subsequent recovery
- D] On the date of first recovery

12. Assets sold for cash by vendor firm on amalgamation accounting effect is _____

- A] Credit realisation
- B] Debit realisation
- C] Debit partner's capital a/c
- D] Credit partner's capital a/c

13. On amalgamation the assets and liabilities of the company are transferred to _____.

- A] Partner's Capital account
- B] Realization A/c
- C] Managers A/c
- D] A & B

14. On amalgamation of firms accumulated profits / reserves of old firm get distributed over

- A] Old partners in old PSR
- B] New partners in new PSR
- C] Old partners in new PSR
- D] Equal ration

15. A and B are partner's in a firm sharing profits and losses in the ratio 2:1. They admit Z for 1/3 share .
What is new ratio ?

- A] 3:3:3
- B] 4:3:2
- C] 4:2:3
- D] 2:3:4

16. Liabilities assumed by partners are _____

- A] Debited to realisation a/c
- B] Debited to revaluation a/c
- C] Debited to partner's capital a/c
- D] Credited to realisation a/c

17. Realisation a/c is prepared in the case of ____

- A] Admission
- B] Retirement
- C] Death
- D] Dissolution

18. On sale of a firm to a company the purchase consideration is calculated by ____

- A] Only Lump sum Method
- B] Only Payment Method
- C] Only Net Assets Method
- D] Lump sum Method or Payment Method or Net Assets Method

19. On conversion realisation a/c is closed by transferring the closing balance to ____

- A] Partners capital a/c
- B] Equity shares in new company a/c
- C] New company a/c
- D] Bank a/c

20. Interest on capital will be paid to partners if provided for in the agreement but only from-----

- A] Current profits
- B] Reserves
- C] Accumulated profits
- D] Goodwill

21. Difference in exchange is transferred to -----

- A] Profit & Loss Account
- B] Foreign Exchange Fluctuation A/c
- C] Foreign Exchange Difference A/c
- D] Partner's Capital A/c

22. Partner loan is a _____

- A] Internal liability
- B] External liability
- C] Secured liability
- D] Current liability

23. Bank Loan obtained by hypothecation of Machinery is a

- A] Secured Creditor
- B] Unsecured Creditor
- C] Preferential Creditor
- D] Special creditors

24. In piecemeal distribution, amounts realised from assets are used to settle the liabilities in the following order

- A] Partners loans, outside liabilities, partners loans, partners capitals
- B] Realisation expenses, outside liabilities, partners loan, partners capital
- C] Outside liabilities, partners loans, partners capitals, Partners loans
- D] Partners loans, Outside liabilities, partners loans, partners capitals

25. If agreed value is not specified in the problem then ____ value is taken as agreed value

- A] book
- B] market
- C] old
- D] new

26. In piecemeal distribution of cash if there are more than one creditor then they are paid in ____ratio.

- A] new
- B] Due's
- C] old
- D] equitable

27. In fixed capital method, net profit is transferred to ____ a/c

- A] Capital
- B] Current
- C] Balance sheet
- D] Trading

28. On conversion of partnership firm into a company , the legal actions of the company is governed by _____.

- A] Companies act 2013
- B] Partnership act 1932
- C] Companies Act 1956
- D] Factory Act 1948

29. On amalgamation, profit or loss on sale of the firm is ascertain through _____ -

- A] Partners capital a/c
- B] Purchasing firms a/c
- C] Realisation a/c
- D] Deficiency a/c

30. Calculate the purchase consideration when a new firm Atlas was formed by taking over assets and liabilities of G.N company .

Goodwill Rs. 6250

Furniture Rs. 8000

Stock Rs.24000

Debtors s Rs.20000

Cash Rs. 2000

Bank Rs.7000

Creditors Rs.4000

Loan Rs. 2000

A] Rs. 61250

B] Rs.45000

C] Rs.56760

D] Rs. 34500

31. Dissolution expenses paid by the company to the firm on conversion are _____

A] Debited to Deferred revenue expenditure account

B] Credited to Capital Reserve A/c

C] Debited to goodwill A/c

D] Credited to Goodwill A/c

32. On takeover of unrecorded liability, by a partner the a/c debited is _____

A] Realisation a/c

B] Capital a/c

C] Profit and Loss A/c

D] Current a/c

33. In case of import when there is no change in the rate of exchange the company will make

A] Foreign exchange fluctuation profit

B] Foreign exchange fluctuation loss

C] Foreign exchange fluctuation surplus

D] Neither profit or Loss

34. Profit or loss on realisation is distributed among partners in _____

A] Profit sharing ratio

B] Gain ratio

C] Capital ratio

D] Equal ratio

35. Undistributed profit is distributed among the partners in their _____ ratio

A] Profit sharing

B] Capital

C] Equal

D] Sacrificed

- 36 . Conversion of partnership into a limited company is referred to as ____of partnership business to a joint stock company
- A] Exchange
 - B] Sale
 - C]Transfer
 - D] Acquisition
- 37 . Purchase consideration of vendor partnership firm can be discharged in form of
- A] Cash only
 - B] Shares only
 - C] Shares, debentures, and cash
 - D] Debentures only
38. Reserves and surplus are transferred to partner's capital account in _____ ratio
- A] Gain
 - B] Sacrifice
 - C] Capital contribution
 - D] Old profit sharing
- 39 .Base capital is _____
- A] Lowest unit capital
 - B] Highest unit capital
 - C] Highest capital
 - D] Lowest capital
40. Realisation of assets on dissolution is _____
- A] Sudden
 - B] Gradual
 - C] Unexpected
 - D] Unknown
41. If partnership deed is silent the purchase consideration has to be discharged In the ratio of the ____ of the partners before conversion
- A] Capital
 - B] Profit sharing
 - C] Equitable
 - D] New
42. The exchange rate at the balance sheet date is known as _____
- A] Average Rate
 - B] Closing Rate
 - C] Non -Monetary Rate
 - D] Monetary Rate
43. In case of export when there is increase in the rate of exchange the company will make _____
- A] Foreign exchange fluctuation profit
 - B] Foreign exchange fluctuation loss
 - C] Foreign exchange fluctuation surplus
 - D] Foreign exchange fluctuation deficit

44. In case of import when there is increase in the rate of exchange the company will make _____

- A] Foreign exchange fluctuation profit
- B] Foreign exchange fluctuation loss
- C] Foreign exchange fluctuation surplus
- D] Foreign exchange fluctuation deficit

45. Reporting currency is a currency used for _____

- A] Presenting financial statements
- B] Setting the financial transactions
- C] Recording the financial transactions
- D] Official currency

46. Following is not a monetary item

- A] Bills receivable
- B] Cash
- C] Inventory
- D] Bills payable

47 . Prepaid Rent is shown on _____side of Balance sheet.

- A] Assets
- B] Liabilities
- C] Debit
- D] Credit

48. Goods distributed as free samples

- A] Credited to trading a/c
- B] Credited to profit and loss a/c
- C] Credited to trading and Debited to profit and loss a/c
- D]No entry

49. Gain ratio is calculated

- A] when a new partner is admitted
- B] when a partner retires
- C]when partner is declared insolvent
- D]when the partnership firm is dissolved

50. In fluctuating Capital Method

- A] drawings is debited to capital account
- B] interest on capital is debited to capital account
- C]both interest on drawing are debited to capital account
- D]a separate account called as current account is maintained

- 1) _____ is the heart of the computer.
 - a) ALU
 - b) Memory
 - c) CPU
 - d) Printer
- 2) _____ is the brain of the computer.
 - a) CPU
 - b) ALU
 - c) System Unit
 - d) Microprocessor
- 3) Monitor is also known as _____.
 - a) Visual Display Unit
 - b) Virtual Display Unit
 - c) Visual Diode Unit
 - d) Virtual Diode Unit
- 4) Full Form of DVD is _____.
 - a) Distant visual Disc
 - b) Digital Versatile Disc
 - c) Digital Visual Disc
 - d) Distant Versatile Disc
- 5) The word Computer is derived from the _____ word.
 - a) Greek
 - b) Latin
 - c) Spanish
 - d) French
- 6) The computer is an electronic device that reads or accept data from the _____ device.
 - a) Input
 - b) Output
 - c) Processor
 - d) Memory
- 7) Flatbed, Sheetbed, Handheld, Drum are different types of _____.
 - a) Scanner
 - b) Projector
 - c) Memory
 - d) Printers
- 8) PAN has connectivity range up to _____ meters.
 - a) 1
 - b) 10
 - c) 5
 - d) 50
- 9) Devices on the network are referred as _____.
 - a) Node
 - b) Link
 - c) Lines
 - d) Cables
- 10) _____ Topology uses one main cable to which all nodes are directly connected.
 - a) Star

- b) Mesh
 - c) Bus
 - d) Ring
- 11) The ability to combine name and addresses with a standard document is called _____.
- a) Document Formatting
 - b) Database Management
 - c) Mail Merge
 - d) Form Letters
- 12) CTRL + N is used to
- a) Save Document
 - b) Open Document
 - c) New Document
 - d) Close Document
- 13) _____ function in Excel helps to replace existing text with a new text in a particular String.
- a) Trim()
 - b) Substitute
 - c) Find()
 - d) Proper()
- 14) Commands like page information, Word count and Page view option appears on the _____.
- a) Title Bar
 - b) Status Bar
 - c) Insert tab
 - d) Reference Tab
- 15) Print _____ is a feature that displays on the screen what a hard copy would look like when printed.
- a) Review
 - b) Preview
 - c) Check
 - d) Orientation
- 16) In MS Word one can put a table in the document using the _____ tab.
- a) Home
 - b) Page layout
 - c) View
 - d) Insert
- 17) What is the output?
=MOD(18,4)
- a) 4
 - b) 2
 - c) 4.5
 - d) 5
- 18) The _____ advantage of PDF displays the exact same content and layout no matter which operating system, device or software application it is viewed on.
- a) Multi-Dimensional
 - b) Graphic Integrity
 - c) Convenient

- d) Compact
- 19) To insert current date and time whose value is updated if Excel Sheet is updated is _____.
- a) TODAY()
 - b) NOW()
 - c) Ctrl+;(Semi Colon)
 - d) Ctrl+Shift+;(Semi Colon)
- 20) Which shortcut key inserts a new slide in Current Presentation?
- a) CTRL+N
 - b) CTRL+M
 - c) CTRL+S
 - d) CTRL+A
- 21) Full Form of URL is _____.
- a) Uniform Resource Location
 - b) Uniform Resource Locator
 - c) Uniform Reform Locator
 - d) Unity Reform Locator
- 22) _____ refers to the use of hyperlinks to represent text and static graphics.
- a) Hyper Media
 - b) Hyper Text
 - c) World Wide Web
 - d) HTTPS
- 23) _____ is the most used Web Browser in the World.
- a) Mozilla Firefox
 - b) Safari
 - c) Internet Explorer
 - d) Google Chrome
- 24) _____ is the default web browser for Mac Computers and iOS devices including iPhone and iPad
- a) Mozilla Firefox
 - b) Internet Explorer
 - c) Safari
 - d) Google Chrome
- 25) Search Engines like _____ collects meta information of the pages from other Search Engines and Directories to display in the search results.
- a) Google
 - b) Bing
 - c) Yahoo
 - d) Dogpile
- 26) _____ is the process of identifying the words and expressions that best describes the page in Crawler based Search Engine.
- a) Crawling
 - b) Indexing
 - c) Calculating Relevancy
 - d) Retrieving Results
- 27) In _____, the site owner submits a short description of the site.
- a) Crawler based Search Engine
 - b) Hybrid based Search Engine

- c) Human Powered Directories
 - d) Other Type
- 28) Cursor changes into _____ icon whenever you hover a link.
- a) Hand
 - b) Plus
 - c) Star
 - d) Arrow
- 29) A _____ is a computer that delivers requested web pages to your computer or sends an error message if the file is not found.
- a) Hyper Text
 - b) Web Browser
 - c) Hyper Media
 - Web Server
- 30) The first Web browser, called WorldWideWeb, was created by _____.
- a) Sir Tim Berners-Lee
 - b) Sir Tim Joseph-Lee
 - c) Sir Tim Fernandes-Lee
 - d) Sir Tim Dsouza-Lee
- 31) A _____ sends message from one port to other port.
- a) Bridge
 - b) Hub
 - c) Switch
 - d) Router
- 32) _____ can calculate the best route for sending data and communicate with each other.
- a) Bridge
 - b) Hub
 - c) Switch
 - d) Router
- 33) The emerging technology called _____ is used to store and access data and program over the internet instead of computer's hard drive.
- a) Cloud Computing
 - b) Internet of Things
 - c) Virtual Reality
 - d) Augmented Reality
- 34) Dropbox, Gmail, Facebook are example of _____.
- a) Internet of Things
 - b) Cloud Computing
 - c) Augmented reality
 - d) Virtual reality
- 35) 3D Printing is also called as _____ manufacturing.
- a) Additive
 - b) Subtractive
 - c) Multiplication
 - d) Division
- 36) _____ internet connections may be affected by weather patterns.
- a) Satellite
 - b) DSL

- c) Dial-Up
 - d) Cable
- 37) _____ is own by either a single or many organizations.
- a) Internet
 - b) Intranet
 - c) Extranet
 - d) Fullnet
- 38) EDI is used for _____ transactions that occurs on a regular basis.
- a) B2C
 - b) B2B
 - c) C2B
 - d) C2C
- 39) Use _____ monitors rather than CRT.
- a) LED
 - b) LCD
 - c) UHD
 - d) PDP
- 40) A traditional document exchange of a purchase order takes normally _____ days.
- a) 3 to 5
 - b) 10 to 15
 - c) 20 to 25
 - 30 to 45
- 41) E-Commerce stands for _____.
- a) Electronic Commerce
 - b) Electric Commerce
 - c) Equipment Commerce
 - d) Essential Commerce
- 42) The dimension of E-Commerce that enables commerce across National boundaries is called _____.
- a) Interactivity
 - b) Richness
 - c) Global reach
 - d) Completeness
- 43) ebay, amazon.com belongs to _____ type of E-Commerce.
- a) B2B
 - b) C2B
 - c) B2C
 - d) C2C
- 44) Which type of E-Commerce focuses on consumers dealing with each other?
- a) B2B
 - b) B2C
 - c) C2B
 - d) C2C
- 45) _____ includes General Management, Planning Management and Legal Management.
- a) Human Resources
 - b) Information System
 - c) Procurement

- d) Administration
- 46) In content Marketing follow _____ rule.
- a) 80/20
 - b) 70/30
 - c) 60/40
 - d) 50/50
- 47) _____ is issued by a reliable third-party company.
- a) Digital Certificate
 - b) Encryption
 - c) Firewall
 - d) Authentication
- 48) DNS Stands for _____.
- a) Domain Name System
 - b) Domain Name Structure
 - c) Display Name Structure
 - d) Display Name System
- 49) One of the main reason to E-Commerce threat is poor _____.
- a) Accounting
 - b) Marketing
 - c) Management
 - d) Finance
- 50) SEO Stands for _____.
- a) Search Engine Optimization
 - b) Search Engine Operation
 - c) Search Energy Optimization
 - d) Search Engine Operation

VIDYALANKAR SCHOOL OF INFORMATION TECHNOLOGY

SAMPLE QUESTIONS

CLASS: SYBAF; SEMESTER: III

SUBJECT: FINANCIAL MARKET OPERATIONS

1. The method in which the company invites subscription from the public through the issue of prospectus

Private Placement

Public issue

Offer for sale

Auction

2. It is an offering of fresh issue of securities.

Initial Public Offering

Follow on Public Offering

Private Placement

Offer for Sale

3. ASBA stands for

Application Supported by Booked Account

Application Supported by Blocked Amount

Application System of Booked Amount

Application System by Blocked Amount

4. The spread amongst the floor price and the Cap price shall not be more than ____

15%

20%

14%

10%

5. It is the minimum price in a price band at which bids can be made by the investors.

Cap price

Floor price

Cut-off price

Market price

6. ____ is the issue of securities of a company directly to one investor or a small group of investors

Private Placement

Public issue

Offer for sale

Auction

7. Shares which are issued free of cost to the existing equity shareholders are also called as _____

Equity shares

Preference shares

Bonus shares

Bought out shares

8. It is a kind of employee benefit plan similar to a profit sharing plan

Red Herring Prospectus

Sweat Equity

Book Building

ESOP

9. In the _____ market the securities are purchased directly from the issuer.

Capital Market

Money Market

Debt Market

Primary Market

10. Value of money _____ with the occurrence of interest.

Appreciates....

Depreciates

Remains constant

Remains unchanged

11. Bonds are _____ instruments issued for the purpose of raising capital instruments which are issued for the purpose of raising capital.

Flexible income

Fixed income

Zero income

High income

12. _____ Is a bond that may be converted into a stated number of equity shares at its maturity

Corporate bonds

Revenue bonds

Convertible bonds

General obligation bonds

13. Debt market in India mainly contains of the two categories

G-Sec and Non-G-Sec Market

Public and Private Market

G-Sec and Public Market

Non-G-Sec and Private Market

14. _____ are the bonds on which the coupon rate is fixed for the entire life of the bond.

Fixed Rate Bonds

Floating Rate Bonds

Zero Coupon Bonds

Treasury Bonds

15. _____ belong to the person who holds them, and ownership is not otherwise recorded.

Corporate Bonds

Bearer Bonds

Registered Bonds

Treasury Bonds

16. _____ are those bonds in which the owner's name is recorded with the transfer agent and interest payments are made either by check or electronic credit.

Corporate Bonds

Bearer Bonds

Registered Bonds

Revenue Bonds

17. _____ usually refer to the government bonds and are backed by the full faith and credit of the taxing power.

Corporate bonds

Bearer bonds

General obligation bonds

Revenue Bonds

18. Interest (coupons) on corporate bonds are _____

Taxable

Nontaxable

Interest deducted

Variated

19. _____ usually have a maturity period of at least one year

Equity shares

Debentures

Corporate bonds

ULIPs

20. Fixed return on bond is often termed as _____

Dividend

Interest rate

Capital

Investment

21. _____ are money market instruments i.e. short-term debt instruments issued by the Government of India and are issued in three tenures 91 days, 182 days and 364 days

Treasury bills

Commercial paper

Certificate of deposit

Bonds

22. _____ Market supply long term funds for the growth of infrastructure or other sectors to fulfill long term investments needs

Debt

Equity

International

Financial

23. Relationship between bond price and the coupon rate is _____

Direct

Inverse

Unrelated

Correlated

24. _____ are the most dominant category off debt markets and forms a major part of the market in terms of outstanding issues, market capitalization and trading value.

Debt

G-Sec

Capital Market

Treasury Bills

25. _____ are long term securities that carry a fixed or floating interest rate and has a tenure of up to 30 years.

Treasury bills

Bonds

Dated Government Securities

Commercial Paper

26. STRIPS stand for _____

Separate Trading of Registered and Principal of Securities

Secured Trading of Registration and Payment of Securities.

Special Trading of Registered and Payment of Securities.

Separate Trading of Registration and Payment of Securities.

27. _____ Is the price at which the contract is settled.

Strike price

Premium price

Future price

Market price

28. _____ wishes to bet on future movements in the price of an asset.

Arbitrageurs

Hedgers

Speculators

Brokers

29. _____ is an arrangement involving the sale of securities by one party to another with the commitment to re purchase the same or similar securities of the same volume on a specified future date.

Government securities

Re purchase agreement

T-Bills

Commercial Paper

30. _____ future contract with the index as the underlying asset.

Stock

Index

Currency

Commodity

31. _____ Contracts have counterparty risk.

Forwards

Futures

Options

Swaps

32. _____ Is a product whose value is derived from the value off one or more underlying asset.

Debenture

Equity

Insurance

Derivative

33. Equity derivatives are derivative instruments with underlying assets based on _____.

Equity securities

Preference securities

Debentures

Bonus shares

34. _____ is the person who buys the right conveyed by the option.

Option Holder

Option writer

Stockbroker

Bondholder

35. A put option contains the right to _____ a futures contract.

Buy

Sell

Hoard

Split

36. _____ helps to reduce the risk of investors due to market fluctuations.

Equity

Debentures

Derivatives

Mutual Funds

37. There is a _____ relationship between risk and return.

Direct

Reverse

No

Inverse

38. A _____ occurs when a company divides its shares and has no effect on the company's net worth or the value of shareholders' investment.

Stock Split

Reverse Stock Split

DRIPs

Treasury stock

39. _____ Plans allow the shareholder to reinvest all cash dividends directly into the purchase of additional shares of the company.

DRIPS

STRIPS

Stock Splits

Treasury stocks

40. _____ is an unsecured borrowing by corporates and financial institutions from other corporate entities registered under the Companies Act 1956.

Interbank loans

Inter corporate deposits

Commercial paper

Certificate of deposit

41. Statement - I. Investment bankers are also known as merchant bankers
Statement - II. Bankers are the registered members of stock exchange.

Both the statements are correct

Both the statements are incorrect

Only statement I is correct and statement II is incorrect

Only statement II is correct and statement I is incorrect

42. Statement – I. Tender method and Book building are similar.

Statement – II. Under tender method of issue of shares, company announces public issue without representing the issue price and invites bids from the interested parties.

Both the statements are correct

Both the statements are incorrect

Only statement I is correct and statement II is incorrect.

Only statement II is correct and statement I is incorrect

43. Which of these are the functions of stock exchange?

i. Liquidity

ii. Continuous market for securities.

iii. Mobilization of Savings

iv. Capital formation

v. Assemble Syndicate

vi. Builds a credit line.

i, ii, iii, iv

ii, iii, iv, v

iii, iv, v, vi

i, iii, v, vi

44. Match the pairs

Group A	Group B
I. Fund based	a. Financial innovation
II. T- Bill.	b. Financial intermediaries
III. Banks.	c. Lease financing
IV. RBI.	d. Money Market
V. Securitization	e. 1935

I – a, II – b, III – c, IV – d, V – e.

I – d, II – b, III – c, IV – a, V – e.

I – c, II – d, III – b, IV – e, V – a

I – a, II – b, III – c, IV – d, V – e.

45. Match the pairs

Group A.	Group B
I. Revenue Bonds.	a. Fixed coupon rate
II. Fixed rate bonds.	b. Treasury bill
III. Bearer Bonds.	c. Specific taxes
IV. Zero Coupon Bonds	d. Ownership of bonds

I – a, II – b, III – c, IV – d

I – c, II – a, III – d, IV – b

I – c, II – d, III – b, IV – a

I – a, II – b, III – c, IV – d

46. _____ serve the rural areas and agricultural sectors with basic banking and adequate financial services

RRB

NABARD

SIDBI

SEBI

47. There is _____ market in which funds are borrowed and lent for one day

Call Money

Money Market

Notice Money

Short Money

48. _____ helps in reducing potential financial loss or hardship and provides a comprehensive coverage.

Mutual Funds

Factoring

Insurance

venture capital financing

49. Which of the following is true about the functions performed by RBI

(i) It is the Bank of Issue

(ii) It acts as banker to the Government

(iii) It is the banker of other banks

(iv) It regulates the flow of credit

Both (i) and (ii)

Both (iii) and (iv)

All the Above

(d) None of the above

50. The process of managing the sales ledger of a client by a financial service company is called _____.

forfeiting

factoring

leasing

securitization of debt

SYBAF Business Law Sample Questions 2020

1. Partnership Act is passed in _____.
(i) 1942 (ii) 1932 (iii) 1902 (iv) 2008
2. Registration of Partnership under Partnership Act is _____.
(i) Compulsory (ii) voluntary (iii) all (iv) None
3. The no. of Designated Partners mandatory is _____.
(i) 2 (ii) 3 (iii) 4 (iv) 5
4. Partner by estoppel means _____.
(i) Sleeping partner (ii) Nominal partner (iii) Who represents as a Partner (iv) Minor
5. _____ is a hybrid model of Business
(i) Partnership (ii) LLP (iii) Proprietorship (iv) Company
6. In _____ liability is Limited.
(i) LLP (ii) Partnership (iii) Proprietorship (iv) None of the above
7. Registration of LLP is _____
(i) Voluntary (ii) Compulsory (iii) Optional (iv) None
8. The Partnership deed should be in _____ format.
(i) Oral (ii) Verbal (iii) Written (iv) Non Verbal
- (9) Registrar of Firm issues Certificate of _____.
(i) Business (ii) Registration (iii) Solvency (iv) Income Tax
- (10) Limited Liability Partnership is a _____ business model.

(i) Illegal (ii) Unenforceable (iii) Hybrid (iv) Void

(11) The no. of Designated Partners who should be Resident of India is _____.

(i) 2 (ii) 3 (iii) 4 (iv) 1

12. Minor partner has right with the firm for

A none of these

B take part in administration

C Profit

D Loss

13. Maximum partner allowable for banking business is

A 07

B 02

C 10

D 20

14. Consequence of non – registration of partnership firm

A it is crime

B breach of law

C cannot file a suit

D file a suit

15. After the dissolution of firm goodwill of firm

A can not be sold

B can't do anything

C can be changed

D can be sold

16. Is minor personally responsible for act of the firm ?

A Uncertain

B No

C Yes

D Sometimes

17. When partnership firm can not be dissolved compulsorily ?

A Lawful business of firm

B Act against law

C None of these

D Insolvent

18. A partner can not transfer his interest without the of other partners.

A none of these

B evidence

C consent

D deed

19. Implied authority of partner is

A none of these

B to create new firm

C to sign the cheque

D to dissolve the firm

20. _____ means any premises including the precincts thereof whereon ten or more workers are working, or were working on any day of the preceding twelve months.

a. Warehouse

c. Company

b. Firm

d. Factory

21. _____ of a factory means the person, who has ultimate control over the affairs of the factory.

a. Supplier

c. Occupier

b. Both a & c

d. None of these

22. The factories Act came into force on _____.

a. 1.4.1949

c. 1.4.1950

b. 1.4.1948

d. None of these

23. Not covered in the definition of factory : _____

a. premises

c. precincts

b. railway running shed

d. None of these.

24. _____ means a person or an institution recognised by the Chief Inspector for the purposes of carrying out tests, examinations and inspections.

a. Inspector

c. Competent person

b. Manager

d. Director

25. As per the Factories Act, a worker cannot be employed for more than _____ hours in a week.

a. 60

b. 48

c. 45

d. 50

26. Canteen facility is to be provided by large factories, if _____ or more workers are employed.

250

350

150

450

27. _____ contains list of industries involving hazardous processes.

- a. Schedule 5 b. Schedule 2 c. Schedule 1 d. Schedule 4

28. Registrar of Firm appointed by _____.

- a. Governor
- b. President
- c. State Government
- d. Central Government

29. . Partner who represents as a Partner is called as _____.

- a. Sleeping partner
- b. Nominal partner
- c. Partner by estoppel
- d. Minor

30. _____ partner does not take part in day to day affairs of the Firm.

- a. Active
- b. Minor
- c. Dormant
- d. Holding out

SYBAF Semester III Subject: Business Economics II
Sample Questions

1. The difference between value of output and value added is:
 - (a) Depreciation
 - (b) Intermediate consumption
 - (c) Net indirect taxes
 - (d) NFIA

2. Product method of calculating national income is also known as:
 - (a) Income method
 - (b) Value added method
 - (c) Expenditure method
 - (d) Distribution method

3. Transfer payments refer to payments, which are made:
 - (a) Without any exchange of goods and services
 - (b) To workers on transfer from one job to another
 - (c) As compensation to employees
 - (d) None

4. National Income differs from Net National Product at market price by the amount of:
 - (a) Current transfers from rest of the world
 - (b) Net Indirect Taxes
 - (c) National debt interest
 - (d) it does not differ

5. Net national product at factor cost is also known as:
 - (a) Net Domestic product
 - (b) Gross National product
 - (c) National Income
 - (d) Personal Income

6. In GNP calculation which of the following should be excluded?
 - (a) Rental incomes
 - (b) Interest payments
 - (c) Dividends
 - (d) Government transfer payment

7. Net National Product equals:
 - a) Gross National Product adjusted for inflation
 - b) Gross Domestic Product adjusted for inflation
 - c) Gross Domestic Product plus net property income from abroad
 - d) Gross National Product minus depreciation

8. Which of the following statements is true about the circular flow?

- a) Output is greater than income
- b) Income is more than expenditure
- c) Output is less than expenditure
- d) Output equals income equals expenditure

9. To adjust GDP from market prices to factor cost:

- a) Add indirect taxes
- b) Subtract subsidies
- c) Deduct indirect taxes and deduct subsidies
- d) Deduct indirect taxes and add subsidies

10. To adjust from Net National Product to Gross National Product:

- a) Add depreciation
- b) Deduct indirect taxes
- c) Add subsidies
- d) Add inflation

11. An increase in the marginal propensity to consume will:

- a) Lead to the consumption function becoming steeper
- b) Shift the consumption function upwards
- c) Shift the consumption function downwards
- d) Shift the savings function upwards

12. As national income increases:

- a) The average propensity to consume falls and gets nearer in value to the marginal propensity to consume
- b) The average propensity to consume increases and diverges in value from the marginal propensity to consume
- c) The average propensity to consume stays constant
- d) The average propensity to consume always approaches infinity

13. An increase in consumption at any given level of income is likely to lead to:

- a) Higher aggregate demand
- b) An increase in exports
- c) A fall in taxation revenue
- d) A decrease in import spending

14. Lower interest rates are likely to:

- a) Decrease consumption
- b) Increase cost of borrowing
- c) Encourage saving
- d) Increase borrowing and spending

15. The marginal propensity to consume is equal to:

- a) Total spending / total consumption
- b) Total consumption / total income
- c) Change in consumption / change in income

d) Change in consumption / change in savings

16. A shift in aggregate supply is likely to:

- a) Reduce the general price level and reduce national income
- b) Reduce the general price level and increase national income
- c) Increase the general price level and reduce national income
- d) Increase the general price level and increase national income

17. Aggregate demand will increase if:

- a) Consumption falls
- b) Investment falls
- c) Exports fall
- d) Imports fall

18. If aggregate supply is totally price inelastic, an increase in aggregate demand will:

- a) Increase price but not output
 - b) Increase output but not price
 - c) Increase output and price
 - d) Decrease output and price
-

19. Contraction can be explained as

- a. Fall in level of Investments, fall in production, fall in employment, fall in stock prices
- b. Fall in level of Investments, rise in production, rise in employment, fall in stock prices
- c. Rise in level of Investments, fall in production, fall in employment, fall in stock prices
- d. Fall in level of Investments, fall in production, fall in employment, rise in stock prices

20. Fall in interest rates is a typical feature of

- a. Recovery
- b. Boom
- c. Depression
- d. Peak

21. The marginal propensity to consume (MPC) is computed as the:

- a. change in consumption divided by the change in savings.
- b. change in consumption divided by the change in disposable personal income.
- c. change in consumption divided by the change in GDP.
- d. change in savings divided by Income

22. Speculative motive is influenced by _____

- a) Income
- b) Rate of interest
- c) Consumption
- d) All of the above

23. When prices are falling continuously, the phenomenon is called:
- (a) Inflation
 - (b) Stagflation
 - (c) Deflation
 - (a) Reflation
24. . When too much money chases too few goods, the resulting Inflation is called:
- (a) Deflation
 - (b) Demand-pull Inflation
 - (c) Cost push inflation
 - (a) Stagflation
25. . Stagflation means:
- (a) Inflation with stagnation
 - (b) Recession with stagnation
 - (c) Inflation galloping like stage
 - (d) Inflation & increasing output
26. During recession, RBI will _____ CRR
- a) decrease
 - b) increase
 - c) keep constant
 - d) None of the above
27. Inflation is measured on the basis of:
- (a) Pigou's price index
 - (b) Consumer price index
 - (c) Marshall's index
 - (d) All of these
28. When price increases due to increase in factor prices it is _____.
- (a) Demand pull inflation
 - (b) Cost push inflation
 - (c) Stagflation
 - (d) None of the above.
29. To increase the money supply, the bank central could:
- a. Cut taxes
 - b. Purchase bonds in the open-market
 - c. Encourage people to held more cash (currency in circulation)
 - d. Increase the government spending
30. Point out the monetary policy instrument:
- a. An increase in direct taxes
 - b. Open-market operations
 - c. Freezing pensions

d. A cut in government purchase of goods and services

31. If money supply in a country decrease:

- A. Prices will rise
- B. Prices will fall
- C. Rate of interest falls
- D. No change in price

32. Quantity Theory of Money explains that:

- A. Value of money depends upon quantity of money
- B. Rate of interest depends upon quantity of money
- C. Quantity of investment depends upon quantity of money
- D. Supply of money depends upon quantity of money

33. Liquidity of a monetary asset means:

- A. Velocity of circulation of money
- B. Easy availability of money
- C. Ready acceptability of monetary asset
- D. The monetary asset has lost its value

34. The following is a characteristic of a direct tax –

- a) Incidence may be shifted
- b) Imposes more burden on poor
- c) The impact and incidence are on the same person
- d) All of the above

35. After levying of a tax, if the price does not rise at all, it means that –

- a) Incidence of the tax remains with producer
- b) Tax has been shifted backward
- c) Shifting has taken place
- d) Any of the above

36. Impact of a tax refers to –

- a) Final money burden
- b) Immediate money burden
- c) Indirect real burden
- d) None of the above

37. Which factor has no role in the shifting of a tax?

- a) Change in prices
- b) Elasticity of demand and supply
- c) Nature of Demand

d) Income of the consumer

38. The following is not a characteristic of a tax.

1. It is a compulsory payment
2. Every tax involves a sacrifice by tax payer
3. There is a quid-pro-quo between the tax payer and the Government.
4. Refusal to pay tax is a punishable offence.

39. Pick out the factor which is not a feature of indirect taxes.

- a) Convenience
- b) Tax evasion is difficult
- c) Fair to the poor
- d) Powerful tool of economic policy

40. _____ based on the principle 'higher the income, higher the tax'.

- a) Progressive Tax
- b) Proportion Tax
- c) Regressive Tax
- d) Digressive Tax

41. Among the following what causes the market failure

- i. Externalities
- ii. Information Asymmetry
- iii. Perfect Competition
- iv. Inflation

Choose the correct answer from the code given below

- a. i, ii and iii are correct
- b. Only i is correct
- c. i, ii, iii, and iv are correct
- d. ii and iv are correct

42. Which of the following items are included in revenue receipts?

- i. Tax revenue
- ii. Non-tax revenue
- iii. Recovery loans
- iv. Borrowing and other liabilities

Select the correct answer using the codes given below:

- a) i and ii only
- b) i, ii , and iii only
- c) iii and iv only

d) i, iii, and iv only

43. Which among the following are advantages of international trade?

- i. Export of surplus production
- ii. Import of defence material
- iii. Dependence on foreign countries
- iv. Availability of cheap raw materials

Select the correct answer using the codes given below:

- a) i and ii only
- b) i, ii, and iii only
- c) iii and iv only
- d) i, ii, and iv only

44. Govt. policy about exports and imports is called:

- A. Monetary policy
- B. Fiscal policy
- C. Commercial policy
- D. Finance policy

45. It is drawback of free trade:

- A. Prices of local goods rise
- B. Government loses income from custom duties
- C. National resources are underutilized
- D. Monopolies are not possible

46. This is NOT an advantage of foreign trade:

- A. We can get gold from abroad
- B. New technology comes to the country
- C. We can import goods which are in short supply
- D. We can made best use of natural resources

47. India's foreign exchange rate system is?

- (A) Free float
- (B) Managed float
- (C) Fixed .
- (D) Fixed target of band

48. Flexible exchange rate system is also known as

- a) Pegged Exchange Rate system
- b) Dirty Floating
- c) Floating Exchange Rate
- d) Fixed Exchange Rate

49. Pick the correct option:

Imports of goods and services raises _____ of foreign exchange

- i) Supply
- ii) Demand
- Only i
- Only ii
- Both i and ii
- Neither i and ii

50. The exchange rate at which demand for foreign currency becomes equal to its supply, is called

- a. Equal rate of exchange
- b. Mint Parity
- c. Equilibrium exchange rate
- d. Gold Exchange Rate

VIDYALANKAR SCHOOL OF INFORMATION TECHNOLOGY
SYBAF SEMESTER III
DIRECT TAX – SAMPLE QUESTIONS

- 1 Rent Free Accommodation given to an employee by the employer is a _____.
 - a. Allowance
 - b. Perquisite
 - c. Profit in lieu of salary
 - d. Benefit

- 2 Mr. Sharma goes out of India every year for 275 days. For the AY 2020-21 he is ____
 - a. He is ROR
 - b. He is RNOR
 - c. He is NR
 - d. He is resident

- 3 Soham received INR 30,000/- as arrears of rent during the PY. The amount taxable under section 25A would be _____.
 - a. INR 30,000/-
 - b. INR 21,000/-
 - c. INR 20,000/-
 - d. INR ZERO

- 4 Assessee uses Machinery for the purpose of carrying on his business. Under section 31, he shall be eligible for deduction on account of _____.
 - a. Capital and revenue expenditures on repairs
 - b. Current repairs
 - c. Current repairs +1/5th of capital expenditure
 - d. Capital expenditure on renovation

- 5 Fair market value on 1/4/2001 is applicable to assets
 - a. Acquired before 1/4/2001
 - b. Acquired after 1/4/2001
 - c. Transferred prior 1/4/2001
 - d. Transferred after 1/4/2001

- 6 Winnings from lotteries, crossword puzzles, races including horse races, card games and other games of any sort or from gambling or betting of any form or nature, taxable under the head 'Income from other sources' after grossing up is taxed without allowing basic exemption limit at flat rate of :
 - a. 30%
 - b. 20%
 - c. 10%
 - d. 15%

- 7 Section 80C provides for deduction in respect of tuition fee to _____children.
 - a. One
 - b. Two
 - c. Three
 - d. None

- 8 Income from illegal business are _____
- Exempted
 - Fully taxable
 - Partly taxable
 - Partly exempted
- 9 An individual is said to be resident and ordinarily resident if he satisfies –
- any one condition given in sec. 6(1) and any one condition given in sec. 6(6)
 - any one condition given in sec. 6(1) and both conditions given in sec. 6(6)
 - both conditions given in sec. 6(1) and any one condition given in sec. 6(6)
 - both conditions given in sec. 6(1) and both condition given in sec. 6(6)
- 10 Children Education allowance is exempted for _____ child/ children.
- One
 - Two
 - Three
 - Four
- 11 Income from horse race falls under the head _____.
- Salary
 - Other sources
 - Profession
 - Business
- 12 "Specified foreign company" means:
- Foreign company in which Indian company holds 26% or more in nominal value of the equity share capital of the company.
 - Foreign company in which Indian company holds 51 or more in nominal value of the equity share capital of the company.
 - Company which is registered in India.
 - Company not registered in India
- 13 An Indian citizen, who leaves India during the previous year as a member of crew of an Indian ship is said to be resident in India during the previous year if –
- his stay in India during the previous year is 60 days or more and for 365 or more days during 4 previous years immediately preceding the relevant previous year
 - his stay in India during the previous year is 182 days or more
 - his stay in India for a period of 730 days or more during 7 previous years immediately preceding the relevant previous year
 - his residential status shall always be non-resident
- 14 Anup age 61 years earned lottery income of Rs. 120000/- and had business income of Rs. 40,000/-. He invested Rs. 10000/- in public provident fund and Rs. 24000 in NSC. Total income for AY 2020-21 is _____
- Rs. 150000/-
 - Rs. 126000/-

- c. Rs. 116000/-
d. Rs.120000/-
- 15 Any sum received under keyman insurance policy including bonus is _____
a. Wholly exempt from tax
b. Exempt to the extent of bonus
c. Taxed as profits and gains of business
d. Taxed as other sources of income
- 16 Salary for the purpose of Entertainment allowance includes-----
a) Basic Pay
b) Basic Pay + DA + fixed % of Commission
c) Basic Pay + DA + Bonus + Commission + All taxable Allowances
d) Basic + DA
- 17 Rajan has incurred Rs. 20000/- for treatment and Rs. 25000 was deposited with LIC for maintenance of handicapped dependant with severe disability. Deduction under chapter VI A is _____
a. Rs. 20000/-
b. Rs. 50000/-
c. Rs. 750000/-
d. Rs. 125000/-
- 18 Family pension received by a widow of a member of the armed forces where the death of the member has occurred in the course of the operational duties in the circumstances and subject of prescribed conditions is -
a. Exempt upto Rs. 3,00,000
b. Exempt upto Rs. 3,50,000
c. Totally exempt under section 10(19)
d. Totally chargeable to tax
- 19 With effect from the assessment year 2013-14, deduction under section 80D is available in respect of expenditure up to Rs._____ incurred by the individual on preventive health check-up of self, his family and parents.
a. 5000
b. 10000
c. 15000
d. 20000
- 20 Municipal value of a house is INR 90,000/-; fair rent INR 1,40,000; Municipal taxes INR 40,000/-. The entire house remained self-occupied throughout the previous years. Net Annual value is _____
a. INR 90,000/-
b. INR 100,000/-
c. INR 1,40,000/-
d. INR ZERO
- 21 One who is liable to pay the income tax in India is _____
a. Indian citizen
b. Resident in India
c. An Assessee

- d. Any person
- 22 As per section 2(31), the following is not included in the definition of 'person'
- An individual
 - A Hindu undivided family
 - A company
 - A minor
- 23 Income-tax in India is charged at the rates prescribed by -
- The Finance Act of the assessment year
 - The Income-tax Act, 1961
 - The Central Board of Direct Taxes
 - The Finance Act of the previous year.
- 24 Income which accrues in India from a Business controlled from India
- Is taxable only for resident
 - Is not taxable only for a non-resident
 - Is taxable for a ROR, RNOR & NR
 - Is exempt in all cases
- 25 Income which accrue outside India from a business controlled from India is taxable in case of _____
- ROR
 - RNOR
 - Both ROR & RNOR
 - NR
- 26 In order to be assessed as HUF there should be -
- Partnership
 - Co-Partnership
 - Co -Partnership
 - Co-Ownership
- 27 Income of business commenced on 1st March 2020 will be assessed in assessment year ____
- 2018-19
 - 2019-20
 - 2020-21
 - 2021-22
- 28 A person follows calendar year for accounting. For taxation he has to follow _____
- Calendar year only :1st January to 31st December
 - Financial year only :1st April to 31st March
 - Any of the Calendar or Financial year as per his choice
 - He will follow extended year from 1st January to next 31st March (a period of 15 months)
- 29 The Central Government has been empowered by entry _____ of the Union list of schedule VII of the constitution of India to levy tax on income other than agricultural income.

- a. 84
 - b. 82
 - c. 81
 - d. 85
- 30 Every assessee is a person, and _____
- a. every person is also an assessee
 - b. every person need not be an assessee
 - c. an individual is always an assessee
 - d. A HUF is always an assessee
- 31 The salary, remuneration or compensation received by the partners is taxable under the head _____.
- a. Income from Other Sources
 - b. Income from Business
 - c. Income from Salary
 - d. Income from Profession
- 32 Mr .X receives a gross salary of Rs 50000/- per month. In the PY 19-20, the salary of February and March 2020 was paid in the month of May 2020. Find the total taxable salary of Mr X for the AY 20-21
- a) Rs 600000/-
 - b) Rs 500000/-
 - c) Rs 100000/-
 - d) Rs. 5,50,000/-
- 33 Municipal value of a house is INR 9000/-; fair rent INR 14,000/-; Standard rent INR 12,000/-. The house property has been let out for INR 1,200/- per month and was vacant for 3 months during previous year. Gross Annual value is _____
- a. INR 5,000/-
 - b. INR 10,800/-
 - c. INR 8,000/-
 - d. INR 6,800/-
- 34 Mukund has taken a house on rent and sublets the same to Aamir. Income of Mukund from such house property shall be taxable under the head _____
- a. Income from other sources
 - b. Income from house property
 - c. Business income
 - d. None of these
- 35 Expenditure on scientific research is defined under section _____
- a. Section 35
 - b. Section 34
 - c. Section 33
 - d. Section 32
- 36 Group of assets falling within a class of assets in respect to tangible and intangible assets is called as _____
- a. Set of assets

- b. Group of assets
 - c. Block of assets
 - d. Cluster of assets
- 37 Income from sale of household furniture is _____
- a. Taxable capital gain
 - b. Short term capital gain
 - c. Not taxable as capital gain
 - d. Long term capital gain
- 38 For claiming exemption under section 54, assessee should construct the residential property:
- a. Within one year after the date of transfer
 - b. Within three years after the date of transfer
 - c. Within two years after the date of transfer
 - d. Within five years after the date of transfer
- 39 Which of the following incomes are chargeable under the head 'Income from other sources'?
- a. Dividends
 - b. Winnings from lotteries
 - c. Betting
 - d. All of these
- 40 Daljit was dealing in the business of lotteries. He himself won a lottery. Income earned from such lottery will be
- a. Taxable under the head Profit and Gains of Business or Profession
 - b. Taxable under the head Income from other sources
 - c. Exempt
 - d. Allowed as deduction
- 41 Income tax rate for the senior citizens for Previous year 2019-20 is _____.
- (a) Upto 3 lakh is Nil
 - (b) Upto 10 lakh is 10%
 - (c) Upto 5 lakh is 10%
 - (d) Upto 7.5 lakh is 10%
- 42 Payment of LIC premium can be claimed as deduction u/s _____.
- a. 80 C
 - b. 80 CCC
 - c. 80 D
 - d. 80 DD
- 43 Contribution to RPF is deducted u/s
- a. 80C
 - b. 80D
 - c. 80E
 - d. 80G
- 44 The last date of filling of return of income of individual:
- a) 31st July of the assessment year

- b) 30th September of the assessment year
- c) 31st March of the assessment year
- d) 31st August of the assessment year

- 45 Section 80 C is allowed to _____
- a) Only individuals
 - b) Both individual and HUF
 - c) Firm
 - d) Company
- 46 Deduction u/s 80 C in respect of term deposits with a scheduled bank is allowed if the term deposit is for a period
- a. Not less than 2 years
 - b. Not less than 1 year
 - c. Not less than 5 years
 - d. Not less than 3 years
- 47 The quantum of deduction allowed u/s 80D for self and spouse shall be limited to _____
- a. Rs. 25000/-
 - b. Rs. 10000/-
 - c. Rs. 50000/-
 - d. Rs. 30000/-
- 48 Rs.1,50,000 is the maximum qualifying limit for deduction under _____
- a. Section 80 C
 - b. Section 80 C and 80 CCC
 - c. Section 80 CCC
 - d. Section 80 C and 80 D
- 49 Deduction under section 80C in respect of life insurance premium is restricted to 20% of capital sum assured in respect of policies issued on or before 31-3-2012 and ___% of capital sum assured in case of policies taken on or after 1-4-2012.
- a. 5
 - b. 10
 - c. 20
 - d. 25
- 50 What is the minimum holding period in respect of life insurance policy whose premium is claimed as deduction under section 80C?
- a. 2 years
 - b. 3 years
 - c. 4 years
 - d. 5 years