425 QUESTION PAPER BOOKLET CODE : **A**

Question Paper Booklet No.

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Time allowed : 3 hours Maximum marks : 100

Total number of questions : 100 Total number of printed pages : 20

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PART—I

1. Accounting .... of a business entity.

   (A) measures past performance

   (B) depicts current financial position

   (C) helps in forecasting future performance

   (D) all of the above

2. Which of the following statements is correct in relation to Trade Discount ?

   (A) Recorded in the books of accounts

   (B) Calculated on invoice price

   (C) Encourage prompt payment

   (D) All of the above

3. Journal Proper contains .... that cannot be entered in any other subsidiary book.

   (A) Cash transactions

   (B) Cash and Credit transactions

   (C) Contra transactions

   (D) Rectification entries

4. For disclosure requirement, list of shareholders holding .... of shares as on the balance sheet date should be given.

   (A) 5% and above

   (B) More than 5%

   (C) 10% and above

   (D) More than 10%

5. A limited company issued 10,000 equity shares of ₹ 100 each, payable ₹ 25 on application, ₹ 25 on allotment, ₹ 25 on first call and ₹ 25 on final call. One shareholder to whom 800 shares were allotted failed to pay the final call money. First call was made three months after the allotment and the final call was made three months after the first call. The company received calls-in-arrears on 800 shares 3 months after the final call became due. If the company adopts Table F of Schedule I, the maximum interest payable on calls-in-arrears is :

   (A) ₹ 500

   (B) ₹ 600

   (C) ₹ 1,000

   (D) ₹ 1,200

6. A company invited applications for 50,000 shares of ₹ 10 each at a premium of ₹ 2 per share, payable as ₹ 3 on application, ₹ 5 on allotment (including premium) and the balance on call. Applications for 80,000 shares were received, of which applications for 5,000 shares were rejected and the money was returned. Allotment was made pro-rata to the remaining applicants and the excess application money being used towards the allotment. R, to whom 200 shares were allotted failed to pay the amount due on allotment and call. If his shares were forfeited and reissued at the rate of ₹ 11 per share, then the amount transferred to capital reserve account would be :

   (A) ₹ 300

   (B) ₹ 600

   (C) ₹ 900

   (D) ₹ 200

7. The minimum time interval between two successive buy-back offers is .... from the closure of the preceding offer of buy-back.

   (A) 6 months

   (B) 12 months

   (C) 18 months

   (D) 24 months

8. A company cannot issue bonus shares to its members :

   (A) In lieu of dividend

   (B) When shares are partly paid-up

   (C) When it is not authorized by its articles

   (D) All of the above

9. A company can issue shares under Employees Stock Option Scheme (ESOS) to the permanent employees of :

   (A) Its own

   (B) Its subsidiary company

   (C) Its holding company

   (D) All of the above

10. RR Ltd. has a paid-up equity share capital of ₹ 50 Crores in the year 2022-23. During the year, the company wants to issue sweat equity shares to its employees. Previously, if the company has not issued any such shares, to what extent the company can issue such shares during this year ?

   (A) ₹ 5 Crores

   (B) ₹ 7.5 Crores

   (C) ₹ 10 Crores

   (D) ₹ 12.5 Crores

11. The acronym XBRL stands for :

   (A) Expandable Business Research Language

   (B) Expandable Business Reporting Language

   (C) Extensible Business Review Language

   (D) Extensible Business Reporting Language

12. G Ltd. wants to issue Redeemable Preference Shares to mobilize funds to carry out an airport development project. In this case, what should be the maximum redemption period ?
    (A) 20 years
    (B) 25 years
    (C) 30 years
    (D) No time limit for redemption

13. PK Ltd. issued 20,000 equity shares of ₹ 25 each for public subscription. The issue was underwritten by P, Q and R as 25%, 30% and 25% respectively. The company received 13,000 applications, of which marked applications of P, Q and R were respectively 4,000, 3,000 and 4,000. In this case, the net liability of P, Q and R respectively is :
    (A) 1,000 : 3,000 : 1,000
    (B) 500 : 2,400 : 500
    (C) 1,400 : 1,680 : 1,400
    (D) 1,750 : 2,100 : 1,750

14. Appointment of Debenture Trustee is a pre-condition to give invitation for subscribing of debentures to public when the invitation is given to :
    (A) Any no. of persons
    (B) More than 500 persons
    (C) More than 1,000 persons
    (D) More than 2,000 persons

15. The amount remaining invested or deposited in the specified securities shall not, at any time, fall below .... of the amount of debentures maturing during the year ending on 31st March of every year.
    (A) 10%
    (B) 15%
    (C) 20%
    (D) 25%

16. SS Ltd. purchased ₹ 15,000, 8% own debentures of ₹ 1,000 each on 30th September at ₹ 960 cum-interest. If interest is payable on 30th June and 31st December, the amount debited to Own Debentures Account at the time of purchase would be :
    (A) ₹ 14,100
    (B) ₹ 14,400
    (C) ₹ 14,700
    (D) ₹ 15,000

17. A company planned to buy-back its own shares for a consideration of ₹ 200 crores. For this, as per the SEBI Regulations 2018, the escrow amount that should be payable is :
    (A) ₹ 200 crores
    (B) ₹ 50 crores
    (C) ₹ 35 crores
    (D) ₹ 25 crores

18. A company can issue debentures :
    (A) With voting rights at par with shareholders
    (B) With limited voting rights for specified items only
    (C) Without any voting rights only
    (D) With voting rights to Debenture Trustees only

19. In case of Companies other than listed companies, ... has the right to determine the exercise price under the Employees Stock Option Scheme (ESOS).
    (A) The Company
    (B) The Securities and Exchange Board of India
    (C) The Central Government
    (D) The Employees of the Company

20. The voting power, in respect of shares with differential rights, of a company shall not exceed .... of total voting power including voting power in respect of equity shares with differential rights issued at any point of time.
    (A) 24%
    (B) 49%
    (C) 74%
    (D) 50%

21. According to Ind AS1, the basis for presentation of general purpose financial statements is to ensure :
    (A) Comparability
    (B) Consistency
    (C) Accuracy
    (D) All of the above

22. Cash Flow Statement, as a part of financial statements, helps in assessing the .... of an enterprise.
    (A) Liquidity
    (B) Solvency
    (C) Efficiency in Cash Management
    (D) All of the above

23. Consider the following information :

	(in Crore ₹)
Paid-up share capital	30
Long-term loan repayable after 3 years	10
Accumulated losses	7
Share application money	0.5
Preliminary expenses	0.8
Reserves (including a revaluation reserve of ₹ 1 crore)	6

From the above particulars, the effective capital for the purpose of managerial remuneration is :
    (A) ₹ 36.2 crores
    (B) ₹ 37.2 crores
    (C) ₹ 38 crores
    (D) ₹ 46 crores

24. T Ltd. provided the following information from its records as on 31-03-2022.

    Total Turnover ₹ 870 crores

    Gross Profit ₹ 11 crores

    Net Profit ₹ 4.7 crores

    Paid-up share capital ₹ 400 crores

    Total value of assets ₹ 1,250 crores

    Total value of liabilities ₹ 300 crores

    The company is liable to constitute a CSR Committee in 2022-23 as per the criteria of :

    (A) Net Worth

    (B) Turnover

    (C) Net Profit

    (D) T Ltd. is not liable to constitute CSR committee

25. The Director or an employee of a company, who .... with related party against the provisions of Section 188 of The Companies Act, 2013 shall be liable for a penalty.

    (A) Entered into a contract

    (B) Authorized a contract

    (C) Authorized an arrangement

    (D) Any of the above

26. Sitting fee to directors for attending Board or Committee meeting shall be decided by :

    (A) The General Body of the Company

    (B) The Board of Directors of the Company

    (C) The Articles of Association of the Company

    (D) The Central Government

27. If a company spends any amount as CSR expenditure in a year in excess of the requirement provided u/s 135(5), the said excess amount shall be set-off against the requirement to spend u/s 135(5) up to immediately succeeding .... financial year(s).

    (A) One

    (B) Three

    (C) Five

    (D) No time limit

28. A holding company can hold shares of subsidiary, but a subsidiary cannot hold shares of its holding company. This restriction does *not* apply to :

    (A) Foreign subsidiary company

    (B) Investment company

    (C) Subsidiary company holding shares as trustee

    (D) Government company

29. S Ltd. has a capital of ₹ 4,00,000 in shares of ₹ 100 each, out of which H Ltd. purchased three-fourths of the shares at ₹ 4,80,000. The profit of S Ltd. at the time of purchase of shares by H Ltd. was ₹ 1,20,000. If S Ltd. decided to make a bonus issue out of pre-acquisition profits, of one share for every five shares held, the cost of control after the issue of bonus shares would be :

    (A) ₹ 1,80,000

    (B) ₹ 1,50,000

    (C) ₹ 1,20,000

    (D) ₹ 90,000

30. Unrealized profit included in stock of goods sold by holding company to subsidiary or subsidiary company to holding company should be .... while preparing consolidated financial statements.

    (A) Deducted from stock in consolidated balance sheet only.

    (B) Deducted from P&L Account balance in consolidated balance sheet only.

    (C) Deducted from stock as well as P&L Account balance in consolidated balance sheet.

    (D) Shown separately on assets side of the consolidated balance sheet.

31. The share capital of H Ltd. and S Ltd., constituted in shares of ₹ 10 each, was respectively ₹ 5,00,000 and ₹ 1,00,000 as on 31st March, 2022. S Ltd., had a credit balance of ₹ 30,000 in reserves on that date when H Ltd. acquired 8,000 shares of S Ltd. for ₹ 1,40,000. S Ltd. decided to make a bonus issue out of post-acquisition profits, of two shares of ₹ 10 each, fully paid, for every five shares held. In this case, the value of minority interest would be :

    (A) ₹ 20,000

    (B) ₹ 26,000

    (C) ₹ 28,000

    (D) ₹ 34,000

32. The fundamental accounting assumption(s) to be followed to avoid specific disclosure of accounting policies in financial statements include :

    (A) Going Concern

    (B) Consistency

    (C) Accrual

    (D) All of the above

33. The most important traditional performance measure for shareholder value creation is :

    (A) Earnings per share

    (B) Shareholder value added

    (C) Economic value added

    (D) Market value added

34. In case of Government Company, the Comptroller and Auditor General of India, within .... from the date of receipt of audit report, has the right to conduct a supplement audit.
    (A) 21 days
    (B) 30 days
    (C) 45 days
    (D) 60 days

35. Which of the following is the newly added reporting clause in Companies (Auditor's Report) Order 2020 ?
    (A) Reporting on managerial remuneration
    (B) Reporting on cash losses
    (C) Reporting on transaction with related parties
    (D) Reporting on statutory dues

36. As provided by the Companies Act, 2013, under corporate governance, out of the total number of directors, at least two of them should be independent directors in case of :
    (A) Unlisted public companies having turnover of ₹ 100 crores or more
    (B) Unlisted public companies having paid up capital of ₹ 10 crores or more
    (C) Unlisted public companies with aggregate outstanding loans, debentures and deposits exceeding ₹ 50 crores
    (D) All of the above

37. Compliance Report on Corporate Governance in Annexure II format shall be given :
    (A) On quarterly basis
    (B) On half yearly basis
    (C) At the end of each financial year
    (D) On monthly basis

38. According to value added concept, gross value added is distributed to :
    (A) Shareholders
    (B) Employees
    (C) Government
    (D) All of the above

39. EC Ltd., has an Economic Value addition of ₹ 40,000 as on 31st March, 2022. During the year, its net operating profit before tax is ₹ 72,00,000 and Weighted Average Cost of Capital is 12.5%. If the assessable tax rate of the company is 30%, the amount of capital employed would be :
    (A) ₹ 4,00,00,000
    (B) ₹ 3,76,00,000
    (C) ₹ 3,32,00,000
    (D) ₹ 2,67,46,000

40. Which of the following is a corrective measure to increase the Economic Value Added of a business concern ?
    (A) Introduction of higher cost debt instead of lower cost equity
    (B) Increase Asset Turnover Ratio
    (C) Generate more revenue using more capital
    (D) All of the above

41. .... method of valuation integrates profit and loss account, balance sheet and cash flow statement of a business entity.
    (A) Shareholder Value Added
    (B) Market Value Added
    (C) Economic Value Added
    (D) All of the above

42. Usage of Shareholder Value Added as a performance measure is advisable to :
    (A) Privately held companies
    (B) Publicly held companies
    (C) Government owned companies
    (D) Both privately and publicly held companies

43. Cash equivalents are investments :
    (A) Having significant risk of change in value
    (B) Held for meeting long-term cash commitments
    (C) Readily convertible into known amount of cash
    (D) All of the above

44. The net income reported in the income statement of the year was ₹ 1,75,000 and depreciation on fixed assets for the year was ₹ 40,000. The balances of current assets and current liabilities are as follows :

Items	**Opening Balance** (₹)	**Closing Balance** (₹)
Inventories	2,00,000	1,80,000
Debtors	1,90,000	2,20,000
Cash	1,60,000	1,40,000
Prepaid Expenses	20,000	15,000
Accounts Payable	1,00,000	85,000

The cash flow from operating activities would be :
    (A) ₹ 2,00,000
    (B) ₹ 1,95,000
    (C) ₹ 2,10,000
    (D) ₹ 2,25,000

45. From the following information, find out the cash flow from Investing activities.

Furniture in the beginning of the year (net) ₹ 3,50,000

Furniture at the end of the year (net) ₹ 4,10,000

Furniture having book value of ₹ 25,000 was sold for ₹ 18,000

Depreciation charged on furniture during the year was ₹ 30,000

(A) ₹ 60,000

(B) ₹ 90,000

(C) ₹ 97,000

(D) ₹ 1,45,000

46. M Ltd. provides the following details :

Items	2020 (₹)	2021 (₹)
Share Capital	8,00,000	12,00,000
12% Debentures	4,00,000	3,00,000
Share premium	60,000	1,00,000
Int. on debentures paid	—	48,000
Dividend received	—	30,000

Cash flow from financing activities would be :

(A) ₹ 3,22,000

(B) ₹ 4,70,000

(C) ₹ 3,70,000

(D) ₹ 2,92,000

47. In the following situations, when there will be a flow of fund for the purpose of Fund Flow Statement ?

(A) If both the accounts involved are current accounts

(B) If both the account involved are non-current accounts

(C) If one account involved is a current account and other one is a non-current account

(D) All of the above

48. You are given with the following information :

Items	2020 (₹)	2021 (₹)
Building	50,000	66,000
Stock	80,000	90,000
Debtors	1,20,000	1,15,000
Cash	30,000	47,000
Total	2,80,000	3,18,000
Share Capital	2,00,000	2,50,000
Retained Earnings	10,000	23,000
Creditors	70,000	45,000
Total	2,80,000	3,18,000

The net change in working capital is :

(A) Net increase ₹ 47,000

(B) Net decrease ₹ 47,000

(C) Net decrease ₹ 52,000

(D) Net increase ₹ 52,000

49. The balance in Plant & Machinery account at the beginning of the accounting year was ₹ 1,80,000 and at the end was ₹ 2,60,000. During the year, an old machinery which had cost of ₹ 12,000 (accumulated depreciation thereon ₹ 9,000) was sold for ₹ 8,000. The net/overall flow of fund from plant & machinery, if the current year depreciation was ₹ 22,000, is :
    - (A) Outflow ₹ 97,000
    - (B) Outflow ₹ 1,05,000
    - (C) Inflow ₹ 97,000
    - (D) Outflow ₹ 1,10,000

50. In India, accounting standards are issued by :
    - (A) Institute of Chartered Accountants of India
    - (B) Insurance and Regulatory Development Authority of India
    - (C) Reserve Bank of India
    - (D) All of the above

51. When a very small proportion of the activities of an enterprise is considered to be commercial, industrial or business in nature then the Accounting Standards would apply to :
    - (A) All of its activities
    - (B) None of its activities
    - (C) Commercial, industrial or business activities only
    - (D) Non-commercial, non-industrial or non-business activities only

52. AS 3 shall not apply to small and medium company (SMC) if it is a :
    - (A) One Person Company
    - (B) Dormant Company
    - (C) Small Company
    - (D) All of the above

53. When there is a conflict between the provisions of any applicable Act and the Accounting Standard, then :
    - (A) The provisions of the Act shall prevail
    - (B) The provision of the Accounting Standards shall prevail
    - (C) The provisions of the Act or Accounting Standard shall prevail, as opted by the company
    - (D) The provisions of the Act or Accounting Standard shall prevail, as decided by the Registrar of companies.

54. As per the provisions of AS 02, inventories should be valued at :
    - (A) The cost price
    - (B) The net realizable value
    - (C) Cost price or net realizable value whichever is less
    - (D) Cost price or net realizable value whichever is more

55. The provisions of AS 19 related with leases are not applicable in accounting relating to :
    (A) Lease agreements to explore for or use natural resources
    (B) Lease agreements to use lands
    (C) Lease agreements for patents and copy-rights
    (D) All of the above

56. The strategic objective of .... is strengthening Public Financial Management globally.
    (A) International Public Sector Accounting Standards Board
    (B) International Financial Reporting Standards Foundation
    (C) Financial Reporting Council
    (D) Financial Accounting Standards Board

57. Scheduled commercial banks excluding regional rural banks, are required to apply Indian Accounting Standards (Ind ASs) for preparing their financial statements for the period ending beginning on or after :
    (A) 1 April, 2016
    (B) 1 April, 2017
    (C) 1 April, 2018
    (D) 1 April, 2019

58. Ind AS 27 prescribes the accounting and disclosure requirements for investments in .... when an entity prepares separate financial statements.
    (A) Subsidiaries
    (B) Joint Ventures
    (C) Associates
    (D) All of the above

59. .... prohibits presentation of any item as extraordinary item in the statement of profit and loss or in the notes.
    (A) AS 01
    (B) Ind AS 01
    (C) Ind AS 101
    (D) Ind AS 41

60. Ind AS 33 requires presentation of basic and diluted Earnings Per Share from :
    (A) Continuing operations only
    (B) Discontinued operations only
    (C) Both continuing and discontinued operations
    (D) Extraordinary operations

PART—II

61. Match List-I with List-II :

List-I

(*a*) Staff Services

(*b*) Current Market Price

(*c*) Make or buy decisions

(*d*) Conveniently identifiable

List-II

(*i*) Replacement Cost

(*ii*) Direct Cost

(*iii*) Managed Cost

(*iv*) Out of Pocket Cost

	(*a*)	(*b*)	(*c*)	(*d*)
(A)	(*i*)	(*iii*)	(*ii*)	(*iv*)
(B)	(*iii*)	(*i*)	(*iv*)	(*ii*)
(C)	(*ii*)	(*iv*)	(*i*)	(*iii*)
(D)	(*iv*)	(*ii*)	(*iii*)	(*i*)

62. Which of the following techniques of material control analyses items of material based on their criticality to production ?

(A) Inventory Issue System

(B) Material Turnover Ratios

(C) ABC Analysis

(D) VED Analysis

63. Time recording is necessary in case of :

(A) Direct workers

(B) Indirect workers

(C) Workers paid on piece-basis

(D) All of the above

64. The need for classifying overheads into fixed and variable is essential to :

(A) Fix selling price

(B) Determine method of absorption of overheads

(C) Prepare flexible budget

(D) All of the above

65. If cost of production is ₹ 1,87,500; opening stock of finished goods is ₹ 72,800; closing stock of finished goods is ₹ 44,000; sales return is ₹ 12,500 and purchase return is ₹ 8,000; the value of cost of goods sold is :

(A) ₹ 1,58,700

(B) ₹ 1,95,800

(C) ₹ 2,03,800

(D) ₹ 2,16,300

66. A company specified in item (A) of Rule 3 of the Companies (Cost Records and Audit) Rules, 2014 shall get its current year cost records audited when the overall annual turnover of the company from all its products and services during the immediately preceding financial year is :

(A) ₹ 25 crores or more

(B) ₹ 35 crores or more

(C) ₹ 50 crores or more

(D) ₹ 100 crores or more

67. Which of the following is not applicable to forecast ?

(A) Has limited scope

(B) A tool for control

(C) Displays policy and programme to be followed

(D) All of the above

68. The difference between fixed and variable cost has a special significance while preparing :

(A) Cash budget

(B) Key-factor budget

(C) Flexible budget

(D) Master budget

69. The budget which is very useful to identify alternative methods for utilization of scarce resources in effective attainment of selected benefits is :

(A) Performance Budget

(B) Zero-based Budget

(C) Basic Budget

(D) Fixed Budget

70. The following details are given for March 2022 :

Budgeted production 200 units.

Actual production 250 units.

Budgeted working days 24

Actual days worked 27

Standard time per unit 1.2 hours

Actual hours worked 194

The calendar ratio is :

(A) 88.89%

(B) 125%

(C) 112.5%

(D) 154.6%

71. Which of the following techniques for analyzing financial statements shows the nature and rate of movement of various financial items ?
    (A) Common-size Statement
    (B) Trend Analysis
    (C) Fund Flow Analysis
    (D) All of the above

72. Interest cover ratio is an example of :
    (A) Profitability ratios
    (B) Activity ratios
    (C) Market-Test ratios
    (D) Solvency ratios

73. Cash sales ₹ 1,50,000

    Cost of goods sold ₹ 7,00,000

    Debtors turnover ratio 2.5 times

    Gross profit ₹ 2,00,000

    If closing debtors are ₹ 80,000 more than the opening debtors, the average debtors would be :
    (A) ₹ 2,80,000
    (B) ₹ 3,00,000
    (C) ₹ 3,60,000
    (D) ₹ 4,40,000

74. The following information is given :

    Cost of goods sold ₹ 7,20,000

    Sales returns ₹ 20,000

    Capital employed ₹ 2,80,000

    Gross profit ratio 25% on cost

    Working capital ₹ 60,000

    Fixed assets turnover ratio is :
    (A) 3.4 times
    (B) 4 times
    (C) 5.2 times
    (D) 6 times

75. If current ratio is 2.5, Acid test ratio is 1.2 and net working capital is ₹ 1,80,000, the value of liquid assets would be :
    (A) ₹ 1,44,000
    (B) ₹ 1,24,000
    (C) ₹ 1,20,000
    (D) ₹ 1,38,462

76. From the following information find out the return on capital employed :

    Net profit after tax ₹ 2,40,000 (Tax Rate 40%)

    10% Convertible debentures ₹ 5,15,000

    Fixed assets at cost price ₹ 11,20,000

    Accumulated depreciation till date ₹ 1,80,000

    Working capital ₹ 3,50,000
    (A) 18.6%
    (B) 22.6%
    (C) 31%
    (D) 35%

ANSWERS MARKED IN THE OMR ANSWER SHEET SHALL ONLY BE EXAMINED

77. The following information is provided :

Net profit after tax ₹ 80,000

Tax Rate 30%

11% Preference share capital (₹ 10 each) ₹ 5,00,000

Equity share capital (₹ 100 each) ₹ 4,00,000

Working capital ₹ 1,00,000

The earnings per share is :

(A) ₹ 1.48

(B) ₹ 4.60

(C) ₹ 6.25

(D) ₹ 20

78. Middle level management needs :

(A) More frequent reports

(B) More detailed reports

(C) Summarized reports

(D) More frequent and more detailed reports

79. In marginal costing, ... are valued at marginal cost.

(A) Stock of work-in-progress

(B) Stock of finished goods

(C) Product transferred from one process to another process

(D) All of the above

80. If a firm has low margin of safety, this can be improved by :

(A) Converting fixed costs into variable costs

(B) Converting variable costs into fixed costs

(C) Increasing Break-even level

(D) All of the above

81. The following information is given :

Fixed expenses ₹ 1,75,000

Variable cost per unit ₹ 10

Selling price per unit ₹ 16

What should be the selling price per unit to reduce the break-even point to 25,000 units ?

(A) ₹ 15

(B) ₹ 17

(C) ₹ 20

(D) ₹ 24

82. K Ltd. has fixed expenses of ₹ 1,00,000, sales of ₹ 3,60,000 and profit of ₹ 80,000 during the first half of a year. In the next half year, if the company suffers a loss of ₹ 40,000, then the expected sales would be, when the selling price and fixed cost remain the same :

(A) ₹ 1,20,000

(B) ₹ 1,15,000

(C) ₹ 1,80,000

(D) ₹ 2,00,000

83. The P/V ratio and margin of safety of E Ltd. are respectively 40% and 30%. If the sales volume is ₹ 40,00,000, the profit would be :

(A) ₹ 6,00,000

(B) ₹ 5,20,000

(C) ₹ 4,80,000

(D) ₹ 4,00,000

84. AK Ltd. produces a component B by using a machine working to full capacity. One unit of B takes 5 hours to produce and has a selling price of ₹ 50 and variable cost of ₹ 25. Another component C required to produce product D could be made by using the same machine in 2 hours p.u. at a marginal cost of ₹ 5 per unit. If one of the suppliers is ready to supply the component C, what should be the unit price beneficial to AK Ltd. ?

(A) Less than ₹ 15 p.u.

(B) Less than ₹ 18 p.u.

(C) Less than ₹ 20 p.u.

(D) Less than ₹ 25 p.u.

85. The following information relates to production and sale of product R in April and May 2022 :

Items	**April (₹)**	**May (₹)**
Sales	40,000	70,000
Profit/Loss	(3,500)	5,500

Find out the Break-even sales in rupees.

(A) ₹ 51,667

(B) ₹ 57,667

(C) ₹ 63,333

(D) ₹ 80,000

86. The following are obtained from the records of a company :

Sales (4,000 units @ ₹ 25 p.u.) ₹ 1,00,000

Variable cost ₹ 72,000

Fixed cost ₹ 16,000

Find the additional units to be sold to earn the same amount of profit if the selling price is reduced to ₹ 22.

(A) 7,000 units

(B) 5,400 units

(C) 3,000 units

(D) 2,800 units

87. If a company has a P/V ratio of 40%, by what percentage sales must be increased to offset 10% reduction in selling price ?

(A) 4%

(B) 30%

(C) 33.33%

(D) 25%

88. In absorption costing, all of the manufacturing costs are absorbed by the total no. of units :

(A) Produced

(B) Sold

(C) Produced/sold whichever is higher

(D) Produced/sold whichever is lower

89. Transfer price covers transactions between :

(A) Related parties

(B) Associates

(C) Holding company and subsidiary company

(D) All of the above

90. In Activity Based Costing (ABC), as many costs of production as possible are accounted as :

(A) Direct costs

(B) Indirect costs

(C) Fixed costs

(D) Period costs

91. In Activity Based Costing (ABC), ... is a factor that causes a change in the cost of an activity.

(A) Cost object

(B) Cost driver

(C) Cost pool

(D) Cost unit

92. In general, among all the measures of value of a business, the value under this measure is most likely to be least ?

(A) Economic value

(B) Market value

(C) Going-concern value

(D) Liquidation value

93. The equity shares of a company are currently selling at ₹ 80 per share and the company is expected to pay a dividend of ₹ 5 per share. If the rate of return is calculated as 16%, what is the growth rate ?

(A) 8.0%

(B) 9.75%

(C) 10.5%

(D) 12.75%

94. When an entity presents both, consolidated financial statements and separate financial statements as per Ind AS; the disclosures required under Ind AS 33 shall be given in :

(A) Consolidated financial statements only

(B) Separate financial statements only

(C) Both consolidated and separated financial statements

(D) Any of the above

95. Fair value as per Ind AS 113 is the price that would be received to sell an asset or paid to transfer a liability in a transaction between market participants on the :
    (A) Balance sheet date
    (B) Measurement date
    (C) Dividend declared date
    (D) Earliest of the above three dates

96. The value of a share under yield basis is calculated by finding out the capitalization factor. For the computation of the capitalization factor, ... is used as a base.
    (A) Normal Rate of Return
    (B) Average Rate of Return
    (C) Standard Rate of Return
    (D) Expected Rate of Return

97. The total value of assets and liabilities of a firm are respectively as ₹ 24,00,000 and ₹ 10,00,000 and its average profit is ₹ 3,50,000. If the value of goodwill of the firm is calculated as ₹ 11,00,000, the normal rate of return considered for the calculation is :
    (A) 12%
    (B) 14%
    (C) 16%
    (D) 15.5%

98. G Ltd. has initiated a share-based payment arrangement with its employees. Accordingly, an employee who remains in service for at least five years from the grant date can exercise the option at any time after the end of five years but before the end of 12th year from the grant date. In this case, the vesting period of the option is :
    (A) 5 years
    (B) 7 years
    (C) 12 years
    (D) As opted by the employee

99. Which of the following is not a disclosure required under Ind AS 102 in share based payment arrangement ?
    (A) Market share price of exercised options
    (B) Valuation method used
    (C) Settlement method used
    (D) Average share price of exercised options

100. From the following, find out the expected rate of return when the security is correctly priced :

     Expected rate on market portfolio 16%

     Risk free rate of return 7%

     Beta factor of the security 1.2
     (A) 24.4%
     (B) 26.2%
     (C) 15.4%
     (D) 17.8%

Space for Rough Work

ANSWERS MARKED IN THE OMR ANSWER SHEET SHALL ONLY BE EXAMINED