

Section : Accountancy Core

Q.1 Match List-I with List-II

List-I

List-II

- | | |
|--------------------------------|--|
| (A) Admission of a New Partner | (I) Realisation Account |
| (B) Retirement of a Partner | (II) Sacrificing Ratio |
| (C) Dissolution of Partnership | (III) Executors Account |
| (D) Death of A Partner | (IV) Revaluation of Assets and Liabilities |

Choose the correct answer from the options given below:

1. (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
2. (A) - (II), (B) - (IV), (C) - (I), (D) - (III)
3. (A) - (I), (B) - (II), (C) - (IV), (D) - (III)
4. (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Options 1. 1

2. 2
3. 3
4. 4

Q.2 Match List-I with List-II

List-I (Interest on Drawings)

List-II (Time in Months)

- | | |
|--|------------------|
| (A) When the amount is withdrawn at the beginning of each month. | (I) 6 months |
| (B) When the amount is withdrawn at the end of each month. | (II) 6.5 months |
| (C) When the amount is withdrawn at the middle of each month. | (III) 5.5 months |
| (D) When the amount is withdrawn at the end of each quarter. | (IV) 4.5 months |

Choose the correct answer from the options given below:

1. (A) - (III), (B) - (II), (C) - (IV), (D) - (I)
2. (A) - (II), (B) - (III), (C) - (IV), (D) - (I)
3. (A) - (II), (B) - (III), (C) - (I), (D) - (IV)
4. (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Options 1. 1

2. 2
3. 3
4. 4

Q.3 Ashoka Limited Company, which had issued equity shares of Rs.20 each at a premium of Rs. 4 per share, forfeited 1,000 shares for non-payment of final call of Rs.2 per share. 400 of the forfeited shares were reissued at Rs.14 per share out of the remaining shares of 200 shares reissued at Rs.20 per share. Balance of Share Forfeiture Account after reissue of shares will be:

1. Rs. 4,800
2. Rs. 8,400
3. Rs. 7,200
4. Zero

Options 1. 1

2. 2
3. 3
4. 4

Q.4 Match List-I with List-II

List-I (Type of Debentures)	List-II (Characteristic of Debenture)
(A) Secured Debentures	(I) Do not have a specific charge on assets of the company
(B) Redeemable Debentures	(II) Do not carry a specific rate of interest
(C) Zero Coupon Rate Debentures	(III) Are payable on the expiry of the specific period
(D) Unsecured Debentures	(IV) A charge is created on the assets of the company

Choose the correct answer from the options given below:

1. (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
2. (A) - (IV), (B) - (III), (C) - (II), (D) - (I)
3. (A) - (IV), (B) - (II), (C) - (III), (D) - (I)
4. (A) - (III), (B) - (IV), (C) - (I), (D) - (II)

Options 1. 1

2. 2
3. 3
4. 4

Q.5 The following are the features of Debentures:

- (A) The payment of interest is a charge on profits and is to be paid even if there is no profit.
- (B) The debentures, which are issued for a specified period are repayable on the expiry of that period.
- (C) If the debentures are generally secured, they carry a fixed or floating charge over the assets of the company.
- (D) Debentures can not be converted into shares in any case.

Choose the *correct* answer from the options given below:

1. (A), (B) and (D) only
2. (A), (B) and (C) only
3. (A), (B), (C) and (D)
4. (B), (C) and (D) only

Options 1. 1

2. 2
3. 3
4. 4

Q.6 Ram and Laxman started business on 1st Jan 2020 with a capital of Rs 1,20,000 and Rs 80,000 respectively. Ram Introduced Rs. 50,000 to the firm on 1st July 2020 as additional capital. If the rate of interest is 15% p.a. Assuming that accounts are closed as per calendar year then the Interest payable to Ram on Capital would be:

1. Rs. 12,700
2. Rs. 18,000
3. Rs. 25,500
4. Rs. 21,750

Options 1. 1

2. 2
3. 3
4. 4

Q.7 Discount allowed on reissue of forfeited shares should be debited to:

1. Discount on issue of shares account.
2. Loss on issue of shares account.
3. Share Forfeiture Account.
4. Premium on issue of shares account.

Options 1. 1

2. 2
3. 3
4. 4

Q.8 Profit on reissue of forfeited shares should be treated as:

1. Revenue profit
2. Capital profit
3. Income
4. Operating profit

Options 1. 1

2. 2
3. 3
4. 4

Q.9 Arrange the following steps in correct sequence in case of retirement of a partner:

- (A) Adjustment of Capital, if required
- (B) Ascertain new profit sharing ratio and gaining ratio
- (C) Distribution of Revaluation/Accumulated profits and losses
- (D) Undertake revaluation of assets and liabilities

Choose the correct answer from the options given below:

1. (A), (B), (C), (D)
2. (B), (A), (C), (D)
3. (B), (D), (C), (A)
4. (C), (B), (D), (A)

Options 1. 1

2. 2
3. 3
4. 4

Q.10 A partnership is not dissolved when :-

1. A new partner is admitted into firm.
2. Firm's business is closed down permanently.
3. Firm's books of accounts are permanently closed.
4. Economic relationship between partners comes to an end.

Options 1. 1

2. 2
3. 3
4. 4

Q.11 In case of dissolution of a firm, the firm ceases to conduct business and has to settle its accounts. The assets of the firm, including any sum contributed by the partners to make up deficiencies of capital, shall be applied in the following manner and order:

- (A). In paying to each partner proportionately what is due to him on account of capital.
- (B). The residue, if any, shall be divided among the partners in their profit sharing ratio.
- (C). In paying the debts of the firm to third parties.
- (D). In paying each partner proportionately what is due to him/her from the firm for advances as distinguished from capital (i.e. partner' loan).

Choose the correct answer from the options given below:

1. (B), (A), (C), (D)
2. (C), (D), (A), (B)
3. (B), (A), (D), (C)
4. (C), (B), (D), (A)

Options 1. 1

2. 2
3. 3
4. 4

Q.12 Shares can be forfeited:

1. for failure to repay the loan to the bank
2. for failure to attend meetings
3. for non-payment of call money
4. for issue of shares for consideration other than cash

Options 1. 1

2. 2
3. 3
4. 4

Q.13 A and B are partners sharing profits in the ratio of 2:1. C is admitted into the firm for 1/4 share of profits. C brings in Rs. 20,000 in respect of his capital. The capitals of old partners A and B, after all adjustments relating to goodwill, revaluation of assets and liabilities, etc., are Rs. 45,000 and Rs. 15,000 respectively. It is agreed that partners' capitals should be according to the new profit sharing ratio. A's Capital in the new firm will be:

1. Rs. 80,000
2. Rs. 20,000
3. Rs. 40,000
4. Rs. 45,000

Options 1. 1

2. 2
3. 3
4. 4

Q.14 In case of retirement, the profit and loss suspense account is closed by transferring the amount to the _____.

1. Balance Sheet
2. Profit and Loss Account
3. Retiring partners Capital Account
4. Gaining partners Capital Account

Options 1. 1

2. 2
3. 3
4. 4

Q.15 Goodwill is a/an:

1. Fictitious asset
2. Tangible asset
3. Liquid asset
4. Intangible asset

Options 1. 1

2. 2
3. 3
4. 4

Q.16 As per Section 48 of the Partnership Act 1932, which of the following will be utilized for payment of losses, including deficiencies of capital:

(A) Out of Profits

(B) Out of capital of Partners

(C) By partners individually in their profit sharing ratio

(D) Creditors Assets

Choose the correct answer from the options given below:

1. (A), (B) and (D) only
2. (A), (B) and (C) only
3. (B) and (D) only
4. (A) and (C) only

Options 1. 1

2. 2

3. 3

4. 4

Q.17 The director of Poly Plastic Limited resolved that 200 equity shares of Rs.100 each be forfeited for non-payment of the second and final call of Rs.30 per share. Out of these, 150 shares were re-issued at Rs.60 per share to Mohit. Journal entry for creating capital reserve will be:

1. Shares Forfeiture A/c	Dr. 3,500	
To Capital Reserve A/c		3,500
2. Shares Forfeiture A/c	Dr. 6,500	
To Capital Reserve A/c		6,500
3. Shares Forfeiture A/c	Dr. 4,500	
To Capital Reserve A/c		4,500
4. Shares Forfeiture A/c	Dr. 10,500	
To Capital Reserve A/c		10,500

Options 1. 1

2. 2

3. 3

4. 4

Q.18 Yadu, Madhu and Vidu are partners, sharing profit and losses in the ratio of 2:2:1. Their fixed capitals on April 01,2018 were:

Yadu Rs. 5,00,000, Madhu Rs. 4,00,000 and Vidu is 3,50,000. As per a partnership deed, partners are entitled to interest on capital of @5% p.a. and Yadu has to be paid a salary of Rs. 2000 per month. The net loss of the firm as per profit and loss account for the year ending March 31, 2019, amounted to Rs. 75,000. On the basis of the profit and loss appropriation account, Partners' distribution of loss would be:

1. Yadu Rs. 30,000 Madhu Rs. 30,000 Vidu Rs. 15,000
2. Yadu Rs. 25,000 Madhu Rs. 25,000 Vidu Rs. 25,000
3. Yadu Rs. 39,600 Madhu Rs. 39,600 Vidu Rs. 19,800
4. Yadu Rs. 35,000 Madhu Rs. 25,000 Vidu Rs. 15,000

Options 1. 1

2. 2

3. 3

4. 4

Q.19 Hem and Nem are partners in a firm sharing profits in the ratio of 3:2. Their capitals were Rs. 80,000 and Rs. 50,000 respectively. They admitted Sam on Jan. 1, 2025 as a new partner for 1/5 share in the future profits. Sam brought Rs. 60,000 as his capital. Sam share of goodwill will be:

1. Rs. 1,10,000
2. Rs. 3,00,000
3. Rs. 38,000
4. Rs. 22,000

Options 1. 1

- 2. 2
- 3. 3
- 4. 4

Q.20 In the event of retirement of partner, following deduction has to be made from his/her share.:

- 1. Goodwill to be written off (if any)
- 2. Credit balance of his capital account
- 3. Credit balance of his current account (if any)
- 4. His/Her share of profit on revaluation of assets

- Options 1. 1
2. 2
3. 3
4. 4

Q.21 Sameer and Yasmin are partners with capitals of Rs 15,00,000 and Rs 10,00,000 respectively. They agreed to share profits in the ratio of 3:2. The books are closed on March 31, every year. They admit Ravi on October 1, 2019 in the partnership, who bring Rs 12,00,000 as capital and Sameer also introduced additional capital Rs 3,00,000 on that date. Interest on partner's capital is provided @5% p.a. The amount of interest on the capital of Sameer for the year 2019-20 is-

- 1. Rs. 82,500
- 2. Rs. 90,000
- 3. Rs. 82,000
- 4. Rs. 75,000

- Options 1. 1
2. 2
3. 3
4. 4

Q.22 The maximum number of members in a private company can be

- 1. 100
- 2. 200
- 3. 300
- 4. unlimited

- Options 1. 1
2. 2
3. 3
4. 4

Q.23 Which of the following is not a feature of a company ?

- 1. Separate legal entity
- 2. Common seal
- 3. Limited Liability
- 4. Unlimited Liability

- Options 1. 1
2. 2
3. 3
4. 4

Q.24 When a new partner is admitted, the increase in the value of the assets is debited to which account?

- 1. Assets account
- 2. Profit and Loss Adjustment account
- 3. Old partner's capital account
- 4. Profit and Loss account

Options 1. 1

2. 2
3. 3
4. 4

Q.25 Which of the following statement is incorrect?

1. Valid partnership can be formulated even without a written agreement between the partners.
2. Each partner will share profit in same proportion as other in case partnership deed is not there.
3. Maximum number of partners as prescribed by Central Government can be 50
4. The method of settlement of dispute among the partner cannot be part of the partnership deed.

Options 1. 1

2. 2
3. 3
4. 4

Q.26 Arrange the steps in the correct sequence while calculating goodwill by capitalization of average profit method:

- (A) Ascertain the actual firm's capital (net assets)
- (B) Compute the value of goodwill
- (C) compute the capitalized value of the average profits
- (D) Ascertain the average profits

Choose the correct answer from the options given below:

1. (A), (B), (C), (D)
2. (D), (A), (C), (B)
3. (B), (A), (D), (C)
4. (D), (C), (A), (B)

Options 1. 1

2. 2
3. 3
4. 4

Q.27 Which combination of statements is true about the fixed and fluctuating capital-

- (A). Under the Fixed capital method, two separate accounts are maintained for each partner. viz., 'capital account' and 'current account'.
- (B). Under the Fluctuating capital method, the balance of the capital account fluctuates from year to year.
- (C). Under the Fixed capital method, drawings, salary, interest on capital, etc. are posted (transferred) in the current accounts and not in the capital accounts.
- (D). Under the Fixed capital method, the capital accounts always show a debit balance.

Choose the *correct* answer from the options given below:

1. (A), (B) and (D) only
2. (A), (B) and (C) only
3. (A), (C) and (D) only
4. (B), (C) and (D) only

Options 1. 1

2. 2
3. 3

Q.28 In case of dissolution of firm, the bank overdraft is transferred to:

1. Bank Account
2. Partners' capital account
3. Realisation account
4. Partners' current account

Options 1. 1

2. 2
3. 3
4. 4

Q.29 According to section _____ of the Partnership Act, 1932, the dissolution of partnership between all the partners of a firm is called the dissolution of the firm.

- 1.36
- 2.35
- 3.39
- 4.37

Options 1. 1

2. 2
3. 3
4. 4

Q.30 Which of the following is incorrect about the minimum subscription:

Minimum subscription is the minimum amount that, in the opinion of directors, must be raised to meet the needs of business operations of the company relating to:

1. preliminary expenses payable by the company and any commission payable in connection with the issue of shares
2. working capital
3. personal needs of shareholders
4. any other expenditure required for the usual conduct of business operations.

Options 1. 1

2. 2
3. 3
4. 4

Q.31 Any firm that earns normal profits or is incurring losses has _____

1. Less goodwill
2. More goodwill
3. No goodwill
4. Moderate goodwill

Options 1. 1

2. 2
3. 3
4. 4

Q.32 Choose the correct statement if a partnership deed is not present.

1. Interest on Capital are allowed.
2. Interest on partner drawing is charged.
3. Remuneration or salary is given to partners.
4. Partners shall share the profit and losses equally.

Options 1. 1

2. 2
3. 3

Q.33 Which of the following combination of statements are true about dissolution-

- (A). A firm is compulsorily dissolved when a partner decide to retire .
- (B). Dissolution of a partnership is different from dissolution of a firm.
- (C). A partnership is dissolved when there is a death of a partner.
- (D). Dissolution of a firm necessarily involves dissolution of partnership.

Choose the correct answer from the options given below:

- 1. (A), (B) and (D) only
- 2. (A), (B) and (C) only
- 3. (B), (C) and (D) only
- 4. (A), (C) and (D) only

Options 1. 1

- 2. 2
- 3. 3
- 4. 4

Q.34 200 shares of Rs. 100 each issued at a premium of Rs.10 were forfeited for the non-payment of allotment money of Rs. 60 (including premium) per share. The first and final call of Rs. 20 per share on these shares were not made. The forfeited shares were reissued at Rs. 70 per share as fully paid-up. Capital reserve created after reissue will be:

- 1. Rs. 60,000
- 2. Rs. 30,000
- 3. Zero
- 4. Rs. 15,000

Options 1. 1

- 2. 2
- 3. 3
- 4. 4

Q.35 In case of Fixed Capital Method, at the time of dissolution of a firm, An un-recorded asset are taken over by a partner, which Journal Entry will be recorded in the books of the Partnership Firm :-

- 1. Bank A/c Dr.
 To Realisation A/c
- 2. Realisation A/c Dr.
 To Bank A/c
- 3. Partner's Capital Account A/c Dr.
 To Realisation A/c
- 4. Partner's Current Account A/c Dr.
 To Realisation A/c

Options 1. 1

- 2. 2
- 3. 3
- 4. 4

Q.36 At the time of dissolution, when creditor accepts an asset whose value is much more than the amount due to him, he will ____ the excess amount which will be credited to _____ account?

1. Not Pay, Realisation
2. Pay, Realisation
3. Pay, Revaluation
4. Not pay, revaluation

Options 1. 1

2. 2
3. 3
4. 4

Q.37 The Profit on reissue of forfeited shares is transferred to :

1. General Reserve
2. Capital Redemption Reserve
3. Capital Reserve
4. Reserve Capital

Options 1. 1

2. 2
3. 3
4. 4

Q.38 When journal entry for forfeiture of shares is recorded in the Company's Accounts Books, the Share Capital Account -

1. Will be debited by the issue price of the shares forfeited.
2. Will be debited by the face value of the shares forfeited.
3. Will be debited by the called up value of the shares forfeited
4. Will be credited by the issue price of the shares forfeited.

Options 1. 1

2. 2
3. 3
4. 4

Q.39 Which of the following factors affects the value of goodwill?

- (A). Location of Business
- (B). Partner's Performance
- (C). Nature of Business
- (D). Market Situation

Choose the *correct* answer from the options given below:

1. (A), (B) and (D) only
2. (A), (B) and (C) only
3. (A), (C) and (D) only
4. (B), (C) and (D) only

Options 1. 1

2. 2
3. 3
4. 4

Q.40 Debentures which are transferable by mere delivery are:

1. Registered debentures
2. First debentures
3. Bearer debentures
4. Unsecured Debentures

Options 1. 1

2. 2

- 2. Rs. 6,000
- 3. Rs. 1,500
- 4. Rs. 3,000

Options 1. 1

- 2. 2
- 3. 3
- 4. 4

Q.45 What journal entry will be passed for settlement of loan from a partner of Rs. 50,000 by paying Rs. 45,000 at the time of dissolution of a firm :-

- | | | |
|--------------------------|------------|--------|
| 1. Loan from Partner A/c | Dr. 50,000 | |
| To Bank A/c | | 45,000 |
| To Realisation A/c | | 5,000 |
| 2. Loan from Partner A/c | Dr. 50,000 | |
| To Bank A/c | | 50,000 |
| 3. Realisation A/c | Dr. 50,000 | |
| To Bank A/c | | 50,000 |
| 4. Loan from Partner A/c | Dr. 45,000 | |
| To Bank A/c | | 45,000 |

Options 1. 1

- 2. 2
- 3. 3
- 4. 4

Section : Analysis of Financial Statements

Q.46 'Vertical analysis' is also known as:

- (A) Ratio Analysis
- (B) Cash Flow Analysis
- (C) Comparative Statement Analysis
- (D) Common Size Statement Analysis

Choose the correct answer from the options given below:

- 1. (A), (B) and (D) only
- 2. (B) and (D) only
- 3. (D) Only
- 4. (C) only

Options 1. 1

- 2. 2
- 3. 3
- 4. 4

Q.47 Higher turnover ratio means:

- 1. under utilization of assets
- 2. improper utilization of assets
- 3. better utilization of assets
- 4. signifies decreased efficiency

Options 1. 1

- 2. 2
- 3. 3
- 4. 4

Q.48 Match List-I with List-II

- | | |
|--------------------|---------------|
| List-I | List-II |
| (Type of Activity) | (Transaction) |

List-I

List-II

(A) Operating Activity (I) Interest Paid on long-term borrowings

(B) Financing Activity (II) Cash Credit

(C) Investing Activity (III) Rent received on property held as investment

(D) Cash Equivalents (IV) Cash purchases

Choose the correct answer from the options given below:

1. (A) - (I), (B) - (II), (C) - (III), (D) - (IV)
2. (A) - (IV), (B) - (II), (C) - (III), (D) - (I)
3. (A) - (IV), (B) - (II), (C) - (I), (D) - (III)
4. (A) - (IV), (B) - (I), (C) - (III), (D) - (II)

Options 1. 1

2. 2
3. 3
4. 4

Q.49 Arrange the following steps in the correct sequence while calculating the cash flow from operating activities:

(A) Add in profit deductions already made in the Statement of Profit and Loss on account of non-cash items

(B) Calculate Operating Profit before Working Capital changes

(C) Deduct additions (incomes) made in the Statement of Profit and Loss on Account of Non-operating items

(D) Calculate Net Profit/Loss before Tax and Extraordinary Items

Choose the correct answer from the options given below:

1. (A), (B), (C), (D)
2. (D), (A), (B), (C)
3. (B), (A), (D), (C)
4. (D), (A), (C), (B)

Options 1. 1

2. 2
3. 3
4. 4

Q.50 Liquid Ratio is also known as:

(A) Current Ratio

(B) Quick Ratio

(C) Acid- Test Ratio

(D) Working Capital Ratio

Choose the correct answer from the options given below:

1. (B), (C) and (D) only
2. (B) only
3. (C) Only
4. (B) and (C) only

Options 1. 1

2. 2
3. 3
4. 4

Section : Computerized Accounting Systems

Q.51 What is the correct formula for calculating total depreciation on an asset?

1. Acquisition Cost x Salvage Value
2. Acquisition Cost - Salvage Value
3. Salvage Value x Depreciation Rate
4. Acquisition Cost / Useful Life

Options 1. 1

2. 2
3. 3
4. 4

Q.52 What element can you show or hide to improve clarity in the background of the chart?

1. Cell values
2. Gridlines
3. Data types
4. Legends

Options 1. 1

2. 2
3. 3
4. 4

Q.53 Which Excel function is commonly used to calculate loan repayment instalments?

1. DB
2. SLN
3. PV
4. PMT

Options 1. 1

2. 2
3. 3
4. 4

Q.54 What allows you to reposition or change the size of a chart on the worksheet?

1. Format tab
2. Resize or move option
3. Data validation
4. Freeze panes

Options 1. 1

2. 2
3. 3
4. 4

Q.55 How do you display or hide the horizontal and vertical axes in a chart?

1. By inserting formulas
2. By resizing the plot area
3. By selecting primary or secondary axes display
4. By deleting chart elements

Options 1. 1

2. 2
3. 3
4. 4