

**PSC Accountant / Junior Accountant /  
Accounts Assistant - Various Companies/  
Corpns/ Boards/ Societies Examination  
Previous Year Question Paper**

***Exam Name: Accountant / Junior Accountant /  
Accounts Assistant - Various Companies/ Corpns/  
Boards/ Societies***

***Date of Test : 25.06.2016***

***Question Paper Code: 082/2016***

***Medium of Questions: English***



082/2016

Maximum : 100 marks

Time : 1 hour and 15 minutes

1. Which one of the following is true with regards to cash discount?  
(A) It is discount on prompt payment (B) It is discount on price at sales  
(C) It is a discount given in cash (D) It is a reduction in face value
2. Who, among the following, is associated with the term 'Marketing Myopia'?  
(A) Taylor (B) Philip Kotler  
(C) Henry Ford (D) Theodore Levitt
3. In which of the following pricing strategy, the marketer charge maximum price on introducing a new product?  
(A) Penetration Pricing (B) Going Rate Pricing  
(C) Skimmed Pricing (D) Full Cost Pricing
4. \_\_\_\_\_ is the set of all products and items that a seller offers to sell.  
(A) Product Line (B) Product Mix  
(C) Product width (D) Product Length
5. Which of the following do not fall under '4Ps' suggested by McCarthy?  
(A) Promotion (B) Product  
(C) Place (D) Perfection
6. Which of the following concept says that the consumers will favour those products that are available widely at low cost?  
(A) Production Concept (B) Selling Concept  
(C) Product Concept (D) Marketing Concept
7. In 'ABC' analysis of stock control, which of the following is true with regards to 'C' category goods?  
(A) They have strict control (B) They have moderate control  
(C) They have no control (D) They have loose control

8. Which of the following is the formula to calculate workers wage under Halsey Premium Plan?
- (A)  $T \times R + \% (S-T-R)$  (B)  $T \times R + \% S (T-R)$   
(C)  $T \times R + \% (S-T) R$  (D)  $(T-R) \times \% (S-T) R$
9. It said that Batch Costing is an extension of \_\_\_\_\_ Costing.
- (A) Contract (B) Job  
(C) Process (D) Operation
10. The smallest sub-unit of an organisation where cost collection is attempted is :
- (A) Cost Center (B) Cost Element  
(C) Cost Unit (D) Cost Department
11. Zero Based Budgeting is related to whom of the following?
- (A) Philip Kotler (B) Ronald Reagan  
(C) Jimmy Carter (D) Gerald Ford
12. In costing, the sum of direct material, direct labour and direct overheads are known as :
- (A) Basic Cost (B) Cost of Product  
(C) Factory Cost (D) Prime Cost
13. Cost of abnormal idle time is :
- (A) Credited to Costing P&L Account (B) Debited to Costing P&L Account  
(C) Credited to Production Account (D) Debited to Production Account
14. Which one of the following is an uncontrollable cause of material price variance?
- (A) Change in market price (B) Inefficient buying  
(C) Emergence purchase (D) Loss of discount
15. Two or more products, with same importance, produced during a production process is known as :
- (A) Double Product (B) Joint Product  
(C) Two Product process (D) By-Product
16. FIFO method is best suited when :
- (A) Prices are Falling (B) Prices are Fluctuating  
(C) Prices are Rising (D) Prices are almost Stable

17. In costing ————— analysis is used primarily for control of spare parts.  
(A) ABC (B) Need  
(C) VED (D) Cost
18. Which of the following is true with regards to 'Bin Card'?  
(A) It records value only (B) It records value and quantity  
(C) It records quantity only (D) None of the above is true
19. Average Stock Level is calculated with which of the following formula?  
(A) Minimum Stock +  $\frac{1}{2}$  Reorder quantity  
(B) Minimum Stock +  $\frac{1}{4}$  Reorder quantity  
(C) Minimum Stock + Reorder quantity  
(D) Minimum Stock + (Reorder quantity  $\times$  Reorder Time)
20. What is 'EOQ' if: Consumption per Year is 600 Units, Carrying Cost is 20%, Ordering Cost is Rs.12.00 per order and Price/Unit is Rs. 20?  
(A) 650 Units (B) 750 Units  
(C) 600 Units (D) 700 Units
21. Which of the following is/are true with regards to 'escalation clause'?  
(A) It is associated with contract costing  
(B) Applicable when there is a change in the price of Labour and/or Material  
(C) Not applicable when there is a Change in the utilization production factors  
(D) Both (A) and (B) above
22. Special Drawing Right (SDR) is related to which of the following institution?  
(A) IBRD (B) WTO  
(C) IMF (D) GATT
23. In which year the LIC was formed?  
(A) 1962 (B) 1956  
(C) 1964 (D) 1979
24. Which of the following institutions regulate Indian Money Market in India?  
(A) RBI (B) IRDA  
(C) SEBI (D) NBARD

25. Which of the following institution was formed in India with the help of World Bank?
- (A) IDBI (B) IFCI  
(C) ICICI (D) DFHI
26. Name the first mutual fund scheme offered in India :
- (A) HSBC Equity 5 (B) UTI MF Scheme- I  
(C) SBI Magnum Equity (D) Unit Scheme - 64
27. All, except one, given below belongs to a group. Find out one which does not belong to the group.
- (A) International Monetary Fund  
(B) The International Development Association  
(C) The Multilateral Investment Guarantee Agency  
(D) The International Finance Corporation
28. RBI was established in which year?
- (A) 1938 (B) 1935  
(C) 1948 (D) 1945
29. Of the following, which was the first Development Financial Institution started in India?
- (A) IDBI (B) NABARD  
(C) LIC -HFL (D) IFCI
30. Which of the following insurance company has reinsurance business?
- (A) LIC of India (B) Oriental Insurance Company Ltd  
(C) GIC of India (D) United India Insurance Company Ltd
31. What is the meaning of the Latin word 'audire'?
- (A) To hear (B) To find  
(C) To check (D) To note
32. Audit note book is maintained by whom?
- (A) Client's clerk (B) Auditor  
(C) Client (D) Audit clerk

33. Which of the following statement is **most suitable** to an 'audit report'?
- (A) It is a fault finding report of audit (B) It is a report of errors and frauds  
(C) It is an opinion of the Auditor (D) It is always a statutory report
34. As per Indian Companies Act 2013, Section 139, an individual auditor, on appointment shall hold the office for a term of :
- (A) 10 years (B) 1 year  
(C) 4 years (D) 5 years
35. On completion of an audit, Audit Working Papers are :
- (A) Returned to the Client (B) Retained by the Auditor  
(C) Submitted along with audit report (D) Destroyed immediately
36. Which of the following statement is **wrong** with regards to an internal auditor?
- (A) Has statutory Powers (B) Appointed by the management  
(C) Is an adviser to management (D) Can be removed at any time
37. Not recording a transaction in the books of account is treated as an error of :
- (A) Duplication (B) Omission  
(C) Compensating (D) Commission
38. As per Companies Act 2013, remuneration of the first auditor of a company is fixed by whom of the following?
- (A) Registrar of companies (B) First general body meeting  
(C) As per rates shown in Act schedule (D) Board of Directors
39. Who appoint auditor in the case of a Government company or any other company owned or controlled, directly or indirectly, by the Government as per Companies Act 2013?
- (A) Board of Directors (B) Respective Government  
(C) CAG of India (D) Registrar of Companies
40. Which of the following statement is **wrong** with regards to internal check?
- (A) It a part of internal control (B) It is done by appointed auditor  
(C) It is continuous in nature (D) It is to eliminate errors and frauds

41. Following are the names of table of random numbers except :
- (A) Tippett's table of random numbers
  - (B) Kendall & Babington Smith numbers
  - (C) Luca's table of random numbers
  - (D) Fisher and Yate's numbers
42. Value of Probability lies between :
- (A) -1 and +1
  - (B) 0 and 1
  - (C) 0 and 1, but cannot be 1 or 0
  - (D) None of the above
43. Two unbiased coins are tossed. What is the probability of getting at least one tail?
- (A)  $\frac{3}{4}$
  - (B)  $\frac{1}{2}$
  - (C)  $\frac{1}{4}$
  - (D) None of the above
44. Which of the following is the correct expression of regression equation of Y on X?
- (A)  $Y_e = a + bX$
  - (B)  $Y_e = a - bX$
  - (C)  $Y_e = a + b + X$
  - (D)  $Y_e = a + bX$
45. The value of 'No correlation' is :
- (A) -1
  - (B) 0
  - (C) +1
  - (D) Cannot be defined
46. Which of the following is not a property of 'Normal Distribution'?
- (A) Coefficient of skewness is one
  - (B) It is bell shaped
  - (C) It is continuous curve
  - (D) Mean, median and mode are equal
47. Which of the following is not a random sampling method?
- (A) Stratified sampling
  - (B) Systematic sampling
  - (C) Cluster sampling
  - (D) Judgment sampling
48. Theory of sampling is based on :
- (A) Principle of 'Statistical Regularity'
  - (B) Principle of 'Inertia of Large Numbers'
  - (C) Both (A) and (B) above
  - (D) None of the above

49. In which year the Indian Contract act was passed?
- (A) 1872 (B) 1892  
(C) 1912 (D) 1905
50. Which of the following is not a negotiable instrument?
- (A) Treasury Bill (B) Share Certificate  
(C) Share warrants (D) Bearer Debenture
51. Bank Draft is a :
- (A) Bill of exchange drawn by a Bank (B) Negotiable instrument  
(C) Not a negotiable instrument (D) Type of promissory note
52. Grace period for calculating maturity of a Bill of Exchange as per Act is :
- (A) 3 days (B) 4 days  
(C) 5 days (D) 10 days
53. Which of the following Indorsement is **not** valid under Negotiable Instruments Act 1881?
- (A) Blank Indorsement (B) Full Indorsement  
(C) Partial Indorsement (D) Restrictive Indorsement
54. The 'Doctrine of Reputed Ownership' is related to which of the following?
- (A) Contract of Sale of Goods Act (B) Insolvency Acts  
(C) Workmen Compensation Act (D) Indian Contract Act
55. Of the following, which is the formal certificate of dishonour issued by a Notary Public, to the holder of a Bill or Note on his demand?
- (A) Noting (B) Dishonour Certificate  
(C) Protest (D) Discharge Certificate
56. All crossings (drawing two parallel transverse lines, usually on the left hand top corner) on a cheque with following words - between parallel lines - are treated as general crossing, except :
- (A) And Company (B) Not Negotiable  
(C) & Co. (D) The State Bank

57. Which of the following is true with regards to a balance sheet?
- (A) It shows changes in assets and liabilities of a business during the year
  - (B) It shows position change of a business between two particular dates
  - (C) It shows changes of a business for a particular year
  - (D) It shows position of a business on a particular date
58. Income received but not earned is :
- (A) An Asset
  - (B) A Liability
  - (C) A Contingent Liability
  - (D) None of the above
59. Bank Account is an example of :
- (A) Real Account
  - (B) Nominal Account
  - (C) Profit Account
  - (D) Personal Account
60. Unclaimed dividend is shown under which heading in the balance sheet?
- (A) Current Liabilities
  - (B) Provisions
  - (C) Reserves and Surpluses
  - (D) Miscellaneous Items
61. Surrender value of joint life policy is shown as asset in the balance sheet when premium is treated as :
- (A) An ordinary business expense
  - (B) An investment
  - (C) In both cases — (A) and (B) above
  - (D) None of the above
62. In which year the Income Tax Act was passed?
- (A) 1972
  - (B) 1968
  - (C) 1962
  - (D) 1961
63. Which of the following statement is false with regards to 'income' under Income Tax Act?
- (A) It can be earned illegally
  - (B) It can be irregular or lump-sum
  - (C) It can be gift with clear personal element
  - (D) It can be of any form
64. Which of the following is **not** a business expense?
- (A) Depreciation
  - (B) Salaries
  - (C) Wages
  - (D) All the above

65. What is meant by the term 'Adjusted Purchase'?
- (A) Opening Stock + Purchases (B) Purchase – Purchase Returns  
(C) Purchase – Discount received (D) Opening Stock + Purchases – Returns
66. Which one of the following is correct with regards to Budget?
- (A) It is a functional area of management (B) It is a standing plan  
(C) It is a multi use plan (D) It is a single use plan
67. Which of the following is not a technique of scientific management?
- (A) Scheduling (B) Standardisation  
(C) Time Study (D) Motion Study
68. Theory of human motivation (need hierarchy theory) is given by whom?
- (A) F.W. Taylor (B) Urwick  
(C) A.H. Maslow (D) Glueck
69. Who invented 'Difference Engine'?
- (A) H. Emerson (B) Gilbreth  
(C) Mc. Gregor (D) Charles Babbage
70. Who among the following is treated as founder of 'Human Relation School' of management?
- (A) H.A. Simon (B) R. Likert  
(C) Elton Mayo (D) C.I. Barnard
71. Which of the following is not a management function as given by H. Fayol?
- (A) Planning (B) Organising  
(C) Control (D) Staffing
72. Which of the following best explains 'Planning Premises'?
- (A) Planning environment (B) Permissions available for planning  
(C) Resources available for planning (D) Available infrastructure facilities
73. The idea of 'Functional Foremanship' of supervision is given by whom?
- (A) Mary Parker Follett (B) F.W. Taylor  
(C) C. Argyris (D) H. Fayol

74. Which is the oldest form of organisation?  
(A) Line and Staff (B) Staff  
(C) Committee (D) Line
75. The process that reduce the gap between planning and performance is :  
(A) Staffing (B) Organising  
(C) Controlling (D) Communicating
76. 'Order of command that runs from top to bottom' is explained by :  
(A) Scalar Chain (B) Unity of Command  
(C) Unity of Direction (D) Esprit-de-Corps
77. Accountability means what?  
(A) Doing accounting duty  
(B) Obligation for the performance of duty  
(C) Ability to answer  
(D) Willingness to perform duty
78. Which of the following primarily means to transfer authority from an individual to another?  
(A) Delegating (B) Sharing Responsibility  
(C) Division of Labour (D) Departmentalisation
79. Who issue Treasury Bills in India?  
(A) Government Treasury Department (B) SBI  
(C) RBI (D) SEBI
80. Which one of the following is not a right under Consumer Protection Act 1986?  
(A) Right to be informed (B) Right to protect environment  
(C) Right to be heard (D) Right to consumer education
81. The first characteristic Malayalam novel is 'Indulekha' published in :  
(A) 1887 (B) 1889  
(C) 1789 (D) 1888
82. Swadeshibhimani Ramakrishna Pillai was deported from Travancore in :  
(A) 1911 (B) 1910  
(C) 1909 (D) 1931

83. Channar agitation took place during the time :  
(A) Ayilyam Thirunal (B) Utharam Thirunal  
(C) Swathi Thirunal (D) Sreemulam Thirunal
84. 'Paschimodayam' was published by :  
(A) Father Clement (B) Herman Guntert  
(C) Thoma Kathanar (D) Gonsalvez
85. The first girls school was started at :  
(A) Kollam (B) Kottayam  
(C) Kochi (D) Thiruvananthapuram
86. 'Tatva prakasika ashram' is an educational centre started by :  
(A) Vagbhatananda (B) Sahodaran Ayyappan  
(C) Sree Narayana Guru (D) Ayyankali
87. Author of Kerala Sahitya Charithram :  
(A) Ullur S. Parameswara Iyer (B) Vallathol  
(C) Kumaran Asan (D) P.K. Narayana Pillai
88. Deshabhimani was the newspaper of :  
(A) T.K. Madhavan (B) Ramakrishna Pillai  
(C) Vakkom Abdul Khadar Moulavi (D) C. Krishnan
89. 93<sup>rd</sup> constitutional Amendment related with :  
(A) Education (B) Labour  
(C) Social justice (D) Environment
90. The ex-officio chairman of Rajyasabha :  
(A) Vice president (B) President  
(C) Speaker (D) Prime Minister
91. Election commission came into existence in :  
(A) 1951 (B) 1954  
(C) 1950 (D) 1952

92. Who was the first president of the Nair service society?  
(A) Mannath Padmanabhan (B) G.P. Pillai  
(C) K. Kelappan (D) T.K. Madhavan
93. Who has been appointed as Director General of police, kerala?  
(A) Rishiraj Singh (B) Jiji Thompson  
(C) T.P. Senkumar (D) Jacob punnus
94. Who started the Bachpan Bachao Andolan?  
(A) Medha Patkar (B) Malala  
(C) Kailash Satyarthi (D) Gopal Hari Deshmukh
95. The International Boxing Association banned which Indian Boxer for one year for not accepting her bronze medal at Asian Game 2014 :  
(A) Bala Devi (B) Suil Chetri  
(C) Sarita Devi (D) Bhakthi Sharma
96. The Asian Games 2018 will be held at :  
(A) Doha (B) Dubai  
(C) Tokya (D) Jakartha
97. Founder of Travancore muslim Mahagensabha :  
(A) Makthi Thangal (B) Mampuram Thangal  
(C) Poikayil Yohannan (D) Vakkom Abdul Khadar Moulavi
98. Guruvayur satyagraha was in :  
(A) 1930 (B) 1932  
(C) 1933 (D) 1931
99. Siva Temple at Aruvipuram established in :  
(A) 1887 (B) 1889  
(C) 1880 (D) 1888
100. Sahodara Sangam was founded at :  
(A) Varkala (B) Perunna  
(C) Sivagiri (D) Cherayi