

**PSC Accountant Grade III - Kerala  
State Coir Corporation Ltd  
Examination  
Previous Year Question Paper**

***Exam Name: Accountant Grade III - Kerala  
State Coir Corporation Ltd***

***Date of Test : 28.09.2016***

***Question Paper Code: 120/2016***

***Medium of Questions: English***



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1. Ownership expressed in terms of money is called
  - A) Property Account
  - B) Capital Account
  - C) Real Account
  - D) Asset Account
2. A product was sold for ₹ 448 at a profit of 12%. What is the cost ?
  - A) ₹ 502
  - B) ₹ 448
  - C) ₹ 400
  - D) ₹ 394
3. Capital profit is transferred to
  - A) Capital Reserve
  - B) Reserve Capital
  - C) General Reserve
  - D) Specific Reserve
4. Depreciation on fixed asset is provided in compliance with the accounting concept of
  - A) Consistency
  - B) Accrual
  - C) Cost
  - D) Going concern concept
5. Which of the following items is recorded in the sales journal ?
  - A) Only cash sales
  - B) Only credit sales
  - C) Both cash and credit sales
  - D) None of these
6. Capital A/c is a
  - A) Personal Account
  - B) Real Account
  - C) Nominal Account
  - D) None of these
7. Quick ratio is also called
  - A) Acid test ratio
  - B) Near money ratio
  - C) Liquid ratio
  - D) All of these
8. A method of costing in which the fixed costs are added for inventory valuation
  - A) Absorption costing
  - B) Marginal costing
  - C) Direct costing
  - D) Deferred costing
9. Indirect material cost is a part of
  - A) Prime cost
  - B) Product cost
  - C) Variable cost
  - D) Factory cost

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10. BEP is worked at
- A) Fixed cost + P/V ratio
  - B) Fixed cost + Selling price
  - C) Fixed cost / Contribution per unit
  - D) Fixed cost/Variable cost per unit
11. Research and Development cost is
- A) Production cost
  - B) Pre-production cost
  - C) Variable cost
  - D) Works cost
12. Cost reduction is achieved through
- A) Value analysis
  - B) Inventory control
  - C) Production, planning and control
  - D) All of these
13. Margin of safety  $\times$  P/V ratio =
- A) Sales
  - B) Variable cost
  - C) Fixed cost
  - D) Profit
14. The auditor of a public limited company is appointed by the
- A) Government
  - B) Board of Directors
  - C) Shareholders
  - D) CAG
15. Duties of a company auditor are defined by
- A) The Articles of Association
  - B) The Memorandum of Association
  - C) The Companies' Act, 1956
  - D) The agreement of the company with the auditor
16. The second important function of management is
- A) Organising
  - B) Staffing
  - C) Directing
  - D) Controlling
17. The book 'The Practice of Management' was authored by
- A) P.F. Drucker
  - B) F.W. Taylor
  - C) Oliver Sheldon
  - D) Douglas McGregor

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18. Strategic Planning means  
A) Short term planning  
B) Corporate planning  
C) Decision making  
D) None of these
19. Which of the followings is imaginary ?  
A) Mission  
B) Vision  
C) Goal  
D) Objective
20. 'POSDCORB' was coined by  
A) F.W. Taylor  
B) Prahlad  
C) Maslow  
D) Gullick
21. The Consumer Protection Act was passed in  
A) 1956  
B) 1964  
C) 1986  
D) 1992
22. Which are synonymous ?  
A) Market mix and marketing mix  
B) Marketing mix and product mix  
C) Product mix and market mix  
D) None of these
23. The term product concept was developed by  
A) Theodore Levit  
B) Kotler  
C) Peter Drucker  
D) None of these
24. Which of the following is not included in the function of physical supply ?  
A) Standardisation  
B) Transportation  
C) Storage  
D) Packaging
25. After sales service is a part of  
A) Core product  
B) Augmented product  
C) Tangible product  
D) Fundamental product
26. The word 'positioning' was coined by  
A) Kotler  
B) Peter Drucker  
C) Al Reis and Jack Trout  
D) Rosser Reeves



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27. Products that consumers buy regularly with little effort are called
- A) Shopping products                      B) Convenience products  
C) Impulse products                      D) Consumer products
28. Income Tax Act was passed in
- A) 1956                      B) 1961                      C) 1966                      D) 1968
29. Remuneration paid to an MLA is taxed under the head
- A) Income from salary                      B) Capital gains  
C) Income from profession                      D) Income from other sources
30. PAYE in income tax stands for
- A) Advance payment of tax                      B) Payment of tax by the employer  
C) Exemption from payment of tax                      D) None of these
31. Which of the followings is not an indirect tax ?
- A) Sales tax                      B) Estate duty                      C) Customs duty                      D) Entry tax
32. Burden of tax can be reduced by
- A) Tax avoidance                      B) Tax evasion  
C) Tax planning                      D) None of these
33. For income tax purpose, an Indian company is always
- A) Resident                      B) NRI  
C) Not ordinarily resident                      D) None of these
34. The method where data are collected for each item in the population is known as
- A) Census method                      B) Sampling method  
C) Survey method                      D) Observation method
35. Data taken from the 'visitors list' is
- A) Cluster sampling                      B) Quota sampling  
C) Random sampling                      D) Judgment sampling

36. The concept of regression was developed by  
A) King                      B) Jacques                      C) Galton                      D) Pearson
37. Which of the followings is a positional average ?  
A) Mean                                      B) Mode  
C) Median                                      D) Standard Deviation
38. In a sample based research work, the data collected for analysis are called  
A) Primary data                                      B) Research data  
C) Secondary data                                      D) Field data
39. In pie diagram, 1% = ?  
A) 1.8 degrees                      B) 0.9 degrees                      C) 3.6 degrees                      D) 1.1 degrees
40. Mode is  
A)  $3 \text{ median} + 2 \text{ mean}$                                       B)  $3 \text{ median} - 1$   
C)  $3 \text{ median} - 2$                                       D)  $3 \text{ median} + 3$
41. The degree of relationship between two variables is called  
A) Correlation                      B) Regression                      C) Variance                      D) Probability
42. IDBI Bank Ltd. is  
A) Development bank                                      B) Commercial bank  
C) NBFI                                      D) None of these
43. NABARD was established in  
A) 1972                      B) 1982                      C) 1984                      D) 1986
44. India has the system of  
A) Branch banking                                      B) Unit banking  
C) Chain banking                                      D) None of these
45. One who deposits money in a bank becomes \_\_\_\_\_ of the bank.  
A) Agent                      B) Debtor                      C) Creditor                      D) None of these



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46. Barter system means

- A) Goods sold on credit
- B) Goods sold on cash
- C) Goods sold for no consideration
- D) Exchange of goods for goods

47. The largest commercial bank in India is

- A) SBI
- B) PNB
- C) ICICI
- D) HDFC

48. A cheque becomes 'stale' after a period of

- A) Two years
- B) One year
- C) Six months
- D) Three months

49. The modern quantity theory of money was developed by

- A) Friedman
- B) Keynes
- C) Fisher
- D) Malthus

50. Who does issue the Rupee One Note/Coin in India ?

- A) SBI
- B) RBI
- C) Finance Commission
- D) Secretary of Finance Affairs

51. The RBI is not concerned with

- A) Framing the Fiscal Policy
- B) Framing the Monetary Policy
- C) Note issue
- D) Control of credit

52. The Central Bank keeps 100% gold reserves against the notes is called

- A) Special paper money
- B) Managed paper money
- C) Fiduciary paper money
- D) Representative paper money

53. It's best to float the equity shares in the market during

- A) Boom
- B) Recession
- C) Recovery
- D) Depression

54. Capital loss arises due to

- A) Sale of current assets at a price lesser than book value
- B) Sale of capital assets at a price lesser than book value
- C) Depreciation
- D) All of the above

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55. Who is the father of Financial Management ?  
A) Harold Koontz  
B) Ezra Solomon  
C) Peter F. Drucker  
D) Joseph and Mazzie
56. What is the operating leverage if fixed cost is ₹ 90,000 and contribution is ₹ 1,00,000 ?  
A) 0.10  
B) 0.90  
C) 9.00  
D) 10.00
57. Watered stock leads to  
A) Over capitalisation  
B) Under capitalisation  
C) Fair capitalisation  
D) None of the above
58. The capital structure which maximises the value of the firm is called \_\_\_\_\_ capital structure.  
A) Maximum  
B) Minimum  
C) Optimum  
D) None of these
59. When equity is more than long term debt, the firm is said to be \_\_\_\_\_ geared.  
A) High  
B) Low  
C) Even  
D) Moderate
60. Find the odd one out.  
A) Investment decision  
B) Finance decision  
C) Profitability decision  
D) Dividend decision
61. \_\_\_\_\_ approach is also known as matching approach.  
A) Hedging  
B) Conservative  
C) Trade off  
D) None of these
62. The main objective of a firm is  
A) Sales management  
B) Inventory management  
C) Profit maximisation  
D) Wealth maximisation
63. Agreement is  
A) Consideration  
B) Offer  
C) Acceptance  
D) Both (B) and (C)



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64. An agreement to buy stolen goods is  
A) Void                      B) Voidable                      C) Valid                      D) Illegal
65. Stepping into a line bus creates  
A) Valid contract                      B) Void contract  
C) Voidable contract                      D) Unenforceable contract
66. Pledge is a part of  
A) Consignment                      B) Bailment  
C) Partnership                      D) Lease
67. General lien is available for  
A) Banker                      B) Bailor                      C) Tailor                      D) None of these
68. A minor cannot be a/an  
A) Agent                      B) Partner                      C) Payee                      D) None of these
69. An agreement in restraint of the marriage of a minor is  
A) Void                      B) Voidable                      C) Valid                      D) Illegal
70. Indian Partnership Act was enacted in  
A) 1932                      B) 1948                      C) 1956                      D) 1964
71. Principle of indemnity is not applicable to  
A) Life insurance                      B) Marine insurance  
C) Fire insurance                      D) All of these
72. On payment of insurance policy, the insurer is put into the shoes of the insured.  
This principle is called  
A) Mitigation of loss                      B) Subrogation  
C) Causa proxima                      D) Contribution
73. Bancassurance is the insurance product of  
A) LIC                      B) Private insurance companies  
C) Banks                      D) None of these

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74. In India, the whole life insurance business is administered by  
A) LIC  
B) IRDA  
C) RBI  
D) None of these
75. The law of diminishing marginal utility was first stated by  
A) H.H. Gossen  
B) J.R. Hicks  
C) J.B. Say  
D) Marshall
76. Under perfect competition, short run equilibrium of a firm will be  
A)  $MC = MR$   
B)  $MC < MR$   
C)  $MC > MR$   
D) None of these
77. The shape of demand curve is  
A) Upper sloping curve from right to left  
B) Down sloping curve from right to left  
C) Down sloping curve from left to right  
D) Upper sloping curve from left to right
78. The salient features of Indian Economy are  
A) Predominance of agriculture  
B) Rapid growth of population and unemployment  
C) Low per capita income and capital scarcity  
D) All of these
79. Which industry is the second largest provider of employment in India after agriculture?  
A) Textiles  
B) Chemicals  
C) Transports  
D) Iron and steel
80. Who is the Chairman of 'NITY AYOOG' ?  
A) Minister for Finance  
B) Minister for Planning  
C) Chairman of Finance Commission  
D) Prime Minister



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81. *Malayavilasam* which marked the beginning of modern Malayalam poetry was composed by
- A) Kunjikuttan Thampuran                      B) Ulloor S. Parameshwaran Nair  
C) Vallathol Narayana Menon                D) None of these
82. In India the Environment Protection Act came into operation in
- A) 1986                      B) 1984                      C) 1987                      D) 1985
83. One of the longest roads in Kerala NH 47 is currently renamed as
- A) NH 44                      B) NH 66                      C) NH 544                      D) NH 766
84. The Asian Nation that has joined the WTO recently as the 164<sup>th</sup> member
- A) Pakistan                      B) Afghanistan  
C) Myanmar                      D) Nepal
85. The First Girl's School of the BEM in Kerala was opened in 1839 at
- A) Vadakara                      B) Kallayi  
C) Kasargod                      D) Nettur
86. The First International Festival on Birds was held in December 2015 at
- A) Rajasthan                      B) Uttar Pradesh  
C) Kerala                      D) West Bengal
87. Who Proclaimed Akkamma Cherian as The Jhansi Rani of Travancore ?
- A) K. Kelappan  
B) Sri Chithira Thirunal Balarama Varma  
C) Pattom Thanu Pilla  
D) None of these
88. The women's Malayalam magazine *Sreemathi* was published from Travancore by
- A) K.V. Kuttimalu Amma                      B) Anna Chandi  
C) Ammu Swaminathan                      D) Parukutti Amma



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89. *The Return of the Red Roses* is the biography of  
A) Captain Lakshmi B) Vijayalakshmi Pandit  
C) Indira Gandhi D) Anna Chandi
90. The Magazine *Sadhujana Dootan* was published by  
A) Pampadi John Joseph B) K.P. Vellon  
C) Pandit K. Karuppan D) Sahodaran Ayyappan
91. The newspaper *Prabhatham* began to be published in 1944 by  
A) Moorkkoth Kumaran B) T.K. Joseph  
C) C. Krishnan D) None of these
92. The Commission which recommended for the establishment of Inter-state Council  
A) Sarkaria Commission  
B) N.N. Vohra Commission  
C) K.C. Niyogi Commission  
D) Balwant Rai Mehta Commission
93. The 14<sup>th</sup> Finance Commission was constituted under the Chairmanship of  
A) Vijay Kelker B) A.M. Khusro  
C) K.C. Pant D) Y.V. Reddy
94. The 100<sup>th</sup> Amendment Act of Indian Constitution relate to  
A) Boundary Agreement  
B) Black Money  
C) Judicial Appointment Commission  
D) Tax on Goods and Services
95. The State which is declared as the first E-Panchayat State in India  
A) Gujarat B) Maharashtra  
C) Punjab D) Uttar Pradesh

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96. The *Suguna Vardhini* was an organization established by
- A) Arattupuzha Velayudha Panikkar
  - B) Agamananda Swamikal
  - C) Kumbalathu Sanku Pilla
  - D) Ayyathan Gopalan
97. \_\_\_\_\_ translated *Taming of the Shrew* the drama of Shakespeare in to Malayalam.
- A) K.C. Kesava Pilla
  - B) Kandathil Varghese Mappila
  - C) Ikkavu Amma
  - D) C.V. Raman Pilla
98. The Kerala Vanitha Commission Bill was passed in
- A) 1991
  - B) 1996
  - C) 1995
  - D) 1992
99. The social welfare scheme *Annadayini* relates to policy of giving nutritious food to
- A) Tribal people
  - B) Pregnant tribal women
  - C) School children
  - D) Endosulphan Victims
100. Which day is observed as *Temple Entry Day* all over Kerala as part of the Temple Entry Movement ?
- A) 1 October 1931
  - B) 1 November 1931
  - C) 1 January 1932
  - D) None of these