

FINAL ANSWER KEY

Question Paper Code:	54/2019/OL
Category Code:	082/2018
Exam:	Company Secretary Cum Finance Manager
Medium of Question:	English
Date of Test	01-11-2019
Department	KSDC For SC and ST Ltd
Alphacode	A

Question1:-..... is the study of the science of law

- A:-Jurisprudence
- B:-Decidendi
- C:-Transgression
- D:-Obiter Dicta

Correct Answer:- Option-A

Question2:-The Right to Information Act, 2005 envisages constitution of Central Information Commission. Who is its chairman?

- A:-President of India
- B:-Prime Minister
- C:-Chief Minister
- D:-One Cabinet Minister

Correct Answer:- Option-B

Question3:-A writ of, orders a lower court to deliver its record in a case so that the higher court may review it.

- A:-Certiorari
- B:-Quo Warranto
- C:-Mandamus
- D:-Prohibition

Correct Answer:- Option-A

Question4:-As per the Limitation Act, 1963, a period of years is prescribed as a limitation period for suits by mortgagors for the redemption or recovery of possession of immovable property mortgaged.

- A:-3 years
- B:-12 years
- C:-20 years
- D:-30 years

Correct Answer:- Option-D

Question5:-Information Technology Act, 2000, defines as the key of a key pair, used to create a digital signature

- A:-Private Key
- B:-Public Key
- C:-Master Key
- D:-Digital Key

Correct Answer:- Option-A

Question6:-Before finalizing the issue price, in order to test the market prospectus are issued.

- A:-Deemed
- B:-Shelf
- C:-Red herring
- D:-None of the above

Correct Answer:- Option-C

Question7:-The basic purpose of Green shoe option is to act as stabilizing force when issue is

- A:-Under subscribed
- B:-Over subscribed
- C:-Not reached minimum subscription
- D:-Not underwritten

Correct Answer:- Option-B

Question8:-What is the minimum amount of profit that companies should invest under CSR as per Companies Act 2013?

- A:-Two percent of the average net profits of the company made during the two immediately preceding financial years
- B:-Two percent of the average net profits of the company made during the three immediately preceding financial years
- C:-Three percent of the average net profits of the company made during the two immediately preceding financial years

D:-Three percent of the average net profits of the company made during the three immediately preceding financial years

Correct Answer:- Option-B

Question9:-According to section 63(1) of the Companies Act, a company may issue fully paid-up bonus shares to its members not out of

A:-The free reserves

B:-The securities premium account

C:-The capital redemption reserve account

D:-The reserves created by the revaluation of assets

Correct Answer:- Option-D

Question10:-In case of Non-Profit making Companies notice of general meeting should be given with in days

A:-14

B:-15

C:-21

D:-22

Correct Answer:- Option-A

Question11:-MUDRA provides refinance support to Banks / MFIs for lending to micro units having loan requirement upto

A:-Rs.50,000

B:-Rs.1,00,000

C:-Rs.5,00,000

D:-Rs.10,00,000

Correct Answer:- Option-D

Question12:-Inactive Company means a company which has not made any significant accounting transaction during last financial year(s).

A:-1

B:-2

C:-3

D:-4

Correct Answer:- Option-B

Question13:-Section 13 of Companies Act 2013 provides that the name of company may be changed by

A:-Passing a resolution at general meeting

B:-Passing special resolution at general meeting

C:-Passing Ordinary resolution at general meeting

D:-Passing a resolution at Board meeting

Correct Answer:- Option-B

Question14:-The doctrine of does not apply to acts void ab initio

A:-Ultra virus

B:-Intra virus

C:-Constructive notice

D:-Indoor Management

Correct Answer:- Option-D

Question15:-The Institute of Company secretaries of India constituted the Secretarial Standards Board (SSB) in the year for formulating Secretarial Standards

A:-1995

B:-2000

C:-2005

D:-2013

Correct Answer:- Option-B

Question16:-A citizen of India who goes abroad for the purpose of employment, must stay in India to become resident for Income Tax purpose, at least

A:-60 days

B:-180 days

C:-182 days

D:-365 days

Correct Answer:- Option-C

Question17:-For claiming exemption u/s 54 EC of Income Tax, amount to the extent of the capital gain should be invested:

A:-Within 3 years from the date of transfer

B:-Within 2 years from the date of transfer

C:-Within 6 months from the date of transfer

D:-Within 3 months from the date of transfer

Correct Answer:- Option-C

Question18:-Long-term capital loss of a particular assessment year can be set off in the same year from:

A:-Short-term capital gain

B:-Long-term capital gain

C:-Short-term or long-term capital gain

D:-Any head of income

Correct Answer:- Option-B

Question19:-The time limit for claiming refund under the GST law

A:-180 days

B:-1 year

C:-2 year

D:-5 years

Correct Answer:- Option-C

Question20:-The first committee constituted in 2000, to design GST model was headed by

A:-Vijay Kelkar

B:-Asim Das Gupta

C:-Dr. Chidambaram

D:-Arun Jaitley

Correct Answer:- Option-B

Question21:-If the amount paid by the holding company for the shares of subsidiary company is more than its proportionate share in the net asset of the subsidiary company as on the date of acquisition, the difference is considered as

A:-Goodwill

B:-Capital reserve

C:-Non-controlling interest

D:-Investment

Correct Answer:- Option-A

Question22:-When shares are forfeited, share capital account is debited by

A:-Paid-up amount

B:-Called-up amount

C:-Nominal value

D:-Market value

Correct Answer:- Option-B

Question23:-Angle of incidence defines:

A:-Incidental factors in investments

B:-Marginal cost of production

C:-Systematic risk in CAPM model

D:-Post BEP relationship between total cost and total revenue

Correct Answer:- Option-D

Question24:-Present liability of uncertain amount which can be measured reliably by using substantial degree of estimation, is termed as:

A:-Liability

B:-Provision

C:-Contingent liability

D:-Outstanding liability

Correct Answer:- Option-B

Question25:-in last year the current ratio was 3:1 and quick ratio was 2:1 Presently current ratio is 3:1 but quick ratio is 1:1. This indicates comparably

A:-High liquidity

B:-Higher Stock

C:-Lower stock

D:-Low Profitability

Correct Answer:- Option-B

Question26:-Under factoring the factor acts in the capacity of

A:-An agent of his client

B:-A trustee

C:-A holder for value

D:-An administrator

Correct Answer:- Option-C

Question27:-combination of forwards by two counterparties with opposite but matching need is called



A:-Forward

B:-Future

C:-Option

D:-Swap

Correct Answer:- Option-D

Question28:-..... is a specialised money market institution which was established in April 1988 with an objective to provide liquidity to money market instruments and to develop secondary market.

A:-DFHI

B:-OTCEI

C:-STCI

D:-NSDL

Correct Answer:- Option-A

Question29:-..... is a service aimed at facilitating the assessment of equity issues offered to public?

A:-Investment recommendation

B:-Initial Public Offering Grading

C:-Credit rating

D:-Positive suggestion

Correct Answer:- Option-B

Question30:-Which of the following statements is not correct?

A:-Securities in a depository are held in dematerialised form

B:-Depository is registered owner of the securities held in demat form

C:-Securities in a depository are fungible

D:-Dematerialised securities have distinct number

Correct Answer:- Option-D

Question31:-A scheme under which scheduled commercial banks can borrow additional amount of overnight money from the Reserve Bank by dipping into their Statutory Liquidity Ratio portfolio up to a limit at a penal rate of interest is known as

A:-Repo Rate

B:-Reverse Repo Rate

C:-Marginal Standing Facility

D:-Market Stabilisation Scheme

Correct Answer:- Option-C

Question32:-Under financial assistance is provided for a range of export promotion activities implemented by Export Promotion Councils and Trade Promotion Organizations on the basis of approved annual action plans.

A:-Market Development Assistance

B:-Market Assistance Initiative

C:-Towns of Export Excellence

D:-Procurement Support Scheme

Correct Answer:- Option-A

Question33:-The NBFCs are allowed to accept public deposits for a minimum period of and maximum period of

A:-6 months, 36 months

B:-6 months, 60 months

C:-12 months, 36 months

D:-12 months, 60 months

Correct Answer:- Option-D

Question34:-A contract creates

A:-Rights in personam

B:-Rights in rrem

C:-No rights

D:-Only obligations

Correct Answer:- Option-A

Question35:-A stipulation which is collateral to the main purpose of the contract and if proved false gives the buyer only a right to claim damages is known as

A:-Condition

B:-Guarantee

C:-Security

D:-Warranty

Correct Answer:- Option-D

Question36:-Equal annual amounts occurring in the beginning of certain years are known as:

A:-Annuity

B:-Perpetuity

C:-Annuity due

D:-Deferred payments

Correct Answer:- Option-C

Question37:-Percentage drop in sales to make the EBIT zero is 20%. What will be the degree of operating leverage?

A:-1

B:-5

C:-20

D:-Cannot be determined

Correct Answer:- Option-B

Question38:-Which of the following is not considered in Linter's Model?

A:-Dividend payout ratio

B:-Current EPS

C:-Speed of adjustment

D:-Preceding years EPS

Correct Answer:- Option-D

Question39:-In which of the following, permanent working capital is financed by long term sources of funds

A:-Hedging approach

B:-Aggressive approach

C:-Conservative approach

D:-Marginal approach

Correct Answer:- Option-A

Question40:-..... is a statistical technique of project management that manages well defined activities of a project

A:-CPM

B:-PERT

C:-JIT

D:-ABC

Correct Answer:- Option-A

Question41:-Which of the following is **not** a Corporate Governance Basic theory.

A:-Agency Theory

B:-Stock Holder Theory

C:-Stake Holder Theory

D:-Functional Theory

Correct Answer:- Option-D

Question42:-A is one, under which person who publicly complains concealed misconduct on the part of an organization or a body of people, usually from within the same organisation.

A:-Stakeholder activism

B:-Internal audit

C:-Whistle blowing mechanism

D:-Familiarization programmes

Correct Answer:- Option-C

Question43:-..... type of risk is associated with the whole market or market segment and is uncontrollable.

A:-Business risk

B:-Liquidity risk

C:-Operational risk

D:-Interest rate risk

Correct Answer:- Option-D

Question44:-..... is an arrangement of as duties allocated in such a way that the work of one clerk is automatically checked by another

A:-Internal audit

B:-Internal check

C:-Internal control

D:-Vigil mechanism

Correct Answer:- Option-B

Question45:-..... is the difference between the total market value of the company and the economic capital.

A:-Market risk

B:-Operational risk

C:-Market Value Added

D:-Economic value added

Correct Answer:- Option-C

Question46:-A Ltd. is a company incorporated outside India but all its board meetings are held in India during PY 2017-18. What is its residential status for income tax for AY 2018-19

- A:-Resident in India
 - B:-Not ordinarily resident
 - C:-Non resident
 - D:-Foreign company
- Correct Answer:- Option-A

Question47:-Any sum of money, received as an advance in the course of negotiations for transfer of a capital asset is, if such sum is forfeited and the negotiations do not result in transfer of such capital asset.

- A:-Treated as Exempted income from tax
 - B:-Chargeable to income-tax under the head Capital gain
 - C:-Chargeable to tax under the head Capital gain without indexing.
 - D:-Chargeable to income-tax under the head Income from other sources.
- Correct Answer:- Option-D

Question48:-The coffee is grown, cured and further processed. For income tax purpose the agricultural income is

- A:-40% agricultural and 60% non-agricultural
 - B:-50% agricultural and 50% non-agricultural
 - C:-60% agricultural and 40% non-agricultural
 - D:-65% agricultural and 35% non-agricultural
- Correct Answer:- Option-C

Question49:-What is the time of supply of service for GST if Mr. A provides services worth Rs.20,000 to Mr.B on 1st January and the invoice was issued on 20th January and the payment for the same was received on 1st February.

- A:-1st January
 - B:-20th January
 - C:-31st January
 - D:-1st February
- Correct Answer:- Option-B

Question50:-Express Pvt. Ltd. makes gifts to an employee worth Rs.45,000 during the year. Does such gifts qualify as a supply leviable to GST?

- A:-Yes, supply of goods or services between related persons is treated as supply even if it is without consideration
 - B:-No, supply of goods or services between related persons is not treated as supply if it is without consideration.
 - C:-No, gifts not exceeding Rs.50,000 in value in a financial year by an employer to an employee shall not be treated as supply of goods or services.
 - D:-Yes, gifts exceeding Rs.25,000 in value in a financial year by an employer to an employee shall be treated as supply of goods or services.
- Correct Answer:- Option-C

Question51:-..... is a merger between companies selling similar products in the same market and in direct competition and share the same product lines and markets.

- A:-Horizontal merger
 - B:-Vertical merger
 - C:-Conglomerate merger
 - D:-Congeneric merger
- Correct Answer:- Option-A

Question52:-an Inbound merger is one where a foreign company merges with an Indian company resulting

- A:-In an Indian company being formed
 - B:-In a Foreign company being formed
 - C:-In a Foreign company or Indian company being formed
 - D:-In a guarantee company being formed
- Correct Answer:- Option-A

Question53:-For amalgamation in the nature of merger, the shareholders holding at least or more of the equity shares of the transferor company becomes the equity shareholders of the transferee company

- A:-50%
 - B:-51%
 - C:-90%
 - D:-95%
- Correct Answer:- Option-C

Question54:-According to the Insolvency and Bankruptcy Code, 2016, application for Fresh Start Process shall be filed before as they are the adjudicating authority for individuals and unlimited partnerships.

- A:-Debt Recovery Tribunal
- B:-National Company Law Tribunal

C:-Bankruptcy Board of India

D:-Special Tribunal

Correct Answer:- Option-A

Question55:-The main purpose of the is to enable and empower the secured creditors to take possession of their securities and to deal with them without the intervention of the court and also alternatively to authorize any securitisation or reconstruction company to acquire financial assets of any bank or financial institution

A:-Provincial Insolvency Act, 1920

B:-The payment and Settlement Systems Act, 2007

C:-SARFAESI Act, 2002

D:-The Insolvency and Bankruptcy Code 2016

Correct Answer:- Option-C

Question56:-..... refer to the "Whereas" clauses that precede the main text of a contract

A:-Recitals

B:-Testatum

C:-Operative clause

D:-Inference

Correct Answer:- Option-A

Question57:-In a mortgagor binds himself to repay the mortgaged money on certain date and transfers the mortgaged property absolutely to the mortgagee subject to the provision that he will re-transfer it to the mortgagor upon payment of the mortgaged money as agreed.

A:-Simple Mortgage

B:-English Mortgage

C:-Usufructuary Mortgage

D:-Mortgage by Conditional Sale

Correct Answer:- Option-B

Question58:-..... means that the accused and the complainant have come to terms and the dispute between the parties has been settled amicably or adjusted by agreement and the complainant agrees not to prosecute the accused.

A:-Accommodation

B:-Conciliation

C:-Compounding

D:-Disgorgement

Correct Answer:- Option-C

Question59:-Secretarial Standard 9 (ss-9) deals with

A:-Forfeiture of Shares

B:-Board's Report

C:-Affixing of Common Seal

D:-Transmission of Shares and Debentures

Correct Answer:- Option-A

Question60:-The scope of include analysis of financial statements, business plan, sustainability of business, future aspects, corporate and management structure, legal issues etc.

A:-Audit

B:-Routine Checking

C:-Due diligence

D:-Ratio analysis

Correct Answer:- Option-C

Question61:-..... is the technique use by auditor to obtain the audit evidence in order to support auditor opinion

A:-Internal check

B:-Confirmation

C:-Surprise checking

D:-Substantive checking

Correct Answer:- Option-D

Question62:-Organizations face when management purposely tampers data and information and makes fake promises and wrong commitments to the customers.

A:-Crisis of deception

B:-Crisis of Skewed Management Values

C:-Crisis of Malevolence

D:-Confrontation Crisis

Correct Answer:- Option-A

Question63:-The promoters should contribute, in case of a public issue by an unlisted company.

A:-Not less than 20% of post-issue capital

B:-Not less than 25% of authorised capital

C:-Not less than 25% of post-issue capital

D:-Not less than 40% of post-issue capital

Correct Answer:- Option-A

Question64:-The process by which the employee is given rights to apply for shares of the company against the option granted to him in pursuance of ESOS is termed as

A:-Option

B:-Grant

C:-Vesting

D:-ESOP

Correct Answer:- Option-C

Question65:-"Red Clause" Credit & "Green Clause" Credit - these terms are associated with

A:-Credit rating

B:-Credit purchase

C:-Letter of credit

D:-Creation of credit

Correct Answer:- Option-C

Question66:-That portion of total deposit which a commercial bank has to keep with itself is called

A:-CRR

B:-SLR

C:-OMO

D:-Bank rate

Correct Answer:- Option-B

Question67:-Measures taken by RBI to control and regulate money supply

A:-Marginal requirement

B:-Credit policy

C:-Monetary policy

D:-Moral suasion

Correct Answer:- Option-C

Question68:-The headquarters of IRDA is in

A:-New Delhi

B:-Mumbai

C:-Bengaluru

D:-Hyderabad

Correct Answer:- Option-D

Question69:-Average clause is applicable for

A:-Double insurance

B:-Reinsurance

C:-Over insurance

D:-Under insurance

Correct Answer:- Option-D

Question70:-The company liquidator must submit a preliminary report to the tribunal within days from the winding up order

A:-14

B:-21

C:-50

D:-60

Correct Answer:- Option-D

Question71:-Which of the following is not the objective of Competition act 2002?

A:-Prohibition of abuse of dominant position

B:-Prohibition of restrictive Trade practices

C:-Prohibition of anti-competitive Agreement

D:-Regulation of combinations

Correct Answer:- Option-B

Question72:-Which of the following is not regulated by SEBI

A:-Depositories

B:-Mutual Funds

C:-Foreign Direct Investment

D:-Foreign Institutional Investors

Correct Answer:- Option-C

Question73:-..... is the present value of estimated future cash flows generated by the asset including its estimated net disposable value at the end of its expected useful life.

- A:-Value in use
- B:-Carrying amount
- C:-Recoverable amount
- D:-Fair value

Correct Answer:- Option-A

Question74:-..... is referred to as an examination of evidence regarding an assertion to determine its correspondence to established criteria carried out in a manner suitable to the court.

- A:-Forensic audit
- B:-Investigation
- C:-System audit
- D:-Management audit

Correct Answer:- Option-A

Question75:-Registered geographical indication shall be valid

- A:-For 5 years and cannot be renewed
- B:-For 10 years and cannot be renewed
- C:-For 5 years and can be renewed from time to time
- D:-For 10 years and can be renewed from time to time

Correct Answer:- Option-D

Question76:-The process of studying and collecting information relating to the operation and responsibilities of a specific job is known as

- A:-Job evaluation
- B:-Job analysis
- C:-Job description
- D:-Job identification

Correct Answer:- Option-B

Question77:-..... is the process of negotiation between employers and the representatives of a unit of employees aimed at reaching agreements that regulate working conditions

- A:-Arbitration
- B:-Participation management
- C:-Collective bargaining
- D:-Code of conduct

Correct Answer:- Option-C

Question78:-The ratio which shows the relationship between shareholder's fund and total assets

- A:-debit equity ratio
- B:-Proprietary ratio
- C:-Solvency ratio
- D:-Fixed asset ratio

Correct Answer:- Option-B

Question79:-A defines the basic reason for the existence of the organization and reflects the corporate philosophy, identity, character, and image of an organization.

- A:-Mission statement
- B:-Vision statement
- C:-Statement of Purpose
- D:-Memorandum of understanding

Correct Answer:- Option-A

Question80:-Which one of the following is not a privilege given to One Person Companies?

- A:-No need to hold AGM
- B:-No need to appoint Company Secretary
- C:-Need not prepare Cash Flow Statement
- D:-Provisions relating to independent directors do not apply

Correct Answer:- Option-B

Question81:-Which of the following is not a method for determining the arm's length price in relation to an international transaction and specified domestic transaction under Income Tax Act.

- A:-Comparable Uncontrolled Price Method
- B:-Resale Price Method
- C:-Cost Plus Method
- D:-Profit Plus Method

Correct Answer:- Option-D

Question82:-Shareholders can authorize buy back of the total paid-up capital and free reserves of the company in a financial year.

A:-By resolution upto 10%

B:-By resolution upto 25%

C:-By special resolution upto 10%

D:-By special resolution upto 25%

Correct Answer:- Option-D

Question83:-Credit terms are 2/10, Net 30. 25% of the credit customers avail cash discount facility. Average collection period will be

A:-2 days

B:-10 days

C:-25 days

D:-30 days

Correct Answer:- Option-C

Question84:-Government Bond is a

A:-Short term security

B:-Medium term security

C:-Long term security

D:-Any of three

Correct Answer:- Option-C

Question85:-Current ratio is 2:1. What will be the effect on current ratio if bills receivable is endorsed to creditors

A:-Improve

B:-Decline

C:-No effect

D:-Cannot be determined

Correct Answer:- Option-A

Question86:-..... is a legal concept that gives courts the power to interpret the terms of a will, gift, or charitable trust so that unused funds could flow to the next best beneficiary.

A:-Doctrine of Eclipse

B:-Doctrine of Cypres

C:-Doctrine of Nullification

D:-Doctrine of Indoor Management

Correct Answer:- Option-B

Question87:-..... is the practice of funding a project or venture by raising small amounts of money from a large number of people, usually through the Internet.

A:-Crowd funding

B:-Payment bank

C:-Small funding

D:-Private placement

Correct Answer:- Option-A

Question88:-..... takes into account loopholes of law

A:-Tax planning

B:-Tax avoidance

C:-Tax evasion

D:-Tax Management

Correct Answer:- Option-B

Question89:-A registered person cannot move goods without an e-way bill when a movement of goods is of more than in value

A:-Rs.50,000

B:-Rs.25,000

C:-Rs.5,000

D:-Rs.2,500

Correct Answer:- Option-A

Question90:-..... is a negotiable money market instrument and is issued in dematerialized form or as a Usance Promissory Note, against funds deposited at a bank or other eligible financial institution for a specified time period.

A:-Certificates of Deposit

B:-Commercial Paper

C:-Interbank participation certificate

D:-Repo instrument

Correct Answer:- Option-A

Question91:-..... measures the rate of contraction of illnesses by the population and serves as the basis of calculation of premiums under Health insurance policies and Critical illness benefits.

- A:-Mortality
- B:-Aleatory
- C:-Adhesion
- D:-Morbidity

Correct Answer:- Option-D

Question92:-In a Contract refers acceptance of a lesser sum than what was contracted for or a lesser fulfilment of the promise made.

- A:-Waiver
- B:-Rescission
- C:-Remission
- D:-Alteration

Correct Answer:- Option-C

Question93:-..... is a disciplined, statistical-based, data-driven quality control program developed by Motorola

- A:-Kaizen
- B:-Six sigma
- C:-Capability maturity model
- D:-Total Quality Management

Correct Answer:- Option-B

Question94:-..... is the process of holding entire supply of securities with the intention of imposing terms.

- A:-Laddering
- B:-Cornering
- C:-Option deal
- D:-Rigging the market

Correct Answer:- Option-B

Question95:-The facility offered to investors to shift from one scheme to another under the same fund is called

- A:-Roll over facility
- B:-Repurchase facility
- C:-Reissue facility
- D:-Lateral shifting facility

Correct Answer:- Option-D

Question96:-Which of the following is not form part of the interrelated elements that assist the commission of fraud according to fraud triangle in forensic audit.

- A:-Rationalization
- B:-Opportunity
- C:-Pressure
- D:-Power

Correct Answer:- Option-D

Question97:-..... is a specifically delineated duty free enclave and shall be deemed to be foreign territory for the purposes of trade operations and duties and tariffs.

- A:-Strategic Business Units
- B:-Special Economic Zone
- C:-Domestic Tariff Area
- D:-Strategic Business Enclave

Correct Answer:- Option-B

Question98:-In BCG matrix, are products which have a high market share in a low growing market

- A:-Dogs
- B:-Stars
- C:-Cash cows
- D:-Question marks

Correct Answer:- Option-C

Question99:-A is the acquisition of a public company by a private company so that the private company can bypass the lengthy and complex process of going public.

- A:-Merger
- B:-Demerger
- C:-Reverse Merger
- D:-Divestiture

Correct Answer:- Option-C

Question100:-..... is a linear combination of five common business ratios that helps to predict the probability of a firm to go into bankruptcy.

A:-Altman Z Score

B:-Beta coefficient

C:-Risk adjusted return on capital

D:-Gitman index

Correct Answer:- Option-A