

Sample Questions for Sem V – ATKT 2019-20

Subject 1: AUDIT I

- 1) It is considered to be the primary objective of Audit.
 - a. To detect errors and frauds
 - b. To express an opinion on the financial statements whether they are true and fair
 - c. To mislead the investors and lenders
 - d. To cope up with the company

- 2) Secret reserve also known as hidden reserve can be created by
 - a. Over statement of assets and understatement of liabilities
 - b. Under statement of assets and overstatement of liabilities
 - c. Understatement of expenses
 - d. Overstatement of incomes and revenues

- 3) It is known as a deliberate and mala fide mistake
 - a. Error
 - b. Audit
 - c. Fraud
 - d. Principle

- 4) When the effect of one error is nullified by another error it is known as
 - a. Error of principle
 - b. Posting error
 - c. Casting error
 - d. Compensating errors

- 5) The entire set of data from which the auditor wishes to select the sample to arrive at a conclusion is known as
 - a. Sample size
 - b. Sampling risk
 - c. Population
 - d. Expected error

Subject 2: INTERNATIONAL BANKING AND FINANCE SEM V-(ATKT)

(1) _____ is a sum of all invisible service receipts and payments in which the sum could be positive or negative or zero.

- (a) Balance of invisible trade
- (b) Balance of visible trade
- (c) Balance of indivisible trade
- (d) Balance of payment

(2) Dealing Room Manual and code of conduct for dealers is given by _____

- (a) FEDAI
- (b) FIMMDA
- (c) FEMA
- (d) FERA

(3) Pre-shipment finance is also called as _____ credit

- (a) term loan
- (b) post shipment
- (c) packing
- (d) Supply

(4) The loan amount contributed by several lenders in a syndicated loan _____.

- (a) Is equal
- (b) Is double
- (c) May or may not be equal
- (d) Decided by RBI

(5) Banks that are allowed to deal in foreign currencies are called _____

- (a) Brokers
- (b) Lenders
- (c) Authorised dealers
- (d) Borrower

Subject 3: Financial Reporting & Analysis

1. Bank should maintain a minimum of _____ % reserve on doubtful debts between the span of 1-3 years.
 - a) 0.25%
 - b) 25%
 - c) 40%
 - d) 100%

2. Statutory Reserves of a bank shall be recorded in the _____ Schedule of the Final Accounts for a Banking Company.
 - a) First (I)
 - b) Second (II)
 - c) Third (III)
 - d) Fourth (IV)

3. The Revenue account of a Life Insurance Company is presented in Form _____.
 - a) A-RA
 - b) A-PL
 - c) B-RA
 - d) B-PL

4. AS-22 Deals with _____.
 - a) Leases
 - b) Property, Plant & Equipment
 - c) Accounting for Taxes on Income
 - d) Segment Reporting

5. The Profit & Loss Account of an Indian Company should be prepared as per the format laid down in Part _____ of the Revised Schedule VI.
 - a) I
 - b) II
 - c) III
 - d) IV

6. All the following are fundamental accounting assumptions except _____.
 - a) Going Concern
 - b) Transparency
 - c) Accrual
 - d) Consistency

7. Selling of a machinery is recorded under the _____ Activities of a Cash Flow Statement.
 - a) Operating
 - b) Financing
 - c) Investing
 - d) Marketing

Subject 4: SAPM

1. Which of the following is a tax saving investment?

- a) Gold
- b) Income Scheme
- c) Post Office Monthly Income Scheme
- d) NSC

2. According to CAPM, the correct measure of risk is termed as _____

- a) Business Risk
- b) Beta Coefficient
- c) Financial Risk
- d) Systematic Risk

3 A line that describes the relationship between an individual security's return and returns on the market portfolio:

- a) Characteristic line
- b) capital market line
- c) Security market line
- d) Beta

State of the economy Probability of occurrence

Rate of return

Boom 0.20 40%

Normal 0.50 30%

Recession 0.30 20%

4. Calculate the expected rate of return from the following information relating to B Ltd.

- A) 29 %
- B) 35%
- C) 31%
- D) 36%

5 Price as on 2019 = Rs. 100 ; Price as on 2020= Rs. 150;

Dividend = Rs.20 then Holding Period Return(HPR%)= _____

- A) 88%
- B) 60%
- C) 70 %
- D) 50%

SUBJECT 5: FINANCIAL SERVICES MANAGEMENT

1. Which of the following is not the example of Hypothecation:
 - a. Vehicle Loans
 - b. Advance against stock
 - c. Advance against debtors
 - d. Home Loan

2. Private Sector mutual funds were permitted in the year _____
 - a. 1963
 - b. 1993
 - c. 2010
 - d. 2015

3. The process by which physical certificates of an investor are converted into electronic form and credited to the account of the depository participant:
 - a. Stock exchange
 - b. Depository
 - c. Rematerialization
 - d. Dematerialization

4. The method of consumer financing whereby the retailer allows the customer to make any number of purchases during a month not exceeding a certain value:
 - a. Cash loan
 - b. Revolving account
 - c. Open Account
 - d. Recurring accountS

5. The option which will lead to a positive cash flows to the buyer of the option if the buyer of the option exercises the option at the current market price.
 - a. In-the-money
 - b. At-the-money
 - c. Out-of-the-money
 - d. At-the-cash

Subject 6: Strategic Management

1. _____ strategy includes corporate manger.
 - a. Business level
 - b. Supervisors
 - c. Middle level
 - d. Evaluation

2. Environment Scanning is a process that systematically _____ and _____ relevant data.
 - a. Filter and interpret
 - b. Solve and interpret
 - c. Surveys and Interpret
 - d. Develops and interpret

3. The _____ can have an impact on the taxation system of the country.
 - a. Political system
 - b. Strategic choice
 - c. Centralization
 - d. Diversification strategy

4. _____ is the translation of choosing strategy into organisation election so as to achieve strategic goals and objectives.
 - a. Strategy evaluation
 - b. Strategy articulation
 - c. Strategy implementation
 - d. Strategy analysis

5. _____ is the process of deciding the best course of action for accomplishing organisational objectives and hence achieving organisational purpose.
 - a. Strategy formulation
 - b. Strategy analysis
 - c. Strategy communication
 - d. Environmental scanning

SUBJECT 7: RESEARCH METHODOLOGY

1. Pure research is ____ basic.
 - a. Basic
 - b. Historic
 - c. Applied
 - d. Empirical

2. ____ is undertaken to describe the characteristics of the variables of interest in a situation.
 - a. Descriptive
 - b. Exploratory
 - c. Scientific
 - d. Historic

3. In ____, the convenience of the research is given importance while selecting the sample.
 - a. Convenience sampling
 - b. Structured
 - c. Unstructured
 - d. Random

4. ____ data is available from the published form and used for the conduct of research activity.
 - a. Secondary
 - b. First-hand data
 - c. Error
 - d. Time

5. ____ is also called a scatter graph, scatter chart, scatter or scatter diagram.
 - a. Scatter plot
 - b. Data collection
 - c. Questionnaire
 - d. Survey