

- 1 **Onus of proof is a ..... in the evaluation of evidence.**  
 A Fact  
**B Continuous process**  
 C Principle  
 D One time process
- 2 **Which of the following terms is not relevant to valuation of contaminated properties?**  
 A Impaired value  
 B Remediation cost  
 C Environmental stigma  
**D Reinstatement value**
- 3 **In perfect competition, an individual firm .....**  
 A faces unitary elasticity of demand  
**B has a price elasticity of supply equal to infinity**  
 C faces infinitely elastic demand  
 D has a price elastically of supply equal to one
- 4 **In case of gift, if donee dies before acceptance, then .....**  
**A Void**  
 B Valid  
 C Illegal  
 D Voidable
- 5 **Which of the following is consistent with the law of demand?**  
 A A decrease in the price of a commodity causes a decrease in the quantity of demanded of commodity  
**B An increase in the price of a commodity causes a decrease in the quantity of demanded of commodity**  
 C An increase in the price of a commodity causes a increase in the quantity of demanded of commodity  
 D An increase in the price of a commodity causes no change in the quantity of demanded of commodity
- 6 **Interest is paid because**  
**A It is productive**  
 B It is surplus  
 C It is non-productive  
 D It is inadequate
- 7 **Data obtained by conducting a survey is called .....**  
 A Whole  
**B Primary**  
 C Census  
 D Secondary
- 8 **Where there is a frequent fluctuation in stocks/ stock values, which of the following provides suitable cover?**  
 A Fire floating policy  
 B Fire Reinstatement value policy  
**C Fire policy with Escalation clause**  
 D Fire Declaration policy
- 9 **Out of the following, the one which is not belonging to mobile sources of pollution is**  
 A Airplanes  
 B Trains  
 C Automobiles  
**D Mining**
- 10 **Out of the following, the one which is not belonging to stationary sources of pollution is...**  
 A Quarrying  
**B Tobacco smoking**  
 C Power plants  
 D Sewage and waste treatment
- 11 **Out of the following, the one which is not belonging to indoor sources of pollution is...**  
 A Volatile Organic Compounds (VOCs)  
 B Combustion emissions  
 C Tobacco smoking  
**D Marine vehicles**
- 12 **The valuer should maintain the records for minimum of ..... years.**  
 A 2  
 B 1  
**C 3**  
 D 4
- 13 **The valuer should maintain the records for upto .....**

- A Such longer period as required in its contract for a specific valuation**  
 B 2 Years  
 C Initiation of destitute  
 D RVO guideline
- 14 A valuer shall maintain integrity by being honest, straightforward, and forthright in all professional \_\_\_\_\_.**  
 A Work  
 B Assignments  
**C Relationships**  
 D Other valuers
- 15 A valuer shall keep \_\_\_\_\_ interest foremost while delivering his services.**  
 A Client  
**B Public**  
 C Owner  
 D RVO
- 16 The valuer should be straight forward and honest in performing professional service because of interest of \_\_\_\_\_.**  
 A Client  
**B Public**  
 C Owner  
 D RVO
- 17 To whom can a creditor prefer an appeal in case of rejection of his claim...**  
 A IBBI  
 B District Court  
**C NCLT**  
 D High Court
- 18 Saving is \_\_\_\_\_.**  
 A difference between consumption and income  
 B difference between Investment and consumption  
 C difference between income and investment  
**D difference between income and consumption**
- 19 Saving is function of \_\_\_\_\_.**  
 A Income  
 B Investment  
 C Consumption  
 D Expense
- 20 S/Y =**  
 A MPS  
**B APS**  
 C TVC  
 D TFC
- 21  $\Delta S / \Delta Y =$**   
 A MPS  
 B APS  
 C TVC  
 D TFC
- 22 GDP at Factor cost exceeds GDP at market prices ...**  
 A When the Factor income from abroad is negative  
 B When depreciation on fixed capital exceeds income investment  
 C When direct tax exceeds indirect tax  
**D When subsidies exceed indirect taxes**
- 23 Money owed from an outsider is \_\_\_\_\_.**  
 A Asset  
 B Liability  
 C Expense  
 D Capital
- 24 Money owed to an outsider is \_\_\_\_\_.**  
 A Asset  
**B Liability**  
 C Expense  
 D Capital
- 25 What is extra premium for add on cover for act of god in standard peril policy?**  
 A 1%  
 B 2%

- C 3%  
D None of above
- 26 The forest and animal are not bounded by the following act  
A Indian Forest Act  
B **Environmental Protection Act**  
C Indian Wildlife Act  
D Bio Diversified Act
- 27 Calls in advance/arrears are shown under \_\_\_\_\_.  
A Share Capital  
B Reserve & Surplus  
C **Current Liabilities**  
D Loans & Advances
- 28 Who is supreme in Indian politics?  
A Parliament  
B Supreme court  
C **Constitution**  
D President
- 29 A carry bag has 3 yellow balls, 1 black ball and 2 red balls. Two balls are randomly chosen. What is the probability that both the balls are black?  
A 1  
B **0**  
C 1 / 6  
D 1 / 2
- 30 Details mentioned in structure of a lease...  
A Details of comparable asset  
B Economic obsolescence  
C **Identification & Technical Specification**  
D No. of usage
- 31 Contingent contract is \_\_\_\_\_.  
A **Valid**  
B Void  
C Voidable  
D Invalid
- 32 If demand in unitary elastic a 50% increase in price will result in \_\_\_\_\_.  
A No change in quantity demanded  
B **50% decreases in quantity demanded**  
C 25% decrease in quantity demand  
D 50% change in total revenue
- 33 How to determine economic obsolescence...  
A Potential profitability of future years  
B Current loss  
C  
D
- 34 Discount factor is used for \_\_\_\_\_.  
A To determine future cash flows  
B To calculate terminal value  
C **To determine present value**  
D To calculate growth rate
- 35 What is carrying amount?  
A Gross Book Value  
B **Net Book Value**  
C Accumulate Depreciation  
D Historical cost
- 36 Carrying Amount is \_\_\_\_\_.  
A Gross block plus accumulated depreciation  
B Gross block less depreciation of current year  
C Gross block less accumulated depreciation  
D **Gross block less accumulated depreciation less accumulated impairment losses**
- 37 Impairment Loss is \_\_\_\_\_.  
A Carrying Amount > Residual Amount  
B **Carrying Amount < Recoverable Amount**  
C Carrying Amount > Recoverable Amount  
D Carrying Amount < Residual Amount
- 38 Cost of disturbance experienced during the remediation stage is known as \_\_\_\_\_.  
A **Cost to operation**  
B Cost of public liability  
C Cost of distribution

- D Cost of contract
- 39 **Insolvency process can be initiated by \_\_\_\_\_.**  
 A Insolvency professional  
 B NCLT  
 C DRT  
**D Operational creditors**
- 41 **Construction by contractor for 3rd party. what it asset called?**  
 A  
 B  
 C  
 D
- 42 **Which is not an input?**  
**A Production**  
 B Entrepreneur  
 C Natural resources  
 D Labour
- 43 **The maximum productive capacity according to the manufacturers' specification of plant is called \_\_\_\_\_.**  
 A Running Capacity  
 B Utilized Capacity  
 C Actual Capacity  
 D Installed Capacity
- 44 **Average of high limit and low limit of class is called \_\_\_\_\_.**  
**A Mid value**  
 B Class interval  
 C Range  
 D Deviation
- 45 **Price inelastic means what?**  
 A Substitute available  
 B Complement available  
**C Product is a necessity (example petrol)**  
 D Product is an inferior
- 46 **Under marginal productivity theory, reward for labour is determined by \_\_\_\_\_.**  
**A Marginal product**  
 B Government  
 C Entrepreneur  
 D Revenue
- 47 **Which Act does not direct agencies for Prevention of pollution?**  
 A Water Pollution Control Act  
 B Water Pollution Control (cess) Act  
 C Environment Protection Act  
 D Air Pollution Control Act
- 48 **Minimum Deductible for other than Act of God is \_\_\_\_\_.**  
 A Rs. 5,000  
**B Rs. 10,000**  
 C Rs. 15,000  
 D Rs. 20,000
- 49 **What is not true for Standard Fire and Perils policy?**  
**A Terrorism included**  
 B Lightning included  
 C Bush fire included  
 D Aircraft damage included
- 50 **Who advises government on conservation of forests?**  
 A Principle Secretary of GoI  
 B Advisor of Ministry of Forests, GoI  
 C Minister of Forests  
**D Chief of Conservation of Forests**
- 51 **Assumption in what can cause error during DCF?**  
 A Input cost  
 B Finance charges  
**C Depreciation**  
 D Discount rate
- 52 **What determines future profitability of asset?**  
 A Life of asset  
 B Historical cost  
 C Acquisition cost  
 D Cost of installation

**53 Fire consequential loss policy pays the insurer...**

- A Net profit
- B Increased cost of work
- C Standing charges
- D All the above**

**54 In indifferent curve, the demand curve shows...**

- A down-ward from left to right**
- B down-ward from right to left
- C upward from right to left
- D upward from left to right

**55 Terrorism cover for industrial risks is subject to a deduction of \_\_\_\_\_.**

- A 0.5%**
- B 1.0%
- C 1.5%
- D 0.05%

**56 The sum insured under debris removal add-on cover cannot exceed \_\_\_\_\_ % of the total sum insured under the fire policy.**

- A 5%
- B 10%**
- C 15%
- D 20%

**57 What to consider for cost approach?**

- A Availability of Machine
- B Demand of Product
- C Future Cash Flow
- D Potential profitability**

**58 Who cannot initiate quick insolvency proceedings...**

- A Corporate debtor**
- B Operational creditor
- C Corporate creditor
- D Insolvency professional

**59 Index number indicates...**

- A Inflation

B Deflation

**C Both**

D None of Inflation or Deflation

**60 Debit note issued are used to prepare \_\_\_\_\_.**

- A Sales Return Book
- B Purchase Return Book**
- C Journal Proper
- D Purchase Book

**61 Which printing process involves use of engraved rollers that comes direct contacts with substance?**

- A Offset lithograph**
- B Rotogravure
- C Flexographic
- D Letter pad

**62 Census data published for the city population will be known as \_\_\_\_\_.**

- A Chronological
- B Geographical**
- C Time series
- D Discrete

**63 Which of the following is not component of Highest & Best Use?**

- A Legal use
- B Physical possible
- C Financially feasible
- D Rule of thumbs**

**64 Contribution =**

- A Sale – Cost of sale
- B Sale – Cost of production
- C Sale – Variable cost**
- D Sale – Fixed cost

**65 Law related to Industrial Health & Safety...**

- A Biomedical Waste Rules
- B Hazardous Waste Management
- C Factory Act**
- D Chemical Accident

66 Purchase cost of machine when was newly built is known as

-----'

- A Purchase price
- B Historical cost**
- C Reproduction cost
- D Replacement cost

67 Which of the following will treated as P&M for valuation purpose?

- A Air conditioning with ducting**
- B Factory building
- C Road
- D Underground tank

68 Which of machine is used to fine sieve in flour mill?

- A Fining Screen
- B Shaker Shifter
- C Plane Shifter
- D Funnel

69 \_\_\_\_\_ is appointed to inform farmers about various type of pesticides and its level of poison?

- A ICAR**
- B CBI
- C Rural Bank
- D RBI

70 Term used to indicate amount set aside every years for recoupment of invested capital at the end of asset life is

-----'

- A Sinking Fund**
- B Capitalized amount
- C Carrying amount
- D Remuneration rate

71 Which of the following are standing charges....

- A Insurance premium
- B Rent
- C Invested loan from bank
- D Unpaid charges

72 Nominal GDP is measured in

- A Base year
- B Current year**
- C 1980
- D 2000

73 Nominal GDP is usually higher than real GDP because inflation is typically a \_\_\_\_\_ number.

- A Negative
- B Positive**
- C Equal
- D Imaginary

74 Real GDP is measured in

- A Base year**
- B Current year
- C 1980
- D 2000

75 Machine fastened to floor of factory by owner is part of land.

- A Holland V/s Hodgson
- B
- C
- D

76 Dividends are usually paid as percentage of

-----'

- A Authorized capital
- B Issued capital
- C Paid up capital**
- D Reserve capital

77 Which of the following needs to be included in replacement cost new of machine?

- A Depreciation
- B Income
- C Finance cost upto commercial operation**
- D Rent paid for the placing machine on manufacture site from warehouse

78 Demand curve shift rightwards when...

- A Increase in price
- B Increase in income**
- C Decrease in price of substitute goods
- D Increases in price of complementary goods

*Note: On increases in demand curve will shift to the right and this could be caused by a number of factors, including a rise in income, a rise in the price of a substitute goods or a fall in the price of a complementary goods.*

**79 Which is correct with respect to resources...?**

- A Money is capital goods
- B Human skills are labour input
- C Entrepreneur is part of labour input**
- D Natural resource includes human input

**80 Production capacity of plant for which license is obtained**

- 
- A Licensed capacity**
  - B Installed capacity
  - C Actual Capacity
  - D Normal Capacity

**81 Sales of departmental store in Holi & Diwali are...**

- A Secular Trend
- B Seasonal Trend**
- C Cyclical Trend
- D Irregular Trend

**82 Which act governs conservation of Forest & Wildlife....**

- A
- B
- C
- D

**84 Which act governs conservation from Hazardous Substance**

- ....
- A Environmental Protection Act**
  - B
  - C
  - D

**85 Reason for varying price of similar machine by different**

**manufacturer**

- A Brand Name
- B Downtime of machine & Better Quality
- C Lower percentage of rejection of finished goods & maintenance cost
- D All of above**

**86 Based on intended use of a report who define the value ...**

- A Valuer
- B Company Authority
- C Auditor
- D Management

**87 Inflation in two or three digit is called...**

- A Galloping or Hyper**
- B Creeping
- C Stagflation
- D Recession

**88 If the price elasticity of a product is greater than 1, we can say that...**

- A The products demand is sensitive to price variation;**
- B Product demand is insensitive to price variation
- C Demand and price move in same directions
- D None of this

**89 A sells his car to B. A has a right to recover the price of the car from B. This right is a**

- A Right is rem
- B Right is personam.**
- C Right in rem as well as right in personam
- D Moral right

**90 The mean of a distribution is 26, the median is 24, and the mode is 20. It is most likely that this distribution is**

- A Positively Skewed**
- B Symmetrical
- C Asymptotic
- D Negatively Skewed

**91 What is compulsory deduction under terrorism cover for**

**industrial establishments?**

- A 0.5%
- B 1%
- C 3.5%
- D 10%

**92** Tabulation is the process of arranging data in .....

- A Different columns
- B Different rows
- C Different columns and rows**
- D Grouping of related facts in different classes

**93** The sum insured under debris removal add-on cover cannot exceed \_\_\_\_\_ % of the total sum insured under the fire policy.

- A 20%
- B 15%
- C 1%
- D 10%**

**94** Which of the following statement is true related to obligation of insured on notification of a claim?

- A To defend the insurer
- B To indemnify the insurer
- C Ensure third parties named in policy are notified
- D To investigate / settle potentially covered claim**

**95** Cost of P&M is Rs 1.00 lac, Net Annual Income in Rs 10,000 (perpetuity). What is Years Purchase?

- A 10
- B 10%**
- C 10,00,000
- D 10,000

**96** What is formula for PV...

- A  $I * YP$
- B  $1 / (1 + R)^n$**
- C  $R / ((1 + R)^n - 1)$
- D None of above

**97** Classification probability is always mentioned in .....

- A Ratios

- B Absolute value
- C Fraction or Decimal**
- D Averages

**98** Which is the critical parameter of vertical boring machine and Turning machine?

- A
- B
- C
- D

**99** Which is to be treated as P&M?

- A Road
- B Sewer
- C water tank
- D Tube well (if for business purpose)**

**100** Under schedule to BS for Fixed Assets, closing WDV + Depreciation for year is....

- A GB
- B NB
- C Opening WDV
- D Opening GB**

**101** What is service potential of machine?

- A Future likely benefit**
- B Remaining useful life
- C Remaining Economic Life
- D Balance useful life

**102** Under DRC, which data will lead to wrong estimation?

- A Accurate Life
- B Remaining Economic/Useful Life
- C NPV**
- D GBV

**103** Comparison of assets held by company and assets required for installed capacity will lead to identification of

- A Surplus**
- B Non-productive
- C Surplus or non productive
- D



**104 Assets available at site but not in FAR, it is example of**

- A Surplus
- B Non-productive
- C Surplus or non productive
- D Off-Balance Sheet**

**105 Steel structure to reactor is...**

- A Plant
- B Machinery**
- C Fixture
- D Building

**106 How will you determine installed capacity...**

- A Capacity of plant In the beginning
- B Capacity of plant In the end
- C Processes throughout the plant
- D

**107 For insurance purpose, which one is used?**

- A Part
- B Whole**
- C Independent
- D Dependent

**108 Powers of a Forest Officer**

- A De-reservation of Forests
- B Construction of Dams& Canals
- C Restriction of Visitors
- D

**109 The suggestion, as a fact, of that which is not true, by one who does not believe it to be true...**

- A Fraud
- B Misrepresentation
- C Misleading
- D Mistake**

**110 Critical Condition of Bailment**

- A Delivery by Owner
- B No consideration
- C Non Delivery of goods

D No Offer

**111 Which of the following industry needs Safety, Environment & Strategic Approvals**

- A Dairy
- B Light Engineering
- C Telecommunications
- D Isocyanate Hydrocarbon Industry**

**112 Change in Demand Curve doesn't happen because of...**

- A Change in Price of Substitutes
- B Change in Income
- C Change in Price
- D Change of Consumers interest

**113 A property is not said to be contaminated...**

- A When the utility is diminished for short term duration
- B When the utility is diminished for a long term duration
- C Automobile pollution has nothing to do with air pollution and property valuation
- D When utility is diminished for a short or long duration

**114 Which are of the following consideration paid in leasing...**

- A Rentals**
- B Loan installments
- C Deposit
- D Post paid consideration amount

**115 A valuer is must equip himself with up to date developments in practice, regulation/guidelines and techniques...**

- A This is not prescribed by the professional society
- B This is in interest of client**
- C This is not requirement any statute
- D This is unethical

**116 Which one of the following is function of a valuation professional organization for valuation of a specific class or classes of assets of valuation...**

- A Monitor quality of service of valuers who are its members**
- B Assess the professional competence of personnel providing

- accounting information
- C Ensure that expert in an employee of the company for when about in ensuring performance
- D Ensure that expert paid 50 per cent of professional fees on award of assignment
- 117 Buyers preference to analyze net cash flow in making purchasing decision for group of assets result in**
- A Market approach not preferable while valuing group of assets
- B Market approach preferable while valuing group of assets
- C Cost approach preferable
- D Direct Match Method preferable
- 118 Which of the following is the factor for comparison between comparable and subjected machine while estimating cost new of subjects machine?**
- A Historical cost
- B Acquisition cost
- C Net book value
- D Saving in wages
- 119 Which of the following Method is used to value Marketable Non Marketable Property?**
- A Sale comparison Method**
- B Earning Capitalization Method
- C Discounted Cash flow method
- D Capital Asset Pricing Methods
- 120 Which one of following is not a specification of pasteurizer?**
- A Flow rate
- B Dimensions
- C Material Construction**
- D Weft Control
- 121 Which of the following statement is true related to obligation of insured on notification of a claim?**
- A To defend the insurer
- B To indemnify the insurer
- C Ensure third parties named in policy are notified
- D To investigate / settle potentially covered claim
- 122 The business is worth continuing if the net tangible asset value is...**
- A equal to business enterprise value
- B more than business enterprise value
- C less than business enterprise value**
- D significantly higher than business enterprise value
- 123 Lease documents usually provide for...**
- A Technical specification
- B Obsolesce
- C Operational details
- D All possible future events during lease**
- 124 The new machinery is used more in initial years and less in later years. Which depreciation would you advice?**
- A SLM
- B WDV**
- C Sum of digit
- D Lump sum
- 125 Which of the following metal can be easily drawn into wire?**
- A Copper**
- B Lead
- C Tin
- D Steel
- 126 Data is to aptly qualitatively \_\_\_\_\_ so that we infer deduce something.**
- A Classified
- B Tabulated
- C arranged logically
- D Plotted
- 127 Under central tendency extreme value will impact...**
- A Arithmetic Mean**
- B Median
- C Mode
- D Geometric Mean
- 128 When mean=mode=median skewness will be...**
- A Nil**
- B Positive

- C Negative
- D Either left or right shifted

**129 When mean > mode > median skewness will be...**

- A Nil
- B Positive**
- C Negative
- D Either left or right shifted

**130 When mean < mode < median skewness will be...**

- A Nil
- B Positive
- C Negative**
- D Either left or right shifted

**131 On the demand curve the consumer buys different items...**

- A Choice to buy at different price**
- B Different quantity
- C Different substitute similar items
- D Due different taste and preferences

**132 Principle of milk homogenization...**

- A
- B
- C
- D

**133 In drilling machine, 15 mm represent...**

- A Bore diameter**
- B Drill depth
- C Job width
- D Bed length

**134 Suggested method of depreciation under IT Act, 1961...**

- A SLM
- B WDV**
- C Sum of digit
- D Unit of Production

**135 Which of the following is not applicable as method of depreciation under The Companies Act, 2013?**

- A SLM

- B WDV
- C Sum of digit**
- D Unit of Production

**136 Which of the following is relevant factor for valuing property by Discounted Cash Flow method?**

- A Interest Rate**
- B Replacement Cost
- C Make and Model
- D Market Value

**137 Non pollutant agent....**

- A Carbon dioxide**
- B Carbon monoxide
- C Nitrogen oxide
- D Sulfur dioxide

**138 Algae developed in river due to...**

- A Sunlight
- B Nutrition
- C Sunlight & Nutrition**
- D Oxygen

**139 Toss of coin three times, what is the probability of getting up head once...**

- A 1/3
- B 1/8**
- C 1
- D 1/4

**140 Void agreement is void ab-intio (Not legally binding), void contract is...**

- A Void ab-intio
- B Not void ab-intio**
- C Voidable
- D Void

**141 Voidable contract is...**

- A Illegal
- B Enforceable
- C Void
- D Valid contract which may be either affirmed or rejected**

**at the option of one of the parties**

**142 In case of fire claim, what are option to close up a dispute...**

- A Arbitration
- B Insurance company
- C Broker
- D Competent person

**143 Property never contaminated located in area of contaminated is...**

- A Contaminated
- B Suspected
- C Remediated
- D Adjacent properties

**144 Contaminated restored property...**

- A Still pay less compare to other property
- B Stigma remove
- C Pay reasonable price
- D pay more compare to other property

**145 Not significant contamination...**

- A Serious injury
- B Fail building
- C Depth of person
- D Change in ecological system

**146 Extra supervision monitoring security cost...**

- A Cost of operation
- B Cost of control
- C Cost of distribution
- D Cost of construction

**147 Standing charge consequential loss (fire) policy...**

- A Salaries
- B Office expense
- C Cost of stationary
- D Cost of raw material

*Standing charges are salaries to permanent staff, rent, rates, taxes, insurance premium, interest on bank overdraft, debentures etc. Only those standing charges, which are insured, can be claimed.*

**148 Which of the following is not correct for 'Aircraft Damage'?**

- A By aircraft
- B By other aerial devices
- C By pressure wave
- D By other space/satellite devices

**149 Prorate average applies to...**

- A Double insurance
- B Over insurance
- C Under insurance
- D Subrogation

**150 When asset value fractionally represent market value...**

- A Sum of value of individual assets assuming successful going concern
- B Sum of value of individual assets assuming fail going concern
- C Sum of value of individual assets without any assuming
- D Sum of value arrive by individual cases and increase by 1005

**151 There are two machines A and B manufactured by two different manufacturers. Both machine are identical and replica and provides same utility. Still there is price difference because of...**

- A Cost of production
- B Climate condition
- C Physical features of both machine
- D Taxation or location

**152 Power of goods and services to satisfy needs of human is called...**

- A Physical
- B Value in use
- C Value in existing use
- D Utility

**153 Government withdraws incentive of particular industrial sector. Which type of obsolescence is it?**

- A Extra depreciation
- B Technical
- C Functional
- D Economic

**154 Which of the following value is objective?**

- A Value in Exchange**
- B Value to buyer
- C Value in Use
- D Value to Seller

**155 Which of the following value is subjective?**

- A Value in Exchange
- B Value to buyer
- C Value in Use**
- D Value to Seller

**156 Which of the following value is non-market based?**

- A Value in Exchange
- B Value to buyer
- C Value in Use**
- D Value to Seller

**157 Which of the following value is market based?**

- A Value in Exchange**
- B Value to buyer
- C Value in Use
- D Value to Seller

**158 Which of the following value is based on observable economic forces?**

- A Value in Exchange**
- B Value to buyer
- C Value in Use
- D Value to Seller

**159 Who is involved in analysis and comparison after identification of contamination?**

- A Seller
- B Valuer
- C Expert**
- D Seller, Valuer and Expert

**160 Tube furnace used in...**

- A
- B

- C
- D

**161 Which information by client can be help for estimation of replacement cost?**

- A Net book value
- B Historical purchase price**
- C Depreciation
- D Usage of machine

**162 In which layout production line need to balanced?**

- A Fixed
- B Process
- C Product**
- D Group or hybrid

**163 In which layout, low production cost per unit can be achieved?**

- A Fixed
- B Process
- C Product**
- D Group or hybrid

**164 Which layout is used for manufacturing of ship...**

- A Fixed**
- B Process
- C Product
- D Group or hybrid

**165 In which layout, production may be most affected due breakdown of machine?**

- A Fixed
- B Process
- C Product**
- D Group or hybrid

**166 In company account, unamortized part of original cost is called...**

- A Book Value**
- B Gross Value
- C Present Value
- D Depreciation

**167 Period for review of residual value and useful life of asset as per Ind AS 16 is ...**

- A At end of each financial year
- B At end of each calendar year
- C At every two year
- D At every three year

**168 Non availability of spare part of machine is...**

- A Technical obsolescence
- B Functional obsolescence**
- C Economic obsolescence
- D External obsolescence

**169 Refractory brick in the boiler is...**

- A Machinery**
- B Building
- C Fixture
- D Land

**170 Money is...**

- A Rupee
- B Building
- C Machine**
- D Land

**171 What does valuer prepare and then get signature from senior management?**

- A Engagement letter
- B Fess letter
- C Valuation report
- D Inspection report

**172 In contract of Sale of Goods, which is not true?**

- A Contract of sale of goods is a contract
- B Seller transfer the property to buyer
- C Seller agree to transfer the property to buyer
- D Sale of goods is not contract**

**173 In order to estimate replacement cost of a new machine, with whom valuer has to spend more time?**

- A Production supervisor

**B Equipment supplier/manufacturer**

- C Manager
- D Owner of company

**174 Which is required for calculation of market value of asset by market approach?**

- A Useful life
- B Down time of machine
- C Model of machine**
- D Income from machine

**175 In which industry, glazing cylinder (MG) used in...**

- A Dairy
- B Steel
- C Paper**
- D Oil

*A MG Cylinder is a Yankee cylinder, which is used to get Glaze on the surface of the paper*

**176 Obligation of supplier of machine in lease...**

- A To supply machine to the lessee**
- B To supply machine to the lessor
- C To collect lease rent from the lessor
- D To pay lease rent to the lessor

**177 Which factor does not affect in estimation of depreciated replacement cost?**

- A Scrap / Salvage value
- B Availability of spare part
- C Net book value**
- D Balance life

**178 Under Factories Act, when it required to appoint welfare officer?**

- A
- B
- C
- D

**179 What does a prudent investor look at before buying a company?**

- A Salvage value

- B Scrap value
- C Net book value
- D Production volume

**180 Uncalled capital is entered as...**

- A Capital unrealized
- B Share capital
- C Unpaid capital
- D Share money

**181 Who estimate the cost of environment damages...**

- A Buyer and seller
- B Valuer
- C Environmental consultant
- D Valuer and environmental consultant**

**182 What is considered as plant & machinery?**

- A Factory building
- B Road
- C Safe deposit vault in bank**
- D Air condition in bank premises

**183 As per The Companies Act, who has to estimate the value of P&M?**

- A Valuer
- B Registered valuer**
- C Approved valuer
- D Insolvency professional

**184 A quick way to estimate replacement cost of machine is...**

- A Discounted Cash Flow method
- B Indexation method**
- C Sale comparison method
- D Cost method

**185 An experience broker will use the following for valuation**

- A Rule of thumb method**
- B Indexation method
- C Sale comparison method
- D Cost method

**186 While estimating of balance useful life of machine, which**

**record must be checked?**

- A Maintenance**
- B Replacement of part
- C Production
- D Breakdown

**186 When families are segregated based on size, it is...**

- A Quantitative sampling**
- B Qualitative sampling
- C
- D

**187 The valuer must be interacting with \_\_\_\_\_ during the inspection for estimation of useful life of machine.**

- A Factory inspector
- B Production manager
- C Maintenance manager**
- D Owner of company

**188 What is not part of engagement (appointment) letter?**

- A Opinion on value or conclusion**
- B Scope of work
- C Purpose of valuation
- D Remuneration for valuation

**189 Higher level of the indifference curve means...**

- A Equal satisfaction
- B Lower satisfaction
- C Higher satisfaction**
- D Not in relation

**190 A determinant of saving is...**

- A
- B
- C
- D

**191 Executive is under...**

- A Legislation
- B Judicial
- C
- D

- 192 Right of privacy is...**  
 A **Fundamental**  
 B Constitutional  
 C Statutory  
 D Legal
- 193 Which of the following is economic factor related to an assets's service life?**  
 A Depreciation  
 B Obsolescence  
 C **Cost of repair**  
 D All of above
- 194 To start a new business, one must always look to...**  
 A Potential customers  
 B **Identified sources of raw material**  
 C Source of finance  
 D Production capacity
- 195 What is Schedule IV?**  
 A  
 B  
 C  
 D
- 196 For a negatively skewed distribution, the correct inequality is...**  
 A **Mode is less than Median**  
 B Mean is less than Median  
 C Mean is less than Mode  
 D None of the above  
 In negatively skewed distribution: Mean<Median<Mode
- 197 Which is true, if obsolesces exist? (BE- Business Enterprise Value; NWC: Net Working Capital; FA: Fixed Assets; IA: Intangible Assets)**  
 A BE-NWC<FA-IA  
 B BE+NWC<FA+IA  
 C **BE-NWC<FA+IA**  
 D BE+NWC>FA+IA
- 198 In finance lease, which of the following is true for the asset?**  
 A **supplier handover title to lessor**  
 B supplier handover title to lessee  
 C lessor handover title to lessee  
 D lessee handover title to lessor
- 199 The price elasticity of demand for perfect competition market shall be...**  
 A Less than 1  
 B 1  
 C 0  
 D **Infinite**
- 200 Rate of return on investment is called...**  
 A Marginal propensity to save  
 B **Marginal efficiency of investment**  
 C Marginal propensity to consume  
 D Marginal revenue
- 201 Which of the following is real account?**  
 A **Furniture account**  
 B Interest account  
 C Salary account  
 D Credit account
- 202 Under Factory Act, device by which the motion of a prime mover is transmitted to or received by any machinery or appliance...**  
 A Plant  
 B Machinery  
 C **Transmission machinery**  
 D Prime mover
- 203 In perfectly elastic demand, the demand curve is...**  
 A Vertical  
 B slope downward  
 C **Horizontal**  
 D slope upward
- 204 Unexpired life of property is called...**  
 A **Economic balance life**  
 B physical life



- C useful life
- D Age

**205 Which of the following is not annuity?**

- A Annual rent
- B EMI**
- C Fixed deposit interest
- D Pension

**206 Which of the following statistics are least affected by extreme values present in a set of data?**

- A Median**
- B Mean
- C Standard deviation
- D Range

**207 Which is not direct expense?**

- A Material
- B Transportation
- C Labour
- D Finance charge**

**208 Aircraft & ship building are examples of \_\_\_\_\_ layout.**

- A Fixed**
- B Process
- C Product
- D Grouped or Hybrid

**209 Cost of property is Rs. 1,00,000, Scrap value is Rs. 10,000, life 4 years. Calculate depreciation by sum of year's digit method for forth year?**

- A 36,000**
- B 40,000
- C 45,000
- D 50,000

**210 What is the condition for running factory continuously?**

- A When business value is less than liquidation value of tangible assets
- B Business value is more than liquidation of tangible assets**
- C Economic obsolescence of tangible assets
- D By installing new machines

**211 Environmental impairment capex and opex will be estimated by...**

- A Registered valuer only
- B Environment consultant only
- C Both RV and EC**
- D Buyer & seller

**212 In which type of contaminant Chromium is categorized?**

- A Domestic wastewater
- B Industrial wastewater**
- C Physical contamination
- D Non-physical contamination

**213 Which one is not environmental risk?**

- A Additional risk in financing
- B Additional risk in buying
- C Additional risk in investing
- D None of the above**

**214 Bread and butter have \_\_\_\_\_.**

- A Negative cross price elasticity of demand**
- B Positive cross elasticity of demand
- C Positive income elasticity of demand
- D Negative income elasticity of demand

**216 In an open economy....**

- A  $GDP = GNP$
- B  $GDP < GNP$
- C  $GDP > GNP$
- D All are possible**

**217 In closed economy...**

- A  $GDP = GNP$**
- B  $GDP < GNP$
- C  $GDP > GNP$
- D All are possible

**218 In DCF technique is affected by...**

- A Discount Rate
- B Growth Rate
- C Discount and Growth Rate**

D Discount or Growth Rate

**219 Estimation of which of the following is critical while using DCF**

- A Earning
- B Operating Expense
- C Finance Charge
- D Replacement cost

**220 Result of applying index number to historical cost is...**

- A Replacement Cost
- B **Reproduction Cost**
- C Acquisition cost
- D Original cost

**221  $P \pm 1$  Liner of Regression is...**

- A Coincident
- B Parallel
- C Perpendicular to each other
- D Crossed

**221 Lease agreement is governs under...**

- A Sale of Goods
- B **Bailment**
- C Easement
- D Partnership

**222 Bailment is part of...**

- A Transfer of Property Act
- B **Indian Contract Act**
- C Sale of Goods Act
- D Factory Act

**223 When earnings do not give fair annual return on sum of fractional value, Value of whole property could be...**

- A **Amount obtain by capitalizing earning expectancy which of course will be less than sum of fractional value**
- B Sum of fractional value of asset
- C Sum of net current assets and fixed assets
- D Sum of fraction & part value of asset

**224 Disadvantage of Leasing...**

A Leasing is cheaper than borrowings

**B Loss of Residual Value**

C Lessor pay considerable amount of machine supply and lessee take possession

D Lessee issue certificate to lessor that specification of equipment is as per required

**225 Which of the following is not risk related to lease....**

- A Default risk
- B Residual value risk
- C Cross boarder risk
- D **Systematic risk**

**226 Element of Cost as per Indian Accounting standard 16**

- A Cost of training
- B Cost of introducing new product
- C **Import duty paid for machine**
- D Cost of advertising and promotional activity

**227 Bills receivable is...**

- A Fixed asset
- B Current liabilities
- C Loans and advances
- D **Current asset**

*Example of current asset: cash or petty cash, balance in bank account, cash equivalents, un-deposited checks from customers, accounts receivable, or trade receivables, other receivables, such as income tax refunds, cash advances to employees, and insurance claims, inventory of raw materials, work-in-process, finished goods, manufacturing and packaging supplies, prepaid expenses, such as insurance premiums which have not yet expired, advance payments on future purchases*

**228 Which of the following is generally true pertaining to lease?**

- A Detail technical specification of comparable machine
- B Details of economic obsolesce in lease agreement
- C **Description of Machine**
- D Details of personnel operating machine

**229 Generally true pertaining to structure of lease...**

- A Economic obsolesce
- B Technical specification

**C Remedies in event of default**

D Default of Personnel operating Machine

**230 Demand in pull inflation rise due to...****A Persistent rise in factor cost**

B Mismatch between demand and supply commodity

C Combine phenomena of demand pull and cost push inflation

D Increase in price of precious metals

**231 Product price fall by 10 %, Demand rise by 30 %. Elasticity of demand is...**

A 0.1

B 0.3

**C 3**

D 1

**232 Useful life under companies act is falling under schedule...**

A III

**B II**

C VI

D V

**233 Factor for adjustment of comparable machine in market approach...****A Location**

B Net book value

C Scrap value

D Salvage value

**234 Potential income is considered by estimation of valuation...****A Discounted Cash Flow Method**

B Sales Comparison method

C Direct Comparison Method

D Depreciated Replacement Cost

**235 Agreement restricted to movable property,,,**

A Loan

B Lease

**C Bailment**

D Supplier's Credit

**236 Following are for accounting by Lessor under finance****lease...****A Lessor should recognize assets in their balance sheet and present them as a receivable at an amount equal to net investment in lease**

B At Fair Value of Asset

C Lessor should not recognize asset in their balance sheet

D At Fair Value of Asset less cost of disposal

**237 Pipeline deliver raw water supply to plant is classify as...**

A Building

B Equipment for water supply

C Utility

**D Machine and Plant****238 Installed capacity of plant established in past is not based on...**

A Source of finance

B Market demand of product in past

**C Current market demand of product**

D Availability of workforce

**239 Which of the following represents median?****A 50th percentile**

B 1st quartile

C 3rd quartile

D 6th deciles

**240 The 25th percentile is also called...**

A 50th percentile

**B 1st quartile**

C 3rd quartile

D 6th deciles

**241 The 75th percentile is also called...**

A 50th percentile

B 1st quartile

**C 3rd quartile**

D 6th deciles

**242 The difference between the third and first quartiles is called...**

A Median

- B Mean
- C Range
- D Interquartile range**

**243 Lower interest rates are likely to...**

- A Decrease consumption
- B Increase cost of borrowing
- C Encourage saving
- D Increase borrowing and spending**

**244 Which of the following statement is true related to obligation of insured on notification of a claim?**

- A To defend the insurer
- B To indemnify the insurer
- C To ensure third parties named in the policy are notified
- D To investigate and settle potentially covered claim**

**245 Which of the following chart is drawn Machine v/s time?**

- A Man machine chart
- B Load chart**
- C Progress chart
- D Curve chart

**246 Which of the following is not a part of Five M's?**

- A Material
- B Machine
- C Motion**
- D Method

*Five M's - Manpower, Materials, Machines, Methods, and Money*

**247 The bill of material does not consist of...**

- A Part number
- B Specifications of part
- C Name of the part
- D Price of the part**

**248 Tapping process is done in...**

- A Steel plant**
- B Dairy
- C Paper
- D Pharmaceutical

**249 Material heated by means of electric arc...**

- A Electric arc furnace**
- B Blast Furnace
- C Oven
- D Pudding furnace

**250 Value remaining after part of asset life is consumed is called...**

- A Residual value**
- B Fair value
- C Scrap value
- D Salvage value

**251 \_\_\_\_\_ refers to a situation where any person or a body corporation is unable to fulfill its financial obligation (often) occurring due to several factors such as decrease in cash flow losses and other related issue.**

- A Insolvency
- B Bankruptcy**
- C Liquidation
- D Acquisition

**252 Capital WIP in shown balance sheet is...**

- A Current Asset
- B Current Liability
- C Fixed Asset**
- D Share Capital

**253 Which of the following is not related to Normalizing process?**

- A Heat treatment process for making material softer but
- B To adjust mechanical properties to suit the service conditions
- C To produce the uniform material properties**
- D To improve the machinability, refine the grain structure and relieve the internal stresses

**254 The unpaid seller has right of stoppage of goods in transit only where the buyer...**

- A Become insolvent**
- B Refuses to accept goods
- C Acts fraudulently

- D Refuses to pay price
- 255 The Sale of Goods Act, 1930 is not applicable to...**  
**A Actionable claims**  
 B Goodwill.  
 C Stock  
 D Crop
- 256 In which form of the contract, the property in the goods passes to the buyer immediately...**  
**A Sale**  
 B Hire purchase  
 C Agreement to sale  
 D Installment to sale
- 257 A new machine becomes obsolete because of product demand decline sharply. It is called...**  
**A Economic Obsolesces**  
 B Functional Obsolesces  
 C Technical Obsolesces  
 D Machine specific Obsolesces
- 258 It is an estimate of the price of the property would fetch in open market on 'as is where basis' in a short possible time is called as...**  
 A Reserve price  
 B Market value  
**C Forced sale value**  
 D Auction value
- 259 Which approach is useful to value income fetching asset?**  
 A Cost  
**B Income**  
 C Market  
 D Sale
- 260 In relation of law of tort, damages means...**  
 A Debris  
 B Loss  
**C Compensation**  
 D Accident
- 261 Fire insurance Policy is issued to cover...**  
 A Market Value  
 B Reinstatement Value  
 C Reinstatement Value with clause of escalation  
**D All of above**
- 262 Contract is...**  
 A Agreement  
**B Bilateral**  
 C Tripartite  
 D Promises
- 263 Which of the following is not nearer to money?**  
 A Currency Note  
**B Bond**  
 C Bill of exchange  
 D Treasury bill
- 264 Cost of machine is Rs. 8,000/-. Salvage value is Rs. 1,000/-. Life of the machine is 3 years. For WDV, what is the rate of depreciation?**  
 A 55%  
 B 40%  
 C 60%  
**D 50%**
- 265 As per IBC 2016, who cannot initiate a fast track corporate insolvency resolution process?**  
**A Corporate debtor**  
 B Insolvency professional  
 C Operational creditor  
 D Financial creditor
- 266 Under discounted cash flow method, value of asset increases with\_\_\_\_\_.**  
 A Higher Discount Rate  
 B Lower Capitalization Rate  
**C Lower Discount Rate**  
 D Higher Capitalization Rate
- 267 If contract specified time fails, then contracts becomes**

- A Void
- B Violable
- C Invalid**
- D Illegal

**268 Which of the following relationship is correct?**

- A Mean>Mode>Median
- B Mean<Median>Mode
- C Mean>Median>Mode**
- D Median<Mode<Mean

**269 Which is not hirable?**

- A Entrepreneur**
- B Capital
- C Machine
- D Labour

**270 Cost represents \_\_\_\_\_ side of transaction**

- A Supply**
- B Demand
- C Consumer
- D Purchase

**271 Which of the following factor is not considered for the market approach or sale comparison method?**

- A Make & Model
- B Size
- C Age
- D Replacement cost**

**272 Which of the following factor is considered for the market approach or sale comparison method?**

- A Acquisition cost
- B Replacement Cost
- C Time & Type of sale**
- D Interest Rate

**273 Ricardian theory is relating to...**

- A Labour
- B Land
- C Wages
- D Rent**

**274 As per The Factories Act, 1948, Adult means...**

- A A person who has completed his eighteenth year of age**
- B A person who has completed his fifteenth year of age but has not completed his eighteenth year
- C A person who has not completed his fifteenth year of age
- D A person who has not completed his eighteenth year of age

**275 As per The Factories Act, 1948, adolescent means...**

- A A person who has completed his eighteenth year of age
- B A person who has completed his fifteenth year of age but has not completed his eighteenth year**
- C A person who has not completed his fifteenth year of age
- D A person who has not completed his eighteenth year of age

**276 As per The Factories Act, 1948, child means...**

- A A person who has completed his eighteenth year of age
- B A person who has completed his fifteenth year of age but has not completed his eighteenth year
- C A person who has not completed his fifteenth year of age**
- D A person who has not completed his eighteenth year of age

**277 As per The Factories Act, 1948, Young means...**

- A A person who has completed his eighteenth year of age
- B A person who has completed his fifteenth year of age but has not completed his eighteenth year
- C A person who has not completed his fifteenth year of age
- D A person who has not completed his eighteenth year of age**

**278 An electrical energy or any other form of energy which is mechanically transmitted and is not generated by human or animal agency is called...**

- A Electricity
- B Power**
- C Horse power
- D Current

**279 As per The Factories Act, an engine, motor or other appliance which generates or otherwise provides power is called...**

- A Power

- B Transmission machinery
- C Machinery
- D Prime mover**

- B 100 or more workers are ordinarily employed
- C 500 or more workers are ordinarily employed**
- D 1000 or more workers are ordinarily employed

**280 Under Factories Act, shaft, wheel, drum pulley, system of pulleys are...**

- A Power
- B Transmission machinery**
- C Machinery
- D Prime mover

**286 Who may be a factory inspector?**

- A Collector
- B Chief commissioner
- C District magistrate**
- D Police inspector

**281 Factory means...**

- A Ten or more workers are working with the aid of power**
- B Five or more workers are working without the aid of power
- C Ten or more workers are working without the aid of power
- D Workers are working with or without the aid of power

**287 Which of the following is not the power of factory inspector?**

- A Take measurements and photographs
- B Make examination of the premises, plant, machinery, article
- C Seize or take copies of any register, record or other document
- D Make examination of the financial report**

**282 Factory means...**

- A Ten or more workers are working without the aid of power
- B Five or more workers are working with the aid of power
- C Twenty or more workers are working without the aid of power**
- D Workers are working with or without the aid of power

**288 The mean of 2, 5, \_\_\_\_, 10 & 15 is 8. The missing number is \_\_\_\_.**

- A 10
- B 8**
- C 12
- D 6

**283 The Factories Act, 1948 deals with...**

- A Safety & Health of worker
- B Safety & Welfare of worker
- C Health & Welfare of worker
- D Safety, Health & Welfare of worker**

**289 The basic principle of valuation by market approach or sale comparison method is \_\_\_\_\_.**

- A Standardization
- B Consumption
- C Contribution
- D Substitution**

*Note: Chapters of Act are The Inspecting Staff, Health, Safety, Welfare, Working Hours of Adults, Employment of Young Persons, Annual Leave with Wages, Special Provisions, Penalties & Procedure, Supplemental*

**284 The appointment of safety office requires...**

- A 10 or more workers are ordinarily employed
- B 100 or more workers are ordinarily employed
- C 500 or more workers are ordinarily employed
- D 1000 or more workers are ordinarily employed**

**290 Burden of proof lies upon a person who has to prove the fact and which...**

- A May shift
- B Will shift
- C Never shift**
- D Always shift

**285 The appointment of welfare office requires...**

- A 10 or more workers are ordinarily employed

**291 Lessor has right to...**

- A Receive lease rent for the useful life of machine
- B Receive lease rent for the unexpired period of lease**
- C Receive lease rent for the economic life of machine

D Receive lease rent for the physical life of machine

**292 Fire reinstatement value policy is not issued in respect of...**

- A Plant
- B Stocks**
- C Machinery
- D Electric Installation

**293 Turnover is Rs. 20 lakhs. Cost of production is Rs. 14 lakhs. Fixed overheads are Rs. 4 lakhs. Net profit is Rs. 2 lakhs. Which is the correct sum insured for a consequential loss (fire) policy?**

- A Rs.2,00,000
- B Rs. 10,00,000
- C Rs. 6,00,000**
- D Rs. 18,00,000

**294 Turnover is Rs. 10 lakhs. Cost of production is Rs. 7 lakhs. Fixed overheads are Rs. 2 lakhs. What is the net profit for consequential loss (fire) policy?**

- A Rs. 7,00,000
- B Rs. 3,00,000
- C Rs. 2,00,000
- D Rs. 1,00,000**

**295 Annual amount of gross profit is Rs. 1,20,000. What should be the sum insured under consequential loss (fire) policy for an indemnity period of 24 months?**

- A Rs. 1,20,000
- B Rs. 2,40,000**
- C Rs. 3,60,000
- D Rs. 60,000

**296 Under fire policy, the sum insured is Rs. 1,00,000. The loss is Rs. 60,000. Value of the property at the time of proposal of insurance was Rs. 1,50,000. Value of the property at the time of loss/claim is Rs. 2,00,000. What is the amount of loss payable?**

- A Rs. 1,00,000
- B Rs. 60,000
- C Rs. 30,000**
- D Rs. 2,00,000

**297 After completion of lease period, Lessor has right of -----.**

- A Residual Value**
- B Fair Value
- C Scarp Value
- D Mortgage value

**298 After completion of lease period, Lessor put option to buy to lessee at -----.**

- A Residual value
- B Fair value
- C Scarp value
- D Less than fair value**

**299 A mobile phone was purchased for Rs. 50,000. Its salvage value is Rs. 10,000. Total life time use 60,000 hours. Used time 20,000. What is the depreciation of the cell phone?**

- A Rs. 40,000
- B Rs. 13,333**
- C Rs. 12,000
- D Rs. 15,000

**300 What would be the written down value of a machine purchased at the cost of Rs. 30,000 after 3 years of service life at 5% rate of depreciation?**

- A Rs. 26,000
- B Rs. 26,720
- C Rs. 25,720
- D Rs. 25,000

**301 In which type of lease, substantially all the risks and rewards incidental to ownership of an asset transfers to the lessee?**

- A Conventional
- B Operating
- C Finance**
- D Sale and leaseback

**302 In which type of lease, title may or may not eventually be transferred to the lessee at completion of lease period?**

- A Conventional



- B Operating
- C Finance**
- D Sale and leaseback

**303 Valuation of asset under the lease is done by...**

- A Market approach
- B Depreciated replacement cost method
- C Sale comparison method
- D Income approach**

**304 Under which circumstance, lease is not cancellable...**

- A Upon payment by lessee for entire lease period with additional amount
- B With the permission of the lessor
- C With the permission of the lessee and supplier of machine**
- D If lessee enters into a new lease for the same asset with same lessor

**305 Net investment in the lease is the gross investment in the lease discounted at the \_\_\_\_\_ implicit in the lease.**

- A Rate of investment
- B Capitalization rate
- C Discount rate
- D Interest rate**

**306 Portion of the lease payments that is not fixed in amount but is based on the future amount of a factor that changes other than with the passage of time is called...**

- A Contingent rent**
- B Variable rent
- C Fixed rent
- D Semi variable rent

**307 If the lease transfers ownership of the asset to the lessee by the end of the lease term than it is called...**

- A Hire purchase
- B Operating
- C Finance**
- D Sale and leaseback

**308 The lease term is for the major part of the economic life of**

**the asset even if title is not transferred than it is called...**

- A Hire purchase
- B Operating lease
- C Finance lease**
- D Sale and leaseback

**309 In the finance lease, lease period compared to economic life of asset is...**

- A Equal
- B Less**
- C More
- D Equal or less

**310 If the lessee can cancel the lease, the lessor's losses associated with the cancellation are borne by the lessee than it is called...**

- A Hire purchase
- B Operating lease
- C Finance lease**
- D Sale and leaseback

**311 In finance lease, lessors will recognize assets held under lease in their balance sheets and present them as a \_\_\_\_\_ at an amount equal to the \_\_\_\_\_ in the lease.**

- A Income, Net investment
- B Income, Gross investment
- C Receivable, Net investment**
- D Receivable, Gross investment

**312 Under a finance lease substantially all the risks and rewards incidental to legal ownership are transferred by \_\_\_\_\_ to \_\_\_\_\_.**

- A Lessor, Lessee**
- B Lessee, Manufacture
- C Lessee, Lessor
- D Supplier, Lessor

**313 In finance lease, lessees will recognize asset held under lease as \_\_\_\_\_ and \_\_\_\_\_ in their balance sheets.**

- A Asset, Loss
- B Liability, Loss
- C Asset, Liability**

D Liability, Profit

**314 In finance lease, lessees will recognize asset held under lease as assets and liabilities in their balance sheets at amounts equal to the \_\_\_\_\_ of the leased property.**

- A Residual value
- B Market value
- C Fair value**
- D Net investment value

**315 In operating lease, lessee will be recognized lease payments as \_\_\_\_\_ on \_\_\_\_\_ basis over the lease term in books account.**

- A Expense, Declining
- B Loss, Straight-line
- C Loss, Declining
- D Expense, Straight-line**

**316 In finance lease, who will charge depreciation in their books of account?**

- A Lessor
- B Lessee**
- C Manufacturer
- D Broker

**317 In operating lease, who will charge depreciation in their books of account?**

- A Lessor**
- B Lessee
- C Manufacturer
- D Broker

**318 During the valuation for a leasehold asset, which information does not require?**

- A Rent paid by lessee to lessor
- B Profession of lessor**
- C Lease agreement
- D Net income to lessee from asset

**319 During the valuation for a leasehold asset, which information does not require?**

- A Lease period

- B Residual value of asset
- C Rent received by lessor for the asset
- D Technical details of comparable asset**

**320 Which one of the following statement is the responsibility of valuer in case of value dispute?**

- A To prepare equipment layout
- B To prepare inventory of machine
- C To conduct market survey
- D To provide relevant supporting evidence on the opinion of value**

**321 Which section of valuation report indicates that valuer does not have direct or indirect interest in the valued asset?**

- A Conclusion
- B Calculation
- C Declaration**
- D Assumption and limiting condition

**322 Opinion expressed on value for the property by the valuer as an expert witness in a valuation dispute case is \_\_\_\_\_ to the court.**

- A Not binding**
- B Binding
- C Valid
- D Not valid

**323 Diwali advance given to an employee is...**

- A Revenue Expenditure
- B Capital Expenditure
- C Deferred Revenue Expenditure
- D Not an Expenditure**

**324 The process of recording financial data upto trial balance is...**

- A Book keeping**
- B Summarizing
- C Classifying
- D Analyzing

**325 Amount spent to increasing the earning capacity is \_\_\_\_\_ expenditure.**

- A Capital**  
 B Deferred revenue  
 C Revenue  
 D Capital Loss
- 326 Value of goods withdrawn by the proprietor for his personal use should be credited to \_\_\_\_\_ account.**  
 A Capital  
 B Sales  
 C Drawings  
**D Purchases**
- 327 Cash account is a \_\_\_\_\_.**  
 A Real  
 B Nominal  
 C Personal  
 D Impersonal
- 328 Sales - Gross Profit = \_\_\_\_\_**  
 A Cost of goods sold  
 B Liabilities  
 C Net sales  
 D Gross Sales
- 329 The accounts that records expenses, gains and losses are....**  
 A Real  
**B Nominal**  
 C Personal  
 D Profit & Loss
- 330 GDP at market price exceeds GDP at factor cost by the amount of revenue raised through \_\_\_\_\_.**  
 A Income tax  
 B Indirect taxes  
**C Direct taxes**  
 D Tax on rents
- 331 GNP - GDP =**  
 A Depreciation  
 B Excess of subsidies over indirect taxes  
**C Net foreign income from abroad**  
 D Excess of indirect taxes over subsidies
- 332 Marginal cost is \_\_\_\_\_.**  
 A Total sales / Total production  
 B Total cost divided by total units produced  
 C Total cost divided by additional unit  
**D Change in total cost due to addition of one unit**
- 333 Demand of salt is inelastic because....**  
 A High production  
 B Complementary  
**C No substitute**  
 D Of low price
- 334 If the price elasticity of a product is greater than 1, we can say that...**  
 A Demand and price move in same directions  
 B Product demand is insensitive to price variation  
**C Products demand is sensitive to price variation**  
 D Demand and price move in opposite directions
- 335 According to law of supply \_\_\_\_\_.**  
 A Higher the price higher the quantity of supply by seller  
 B Lower the price lower the demand for the product  
 C Higher the price lower the cost of production  
 D Higher the price higher the production of the product
- 336 Goods or services that are necessary for living are...**  
 A Essentials  
 B Wants  
 C Desires  
**D Needs**
- 337 According to law of demand....**  
 A Higher price higher the quantity the more the consumer demand  
**B Lower the price higher the demand for the product**  
 C Higher the price lower the cost of production  
 D Higher the price higher the production of the product
- 338 Breakeven point refers to the situation when...**  
 A Total revenue is equal to total variable cost  
 B Total revenue is less than total cost

- C Total revenue is more than total cost
- D Total revenue is equal to total cost**

**339 In an open economy...**

- A  $GDP < GNP$
- B  $GDP = GNP$
- C  $GDP > GNP$
- D All the three are possible**

**340 Idle capacity of a plant is the difference between...**

- A Maximum capacity and practical capacity
- B Practical capacity and normal capacity
- C Practical capacity and capacity based on sales expectancy
- D Maximum capacity and actual capacity**

**341 Residual value is...**

- A Value of the asset when it is purchased
- B Value of the asset at the end of its useful life**
- C Cost of the asset
- D Allocation of the cost

**342 Basis of value is...**

- A Purpose of valuation
- B Estimation of value
- C Fundament assumption**
- D Final value

**343 Cost is in relation of...**

- A Exchange
- B Production**
- C Transaction
- D Goods & services

**344 Value is in relation of...**

- A Exchange**
- B Production
- C Transaction
- D Goods & services

**345 Value is used to describe \_\_\_\_\_.**

- A Cost
- B Price**

**C Worth**

D Valuation

**346 Value in relation of price/cost...**

- A Equal
- B Higher
- C Lower
- D Equal, Higher or lower**

**347 Capitalization/DCF method falls under...**

- A Sale comparison method
- B Income approach**
- C Market approach
- D Replacement cost method

**348 Specialized/specific/unique asset is valued by...**

- A Sale comparison method
- B Depreciated replacement cost method**
- C Capitalization method
- D Discounted cash flow method

**349 Value characteristic of investment property is...**

- A Not provide monetary yield to the owner
- B Marketability**
- C Usefulness to the owner without direct monetary yield
- D Non-recovery of original cost in general

**350 Non-Marketable Non-Investment Property is also called...**

- A Specialized property
- B Service property**
- C Unique property
- D Non-useful property

**351 Contracts, Franchises, License, Copyright and Goodwill are...**

- A Real property
- B Tangible asset
- C Intangible asset**
- D Investment property

**352 In oligopoly market...**

- A One seller
- B Few seller**

- C No. of seller
- D Lots of seller

**353 In perfect completion, Price elasticity of demand of a firm is...**

- A 0
- B Less than 1
- C 1
- D Infinite**

**354 Which of the following is not characteristic of perfect market?**

- A Large number of buyers and sellers
- B Homogenous goods
- C No Government regulation
- D No close substitute**

**355 Market value of an object depends upon the future \_\_\_\_\_ that can be derived out of an asset.**

- A Demand
- B Benefit**
- C Profit
- D Income

**356 As induce investment \_\_\_\_\_ in industrial property, associated incomes will \_\_\_\_\_.**

- A Decrease, Decrease
- B Increase, Decrease
- C Increase, Increase**
- D Decrease, increase

**357 Under discounted cash flow method, value of the property increase with \_\_\_\_\_.**

- A Higher discount rate
- B Higher income tax
- C Higher capitalization rate
- D Lower discount rate**

**358 What will be effect of increase in rate of interest on the investment?**

- A Investment will be increase
- B Investment will be decrease**

- C No effect on investment
- D Investment will be zero

**359 The three broad types of productive resources are...**

- A Money profit and interest
- B Technology, human capital and markets
- C Bond, stock shares and deposits
- D Capital, labour and natural resources**

**360 Which of the following is not relevant while estimating market value of property by income approach?**

- A Existing use
- B Capacity utilization
- C Historical cost of repair**
- D Alternative use

**361 Economic obsolescence is...**

- A Physical deterioration
- B Loss in value due super efficiency of asset
- C Loss in value by external factor**
- D Poor layout plan

**362 Which are two value ingredients of a marketable non-investment property?**

- A Monetary yield & Marketability
- B Utility & Marketability**
- C Monetary yield & Utility
- D Monetary yield & Non-Marketability

**363 Value of a property offered for immediate sale by its owner for urgent need of money to meet with legal obligation is called \_\_\_\_\_.**

- A Market value
- B Realizable value
- C Force sale value**
- D Fair value

**364 Agreement without consideration is \_\_\_\_\_.**

- A Void**
- B Voidable
- C Illegal
- D Free consent

**365 Cost approach is most suitable for...**

- A Investment property
- B Non-investment property
- C Marketable non-investment property
- D Non-marketable non-investment property**

**366 Which of the following economic activity is not related to tertiary sector?**

- A Transportation
- B Banking
- C Mining**
- D Call center

**367 The real GDP is measured in\_\_\_\_\_ prices & nominal GDP is measured in \_\_\_\_\_ prices.**

- A Current year & Current year
- B Base year & Base year
- C Base year & Current year**
- D Base year & Base year

**368 Which of the following is not the surrender of lease?**

- A Premature termination of a lease.
- B Unilaterally terminated by a lessee
- C Terminated with the consent of the lessor
- D If it happens post expiry of the lease**

**369 Useful life of an asset is affected by which of the following?**

- A Replacement cost
- B Historical cost
- C Wear & tear**
- D Acquisition cost

**370 Actual survival life of the building before it collapses is called \_\_\_\_.**

- A Physical life**
- B Useful life
- C Economic Life
- D Span of life

**371 Propensity to consume is \_\_\_\_\_ of income used for consumption.**

- A Net
- B Total
- C Amount
- D Percentage**

**372 If a person has an income of Rs. 30,000 and his consumption is Rs. 10,000, then his propensity to save is \_\_\_\_.**

- A 1
- B 0.33
- C 0.67**
- D 3

**373 Which of following is including in GDP?**

- A Sales of goods that were produced outside our domestic borders
- B Illegal sales of goods and services (black Market)
- C Government purchases**
- D Transfer payments made by the government

**374 Which of following is not including in GDP?**

- A Consumption
- B Intermediate goods that are used to produce other final goods**
- C Investment
- D Government purchases

**375 Lock out in a factory for a month is associated with the component of a time series...**

- A Irregular movement**
- B Cyclic variation
- C Secular trend
- D Seasonal variation

**376 Seasonal variation means the variation occurring within...**

- A 5 or 6Month
- B One Year**
- C Long period
- D 2 or 3 years

**377 According keynes' interest is a payment for use of...**

- A Use of durable goods
- B Use of Capital**

- C Use of money
- D Use of land

**378 Cash withdrawn by the entrepreneurs would effect...**

- A Decrease in external liability
- B Increase in total liability
- C Decrease in total asset
- D Increase in total asset

**379 A businessman issued cheque for Rs 100 to his son for domestic expense it will enter in the column book...**

- A Credit side of cash column & debit side of bank column
- B Debit side of cash column & credit side of bank column
- C In Credit side of each column
- D In Credit side of bank column

**380 In demand & supply curve quantity of goods available is normally plotting along...**

- A X Axis
- B Y Axis
- C Z Axis
- D Any of X & Y Axis

**381 Distribution of families according to their size will be classified as...**

- A Qualitative
- B Quantitative
- C Random
- D Sequential

**382 Heading of the rows of the table are called...**

- A Stubs
- B Captions
- C Body
- D Title

**383 Total sales are recorded at which side of ledger?**

- A
- B
- C
- D

**384 Regression coefficient**

- A
- B
- C
- D

**385 Census**

- A
- B
- C
- D

**386 Which approach is most applicable for valuation of Goodwill?**

- A Market
- B Income
- C Cost
- D Discount cash flow

**387 In Law of Demand, which of the following does not required to remain constant (unchanged)?**

- A Income of the people
- B Taste, preference and habits of consumers
- C Prices of related goods
- D Commodity in question is consumed for its prestige value

**388 Which of the following is correct for Law of Supply?**

- A If the price of commodity falls, the level of quantity supplied rises
- B If the price of commodity falls, the level of quantity supplied falls
- C If the price of commodity rises, the level of quantity supplied rises
- D If the price of commodity rises, the level of quantity supplied falls

**389 Which of the following is not correct for consideration tangible asset?**

- A for use in the production or supply of goods or services
- B for rental by others
- C for administrative purposes
- D Expected to be used less than eleven months

- 390 Value in Use is for...**  
 A Market needs  
**B Specific user's**  
 C Buyer  
 D Seller
- 391 Value in exchange is ...**  
 A Liquidation value  
 B Fair value  
**C Market value**  
 D Value to buyer
- 392 A capitalized value of additional income generated due to acquisition of any additional industrial plant is called...**  
 A Value to buyer  
 B Value to seller  
 C Value to occupier  
 D Investment value
- 393 Which value may be based on piecemeal basis?**  
**A Liquidation value**  
 B Fair value  
 C Value to seller  
 D Value to buyer
- 394 What is common between orderly liquidation value and force sale value?**  
 A Proper marketing period  
 B Compulsion to buyer  
**C Compulsion to seller**  
 D Without compulsion
- 395 What is common between orderly liquidation value and force sale value?**  
 A buyers may not be able to undertake adequate due diligence  
 B Without compulsion  
 C Willing buyer and seller  
**D Limited marketing period**
- 396 Government Incentives & Availability of Credit is...**  
 A Physical factor  
 B Social factor  
**C Economic factor**  
 D Legal factor
- 397 Degree of render a services...**  
 A Scarcity  
**B Utility**  
 C Usage  
 D Contribution
- 398 Restriction of sale of machine in open market imposed by the supplier / manufacturer is...**  
 A Physical factor  
 B Social factor  
 C Economic factor  
**D Transferability factor**
- 399 Type and Model of machine is...**  
**A Physical factor**  
 B Social factor  
 C Economic factor  
 D Utility factor
- 400 Categorize of most valued machinery out of total machinery in the plant is called...**  
 A Data collection  
**B ABC analysis**  
 C Inventory  
 D Listing of machine
- 401 To focus major items during site visit is known as...**  
 A Data collection  
**B ABC analysis**  
 C Inventory  
 D Listing of machine
- 402 Amount of depreciation will not affect by...**  
 A Wear & tear  
 B Usage  
 C Age  
**D Model of machine**



**403 Collection of details from individual machine is...**

- A Verification
- B Micro identification**
- C Macro identification
- D Certification

**404 Asset physically existing on site, but not available in Fixed Asset Register is due to...**

- A Asset already scraped-out
- B Asset already sold-out
- C Treated as capital expense
- D Treated as revenue expense**

**405 Which is not correct, Asset physically existing on site, but not available in Fixed Asset Register is due to...**

- A Leased based asset
- B Self manufactured asset
- C Treated as revenue expense
- D Asset is given on lease to other company**

**406 Which is not correct, Asset available in Fixed Asset Register but physically not existing on site is due to...**

- A Asset is given on lease to other company
- B Large tank having been converted into small tanks**
- C Treated as capital expense
- D Asset is at manufacturer site for repair

**407 Which of the following data is not available in Fixed Asset Register?**

- A Year of purchase
- B Name of machine
- C Complete technical specification**
- D Historical price

**408 Assets that are not essential for the operation of the business by a company or production of goods & services is...**

- A Productive
- B Non-productive
- C Surplus**
- D Off Balance sheet

**409 Asset held by the company on rent/lease/contract based is \_\_\_\_\_ asset.**

- A Productive
- B Non-productive
- C Surplus
- D Off Balance sheet**

**410 Asset with the ability to generate profits and cash flow \_\_\_\_\_ asset**

- A Productive**
- B Non-productive
- C Surplus
- D Off Balance sheet

**411 Asset use by the company in production of goods & services is \_\_\_\_\_ asset.**

- A Productive**
- B Non-productive
- C Surplus
- D Off Balance sheet

**412 Which asset is excluded from the valuation of a plant by income approach?**

- A Productive
- B Non-productive
- C Surplus**
- D Off Balance sheet

**413 At the end of economic life of asset, asset has...**

- A No service potential
- B Service potential**
- C No productive use
- D Value of its material content

**414 At the end of economic life of asset, asset has...**

- A No service potential
- B Potential of alternative use**
- C No productive use
- D Value of its material content

**415 At the end of useful life of asset, asset has...**

- A Alternative use

B Service potential

C Productive use

**D Value of its material content**

**416 During the economic life of asset, asset has...**

A Alternative use

B Existing use

**C Profitable use**

D Potential use

**417 Useful life will be most affected by...**

A Remain useful life

B Market value

**C Usage**

D Economic life

**418 Economic life will be most affected by...**

A Useful life

**B Less demand of product**

C Preventive maintenance

D Make & Model

**419 Machine has useful life 10 year and age is 4. Product manufactured by machine has no demand in market. What will be balance useful life of machine?**

A 6

B 2

**C 0**

D 1

**420 Machine has useful life 10 year and age is 4. Product manufactured by machine has no demand in market. What will be value of machine?**

A Market value

B Force sale value

C Salvage value

**D Scrap value**

**421 When machine is sold-out at its material content, which value of machine will be realized?**

A Salvage value

**B Scrap value**

C Market value

D Realizable value

**422 Machine is sold-out at its salvage value, than machine has...**

**A Service potential**

B Retirement life

C Economic life

D Non productive life

**423 Machine is sold-out at its scarp value, than machine has...**

A Balance Economic life

**B No alternative use**

C Balance useful life

D Serviceable life

**424 Which of the following will not affect the life of machine?**

A Preventive material

B Availability of raw material

**C Scarp value**

D Demand of product

**425 The purchase price paid at the initial time of acquiring the asset, when was newly built is called...**

A Net book value

B Book cost

C Acquisition cost

**D Historical cost**

**426 Mr. B purchase a machine from Mr. A who is first purchaser of machine, than the price at which Mr. B purchase is called...**

A Net book value

B Book cost

**C Acquisition cost**

D Historical cost

**427 The original cost of an asset minus any accumulated depreciation is called...**

A Gross book value

**B Net book value**

C Historical cost

D Book cost

**428 Which of the following is not considered a machine?**

- A Water treatment plant
- B Part of a vehicle such as the body of a vehicle**
- C RCC chimney of boiler
- D Sewerage treatment plant

**429 Which of the following is considered a machine?**

- A Electrical installations in the case of a banking company
- B Road
- C Water storage tank constructed by a person in connection with his business of supplying water to farmers
- D Technical know-how in the form of manufacturing designs, specimen drawings, charts, plans, processing data and other literature which forms the basis for business of manufacturing etc.**

**430 Inflation brings most benefit to which one of the following?**

- A Government pensioners
- B Savings Bank Account holders
- C Creditors
- D Debtors**

**431 Inflation is mostly harmful to which one of the following?**

- A Pensioners
- B Businessman
- C Creditors**
- D Debtors

**432 Increasing unemployment and inflation is a situation of...**

- A Inflation
- B Deflation
- C Depression
- D Stagflation**

**433 Which one of the following is true with respect to Fundamental Rights of Indian Constitution?**

- A Sovereignty of the people
- B Equality of opportunity for all resident**
- C Limited government
- D Democracy

**434 Which fundamental right of Indian constitution has been deleted by the 44th Amendment Act?**

- A Right against exploitation
- B Right to speak
- C Right to protest
- D Right to property**

**435 Per capita income is obtained by dividing national Income by**

- A Area of the country
- B Total population of the country**
- C Volume of the capital used
- D Total working population

**436 GDP at factor cost is...**

- A GDP minus indirect taxes plus subsidies**
- B NNP plus depreciation allowance
- C GNP plus inflation rate
- D GNP minus subsidies plus indirect taxes

**437 Which of the following is a real account?**

- A Goodwill
- B Building**
- C Bank
- D Salary

*Note: Real account is related to account of asset. It may be tangible, intangible or current asset like land, buildings, manufacturing equipment, office equipment, furniture, fixtures, vehicles, goodwill, copyrights, patents, cash, etc.*

**438 Closing entries are generally passed...**

- A At the time of opening new books of account
- B At the time of closing the accounts**
- C During the course of accounting period any time
- D After certification of accounts

**439 As per Ind AS 16, which of the following is not element of cost of an asset?**

- A Professional fees
- B Initial delivery and handling costs
- C Administration and other general overhead costs**
- D purchase price including import duties

**440 As per Ind AS 16, which of the following is element of cost of an asset?**

- A Costs of opening a new facility
- B Costs of introducing a new product
- C Costs of conducting business in a new location
- D Costs of site preparation**

**441 As per Ind AS 16, The cost of an asset comprises its purchase price, including import duties and non-refundable taxes and...**

- A After deducting professional fees
- B After deducting export duties
- C After deducting trade discounts and rebates**
- D After deducting pre-operating expense

**442 As per Ind AS 16, which of the following cost is not included in the carrying amount of an asset?**

- A Costs incurred while an asset capable of operating but yet to be brought into use
- B Costs incurred while an asset capable of operating but is operated at less than full capacity
- C Initial operating losses
- D Costs of testing whether the asset is functioning properly**

**443 As per Ind AS 16, The depreciable amount of an asset should be \_\_\_\_\_ on a systematic basis over its \_\_\_\_\_.**

- A Contributed, Useful life
- B Allocated, Useful life**
- C Contributed, Economic life
- D Allocated, Economic life

**444 As per Ind AS 16, the depreciation of an asset is based on....**

- A Physical life
- B Balance economic life
- C Useful life**
- D Balance physical life

**445 As per Ind AS 16, the depreciation method applied to an asset should be reviewed at least at...**

- A Every three years

- B Each quarter end
- C Every month
- D Each end of financial year**

**446 As per Ind AS 16, the financial statements should not disclose, for each class of property, plant & equipment...**

- A The depreciation methods used
- B The effective date of the revaluation
- C Involvement of an independent valuer
- D Name of an independent valuer**

**447 As per Ind AS 16, which method of depreciation is not allowed?**

- A Straight-line method
- B Diminishing balance method
- C Units of production method
- D Sum of digit method**

**448 As per Ind AS 16, Depreciable amount =**

- A Cost of asset – residual value
- B Cost of asset – Salvage value
- C Cost of asset or other amount substituted for cost - residual value**
- D Cost of asset – depreciated value

**449 Recoverable amount is...**

- A Higher of an asset's fair value or its value in use
- B Higher of an asset's fair value less costs to sell and its value in use**
- C Higher of an asset's fair value and its value in use
- D Higher of an asset's fair value less costs to sell or its value in use

**450 Useful life is...**

- A Period over which an asset is expected to be generate profit or loss
- B Period over which an asset is expected to be generate economic benefit
- C Number of production expected to be obtained from the asset**
- D Period over which an asset is expected to be generate income or gain

451 As per Ind AS 16, Depreciation of an asset begins when

- A It is installed  
 B It is purchase  
 C **it is available for use**  
 D It is dismantled

452 Which of the following factor is not considered in determining the useful life of an asset?

- A Expected usage of the asset  
 B Legal or similar limits on the use of the asset  
 C Commercial obsolescence arising from changes in production  
 D **Purchase price including import duties and non-refundable taxes**

453 Amount of depreciation =

- A Reproduction cost / Physical life  
 B Gross book value / Economic life  
 C **Depreciable amount / Useful life**  
 D Depreciated amount / Economic life

454 As per Ind AS 16, if residual value of an asset is less or equal to \_\_\_\_ of its original cost than disclosure does not required.

- A **5%**  
 B 7.5%  
 C 10%  
 D 12.5%

455 As per Ind AS 16, if useful life of an asset is \_\_\_\_\_ as describe its useful life in schedule II than disclosure does not required.

- A Higher  
 B Lower  
 C Equal  
 D **Lower or equal**

456 Continuous process plant means plant which is...

- A Required to operate for 24 hours a day  
 B Designed to operate for twenty-four 24 hours a day  
 C **Required and designed to operate for 24 hours a day**

D Required or designed to operate for 24 hours a day

457 As per Ind AS 16, if an asset is used for any time during the year for double shift, the depreciation will increase by \_\_\_\_\_ for that period.

- A 25%  
 B **50%**  
 C 75%  
 D 100%

458 As per Ind AS 16, if an asset is used for any time during the year for triple shift, the depreciation will increase by \_\_\_\_\_ for that period.

- A 25%  
 B 50%  
 C 75%  
 D **100%**

459 The depreciation on an asset on the basis of the units expected to be obtained from the use of the asset is \_\_\_\_\_ method.

- A Straight line  
 B Written down value  
 C **Unit of production**  
 D Sum of digit

460 As per Ind AS 16, when will the depreciation increase by 100%?

- A If an asset is used for any time during the year for 16 sixteen hours  
 B If an asset is used for any time during the year for triple shift  
 C **If an asset is used for any time during the year for triple shift for that period**  
 D If an asset is used for any time during the year for 16 sixteen hours for that period

461 Which date has least important in the report of valuation?

- A Date of valuation  
 B **Date of establishment of company**  
 C Date of inspection  
 D Date of report issued

**462 Which cost will be resulting, if current cost of identical brand new machine is available for valuation by cost approach?**

- A Replacement cost
- B Reproduction cost**
- C Historical cost
- D Acquisition cost

**463 Which cost will be resulting, if current cost of similar brand new machine is available for valuation by cost approach?**

- A Replacement cost**
- B Reproduction cost
- C Historical cost
- D Acquisition cost

**464 If current cost of identical brand new machine is available for valuation by cost approach for 5 years old machine, which relationship is correct?**

- A Historical cost = Reproduction cost
- B Replacement cost = Reproduction cost**
- C Replacement cost = Acquisition cost
- D Historical cost = Acquisition cost

**465 Which of the following is not affecting factor to arrive replacement cost?**

- A Ex-price of new machine
- B General administration charges**
- C Custom duty
- D Cost of transportation

**Element of replacement / reproduction cost:** Ex-price of new machine, custom duty, unrecoverable taxes, packing cost, load & unloading charges, cost of insurance during transportation, cost erection & commissioning, cost of foundation, consultant fees like engineering, legal, etc., finance cost upto commercial production start and eligible pre-operating charges.

**466 Which of the following is not affecting factor for adoption of cost approach?**

- A Balance useful life
- B Inflation in cost/price of machine
- C Growth rate**
- D Effective age

**Factor of cost approach:** Reproduction cost, replacement cost, all technical specification of machine like, make, model, capacity, size, type, energy consumption, drive, refurbishment, etc., Ex-price of new machine, custom duty, unrecoverable taxes, packing cost, load & unloading charges, cost of insurance during transportation, cost erection & commissioning, cost of foundation, consultant fees like engineering, legal, etc., finance cost upto commercial production start and eligible pre-operating charges. age, effective age, physical / useful / economic life, balance physical / useful / economic life, scrap value, salvage value, residual value, wear & tear, condition, usage, passage of time, obsolescence like functional & economic.

**467 Which of the following is not affecting factor for adoption of market approach?**

- A Active market
- B Numbers of sale comparison (evidence of transaction)
- C Make & model
- D Capitalization rate**

**Factor of market approach:** Active market, limited number of sales of comparable, all technical specification of machine like make, model, size, capacity, location, age, manufacture, quality, quantity, time of sale, type of sale with term & condition

**468 Which of the following is not affecting factor for adoption of income approach?**

- A Capitalization rate
- B Discount rate
- C Growth rate
- D Time of sale**

**Factor of income approach:** Gross income, outgoing /expenses, net income, input cost, growth rate, capitalization rate, discount rate, forecasted period for revenue generation, rent, term & condition for insurance, cost of repair and maintenance, premium paid, purchase clause end of lease period, demand of product, interest rate, risk free rate, risk premium, terminal / residual value.

**469 Which of the following is to be recovered first from the proceeds of liquidation estate?**

- A Insolvency resolution process costs and the liquidation costs**

- B Preference shareholders
- C Workmen's dues for a period of twenty-four months preceding the liquidation commencement date
- D Debts owed to a secured creditor

**470 Who is to be given priority amongst the following in distribution of the proceeds of liquidation estate?**

- A Financial debts owed to unsecured creditors
- B Wages and any unpaid dues owed to employees other than workmen for the period of twelve months preceding the liquidation commencement date
- C Debts owed to a secured creditor for any amount unpaid following the enforcement of security interest
- D Workmen's dues for the period of twenty-four months preceding the liquidation commencement date**

**471 Which of the following is to be recovered last from the proceeds of liquidation estate?**

- A Debts owed to a secured creditor for any amount unpaid following the enforcement of security interest
- B Any remaining debts and dues
- C Workmen's dues for the period of twenty-four months preceding the liquidation commencement date
- D Equity shareholders or partners**

**472 In consequential loss (Fire) insurance policy, sum insured is based on...**

- A Net profit + standing charges
- B Net profit
- C Gross profit**
- D Standing charges

*Note: Gross Profit = Net Profit + insured standing charges*

**473 A bank account overdraft is...**

- A Fixed asset
- B Current asset
- C Current liability**
- D Fixed liability

*Example of current liability: Payable like trade payables to suppliers, sales taxes, payroll taxes, income taxes, interest, accrued expenses, customer deposits, declared dividends, etc.*

**474 Standing charges means...**

- A All expenses which reduce proportionately with a reduction in turnover
- B All expenses which do not expatiate proportionately with a reduction in turnover
- C All expenses which do not reduce proportionately with a reduction in turnover**
- D All gain which reduce proportionately with a reduction in turnover

*Standing charges are to those fixed expenses which are incurred irrespective of the reduction in turnover. Examples of standing charges are salaries to permanent staff, rent, rates, taxes, insurance premium, interest on bank overdraft, debentures etc. Only those standing charges which are insured can be claimed.*

**475 Case hardening is done by....**

- A Electroplating**
- B Cyaniding
- C Induction hardening
- D Nitriding

**476 A maximum time limit, for completion of the insolvency resolution process, has been set for corporate is...**

- A 90 days which may be further extended by other 90 days
- B 180 days which may be further extended by other 90 days**
- C 90 days which may be further extended by other 180 days
- D 180 days which may be further extended by other 180 days

**477 Which of the following is cause of economic obsolescence?**

- A Yield loss
- B Excess manpower
- C Competition**
- D Higher rejection ratio

*Causes of economic obsolescence: Reduce demand of product, competition, dislocation of raw material and labour, increase in cost of utility, changes Govt. regulation, change in environmental rules, Availability of credit and subsidies*

**478 Which of the following is cause of functional obsolescence?**

- A Dislocation of labour
- B Excess investment in machinery**

C Dislocation of raw material

D Availability of credit

**Causes of functional obsolescence:** Excess of investment capital, manpower, scrap, rejection ratio, equipment, inefficient plant layout, yield loss.

**479 Which of the following is not relevant to calculate the reproduction / replacement cost?**

A Market survey for price of new identical or similar machine

B Indexation using historical cost/price

**C Market survey for price of old / secondhand machine**

D Cost to capacity technique

**480 Which of the following is relevant to sale comparison method?**

A Market survey for price of new identical or similar machine

B Indexation using historical cost/price

**C Market survey for price of old / secondhand machine**

D Cost to capacity technique

**481 Valuation of a machine which is no longer manufactured is done by...**

A Market survey for price of new identical machine & make adjustment compare to subject machine

**B Market survey for price of new similar machine & make adjustment compare to subject machine**

C Cost to capacity

D Using capitalization or discount cash flow method

**482 Valuation of a machine for which current cost of identical brand-new machine is not available is done by...**

A By cost approach using cost/price of identical machine

B By market approach using capitalization method

**C By cost approach using cost/price of similar machine & make adjustment compare to subject machine**

D By market approach using discount cash flow method

**483 Which of the following method falls under cost approach?**

A Sale comparison method

**B Depreciated replacement cost**

C Earning capitalization method

D Discount cash flow method

**484 Which of the following method falls under market approach?**

**A Sale comparison method**

B Depreciated replacement cost

C Earning capitalization method

D Discount cash flow method

**485 Which of the following method falls under income approach?**

**A Sale comparison method**

B Depreciated replacement cost

**C Earning capitalization method**

D Reproduction discount method

**486 The horizontal demand curve parallel to x-axis implies that the elasticity of demand is...**

A 0

B 1

C Greater or less than 1

**D Infinite**

**487 Keynes believed that the equality between savings and investment is brought about by...**

**A Changes in income**

B Rate of interest

C Availability of capital

D Marginal efficiency of investment

**488 Scatter diagram is used to study \_\_\_\_\_ in economic statistics.**

A Variability in the series

B Secular trend

C Regression

**D Nature of Correlation in the two series**

**489 Which of the following shows the financial status of company?**

A Profit & loss account

B Trading account

**C Balance sheet**

D Income statement



- 490 Rs. 25,000 spend for maintenance of machinery is...**  
 A Capital expenditure  
**B Revenue expenditure**  
 C Deferred capital expenditure  
 D Miscellaneous expenditure
- 491 Gross profit equal to...**  
 A Net profit – expenses  
 B Opening stock + purchases – closing stock  
**C Sales – cost of goods sales**  
 D Sales + opening stock – closing stock
- 492 Under diminishing balance method, depreciation will...**  
 A Increase every year  
**B Decrease every year**  
 C Remain constant every year  
 D Remain constant for initial year
- 493 The going concern is...**  
 A The entity will continue running upto his/her life  
 B The entity will continue running upto calendar year  
**C The entity will continue running for estimated future**  
 D The entity will continue running upto next 10 year
- 494 Asset – liabilities =**  
 A Shareholder equity  
 B Working capital  
 C Net capital  
**D Capital**
- 495 Under sum of digit method, depreciation will...**  
**A Increase every year**  
 B Decrease every year  
 C Remain constant every year  
 D Remain constant for initial year
- 496 Depreciable amount + residual value =**  
 A Salvage value  
 B Depreciation of a year  
 C Accumulated depreciation  
**D Cost of asset**
- 497 The company has purchase a machine from Japan. Which of the following will be not an element of the replacement cost of machine?**  
 A Ex-work price in foreign currency  
 B Import duty  
 C Non-refundable tax  
**D Rebate**
- 498 Which term is generally used for depreciation of natural resoureces?**  
 A  
 B Amortization  
**C Depletion**  
 D
- 499 Percentage of frequency is the \_\_\_\_\_ multiplied by 100**  
 A  
 B Cumulative frequency  
**C Relative frequency**  
 D
- 500 The average of 50 students is a 20 years. When the age of conductor is added, the average age is increased by one year. What will be age of a conductor?**  
**A 51**  
 B 55  
 C 71  
 D 50
- 501 Standard deviation is the \_\_\_\_\_ of variance.**  
 A Cube  
 B Square  
**C Square root (positive)**  
 D Cube root
- 502 If skewness is negative than the mean is \_\_\_\_\_ mode.**  
 A Equal  
 B Greater than  
**C Less than**  
 D Greater or less than

**503 Which of following is the best for measurement of dispersion?**

- A Mean
- B Range
- C Variation
- D Standard deviation**

Valuation of Plant & Machinery

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