

Q. No	Question Text	Option 1	Option 2	Option 3	Option 4	Correct Option
1	What is an entry level qualification for any grant for all local governments (both urban and rural local bodies), as per Fifteenth Finance Commission?	Constitution of State Finance Commissions	Availability of annual accounts for the previous year and audited accounts for the year before previous year in public domain online	Notification of minimum floor rates of property taxes by the State	All of the above	2
2	What is incorrect about Audit online?	It is an online platform for recording the audit process.	It facilitates audit of only Panchayats.	It facilitates audit of Government Departments, Panchayats and Urban Local Bodies.	It provides linkage with the transactional data (if available online) to verify and comment upon in the audit observations.	2
3	Who is the chairman of the 15th Central Finance commission, Government of India?	Mr. N.K. Singh	Mr. Y.V.Reddy	Mr. M.Govinda Rao	Mr. RaghuramRajan	1
4	Government Accounting Standards Advisory Board (GASAB) formulates Accounting Standards for: a) Central Government b) State Governments c) Local-Self Government d) Union Territories with State legislature.	a and b	a, b and c	a, b and d	All of the above	3
5	Which of the following mechanisms are used for Allocation of Resources in Public Financial Management?	(a) Market Mechanism	(b) Public Sector Units	(c) Both (a) and (b)	(d) Neither (a) nor (b)	3
6	Which of the following is NOT an element of effective Government Budgeting?	Aggregate Fiscal Discipline	Maximization of Revenue	Allocative Efficiency	Operational Efficiency	2
7	Which of the following statements is correct?	State Government can borrow outside the territory of India	Union Government has unlimited powers of borrowings	State legislatures cannot impose limitations on the borrowings of the State Government	None of the above	2
8	Normative issue in Tax Theory brings out:	(a) How to design taxes to promote social welfare	(b) The economic effect of various taxes that Government use	(c) Both (a) and (b)	(d) Neither (a) nor (b)	1
9	The principle of Equality in Taxation by Adam Smith envisages:	Every person should pay to the Government according to his ability to pay	Persons having same income pay different taxes	Similarly placed individuals to pay different taxes	None of the above	1
10	One of the major shortcomings of depreciation system in a country with regards to taxation can be mentioned as:	Too many asset classes and depreciation rates	Depreciation rate according to obsolescence	Depreciation rates appropriately prescribed (neither too high nor too low)	All of the above	1
11	Which of the following is an instrument of Public Debt for Union Government?	Disinvestment proceeds from Public Sector Units	Loans and Advances to the State Governments	Treasury Bills issued by Union Government	Dividend received from PSUs	3
12	Which of the following is NOT an instrument of monetary policy?	Cash Reserve Ratio	Statutory Liquidity Ratio	Public Expenditure Management	Repo Rate	3
13	Which of the following statements is Not correct about Budget of a country?	It denotes the actual expenditure which Government will incur in the coming year	It is the annual financial plan of the Government	It is a projection of expenditure which Government proposes for the year	It is an estimate of the allocation of resources	1
14	Fiscal deficit:	Includes borrowings of the last year	Excludes borrowing for the last year	Is exactly same as Revenues Deficit	None of the above	2

15	Outcome Budget provides:	(a) Outcomes of the end products and results of various Government initiatives	(b) Is a practice of listing outcomes of each scheme/project of Government	(c) Both (a) and (b)	(d) Neither (a) nor (b)	<b>3</b>
16	Code of Integrity prohibits:	Limited Tender Enquiry	Collusion and Bid Rigging	Single Tender	Open Tender	<b>2</b>
17	Performance Security in a bid is:	Normally kept at one percent of the bid value	Kept at 5 to 10 percent of the bid value	Same as bid security	All of above	<b>2</b>
18	Which of the following statement is true about Budget Execution?	25 per cent of Budget Estimates can be spent in the last quarter of the Financial Year	33 per cent of Budget Estimates can be spent in the last month of the Financial Year	50 per cent of Budget Estimates can be spent in the last two months of the Financial Year	None of the above	<b>1</b>
19	Which of the following statements is True about preparation of Government Accounts of India?	Accounts of Union government are prepared by Comptroller and Auditor General (C&AG) of India	Accounts of Union Government are certified by Controller General of Accounts	Accounts are to be prepared and laid into Parliament within one month after completion of Financial Year	Accounts of Union Government are to be kept in Form prescribed by President on the advise of C&AG	<b>4</b>
20	Which of the following statements is True about Classification in Government Accounts?	Major Head represents functions of the Government	Minor Head corresponds to the programs of the Government	Sub Head corresponds to the Scheme of the Government	All of the above	<b>4</b>
21	The Principal Accounting Advisor to Government of India is:	Controller General of Accounts	Chief Controller of Accounts of Ministry of Finance	Revenue Secretary	Governor of Reserve Bank of India	<b>1</b>
22	Which of the following is NOT a function of Controller General of Accounts?	Prescribe General principle of Government Accounts for Union and State Governments	Reconciliation of Cash Balances of Government of India with Reserve Bank of India	Consolidation of Monthly Accounts	Audit of Appropriation Accounts	<b>4</b>
23	Which of the following is NOT correct about recording transactions in Government Accounts?	Amounts due to or due by Government during the period are recognized in the accounting statements	Records cash flows into and out of Government Accounts	Stock of Government Liabilities	Financial Assets of Government	<b>1</b>
24	Which of the following functions is NOT associated with Drawing and Disbursing Officers (DDO)?	DDOs prepare bills based on sanctions issued by Sanctioning officers	DDOs consolidate accounts for the Ministries	DDOs monitor budget for the offices associated with them	DDOs submit bills to Pay and Accounts Offices for payment	<b>2</b>
25	Which of the following is not a component of COSO Internal Control Framework?	Control Environment	Financial Management	Information and Communication	Monitoring and Evaluation	<b>2</b>
26	Which of the following is NOT involved in preparation of Outcome Budget?	The concerned Ministry	Ministry of Finance	Niti Ayog	Comptroller and Auditor General of India	<b>4</b>
27	Identify the correct sequence of events for quantification of data for finalization of opening Balance Sheet of Municipalities? I. Accounts Officer to Validate the completeness/general accuracy of data II. Preparation of Form 1-29 by respective HODs III. Record Data in Draft/Opening Balance Sheet.	I-II-III	II-I-III	III-I-II	III-II-I	<b>2</b>
28	Codification Structure and Chart of Accounts have been explained in which part of National Municipal Accounting Manual?	Part I	Part II	Part III	Part IV	<b>1</b>

29	Autonomous Bodies are:	(a) Set up only under the Constitutional Provisions	(b) Set up whenever it is felt that certain functions need to be discharged outside the governmental set up with some amount of independence and flexibility without day-to-day interference of the Governmental machinery	(c) Both (a) and (b)	(d) Neither (a) nor (b)	<b>2</b>
30	Statement Number 5 of Union Government Finance Accounts shows:	(a) Summary of Balances representing the cumulative result of all transactions	(b) Government Guarantees	(c) Both (a) and (b)	(d) Neither (a) nor (b)	<b>1</b>
31	How many statements are there in State Government Finance Accounts?	16	17	22	11	<b>3</b>
32	Which of the following is not an All India Service as per the constitution of India?	Indian Forest Service (IFS)	Indian Administrative Service(IAS)	Indian Police Service (IPS)	Indian Post & Telecom Accounts and Financial Services (IPTAFS)	<b>4</b>
33	Data on 'Indian Public Finance Statistics' is published by:	Ministry of Finance	National Institute of Public Finance & Policy	Indian Statistical Institute	Reserve Bank of India	<b>1</b>
34	In Public Investment Management, the term PDCA cycle refer to:	Plan-do-check-act (PDCA) cycle	Prepare-disclose-correct-approve (PDCA) cycle	Prepare-dissemination- correction-approve (PDCA) cycle	None of the above	<b>1</b>
35	If all taxpayers in equivalent circumstances pay identical taxes, there is:	benefit taxation.	ability to pay taxation	horizontal equity	vertical equity	<b>3</b>
36	Hon'ble Finance Minister (GoI) Smt. Nirmala Sitharaman in her budget speech for 2020-21 stated that the fiscal deficit will be targeted at:	3.30%	3.40%	3.50%	3.60%	<b>3</b>
37	The 'Consolidated Fund of India or of the State concerned' and what can be credited to the fund is mentioned in:	(a) Article 266 (1)	(b) Articles 202 (1)	(c) Both (a) and (b)	(d) None of the above	<b>1</b>
38	The External Debt has been shown at the exchange rate applicable at the time of:	(a) Contracting the debt	(b) Expanding the debt	(c) Both (a) and (b)	(d) None of the above	<b>1</b>
39	Adam Smith had explained four principles of taxation which he thought a good tax must fulfil. They are:	Equality, Certainty, Convenience, Economy	Efficiency, Certainty, Convenience, Economy	Optimality, Equality, Efficiency, Certainty	None of the above	<b>1</b>
40	The public authorities should not waste the limited resources at their disposal. This is a part of the:	Cannons of benefit	Cannons of economy	Cannons of surplus	Cannons of elasticity	<b>2</b>
41	Classifying public expenditure as Transfer expenditure and Non-transfer expenditure was done by:	A.C. Pigou	Adam Smith	Alfred Marshal	Joseph Stiglitz	<b>1</b>
42	Which of the following measures is helpful in distribution of income and wealth?	A tax transfer scheme	Progressive income tax	Subsidies on goods	Disinvestment	<b>4</b>
43	Which of these is a statutory measure to enforce fiscal discipline?	Fiscal Rules	Appropriation Act	Finance bill	Parliament Committees	<b>1</b>
44	The type of Public expenditure in which the funds are given with a set of conditions of spending is known as:	Development expenditure	Transfer expenditure	Plan expenditure	Voted expenditure	<b>2</b>
45	A fund focused on investing in strategic assets and projects with longer term horizon across various stages of development is known as:	Master fund	Tactical Fund	Strategic Fund	None of the above	<b>3</b>
46	Which of the following is not a classification of Public expenditure?	Functional classification	Revenue and Capital	Voted and Charged	Plan and Non-Plan	<b>4</b>

47	Which agency makes payments on behalf of Government in a particular Ministry/Department?	State Bank of India	Reserve Bank of India	Currency chest of Ministry/Department	Any Scheduled Commercial bank authorized	4
48	From the following which one is NOT a tool of Fiscal Policy?	Taxation	Public Expenditure	Interest Rate	Public Debt	3
49	Which of the followings in India is not part of Public expenditure?	Salary to employees	Grants to Universities and Hospitals	Interest payment	Repayments of National Saving certificates	4
50	In a Budget of a Financial year the maximum deviation from the prescribed fiscal deficit target for a year allowed by the FRBM Act 2003 is _____.	0.25% of GDP	0.40% of GDP	0.50% of GDP	0.70% of GDP	3
51	Which of these documents is not presented as part of Union Budget to seek Parliament's approval?	Annual Financial Statement	Demand for Grant	Finance bill	Budget at a glance	4
52	As per IMF study 1 % increase in public infrastructure spending results into economic activities results into level of output in one year by:	0.50%	0.40%	2%	1%	2
53	The contribution of Government in a Public Private Partnership project is known as:	Capital support	Turn key support	Viable gap funding	Statutory infrastructure support	3
54	Which department in Government of India is responsible for accounting of foreign loans/inflows for investment in country?	Aid, Accounts & Audit Division	Department of External Affairs	Trade division of Department of Commerce	None of the above	1
55	Which of the following Departments of Government of India deals with disinvestment in the country?	Department of Investment & Public Asset Management (DIPAM)	Budget Division of Department of Economic Affairs	Public Sector Enterprises Board	None of the above	1
56	The proceeds of disinvestment are kept in a Public account Fund which is known as:	National Investment Fund	National Disinvestment Fund	National Infrastructural and Investment fund	None of the above	1
57	Where is the cash balance of Government of India maintained?	Central Accounts Section, RBI Nagpur	DGBA RBI Mumbai	In the authorized Scheduled Commercial bank	State Bank of India Govt Accounts Department	1
58	Which is the authority for accrediting a bank for handling government business of a Ministry?	Reserve Bank of India	Controller General of India	Department of Financial Services	RBI and CGA together	4
59	Which of the following type of expenditure is passed without cut in Parliament?	Revenue expenditure	Voted expenditure	Charged expenditure	Contingency expenditure	3
60	From which category of Government account the money can be withdrawn without the approval of Parliament?	Consolidated Fund of India	Public account	Contingency fund of India	Cash account of RBI	3
61	Which of the Portal is used for accounting of Indirect taxes a. GSTN b. ARPIT c. COMPACT d. CFMS.	a & c	a & d	a & b	all of the above	3
62	Which of the accounting statement represents the balance sheet of Government?	Consolidated account	Finance accounts	Appropriation accounts	Accounts at a glance	2
63	Which one of the following is not the goal of the Inter-governmental fiscal transfers in a federal government set-up?	Correction of vertical fiscal imbalance	Bridge of Horizontal fiscal imbalance	Setting of National minimum standard	Setting of Fiscal / National Institutions	3
64	Elastic revenue response to marginal tax rate reductions is called:	Marginal tax curve	Functional curve	Laffer curve	None of these	3
65	Which GFR 2017 rule mandates Ministries/Departments to receive all bids through e-procurement portals in respect of all procurements?	Rule 155	Rule 160	Rule 165	Rule 170	2
66	Which of the following can contribute to National Investment and Infrastructure Fund (NIIF)?	Central Public sector Units	International Pension fund	Postal Life insurance (PLI)	Indian Railway	1

67	Which of the following departments are called Non-Civil Department?	Department of Posts	Department of Expenditure	Department of Revenue	None of these	<b>1</b>
68	68. Which of the following is correct with respect to Annual financial statements laid in the parliament? 1. Union finance minister is required to lay it before Parliament each year 2. The provisions of laying in the parliament are given as per the Union finance rules and GFR 3. It covers the expenditure out of consolidated fund of India and Contingency fund of India.	1,2	1,3	only 3	None of these	<b>4</b>
69	The summary of an Appropriation Accounts is concluded with a:	Summary statement of expenditure	Reconciliation statement of expenditure	Both the above	None of these	<b>2</b>
70	..... engagements, the responsible party measures the subject matter against the criteria and presents the subject matter information on which the auditor then gathers sufficient and appropriate audit evidence to provide a reasonable basis for expressing a conclusion.	Attestation	Direct Reporting	Both	None of the above	<b>1</b>
71	Which of the following concepts is most useful in assessing the scope of an auditor's program relating to various accounts?	Attribute Sampling	Materiality	The reliability of Information	Management fraud	<b>2</b>
72	Which of the following serves as benchmark against economy, efficiency and effectiveness is measured in the performance Audit.	Audit objective	Audit Criteria	Risk Parameter	Audit Sample	<b>2</b>
73	Which among the following is not a standing committee?	Public accounts committee	Ethics committee	Railway convention committee	Business advisory committee	<b>3</b>
74	Which of these Deficit indicators is used for deciding the borrowing of Government?	Revenue deficit	Fiscal deficit	Primary deficit	Debt deficit	<b>2</b>
75	How many digits of accounting classification codes are used to capture a financial transaction?	12	14	15	18	<b>3</b>
76	Which items of liabilities are captured in the financial statements of Government of India? a. Borrowings from market b. Guarantees given by Gol c. Payables for supplies received d. Payables for supplies due.	a & b	all of the above	c & d	a only	<b>1</b>
77	Information asymmetry with respect to factors that degrade the operational efficiency is defined as:	Service providers know more about outputs and costs than those who allocate resources	Spenders have incentives to use all the resources provided to them	Government lacks independent information on performance	Detailed ex-ante controls are costly and drive out initiative and variation	<b>1</b>
78	The accounting treatment for various types of transactions are given below. Identify the Incorrect treatment.	The financial statements and accounts are maintained on the historical cost convention.	The external debt has been shown at the exchange rate applicable at the time of contracting the debt	Government financial investments are recorded at the historical cost.	Provision is made for impairment of the value of physical assets	<b>4</b>
79	Ways and Means Advances are:	(a) Provided to cover wages to workers	(b) Provided by Reserve Bank of India to the State Governments for taking care of temporary mismatches of Cash flow	(c) Both (a) and (b)	(d) Neither (a) nor (b)	<b>2</b>

80	Public Financial Management System (PFMS) does not have which of the following function into it?	Budget preparation by Ministry of Finance is done on PFMS	Demand for Grants approved by Parliament is entered into the system by O/o Controller General of Accounts	Payment advices are issued by Pay and Accounts Offices on PFMS	Detailed Demand for Grants is entered by Principal Accounts Offices	1
81	Journal Entry:	Is prepared at Minor Head Level	Is prepared in Millions of Rupees	Is prepared by Controller General of Accounts	Is prepared by C&AG	1
82	Which of the following functions is included in the sectoral classification of General Services in List of Major and Minor Heads of Accounts?	Energy	Transport	Police	Rural Development	3
83	Which of the following is NOT a Statutory Body?	Union Public Service Commission	National Human Rights Commission	National Law Commission	National Green Tribunal	1
84	The model form of accounts of Panchayati Raj Institutions and Urban Local Bodies is prescribed by:	Secretary (Expenditure)	Comptroller & Auditor General	Controller General of Accounts	Niti Ayog	2
85	Which of the following Forms for Accounting of Urban Local Bodies would be given by Engineering Department?	Vehicles	Plant and Machinery	Furniture	All of the above	2
86	Which of the following statements is NOT correct about the closing Balance Sheet?	Adjustment to opening Balance Sheet is not permitted	Proper disclosure of Accounting Policies is required to be made	Endorsement of Commissioner should be obtained on completion of Balance Sheet	All of the above	1
87	Which of the following statements is NOT correct about Committee on Public Undertakings?	The Chairman is appointed by the Speaker from amongst the Members of the Committee	The term of the Committee does not exceed one year	If a Member after his election to the Committee is appointed a Minister, he continues to be a Member of the Committee from the date of such appointment	The Committee on Public Undertakings is a Parliamentary Committee consisting of 22 Members	3
88	Which of the following statement is correct about General Abstract in the Postal Directorate?	(a) The Circle Abstracts are submitted by the Circle Postal Accounts Offices to the PA Wing of the Directorate for consolidation into a General Abstract	(b) The General Abstract is prepared by Drawing and Disbursing Officers of Postal Department	(c) Both (a) and (b)	(d) Neither (a) nor (b)	1
89	Which of the following taxes has traditionally been considered more regressive?	Corporate Tax	Personal Income Tax	Customs duty	Taxes on goods & services	4
90	Tax buoyancy is:	an increase in revenue of a tax on account of a growth of its base	the yield of a tax in response to a revision of its rate	flexibility to change the tax if economic activity changes	certainty and convenience of tax	1
91	Who prepares the Condensed Appropriation Account for presentation to the Parliament?	Public Accounts Committee	Lok Sabha Secretariat	Controller General of Accounts	C&AG of India	3
92	Which Constitutional Amendment Acts brought about devolution of powers to Urban and Rural Local Bodies?	70 <sup>th</sup> & 71 <sup>st</sup> Amendment	72 <sup>nd</sup> Amendment Act	73 <sup>rd</sup> & 74 <sup>th</sup> Amendment Act	75 <sup>th</sup> Amendment Act	3
93	Who constituted the Task Force to recommend accounting and budget formats for ULBs?	Finance Minister, Government of India	C&AG of India	Controller General of Accounts	Ministry of Housing & Urban Affairs (earlier known as Ministry of Urban Development), Government of India	2

94	Which State's Accounting Manual was taken as a starting point for preparation of National Municipal Accounting Manual?	Karnataka	Maharashtra	Tamil Nadu	Gujarat	<b>2</b>
95	Timely submission & publication of financial results by a listed company as per regulations fulfils which of the following aspects of internal control as per COSO's Internal Control- Integrated Framework?	Operations Objective	Reporting Objectives	Compliance Objectives	All of the above	<b>2</b>
96	Which organisation is responsible for internal audit of Ministries / Departments of Government of India?	C&AG of India	Controller General of Accounts	Each Ministry / Department can appoint internal auditor from the panel of auditors maintained by the C&AG of India	Each Ministry / Department has its own internal auditors appointed for the purpose	<b>2</b>
97	What is 'propriety' in compliance audit?	operations in accordance with the principles of economy, efficiency and effectiveness	adherence of the subject matter to the formal criteria emanating from relevant laws, regulations and agreements applicable to the entity	observance of the general principles governing sound financial management and the ethical conduct of public officials	value for money for citizens	<b>3</b>
98	Which of the following statements contains an assessment relating to the growth in the gross domestic product?	Medium-term Fiscal Policy Statement;	Fiscal Policy Strategy Statement;	Macro-economic Framework Statement	Medium-term Expenditure Statement	<b>3</b>
99	How many years rolling target does the Medium-term Fiscal Policy Statement sets forth for prescribed fiscal indicators?	One year	Two years	Three years	Five years	<b>3</b>
100	Which one of the following is not a method for redeeming public debt?	Sinking fund	Capital levy	Terminal annuities	Grants in aid	<b>4</b>