

Q. No	Question Text	Option 1	Option 2	Option 3	Option 4	Correct Option
1	A pure private good is:	non-rival in consumption and subject to exclusion.	rival in consumption and subject to exclusion.	rival in consumption and not subject to exclusion.	all of the above	2
2	The least clear examples of market of failures are problems of:	inequities in the distributions of income and wealth.	an unstable price level and high unemployment.	externalities	cut-throat competition.	3
3	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	1
4	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	1
5	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 & b	(d) None of the above	1
6	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 & b	(d) None of the above	1
7	All tax and non-tax receipts, except those resulting from sale of assets are part of:	Revenue receipts	Capital receipts	Total receipts	None of the above	1
8	Sale proceeds of government assets, including those realized from divestment of Government equity in PSUs are part of:	Non debt capital receipts	Capital receipts	Capital outlay	None of the above	2
9	All moneys, receipts and disbursement made by the Government of India are divided into three parts as per:	Article 266-277 of Constitution of India	Article 220-224 of Constitution of India	Article 228-229 of Constitution of India	None of the above	1
10	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	1
11	The term used to showcase whether the tax enhances or diminishes the overall welfare of those who are taxed is:	Equity	Efficiency	Equivalence	None of the above	2
12	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	2
13	Classifying public expenditure as Transfer expenditure and Non-transfer expenditure was done by:	A.C. Pigou	Adam Smith	Alfred Marshal	Joseph Stiglitz	1
14	Public investment refers to government spending on:	a) Economic infrastructure	b) Social Infrastructure	c) Both a) and b).	d) None of the above	3
15	Which of these is not covered in the scope of Public Finance?	Public income	Public expenditure	Public debt	Public administration	4
16	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 Percent of GDP	0.40 Percent of GDP	0.50 Percent of GDP	0.70 Percent of GDP	3
17	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
18	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
19	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
20	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
21	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
22	Which authority is responsible for laying the accounts of Government of India in Parliament?	Controller General of Accounts	Comptroller General of Accounts	Comptroller and Auditor General	Ministry of Finance	1

23	Which of the following type of expenditure is passed without cut in Parliament?	Revenue expenditure	Voted expenditure	Charged expenditure	Contingency expenditure	<b>3</b>
24	Union Budget includes receipt and expenditure estimates which are accounted under:	Consolidated Fund of India	Public account	Contingency Fund of India	Cash account of RBI	<b>1</b>
25	Which of the accounting statement represents the balance sheet of Government?	Consolidated account	Finance accounts	Appropriation accounts	Accounts at a glance	<b>2</b>
26	What is the current ceiling of Contingency Fund of India?	500 cr	750 cr.	1500 cr.	As decided by the President	<b>1</b>
27	Fiscal Policy is related to:	Money supply in the economy	Regulation of the banking system	Planning for economic development	Government's Revenue and Expenditure	<b>3</b>
28	The amount of which of the following reflects the overall budgetary position of the Government of India at a given time.	Revenue Deficit	Total Amount of income tax collected	Capital Deficit	Fiscal Deficit	<b>4</b>
29	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>
30	Which of the following commission set up by the President of India decides the distribution of tax incomes between the Central and State Governments?	Central Law Commission	Central board of direct taxation	Administrative Reform Commission	Finance Commission	<b>4</b>
31	Which of the following is/are the components of Public Debt? 1. Market Loans 2. External Loans 3. Outstanding against saving schemes/ provident funds.	only 1	only 2	both 1 and 2	only 3	<b>3</b>
32	The 'break-even point' is where:	Marginal revenue equals marginal cost	Average revenue equals average cost	Total revenue equals total cost	None of these	<b>2</b>
33	Which one of the following is NOT a function of Finance Commission in India?	Devolution of Income Tax	Devolution of Excise Duty	Award of grants-in-aid	Devolution of Trade Tax	<b>4</b>
34	Which one of the following is NOT related with income from corporate sector in India?	Fringe benefit tax	Minimum alternative tax	Tax on company profit	Capital gains tax	<b>4</b>
35	From the following which one is NOT a tool of Fiscal Policy?	Taxation	Public Expenditure	Interest Rate	Public Debt	<b>3</b>
36	Treasury bills issued by the Government are in the nature of:	Funded debts	Floating debts	Irredeemable debts	None	<b>2</b>
37	Elastic revenue response to marginal tax rate reductions is called:	Marginal tax curve	Functional curve	Laffer curve	None of these	<b>3</b>
38	Which of the following is an imprest placed at the disposal of the President of India to facilitate Government to meet urgent unforeseen expenditure pending authorization from Parliament?	Consolidated Fund	Public Funds	Prime Ministers Relief Fund	Contingency Fund	<b>4</b>
39	The principle of public expenditure that requires that it should be possible for public authorities to vary the expenditure according to the need and circumstances is:	Canon of Economy	Canon of Sanction	Canon of Elasticity	Canon of Maximum Social Benefit	<b>3</b>
40	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 the above	<b>4</b>

41	Which of the following statements is correct?	The Union Government can not legislate on any law included in the State List.	The States can make laws only on matters included in the State List.	Union Government can make laws on State List if the Rajya Sabha declares a resolution by not less than 2/3rd majority.	Both, Union and State Governments can make laws to implement an international treaty or agreement.	<b>3</b>
42	Which of the following policy instruments RBI normally resorts to for managing inflation in the economy?	Bank Rate	Cash Reserve Ratio	Statutory Liquidity Ratio	Repo Rate	<b>4</b>
43	If RBI increases the Statutory Liquidity Ratio will it lead to:	Increase in credit	Contraction in credit	No effect on credit	None of the above	<b>2</b>
44	Which of the following statement is correct?	No re-appropriation of expenditure from one head to another within Revenue or Capital heads or between them can be done after passing of the Budget by the Parliament.	There are no restrictions on percentage of expenditure in the last quarter & last month of the fiscal year.	The Controller General of Accounts is responsible for the control of expenditure against the sanctioned grants and appropriations.	No charges against a Grant or Appropriation can be authorized after the expiry of the financial year.	<b>3</b>
45	Which organisation maintains cash balance of the Government and provides banking facilities to the Ministries and subordinate or attached offices either directly through its own offices or through its agent banks:	Ministry of Finance	RBI	SBI	Respective Ministries	<b>2</b>
46	The accounts of the Union and of the States are kept in such form as the President may prescribe on the advice of:	Council of Ministers	Finance Minister	Controller General of Accounts	C&AG of India	<b>4</b>
47	Reconciliation of cash balances of the Union Government with the Reserve Bank of India is carried out by:	Ministry of Finance	C&AG of India	Controller General of Accounts	None of the above	<b>3</b>
48	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	<b>3</b>
49	Which authority is responsible for submitting to a State Government a monthly account of its transaction?	Secretary Finance of the concerned State Government	Treasury Head of the State Government	Accountant General (A&E)	C&AG of India	<b>3</b>
50	Which Constitutional Amendment Acts brought about devolution of powers to Urban and Rural Local Bodies?	70th & 71st Amendment	72nd Amendment Act	73rd & 74th Amendment Act	75th Amendment Act	<b>3</b>
51	Who constituted the Task Force to recommend accounting and budget formats for Urban Local Bodies?	Finance Minister, Government of India	C&AG of India	Controller General of Accounts	Ministry of Urban Development, Government of India	<b>2</b>
52	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>
53	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>
54	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)	<b>3</b>
55	Which of the following statements is correct?	Statement 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	<b>2</b>

56	Which of the following statements is NOT correct about Tax Policy and Administration?	It has a bearing on the investment in the country	A well-designed tax system improves the efficiency of the system and improves compliance	Policy makers intend to devise systems which are complex and difficult to understand	A properly designed tax system will not have much discretion	<b>3</b>
57	Financial Advisor in the Ministry:	Is an extension of the Ministry of Finance	Is not accountable to the Administrative Ministry and its Financial Management	Has no role in Budget Preparation	None of the above	<b>1</b>
58	State Government Accounts are compiled by:	State Treasuries	State Accountant Generals	Controller General of Accounts	All of the above	<b>2</b>
59	Ways and Means Advances are:	Facility/Advance extended by RBI to maintain minimum liquidity with the State Government	Loans given by State Public Sector Units	Loans Given by Central Public Sector Unit	All of the above	<b>1</b>
60	The Report of the Committee on Financial Statements of Autonomous Bodies recommended the following:	Cash Based Accounting	Uniform Format for Financial Reporting	No provision for Depreciation was permitted	All of the above	<b>2</b>
61	State Government Accounts would be caused to be laid in State Legislature by:	Governor	Chief Minister	Finance Secretary	All of the above	<b>1</b>
62	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>2</b>
63	What is the proportion of external debt in total Debt for GoI?	20-25 Percent	10-15 Percent	5-7 Percent	2-4 Percent	<b>3</b>
64	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>
65	Which of these is not an innovation for bringing improvement in Budget?	Running cost budget	Devolved Budget	Multi year budget	Welfare programs	<b>4</b>
66	Which of the following Provision of Constitution does not relate to Accounting matters?	Article 150	Article 280	Article 266	Article 151	<b>2</b>
67	What type of accounting principle is followed in Government?	Modified cash	Modified Accrual	Cash	Accrual	<b>3</b>
68	How many digits of accounting classification codes are used to capture a financial transaction?	12	14	15	18	<b>3</b>
69	These authorities are generally a part of the executive branch of the government, or they have statutory authority to execute their functions with oversight from the legislative branch:-	Regulatory body	Statutory body	Constitutional body	Autonomous body	<b>1</b>
70	Which Article of the constitution prescribe the unique role of the CAG?	a) Article 149	b) Article 150	c) a & b both	d) None of the above	<b>3</b>
71	The mandate of performance Audit can be derived from:	Constitution	CAG (DPC) Act	MSO (Audit)	None of the above	<b>2</b>
72	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>
73	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>
74	Performance Audit is also known as:	Value for money Audit	Money for value Audit	Implementation audit	Assessment Audit	<b>1</b>
75	Who among the following nominates the chairman of Public Accounts committee of India?	Prime Minister	President	Speaker of the Lok Sabha	Union Finance Minister	<b>3</b>
76	Which is not covered in MIS?	Budget Reports	Monthly Reports	Appropriation Accounts Reports	Audit Reports	<b>3</b>
77	From POS server data is syncing in every _____ to online server.	One minute	Five minute	Four minute	Two minute	<b>3</b>

78	The rules framed under the Government of India Act of 1914 authorised the Governor-General-in-Council to constitute such committees at the centre.	TRUE	FALSE			2
79	Under the India Act of ...?, there was a specific provision that “the accounts and audit report should be placed before the legislature”.	1934	1935	1939	1942	2
80	Assessing the extent to which laws and regulations (authorities) have been respected is the primary mandate of:	Financial audit	Compliance audit	Civil audit	None of the above	2
81	Committee on Public undertaking was constituted under Rule No. 308 A of Rules of Procedure and conduct of business in Lok Sabha	TRUE	FALSE			2
82	As per the National Municipal Accounting Manual, Forms 1 - 29 are the proforma in which the data related to Assets and Liabilities is to be captured.	TRUE	FALSE			1
83	As per the National Municipal Accounting Manual, in the Chart of Accounts the function code consists of:	2 digits	3 digits	4 digits	None of the above	3
84	Parts IX & IXA of the constitution, relating to the panchayats and municipalities were inserted by 73rd & 74th constitution Amendment Act, 1995.	TRUE	FALSE			2
85	The summary of an Appropriation Accounts is concluded with a:	Summary statement of expenditure	Reconciliation statement of expenditure	Both the above	None of the above	2
86	The Certificate of the Accountant General (A&E) is read with the provisions of Comptroller and Auditor General’s (Duties, Powers and Conditions of Service) Act.	1961	1971	1981	1991	2
87	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
88	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
89	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. Raghuram Rajan	1
90	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
91	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
92	Which of the following is NOT an instrument of monetary policy?	Cash Reserve Ratio	Statutory Liquidity Ratio	Public Expenditure Management	Repo Rate	3

93	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	<b>1</b>
94	Fiscal deficit:	Includes borrowings of the last year	Excludes borrowing for the last year	Is exactly same as Revenues Deficit	None of the above	<b>2</b>
95	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>
96	Which article under Indian Constitution provides the provision of financial emergency in the Country?	Article 352	Article 356	Article 360	Article 365	<b>3</b>
97	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	<b>3</b>
98	Which organization enters into Rate Contracts for common user items for use of various Government Organisations?	GeM	DGS&D	Central Public Procurement Portal	Procurement Policy division	<b>2</b>
99	The preparation of Journal entry correction in Annual accounts is prepared at which Account level:	Major Head level	Sub Major Head level	Object Head level	Minor Head level	<b>4</b>
100	What is not being done before the roll out of CSI?	DDOs were disbursing salary of GDS employees.	GPF bills were disbursed through Meghdoot software.	Locally database of system maintained at each DDO.	DDOs were responsible for drawing pension of third party pensioners.	<b>2</b>