

Q. No	Question Text	Option 1	Option 2	Option 3	Option 4	Correct Option
1	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
2	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
3	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)	3
4	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
5	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
6	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	4
7	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	3
8	Which authority certifies the Finance Accounts?	Controller General of Accounts	Finance Secretary of Govt of India	C&AG of India	Finance Minister	3
9	Who signs the Appropriation Accounts of the Grants / appropriations administered by a Ministry / Department?	Controller General of Accounts	Principal Chief Controller of Accounts of the Ministry/Department	Financial Advisor of the Ministry / Department	Secretary of the Ministry / Department	4
10	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	3
11	Finance Commission is a:	Constitutional Body	Statutory Body	Regulatory Body	Autonomous Body	1
12	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	2

13	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>
14	Under which of the following conditions the C&AG may give qualified opinion on the financial statement of a Government Company?	Where the auditor disagrees with, or is unable to obtain sufficient and appropriate audit evidence about certain items in the subject matter which are, or could be, material but not pervasive.	Where the auditor, having obtained sufficient and appropriate audit evidence, concludes that deviations or misstatements, whether individually or in the aggregate, are both material and pervasive.	Where the auditor is unable to obtain sufficient and appropriate audit evidence due to an uncertainty or scope limitation which is both material and pervasive.		<b>1</b>
15	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>
16	The Chairman of the Public Accounts Committee is appointed by:	President	Chairman of Rajya Sabha	Speaker of Lok Sabha from among members of the Public Accounts Committee	Members of the Public Accounts Committee	<b>3</b>
17	As per FRBM Act, any deviation from fiscal deficit target shall not exceed how much per cent of the gross domestic product in a year?	0.5 Percent	1 Percent	1.5 Percent	2 Percent	<b>1</b>
18	If involuntary unemployment prevails:	Government may address the supply side constraints.	Government may increase demand by increasing public expenditure.	Government may ask private sector companies to increase employment.	Government may leave it to the market forces.	<b>2</b>
19	Which of the following statements is not correct? Progressive income tax is used to:	finance public welfare services	reduce disparities in distribution of income and wealth	increase efficient use of resources	subsidise goods purchased by low income groups	<b>3</b>
20	Operational Efficiency in budgeting refers to:	Accommodating spending demands in budget	Expenditure decisions based on Government priorities	Limiting total spending in budget	Providing goods and services at a cost that achieves efficiency gains	<b>4</b>

21	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	4
22	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	2
23	What is Primary Deficit?	Revenue Expenditure – Revenue Receipts	Total Expenditure – (Revenue Receipts + Non-debt creating capital receipts)	Gross Fiscal Deficit – Net Interest Liabilities	Revenue Deficit – Grants for creation of Capital Assets	3
24	When is the Integrity Pact signed & submitted by the prospective bidders?	At the time of submission of the bid.	At the time of opening of tender.	At the time of tender negotiations.	At the time of contract award.	1
25	PM National Relief Fund is part of Contingency Fund of India.	TRUE	FALSE			2
26	Which is not a correct statement? The main items of capital receipts are:	loans raised by government from public called market loans,	borrowings from RBI and other parties through sale of Treasury Bills,	loans received from foreign governments	loans granted by Central government to state and union territory governments and other parties	4
27	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	2
28	The Finance Accounts of Government of India is prepared by:	Secretary, Department of Expenditure	Controller General of Accounts	C&AG of India	Respective Secretaries of the Departments/Ministries	2
29	How many tiers of accounting classification are there in Government Accounts to capture various transaction?	6	9	12	15	1
30	There are how many digit codes to capture transactions in Government Accounts?	6	9	12	15	4
31	The principle of Certainty of Adam Smith envisages:	A convenient way and time to pay taxes	The tax to be paid is not arbitrary and subject to discretion	Everybody placed in similar situation should pay same tax	All of the above	2
32	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
33	Which of the following is NOT a tax incentive to promote investments?	Accelerated depreciation	Investment subsidies	Exempting raw material and capital goods from VAT	None of the above	4
34	Reverse Repo Rate is:	a. Rate at which RBI borrows from commercial banks	b. Rate at which RBI lends to the commercial banks	c. Both (a) and (b)	d. Neither (a) nor (b)	1

35	Which of the following Budget documents is mandated by Fiscal Responsibility and Budget Management Act, 2003?	Annual Financial Statement (AFS)	Demand for Grants	Finance Bill	Macro-Economic Framework Statement	4
36	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 the above	2
37	Which of the following statement is true about Budget Execution?	25 percent of Budget Estimates can be spent in the last quarter of the Financial Year	33 percent of Budget Estimates can be spent in the last month of the Financial Year	50 percent of Budget Estimates can be spent in the last two months of the Financial Year	None of the above	1
38	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	1
39	Which of the following functions is NOT performed by Controller General of Accounts?	Certification of Union Government Annual Accounts	Reconciliation of cash balances of the Union Government with Reserve Bank of India	General principles of Government Accounting	Administration of Central Government (Receipt and Payment Rules)	1
40	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
41	How many statements are there in State Government Finance Accounts?	16	17	22	11	3
42	Constitution of Municipalities, Nagar Panchayats, Municipal Councils etc. is done by Governor of the State considering which the following factors?	Population	Economic Importance	Revenue Generating capacity	All of the above	4
43	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
44	Which of the following most likely would not be considered an inherent limitation of the potential effectiveness of internal control?	Incompatible duties	Management override	Mistakes in judgment	Collusion among employees	1
45	The transactions related to business managed by Postal Department on behalf of Central Government such as Saving Bank, Cash Certificates etc. are recorded in:	Various heads included in the Remittance and Debt Sections of the Accounts of the Central Government	Capital Outlay on Postal Services	Secretariat General Services	All of the above	1
46	What is the current ceiling of Contingency Fund of India?	500 cr	750 cr.	1500 cr	As decided by the President	1
47	What is the proportion of external debt in total Debt for GoI?	20-25 Percent	10-15 Percent	5-7 Percent	2-4 Percent	3
48	Which of the following measures is helpful in distribution of income and wealth?	A tax transfer scheme	Progressive income tax	Subsidies on goods	Disinvestment	4
49	Which of these is not an innovation for bringing improvement in Budget?	Running cost budget	Devolved Budget	Multi year budget	Welfare programs	4

50	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	2
51	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
52	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
53	In a public goods context, it is difficult to measure impact on real income because:	public goods are generally free to the public.	they make up a small percentage of total GDP.	it is hard to measure how people value the public good.	inflation decreases the value of the good.	3
54	Which Accounting Standards for Local Bodies (ASLBs) have been mandated by the Council of the ICAI to be compiled with by Members of ICAI while auditing the financial statements of Urban Local Bodies for the period commencing on or after April 1, 2022? Options: (a) ASLB 1, 'Presentation of Financial Statements' (b) ASLB 2, 'Cash Flow Statements' (c) ASLB 5, 'Borrowing Costs' (d) ASLB 17, 'Property, Plant and Equipment' Identify the correct option.	(a) and (b)	(b) and (c)	(c) and (d)	(a) and (c)	2
55	International Public Sector Accounting Standards Board (IPSASB) formulates Accounting Standards for following public sector entities: Options: a) National Government b) State/provincial and Local Governments c) Government Business Enterprises d) International governmental organisations Identify the correct option.	a and b	a, b and c	a, b and d	All of the above	3
56	How much grant has been recommended for Local Governments in Fifteenth Finance Commission (2021-26)?	Rs. 2,00,292 crore	Rs. 2,87,436 crore	Rs. 4,36,361 crore	Rs. 4,67,436 crore	3
57	Hon'ble Finance Minister (GoI) Smt. Nirmala Sitharaman in her budget speech for 2020-21 stated that the fiscal deficit will be targeted at:	3.3 Percent	3.4 Percent	3.5 Percent	3.6 Percent	3
58	If people choose not to pay for a public good, they can be excluded from consuming it.	TRUE	FALSE			2
59	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
60	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
61	Classifying public expenditure as Transfer expenditure and Non-transfer expenditure was done by:	A.C. Pigou	Adam Smith	Alfred Marshal	Joseph Stiglitz	1
62	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

63	Taxes exclusively assigned to States:	Income from Land Revenue	Income from Corporation Tax	Income from Postal Departments	All the above	<b>1</b>
64	The legislative power to make a law for imposing a tax is divided between the union and the states by means of specific entries in the union and state Legislative Lists in the VIII Schedule of the Indian Constitution.	TRUE	FALSE			<b>2</b>
65	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>
66	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>
67	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	<b>4</b>
68	From the following which one is NOT a tool of Fiscal Policy?	Taxation	Public Expenditure	Interest Rate	Public Debt	<b>3</b>
69	Which one of the following is the highest expenditure of the Government of India on revenue account?	Defense	Subsidies	Pensions	Interest Payments	<b>4</b>
70	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>
71	All revenues and receipts of government are to go to a 'Consolidated Fund' and moneys can be withdrawn from the 'Fund' only in accordance with laws passed by Parliament has been in accordance to Article ..?.. of the Indian Constitution.	256	266	276	286	<b>2</b>
72	The accounting code 4001 to 5999 represents:	Expenditure Major Head under Revenue Account	Expenditure Major Head under Capital Account	Major Head under Public Debt	Major Head under Loans & Advances	<b>2</b>
73	Which Statement of Finance Account reflects the Contingent Liability of Government of India?	Statement-1	Statement-2	Statement-3	Statement-4	<b>4</b>
74	Which Statement of Finance Account gives the details of Loans & Advances given by the Central Government to States, Foreign Governments, Corporations etc?	Statement-1	Statement-2	Statement-3	Statement-4	<b>3</b>
75	Which statement is correct? After 31st March of each year and after the State accounts for the month of March is closed,	no adjustments can be carried out in the accounts.	adjustments can be carried out through accounts created for purpose called March (Final) and March (Supplementary).			<b>2</b>
76	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>
77	Forms 1 to 29 of the National Municipal Accounting Manual are the:	Proforma in which the data related to Budget preparation is to be captured	Proforma in which the data related to Assets & Liabilities is to be captured	Proforma in which the data related to expenditure is to be captured	None of the above	<b>2</b>

78	Which of the following is a detective control activity?	Segregation of duties	Barring entry of unauthorised personnel	Bank reconciliation	Limiting access to sensitive information	<b>3</b>
79	The audit of a Central Sector Scheme by C&AG of India is:	Attestation engagement	Direct Reporting engagement			<b>2</b>
80	In performance audit the C&AG can question the intentions and decisions of the legislature, besides examining whether any shortcomings in the implementation of the law and framing of regulations have prevented the specified objectives from being achieved.	TRUE	FALSE			<b>2</b>
81	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>
82	As per fiscal principles laid down by the FRBM Act, the Central Government shall ensure that the Central Government Debt does not exceed how much percentage of gross domestic product by the end of financial year 2024-2025?	Thirty percent	Forty percent	Fifty percent	Sixty percent	<b>2</b>
83	Surcharge on certain duties and taxes levied by the Union is:	Assigned to the States	Appropriated for the purpose of the Union	Distributed between Union & States as recommended by the Finance Commission	None of the above	<b>2</b>
84	What is commonly referred to as "Vertical Balance" in Finance Commission recommendations?	Distribution of taxes between Union & States	Distribution of taxes among States	Principles governing Grants in Aid	Measures to augment consolidated funds of States	<b>1</b>
85	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	<b>1</b>
86	Which form of tax incentive has the most comparative merit?	Tax holidays	Tax credits & Investment allowance	Accelerated depreciation	Investment subsidies	<b>3</b>
87	Which of the following statements is correct?	All public goods are 'non-excludable'	Some public goods are 'excludable'	All private goods are 'excludable'	None of the above	<b>2</b>
88	Which of the following statement is not correct?	Public expenditure is used as a structural tool for economic stabilisation.	Public investment can help in creating effective demand.	Public expenditure can stimulate private saving and investment.	Public expenditure can in the short run generate inflationary pressure.	<b>1</b>

89	Which of the following statement is not correct?	Outcomes budget of programmes are measured not just in terms of rupees but also in terms of physical units.	Outcome budgets are not expressed in terms of qualitative targets and achievements.	Programme & Performance Budgeting helps improve prioritization of expenditure, and service effectiveness.	Zero Based Budgeting helps to achieve an optimal allocation of resources that incremental and other budgeting systems cannot achieve.	<b>2</b>
90	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>
91	Which of the following statement is not correct?	Viability Gap Funding aims at supporting infrastructure projects that are economically justified but fall marginally short of financial viability.	Viability Gap Funding scheme is available only for infrastructure projects where private sector sponsors are selected through a process of competitive bidding.	Viability Gap Funding is normally in the form of a capital grant (one time or deferred) at the stage of project construction.	The total Viability Gap Funding under this scheme will not exceed twenty percent of the Total Project Cost.	<b>4</b>
92	MSEs participating in tender within which price band are given purchase preference to match L1 where L1 is not a MSE.	L1+5 Percent	L1+10 Percent	L1+15 Percent	L1+20 Percent	<b>3</b>
93	If all taxpayers in equivalent circumstances pay identical taxes, there is:	benefit taxation	ability to pay taxation	horizontal equity	vertical equity	<b>3</b>
94	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>
95	Which of the following is NOT an element of effective Government Budgeting?	Aggregate Fiscal Discipline	Maximization of Revenue	Allocative Efficiency	Operational Efficiency	<b>2</b>
96	Code of Integrity prohibits:	Limited Tender Enquiry	Collusion and Bid Rigging	Single Tender	Open Tender	<b>2</b>
97	Which of these is a statutory measure to enforce fiscal discipline?	Fiscal Rules	Appropriation Act	Finance bill	Parliament Committees	<b>1</b>
98	The contribution of Government in a Public Private Partnership project is known as:	Capital support	Turn key support	Viable gap funding	Statutory infrastructure support	<b>3</b>
99	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	<b>1</b>
100	Elastic revenue response to marginal tax rate reductions is called:	Marginal tax curve	Functional curve	Laffer curve	None of these	<b>3</b>