

Class: - TYBBI – Semester VI
Subject: - Financial Reporting and Analysis

1. Every banking company in India is required to transfer atleast _____ of its current year's profits to the statutory reserve.
 - a) 10%
 - b) 30%
 - c) 15%
 - d) **25%**
2. A banking company can pay dividend on its shares _____.
 - a) **after writing off all its capitalised expenses including preliminary expenses**
 - b) after charging depreciation on its investments
 - c) after charging bad debts where adequate provisions has been made to the satisfaction of the auditors
 - d) before charging depreciation on its investments and writing off all its capitalised expenses
3. Banking company has to obtain license from _____ before starting business in India.
 - a) **Reserve Bank of India**
 - b) IRDA
 - c) Central Government
 - d) State Government
4. Every non-scheduled bank has to maintain a cash reserve of atleast _____ of its demand and time liabilities in India.
 - a) 1%
 - b) 2%
 - c) **3%**
 - d) 4%
5. Employee security deposit is shown by a bank under
 - a) Deposits
 - b) Advances
 - c) Other liabilities
 - d) **Contingent Liabilities**
6. What percentage of provision is required on performing assets?
 - a) 10%
 - b) 20%
 - c) 5%
 - d) **0.4%**
7. In fire insurance business _____ percentage of premium income is carried forward as provision for and the balance is transferred to profit and loss account.
 - a) 100%
 - b) **50%**
 - c) 25%
 - d) 75%
8. Insurance business is controlled by _____.
 - a) Insurance Act, 1938
 - b) Insurance Rules, 1939
 - c) IRDA Regulations, 2002
 - d) **All of the above**

9. Premiums received in advance is shown in the balance sheet of an Insurance Company under
- Current Assets
 - Current Liability**
 - Advances
 - Other Assets
10. The commission received from the re-insurer is called
- Commission on re-insurance ceded**
 - Commission on re-insurance accepted
 - Commission on direct business
 - None of the above
11. The term surrender is used in _____ insurance.
- Life**
 - Fire
 - Marine
 - Other
12. There are _____ parties to an insurance contract.
- 3**
 - 2
 - 5
 - 4
13. Provision for taxation is _____ .
- Operating expenses
 - Provision and contingency**
 - Other income
 - Interest expenses
14. Issue of debenture is _____ .
- cash inflow**
 - cash outflow
 - no effect
 - Inflow and outflow
15. IRDA stands for _____ .
- Insurance Regulator Divided Authority
 - Insurance Regulatory and Developing Authority**
 - India Regulator Divided Authority
 - Indian Regulatory and dividend agency
16. The Schedule _____ of the Companies Act 2013, provides that the accounts can be presented in the prescribed format.
- VI**
 - V
 - IV
 - I
17. Every Balance Sheet should be prepared as part _____ of the Companies Act, 2013.
- I**
 - II
 - III
 - IV
18. Gross Block Closing =
- Opening Gross Block + Purchases - Sales – Depreciation
 - Opening WDV + Purchases - Sales
 - Opening Gross Block + Purchases – Sales**

- d) Net Block - Purchase
19. The schedule VI is divided into _____ parts.
- a) Three
 - b) Six
 - c) Two**
 - d) Four
20. Buying and selling of furniture is _____.
- a) Operating Activity
 - b) Financing Activity
 - c) Investing Activity**
 - d) Buying Activity
21. In cash flow statement, Depreciation is _____
- a) deducted from book profits
 - b) added to book profits**
 - c) part of investing activities
 - d) deducted from financing
22. Buying and selling of Machinery is _____
- a) Operating Activity
 - b) Financing Activity
 - c) Investing Activity**
 - d) Buying Activity
23. Fair Value should be estimated at _____ Date.
- a) Opening
 - b) Closing
 - c) Grant**
 - d) average
24. IFRS 1 is _____ for users.
- a) Confusing
 - b) transparent**
 - c) complex
 - d) difficult
25. Buyback of share is _____.
- a) cash inflow**
 - b) cash outflow
 - c) no effect
 - d) Inflow and outflow