UNOFFICIAL ANSWER KEY BY FINDSARKARIROJGAR TEAM

JKSSB FAA 2026 — Unofficial Answer Key & Detailed Solutions

Exam: JKSSB Finance Accounts Assistant (FAA) | **Question Booklet:** Set – C | **Total Questions:** 120

> **Note for Candidates:** This unofficial answer key and solution guide has been compiled by the **FINDSARKARIROJGAR TEAM** from standard accounting, statistical, economic, scientific, and official government reference sources for Set – C of the JKSSB Finance Accounts Assistant (FAA) 2026 examination. Candidates should cross-check question serial numbers if referring to Sets A, B, or D.

Part I: Master Quick-Reference Answer Key (Questions 1 – 120)

Q.	Ans	Q.	Ans	Q.	Ans	Q.	Ans	Q.	Ans	Q.	Ans	Q.	Ans	Q.	Ans
1	B	16	D	31	D	46	A	61	B	76	D	91	A	106	D
2	B	17	C	32	B	47	C	62	A	77	C	92	A	107	B
3	B	18	B	33	A	48	B	63	D	78	B	93	B	108	C
4	B	19	C	34	B	49	B	64	B	79	C	94	B	109	C
5	A	20	C	35	D	50	B	65	D	80	C	95	B	110	C
6	B	21	C	36	C	51	A	66	C	81	B	96	C	111	C
7	B	22	D	37	A	52	B	67	D	82	D	97	B	112	D
8	B	23	C	38	C	53	B	68	D	83	D	98	C	113	B
9	C	24	B	39	B	54	C	69	A	84	A	99	C	114	C
10	B	25	D	40	D	55	C	70	B	85	C	100	B	115	A
11	B	26	A	41	B	56	A	71	A	86	D	101	B	116	D
12	B	27	A	42	D	57	A	72	C	87	C	102	C	117	C
13	C	28	C	43	A	58	D	73	D	88	D	103	A	118	B
14	A	29	A	44	C	59	A	74	C	89	C	104	B	119	C
15	B	30	D	45	C	60	B	75	B	90	D	105	B	120	A

Part II: Question-by-Question Detailed Explanations (Q1 – Q120)

Q. No.	Key	Topic, Correct Option & Detailed Solution
1	B	**Material Cost Variance: Adverse material cost variance.** Material Cost Variance = Standard Cost for Actual Output − Actual Cost. When actual cost exceeds standard cost, the resulting negative figure represents an unfavourable or adverse material cost variance.
2	B	**Break-Even Point (Units): 2,000 units.** Contribution per unit = Selling Price − Variable Cost = Rs. 200 − Rs. 140 = Rs. 60. Break-Even Point (units) = Fixed Costs ÷ Contribution per unit = Rs. 1,20,000 ÷ Rs. 60 = 2,000 units.

Q. No.	Key	Topic, Correct Option & Detailed Solution
3	B	**Accounting Technology: Blockchain.** Blockchain is a decentralized, distributed digital ledger technology that records transactions across multiple nodes in cryptographically linked blocks, making records tamper-resistant and immutable.
4	B	**English Tense Usage: had, started.** When two actions occur in the past, the earlier completed action takes the Past Perfect tense ("had already started") while the subsequent past action takes the Simple Past tense ("reached").
5	A	**Sentence Rearrangement: Q-R-P-S.** Sentence Q introduces the main theme (deforestation as a serious concern), R explains its cause (clearing forests for agriculture and urban growth), P gives the direct consequence ("As a result, many species..."), and S adds a concluding consequence ("This also threatens...").
6	B	**Articles: an, a.** "Honest" begins with a silent 'h' and a vowel sound (/ɒ/), requiring "an"; "European" begins with a consonant sound (/j/, like 'you'), requiring "a".
7	B	**Modal Auxiliaries: must.** The clause "it is compulsory" indicates strict obligation or necessity, which is expressed by the modal verb "must".
8	B	**Homophones: Right - Write.** Homophones are words pronounced identically (/raɪt/) that differ in spelling and meaning.
9	C	**Subordinate Clauses: Adjective clause.** The relative clause "that you gave me" modifies the preceding noun "book", functioning as an adjective (relative) clause.
10	B	**Vocabulary (Synonym): Temporary.** "Ephemeral" means lasting for a very short time or transitory, making "Temporary" its closest synonym.
11	B	**Idioms & Phrases: To admit defeat.** Originating from boxing (throwing a towel into the ring to stop a bout), the idiom means to surrender or admit defeat.
12	B	**Prepositions: at.** The passive verb phrase "aimed at" is the standard idiomatic collocation before a gerund ("aimed at improving").
13	C	**Active & Passive Voice: The bridge is being repaired by them.** Present Continuous active ("are repairing") converts into passive using "is/are + being + past participle".
14	A	**Statistical Data Processing: Data compilation and preparation.** Merging raw survey forms, screening for missing values, and classifying responses constitute data editing, coding, compilation, and preparation prior to analysis.
15	B	**Arithmetic Mean: 13.86.** Total of 8 observations = 8 × 15 = 120. After removing 23, remaining sum = 120 − 23 = 97 across 7 observations. New mean = 97 ÷ 7 = 13.857 ≈ 13.86.
16	D	**Probability (Dice): 1/9.** Total sample space for two dice = 6 × 6 = 36 outcomes. Favourable pairs giving a sum of 9 are (3, 6), (4, 5), (5, 4), and (6, 3) — 4 outcomes. Probability = 4 ÷ 36 = 1/9.
17	C	**Set Theory / Addition Rule: 80.** Using n(L ∪ E) = n(L) + n(E) − n(L ∩ E) = 60 + 50 − 30 = 80 people who are literate or employed.

Q. No.	Key	Topic, Correct Option & Detailed Solution
18	B	**Index Numbers: Laspeyres' Price Index.** Laspeyres' index uses base-year quantities (q_0) as weights: $[\sum(p_1q_0) \div \sum(p_0q_0)] \times 100$, whereas Paasche's index uses current-year quantities (q_1).
19	C	**Vital Statistics & Census: It provides population data for a specific reference period.** A census is a complete enumeration of every individual and household in a territory as of a defined reference date/period.
20	C	**Crude Birth Rate (CBR): 15 per 1,000.** CBR = (Number of live births in a year ÷ Mid-year population) × 1,000 = (750 ÷ 50,000) × 1,000 = 15 per 1,000.
21	C	**Demographic Indicators: Infant Mortality Rate.** Infant Mortality Rate (IMR) measures the number of deaths of children under one year of age per 1,000 live births in a given year.
22	D	**Relations on Sets: 16.** For a set A with n = 4 elements, the universal relation A × A has $n^2 = 4^2 = 16$ ordered pairs, and it is simultaneously reflexive, symmetric, and transitive.
23	C	**Vector Algebra: 0.** The dot product is $\mathbf{a} \cdot \mathbf{b} = \|\mathbf{a}\|\|\mathbf{b}\| \cos\theta$. For perpendicular vectors, $\theta = 90°$ and $\cos 90° = 0$, so the dot product equals 0.
24	B	**Fiscal Policy: Expansionary fiscal policy.** Increasing government expenditure (or reducing taxes) during a downturn to boost aggregate demand is expansionary fiscal policy.
25	D	**Law of Demand: I, II and III.** Ceteris paribus, price and quantity demanded share an inverse relationship (I, II, and III are true; IV contradicts the law of demand).
26	A	**Ricardian Theory of Rent: I, II and III.** David Ricardo explained differential and scarcity rent arising from differences in soil fertility (I), situational/locational advantages (II), and inelastic supply/scarcity of land relative to demand (III).
27	A	**Market Structures (Oligopoly): I, II and III.** Oligopoly features a few dominant firms (I), mutual interdependence in pricing (II), and non-price competition via advertising and product differentiation (III).
28	C	**Economic Systems: I, II and III.** A mixed economy blends market mechanisms with state planning (I), allows coexistence of public and private enterprises (II), and permits state intervention against market failures (III).
29	A	**Economic Reforms (Liberalisation): I, II and IV.** Liberalisation aims to dismantle licensing/regulatory curbs (I), foster competition (II), and ease entry and business operations (IV).
30	D	**National Income (GDP): I, II and III.** GDP includes newly produced final goods (I), final services (II), and new residential construction as fixed capital formation (III), while excluding second-hand goods (IV) to avoid double counting.
31	D	**Monetary Policy Instruments: I, II and III.** Repo rate (I), Cash Reserve Ratio (II), and Open Market Operations (III) are RBI monetary tools; income tax rates (IV) belong to government fiscal policy.

Q. No.	Key	Topic, Correct Option & Detailed Solution
32	B	**Banking & LAF: Repo rate.** Under the Liquidity Adjustment Facility (LAF), the Repo Rate is the policy rate at which the RBI injects short-term liquidity to commercial banks against government securities.
33	A	**Electrical Quantities: i-c, ii-d, iii-a, iv-b.** Electric Current I = Q/t (c); Voltage V = W/Q (d); Electric Power P = VI (a); Electrical Energy E = Pt (b).
34	B	**Solar Energy Calculation: 3.2 kWh.** Electrical Power P = Irradiance × Area × Efficiency = 800 W/m^2 × 5 m^2 × 0.20 = 800 W = 0.8 kW. Energy generated in 4 hours = 0.8 kW × 4 h = 3.2 kWh.
35	D	**Ecology & Ecosystem: Bacteria and fungi.** Saprophytic bacteria and fungi break down dead organic matter into simpler inorganic nutrients and are termed decomposers.
36	C	**Display Hardware: 3.** Each color pixel on an LCD/LED display consists of 3 primary subpixel color dots: Red, Green, and Blue (RGB).
37	A	**Web Browsers: Mozilla Firefox.** Mozilla Firefox is a free and open-source web browser developed by Mozilla, whereas Edge, Internet Explorer, and Safari are proprietary.
38	C	**Operating Systems (Process States): Ready state.** In time-sharing (round-robin) scheduling, once a running process exhausts its assigned time quantum, it is preempted and returned to the Ready queue.
39	B	**MS Excel Navigation: Press Tab.** Within a selected range in Excel, Tab cycles through cells inside the selection (specifically, Shift + Tab activates the previous cell and Tab activates the next cell; among the listed single-key choices, Tab is the designated range-navigation key).
40	D	**Computer Hardware: adapter.** An adapter is a physical device that adapts or changes the pin/interface configuration of one connector to fit another compatible connector.
41	B	**Indian Census History: 1911-1921.** During the 1911–1921 decade, India experienced a negative decadal population growth rate (–0.31%) due to the 1918 influenza pandemic and famines, making 1921 the "Year of the Great Divide".
42	D	**Geography of J&K: Jhelum.** The Jhelum River, originating at Verinag Spring, is known as *Vyeth* in Kashmiri and *Vitasta* in Sanskrit.
43	A	**Marginal Costing (P/V Ratio): Rs. 20,00,000.** P/V Ratio = Contribution ÷ Sales. Therefore, Sales = Contribution ÷ P/V Ratio = Rs. 8,00,000 ÷ 0.40 = Rs. 20,00,000.
44	C	**Cost Accounting Concepts: Sunk Cost.** A sunk cost is a historical cost already incurred that cannot be recovered or altered by any present or future management decision.
45	C	**Sources of Data: Census reports published by the Registrar General of India.** Published government records like Census reports constitute secondary data, whereas interviews, questionnaires, and direct observations yield primary data.
46	A	**Primary vs. Secondary Data: It is tailored specifically to the research problem at hand.** Primary data is collected firsthand for the exact objective, definitions, and timeframe of the current study.

Q. No.	Key	Topic, Correct Option & Detailed Solution
47	C	**Linear Equations in Two Variables: (3,1).** Substituting x = 3 and y = 1 into 2x + y = 7 gives 2(3) + 1 = 6 + 1 = 7, which satisfies the equation.
48	B	**Linear Equations: 3.** Substituting x = 3 and y = 2 into ax + y = 11 gives 3a + 2 = 11 ⇒ 3a = 9 ⇒ a = 3.
49	B	**Simple Interest: Rs. 300.** Simple Interest = (P × R × T) ÷ 100 = (2,500 × 4 × 3) ÷ 100 = Rs. 300.
50	B	**Algebraic Equations: 2.** The linear equation 5x – 2y = 8 contains two distinct unknown variables, namely x and y.
51	A	**Simple Interest & Amount: Rs. 6450.** Time T = 18 months = 1.5 years. SI = (6,000 × 5 × 1.5) ÷ 100 = Rs. 450. Total Amount = Principal + SI = 6,000 + 450 = Rs. 6,450.
52	B	**Compound Interest: 18 years.** Under compound interest, if a sum doubles (2^1) in 6 years, it grows to 8 times (2^3) in 3 × 6 = 18 years.
53	B	**Probability (Playing Cards): 2/13.** A standard 52-card deck has 4 Kings and 4 Queens (8 mutually exclusive cards). Probability = (4 + 4) ÷ 52 = 8 ÷ 52 = 2/13.
54	C	**Permutations: 120.** The word "SMART" has 5 distinct letters. The number of arrangements without repetition is 5! = 5 × 4 × 3 × 2 × 1 = 120.
55	C	**Microeconomics: The value of the next best alternative forgone.** Opportunity cost represents the benefit lost from the next best alternative when one course of action is chosen over another.
56	A	**Vitamins & Deficiency Diseases: Vitamin B1.** Beriberi is caused by a deficiency of Vitamin B1 (Thiamine).
57	A	**Plant Anatomy: Xylem.** Xylem conducts water and dissolved minerals upward from roots to shoots, whereas phloem transports organic food.
58	D	**MS Excel Automation: Visual Basic.** Excel macros are recorded and written in Visual Basic for Applications (VBA).
59	A	**Internet & Web Technologies: Cookies.** HTTP cookies are small text files stored in a user's browser by a website to remember session state and identify returning visitors.
60	B	**System Software vs. Utilities: Linux.** Linux is an open-source operating system kernel/OS, whereas Avast, Norton, and Kaspersky are anti-virus software suites.
61	B	**Current Affairs (Aviation): Helicopter operations.** India's first Private Point-in-Space (PinS) Instrument Approach Procedure (developed by AAI and approved by DGCA for Undavalli Heliport) is designed for satellite-based helicopter operations.
62	A	**Places in News: i-b, ii-c, iii-d, iv-a.** Sudzha is in Russia's Kursk Oblast (b); Sabina Shoal is a disputed atoll in the South China Sea (c); El Fasher is in Sudan's Darfur region (d); Baalbek is in Lebanon (a).

Q. No.	Key	Topic, Correct Option & Detailed Solution
63	D	**Government Schemes: Ministry of Electronics and Information Technology.** SAMRIDH (Startup Accelerators of MeitY for Product Innovation, Development and Growth) is a flagship scheme of MeitY.
64	B	**Indian Constitution (Delimitation): Articles 82 and 170.** Article 82 mandates readjustment of Lok Sabha constituencies after each census, while Article 170 provides the corresponding mandate for State Legislative Assemblies.
65	D	**Indian Physiography: All of the above.** All three statements accurately describe the boundaries and elevations of the Deccan Plateau (bounded by Western/Eastern Ghats and Satpura–Maikal–Mahadeo ranges), the Satpura scarped plateaus (600–900 m), and the Central Highlands (700–1,000 m, sloping north/northeast).
66	C	**India's International Borders: Bhutan < Myanmar < Pakistan < China.** In ascending order of land border length: Bhutan (699 km) < Myanmar (1,643 km) < Pakistan (3,323 km) < China (3,488 km).
67	D	**World Temperate Grasslands: i-S, ii-Q, iii-P, iv-R.** Pampas = Argentina (S); Velds = South Africa (Q); Pustaz = Hungary (P); Canterbury Plains = New Zealand (R).
68	D	**World Geopolitics & Physical Geography: None of the above.** Statement I (Wakhan Corridor buffer created in 1893), Statement II (Suwalki Gap separating Kaliningrad from Belarus), and Statement III (Danakil Depression at the Afar triple junction of African, Arabian, and Somali plates) are all correct; hence 0 statements are incorrect.
69	A	**Indian Philosophy (Vedanta Schools): i-Q, ii-P, iii-S, iv-R.** Madhvacharya propounded Dvaita (Q); Vallabhacharya propounded Shuddhadvaita (P); Ramanujacharya propounded Vishishtadvaita (S); Nimbarkacharya propounded Dvaitaadvaita (R).
70	B	**Indian Art & Architecture: Bharhut stupa.** The Bharhut Stupa (Madhya Pradesh) is renowned for its narrative railing medallions, including the famous inscribed depiction of Queen Mayadevi's dream of a descending white elephant.
71	A	**Modern Indian History Chronology: IV - I - II - III.** Bardoli Satyagraha (Feb–June 1928) → Nehru Report (August 1928) → Deepavali Declaration by Lord Irwin (31 October 1929) → Purna Swaraj Resolution at Lahore Session (December 1929).
72	C	**INC Sessions: III only.** Only Pair III is correctly matched (1916 Lucknow Session was presided over by Ambica Charan Mazumdar). The 1905 Benaras Session was presided over by Gopal Krishna Gokhale, and the 1907 Surat Session by Rash Behari Ghosh.
73	D	**Indian Railways (Hydrogen Train): None of the above.** All three statements are correct: India's first hydrogen train runs on the Jind–Sonipat section (Northern Railway), is approved for 75 kmph operating speed (110 kmph design speed), and is powered by a 1,200 kW hydrogen fuel cell propulsion system.
74	C	**Indian Transport Corridors: Both I and II.** NH 44 (Srinagar to Kanyakumari) is India's longest North–South highway corridor, and the Chennai–Kolkata arm (1,684 km) is the longest leg of the Golden Quadrilateral.

Q. No.	Key	Topic, Correct Option & Detailed Solution
75	B	**International Shipping Canals: II only.** Statement I is incorrect because the Suez Canal connects the Mediterranean Sea (Port Said in the north) with the Red Sea (Port Suez in the south), not the Persian Gulf. Statement II accurately describes the Panama Canal and its 8 km Canal Zone on either side.
76	D	**Demographic Analysis (TFR): If a country's TFR drops below 2.1, its absolute population size will begin to shrink immediately within the next calendar year.** Because of population momentum (a large cohort of young people entering reproductive age), a population continues growing for decades after TFR falls below replacement level.
77	C	**Census of India: III only.** Statement III is correct (Census Act, 1948 and Census Rules, 1990). Statement I is wrong (1881 synchronous census was under Lord Ripon, not Lord Mayo), Statement II is wrong (1921, not 1911, is the Year of the Great Divide), and Statement IV is wrong (Census is in the Union List at Entry 69, not Concurrent List).
78	B	**Ramsar Wetlands of India: i-P, ii-Q, iii-R, iv-S.** Gogabil Lake is in Bihar (P); Udhwa Lake Bird Sanctuary is in Jharkhand (Q); Kopra Jalashay is in Chhattisgarh (R); Thol Lake is in Gujarat (S).
79	C	**Drainage System of India: I, II and V only.** Vaitarna (Maharashtra), Shetrunji (Gujarat), and Pamba (Kerala) are west-flowing rivers draining into the Arabian Sea, whereas Baitarani (Odisha) and Penner (Andhra Pradesh) flow east into the Bay of Bengal.
80	C	**Climatology (El-Nino): II only.** Statement II is incorrect because warm El-Nino currents appear off the coast of Peru in the *eastern* Pacific Ocean (off South America), not the western Pacific Ocean.
81	B	**Soils of India: Black soils are rich in lime, iron, phosphorus and organic matter.** Black (regur) soils are rich in lime, iron, magnesia, alumina, and potash, but they are deficient in phosphorus, nitrogen, and organic matter.
82	D	**Biosphere Reserves: All of the above.** The Nilgiri Biosphere Reserve spans parts of Karnataka, Kerala, and Tamil Nadu, encompassing Nagarhole, Bandipur, Nilambur, Silent Valley, Wayanad, Mudumalai, and Siruvani Hills.
83	D	**Heritage of Jammu & Kashmir: Amar Mahal Palace.** Built in French Chateau style in red sandstone overlooking the Tawi River in Jammu, Amar Mahal was the last official residence of Maharaja Hari Singh and is now a museum managed by the Hari-Tara Charitable Trust.
84	A	**Culture & Fairs of J&K: Jhiri Mela.** Held annually at Jhiri village near Jammu, Jhiri Mela commemorates the martyrdom of Baba Jitu, an honest farmer who sacrificed his life against feudal exploitation.
85	C	**History of Jammu & Kashmir: Maharaja Gulab Singh.** Maharaja Gulab Singh founded the Dogra dynasty and became the first Maharaja of the princely state of Jammu and Kashmir under the Treaty of Amritsar (1846).

Q. No.	Key	Topic, Correct Option & Detailed Solution
86	D	**J&K Economic Survey 2025–26: None of the above.** All three statements are incorrect: (I) Nominal GSDP is estimated to grow at 8.89% and Real GSDP at 5.82% (the figures are swapped); (II) Power tax recorded the highest revenue growth (+80.71%), ahead of GST (+34.28%); (III) Non-tax revenue share in own resources *increased* from 29% (FY 2021–22) to 33% (FY 2024–25).
87	C	**Aspirational Blocks Programme (J&K): Both I and II.** Both statements are incorrect because the two blocks are swapped: Larnoo (Anantnag) achieved the highest Composite Score, whereas Chassana (Reasi) was the top Delta (incremental) performer in 2024–25.
88	D	**Electric Circuits (Joule Heating): 24 kJ.** Total series resistance $R_{eq} = 10 + 20 + 30 = 60\ \Omega$. Circuit current $I = 120\ V \div 60\ \Omega = 2\ A$. Energy dissipated in the 20 Ω resistor over $t = 5\ min = 300\ s$ is $E = I^2 R t = (2)^2 \times 20 \times 300 = 24{,}000\ J = 24\ kJ$.
89	C	**Chemical Properties of Metals: Metals react with hydrochloric acid, nitric acid and sulfuric acid to produce salt and hydrogen.** Nitric acid (HNO_3) is a strong oxidizing agent that oxidizes evolved hydrogen to water and gets reduced to nitrogen oxides (except with very dilute HNO_3 and Mg or Mn).
90	D	**Modes of Nutrition: Cuscuta (dodder) — Symbiotic.** *Cuscuta* (amarbel/dodder) lacks chlorophyll and derives nutrition entirely from host plants as a total stem parasite, not a symbiont.
91	A	**Human Diseases & Vectors: i-b, ii-a, iii-c, iv-d.** Malaria is transmitted by Female Anopheles mosquito (b); Dengue by Aedes mosquito (a); Tuberculosis is caused by *Mycobacterium tuberculosis* (c); Filariasis is transmitted by Culex mosquito (d).
92	A	**Kyoto Protocol Greenhouse Gases: I, II, IV, V, VI and VII only.** The Kyoto Protocol (including the Doha Amendment) covers CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, and NF_3. Chlorofluorocarbons (CFCs, III) are ozone-depleting substances regulated under the Montreal Protocol.
93	B	**Computer Architecture: Increasing the address bus width increases the ALU's arithmetic word size.** Address bus width determines the maximum addressable physical memory (2^n locations), whereas the data bus and internal registers determine the CPU/ALU word size.
94	B	**Information Security & E-Governance: Non-repudiation.** Non-repudiation cryptographically binds a signer's private key to a document so the sender cannot later deny authenticity or authorship.
95	B	**International Summits (COP31): Turkey.** The 31st UN Climate Change Conference (COP31) in November 2026 is hosted by Turkey (Türkiye) in Antalya.
96	C	**Accrual Accounting (Unearned Revenue): Liability.** Cash received before services are rendered creates an obligation to perform in the future and is recorded as Unearned Revenue (a current liability).

Q. No.	Key	Topic, Correct Option & Detailed Solution
97	B	**Accounting Principles: Matching principle.** The matching principle requires expenses incurred in earning revenue to be recognized in the exact same accounting period as that revenue.
98	C	**Capital Equation: Rs. 2,80,000.** Closing Capital = Opening Capital + Additional Capital – Drawings + Net Profit = 2,00,000 + 40,000 – 20,000 + 60,000 = Rs. 2,80,000.
99	C	**Accounting Vouchers: Journal voucher.** Non-cash rectification, adjustment, and transfer entries (such as correcting understated rent expense by Rs. 9,000) are recorded through a Journal Voucher.
100	B	**Bank Reconciliation Statement (BRS): Deduct Rs. 500 from the Cash Book balance.** Bank charges debited in the Pass Book reduce the bank balance; to reconcile the Cash Book with the Pass Book, Rs. 500 must be deducted from the Cash Book balance.
101	B	**Bank Reconciliation (Uncredited Cheques): Deducted.** When a cheque deposited is debited in the Cash Book (increasing its balance) but not yet credited by the bank, starting from the Cash Book balance requires deducting that amount.
102	C	**Liquidity Ratios: 2.33:1.** Paying Rs. 1,00,000 of current liabilities in cash reduces both current assets and current liabilities by Rs. 1,00,000. New Current Assets = 8,00,000 – 1,00,000 = Rs. 7,00,000; New Current Liabilities = 4,00,000 – 1,00,000 = Rs. 3,00,000. New Current Ratio = 7,00,000 ÷ 3,00,000 = 2.33:1.
103	A	**Profitability Ratios: 20%.** Gross Profit = 10,00,000 – 6,00,000 = Rs. 4,00,000. Operating Profit = 4,00,000 – 2,00,000 = Rs. 2,00,000. Operating Profit Margin = (2,00,000 ÷ 10,00,000) × 100 = 20%.
104	B	**Partnership Accounts (New Ratio): 5:3:2.** C acquires 1/5 share equally from A and B, i.e., (1/5) × (1/2) = 1/10 from each. A's new share = 3/5 – 1/10 = 5/10; B's new share = 2/5 – 1/10 = 3/10; C's share = 1/5 = 2/10. New ratio = 5:3:2.
105	B	**Debtors Ledger Account: Rs. 30,000.** Closing Debtor Balance = Opening Balance + Credit Sales – Cash Received – Sales Returns = 25,000 + 40,000 – 30,000 – 5,000 = Rs. 30,000.
106	D	**Auditing (Audit Opinions — SA 705): Disclaimer of opinion.** When the auditor is unable to obtain sufficient appropriate audit evidence (scope limitation) and the possible effects are both material and pervasive, a Disclaimer of Opinion is issued.
107	B	**Double-Entry Bookkeeping: Every transaction has equal debit and credit effects.** Under the dual-aspect concept, every financial transaction affects at least two accounts with equal debit and credit amounts.
108	C	**Trial Balance & Errors: Complete omission of a transaction from the books.** Because neither the debit nor the credit entry is recorded, total debits still equal total credits and the Trial Balance still agrees.

Q. No.	Key	Topic, Correct Option & Detailed Solution
109	C	**Final Accounts (Trading Account): Carriage inward.** Carriage inward is a direct expense incurred on bringing purchased goods to the business premises and is debited to the Trading Account; office salaries, loan interest, and advertising are indirect expenses debited to the Profit & Loss Account.
110	C	**Profit & Loss Account: Rs. 1,35,000.** Net Profit = Gross Profit + Other Income – Indirect Expenses = 2,00,000 + 5,000 – (40,000 + 20,000 + 10,000) = 2,05,000 – 70,000 = Rs. 1,35,000.
111	C	**Treatment of Drawings: Reduce capital by Rs. 15,000.** Drawings represent personal withdrawals by the proprietor and are deducted directly from Owner's Capital on the liabilities side of the Balance Sheet (not treated as a business expense).
112	D	**Panchayati Raj & Social Audit: 73rd Constitutional Amendment.** The 73rd Constitutional Amendment Act, 1992 inserted Part IX and Article 243A (Gram Sabha), empowering local communities to conduct social audits.
113	B	**Social Audit Principles: Participation of stakeholders and transparency of information.** Effective social audits rely on public disclosure of records and active community/beneficiary participation.
114	C	**Public Financial Management System (PFMS): Controller General of Accounts (CGA).** PFMS is developed and implemented by the Office of the Controller General of Accounts (CGA), Department of Expenditure, Ministry of Finance.
115	A	**Constitutional Funds (Article 266): Consolidated Fund of India.** Under Article 266(1), all revenues received by the Government, all loans raised, and all moneys received in repayment of loans form the Consolidated Fund of India.
116	D	**Taxation Powers (Constitution): Article 265.** Article 265 states that "No tax shall be levied or collected except by authority of law."
117	C	**Indian Taxation System: Income Tax.** Income Tax is levied directly on the income of individuals and entities and cannot be shifted, whereas GST, Customs Duty, and Excise Duty are indirect taxes.
118	B	**Sales Variance: Rs. 50,000 adverse.** Sales Value Variance = Actual Sales – Budgeted Sales = Rs. 4,50,000 – Rs. 5,00,000 = –Rs. 50,000 (Rs. 50,000 adverse).
119	C	**Budgetary Control: Flexible budget.** A flexible budget segregates fixed and variable costs so that budgeted figures adjust dynamically across different levels of output or capacity utilization.
120	A	**Cost Sheet (Cost of Production): Rs. 2,50,000.** Direct Materials = 2,000 × Rs. 60 = Rs. 1,20,000; Direct Labour = 2,000 × Rs. 40 = Rs. 80,000; Prime Cost = Rs. 2,00,000. Adding Factory Overheads of Rs. 50,000 gives Total Cost of Production = Rs. 2,50,000.