

## GENERAL INSTRUCTIONS TO CANDIDATES



- The question paper comprises two parts, Part I and Part II.
- Part I comprises Multiple Choice Questions (MCQs).
- Part II comprises questions which require descriptive answers.
- Ensure that you receive the question paper relating to both the parts. If you have not received both, bring it to the notice of the invigilator.
- Answers to Questions of Part I are to be marked on the OMR answer sheet given on the cover page of descriptive answer book only. Answers to questions in Part II are to be written inside the descriptive answer book. Answers to MCQs, if written inside the descriptive answer book will not be evaluated.
- OMR answer sheet given on the cover page of descriptive answer book will be in English only for all candidates, including for Hindi medium candidates.
- The bar coded sticker provided in the attendance register, is to be affixed only on the descriptive answer book.
- You will be allowed to leave the examination hall only after the conclusion of the exam. If you have completed the paper before time, remain in your seat till the conclusion of the exam.
- Duration of the examination is 3 hours. You will be required to submit the descriptive answer books with OMR cover page to the invigilator before leaving the exam hall, after the conclusion of the exam.
- The invigilator will give you acknowledgement on Page 2 of the admit card, upon receipt of the descriptive answer book.
- Candidate found copying or receiving or giving any help or defying instructions of the invigilators or having/using mobile phone or smart watch or any other electronic gadget will be expelled from the examination and will also be liable for further punitive action.

## PART - I

30 marks

- Answer all MCQs.
- Use HB pencil only to darken the circles for MCQ answers in the answer sheet.
- After each MCQ, four options have been given. **Choose the correct or most appropriate option and darken the corresponding circle against the question number in the OMR Answer Sheet, completely, as shown below, with HB pencil.**

Marking the Answers	
<b>Example :</b> For Question No. 12, if the candidate considers the correct answer to be C, he is to mark as shown below (Correct Method)	<b>Not as shown below (Wrong method) :</b>
12 (A) (B) (C) (D)	12 (A) (B) (C) (D)
	12 (A) (B) (C) (D)
	12 (A) (B) (C) (D)
	12 (A) (B) (C) (D)
	12 (A) (B) (C) (D)

- Any answer to MCQ marked inside descriptive answer book will not be considered and no marks will be awarded.
- If a candidate wants to change the option already darkened, he should erase it completely, with good quality eraser and ensure that no mark is visible after erasing.
- No mark will be awarded if no circle is darkened or more than one circle is darkened for a particular MCQ. There is no negative marking for a wrong answer.
- Rough work, if any, must be done on the pages, specified as SPACE FOR ROUGH WORK only and nowhere else in the question paper booklet or in the answer sheet.
- Before commencement of the exam, please fill up the necessary information in the space provided below and also in the answer sheet.

Total No. of Printed Pages : 12

Maximum Marks : 30

Roll No.

--	--	--	--	--	--

Question Paper  
Booklet Code

C	N	J	1
---	---	---	---

Name of the Candidate

Signature of the Candidate



*This booklet is the property of the Examination Body. Any unauthorized and illegal circulation of its contents in part or in full in any manner whatsoever is strictly prohibited. Candidates involved in such unauthorized and illegal acts are liable to be prosecuted besides being disqualified to appear in any further examinations of the Examination Body.*

- (1) After each MCQ, four options have been given. Choose the correct or most appropriate option and darken the corresponding circle against the MCQ number in the OMR answer sheet.*
- (2) Answer to MCQs, if written inside the descriptive answer book shall not be awarded any mark.*
- (3) Please ensure to write and darken correct MCQ booklet number in the OMR answer sheet. The correct MCQ booklet number must also be written in the attendance register.*
- (4) Please write your Roll No. and name on the topmost page of the MCQ booklet at the specified place without fail.*



(3)

CNJ1

## PART – I

## Case Scenario – I :

Quick Limited is in business of production of life saving medicines. It has sufficient cash funds available with it. It decided to buy back shares to the maximum permissible limit on 4<sup>th</sup> July 2025. On 1<sup>st</sup> July 2025, the company has the following Capital Structure :

	Particular	(₹ in lakhs)
I	<b>Equity Share Capital</b>	
	(Shares of ₹ 100 each fully paid)	45.00
II	<b>Reserve and Surplus</b>	
	General Reserve	74.00
	Securities Premium Account	30.00
	Profit & Loss Account	25.00
	Revaluation Reserve	4.00
	Statutory Reserve	6.50
III	<b>Loan Funds</b>	350.00

CHARTERED STUDIES

Quick Limited is considering to reduce the Loan Fund amount to ₹ 300 Lakhs by paying the Loan Funds amounting to ₹ 50 Lakhs before 4<sup>th</sup> July 2025.

The current market value of the company's shares is ₹ 250 per share and to induce the existing shareholders to offer their shares for buy-back, it is decided to offer a price 20% over the market value.

CNJ1





Based on the information given in above Case Scenario, answer the following Question Nos. 1 – 4 :

1. What will be Equity Share Capital after buy-back ?

2

(A) ₹ 30,50,000

(B) ₹ 33,75,000

(C) ₹ 45,00,000

(D) ₹ 39,00,000

2. What is the maximum permissible number of Equity Shares that can be bought back if the Loan Fund is ₹ 350 Lakhs ?

2

(A) 14500 Shares

(B) 11250 Shares

(C) Nil Shares

(D) 6000 Shares

3. What is the maximum permissible number of Equity Shares that can be bought back if the Loan Fund is ₹ 300 Lakhs ?

2

(A) 14500 Shares

(B) 11250 Shares

(C) Nil Shares

(D) 6000 Shares





(5)

CNJ1

4. What will be the maximum number of shares that can be bought back as per Companies Act, 2013 according to the decision made on basis of above two questions ?

(A) 14500 Shares

(B) 11250 Shares

(C) Nil Shares

(D) 6000 Shares

2

5. As per Rule 7 of the Companies (Declaration & Payment of Dividend) Rules, 2014, in the event of inadequacy or absence of profits in any year, a Company may declare dividend out of surplus subject to the fulfilment of the condition that total amount to be drawn from such accumulated profits shall not exceed \_\_\_\_\_ as appearing in the latest audited financial statement.

(A)  $1/5^{\text{th}}$  of the sum of its paid-up share capital

(B)  $1/10^{\text{th}}$  of the total assets

(C)  $1/10^{\text{th}}$  of the sum of its paid-up share capital and free reserves

(D)  $1/5^{\text{th}}$  of the sum of its paid-up share capital and free reserves

2

CNJ1





(6)

CNJ1

**Case Scenario – II :**

PTU Limited has 6 segments namely P, Q, R, S, T & U. The total revenues (internal and external), profit and losses and assets are set out below :

Segment	P	Q	R	S	T	U	Total
External Sales	66	94	6	5	70	9	250
Internal Sales	10	5	10	10	10	5	50
Result (P&L)	22	4	(4)	3	20	1	46
Total Assets	112	147	28	28	21	14	350

Based on the information given in above Case Scenario, answer the following Question Nos. 6-9 as per AS 17 'Segment Reporting' :

6. Which would be the Reportable Segment on the basis of Overall Test ?

(A) P, Q & T

(B) P, Q, S & T

(C) P & T

(D) P & Q

2

CNJ1



(7)

CNJ1

7. Which would be the Reportable Segment on the basis of Revenue Test ? 2

~~(A)~~ P, Q & T

(B) P, Q, S & T

(C) P & T

(D) P & Q

8. Which would be the Reportable Segment on the basis of Profitability Test ? 2

(A) P, Q & T

(B) P, Q, S & T

~~(C)~~ P & T

(D) P & Q

9. Which would be the Reportable Segment on the basis of Assets Test ? 2

(A) P, Q & T

(B) P, Q, S & T

(C) P & T

~~(D)~~ P & Q

CNJ1



**Case Scenario – III :**

On 3<sup>rd</sup> April 2022, ZYX Limited received a State Government grant of ₹ 150 lakhs for setting up a Manufacturing Unit in a notified backward area. A bank loan of ₹ 50 lakhs was also obtained on 1<sup>st</sup> April 2024. ZYX utilized the grant and loan as under :

Particulars	₹ in Lakhs	Out of Grant ₹ in Lakhs	Out of Loan ₹ in Lakhs
Construction of Factory building	100.00	60.00	30.00
Purchase of Machinery	50.00	40.00	20.00
Advance for purchases of loading vehicle	30.00	30.00	--
Working capital	20.00	20.00	--
	<b>200.00</b>	<b>150.00</b>	<b>50.00</b>

Construction of Factory Building and Installation of Machinery was completed on 31.03.2025. Delivery of loading vehicle was not received. Total interest charged by bank for the year ending 31.03.2025 was ₹ 5,50,000.

The State Government grant was credited to the Deferred Grant Account. Out of the Grant ₹ 30 lakhs used for the purchase of Machinery were refunded in March 2025, due to non-compliance with certain Government conditions. The estimated life of Machinery is 4 years with Nil residual value.



During the year 2024-2025, the Company also received a subsidy of ₹ 8 lakhs from the Central Government for setting up a unit in notified backward area. This subsidy is in the nature of promoters' contribution.

During the year 2024-2025, the Company incurred ₹ 18 lakhs on publicity and research for a new consumer product, which was marketed in the same year but proved to be a failure.

Based on the information given in above Case Scenario, answer the following Question Nos. 10 – 13 :

10. As per AS-26 'Intangible Assets', what is the correct accounting treatment for ₹ 18 lakhs spent on publicity and research expenses during the year 2024-2025 ? 2

(A) ₹ 18 lakhs is treated as an intangible asset and amortised equally over 10 years.

(B) ₹ 18 lakhs is treated as an intangible asset and amortised equally over 5 years.

(C) ₹ 18 lakhs is treated as goodwill and appears as an asset in the Balance Sheet.

~~(D)~~ ₹ 18 lakhs is charged as an expense in the Statement of Profit and Loss.

11. What is the amount of net borrowing cost to be capitalised ? 2

~~(A)~~ ₹ 3,30,000

(B) ₹ 5,50,000

(C) ₹ 1,65,000

(D) ₹ 2,75,000



12. In March 2025, what will be the amount of the deferred grant debited when the grant received of ₹ 30 lakhs is refunded ? 2

(A) ₹ 22.5 lakhs

(B) ₹ 15 lakhs

~~(C) ₹ 7.5 lakhs~~

(D) ₹ 30 lakhs

13. The following options have been suggested by the accountant of ZYX Limited for the accounting treatment of the subsidy received in the nature of promoters' contribution during the year 2024-2025 : 2

(i) It is not considered as a deferred income.

(ii) It is not distributable as a dividend.

(iii) It is treated as a capital reserve.

(iv) It is not distributable as a dividend but considered as deferred income.

Considering the above, what is correct with reference to the subsidy received in the nature of promoters' contribution during the year 2024-2025 ?

(A) (iii) and (iv)

~~(B) (i), (ii) and (iii)~~

(C) (ii) and (iii)

(D) (i) and (ii)



14. The following data apply to SRS Limited's defined benefit pension plan for the year ended 31<sup>st</sup> March 2025 :

2

Particulars	Amount (₹)
Fair market value of plan assets as on 01.04.24	10,00,000
Fair market value of plan assets as on 31.03.25	14,25,000
Employer Contribution	3,50,000
Benefits paid	2,50,000

What is the actual return on plan assets as per AS-15 'Employee Benefits' ?

- (A) ₹ 2,50,000 (B) ₹ 5,25,000  
(C) ₹ 3,25,000 (D) ₹ 3,50,000

15. KPK Limited is installing a new Plant at its production facility. It provides you the following information :

2

Cost of the Plant (Cost as per Supplier's Invoice)	₹ 45,00,000
Estimated Dismantling Costs to be incurred after 5 years	₹ 3,25,000
Initial Operating Losses before commercial production	₹ 4,00,000
Interest paid to Supplier of Plant for deferred credit	₹ 2,50,000
Initial Delivery and Handling Costs	₹ 1,85,000
Cost of Site Preparation	₹ 5,00,000
Consultants used for advice on the acquisition of the Plant	₹ 6,75,000

What will be cost that can be capitalized for Plant in accordance with AS-10 'Property, Plant & Equipment' ?

- (A) ₹ 61,85,000 (B) ₹ 62,60,000  
(C) ₹ 68,35,000 (D) ₹ 58,60,000

