

**JHARKHAND INDUSTRIAL INFRASTRUCTURE DEVELOPMENT CORPORATION
LIMITED (JIIDCO)**

WRITTEN EXAMINATION FOR RECRUITMENT OF SENIOR ACCOUNTANT

Duration: 2 Hours
Maximum Marks: 100
Total Questions: 75

INSTRUCTIONS

- 1. The examination consists entirely of Multiple-Choice Questions.**
- 2. Questions 1–50 carry 1 mark each.**
- 3. Questions 51–75 carry 2 marks each.**
- 4. For every incorrect answer, one-third of the marks allotted to that question shall be deducted:**
 - * Questions 1–50: –1/3 mark**
 - * Questions 51–75: –2/3 mark**
- 5. No mark will be awarded or deducted for an unanswered question.**
- 6. Each question has four alternatives. Select the most appropriate answer.**
- 7. A non-programmable calculator may be used.**
- 8. Where any tax rate, accounting assumption or other rate is specifically provided in a question, the rate/assumption given shall be used.**
- 9. Figures may be rounded appropriately wherever required.**

SECTION A

ACCOUNTING, TAXATION, FINANCIAL CONTROL, AUDIT & ERP

Questions 1–50 | 1 Mark Each

Financial Accounting

1. JIIDCO incurs ₹5 lakh on routine repairs to an office building and ₹25 lakh on an extension that substantially increases its usable capacity. The appropriate accounting treatment is:

- A. Entire ₹30 lakh as revenue expenditure
- B. Entire ₹30 lakh as capital expenditure
- C. ₹5 lakh revenue expenditure and ₹25 lakh capital expenditure
- D. ₹25 lakh revenue expenditure and ₹5 lakh capital expenditure

2. Electricity consumed during March but billed in April should ordinarily be:

- A. Recognised as expense only in April
- B. Recognised as March expense with a corresponding liability
- C. Treated as prepaid expenditure
- D. Treated as a contingent liability

3. An asset costs ₹42 lakh, has residual value of ₹2 lakh and useful life of 10 years. Annual depreciation under Straight Line Method is:

- A. ₹4.20 lakh
- B. ₹4.00 lakh
- C. ₹3.80 lakh
- D. ₹4.40 lakh

4. EMD received from a bidder is ordinarily recorded as:

- A. Revenue
- B. Liability
- C. Capital Reserve
- D. Fixed Asset

5. Retention money deducted from a contractor's certified bill ordinarily represents:

- A. Immediate income of JIIDCO
- B. A liability subject to contractual release/adjustment
- C. GST Input Tax Credit
- D. Capital Reserve

6. Annual insurance premium of ₹24 lakh is paid on 1 January for the next 12 months. Assuming uniform coverage, expense attributable up to 31 March is:

- A. ₹24 lakh
- B. ₹18 lakh
- C. ₹6 lakh
- D. ₹2 lakh

7. An advance paid to a supplier for goods not yet received is ordinarily classified as:

- A. Expense
- B. Asset/Advance
- C. Revenue
- D. Provision

8. Which of the following errors may NOT cause the Trial Balance to disagree?

- A. Posting only one side of a transaction
- B. Complete omission of a transaction
- C. Incorrect totaling of one ledger account
- D. Posting a debit amount on the credit side

9. Equipment costs ₹50 lakh. Freight is ₹1 lakh, installation/testing necessary to bring the equipment into use is ₹2 lakh, and a one-year post-installation maintenance contract costs ₹3 lakh. Initial capitalised cost is:

- A. ₹50 lakh
- B. ₹51 lakh
- C. ₹53 lakh
- D. ₹56 lakh

10. If revenue expenditure of ₹10 lakh is incorrectly capitalised, the immediate effect, other things being equal, is:

- A. Profit understated and assets understated
- B. Profit overstated and assets overstated
- C. Profit understated and assets overstated
- D. No effect on profit

11. Closing inventory is overstated by ₹6 lakh. Current-period profit will ordinarily be:

- A. Overstated by ₹6 lakh
- B. Understated by ₹6 lakh
- C. Unaffected
- D. Overstated by ₹12 lakh

12. Salary of ₹5 lakh outstanding at year-end should ordinarily be recorded as:

- A. Debit Salary Expense; Credit Salary Payable
- B. Debit Salary Payable; Credit Salary Expense
- C. Debit Bank; Credit Salary Expense
- D. No entry until payment

13. A supplier ledger unexpectedly shows a material debit balance. The Senior Accountant should first:

- A. Write it off
- B. Investigate advances, excess payments, debit notes and posting errors
- C. Transfer it to revenue
- D. Transfer it to Fixed Assets

14. Which is NOT ordinarily a current asset?

- A. Trade Receivables
- B. Prepaid Insurance
- C. Cash & Bank Balance
- D. Office Building

15. Depreciation principally represents:

- A. Adjustment of an asset to current market value
- B. Systematic allocation of depreciable amount over useful life
- C. Creation of cash for replacement of asset
- D. Provision for future repairs

GST, TDS & Statutory Compliance

16. An important control before availing GST Input Tax Credit is:

- A. Vendor's verbal confirmation
- B. Verification of appropriate tax documentation and applicable eligibility conditions
- C. Payment to vendor only in cash
- D. Prior statutory audit of every invoice

17. GST TDS and Income-tax TDS:

- A. Are identical deductions
- B. Can never apply to the same transaction
- C. Are separate statutory mechanisms and may both apply where prescribed conditions are satisfied
- D. Apply only to private-sector entities

18. A consultant raises professional fees of ₹6 lakh plus GST @18%. Assume Income-tax TDS @10% applies on professional fees excluding separately indicated GST. TDS is:

- A. ₹70,800
- B. ₹60,000
- C. ₹1,08,000
- D. ₹54,000

19. TDS deducted but not yet deposited with Government is ordinarily:

- A. Asset
- B. Statutory Liability
- C. Revenue
- D. Reserve

20. A principal purpose of reconciling purchase records with GST system-generated ITC information is to:

- A. Determine payroll expenditure
- B. Validate ITC and identify invoice-level discrepancies
- C. Calculate depreciation
- D. Determine procurement thresholds

21. ITC recorded in the books materially exceeds the amount supported as eligible by statutory records. Accounts should:

- A. Claim the book amount automatically
- B. Reconcile invoice-level differences and determine eligibility before appropriate action
- C. Claim whichever figure is higher
- D. Ignore the difference until statutory audit

22. The strongest routine control for timely statutory compliance is:

- A. Dependence on individual memory
- B. Compliance calendar supported by ledger-return-challan reconciliation and review
- C. Depositing all statutory dues at financial year-end
- D. Vendor confirmation

23. Delayed deposit of TDS may result in:

- A. Interest and other applicable statutory consequences
- B. Automatic increase in GST ITC
- C. Higher depreciation
- D. No consequence if the vendor has been paid

24. At year-end, the TDS payable ledger should principally be reconciled with:

- A. Fixed Asset Register
- B. Deductions, challans/deposits, returns and outstanding liability
- C. Inventory Register
- D. Attendance Register

25. A vendor invoice contains a GSTIN inconsistent with the approved vendor master. Accounts should:

- A. Process it without examination
- B. Verify and resolve the discrepancy before completing relevant tax/accounting treatment
- C. Alter the vendor's invoice internally
- D. Claim ITC first and verify later

Project Accounting, Procurement & Financial Control

26. Before processing a contractor's RA Bill, Accounts should ordinarily verify:

- A. Invoice only
- B. Work certification only
- C. Contract value only
- D. Certification, contractual entitlement, approvals and applicable deductions/recoveries

27. Repeated splitting of procurement to remain below prescribed approval/tender thresholds is:

- A. Good procurement management
- B. A potential control/procurement irregularity requiring examination
- C. Mandatory in government companies
- D. Merely an accounting classification issue

28. A contractor claims payment beyond the sanctioned contract value. Accounts should:

- A. Pay because the work has been billed
- B. Verify contractual provisions and requisite variation/additional approval
- C. Charge excess expenditure to another project
- D. Automatically terminate the contract

29. A mobilisation advance remains unrecovered even though the contractual recovery milestone has passed. Accounts should:

- A. Ignore it until final bill
- B. Flag the exception and ensure recovery/action in accordance with contractual provisions
- C. Capitalise the advance
- D. Convert it into retention money

30. A Performance Bank Guarantee is due to expire before the underlying secured contractual obligation ends. The appropriate action is:

- A. Allow it to expire
- B. Ensure timely extension or other appropriate protective action under the contract
- C. Recognise the BG amount as income

D. Automatically return the BG

31. The maker-checker principle primarily reduces:

- A. Revenue
- B. Error, unauthorised transaction and fraud risk
- C. Depreciation
- D. Statutory liability

32. A vendor requests a change in its bank account details. The strongest control is:

- A. Immediately update based on email
- B. Independently verify through authorised channels and apply maker-checker approval
- C. Accept verbal confirmation from any employee
- D. Permit the vendor to directly edit the ERP master

33. Two apparently unrelated vendors have identical bank-account details. This should ordinarily:

- A. Be ignored if invoices differ
- B. Be treated as a red flag requiring verification
- C. Be accepted if both vendors have GSTINs
- D. Be resolved by changing one account number internally

34. A project has an approved budget of ₹20 crore. Actual expenditure is ₹16 crore and firm contractual commitments are another ₹5 crore. Which statement is correct?

- A. ₹4 crore remains freely available
- B. Actual plus committed expenditure exceeds budget by ₹1 crore
- C. There is no issue until the commitments are paid
- D. Actual expenditure is ₹21 crore

35. Booking expenditure relating to Project A under Project B primarily:

- A. Has no effect because total company expenditure is unchanged
- B. Distorts project costing, budget monitoring and MIS
- C. Changes the company's bank balance
- D. Automatically creates an additional GST liability

36. Which arrangement best demonstrates segregation of duties?

- A. Same employee creates vendor, verifies invoice and releases payment
- B. Vendor creation, bill processing and payment authorisation are appropriately segregated
- C. Contractor certifies its own work
- D. Cashier performs internal audit of own transactions

37. Availability of budget:

- A. By itself authorises any expenditure
- B. Does not replace required sanction, procurement and contractual compliance
- C. Eliminates the need for documentation
- D. Constitutes technical sanction

38. A purchase order is materially amended after award. Accounts should particularly verify:

- A. Authority, contractual basis and required approvals
- B. Staff attendance
- C. Previous year's depreciation
- D. Office utility expenditure

Audit, Reconciliation & Financial Analysis

39. A Bank Reconciliation Statement primarily reconciles:

- A. Budget with expenditure
- B. Bank balance as per books with bank records and explains differences
- C. GST with Income-tax TDS
- D. Revenue with receivables

40. A cheque issued but not yet presented ordinarily causes, other things being equal:

- A. Bank statement balance to be higher than Cash Book bank balance
- B. Bank statement balance to be lower than Cash Book bank balance
- C. Both balances to be equal
- D. Cash Book balance to increase

41. Bank charges appearing in the bank statement but not recorded in the books require:

- A. No entry
- B. Appropriate entry in the Cash Book/books
- C. Adjustment only in Fixed Asset Register
- D. Vendor confirmation

42. A recurring audit observation most strongly indicates that:

- A. The underlying root cause/control weakness may not have been adequately addressed
- B. The observation should automatically be ignored
- C. Fraud has necessarily occurred
- D. Internal audit is unnecessary

43. Physical verification of fixed assets should be reconciled with:

- A. Payroll Register
- B. Fixed Asset Register/books
- C. GST returns only
- D. Tender Register

44. Current Assets are ₹90 lakh and Current Liabilities ₹45 lakh. Current Ratio is:

- A. 0.5 : 1
- B. 1 : 1
- C. 2 : 1
- D. 3 : 1

45. Revenue increases from ₹80 crore to ₹100 crore. Percentage growth is:

- A. 20%
- B. 25%
- C. 22.5%
- D. 12.5%

Excel, ERP & MIS

46. The most appropriate Excel feature to summarise 10,000 transactions by vendor, project and month is:

- A. Pivot Table

- B. WordArt
- C. Page Break
- D. Spell Check

47. Which Excel function is particularly suited to summing amounts that satisfy multiple criteria?

- A. SUMIFS
- B. LEN
- C. LEFT
- D. UPPER

48. An ERP audit trail should primarily allow identification of:

- A. Only the final account balance
- B. Who created, modified and approved a transaction and the relevant history
- C. Only the vendor GSTIN
- D. Only the transaction amount

49. Role-based access control in ERP means:

- A. Every Accounts employee has administrator rights
- B. Users receive system permissions appropriate to their authorised responsibilities
- C. Passwords are shared within the department
- D. Vendors can authorise their own payments

50. The most useful MD-level monthly financial MIS would ordinarily emphasise:

- A. Every individual voucher
- B. Budget versus actual/commitments, cash position, receivables/payables, project expenditure and major exceptions
- C. Employee attendance only
- D. Number of vouchers processed

SECTION B

PRACTICAL & NUMERICAL CASE-BASED MCQs

Questions 51–75 | 2 Marks Each

CASELET I — CONTRACTOR RA BILL

JIIDCO receives a certified RA Bill:

Value of work excluding GST: ₹50,00,000

GST @18%: ₹9,00,000

Gross Invoice Value: ₹59,00,000

For this case, assume:

* Retention Money: 5% of value of work excluding GST

* Income-tax TDS: 2% of value of work excluding GST

* GST TDS: 2% of taxable value

* Mobilisation Advance Recovery: ₹4,00,000

* Approved Liquidated Damages: ₹1,00,000

51. Retention Money is:

- A. ₹2.00 lakh
- B. ₹2.50 lakh
- C. ₹2.95 lakh
- D. ₹3.00 lakh

52. Income-tax TDS plus GST TDS is:

- A. ₹1.00 lakh
- B. ₹1.50 lakh
- C. ₹2.00 lakh
- D. ₹2.50 lakh

53. Total deductions/recoveries from the gross invoice are:

- A. ₹7.50 lakh
- B. ₹8.50 lakh
- C. ₹9.50 lakh
- D. ₹10.50 lakh

54. Net amount payable to the contractor is:

- A. ₹49.50 lakh

- B. ₹50.50 lakh
- C. ₹51.50 lakh
- D. ₹52.50 lakh

55. Which statement is most appropriate?

- A. All deductions constitute JIIDCO's revenue
- B. Mobilisation advance recovery reduces the outstanding advance, while retention and statutory deductions are accounted for according to their respective nature
- C. All deductions reduce project expenditure
- D. GST should not be recorded until payment is released

CASELET II — BANK RECONCILIATION

On 31 March, the Cash Book shows a favourable bank balance of ₹75.00 lakh.

The following items are identified:

- * Cheques issued but not presented: ₹12.00 lakh
- * Cheques deposited but not yet credited: ₹8.00 lakh
- * Bank charges not recorded in Cash Book: ₹0.25 lakh
- * Interest directly credited by bank but not recorded in Cash Book: ₹0.75 lakh
- * A cheque deposited earlier for ₹2.00 lakh has been dishonoured by the bank but is not yet recorded in Cash Book.

56. Adjusted Cash Book balance after recording bank charges, interest and dishonoured cheque is:

- A. ₹73.50 lakh
- B. ₹74.50 lakh
- C. ₹75.50 lakh
- D. ₹77.50 lakh

57. Balance as per Bank Statement after considering all the above items is:

- A. ₹77.50 lakh
- B. ₹76.50 lakh
- C. ₹78.50 lakh
- D. ₹81.50 lakh

58. Which item does NOT itself require an adjusting entry in the Cash Book?

- A. Bank charges
- B. Interest directly credited by bank
- C. Cheques issued but not yet presented
- D. Dishonoured cheque not yet recorded

59. Failure to record the dishonoured cheque would cause which balance in the books to be overstated?

- A. Bank balance
- B. Trade Payables
- C. Fixed Assets
- D. Share Capital

60. Very old unpresented cheques appearing repeatedly in BRS should be:

- A. Carried indefinitely without review
- B. Investigated and dealt with appropriately based on their status and applicable accounting/banking requirements
- C. Deleted without documentation
- D. Automatically treated as revenue

CASELET III — CAPITALISATION & DEPRECIATION

On 1 October 2025, JIIDCO purchases specialised equipment:

- * Basic Price: ₹60 lakh
- * Freight: ₹2 lakh
- * Installation/testing necessary to bring equipment into operation: ₹3 lakh
- * One-year maintenance contract commencing after commissioning: ₹1.20 lakh

The equipment is ready and available for use on 1 October 2025.

Residual value: ₹5 lakh
Useful life: 10 years

Assume Straight Line Method and proportionate depreciation.

61. Initial capitalised cost of equipment is:

- A. ₹60 lakh
- B. ₹62 lakh
- C. ₹65 lakh
- D. ₹66.20 lakh

62. Depreciable amount is:

- A. ₹55 lakh
- B. ₹60 lakh
- C. ₹65 lakh
- D. ₹66.20 lakh

63. Annual depreciation is:

- A. ₹5 lakh
- B. ₹5.50 lakh
- C. ₹6 lakh
- D. ₹6.50 lakh

64. Depreciation for FY 2025-26, assuming six months' use, is:

- A. ₹2.50 lakh
- B. ₹2.75 lakh
- C. ₹3.00 lakh
- D. ₹3.25 lakh

65. The ₹1.20 lakh maintenance contract should ordinarily be:

- A. Added to equipment cost
- B. Treated as revenue expenditure/prepayment according to the period of service
- C. Added to residual value
- D. Treated as security deposit

CASELET IV — FINANCIAL ANALYSIS & PROJECT CONTROL

JIIDCO has the following simplified information:

Particular	FY 2024-25	FY 2025-26
Operating Revenue	₹100 crore	₹125 crore

Operating Expenses ₹88 crore ₹105 crore
Trade Receivables ₹20 crore ₹35 crore
Cash & Bank ₹30 crore ₹22 crore

For one infrastructure project:

Approved Project Cost: ₹100 crore

Actual expenditure: ₹68 crore

Firm contractual commitments not yet billed/paid: ₹24 crore

66. Operating surplus in FY 2025-26 is:

- A. ₹12 crore
- B. ₹17 crore
- C. ₹20 crore
- D. ₹25 crore

67. Operating revenue growth is:

- A. 20%
- B. 25%
- C. 30%
- D. 12.5%

68. Trade Receivables have increased by:

- A. 50%
- B. 60%
- C. 75%
- D. 80%

69. Higher operating surplus combined with sharply rising receivables and declining cash should particularly prompt management to examine:

- A. Revenue recognition only
- B. Collection efficiency and working-capital/cash conversion
- C. Depreciation rates only
- D. Share Capital

70. Considering both actual expenditure and firm commitments, uncommitted headroom against approved project cost is:

- A. ₹32 crore
- B. ₹24 crore
- C. ₹8 crore
- D. Nil

CASELET V — INTERNAL CONTROL & PROFESSIONAL JUDGMENT

During month-end closing, the Senior Accountant observes:

- * A ₹40 lakh vendor payment is marked “urgent”, but prescribed work certification is absent.
- * The vendor’s bank account was changed in ERP earlier that day.
- * The user who modified the bank account can also initiate payment.
- * Original contract value is ₹2 crore, but cumulative billing including the proposed bill would become ₹2.15 crore.
- * A mobilisation advance remains partly unrecovered despite the contractual recovery milestone having passed.

71. The most appropriate first response regarding the ₹40 lakh payment is:

- A. Release it because it is marked urgent
- B. Identify/document the missing mandatory control and obtain required compliance/authorisation before release
- C. Reject the vendor permanently
- D. Release 50% immediately

72. The ability of the same user to modify vendor bank details and initiate payment represents primarily:

- A. Revenue-recognition risk
- B. Segregation-of-duties weakness
- C. Depreciation error
- D. Inventory valuation risk

73. A same-day bank-account change immediately before a large payment should:

- A. Be ignored because ERP accepted the change

- B. Trigger independent verification of the bank-detail change before payment
- C. Automatically terminate the contract
- D. Be accepted if the invoice is otherwise correct

74. Cumulative billing exceeding the ₹2 crore original contract value should primarily trigger:

- A. Automatic payment if work has been performed
- B. Verification of approved variation/additional scope and competent-authority sanction under contractual provisions
- C. Transfer of ₹15 lakh to another project
- D. Reduction of GST

75. The unrecovered mobilisation advance should:

- A. Be ignored because another bill is being processed
- B. Be reviewed against contractual recovery terms and recovered/action taken as applicable while processing further bills
- C. Be treated as additional project expenditure
- D. Be transferred to retention money

END OF QUESTION PAPER

75 Questions | 100 Marks | 120 Minutes

MARKING SCHEME

Questions 1–50: Correct +1 | Incorrect –1/3 | Unattempted 0

Questions 51–75: Correct +2 | Incorrect –2/3 | Unattempted 0