

ENTRANCE TEST-2024**SCHOOL OF BUSINESS STUDIES****M.Com.**Question Booklet Series **B**Total Questions : 60
Time Allowed : 70 MinutesRoll No. :

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Instructions for Candidates :

1. Write your Entrance Test Roll Number in the space provided at the top of this page of Question Booklet and fill up the necessary information in the spaces provided on the OMR Answer Sheet.
2. OMR Answer Sheet has an Original Copy and a Candidate's Copy glued beneath it at the top. While making entries in the Original Copy, candidate should ensure that the two copies are aligned properly so that the entries made in the Original Copy against each item are exactly copied in the Candidate's Copy.
3. All entries in the OMR Answer Sheet, including answers to questions, are to be recorded in the Original Copy only.
4. Choose the correct / most appropriate response for each question among the options A, B, C and D and darken the circle of the appropriate response completely. The incomplete darkened circle is not correctly read by the OMR Scanner and no complaint to this effect shall be entertained.
5. Use only blue/black ball point pen to darken the circle of correct/most appropriate response. In no case gel/ink pen or pencil should be used.
6. Do not darken more than one circle of options for any question. A question with more than one darkened response shall be considered wrong.
7. There will be **'Negative Marking'** for wrong answers. Each wrong answer will lead to the deduction of 0.25 marks from the total score of the candidate.
8. Only those candidates who would obtain positive score in Entrance Test Examination shall be eligible for admission.
9. Do not make any stray mark on the OMR sheet.
10. Calculators and mobiles shall not be permitted inside the examination hall.
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12. OMR Answer Sheet must be handled carefully and it should not be folded or mutilated in which case it will not be evaluated.
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1. Mr. Firdous, a private sector employee, who retired on 1st October, 2022 is receiving Rs. 5000 pension p.m. On 1st February, 2023, he commuted 60% of his pension and received Rs. 300,000 as commuted pension, and he has also received Rs. 500,000 as gratuity at the time of his retirement. What is his taxable pension ?
 - (A) 1,57,333
 - (B) 24,000
 - (C) 74,000
 - (D) 1,37,246

2. Which of the following is fully taxable allowance ?
 - (A) House Rent Allowance
 - (B) Servant Allowance
 - (C) Allowances to High Court Judges
 - (D) Special Allowances

3. Unlisted securities other than shares held upto 36 months are considered as _____ as per Income Tax Act, 1961.
 - (A) Short-Term Capital Assets
 - (B) Long-Term Capital Assets
 - (C) Short-Term Speculative Securities
 - (D) Long-Term Speculative Securities

4. An individual assessee, resident in India, has made the following deposit/payment during the previous year 2023-24: Contribution to the Public Provident Fund Rs. 1,50,000 and Insurance premium Rs. 25,000, paid on the life of the spouse (policy taken on 1-4-2018) (Assured value Rs. 2,00,000). What is the deduction allowable under section 80C for A.Y. 2024-25 ?
 - (A) 2,00,000
 - (B) 1,70,000
 - (C) 1,60,000
 - (D) 1,50,000

5. Section 80E of Income Tax Act, 1961, allows deduction in case of _____.
 - (A) Medical treatment of specified diseases or ailments
 - (B) Maintenance including medical treatment of a dependent disabled
 - (C) Interest on loan taken for higher education
 - (D) Donations to certain funds, charitable institutions

6. Mr. Imran owns a house which he has let out for the previous year. Municipal Value is Rs. 55,000; Fair Rent Rs. 60,000; Standard Rent Rs. 75,000; and Actual Rent Received Rs. 72,000. What is the Gross Annual Value (GAV) of the house ?
 - (A) 55,000
 - (B) 60,000
 - (C) 72,000
 - (D) 90,000

7. _____ constitutes bye-laws or rules and regulations that govern the management of its internal affairs and the conduct of its business.
- (A) Memorandum of Association
 (B) Articles of Association
 (C) Preamble of the Company
 (D) Prospectus of the Company
8. A Prospectus can be _____.
- (A) An advertisement
 (B) A circular or a notice
 (C) Both (A) & (B)
 (D) Neither (A) Nor (B)
9. Companies cannot be formed with _____.
- (A) Unlimited liability of its members
 (B) Limited by guarantee by its members
 (C) Both (A) & (B)
 (D) Neither (A) Nor (B)
10. A private company means a company having a minimum paid up share capital, as may be prescribed, and which by its articles _____.
- (A) Grants the right to transfer its shares, if any
 (B) Limits the number of its members to 100
 (C) Prohibits invitation to the public to subscribe for any securities of the company
 (D) All of the above
11. Section 164(1) of the Companies Act, 2013 provides that a person shall not be eligible for appointment as a director of a company, if _____.
- (A) He has paid calls in respect of any shares of the company held by him
 (B) He has applied to be adjudicated as an insolvent and his application is pending
 (C) Both (A) & (B)
 (D) Neither (A) Nor (B)
12. As a proper authority, which of the following is/are empowered to call the meeting ?
- (A) Board of Directors
 (B) Shareholders
 (C) Tribunals
 (D) All of the above
13. If the company has acted against the interests of the sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality, it can be wound up _____.
- (A) By a Special Resolution
 (B) By The Tribunal
 (C) Under The Insolvency and Bankruptcy Code, 2016
 (D) None of the above

14. A petition for the compulsory winding up of a company may be presented by _____.
- (A) the company
 (B) any contributory or contributories
 (C) any person authorized by the Central Government in this behalf
 (D) All of the above
15. Mr. Zahid agreed to pay Rs. 5 lakh to Mr. Muzaffer for 'an ultra-modern decoration' of his drawing room. The agreement is void because it violates the condition of _____.
- (A) Possibility to perform
 (B) Certainty of meaning
 (C) Capacities of Parties
 (D) Lawful Consideration
16. Mr. Umar says to Mr. Mudasir 'Will you purchase my bike for Rs. 20,000?' Mr. Mudasir says 'Yes' to Mr. Umar. It is an example of _____.
- (A) Implied Contract
 (B) Quasi-Contract
 (C) Express Contract
 (D) Void Contract
17. Which of the following is an element of Agreement to sell ?
- (A) It is an executed contract
 (B) The buyer bears the risk
 (C) A seller can sue for damages
 (D) The ownership of goods is transferred immediately
18. _____ is the transfer of special property in goods for some specific purpose where the goods are returned on the completion of the purpose.
- (A) Sale
 (B) Hire-Purchase
 (C) Agreement to Sell
 (D) Bailment
19. Which of the following is characteristic of Negotiable Instruments ?
- (A) Negotiable instruments are not freely transferable from one person to another
 (B) Negotiable instrument must be payable either to order or to bearer
 (C) The holder of the instrument is not presumed to be the owner of the property contained in it
 (D) A negotiable instrument must name only one payee
20. 'I promise to pay Mr. Balwant Rs. 2,500 and all other sums which shall be due to him' :
- (A) It is a valid promissory note
 (B) It is an invalid promissory note
 (C) Only promise of Rs. 2500 is a valid promissory note
 (D) None of the above

21. Which of the following is essential feature of Limited Liability Partnership ?
- It is created by the law
 - It does not have perpetual succession
 - It is not a separate legal entity
 - There is no concept of common seal
22. Under Limited Liability Partnership, Rights and Duties of the partners are governed by :
- The Limited Liability Partnership Act, 2008
 - Articles of Association
 - Partnership Act, 1932
 - Limited Liability Partnership Agreement
23. Revenue expenditure is incurred _____.
- To acquire or bring into existence an asset
 - To increase the productivity or earning capacity of a firm
 - To maintain the productivity or earning capacity of a firm
 - All of the above
24. According to _____ if a particular asset is depreciated according to WDV method, this method should be followed year after year.
- Going Concern Assumption
 - Consistency Assumption
 - Accrual Assumption
 - Separate Entity Concept
25. _____ is concerned with the establishment of relationship between the various items or group of items taken from Income Statement or Balance Sheet or both. Its purpose is to identify the financial strength and weakness of the enterprise.
- Measuring the identified transactions
 - Classifying the transactions
 - Analyzing the transactions
 - Summarizing the transactions
26. Which of the following is/are not true about Accounting Standards ?
- They help in reduction of confusing variation in accounting treatment
 - They facilitate the comparison of financial statements
 - They can override the statute
 - All of the above
27. In case of Consignment, which of the following is/are true ?
- Risk remains with the Consignor
 - Any property may be its subject matter
 - Both (A) & (B)
 - Neither (A) Nor (B)
28. Under installment payment system, ownership of goods _____.
- Is not transferred
 - Is transferred at the signing of the contract
 - Is transferred at the time of payment of last installment
 - Is transferred proportionally on each installment

29. The amount paid at the time of entering into a Hire Purchase Agreement is known as _____.
- (A) Advance Payment
(B) Down Payment
(C) First Installment
(D) Cash Price
30. Which of the following is/are true about Joint Venture ?
- (A) The persons carrying on business are called partners
(B) The Profit/Loss are ascertained on annual basis
(C) Both (A) & (B)
(D) Neither (A) Nor (B)
31. Goods may be invoiced to a branch at _____.
- (A) Cost Price
(B) Selling Price
(C) Wholesale Price
(D) All of the above
32. X Ltd. sent goods costing Rs. 50,000 to Delhi branch. The branch sold entire goods for Rs. 70,000 on cash and also paid Rs. 8,000 as expenses. What is the net profit in Head Office Books ?
- (A) Rs. 8,000
(B) Rs. 12,000
(C) Rs. 16,000
(D) Rs. 20,000
33. Under Debtors method, the principal accounts that are maintained is/are _____.
- (A) The Branch Account
(B) The Stock Reserve Account
(C) Both (A) & (B)
(D) Neither (A) Nor (B)
34. Cost of goods returned by the branch will have the following effect :
- (A) Goods sent to branch account will be credited
(B) Branch stock account will be credited
(C) Both (A) & (B)
(D) Neither (A) Nor (B)
35. Authorized capital _____.
- (A) Is not required to be disclosed in Memorandum of Association
(B) Is determined after considering the present requirements
(C) Cannot exceed issued capital
(D) None of the above
36. In case of over-subscription of shares, which of the following option/s is/are followed by the directors of company ?
- (A) Full allotment to some applicants
(B) No allotment to some applicants
(C) Partial allotment on pro-rata basis to the remaining applicants
(D) All of the above

37. Forfeiture of shares means _____.
- (A) Right title and interest of shareholder extinguishes
 - (B) Amount paid to the date of forfeiture is refunded
 - (C) Amount due but not received from defaulting shareholder is recoverable
 - (D) Shares cannot be reissued
38. Interest is payable to debenture holders _____.
- (A) When company earns enough profits
 - (B) After dividends are paid to preference shareholders
 - (C) Regardless of profits
 - (D) When it is authorized in AGM
39. As per AS 14, purchase consideration is agreed amount payable to _____.
- (A) Shareholders
 - (B) Shareholders, debenture holders, and creditors
 - (C) Shareholders and debenture holders
 - (D) Shareholders and creditors
40. A company can become holding company of another company _____.
- (A) By holding up to 50 percent of the nominal value of equity shares of another company
 - (B) By controlling the composition of the Board of Directors of other company
 - (C) Both (A) & (B)
 - (D) Neither (A) Nor (B)
41. When some of the shares in the subsidiary company are held by outside shareholders, those shareholders will be _____.
- (A) Entitled to a proportionate share in the assets and liabilities of the company
 - (B) Referred as minority interest
 - (C) Both (A) & (B)
 - (D) Neither (A) Nor (B)
42. If a holding company purchases the shares of a subsidiary company at a price above the face value, the excess amount paid represents _____.
- (A) Goodwill
 - (B) Reserve Capital
 - (C) Capital Premium
 - (D) Minority Interest
43. _____ is created by the decision in the past and cannot be changed or avoided by any decision made in the future.
- (A) Relevant Cost
 - (B) Opportunity Cost
 - (C) Sunk Cost
 - (D) Imputed Cost
44. Which of the following is/are true about cost control ?
- (A) Setting targets and standards
 - (B) Ascertaining actual performance
 - (C) Investigating the variances
 - (D) All of the above

45. Indirect materials are _____.
- (A) Prime cost
(B) Factory overhead cost
(C) Fixed cost
(D) Irrelevant cost
46. From the following information calculate EOQ :
Quarterly consumption of materials 2,000 Kg; cost of placing one order Rs. 50; cost per unit Rs. 40; and carrying cost 8 percent on average inventory.
- (A) 250 Kg
(B) 400 Kg
(C) 500 Kg
(D) 600 Kg
47. If factory overhead is Rs. 4,50,000, direct labor cost is Rs. 2,00,000 and prime cost is Rs. 6,00,000, then prime cost percentage rate of charging overhead is _____.
- (A) 80 percent
(B) 75 percent
(C) 50 percent
(D) 25 percent
48. Prime Cost means _____.
- (A) Direct materials
(B) Direct labor
(C) Direct material and direct labor
(D) Direct material and factory overhead
49. Which of the following is/are true about profit on incomplete Contracts ?
- (A) Profit should be considered in respect of both certified and uncertified work
(B) Minimum profit shall be considered when contract is completed less than $1/4^{\text{th}}$ of its value
(C) Both (A) & (B)
(D) Neither (A) Nor (B)
50. _____ is discarded material emerging from certain manufacturing process and has some but minor value.
- (A) Scrap
(B) Waste
(C) By product
(D) Joint product
51. Organizing as a function of management involves _____.
- (A) Determination of the activities of the enterprise keeping in view its objectives
(B) Delegation of authority and fixing of responsibility for carrying out assigned duties
(C) Both (A) & (B)
(D) Neither (A) Nor (B)

52. Starbucks' statement "to be the premier purveyor of the finest coffee in the world while maintaining our uncompromising principles while we grow" is an example of _____.
- (A) Vision
(B) Mission
(C) Strategy
(D) None of these
53. Which of the following is not a step in rational decision making ?
- (A) Recognizing and defining the decision situation
(B) Evaluating alternatives
(C) Implementing the chosen alternative
(D) Ignoring uncertainty in the environment
54. _____ is the process of systematically retaining power and authority in the hands of higher-level managers.
- (A) Centralization
(B) Decentralization
(C) Span of Control
(D) Chain of Command
55. _____ has propounded the two-factor theory of motivation.
- (A) Abraham Maslow
(B) Henry Fayol
(C) F. Herzberg
(D) Victor Vroom
56. _____ goes beyond ordinary expectations by transmitting a sense of mission, stimulating learning experiences, and inspiring new ways of thinking.
- (A) Transformational Leadership
(B) Charismatic Leadership
(C) Strategic Leadership
(D) Ethical Leadership
57. Which of the following is correct sequence of Control Process ?
- (A) Measure performance; establish standards; compare standards against performance
(B) Establish standards; measure performance; compare standards against performance
(C) Measure performance; compare standards against performance; establish standards
(D) Establish standards; compare standards against performance; measure performance
58. At the _____ stage of Maslow's Theory, employees desire to become what they are capable of becoming. They want to create something of their own using their talent, capacity, and potential.
- (A) Safety
(B) Self-Esteem
(C) Self-Actualization
(D) None of these

59. A Hindu Undivided Family (HUF) would be resident in India if _____.
- (A) The management and control of its affairs is wholly situated in India
 - (B) The management and control of its affairs is partly situated in India
 - (C) Either (A) or (B)
 - (D) Neither (A) Nor (B)
60. The scope of total income of an assessee depends upon _____.
- (A) The residential status of the assessee
 - (B) The place of accrual or receipt of income, whether actual or deemed
 - (C) The point of time at which the income had accrued to or was received by or on behalf of the assessee
 - (D) All of the above

Sr. No.

ENTRANCE TEST-2023

SCHOOL OF BUSINESS AND MANAGEMENT STUDIES

COMMERCE

Question Booklet Series

A

Total Questions : 60

Time Allowed : 70 Minutes

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1. The concept of Human-Relation-Oriented management, which emphasizes people and the relationships among people as the focus of management, was pioneered by _____.
 (A) John. F. Mee
 (B) F. W. Taylor
 (C) Harold Koontz
 (D) Ralph C. Davis
2. _____ is a system of relationships that govern the activities of the people working in the organization to achieve the intended goals.
 (A) Directing
 (B) Organizational Structure
 (C) Controlling
 (D) Staffing
3. Which of the following is not the principle of Organizing?
 (A) Authority should be granted to match responsibility.
 (B) Each person should be immediately responsible to several superiors.
 (C) There should not be too much centralization.
 (D) There should be equitable distribution of work.
4. The basic purpose of _____ is to utilize management time in the most efficient and best possible manner by involving them only when there is an important deviation from the routine or normal business results.
 (A) Management by Exceptions
 (B) Management by Objectives
 (C) SWOT Analysis
 (D) Span of Control
5. Which of the following is not true about Maslow's Need Hierarchy Theory?
 (A) The needs of people are arranged according to their perceived priority
 (B) The human needs are divided into five categories
 (C) Advancing towards higher-order needs means more satisfaction
 (D) People simultaneously pursue multiple order of needs
6. Which of the following doesn't fall under Herzberg's motivation factors?
 (A) Interpersonal relations with subordinates
 (B) Advancement
 (C) Responsibility
 (D) Recognition
7. The _____ accomplishes results through use of authority, fear of deprivation, punishment and other coercive measures.
 (A) Democratic Leader
 (B) Autocratic Leader
 (C) Charismatic Leader
 (D) All of the above
8. In order to improve a manager's ability to lead, he needs to cultivate following attitude(s) _____.
 (A) Empathy
 (B) Objectivity
 (C) Both (A) & (B)
 (D) Neither (A), nor (B)
9. Before an income can be charged under the head Salaries under Income Tax Act 1961, it is vital that there should exist _____.
 (A) A government recognized organization
 (B) Relationship of employer and employee
 (C) Both (A) & (B)
 (D) Neither (A), nor (B)
10. Sujata, an actress, is employed in Chopra Films, where she is paid remuneration of Rs. 2 lacs per/month. She acts in different films produced by various producers. The remuneration for acting in such films is directly paid to Chopra Films by the different producers. Thus, Rs. 2 lacs p/m constitutes as _____ in the hands of Sujata.
 (A) Income from profession
 (B) Other income
 (C) Commission
 (D) Salary
11. Mr. Firdous is receiving Rs. 150 p/m and Rs. 70 p/m for his two sons as children education allowance. He also receives Rs. 1800 p/m as transport allowance and Rs. 500 p/m as tribal area allowance. What is his taxable allowances?
 (A) Rs. 25800
 (B) Rs. 26400
 (C) Rs. 28200
 (D) Rs. 27000

12. _____ is a payment made by an employer in appreciation of services rendered by the employee.
- Commuted Pension
 - Uncommuted Pension
 - Bonus
 - Gratuity
13. Section 73 of Income Tax Act 1961 provides that the losses in speculation business can be set off against the profits of _____.
- Any business other than speculation business
 - Any business
 - Speculation business only
 - None of these
14. Section 80C provides deduction of savings in specified modes of investment from the Gross Total Income and it includes _____.
- Premium paid in respect of Life Insurance Policy
 - Premium paid in respect of a contract for deferred annuity
 - Contribution to PF
 - All of the above
15. Under Section 24 of the Income Tax Act 1961, following is/are allowed as deduction from Annual Value under the head Income from House Property _____.
- 30 percent of NAV
 - Interest on borrowed capital
 - Both (A) & (B)
 - Neither (A), nor (B)
16. During the previous year 2021-22, Mr. X has following income and brought forward losses : Short-term capital gains Rs. 150000, Long-term capital gains, Rs. 75000; short-term capital losses, Rs. 37000 and Long-term capital losses, Rs. 96000. What is the taxable income of Mr. X as Capital gains for the A. Y. 2022-23?
- Rs. 225000
 - Rs. 113000
 - Rs. 92000
 - Rs. 21000
17. If an act of company is Ultra-Vires then it _____.
- Is binding on a company
 - Can be rectified by the members
 - Both (A) & (B)
 - Neither (A), Nor (B)
18. According to _____ stakeholders need not to enquire whether the necessary meeting was convened and held properly. They are entitled to take it for granted that the company had gone through all the proceedings properly.
- Doctrine of Indoor Management
 - Doctrine of Constructive Notice
 - Doctrine of Ultra-Vires
 - Doctrine of Intra-Vires
19. According to Section 23 of Companies Act 2013, a private company cannot issue securities through _____.
- Private Placement
 - Rights Issue
 - FPO
 - Bonus Issue
20. In _____ the price per security and number of securities are left open to be decided post closure of the issue.
- Prospectus
 - Shelf Prospectus
 - Red Herring Prospectus
 - Constructive Public Notice
21. Section 271 of the Companies Act, 2013 lays down circumstances in which Company may be wound up by the Tribunal
- If the Tribunal is not of the opinion that it is just and equitable that the company should be wound up
 - If the company has, by special resolution, resolved that the company be wound up by the Tribunal
 - If the company has not acted against the interests of the sovereignty of India
 - None of the above



22. Which of the following is not objective of the Annual General Meeting (AGM)?
- (A) To discuss functioning of the business
 - (B) To take steps to protect interest of the shareholders
 - (C) To discuss matter of urgent importance that cannot be postponed
 - (D) None of the above
23. Who is/are authorized to call Annual General Meeting (AGM)?
- (A) Board of Directors
 - (B) Any individual director
 - (C) General Manager
 - (D) CEO
24. As per Section 177 of the Companies Act, 2013, certain companies have to establish Vigil/Whistle-blowing mechanism. However, a whistleblower can be
- (A) Within the organization
 - (B) Outside the organization
 - (C) Both (A) & (B)
 - (D) Neither (A), nor (B)
25. Rani contracted to teach dance to Shruti and received Rs. 5000 in advance from her. Rani met with an accident and is unable to teach dance now, but she has her daughter as her legal representative. Shruti can now _____.
- (A) Force her daughter to teach her dance
 - (B) Rescind the contract and ask for refund of money
 - (C) Rescind the contract but cannot ask for refund of money
 - (D) Can sue Rani for non-performance of the contract
26. X, Y, & Z jointly promised to pay M Rs. 100,000, but Z dies before the performance of the contract. Now, the contract _____.
- (A) Becomes void on Z's death
 - (B) Should be performed by X&Y along with Z's legal representatives
 - (C) Should be performed by X&Y alone
 - (D) Should be renewed between X, Y, & M
27. Which of the following is true about a Contract of Sale?
- (A) Delivery of goods and payments cannot be made in installments
 - (B) Delivery of goods can be made in installments but not payments
 - (C) Delivery of goods cannot be made in installments but payments can be
 - (D) Delivery of goods as well as payments can be made in installments
28. Goods which are in existence at the time of Contract of Sale are known as
- (A) Present Goods
 - (B) Specific Goods
 - (C) Existing Goods
 - (D) None of the above
29. Under Section 64, a Limited Liability Partnership (LLP) may be wound up by Tribunal, in case _____.
- (A) LLP decides that it should be wound up by Tribunal
 - (B) LLP is unable to pay its debts
 - (C) Number of partners in LLP fall below two for more than six months
 - (D) All of the above
30. Which of the following statement about Limited Liability Partnership (LLP) is true?
- (A) LLP has no separate personality apart from its members
 - (B) A listed company cannot be converted into LLP
 - (C) The liability of each partner in LLP is unlimited
 - (D) Members of LLP are not taxed as partners
31. A Bill of Exchange _____.
- (A) Must contain an express order to pay
 - (B) Need not be in writing always
 - (C) Both (A) & (B)
 - (D) Neither (A), nor (B)
32. There are _____ parties to Cheque.
- (A) Two
 - (B) Three
 - (C) Four
 - (D) Up to seven

33. Which of the following is true about International Financial Reporting Standards (IFRS)?
- They are considered non-principle based standards
 - They dictate specific treatments
 - They establish broad rules
 - All of the above
34. If an organization follows Fundamental Accounting Assumptions while preparing its Financial Statements, then_____.
- It must disclose same in the financial statements
 - It need not disclose same in the financial statements
 - It may post same on its official website for the public information
 - None of these
35. Following are the particulars of Mr. X: Cash Rs. 70000, Furniture Rs. 25000, Goods Rs. 2000, Mr. Y owes to Mr. X, Rs. 8000 and Mr. X owes to Mr. Z Rs. 5000. How much is the own capital of Mr. X?
- Rs. 105000
 - Rs. 100000
 - Rs. 92000
 - Rs. 87000
36. The principle of Consistency improves the comparability of financial statements through the time. However, Accounting Policy can be changed _____.
- If required by a statute
 - If required by an accounting standard
 - Both (A) & (B)
 - Neither (A), Nor (B)
37. Javid purchased a machine on hire purchase system. As per terms he is required to pay Rs. 70000 down payment, Rs. 53000, Rs. 49000, & Rs. 55000 at the end of 1st, 2nd, & 3rd years respectively. Interest is charged @ 10 Percent p.a. What is the total cash price of the machine?
- Rs. 200000
 - Rs. 210000
 - Rs. 220000
 - Rs. 227000
38. Under _____ the full cash price of the asset is debited to the Asset Account and Credited to the Hire Vendor Account.
- Sales Method
 - Interest Suspense Method
 - Cash Price Method
 - All of the above
39. If the hire purchaser fails to pay any installment, the hire vendor can take back asset in actual for and _____.
- Refund the earlier payments to hire purchaser
 - Treat earlier payments as the hire charges
 - Treat down-payment as hire charges and refund installments
 - Sue hire purchaser for non-payment of rest of installments
40. Which of the following is drawback of Joint-Venturing?
- It brings economies of scale
 - Access to different markets and geographies
 - Infusion of new expertise
 - Cultural incompatibility
41. Following are the particulars of Branch X: Goods received Rs. 50000, Furniture received beginning Rs. 10000, Credit Sales Rs. 62000, Bad Debts Rs. 1000; Closing Stock Rs. 10000, Closing Debtors, Rs. 61000, and Furniture at end Rs. 8000 (after depreciation). Find out the profit of Branch X.
- Rs. 20000
 - Rs. 19000
 - Rs. 17000
 - Rs. 14000
42. The major difference (s) between Branch Accounting and Departmental Accounting is/are_____.
- Conversion of foreign currency figures is necessary in Branch Accounting and not in Departmental Accounting
 - Reconciliation of head office and branch office accounts is not necessary and in Departmental accounting it is necessary
 - Both (A) & (B)
 - Neither (A), nor (B)



43. AS 11 classifies foreign branches as _____
- (A) Autonomous branches and non-autonomous branches
 - (B) Uncontrolled and fully-controlled branches
 - (C) Integral and non-integral foreign operations
 - (D) None of these
44. Under Branch trading and profit/loss account method
- (A) H.O. prepares profit and loss account
 - (B) Each branch is treated as separate entity
 - (C) Both (A) & (B)
 - (D) Neither (A), nor (B)
45. Holders of preference shares are _____.
- (A) Entitled to receive dividends at fixed rate
 - (B) Paid dividends after equity shareholders are paid dividends
 - (C) Paid dividends even if there are no profits
 - (D) All of the above
46. In Cash Flow Statement, which of the following is the source of cash?
- (A) Purchase of Investment
 - (B) Redemption of preference shares
 - (C) Raising of long-term loan
 - (D) Payment of Dividends
47. Which of the following does come under Financing Activities in Cash Flow Statement?
- (A) Cash receipts from sale of property
 - (B) Cash receipts from sale of goods
 - (C) Cash receipts from royalties
 - (D) Cash payments of amount borrowed
48. Securities Premium Account is shown on the liabilities side in the Balance Sheet under the heading:
- (A) Reserves and Surplus
 - (B) Current Liabilities
 - (C) Share Capital
 - (D) Long-Term Liabilities
49. The amalgamation takes place through _____.
- (A) The pooling of interest method
 - (B) The purchase method
 - (C) Both (A) & (B)
 - (D) Neither (A), Nor (B)
50. In the process of Internal Reconstruction of a company, _____.
- (A) The existing shareholders become shareholders of new company as well
 - (B) A company doesn't need court's interference
 - (C) The capital doesn't get reduced
 - (D) The capital and debt structure is changed to bring company back to normalcy
51. The accumulated losses under the scheme of internal reconstruction are written off against _____
- (A) Capital Reduction Account
 - (B) Share Capital Account
 - (C) Shareholders' Account
 - (D) None of these
52. A process of reconstruction, which is carried out without liquidating the company and forming a new is called _____.
- (A) Amalgamation
 - (B) Absorption
 - (C) Internal Reconstruction
 - (D) External Reconstruction
53. In order to cost control, following step(s) should be followed:
- (A) No target cost should be laid down
 - (B) Actual performance should be measured against standard
 - (C) Both (A) & (B)
 - (D) Neither (A), nor (B)

54. Which of the following pertains to Financial Accounting?
- (A) It uses both historical costs and predetermined costs
 - (B) A set format is used to prepare the accounting information
 - (C) The accounting information is prepared for the internal management
 - (D) It provides details of cost of every product
55. Calculate the Economic Order Quantity (EOQ) from the following information: Material Consumption 10000 kg/p.a, Ordering Cost, Rs. 50 per order, Material Cost Rs. 2 per kg, Storage Cost, 8 percent on average inventory.
- (A) 1800 kg
 - (B) 2000 kg
 - (C) 2500 kg
 - (D) 2700 kg
56. Calculate inventory turnover ratio from the following information: Opening Stock Rs. 90000, Purchases during the year, Rs. 270000, and Closing Stock Rs. 110000.
- (A) 1.5
 - (B) 2.5
 - (C) 3.5
 - (D) 4.5
57. A firm shows variable cost as Rs. 70000, and fixed cost as Rs. 20000 on existing production. The Firm produced additional 100 units and shows total cost as Rs. 120000. What is the marginal cost of the firm?
- (A) Rs. 30000
 - (B) Rs. 50000
 - (C) Rs. 90000
 - (D) Rs. 120000
58. On the bases of Floor Area or Volume of Department following overhead(s) is/are allotted:
- (A) Lighting
 - (B) Heating
 - (C) Fire precaution service
 - (D) All of these
59. Which of the following doesn't fall under Factory Overheads?
- (A) Depreciation of Office Building
 - (B) Indirect Labour
 - (C) Stock Keeping Expenses
 - (D) Cost of Primary Packing
60. Fixed overheads are costs which _____.
- (A) Tend to vary with the volume of activity
 - (B) Tend to vary partly with the volume of activity
 - (C) Tend to remain constant up to certain volume of activity
 - (D) Tend to remain constant irrespective of the volume of activity

ROUGH WORK

ENTRANCE TEST-2022

SCHOOL OF BUSINESS STUDIES

COMMERCE

Question Booklet Series 

Total Questions : 60
Time Allowed : 70 Minutes

Roll No. :

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Instructions for Candidates :

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1. Strategic planning :
 - (A) Establishes intermediate strategies
 - (B) Provides major objectives
 - (C) Determines operational goals
 - (D) All of the above
2. Advantages of matrix organizations do not include:
 - (A) A functional home for project people
 - (B) Standardized use of manpower
 - (C) A focal point for all matters pertaining to the project
 - (D) Availability of specialized knowledge
3. Decentralization :
 - (A) Decreases the importance of superiors
 - (B) Increases the importance of superiors
 - (C) Decreases the importance of subordinates
 - (D) Increases the importance of subordinates
4. Synergy is an important technique of:
 - (A) Management audit
 - (B) Decision making
 - (C) Financial planning
 - (D) Performance appraisal
5. The Eclectic Approach to leadership is brainchild of:
 - (A) Fielder and his associates
 - (B) Chris Argyris and his associates
 - (C) F.H. Sanford
 - (D) R.R. Blake and J.S. Mouton
6. As per Herzberg's two factor theory of motivation the set of factors which are primarily concerned with the job itself are known as :
 - (A) Motivational factors
 - (B) Maintenance factors
 - (C) Motivational as well as maintenance factors
 - (D) None of these
7. Which term does not apply to PERT ?
 - (A) Event
 - (B) Activity
 - (C) Expected time
 - (D) Event budgeting
8. 'Unity of command' principle of effective management means:
 - (A) Subordinates should be responsible to one superior
 - (B) A superior can supervise a limited number of subordinates
 - (C) There should be unity amongst subordinates
 - (D) There should be unity amongst superiors
9. The doctrine which states that "every person dealing with the company is assumed to have read the contents of the Memorandum and Association", is known as :
 - (A) Doctrine of indoor management
 - (B) Doctrine of notified information
 - (C) Doctrine of constructive notice
 - (D) Doctrine of equitable notice

10. Under section 2 (70) of the Companies Act, 2013, a document inviting offers from the general public for the subscription or purchase of any securities of a body corporate is known as a:
- (A) Prospectus
 (B) Red herring prospectus
 (C) Shelf prospectus
 (D) All of these
11. Rule 3 of the Companies (Incorporation) Rules, 2014, as applicable to One Person Company, provides that:
- (A) Its paid up share capital is not more than Rs. 50 lakhs
 (B) Its average annual turnover of three years does not exceed Rs. 2 crores
 (C) Both (A) and (B)
 (D) Neither (A) nor (B)
12. Under section 2(68) and under section 2(17) of the Companies Act, 2013, a private company and public company must have..... members respectively:
- (A) At least 7 and 2
 (B) At least 2 and 7
 (C) At least 1 and 2
 (D) At least 1 and 7
13. A class meeting is also known as :
- (A) Meeting of creditors
 (B) Meeting of directors
 (C) Meeting of members
 (D) Meeting to pass special resolution
14. Any director whose presence cannot count for the purpose of forming a quorum at a meeting of the Board, at the time of discussion or vote on any matter, is known as :
- (A) Related Director
 (B) Interested Director
 (C) Nominee Director
 (D) None of the above
15. Which of the following is/are considered just and equitable ground/s for just and equitable ground for winding up of the company ?
- (A) Default committed by the company in submitting financial statements and annual returns.
 (B) Involved in fraudulent and illegal affairs
 (C) Inability to pay its debts
 (D) All of the above
16. A special form of dissent in which an existing or a former member of an organization goes outside the organization to reveal organizational wrongdoing or actions that may harm the public, is known as:
- (A) Whistle-blowing
 (B) Insider trading
 (C) Margin trading
 (D) Tip-blowing
17. An income which accrues or arises in India but is received outside India, shall be taxable during the relevant previous year in the hands of :
- (A) Ordinary Residents only
 (B) Not ordinarily residents only
 (C) Non residents only
 (D) All of the above

18. Perquisites and allowances paid by Government of India to its employees posted outside India, are :
- (A) Fully exempted u/s 10(7) in case of all such employees.
 - (B) Fully exempted u/s 10(7) in case of such employees who are citizens of India
 - (C) Fully exempted u/s 10(7) in case of such employees who are residents of India
 - (D) Fully exempted u/s 10(7) in case of such employees who are either Indian citizens or of Indian origins
19. Under section 10(10) of Income Tax Act, death-cum-retirement gratuity is fully exempted in case of:
- (A) Employees of central government
 - (B) Employees of state government
 - (C) Employees working in defence services
 - (D) All of the above
20. Mr. Hussain joins the college service on 01-08-2016 in the grade of 12000-300-13800-400-17800 and his salary was fixed at Rs. 14,200 from the date of joining. Salary is due on last of every month. Mr. Hussain's total basic salary for the assessment year 2020-21 shall be :
- (A) Rs. 1,46,400
 - (B) Rs. 1,44,000
 - (C) Rs. 1,83,200
 - (D) Rs. 1,70,400
21. During the relevant previous year, any loss from house property can be set off from income from house property:
- (A) Under any other head up to 100 percent of such loss.
 - (B) Under any other head only up to Rs. 2,00,000
 - (C) Under any other head up to 30 percent of such loss.
 - (D) Under the same head only up to Rs. 2,00,000
22. Under section 35D(3), the maximum amount of preliminary expenditure eligible for deduction in the case of company assessee shall not exceed:
- (A) 5 percent of cost of project, to be allowed in five instalments.
 - (B) 5 percent of capital employed, to be allowed in five instalments.
 - (C) Either 5 percent of cost of project or 5 percent of capital employed, to be allowed in five instalments
 - (D) 100 percent of such expenditure, to be allowed in five instalments.
23. Mr. Zeheer, sold Jewellery in October 2007 (C.I.I. : 289) for Rs.15,00,000, its cost of acquisition in 2007-08 (C.I.I. : 1) was Rs. 2,40,000 and he invested in constructing a house upto 3.07.2020 Rs. 6,00,000, which he does not own any other house. In this case, the exemption under section 54 F which Mr. Zeheer can claim is :
- (A) Rs. 6,00,000
 - (B) Rs. 9,62,326
 - (C) Rs. 3,84,930
 - (D) Rs. 5,77,396

24. Rafi has taken on rent a 4 room house @ Rs. 6,000 p.m. He paid Rs. 8,000 as municipal taxes and spent Rs. 4,000 on the repairs of the house. He has given half of the house on rent to his friend @ Rs. 4,000 p.m. Rafi's income from sub-letting taxable under Income from Other Sources is :
- (A) Rs. 48,000
 (B) Rs. 12,000
 (C) Rs. 8,000
 (D) Rs. 6,000
25. An obligation created by law, regardless of agreement is known as:
- (A) Executed contract
 (B) Voidable contract
 (C) Quasi contract
 (D) Express contract
26. Under section 11 of the Indian Contract Act, an agreement with or by a minor is :
- (A) Void and inoperative ab-initio
 (B) Void
 (C) Voidable at option of minor
 (D) None of these
27. is a stipulation which is collateral to the main purpose of the contract and is not of vital significance:
- (A) Condition
 (B) Description
 (C) Warranty
 (D) Specification
28. The 'right of lien' is available to the unpaid seller when:
- (A) The goods have been sold without any stipulation as to credit
 (B) The goods have been sold on credit, but the term of the credit has expired
 (C) The buyer becomes insolvent
 (D) All of the above
29. When holder of a negotiable instrument cancels the name of a party on the instrument with intent to discharge him, will discharge :
- (A) Such party and all subsequent parties
 (B) Such party and parties prior to him
 (C) Such party alone
 (D) The instrument
30. When a negotiable instrument is delivered conditionally or for a special purpose as collateral security or for safe custody, and not for the purpose of transferring absolutely property therein, it is called :
- (A) A Clean bill
 (B) An escrow
 (C) An inchoate instrument
 (D) A documentary bill
31. When cheque bears across its face an addition of the words 'Account Payee', with or without the name of banker, or words 'not negotiable', the cheque is deemed to have :
- (A) General crossing
 (B) Special crossing
 (C) Restrictive crossing
 (D) Extra special crossing

32. A limited liability partnership:
- (A) Shall have perpetual succession
 - (B) Shall not have perpetual succession
 - (C) Shall have its operations for a limited period
 - (D) Shall have its operations only for 5 years
33. 'To anticipate no profit but to provide for all probable losses' is the main argument of:
- (A) Materiality principle
 - (B) Consistency principle
 - (C) Prudence principle
 - (D) None of the above
34. The concept of accounting which states that 'assets should be always be the reflection or mirror image of liabilities and capital' is known as :
- (A) Accrual concept
 - (B) Equality concept
 - (C) Equity concept
 - (D) None of the above
35. The assumption that a business firm has neither the intention nor the necessity of liquidation nor is constrained to curtail materially the scale of its operations in the foreseeable future, is known as:
- (A) Dual aspect concept
 - (B) Business entity concept
 - (C) Matching concept
 - (D) None of the above
36. In compliance to which Indian Accounting Standard, every listed company is required to prepare cash flow statement showing cash flows from operating activities, investing activities and financing activities :
- (A) AS-1
 - (B) AS-2
 - (C) AS-3
 - (D) AS-6
37. Kavita sent goods on consignment to Ahmad at an invoice price of Rs. 90,000, which is 50 percent above cost. The adjusting entry required to be passed in the books of consignor to nullify the effect of higher price is:
- (A) 'Goods sent on consignment A/c' and 'Consignment A/c' will be debited and credited respectively with Rs. 45,000
 - (B) 'Consignment A/c' and 'Goods sent on consignment A/c' will be debited and credited respectively with Rs. 45,000
 - (C) 'Goods sent on consignment A/c' and 'Consignment A/c' will be debited and credited respectively with Rs. 30,000
 - (D) 'Consignment A/c' and 'Goods sent on consignment A/c' will be debited and credited respectively with Rs. 30,000

38. The commission payable by the consignor to the consignee in consideration for undertaking the risk of bad debts arising out of credit sales, is known as :
- Ordinary commission
 - Extra ordinary commission
 - Over-riding commission
 - Del-credere commissions
39. Which of the following is not a feature of hire purchase transaction ?
- The buyer is in the legal position of bailee; he has no right of disposal of goods.
 - The buyer has the option to return the goods and terminate the agreement.
 - The seller has no right to repossess the goods on the default in payment of instalments by the buyer.
 - So long as the buyer has taken reasonable care of the goods expected of bailee; any loss occurring to goods has to be borne by the seller.
40. When one of the co-venture's is appointed to manage the joint venture, the entry for distribution of the resulting profit on joint venture is :
- Joint Venture A/c is debited, Profit and Loss A/c and Other co-venture's A/c's are credited
 - Profit and Loss A/c is debited, Joint Venture A/c and Other co-venture's A/c's are credited
 - Profit and Loss A/c is debited, each co-venture's A/c is credited
 - Joint Venture A/c is debited, each co-venture's A/c's is credited
41. Under debtors system, when goods are returned by the branch to head office, the journal entry which is passed in the books of head office is :
- Branch A/c ...Debit ; Goods sent to Branch A/c ... Credit
 - Goods sent to Branch A/c...Debit ; Branch A/c...Credit
 - Branch A/c ...Debit ; Return Outwards A/c ... Credit
 - Goods Returned by Branch A/c ...Debit ; Branch A/c ... Credit
42. Under stock and debtors system branch profit is ascertained by opening
- Goods sent to Branch Account
 - Branch Stock Account
 - Branch Profit and Loss Account
 - Branch Adjustment Account
43. When branch is keeping full system of accounting, the entry in the head office books for depreciation charged on branch fixed assets is:
- Depreciation A/c...Debit; Branch Fixed Assets A/c... Credit
 - Branch Fixed Assets A/c... Debit; Branch A/c....Credit
 - Depreciation A/c....Debit; Branch Fixed Assets A/c... Credit
 - Branch A/c...Debit; Branch Fixed Assets A/c...Credit

44. The process by which consolidated balance sheet of whole business is prepared by the head office, is technically known as:
- Branch adjustment
 - Consolidation process
 - Incorporation of the branch trial balance
 - Absorption
45. X Ltd. forfeited 100 shares of Rs. 100 each issued at 20% premium (to be paid at the time of allotment) for non payment of a first call of Rs. 30 per share and a second & final call of Rs. 20 per share. Out of these 40 shares were reissued as fully paid-up for Rs. 90 per share. In this situation, the amount which is to be credited to 'Capital Reserve A/c' is:
- Rs. 1,600
 - Rs. 2,000
 - Rs. 400
 - Rs. 1,000
46. C Ltd. took over assets of Rs. 3,50,000 and liabilities of Rs. 30,000 of Z Ltd. for purchase consideration of Rs. 3,40,000 payable as to Rs. 10,000 in cash and balance by issue of 12 % debentures of Rs. 100 each at par. Keeping in view this information, the amount of goodwill and number of debentures issued to the vendor are:
- Rs. 20,000; 3,400
 - Rs. 20,000; 3,300
 - Rs. 10,000; 3,300
 - Rs. 10,000; 3,400
47. If, total assets of a company are Rs. 3,98,000, its liabilities are Rs. 88,000, and number of shares issued by company are 10,000, then the intrinsic value of the share of the company is :
- Rs. 31
 - Rs. 31.80
 - Rs. 39.80
 - Rs. 48.60
48. Indicate the item which appears as short term provision in the company balance sheet:
- Proposed dividend
 - Interest accrued but not due
 - Employees' provident fund
 - None of the above
49. The reconstruction of a company's financial structure without liquidation of the company known as :
- External reconstruction
 - Internal reconstruction
 - Reconstruction
 - All of the above
50. The share capital of the A Ltd. is consisting 1 equity shares of Rs. 15 each. B Ltd. agree to absorb A Ltd. and shall give one share of B Ltd. for every three shares in A Ltd. The shares of B Ltd. are traded in the market at Rs. 50 per share. The value of purchase consideration in the hands of B Ltd. is:
- Rs. 1,16,667
 - Rs. 1,66,667
 - Rs. 1,16,672
 - Rs. 1,16,660

51. Pre-acquisition reserves are :
- Reserves and profits appearing in the balance sheet of subsidiary company before the acquisition of its shares by the holding company.
 - Profit earned after the acquisition of shares of the subsidiary company.
 - Losses of the company suffered after the acquisition of shares of the subsidiary company.
 - Both (A) and (B)
52. According to Ind AS 103 (previously AS14), acquired identifiable assets, liabilities and non-controlling interest in case of amalgamation are recognised:
- At their fair values under the acquisition method
 - At their market values under the acquisition method
 - At their book values under the acquisition method
 - At their face values under the acquisition method
53. Direct material is an example of :
- Fixed cost
 - Variable cost
 - Semi variable cost
 - Decision making cost
54. According to which of the following pricing methods, issues are close to current economic values:
- Last-in-first out (LIFO)
 - First-in-first out (FIFO)
 - Highest-in- first out (HIFO)
 - Weighted average
55. Expected annual usage of a raw material is 2,00,000 units, cost to place one order is Rs. 1000, and cost of holding inventory is 1 paisa per unit. Economic order quantity is:
- 1,00,000 units
 - 2,00,000 units
 - 20,000 units
 - None of the above
56. When premises are owned, a charge in lieu of rent is an example of:
- An opportunity cost
 - An imputed cost
 - A Sunk cost
 - A Differential cost
57. Input in a process is 4000 units and normal loss is 20%. When finished output of the process is only 3,240, there is an:
- Abnormal loss of 40 units
 - Accidental loss of 760 units
 - Abnormal gain of 40 units
 - Both (A) and (B)

58. If opening stock of direct materials is Rs. 14,000, closing stock of raw materials Rs. 10,000, purchases of raw materials Rs. 1,00,000 and direct wages Rs. 20,000, the prime cost is :

- (A) Rs. 1,04,000
- (B) Rs. 1,24,000
- (C) Rs. 1,34,000
- (D) Rs. 1,10,000

59. Under which of the following reapportionment methods, the cost of service departments are again and again distributed among other departments until the figures become too small to be of any significance:

- (A) Direct distribution method
- (B) Step ladder method
- (C) Simultaneous equation method
- (D) Repeated distribution method

60. Aamir took a contract with a total contract price of Rs. 40,00,000 and as per agreement the he will be eligible to receive 80 percent of the work certified every year. At the end of first year he got a certificate of completion only to the extent of Rs. 30,00,000. After preparing the Contract A/c, he ascertained a notional profit of Rs. 7,05,000. An amount which he can transfer to Profit & Loss A/c and the part to be kept as reserve for unrealised profit is.....andrespectively:

- (A) Rs. 3,76,000; Rs. 3,29,000
- (B) Rs. 4,70,000 ; Rs. 2,35,000
- (C) Rs. 1,88,000 ; Rs. 5,17,000
- (D) Rs. 2,35,000; Rs. 4,70,000

2

Sr. No. 694

ENTRANCE TEST-2020

SCHOOL OF BUSINESS AND MANAGEMENT STUDIES COMMERCE

Total Questions : 60

Question Booklet Series **B**

Time Allowed : 70 Minutes

Roll No. :

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JJ-305-B

[Turn over

1. A company is managed by :
(A) Managing director
(B) Persons selected by the Company Law Board
(C) Board of directors
(D) Promoters
2. Which of the following is not a characteristic of a company ?
(A) A company is a legal entity, separate and distinct from its members
(B) A shareholder of a company, in his individual capacity, can bind the company
(C) The shareholders of a company can enter into a contract with the company
(D) A company must have a registered office
3. Which is not a characteristic of corporate social responsibility ?
(A) Product safety
(B) Consumer rights
(C) Environmental policies
(D) Price-fixing
4. Which of the following is not an absolute duty of a partner ?
(A) Duty to be just and faithful interse
(B) Duty to provide full information
(C) Duty not to compete with the business of the firm
(D) Duty to be liable jointly and severally
5. The maxim of caveat emptor means :
(A) Let the buyer beware
(B) Let the seller beware
(C) Let the law beware
(D) None of the above
6. Which of the following is not a principle of a valid offer ?
(A) An offer may be express or implied
(B) An offer may be specific or general
(C) An offer must be communicated to the offeree
(D) An offer can contain a term the non-compliance of which amounts to acceptance
7. According to _____ of the Indian Majority Act 1875, a person domiciled in India, who is under 18 years of age is a minor.
(A) Section 2
(B) Section 6
(C) Section 4
(D) Section 3
8. An erroneous belief concerning something is :
(A) Fraud
(B) Misrepresentation
(C) Mistake
(D) Undue influence
9. A contract for sale of goods is one where :
(A) A seller gives goods to another by way of a contract, for safe keeping
(B) Goods are passed to another for use in his business
(C) A seller transfers or agrees to transfer, the property in goods to the buyer for a money consideration called the price
(D) Goods are loaned under a contract of hire to a customer
10. Which is not a type of Hundi ?
(A) Darshani Hundi
(B) Muddatri Hundi
(C) Jokhmi Hundi
(D) Rokhmi Hundi

11. Going concern concept is :
- (A) Business is profitable
 - (B) Business will continue to operate for the foreseeable future
 - (C) Assets of a business exceed its liabilities
 - (D) Assets of a business should be valued at disposal value
12. A trader who sells food items does not include the food item that is past its "sell by date" in his stock in the balance sheet. This is governed by which accounting principle ?
- (A) Matching
 - (B) Prudence
 - (C) Realisation
 - (D) Going concern
13. Debenture Redemption Reserve is to be created from :
- (A) Securities premium
 - (B) Capital reserve not realised in cash
 - (C) Revaluation reserve
 - (D) Profits available for dividend
14. On 31st March, 2019, stock consists of 1500 units of a raw material purchased @ Rs. 8 each, but the unit price of the item has fallen to Rs. 7. The price reduction is apprehended to be permanent. The value of closing stock is :
- (A) Rs. 16,500
 - (B) Rs. 10,500
 - (C) Rs. 12,000
 - (D) Rs. 15,000
15. AS-10 deals with depreciation accounting and applies to all depreciable assets, except :
- (A) Assets used for administrative purpose
 - (B) Assets used for sales and service
 - (C) Wasting assets
 - (D) All of the above
16. Compound journal entry contains :
- (A) more than one debit entry only
 - (B) more than one credit entry only
 - (C) more than one debit entry or more than one credit entry or both
 - (D) no narration
17. Accounting Standard-14 is related with :
- (A) Amalgamation
 - (B) Valuation of stock
 - (C) Depreciation Accounting
 - (D) Valuation of assets
18. Valuation of a share is a process to determine the fair value of a share is the average of :
- (A) Par value
 - (B) Market value
 - (C) Yield value
 - (D) Intrinsic value

Directions (Q. 19 to Q. 22)—using the following information, answer the questions :

Balance Sheet
as on 31st Dec. 2019

Equity Share Capital	15,00,000	Fixed Assets	14,00,000
Reserve and Surplus	1,00,000	Stock	5,00,000
6 % Debentures	3,00,000	Debtors	2,00,000
Bank Overdraft	1,00,000	Cash	1,00,000
Creditors	2,00,000		
	22,00,000		22,00,000

19. Liquid ratio is :
- (A) 1:1
 - (B) 2:1
 - (C) 1:5:0.5
 - (D) 1:5

20. Debt equity ratio is :
- 18.75 %
 - 18.5 %
 - 25.5 %
 - 37.5 %
21. Capitalization ratio is :
- 12.63 %
 - 13.63 %
 - 10.63 %
 - 14.63 %
22. Absolute liquid ratio is :
- 33.33 %
 - 27.5 %
 - 40.25 %
 - 37.25 %
23. Amount receivables on account by a company against credit sales are usually called :
- Sundry debtors
 - B/R
 - Creditors
 - B/P
24. Recording incorrect figure in a journal and posting the same amount in the correct side of ledger account is called :
- Compensating error
 - Error of misreporting
 - Error of commission
 - Error of omission
25. In case the shares are forfeited, the capital account is debited by :
- Nominal value of shares
 - Paid up amount on shares
 - Called up amount on shares
 - Uncalled up amount on shares
26. Which of the following is not capital expenditure ?
- a major overhaul to the motor of a delivery van to extend its useful life
 - an air-conditioner fixed to a delivery van
 - cost of replacing tyres of a delivery van
 - an extra body is added to a delivery van to increase the carrying capacity
27. Which of the following is not shown in the balance sheet ?
- fixed deposit
 - opening stock
 - mortgage on land
 - bank overdraft
28. Gross profit is :
- sales less purchases
 - net sales less cost of goods sold
 - net profit less expenses
 - sales less purchases plus opening stock
29. Shares can be issued by a public company through :
- public offer only
 - private placement only
 - rights/bonus issue
 - all the above
30. As per Table F of Schedule—1 to the Companies Act 2013, interest on calls-in-arrears is payable @ :
- 6 %
 - 5 %
 - 10 %
 - 12 %

31. Dividend on preference shares is paid :
- at a variable rate
 - at a fixed rate/fixed amount
 - at par with equity shares
 - at par with debenture interest
32. At present, a company can issue preference shares which is :
- irredeemable
 - redeemable after the expiry of 20 years from the date of issue
 - redeemable before the expiry of 20 years from the date of issue
 - redeemable after the expiry of 25 years from the date of issue
33. The aggregate of direct material, direct labour and direct expenses is known as :
- Product Cost
 - Manufacturing Cost
 - Prime Cost
 - Production Cost
34. The cost of a machine is Rs. 5,70,000. Its scrap value is Rs. 25,000 and useful life is 10 years. The depreciation amount under Straight Line Method is :
- Rs. 57,000
 - Rs. 59,500
 - Rs. 54,500
 - Rs. 50,000
35. Contract costing is mostly used in one of the following :
- Chemical industry
 - Textile industry
 - Cement industry
 - Construction industry
36. In cinema halls, composite cost unit is _____ :
- Seat per show
 - Cost of screening
 - Salary of staff
 - Rent of cinema hall
37. Material cost variance is due to :
- Change in price of material
 - Change in quantity used
 - Change in material mix
 - All of the above
38. Danger level = Normal consumption \times _____.
- Reorder period
 - Maximum reorder period
 - Maximum reorder period for emergency purchases
 - Minimum reorder period
39. When absorbed overheads are Rs. 23,540 and actual overheads are Rs. 22,400, there is :
- Under absorption of Rs. 1,140
 - Under absorption of Rs. 45,940
 - Over absorption of Rs. 1,140
 - Over absorption of Rs. 45,940
40. Standard cost is a tool of cost control and cost _____.
- Reduction
 - Management
 - Planning
 - Co-ordination
41. Hawthorne experiment was conducted by :
- Henry Fayol
 - F.W. Taylor
 - Elton Mayo
 - Peter Drucker

42. Graicuna's name is linked to :
- Delegation of authority
 - Span of control
 - Unity of command
 - None of the above
43. What is not an advantage of a hierarchical structure ?
- Clear chain of command
 - Quick response to change
 - Discipline and stability
 - Small span of control
44. What is the term used for 'power' derived from status or position in an organisation ?
- Referent
 - Expert
 - Reward
 - Legitimate
45. _____ means that people attend to only a small portion of stimuli to which they are exposed.
- Hedonic consumption
 - Perceptual selectivity
 - Exposure
 - Sensation
46. Which writer is most associated with bureaucratic structures ?
- Henry Fayol
 - Max Weber
 - Adam Smith
 - Mary Parker Follett
47. If a General Manager asks the sales manager to recruit some salesmen on his behalf, it is an instance of :
- Division of authority
 - Decentralisation of authority
 - Delegation of authority
 - Delegation of responsibility
48. The technique of "Carrot and Stick" is used in a business organization for :
- Reducing absenteeism
 - Motivation
 - Effective leadership
 - Rewarding workers
49. Due date of filing of return by an individual assessee is :
- 30th June
 - 31st August
 - 31st July
 - 30th November
50. The maximum amount of deduction under section 80 D is :
- Rs. 35,000
 - Rs. 25,000
 - Rs. 26,000
 - Rs. 36,000
51. Education allowance is exempted from tax for a maximum of :
- One child
 - Two children
 - Three children
 - Four children
52. Deduction for medical treatment charges for specific ailments are covered by :
- Sec. 80 DDB
 - Sec. 80 D
 - Sec. 80 DB
 - Sec. 80 BD
53. Which among the following is not exempted under Section—10 ?
- Agricultural income
 - Receipts by a member of a HUF
 - Interest to non-residents
 - Dividend paid by an Indian company

54. A citizen of India who goes abroad for the purpose of employment, he must stay in India at least for _____ days to become a resident.
- (A) 90 days
(B) 162 days
(C) 180 days
(D) 182 days
55. Income tax is a form of _____ tax.
- (A) Direct tax
(B) Indirect tax
(C) VAT
(D) GST
56. The limit of exempted income, under different tax slabs, for a senior citizen for the assessment year 2020 is :
- (A) Rs. 3,00,000
(B) Rs. 2,00,000
(C) Rs. 1,00,000
(D) Rs. 2,50,000
57. Remuneration received by a teacher of a college from the University for checking answer scripts is taxable under the head :
- (A) Salaries
(B) Income from other sources
(C) Profits or Gains of Business or Profession
(D) Income from speculative business
58. Donation on PM's National Relief Fund is deductible 100 % out of the gross total income of the assessee, under section :
- (A) 80 C
(B) 80 CC
(C) 80 G
(D) 80 GG
59. Where a company fails to redeem the debentures on the date of its maturity, the debenture trustees may apply for remedy to :
- (A) High Court
(B) Ministry of Corporate Affairs
(C) Registrar of Companies
(D) Tribunal
60. What is a social enterprise concerned with ?
- (A) Profit maximisation
(B) Maximising market share
(C) Running a not-for-profit business
(D) Running a business to create community benefits

1. Match list one with list two and select the correct answer using the codes given below :

List 1	List 2
A. Planning	1. Training
B. Staffing	2. Forecasting
C. Directing	3. Evaluating
D. Controlling	4. Motivating
	5. Grouping

Codes :

- (A) A-3, B-1, C-4, D-5
(B) A-3, B-5, C-1, D-2
(C) A-2, B-1, C-4, D-3
(D) A-2, B-5, C-1, D-3
2. Which of the following is a technique of control function?
- (A) Budgetary Control
(B) Internal Check
(C) Ratio Analysis
(D) All of the above
3. The strength (degree) of the correlation between a set of independent variables X and a dependent variable Y is measured by :
- (A) Coefficient of Correlation
(B) Coefficient of Determination
(C) Standard Error of Estimate
(D) All of the above
4. Relationship between correlation coefficient and coefficient of determination is :
- (A) Both are unrelated
(B) The coefficient of determination is the coefficient of correlation squared
(C) Both are equal
(D) None of the above
5. If the regression equation is equal to $Y = 23.6 - 54.2x$ then 23.6 is the _____ while 54.2 is the _____ of the regression line.
- (A) Radius, intercept
(B) Slope, intercept
(C) Slope, regression coefficient
(D) Intercept, Slope

6. The method of least squares finds the best fit line that _____ the error between observed and estimated points on the line.
- (A) Reduces to zero
(B) Approaches to infinity
(C) Minimizes
(D) Maximizes
7. There is a high inverse association between measures Overweight and life expectancy. A correlation coefficient with the above statement is :
- (A) $R = 0.80$
(B) $R = 0.20$
(C) $R = -0.80$
(D) $R = -0.20$
8. If the relationship between X and Y is positive, as variable Y decreases, variable X :
- (A) Increases
(B) Decreases
(C) Remains same
(D) Changes linearly
9. If a general manager asks the sales manager to recruit some sales people on his behalf, it is an instance of :
- (A) Division of authority
(B) Decentralization of authority
(C) Delegation of authority
(D) Delegation of responsibility
10. Miss Asma, a new manager at XYZ Inc. primarily worries about assembling and coordinating the human, financial, physical and other resources needed to achieve her goals. Which function is Miss Asma primarily concerned about ?
- (A) Organizing
(B) Controlling
(C) Planning
(D) Leading
11. Primary data and _____ data are same.
- (A) Grouped
(B) Secondary Data
(C) Ungrouped
(D) None of these

12. The mean of a distribution is 14 and the standard deviation is 5. What is the value of the coefficient of variation ?
- (A) 60.4%
 (B) 48.3%
 (C) 35.7%
 (D) 27.8%
13. The mean of a distribution is 23, the median is 24, and the mode is 25.5. It is most likely that this distribution is :
- (A) Positively skewed
 (B) Symmetrical
 (C) Asymptotic
 (D) Negatively Skewed
14. Which of the following describe the middle part of a group of numbers ?
- (A) Measure of Variability
 (B) Measure of Central Tendency
 (C) Measure of Association
 (D) Measure of Shape
15. The middle value of an ordered array of numbers is the :
- (A) Mode
 (B) Mean
 (C) Median
 (D) Mid-Point
16. A parameter is a measure which is computed from :
- (A) Population data
 (B) Sample data
 (C) Test statistic
 (D) None of the above
17. Dividend received by a shareholder from an Indian company is exempt. Interest or any expenditure incurred for earning such dividend income shall :
- (A) Be allowed as deduction
 (B) Not be allowed as deduction
 (C) Be allowed as deduction subject to certain conditions
 (D) Be allowed only if AO is satisfied that it is only interest expenditure
18. Calculate the gross annual value from the following details : Municipal Value—Rs. 45,000, Fair Rental Value—Rs. 50,000, Standard Rent—Rs. 48,000, Actual Rent—Rs. 42,000.
- (A) Rs. 50,000
 (B) Rs. 48,000
 (C) Rs. 45,000
 (D) Rs. 42,000
19. Income is chargeable as profits of the business, only if the business is carried on by the assessee at any time during the previous year. However, there are certain exceptions to the rule. Which out of the following is not an exception ?
- (A) Recovery against bad debts
 (B) Sale of capital asset used for scientific research
 (C) Recovery against any loss, expenditure or trading liability earlier allowed as a deduction
 (D) Recovery against any loss, expenditure or trading liability earlier not allowed as a deduction
20. Which out of the following is not a condition to be fulfilled for claiming expenditure under Section 37(1) ?
- (A) Such expenditure should not be covered under the specific sections i.e. sections 30-36
 (B) Expenditure should be of capital nature
 (C) Expenditure should not be of a personal nature
 (D) Expenditure should have been incurred wholly or exclusively for the purpose of the Business or Profession
21. Which of the following managerial functions is not a part of elements of management given by Henry Fayol ?
- (A) Planning
 (B) Organizing
 (C) Controlling
 (D) Motivating

22. Which among the following is the feature of scientific management as given by Taylor ?
- Standardization
 - Departmentation
 - Span of Control
 - Scalar Chain
23. For availing exemption under section 54, which amount is eligible for availing exemption ?
- Purchase/Construction of a residential house property up to the due date of return of income only
 - Deposit in capital gain account scheme up to the due date of return of income only
 - Purchase/Construction of a residential house property up to the due date of return of income and deposit in capital gain account scheme up to due date of return of income
 - Purchase/Construction after three years from the transfer date
24. The right to resale in case of an unpaid seller, gives the seller the right to resell in which of the following cases ?
- When the goods are perishable
 - When the goods are not perishable
 - When the goods are expensive
 - When the goods are cheap
25. The drawer of a dishonored cheque can be imprisoned for maximum period of :
- 6 months
 - 12 months
 - 18 months
 - 20 months
26. A drawer may not be punished or proven guilty under Negotiable Instruments Act, 1881 in case of dishonor if the payment is made for :
- Settlement of debt
 - Social obligation/gift
 - Both (A) and (B)
 - None of the above
27. An instrument is always :
- Oral
 - Written
 - Both (A) and (B)
 - Either (A) or (B)
28. Where the promisor refuses to perform his obligation even before the specified time for performance and signifies his unwillingness, then there is :
- An anticipatory breach of contract
 - An actual breach of contract
 - An implied breach of contract
 - An expressed breach of contract
29. The performance of a contingent contract would depend upon the happening or non-happening of some 'event' or condition. This 'event' is called :
- Consideration to the contract
 - Circumstance to the contract
 - Collateral to the contract
 - All the above
30. Even in the absence of a contract, certain social relationships give rise to certain specific obligations to be performed by certain persons. These are known as :
- Quasi-contracts
 - Contingent contracts
 - Wagering contracts
 - None
31. A director appointed by the Board to hold the office until the conclusion of next annual general meeting is known as :
- Additional director
 - Alternate director
 - Nominee director
 - Director retiring by rotation
32. In a listed company with 11 directors, what is the quorum for the board meeting ?
- 2 Directors
 - 3 Directors
 - 4 Directors
 - 5 Directors

33. Annual return of a company having share capital is to be filed with Registrar of Companies in e-form :
 (A) 20A
 (B) 20B
 (C) 25A
 (D) 25B
34. To calculate the probable cost of the product, knowledge of following factors involves :
 (A) Production time required
 (B) Use of previous estimates on costing rates
 (C) Effect of change in facilities of comparable parts
 (D) All of the above
35. Match the following :
- | Types of Costing | Types of Industry |
|-------------------------|------------------------|
| A. Job costing | 1. Utility services |
| B. Process costing | 2. Automobile industry |
| C. Departmental costing | 3. Ship building |
| D. Operating Costing | 4. Paper making |
- The correct answer is :**
 (A) A-2, B-3, C-1, D-4
 (B) A-3, B-4, C-2, D-1
 (C) A-4, B-2, C-1, D-3
 (D) A-3, B-2, C-1, D-4
36. The method of unit costing is adopted by :
 (A) Transport services
 (B) Steel industry
 (C) Mines
 (D) Bicycle industry
37. _____ costing is a type of job costing.
 (A) Multiple
 (B) Operating
 (C) Unit
 (D) Batch
38. Which of the following is cost of direct materials ?
 (A) Freight charges
 (B) Grease
 (C) Coolant
 (D) Cotton waste
39. Which of the following is the cost of indirect materials ?
 (A) Lubricating oil
 (B) Octroi
 (C) Import duties
 (D) Insurance
40. In case of part redemption of debentures, the balance in sinking fund is equal to :
 (A) 50% of the amount of debentures issued till that date
 (B) 75% of the amount of debentures issued till that date
 (C) In proportion to the issue of debentures till that date
 (D) No limit
41. Securities premium account is shown on the liabilities side under the heading :
 (A) Share Capital
 (B) Reserves and Surplus
 (C) Current Liabilities and Provisions
 (D) None of the above
42. At the time of issuance, shares can be underwritten by :
 (A) Only one underwriter
 (B) At least 2 or more persons jointly
 (C) Any number of underwriters
 (D) None of the above
43. Expenses incidental to the creation and floatation of a company are called :
 (A) Current Assets, Loans and Advances
 (B) Reserves and Surplus
 (C) Preliminary Expenses
 (D) Current Liabilities and Provisions
44. Premium on issue of shares can be used for :
 (A) Issue of bonus shares
 (B) Distribution of profit
 (C) Meeting loss on sale of a fixed asset
 (D) None of the above

45. A company issues 14% debentures of Rs. 10,00,000 at a discount of 10%. The discount allowed will be treated in the account books as :
- (A) Capital expenditure
 (B) Revenue expenditure
 (C) Deferred revenue expenditure
 (D) Capital loss

46. Match the following

List 1

- A. House rent allowance
 B. Casual income
 C. Collection charges on interest on securities
 D. Best judge assessment capital gain

List 2

1. Taxable income
 2. A perquisite
 3. A deduction from income
 4. A step taken by tax authority
 5. Is taxable income
 6. Partly taxable income

Codes :

- (A) A-6, B-5, C-1, D-3
 (B) A-4, B-5, C-3, D-1
 (C) A-2, B-5, C-3, D-4
 (D) A-6, B-5, C-3, D-4

47. The maximum amount of deduction allowed under Section 80C :

- (A) Rs. 2,50,000
 (B) Rs. 2,00,000
 (C) Rs. 1,00,000
 (D) Rs. 1,50,000

48. Deduction in respect of contribution to certain pension fund under Section 80CCC is available :

- (A) Only to individual
 (B) Only to members of HUF
 (C) Only to members of AOP/BOI
 (D) All of the above

49. Form issued for TDS on salary is :

- (A) Form-16
 (B) Form-12BA
 (C) Form-12AB
 (D) Form-10E

HFO-20653-A

50. Match the following :

List 1

- A. Entity Concept
 B. Accrual Concept
 C. Going Concern, Consistency and Accrual
 D. Going Concern, Cost and realization Concept

List 2

1. Are the fundamental accounting concepts
 2. Gives the valuation criteria
 3. Is the basic accounting concept
 4. Is the procedural accounting concept

Codes :

- (A) A-4, B-3, C-2, D-1
 (B) A-2, B-1, C-4, D-3
 (C) A-3, B-4, C-1, D-2
 (D) A-4, B-1, C-2, D-3

51. In the annual report, where would a financial statement reader find out if the company's financial statements give a fair depiction of its financial position and operating results ?

- (A) Notes to the financial statements
 (B) Management discussion and analysis section
 (C) Balance Sheet
 (D) Auditors' Report

52. Employer provides a car (below 1.6 Ltr. Capacity) along with a driver to X partly for official and partly for personal purpose. The expenses incurred by the company are : running and maintenance expenses—Rs. 32,000, driver's salary—Rs. 36,000, taxable value of perquisite is :

- (A) Rs. 21,600
 (B) Rs. 10,800
 (C) Rs. 32,400
 (D) Rs. 39,600

53. According to the Doctrine of Caveat Emptor, it is the duty of the buyer that he should be _____ while purchasing goods.

- (A) Ignorant
 (B) Careless
 (C) Careful
 (D) Good-looking

54. In which year was the Sale of Goods Act enacted ?
- (A) 1938
 - (B) 1935
 - (C) 1930
 - (D) 1931
55. Which accounting assumption assumes that an enterprise will continue in operation long enough to carry out its existing objectives and commitments ?
- (A) Monetary unit assumption
 - (B) Economic entity assumption
 - (C) Time period assumption
 - (D) Going concern assumption
56. Accounting is the process of matching :
- (A) Benefits and costs
 - (B) Revenues and costs
 - (C) Cash inflows and cash outflows
 - (D) Potential and real performance
57. Which one of the following accounting conventions stipulate that contingent assets appear as a footnote in the balance sheet ?
- (A) Materiality
 - (B) Consistency
 - (C) Disclosure
 - (D) Conservatism
58. Which of the following is not treated as 'unusual item' by AS-5 ?
- (A) Sale of significant part of the business
 - (B) Sale of investment acquired without an intention of resale
 - (C) Write off of inventory due to obsolescence
 - (D) Liability arising on account of legislative changes
59. Total income after deductions will be :
- (A) Positive
 - (B) Negative
 - (C) Positive or Nil
 - (D) Nil
60. X is an individual. For the assessment year 2018-19 his gross total income is Rs. 4,40,000. Tax on it is Rs. 17,510. To reduce his tax liability he deposits Rs. 50,000 in public provident account. Consequently, his taxable income and tax liability will be reduced to Rs. 3,90,000 and Rs. 12,360 respectively. This is :
- (A) Tax-Evasion
 - (B) Tax-Avoidance
 - (C) Tax-Planning
 - (D) Tax-Management

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1. Which is the correct sequence for Maslow's hierarchy of needs from the bottom to the top ?
 - (A) Safety needs; physiological needs; social and love needs; self esteem needs; self actualisation needs
 - (B) Physiological needs; safety needs; social and love needs; self esteem needs; self actualisation needs
 - (C) Physiological needs; social and love needs; safety needs; self esteem needs; self actualisation needs
 - (D) Physiological needs; safety needs; social and love needs; self actualisation needs; self esteem needs
2. What are the three interpersonal roles of managers ?
 - (A) Figurehead, leader and liaison
 - (B) Spokesperson, leader, coordinator
 - (C) Director, coordinator, disseminator
 - (D) Communicator, organiser, spokesperson
3. At what level of an organisation does a corporate manager operate ?
 - (A) Functional
 - (B) Operational
 - (C) Middle level
 - (D) Top level
4. Which one is not a recognised key skill of management ?
 - (A) Conceptual skills
 - (B) Human skills
 - (C) Technical skills
 - (D) Writing skills
5. What is a social enterprise concerned with ?
 - (A) Profit maximisation
 - (B) Maximising market share
 - (C) Providing public service
 - (D) Running a business to create social benefits
6. Mentoring is primarily associated with the management function of
 - (A) Planning
 - (B) Organizing
 - (C) Leading
 - (D) Controlling
7. The mean of the sample means is :
 - (A) A biased estimator of the population
 - (B) An unbiased estimator of the population mean
 - (C) Neither biased nor unbiased
 - (D) None of the above
8. In case there are too many outliers in the data set, the most representative average value is :
 - (A) Mean
 - (B) Mode
 - (C) Median
 - (D) None of the above
9. One way to measure the spread is to calculate the difference between the third and first quartile. This measure is called :
 - (A) The inter quartile range
 - (B) The mid quartile
 - (C) The differential quartile
 - (D) None of the above
10. To measure ranked variables the following correlation coefficient is used :
 - (A) Pearson's
 - (B) Spearman's
 - (C) Fisher's
 - (D) None of the above
11. was a French industrialist who identified the basic management functions.
 - (A) Weber
 - (B) Taylor
 - (C) Herzberg
 - (D) Fayol

12. Another expression for constant variance is :
- Leptokracy
 - Homoscedacity
 - Heteroscedacity
 - Covariance
13. In case of positive skewed distribution, the extreme values lie in the :
- Left tail
 - Right tail
 - Middle
 - Any where
14. Regression coefficient is independent of :
- origin
 - scale
 - both origin and scale
 - neither origin nor scale
15. In a symmetric distribution :
- mean \neq median \neq mode
 - mean = median = mode
 - mean $>$ median $>$ mode
 - mean $<$ median $<$ mode
16. Which measure of dispersion ensures highest degree of reliability ?
- Range
 - Mean deviation
 - Q.D.
 - S.D.
17. Shoe size of most of the people in India is No. 7. Which measure of central value does it represent ?
- mean
 - second quartile
 - eighth decile
 - mode
18. Median can be located graphically with the help of :
- Histogram
 - Ogives
 - Bar diagram
 - Scatter diagram
19. Rent free accommodation is an example for :
- Allowance
 - Compensation
 - Perquisite
 - Profit in lieu of salary
20. Income tax is a form of tax.
- Direct tax
 - Indirect tax
 - Value Added Tax
 - None of the above
21. Section 10 of Income Tax Act deals with :
- Deductions
 - Exempted incomes
 - Income from salary
 - Casual incomes
22. Who is assessee in case of a HUF ?
- Father
 - Spouse
 - Karta
 - Deemed Karta
23. Rates of Income tax are fixed under :
- An Ordinance
 - The Income Tax Act
 - The Finance Act
 - Notification of CBDT
24. A citizen of India who goes abroad for the purpose of employment, must stay in India at least for days to become a resident.
- 90 days
 - 162 days
 - 180 days
 - 182 days
25. The periodic payment of money for the past service is known as :
- Gratuity
 - Pension
 - Commuted pension
 - Leave salary

26. Residential status of taxable entities is :
- Fixed in nature
 - Can change from year to year
 - Fixed once in 5 years
 - None of these
27. One of the options for exempted limit of HRA in non-metropolitan cities is :
- 40% of salary
 - 50% of salary
 - 15% of salary
 - none of these
28. Education allowance is exempted for a maximum of :
- One child
 - Two children
 - Three children
 - Four children
29. Donation to charitable institutions is deductible u/s :
- 80C
 - 80D
 - 80E
 - 80G
30. Remuneration received by a teacher of a college from the University for checking answer scripts is taxable as :
- Salaries
 - Income from other sources
 - Profits or Gains of Business or Profession
 - Income from speculative business
31. The Indian Contract Act came into force :
- from 1st September 1972
 - before 1st September 1882
 - from 1st September 1872
 - after 1st September 1872
32. An agreement is valid :
- which creates legal and social obligations of the parties
 - which creates rights of a party
 - which is written on a piece of paper and signed by the parties
 - which creates legally binding rights and obligations of the parties to it
33. Voidable contract is one :
- which is lawful
 - which is invalid
 - which is valid as long as it is not avoided by the party entitled to do so
 - which is unlawful
34. An implied contract is one which comes into existence on account of :
- conduct of the parties
 - non-availability of a paper for writing
 - inability of the parties to write or speak
 - directions given by a court
35. The company's nationality is decided by its :
- Shareholders
 - Registered office
 - Place at books of accounts are kept
 - None of the above
36. Money orders; Postal orders; Fixed Deposit receipts; Share certificates; Letters of Credit are examples of :
- Negotiable instruments
 - Non-negotiable instruments
 - Some of these are negotiable instruments while others are not
 - None of the above
37. The goods which form the subject of a contract of sale :
- may be either existing goods, owned or possessed by the seller, or future goods
 - are goods which are owned or possessed by the seller
 - are existing goods only
 - none of the options provided
38. A stipulation collateral to the main purpose of the contract of sale of goods, is called :
- a condition
 - warranty
 - guarantee
 - stipulation

39. Any transaction which is outside the scope of the powers specified in the objects clause of the Memorandum :
- requires prior sanction of the central government
 - must be informed to the members in the annual report
 - is ultra-vires the company and therefore void
 - requires unanimous consent of the Board of Directors
40. What does the phrase "lifting the corporate veil" mean ?
- company is not a legal person
 - company will be managed by Board of Directors appointed by the Government
 - law would identify the persons who are behind the wrongdoing
 - none of the above
41. Minimum number of members in case of public company :
- 1
 - 2
 - 5
 - 7
42. Age limit of Directors in case of a public limited company is :
- 65
 - 70
 - 75
 - No limit
43. Cash is an example of :
- Personal Account
 - Real Account
 - Nominal Account
 - Both (A) and (B)
44. The cash and equivalents, inventories and accounts receivables are classified as :
- Assets on balance sheet
 - Liabilities on balance sheet
 - Earnings on income statement
 - Payments on income statement
45. The basic unit of measurement of the accounting system is _____.
- Money
 - Finance
 - Weight
 - None of the above
46. Which of the following will affect the agreement of a trial balance ?
- Complete omission of a transaction
 - Partial omission of a transaction
 - Compensating error
 - None of the above
47. Which of the following equation(s) is (are) true ?
- $\text{Assets} = \text{Liabilities} + \text{Capital}$
 - $\text{Assets} - \text{Capital} = \text{Liabilities}$
 - Both (A) and (B)
 - None of the above
48. Under Accrual basis of Accounting, transactions are recognized and recorded :
- When they occur
 - Only when Cash or its equivalent is received or paid
 - Both
 - None of the above
49. The account which can never have a credit balance is:
- Supplier
 - Cash
 - Capital
 - Creditor
50. A SWOT analysis consists of all of the following elements except :
- Strengths
 - Weaknesses
 - Organizations
 - Threats

51. Which one of the following accounting conventions stipulates that contingent assets appear as a footnote in the balance sheet ?
- Materiality
 - Consistency
 - Disclosure
 - Conservatism
52. The main function of accounting is :
- Record keeping function
 - Managerial function
 - Legal requirement function
 - All of the above
53. Which of the following principles is an accounting convention ?
- Realisation
 - Matching
 - Dual Aspect
 - Disclosure
54. The capacity to influence people and accomplish desired objectives is called :
- Leadership
 - Power
 - Authority
 - Status
55. The application for registration of a company should be filed with the _____ of the State appointed under the Companies Act.
- Governor
 - Registrar
 - Registration Officer
 - Controller
56. Trial balance is prepared :
- Frequently during the year
 - At the end of an accounting period
 - At the end of a month
 - At the end of a year
57. How many heads of income are there to compute Gross total income ?
- Three
 - Four
 - Five
 - Six
58. The first training that employees should receive is _____, the organization's systematic process of helping new employees make sense of and adapt to the work context.
- Job preview
 - Performance gap analysis
 - Employee orientation
 - Job analysis
59. Prasad is a type of manager who is concerned primarily with accomplishing goals and objectives and concentrates on the task itself. His behavioural style is called :
- Authoritarian
 - Democratic
 - Task oriented
 - People oriented
60. In Vroom's theory, motivation is a product of :
- Expectancy
 - Instrumentality
 - Valence
 - All of the above

Sr. No. **0798**.....

ENTRANCE TEST-2017

SCHOOL OF BUSINESS STUDIES

COMMERCE

Question Booklet Series

B

Total Questions : 60

Time Allowed : 70 Minutes

Roll No. :

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Instructions for Candidates :

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1. Method of calculating skewness which is based on positions of quartiles and median in a distribution is called
- (A) Gary's coefficient of skewness
 (B) Sharma's coefficient of skewness
 (C) Bowley's coefficient of skewness
 (D) Jack Karl's coefficient of skewness
2. Which of the following terms best describes data that were originally collected at an earlier time by a different person for a different purpose?
- (A) Primary data
 (B) Secondary data
 (C) Experimental data
 (D) Field notes
3. If two variables oppose each other, then the correlation will be
- (A) Positive Correlation
 (B) Zero Correlation
 (C) Perfect Correlation
 (D) Negative Correlation
4. Karl Pearson's coefficient of correlation method of measuring correlation is
- (A) Graphic
 (B) Positional
 (C) Mathematical
 (D) Both (A) & (B)
5. Relationship between correlation coefficient and coefficient of determination is that
- (A) Both are unrelated
 (B) The coefficient of determination is the coefficient of correlation squared
 (C) The coefficient of determination is the square root of the coefficient of correlation
 (D) Both are equal
6. If R^2 is calculated to be 0.98 how confident would you be in using the line of best fit for prediction?
- (A) The relationship is random and thus cannot be predicted
 (B) The relationship is too weak to predict
 (C) Not confident
 (D) Very confident
7. If Spearman's co-efficient of rank correlation is equal to one, then
- (A) The rankings of the two variables totally agree
 (B) The rankings of the two variables partially agree
 (C) All the 'total variation' is 'explained' by the regression line
 (D) The rankings of the two variables is totally different
8. The regression equation for predicting number of speeding tickets (Y) from information about driver age (X) is $Y = -.065(X) + 6.57$. How many tickets would you predict for a twenty one -year-old?
- (A) 5.20 (B) -5.27
 (C) 6.57 (D) 1.57
9. Income received in India in previous year is taxable in the hands of
- (A) Resident
 (B) Not-resident
 (C) Not ordinarily resident
 (D) All above
10. The following is not taxable as income under the head "Salaries"
- (A) Commission received by a full-time director
 (B) Remuneration received by a partner
 (C) Allowances received by an employee
 (D) Free accommodation given to an employee

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SEAL

11. An individual is said to be resident in India in a previous year (in which the February month has 29 days) if he is in India in that year for a period or periods amounting in all to
- (A) 182 days (B) 183 days
(C) 60 days (D) 150 days
12. If the assessee is engaged in the business of growing and manufacturing tea in India, the agricultural income in that case shall be
- (A) 40% of the income from such business
(B) 60% of the income from such business
(C) Market value of the agricultural produce minus expenses on cultivation of such produce
(D) None of the above
13. A person leaves India permanently on 15-11-2015. The assessment year for income earned till 15-11-2015 in this case shall be:
- (A) 2014-2015 (B) 2015-2016
(C) 2016-2017 (D) None of the Above
14. Incomes which accrue or arise outside India but are received directly in India are taxable in case of
- (A) Resident only
(B) Both ordinarily resident and Not Ordinarily Resident
(C) Non-resident
(D) All the assesseees
15. An assessee has borrowed money for purchase of a house & Interest is payable outside India. Such interest shall
- (A) Be allowed as deduction
(B) Not to be allowed as deduction
(C) Be allowed as deduction if the tax is deducted at source
(D) Be allowed as deduction in case of NRI
16. If an assessee earns rent from a sub-tenant in respect of tenanted property let out as a residence, the said rent is
- (A) Exempt under Section 10
(B) Taxable under the head income from house property
(C) Taxable as business income, as the letting out is a commercial activity
(D) Taxable as income from other sources, unless the assessee is in the business of subletting properties on a regular basis
17. Under the head Business or Profession, the method of accounting which an assessee can follow shall be
- (A) Mercantile system only
(B) Cash system only
(C) Mercantile or cash system only
(D) Hybrid system
18. Gross Total Income is arrived after
- (A) Only adding Income under five heads of Income
(B) Adding Income under five heads of Income excluding losses
(C) Adding Income under five heads of Income, after applying clubbing provisions and making adjustment of set off and carry forward of losses
(D) Adding Income under five heads of Income, after applying clubbing provisions and making adjustment of set off and carry forward of losses and after allowing deduction under section 80C to 80U
19. Long term capital loss can be set off from which of the following?
- (A) Short term capital gain only
(B) Long term capital gain only
(C) Income from business or profession
(D) Income from salary

20. One of the following does not form part of gross income
- (A) Interest
 - (B) Royalties
 - (C) Annuities
 - (D) Gift, bequest and devices
21. In a contract not specifying the time for performance, the promisor can perform the contract
- (A) Within any time howsoever long it may be
 - (B) Within the shortest time
 - (C) Within a reasonable time
 - (D) None of the above
22. A proposal when accepted becomes
- (A) Promise under section 2(b)
 - (B) Agreement under section 2(e)
 - (C) Contract under section 2(h)
 - (D) None of the above
23. A contract of life insurance is a:
- (A) Contract of Indemnity
 - (B) Contingent Contract
 - (C) Wagering Agreement
 - (D) Uncertain Agreement
24. The basis of quasi contractual obligation is the:
- (A) Existence of a valid contract between the parties
 - (B) Existence of a voidable contract between the parties
 - (C) Prevention of unjust enrichment at the expense of others
 - (D) Provision contained in Section of the contract
25. The Sale of Goods Act, was enforced on
- (A) 1st day of May, 1930
 - (B) 1st day of June, 1930
 - (C) 1st day of July, 1930
 - (D) None of above
26. The legal definition of an 'unpaid seller' is given in which of the following sections of the Sale of Goods Act, 1930?
- (A) Section 44
 - (B) Section 45
 - (C) Section 47
 - (D) Section 48
27. In a promissory note, the amount of money payable
- (A) Must be certain
 - (B) May be certain or uncertain
 - (C) Is usually uncertain
 - (D) None of the above
28. 'At sight' under section 21 of the Negotiable Instrument Act, 1881, means
- (A) On presentation
 - (B) On demand
 - (C) On coming into vision
 - (D) None of the above
29. What happens if a crossed cheque is presented for payment?
- (A) It can be paid only through a collecting banker
 - (B) It cannot be paid at all
 - (C) It can be paid across the counter in another bank
 - (D) None of the above
30. Which of the following is not the clause of Memorandum of Association?
- (A) Subscription
 - (B) Capital
 - (C) Directors
 - (D) Object
31. Powers, rights, remuneration, qualification and duties of directors are discussed clearly in
- (A) Memorandum of Association
 - (B) Articles of Association
 - (C) Prospectus
 - (D) None of the above

32. As per Companies Act 2013, a company can be wound up by a tribunal in the below mentioned circumstances:
- When the company is unable to pay its debts
 - If the company has by special resolution resolved that the company be wound up by the tribunal.
 - If the company has not filled its financial statements or annual returns for preceding 5 consecutive financial years.
 - All of the above
33. The Accounting System followed by Not for profit organizations is
- Accrual System
 - Cash System
 - Mercantile System
 - Non-profitary System
34. Businessman always see business running for an indefinite period of time. This concept is referred to as
- Accounting Period Concept
 - Money Measurement Concept
 - Consistency
 - Going Concern Concept
35. Assets are recorded at their original purchase price according to the
- Materiality Principle
 - Historical Principle
 - Cost Benefit Principle
 - Consistency Principle
36. Accounting for Employee Benefits is related to:
- AS-10
 - AS - 12
 - AS - 24
 - AS - 15
37. The Convention of Conservatism entails
- Anticipation of future gains
 - Anticipation of future losses and gains
 - Anticipation of future losses
 - None of the above
38. Which of the following conventions requires a company to divulge all the material facts in the financial statements for relevant stakeholders to make the informed decisions?
- Convention of Consistency
 - Convention of Materiality
 - Convention of Conservatism
 - None of the above
39. Redeemable preference shares can be redeemed out of
- The sale proceeds of the investments
 - The proceeds of a fresh issue of shares
 - Share premium
 - The proceeds of issue of debentures
40. When amalgamation is in the nature of merger, the accounting method to be followed is
- Equity Method
 - Purchase Method
 - Pooling of Interest Method
 - None of the above
41. Goodwill arising on amalgamation is to be
- Retained in the books of Transferee Company
 - Amortized to income on a systematic basis normally over a five year period
 - Adjusted against reserves or profit & loss account balance
 - All of the above

42. _____ is said to have taken place, when the existing Company A takes over the business of another existing Company B which is wound up.
- (A) Amalgamation
 (B) External Reconstruction
 (C) Absorption
 (D) None of the above
43. Amalgamation between two or more companies takes place for the reasons like
- (A) Eliminating competition
 (B) Gaining economies of large scale operations
 (C) Improving managerial effectiveness
 (D) All of the above
44. The amount of capital with which the company is registered with the Registrar of the Companies is called as
- (A) Authorized capital
 (B) Share premium
 (C) Issued capital
 (D) Fixed capital
45. Which of the following does NOT belong to the prime cost section?
- (A) Indirect materials
 (B) Direct labour
 (C) Transport of raw materials
 (D) Raw materials
46. Cost accounting is a specialized branch of accounting which deals with
- (A) Collecting, recording, classifying, analyzing & controlling of costs
 (B) Collecting, classifying, processing, allocation and controlling of costs
 (C) Collecting, classifying, recording, planning and controlling of costs
 (D) Classifying, collecting, recording, allocation, directing & controlling of costs
47. The degree of completion of work is determined by comparing the work certified with
- (A) Contract price
 (B) Work in progress
 (C) Cash received on contract
 (D) Retention money
48. Cost of Abnormal Wastage is calculated as:
- (A) $\text{Normal output} \div \text{Normal cost} \times \text{Abnormal Wastage in units}$
 (B) $\text{Normal cost} \div \text{Normal output} \times \text{Abnormal Wastage in units}$
 (C) $\text{Abnormal Wastage in units} \times \text{Normal output} \div \text{Normal cost}$
 (D) None of the above
49. Cost of preparing drawings for the manufacture of a particular product is
- (A) Cost of direct labour
 (B) Cost of indirect labour
 (C) Direct expenses/costs
 (D) Indirect expenses/costs
50. Labour cost per product is Rs. 2/hr and time taken by each product is 2 hr. The factory overhead is 20% of the labour costs. The factory cost for 100 products if material cost per product is Rs. 3, is.
- (A) Rs. 700 (B) Rs. 740
 (C) Rs. 780 (D) Rs. 820
51. _____ is known as “the father of scientific management.”
- (A) Fredrick W. Taylor
 (B) Henry Fayol
 (C) Robert Owen
 (D) Max Weber

52. A "Strategic plan" is often referred to as
- (A) Long term plan
 - (B) Short term plan
 - (C) Both (A) & (B)
 - (D) None of above
53. Sofia works in one of seven research and development departments at General Automobile Corporation. This would suggest that General Automobiles has a
- (A) Functional structure
 - (B) Divisional structure
 - (C) Flat structure
 - (D) High degree of centralization
54. The number of subordinates that a manager or supervisor can directly control is referred to as
- (A) Communicating
 - (B) Coordinating
 - (C) Span of control
 - (D) Unity of command
55. Which of the following would be included in the "controlling function"?
- (A) Measuring results against corporate objectives
 - (B) Explaining routines
 - (C) Setting standards
 - (D) Giving assignments
56. Target coaching, work planning, mutual goal setting and performance objectives are all terms used to specify concept called
- (A) Behavioral rating approach
 - (B) Management by objectives
 - (C) Combination method
 - (D) Critical incident method
57. Since the mode is the most frequently occurring data value, it
- (A) Can never be larger than the mean
 - (B) Is always larger than the median
 - (C) Is always larger than the mean
 - (D) None of the above answers is correct
58. A numerical value used as a summary measure for a sample, such as sample mean, is known as a
- (A) Population parameter
 - (B) Sample parameter
 - (C) Sample statistic
 - (D) Population mean
59. Which of the following is not a measure of dispersion?
- (A) The range
 - (B) The 50th percentile
 - (C) The standard deviation
 - (D) The variance
60. Standard deviation of first 50 natural numbers is
- (A) 45.43
 - (B) 20.43
 - (C) 14.43
 - (D) 16.43

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Sr. No.1603.....

ENTRANCE TEST-2016

FACULTY OF COMMERCE & MGT. STUDIES

MASTER OF COMMERCE (M.Com.)

Total Questions : 60

Question Booklet Series **A**

Time Allowed : 70 Minutes

Roll No. :

Instructions for Candidates :

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SEAL

Master of Commerce (M.Com.)/A

1. Who is called father of scientific management ?
(A) Peter F. Drucker (B) Henry Ford
(C) F.W. Taylor (D) Altan Mayo
2. Management by exception means :
(A) Only important problems are looked after by the top management
(B) Rewarding the efficient and punishing the inefficient
(C) Looking after all the management problems
(D) Looking after routine problems
3. You are a leader in an organisation. You get ideas and suggestions from groups. Your leadership style is called :
(A) Autocratic (B) Democratic
(C) Free-rein (D) None of the above
4. Span of control is narrow when the :
(A) Posts in the top management are more
(B) Posts in the top management are few
(C) Levels in the middle management are few
(D) None of the above
5. Which one of the following is not the principle of delegation ?
(A) Scalar principle
(B) Unity of command
(C) Unity of direction
(D) Principle of absoluteness of responsibility
6. Controlling as a function of management means :
(A) Making an action plan for future
(B) Leading an organisation for implementing an action plan
(C) Organising human resources for achieving the goals of an organisation
(D) Pointing out the weaknesses and taking corrective action
7. Which one obtains the data from a subset of population, in order to estimate population attributes ?
(A) Census (B) Experiment
(C) Sample survey (D) Delphi Technique

8. Which among the following is a secondary source of data ?
(A) Focus group Interview (B) Observation
(C) Projective techniques (D) Computer Databases
9. Which measure of dispersion is square of standard deviation ?
(A) Variance (B) Range
(C) Quartile deviation (D) Mean deviation
10. Mean, Mode and Median represent characteristics of data in the order as follows :
(A) Average; Division in two equal parts; Highest point
(B) Average; Highest point; Division in two equal parts
(C) Highest point; Average; Division in two equal parts
(D) Highest point; Division in two equal parts; Average
11. Standard error is :
(A) The standard deviation of the sampling distribution of a statistic
(B) The standard deviation of population
(C) The standard deviation of sample
(D) The error in standard deviation
12. Which among the following is probability sampling technique ?
(A) Quota Sampling (B) Simple Random Sampling
(C) Convenience Sampling (D) Snowball Sampling
13. The value of Karl Pearson's Coefficient of correlation can be :
(A) + 1 (B) + 2
(C) + 0.5 (D) 0
14. When coefficient of skewness is zero, the distribution is :
(A) U-shaped (B) L-shaped
(C) Symmetrical (D) None of these
15. A line used to estimate the value of one variable from the value of the other consists of a line through the points, drawn in such a manner as to represent the average relationship between the two variables is known as :
(A) Correlation (B) Average
(C) Regression (D) Sampling

16. Regression equation of x on y can be :
- (A) $y = a + bx$ (B) $x = a + by$
(C) $y = a + bx^2 + cx$ (D) $x = a + b$
17. If all values of a variable are multiplied by a given number, which one of the following will not be affected ?
- (A) Mean (B) Range
(C) Median (D) Coefficient of variation
18. If the variables are independent, r is zero and the lines of regression are at :
- (A) 60° angle (B) 90° angle
(C) 30° angle (D) 180° angle
19. The rates of tax are fixed by :
- (A) The Income Tax Act (B) The Finance Act
(C) Central Board of Direct Taxes (D) All of the above
20. Income of the previous year is chargeable to tax the :
- (A) Same previous year
(B) Immediately succeeding assessment year
(C) Immediately preceding assessment year
(D) None of the above
21. Mr. X an employee of A. Ltd (not being covered by the Payment of Gratuity Act, 1972) retires on March 10, 2015 after rendering the services of 15 years, 11 months and 29 days. The completed years of service for calculating exemption of gratuity shall be :
- (A) 15 years, 11 months, 29 days (B) 15 years, 11 months
(C) Complete 16 years (D) Complete 15 years
22. Mr. X is entitled to child allowances of Rs. 85 per month per child. He has four children. The exempted amount from the tax for the year is :
- (A) Rs. 1200 (B) Rs. 2400
(C) Rs. 2040 (D) Rs. 4080
23. Give the name of the allowances on which exemption depends upon actual expenditure by employee :
- (A) Conveyance allowances
(B) Transport allowances
(C) Special compensatory allowances
(D) High altitude allowances

24. In case of a government employee, entertainment allowance deductible (for taxation) is:
- (A) Rs. 5000
 - (B) 20 % of basic salary
 - (C) Amount of actual employee entertainment granted during the previous year
 - (D) Least of above is deductible
25. In case of self-occupied house property, income under the head income from house property can be negative on account of :
- (A) Repairs and collection charges
 - (B) Insurance premium
 - (C) Interest on borrowed capital up to maximum limit of Rs. 2,00,000
 - (D) Actual amount of interest on borrowed capital
26. Annual value of self-occupied house property for the purposes of tax assessment is :
- (A) Actual Rent received by the owner of house property without any limit
 - (B) Nil
 - (C) The sum for which the property could reasonably be expected to let out from year to year
 - (D) Actual rent to the maximum limit of Rs. 2,00,000
27. For arriving at income under the head "capital gains" which things are to be considered :
- (A) Capital asset
 - (B) Sale or transfer of the capital asset
 - (C) Period of holding
 - (D) Above three
28. The term capital assets excludes :
- (A) A residential house property
 - (B) Jewellery
 - (C) Car for personal use
 - (D) Special bearer bond, 1991
29. Additional depreciation is allowed under the head PGBP from the Assessment Year 2006-07 at the rate of :
- (A) 10 %
 - (B) 20 %
 - (C) 30 %
 - (D) None of the above

30. Resident individuals can claim medically handicapped or mentally retarded assesses deductions under :

- (A) Section 80 QQB
- (B) Section 80 RRB
- (C) Section 80 U
- (D) Section 80 M

31. A contract as per Contract Act is :

- (A) A legal obligation only
- (B) An agreement plus legal obligation
- (C) Consensus ad idem
- (D) Not a legal obligation

32. Consideration in a contract :

- (A) may be, past or present or future
- (B) may be present or future only
- (C) must be present only
- (D) must be future only

33. There is a counter offer when :

- (A) The offeree gives condition for acceptance or introduces a fresh term in acceptance
- (B) The offerer makes a fresh offer
- (C) The offeree makes some fresh query
- (D) The offeree accepts it

34. The term property as used in Sale of Goods Act, 1930 means :

- (A) Possession
- (B) Ownership
- (C) Ownership and possession both
- (D) The subject matter of contract of sale

35. In a contract of sale, unless goods are ascertained, there is :

- (A) a void agreement
- (B) an unenforceable agreement
- (C) an agreement to sell
- (D) a sale

36. If a seller makes use of pretended bidding at an auction to raise the price, the sale is :

- (A) Sold
- (B) Valid
- (C) Illegal
- (D) Voidable at the option of the buyer

37. Which of the following is not a negotiable instrument as per the Negotiable Instrument Act, 1881 ?
- (A) Bill of exchange (B) Delivery note
(C) Bearer cheque (D) Share certificate
38. Which of the following documents in case of a company is called charter of a company ?
- (A) Memorandum of Association
(B) Articles of Association
(C) Certificate of Incorporation
(D) Certificate of Commencement of Business
39. X is issued a cheque for Rs. 20,000 in favour of Y. X has sufficient funds in his account. The cheque was not presented within reasonable time. In the mean time, bank became insolvent :
- (A) Y can recover money from X
(B) X is discharged from his liability
(C) Y can recover from official assignee of the bank
(D) Y can sue X and bank jointly
40. As per Companies Act, 1956 the maximum number of directors, a private limited company which is a subsidiary of a public company, can have without approval of the central government is :
- (A) 10 (B) 11
(C) 12 (D) 15
41. On winding-up (of a company) by the court, the statement of affairs has to be submitted within :
- (A) 15 days from the date of winding-up order
(B) 21 days from the date of winding-up order
(C) 30 days from the date of winding-up order
(D) 90 days from the date of winding-up order
42. A public and a private company can start their business only after getting certificate(s) of:
- (A) Incorporation and Commencement of business respectively
(B) Commencement of business and Incorporation respectively
(C) Incorporation and Incorporation respectively
(D) Commencement of business and Commencement of business respectively

43. Accounting standards in India are prescribed by or issued by :
- (A) Company Law Board
 - (B) Institute of Chartered Accountants of India (ICAI)
 - (C) Institute of Cost and Works Accounts of India (ICWA)
 - (D) Indian Standards Institution
44. Depreciation is a process of :
- (A) Valuation
 - (B) Apportionment
 - (C) Allocation
 - (D) Appropriation
45. The accounting measurement that is not consistent with the Going Concern concept :
- (A) Historical Concept
 - (B) Realization
 - (C) The Transaction Approach
 - (D) Liquidation Value
46. As per AS-3 'Payment of dividend' is a/an activity.
- (A) Operating
 - (B) Investing
 - (C) Financing
 - (D) All of the above
47. AS-10 relates to :
- (A) Leasing
 - (B) Accounting for fixed assets
 - (C) EPS
 - (D) Consolidated financial statements
48. Opportunity cost model for HIRA was developed by :
- (A) Sharp and Morison
 - (B) Modigliani and Miller
 - (C) Hickman and Jones
 - (D) None of these
49. Share application and allotment account is :
- (A) Personal account
 - (B) Real account
 - (C) Nominal account
 - (D) None of the above
50. The portion of authorised capital which can be called-up only on the liquidation of the company is called :
- (A) Authorised Capital
 - (B) Reserve Capital
 - (C) Issued Capital
 - (D) Called-up Capital

51. A company or other entity that administers the public issuance and distribution of securities from a corporation or other issuing body is known as :
- (A) Underwriter (B) Broker
(C) Agent (D) None of the above
52. Amalgamate adjustment account is opened in the books of transferee company to incorporate :
- (A) The assets of the transferor company
(B) The liabilities of the transferor company
(C) The non-statutory reserves of the transferor company
(D) The statutory reserves of the transferor company
53. Pooling of interest is a method of :
- (A) Accounting for amalgamation
(B) Calculation of purchase consideration
(C) Stock valuation
(D) None of the above
54. If the purchase consideration is calculated by adding the various payments to be made, the method is called :
- (A) Lump-sum method (B) Net-worth method
(C) Net-payment method (D) Value of share method
55. In cost accounting, abnormal loss is charged to :
- (A) Factory overhead control account
(B) Work in process account
(C) Income statement
(D) All of the given options
56. In increasing production volume situation, the Fixed cost and the Variable cost :
- (A) Increase and remain constant respectively
(B) Remain constant and increase respectively
(C) Increase and decrease respectively
(D) Decrease and increase respectively

57. If a company uses a predetermined rate for the application of factory overhead, the idle capacity variance is the :
- (A) Difference in budgeted costs and actual costs of fixed overheads items
 - (B) Difference in budgeted costs and actual costs of variable overheads items
 - (C) Over or under applied variable cost elements of overheads
 - (D) Over or under applied fixed cost elements of overheads
58. Which one of the following centers is responsible to earn sales revenue ?
- (A) Cost center
 - (B) Investment center
 - (C) Revenue center
 - (D) Profit center
59. Which cost accumulation procedure is best suited to a continuous mass production process of similar units ?
- (A) Job order costing
 - (B) Standard costing
 - (C) Actual costing
 - (D) Process costing
60. Break-even point is :
- (A) Where total revenue equals total cost
 - (B) Where total contribution equals variable costs
 - (C) Where total revenue equals fixed costs
 - (D) All of the above

Master of Commerce (M.Com.)/B

1. Under Section 224 of the Companies' Act (1956), if a casual vacancy is caused due to death of an auditor, the auditor can be appointed by :
 - (A) Central Govt.
 - (B) Board of Directors
 - (C) Shareholders
 - (D) Comptroller and Auditor General of India

2. Selling and distribution overheads (fixed) are apportioned using one of the following basis :
 - (A) Units of production
 - (B) Cost of goods sold
 - (C) Direct labour hours
 - (D) None of the above

3. Cost object may be :
 - (A) Cost unit and cost centre
 - (B) Conversion cost
 - (C) Sunk cost
 - (D) Out of pocket cost

4. In case of contracts remaining incomplete at the end of an accounting period, loss arising thereto is :
 - (A) transferred to work-in-progress
 - (B) debited to Profit and Loss account
 - (C) debited partly to Profit and Loss a/c and partly to work-in-progress
 - (D) None of the above

5. In which of the following, single or output costing is not used ?
 - (A) Brick making
 - (B) Pencil making
 - (C) Steel making
 - (D) Sugar manufacture

6. Which of the following does not constitute valid acceptance ?
 - (A) It has been communicated
 - (B) It is absolute and unqualified
 - (C) The offer has been accepted by the proper person
 - (D) It has been presumed by the silence of offeree

7. A agrees to marry B after taking the consent of B's father C. Unknown to both the parties (A and B), C had already died at the time of making of the contract. The contract is :
 - (A) Voidable
 - (B) Valid
 - (C) Void
 - (D) All of the above

8. Mr. x authorises Mr. y to purchase 500 sheep for him. Mr. y buys 500 sheep and 200 lambs for Rs. 6,000. Which one of the following is correct under agency contract ?
- (A) Mr. x has to pay for sheep and lambs
 - (B) Mr. x can repudiate the whole transaction
 - (C) Mr. x has to pay for lambs only
 - (D) All of the above
9. In case of 'Sale or Return', the buyer is deemed to have accepted the goods when :
- (A) he does not intimate to the seller that he has accepted them
 - (B) he pledges the goods
 - (C) he retains the goods without intimating the seller that he has rejected them
 - (D) he rejects the goods but does not intimate the seller
10. A Public Company can be converted into a private company only after the approval of the :
- (A) High Court
 - (B) State Govt.
 - (C) Central Govt.
 - (D) Company Law Board
11. Alteration in 'Objects Clause' of Memorandum of Association of a company requires :
- (A) special resolution
 - (B) approval of Registrar of Companies
 - (C) approval of Company Law Board
 - (D) special resolution and approval of Company Law Board
12. Mr. Ali holds shares as a trustee for Mr. Baasit. The person whose name will appear in the Register of members will be :
- (A) Mr. Ali
 - (B) Mr. Baasit
 - (C) Mr. Ali and Mr. Baasit
 - (D) None of the above
13. A creditor can make petition to the court for compulsory winding up if the company is unable to pay off his dues if these exceed :
- (A) Rs. 500
 - (B) Rs. 5,000
 - (C) Rs. 1,00,000
 - (D) None of the above

14. Hawthorne experiment was associated with :
- (A) Henry Fayol
 - (B) Fredrick W Taylor
 - (C) Elton Mayo
 - (D) None of the above
15. Delphi method of forecasting used for planning makes use of :
- (A) Econometric models
 - (B) Regression technique
 - (C) Judgement of experts
 - (D) None of the above
16. Need Hierarchy theory was propounded by :
- (A) Henry Fayol
 - (B) Michael Porter
 - (C) Herzberg
 - (D) Abraham Maslow
17. The Laissez-faire leader is one who
- (A) dictates every decision
 - (B) encourages subordinates to give their opinions
 - (C) assumes paternalistic role and subordinates rely on his decisions
 - (D) depends completely on subordinates to make their own decisions
18. "Too many subordinates can not be controlled by one single manager", is the dictum of :
- (A) Management by exception
 - (B) Span of control
 - (C) Management by wandering about
 - (D) None of the above
19. Decentralisation is different from delegation because :
- (A) it is applied to company-wide perspective
 - (B) it is only related to a specific job
 - (C) it is applied to only certain divisions in a company
 - (D) All of the above
20. Grapevine is related with the :
- (A) wine drawn from grapes
 - (B) formal communication in an organisation
 - (C) informal communication in an organisation
 - (D) None of the above

21. Feedforward is an information mechanism through which :
- (A) actual performance is compared with the planned performance and reported
 - (B) information received from feedback is incorporated in plans for future
 - (C) planned performance is communicated to doers
 - (D) None of the above
22. An assessee who has no income from business or profession will not be required to pay advance tax if the said assessee is a/an :
- (A) Firm
 - (B) Association of persons
 - (C) Senior citizen
 - (D) Indian company
23. Income from sale of household furniture is :
- (A) Taxable income
 - (B) Exempted income
 - (C) Casual income
 - (D) None of the above
24. Children education allowance paid by an employer to an employee is exempted from tax under section 10(14) subject to a maximum (per month) of :
- (A) Rs. 50 per child
 - (B) Rs. 75 per child
 - (C) Rs. 100 per child upto a maximum of two children
 - (D) None of the above
25. The tax liability of Mr. Acharya for the assessment year 2013-2014, if (i) his agricultural income is Rs. 50,000; and (ii) his non-agricultural income is Rs. 4,66,000 is :
- (A) Rs. 29,046
 - (B) Rs. 29,050
 - (C) Rs. 30,000
 - (D) None of the above
26. The two methods of data collection are :
- (A) Primary and Secondary data
 - (B) Questionnaires and Schedules
 - (C) Census and Sampling
 - (D) Published and Unpublished data

27. A sampling error is present when data has been collected from a :
- (A) sample of a population
 (B) population
 (C) sample and population of the sample simultaneously
 (D) All of above
28. For a group of 10 items $\Sigma x = 452$, $\Sigma x^2 = 24,270$ and Mode = 43.7, the Karl Pearson's coefficient of skewness is :
- (A) 0.08
 (B) 0.09
 (C) 0.10
 (D) None of the above
29. When the cost of onion was increased by 50%, a consumer who maintained his former scale of consumption said that the rise of onion price had increased his cost of living by 5%. What percent of his cost of living was due to buying onion before the change of price ?
- (A) 50% of the cost of living
 (B) 5% of the cost of living
 (C) 10% of the cost of living
 (D) None of the above
30. If two regression coefficients are 0.8 and 1.2, what would be the value of the coefficient of correlation ?
- (A) 0.8080
 (B) 0.7080
 (C) 0.9660
 (D) 0.9798
31. If the two regression coefficients are negative, then their correlation coefficient is :
- (A) Positive
 (B) Negative
 (C) Both negative and positive
 (D) Neither negative nor positive
32. The value of coefficient of correlation lies between :
- (A) 1 and 10
 (B) 0 and 1
 (C) -1 and +1
 (D) None of the above
33. Nine square table is used in case of :
- (A) Correlation and regression
 (B) Association of attributes
 (C) χ^2 -test
 (D) None of the above

34. Revenue is generally recognised at the point of sale. Which concept/principle is applied herein ?
- (A) Matching concept
 - (B) Cost principle
 - (C) Revenue recognition concept
 - (D) Convention/principle of consistency
35. The final authority to approve the accounting standard and recommend to Central Govt. is :
- (A) Accounting Standards Board
 - (B) Department of Company Affairs
 - (C) National Advisory Committee on Accounting Standards
 - (D) Security Exchange Board of India
36. Income and Expenditure Account shows a balance of :
- (A) Cash in hand
 - (B) Capital account
 - (C) Net Profit
 - (D) Excess of revenue over expenditure or vice versa
37. Dead rent refers to :
- (A) Shortworkings
 - (B) The minimum rent payable to the lessor
 - (C) Maximum rent payable to the lessor
 - (D) All of the above
38. Hire Purchase charges means :
- (A) The total sum payable by the hirer under a hire purchase agreement
 - (B) Cash price at which the goods may be purchased by the hirer
 - (C) The difference between hire purchase price and the cash price as stated in the hire purchase agreement
 - (D) None of the above
39. Under Stock and Debtors system, if there is surplus/shortage in branch stock, the loading part will be transferred to :
- (A) Branch Profit & Loss A/c
 - (B) Branch Adjustment A/c
 - (C) Branch Stock A/c
 - (D) None of the above

40. A person is said to be insolvent when his liabilities exceed :
- (A) Person's assets
 - (B) Person's liabilities
 - (C) Person's cash
 - (D) All of the above
41. Insurance Premium on stock should be charged to the departments in proportion to :
- (A) total stock divided by the no. of departments
 - (B) the average value of stocks held by each department
 - (C) total stock of the department at the close of period
 - (D) None of the above
42. Who was the first economist who coined the terms "Microeconomics", and "Macroeconomics" ?
- (A) Milton Friedman
 - (B) Ragnar Friske
 - (C) J.M. Keynes
 - (D) None of the above
43. In case of indifference curve the combinations of goods assumed are :
- (A) three
 - (B) four
 - (C) one
 - (D) two
44. Oligopoly is a market situation which is characterised by the existence of :
- (A) One firm
 - (B) Few firms
 - (C) Several firms
 - (D) None of the above
45. Deflation shows a :
- (A) decline in the general prices
 - (B) rise in the general prices
 - (C) neither decline nor rise in prices
 - (D) All of the above
46. The precautionary motive represents :
- (A) money as a medium of exchange
 - (B) the speculation function of money
 - (C) store of value function of money
 - (D) None of the above

47. The Indian rupee is a :
- (A) standard coin (B) token coin
(C) standard-token coin (D) all of the above
48. Which of the following is the qualitative credit control measure used by a Central bank ?
- (A) Bank rate (B) Open Market Operation
(C) Variable cash reserve ratio (D) Direct action
49. "Good money is replaced by bad money", is the manifestation of :
- (A) Say's law (B) Gresham's law
(C) Pareto's law (D) Parkinson's law
50. The item "unpaid dividend" appears in the balance sheet of a company under the heading :
- (A) Current assets, loans and advances
(B) Reserves and surplus
(C) Secured loans
(D) Current liabilities and provisions
51. Which one of the following is not a Capital Profit ?
- (A) Profits prior to incorporation
(B) Premium on the issue of shares and debentures
(C) Profit on sale of whole/part of an undertaking
(D) Investment fluctuation reserve
52. Depending upon the available information, purchase consideration may be calculated on :
- (A) Net assets taken over basis only
(B) Net payments to shareholders basis only
(C) Both (A) and (B)
(D) Neither (A) nor (B)
53. On liquidation, secured creditors are paid :
- (A) before shareholders
(B) before unsecured creditors
(C) before preferential creditors
(D) All of the above

54. A banking company cannot form any subsidiary except for the following purpose/s :
- (A) The undertaking of any business permissible for banking company to undertake
 - (B) Carrying on business of banking exclusively outside India with previous permission in writing of the Reserve Bank of India
 - (C) The undertaking of such other business which the Reserve Bank of India permits with prior approval of the Central Govt.
 - (D) All of the above
55. For removing an auditor, a banking company requires prior permission of :
- (A) the Central Govt.
 - (B) the State Govt. where bank is located
 - (C) the SEBI
 - (D) the RBI
56. According to the Insurance Regulatory and Development Authority Regulations, 2002, the three final accounts to be prepared by an insurance company are :
- (A) Revenue Account, Balance Sheet and Cash flow statement
 - (B) Revenue Account, Profit & Loss A/c and Funds flow statement
 - (C) Revenue Account, Profit & Loss A/c and Balance Sheet
 - (D) All of the above
57. Commission on Re-insurance ceded is :
- (A) Paid by an insurance company to another company for reinsurance business
 - (B) Received by an insurance company from another company for reinsurance business
 - (C) Both (A) and (B)
 - (D) None of the above
58. Limitation of an Audit is :
- (A) that it does not reveal complete picture of an organisation
 - (B) that it does not guarantee accuracy of accounts
 - (C) that auditor may be biased
 - (D) All of the above

59. Internal check refers to :

- (A) Checking the record by cashier
- (B) Checking the accounts by the internal auditor
- (C) Checking of work of one person by another automatically
- (D) Managerial control internally over the subordinates

60. Stock should be valued at :

- (A) Cost price
- (B) Market price
- (C) Cost, less depreciation
- (D) Cost or market price, whichever is less

M.Com. Commerce/B

1. Unity of command signifies that an employee must receive instructions from :
 - (A) his subordinates
 - (B) only one boss
 - (C) a committee of officers/managers
 - (D) none of the above

2. Paul Simmon sings, "And in the night I see ten thousand people, may be more; people talking-without speaking, people hearing-without listening, no one dared-disturb the sound of silence." This is a state of :
 - (A) Self communication
 - (B) External communication
 - (C) Cliche Conversation (Communication)
 - (D) Peak communication

3. Laissez-Faire leadership is a state of affairs where the group would be :
 - (A) controlled by the boss by autocratic conditions
 - (B) given freedom to decision with no intervention by the boss
 - (C) encouraged to give their views and decision made through participation
 - (D) asked all of the above

4. A plan expressed in quantitative or financial terms is called :
 - (A) a Mission
 - (B) a Vision
 - (C) a Strategy
 - (D) a Budget

5. Challenging task is a :
 - (A) Hygiene factor
 - (B) Motivation factor
 - (C) Social need
 - (D) None of the above

6. Feedback is an information mechanism through which :
 - (A) actual performance is compared with planned performance and reported
 - (B) planned performance is communicated to the actual doers
 - (C) authority is exercised on subordinates to pressurise them
 - (D) the subordinates are made happy

-
7. Which of the following is a merit of the Decentralisation ?
- (A) Relieves top management from the burden of all decisions
 - (B) Facilitating setting up of profit centres
 - (C) Promotes development of lower managers
 - (D) All of the above
8. The appointment of subsequent auditors of a company are appointed by :
- (A) Board of directors
 - (B) Shareholders
 - (C) Central government
 - (D) Company promoters
9. Verification of arithmetical accuracy of accounting entries and to ensure that ledger accounts are properly balanced is the main objective of :
- (A) Routine checking
 - (B) Test checking
 - (C) Vouching
 - (D) Internal audit
10. When the audit is conducted at certain intervals throughout the year, it is called :
- (A) continuous audit
 - (B) interim audit
 - (C) internal audit
 - (D) external audit
11. In case of Buy Back of shares, an auditor has to ensure that the shares have been bought by the company out of :
- (A) its free reserves only
 - (B) the balance in share premium account only
 - (C) the proceeds of any shares or other specified securities only
 - (D) all of the above only
12. Mr. Handsome is entitled to a transport allowance of Rs. 1,000 per month for commuting from his residence to his office and back. He spends Rs. 600 per month on the same. The exemption shall be to the extent of :
- (A) Rs. 1,000 p.m.
 - (B) Rs. 800 p.m.
 - (C) Rs. 600 p.m.
 - (D) None of the above

13. An assessee has borrowed money for purchase of a house and interest is payable outside India. Such interest shall :

- (A) be allowed as deduction
- (B) not be allowed as deduction
- (C) be allowed as deduction if the tax is deducted at source
- (D) be allowed as deduction if the tax is not deducted at source

14. If donation is made to a National Laboratory or a University with the specific direction that scientific research should be for an approved programme, the amount of deduction shall be :

- (A) 125% of the donation so made
- (B) 100% of the donation so made
- (C) 175% of the donation so made
- (D) 150% of the donation so made

11

15. Amount unutilized in the capital gain scheme for which exemption under Section 54 B was claimed shall be treated as :

- (A) long-term capital gain
- (B) short-term capital gain
- (C) short-term or long term capital gain depending upon the original transfer
- (D) no loss, no gain

16. "Owners of business are different/distinct than the business enterprise", is the assumption under :

- (A) Going Concern Concept
- (B) Business Entity Concept
- (C) Dual-aspect Concept
- (D) Accrual Concept

17. Indicate for the following situation, which accounting concept/principle has been violated : "A calculator purchased early March for Rs. 1,150 can be purchased at year-end for Rs. 925. The company has used the later value on the balance sheet date":

- (A) Matching concept
- (B) Going concern concept
- (C) Cost concept
- (D) Accrual concept

18. Receipts and Payments account is a summary of all :
- (A) Capital receipts and payments
 - (B) Revenue receipts and payments
 - (C) Capital receipts and revenue payments
 - (D) Capital and revenue receipts and payments
19. Under Sec. 211 of the Companies Act, 1956, Accounting Standards are mandatory for all :
- (A) Companies
 - (B) Partnership firms
 - (C) Sole proprietors
 - (D) All of the above
20. Under the Hire Purchase Agreement, governed by Hire Purchase Law, the property in the goods is to pass to such person on the payment of the :
- (A) First installment
 - (B) 2nd installment
 - (C) 3rd installment
 - (D) Last installment
21. A company's Head Office (H.O) has supplied goods costing Rs. 400 to wholesalers at Rs. 500 and to retail branches at Rs. 525. The total profit earned by the H.O is :
- (A) Rs. 25
 - (B) Rs. 125
 - (C) Rs. 100
 - (D) None of the above
22. Goods-in-transit under Branch Accounting are the goods :
- (A) Supplied by the Head Office (after the close of accounting period) which remain undelivered
 - (B) Supplied by the Head Office or returned by the branch (before the close of the accounting period) which remain undelivered.
 - (C) Returned by the branch (after the close of the accounting period) which remain undelivered
 - (D) None of the above
23. In case of Insolvency, the official assignee is appointed by the :
- (A) High Court
 - (B) Shareholders of a company
 - (C) Creditors of a company
 - (D) Board of a company

24. The two methods of collecting data are :
- (A) Primary and Secondary data (B) Census and Sampling
 (C) Questionnaires and Schedules (D) None of the above
25. If Mode is ill-defined, the empirical relationship between the Mean, Median and Mode for a moderately skewed distribution is :
- (A) $M_o = 3 M_d - 2 M$ (B) $M_o = 2 M - 3 M_d$
 (C) $M_o = 3 M_d - 3 M$ (D) $M_o = 2 M - 2 M_d$
26. Kurtosis in the data helps us in :
- (A) identifying the right tails of the frequency curve
 (B) identifying the left tails of the frequency curve
 (C) understanding the shape and nature of the hump (middle part) of a frequency distribution
 (D) all of the above
27. Time reversal test and Factor reversal tests are associated with :
- (A) Karl Pearson (B) Marshal-Edgeworth
 (C) Cowdon Croxton (D) Irwing Fisher
28. Inspect the two series X and Y as :
- X : 10 12 14 16 18
 Y : 20 18 16 14 12
- It seems that the two variables X and Y are :
- (A) Positively correlated (B) Negatively correlated
 (C) Not correlated (D) All of the above
29. In the linear regression equation, $y = a + bx$, b signifies :
- (A) Slope of the line of regression of y on x
 (B) Slope of the line of regression of x on y
 (C) Intercept of the line of regression of y on x
 (D) Intercept of the line of regression of x on y

30. If two regression coefficients are 0.8 and 1.2, what would be the value of the coefficient of correlation ?
- (A) 0.89 (B) 0.90
(C) 0.85 (D) 0.97
31. In a Study of Association of attributes, you are given : (A) = 200, (B) = 400, (AB) = 100, N = 1000; The attributes A and B are :
- (A) Independent (B) Positively associated
(C) Negatively associated (D) None of the above
32. The first economist to have coined the terms, "Micro Economics and Macro Economics", is :
- (A) Milton Friedman (B) Ragnar Frisch
(C) J.M. Keynes (D) Amartya Sen
33. "The more we have of a particular commodity the less we want to have more of it", is the reflection of :
- (A) The Law of Equi-marginal utility
(B) The Law of constant returns
(C) The Law of Diminishing marginal utility
(D) The Law of Diminishing returns
34. The Indifference curve always :
- (A) slopes positively from right to left
(B) slopes negatively from left to right
(C) remains constant
(D) none of the above
35. The Net National Product is equal to :
- (A) GNP minus allowance for depreciation and maintenance of capital equipment
(B) GNP plus income earned from abroad
(C) GDP minus income earned outside the country
(D) All of the above

36. "Bad money pushes out of circulation the good money," is the reflection of :
- (A) Parkinson's law (B) Gresham's law
(C) Pareto's law (D) Say's law
37. "Money is a standard of deferred payments," is :
- (A) a primary function of money
(B) a secondary function of money
(C) a contingent function of money
(D) all of the above
38. Nowadays, a Commercial bank provides advance to finance :
- (A) Current assets only (B) Fixed assets only
(C) Both current and fixed assets (D) None of the above
39. The acronym "NABARD" stands for :
- (A) National Agricultural Bank and Rural Development
(B) National Aeronautical Bombay Airways Research and Development
(C) New Agricultural Bengali Rice Development
(D) National Bank for Agriculture and Rural Development
40. Pre-audited summarised quarterly accounts are to be published by all listed companies under :
- (A) Company law (B) RBI direction
(C) SEBI direction (D) All of the above
41. In case of internal reconstruction :
- (A) the existing company is liquidated
(B) the existing company is not liquidated
(C) there is no reduction of capital
(D) a fresh company is formed
42. The book value of a share means :
- (A) Intrinsic value of a share
(B) Total assets divided by the number of shares, having no consideration for liabilities
(C) Total assets minus long term liabilities
(D) None of the above

43. Liquidation of a company means that :
- (A) the company is reformed with internal reconstruction
 - (B) the company comes to an end
 - (C) the liabilities exceed its assets
 - (D) none of the above
44. For a banking company incorporated in India having business in more than one place/State (except Mumbai and Kolkata) should have a minimum paid up capital and reserves amounting to :
- (A) Rs. 50,00,000
 - (B) Rs. 1,00,00,000
 - (C) Rs. 5,00,000
 - (D) Rs. 10,00,000
45. Under Banking Regulation Act, 1949 (Form A), the Schedule 4 gives a description of :
- (A) Authorised capital
 - (B) Reserves and Surplus
 - (C) Deposits within and outside India
 - (D) Borrowings within and outside India
46. As per Section 17 of the Banking Regulation Act, how much every bank has to transfer its current year's profit to statutory reserve ?
- (A) 20%
 - (B) 22%
 - (C) 30%
 - (D) None of the above
47. As per RBI classification, a sub-standard asset/advance is one which has remained as an NPA for a period less than or equal to :
- (A) 12 months
 - (B) 6 months
 - (C) 24 months
 - (D) 18 months
48. The Articles of Association of a company are subservient to :
- (A) Board of directors
 - (B) Prospectus of the company
 - (C) Auditors of Company
 - (D) Memorandum of association
49. The difference between the authorised and the issued capital is known as :
- (A) subscribed capital
 - (B) nominal capital
 - (C) unissued capital
 - (D) registered capital

56. While designing a costing system, the main factor to be considered is :
- (A) nature of materials used
 - (B) business situation
 - (C) manufacturing process
 - (D) none of the above
57. Variable cost increases due to :
- (A) increase in semi-variable cost
 - (B) increase in fixed cost
 - (C) increase in profits
 - (D) increase in production volume
58. Under process costing, equivalent unit means :
- (A) Work in progress
 - (B) Physical units
 - (C) Partly completed units
 - (D) Total work of a department/process is stated in terms of fully completed units
59. A hotelier has approached you to advise him about method of costing. Which one of the following, you will suggest to him for his hotel ?
- (A) Batch costing
 - (B) Single or output costing
 - (C) Service costing
 - (D) None of the above
60. Scientific Management is associated with :
- (A) Peter Drucker
 - (B) Henry Fayol
 - (C) Koontz O'donnell
 - (D) F.W. Taylor

M. Com - 2010

M. Com. Programme

1. Expenses incurred but not paid are shown in :
 - (a) Liability side of balance sheet
 - (b) Debit side of P/L a/c and liability side of balance sheet
 - (c) Credit side of P/L a/c and liability side of balance sheet
 - (d) Credit side of P/L a/c and asset side of balance sheet

2. A business is said to having an indefinite life according to :
 - (a) Accounting period concept
 - (b) Cost concept
 - (c) Going concern concept
 - (d) Dual aspect concept

3. Which one of the following is an accounting equation :
 - (a) $\text{Capital} = \text{Assets} + \text{Liabilities}$
 - (b) $\text{Capital} = \text{Assets} - \text{Liabilities}$
 - (c) $\text{Assets} = \text{Liabilities} - \text{Capital}$
 - (d) $\text{Liabilities} = \text{Assets} + \text{Capital}$

4. Cash paid down at the time of hire purchase transaction is debited by the purchaser of the goods to :
 - (a) Asset A/c
 - (b) Purchases A/c
 - (c) Hire Vendor A/c
 - (d) None of the above

5. Immediately after purchasing a new truck, Rs. 1,000 is paid to have the name of the company and other advertising material painted on the truck. This Rs. 1,000 is a :
 - (a) Capital expenditure
 - (b) Revenue expenditure
 - (c) Deferred revenue expenditure
 - (d) None of these

6. Management audit is ordered by the :
 - (a) Workers of the company
 - (b) Board of Directors
 - (c) Securities Exchange Board of India
 - (d) None of the above

7. Duties of a Company auditor are defined by :
 - (a) Memorandum of Association
 - (b) Articles of Association
 - (c) Companies Act, 1956
 - (d) Agreement between company and the auditor

8. Consider the following activities :
- I. Valuation
 - II. Verification
 - III. Vouching
- The correct sequence of these activities is :
- (a) III, I, II
 - (b) III, II, I
 - (c) II, III, I
 - (d) I, II, III
9. The liability of an auditor can be :
- (a) Only civil
 - (b) Only criminal
 - (c) Either civil or criminal
 - (d) Civil and / or criminal
10. The first auditors of a company are appointed by the :
- (a) Board of Directors of the company
 - (b) Shareholders of the company
 - (c) Registrar of the company
 - (d) Institute of Internal Auditors of India
11. Co-efficient of correlation reveals the extent of relationship between :
- (a) Two variables
 - (b) Three or more variables
 - (c) Any four variables
 - (d) None of the above
12. In the measure of skewness, if the coefficient of skewness is 0, the distribution is considered as :
- (a) Asymmetrical
 - (b) Symmetrical
 - (c) Both symmetrical and asymmetrical
 - (d) Neither symmetrical nor asymmetrical
13. Central Limit Theorem is useful to sample population when its :
- (a) Distribution is known
 - (b) Distribution is normal
 - (c) Distribution is unknown
 - (d) None of the above
14. A statistical technique used to estimate the unknown values of Y variable with the given values of X variable is called as :
- (a) Association of Attributes
 - (b) Correlation
 - (c) Interpolation
 - (d) Regression

15. Association of attributes is computed when :
- (a) The data relates to variables
 - (b) The data relates to qualitative characteristics
 - (c) Neither (a) nor (b)
 - (d) Both (a) and (b)
16. Treasury bills are :
- (a) Quasi-money instruments
 - (b) Near money instruments
 - (c) Both (a) and (b)
 - (d) Same as Bills of Exchange
17. Among Cambridge economists, _____ pioneered cash-balance theory.
- (a) Marshall
 - (b) Keynes
 - (c) Pigou
 - (d) Fisher
18. Deflation is characterized by :
- (a) Fall in prices and decrease in level of employment
 - (b) Increase in prices but decrease in level of employment and output
 - (c) Fall in prices and decrease in level of employment, income and output
 - (d) None of the above
19. On July 19, 1969, only those commercial banks were nationalized in India that had deposits of over :
- (a) Rs. 14 crores
 - (b) Rs. 34 crores
 - (c) Rs. 40 crores
 - (d) Rs. 50 crores
20. Who amongst the following was the main advocate of managed currency standard after the breakdown of the Gold standards ?
- (a) Marshall
 - (b) Pigou
 - (c) Robertson
 - (d) Keynes
21. Given that the current ratio is 2 : 1, if the net working capital is Rs. 60,600, then the amount of current liabilities would be :
- (a) Rs. 30,300
 - (b) Rs. 60,600
 - (c) Rs. 1,21,200
 - (d) Rs. 90,900
22. Which one of the following is an example of sources of funds ?
- (a) Decrease in share capital
 - (b) Increase in long-term liabilities
 - (c) Decrease in long-term liabilities
 - (d) Increase in fixed assets

23. According to Companies Act, a "reserve capital" is created :
- (a) For a specific purpose at any time during its working life
 - (b) For issue to existing shareholders as rights issue of shares
 - (c) As the uncalled portion of share capital of a limited company to be called only in the event of winding up
 - (d) For conversion of FCDS into equity shares
24. Amount set apart to meet probable losses on account of bad debts is a :
- (a) Liability
 - (b) Reserve
 - (c) Provision
 - (d) Contingent liability
25. ROI takes into account :
- (a) Shareholders investment
 - (b) Interest on working capital
 - (c) Interest on fixed assets
 - (d) All of these
26. The statutory meeting of the company must be held within six months :
- (a) From filing of statements in lieu of prospectus
 - (b) Of obtaining the certificate of commencement of business
 - (c) Of obtaining the certificate of incorporation
 - (d) From the date when the first Board of Directors meeting was held
27. Doctrine of Indoor Management is reflected in :
- (a) Royal British Bank vs. Turquand's Case
 - (b) Solomon vs. Solomon
 - (c) Daimler Ltd. vs. Continental Tyre and Rubber Co. Ltd.
 - (d) Kindston Cotton Mills case
28. The liabilities of shareholders of a public company are limited to the extent of :
- (a) Paid-up value of the share
 - (b) The face value of the share
 - (c) Called up value of the share
 - (d) All of these
29. Under the Companies Act, 1956, a private company :
- (a) Must have at least 7 members
 - (b) Cannot have more than 20 members
 - (c) Must issue a prospectus or a statement in lieu of prospectus
 - (d) Must prohibit invitation to the public to subscribe for its shares

30. Share capital of a company means :
- (a) Equity share capital
 - (b) Preference share capital
 - (c) Equity and Preference share capital
 - (d) Equity and preference share capital and debentures
31. In case of breach of a warranty, the buyer can :
- (a) Repudiate the contract
 - (b) Claim damages only
 - (c) Return the goods
 - (d) None of the above
32. A contract of indemnity is a :
- (a) Contingent contract
 - (b) Wagering contract
 - (c) Quasi-contract
 - (d) Void contract
33. Consideration in a contract :
- (a) May be present or future only
 - (b) Must be present only
 - (c) Must be future only
 - (d) May be past, present or future
34. An offer is made to Mani in a crowd. It :
- (a) May be accepted by any person who hears it
 - (b) May be accepted by his brother
 - (c) Can be accepted by him alone
 - (d) None of the above
35. In a contract of sale, unless goods are ascertained, there is :
- (a) A sale
 - (b) An agreement to sell
 - (c) A void agreement
 - (d) An unenforceable agreement
36. Which one of the following is not among the basic principles of WTO ?
- (a) Non-discrimination
 - (b) Providing subsidies to the member nations
 - (c) Transparency
 - (d) Safety valves

37. Under mixed economy, central problems are solved through :
- (a) Price mechanism and Economic Planning
 - (b) Price mechanism
 - (c) Private sector
 - (d) Central Planning Authority
38. An increase in the national income at constant prices is called :
- (a) Nominal increase in national income
 - (b) Real increase in national income
 - (c) Real increase in per capita income
 - (d) Increase in per capita income in real terms
39. Among other things, a global company is characteristic of :
- (a) Viewing the world as one market
 - (b) Minimizing the importance of national boundaries
 - (c) Marketing its products wherever feasible
 - (d) All of the above
40. Government undertakings have justification to exist because of :
- (a) Private sector does not come forward to invest in certain areas
 - (b) Private players being exclusively/ mainly after profits
 - (c) Government wants to retain control over sensitive areas
 - (d) All of the above
41. Who among the following is not a speculator in Stock Exchange
- (a) Broker
 - (b) Bull
 - (c) Bear
 - (d) Stag
42. Trading on equity takes place :
- (a) Only when equity capital is employed
 - (b) Only when debenture funds are employed
 - (c) When capital other than that of equity shareholders is also employed
 - (d) When profits are ploughed back
43. It is compulsory for a share broker to register with the :
- (a) Concerned Stock Exchange
 - (b) Securities and Exchange Board of India
 - (c) Department of Company Affairs
 - (d) Concerned Stock Exchange in concurrence with the Securities and Exchange Board of India

44. Rights shares mean the shares which are :
- (a) Issued to the directors of the company
 - (b) First offered to debenture - holders
 - (c) First offered to the existing shareholders
 - (d) Issued by a newly formed company
45. "Carry Over" or Badla is :
- (a) The facility of postponing a transaction till the next settlement day
 - (b) The facility available in forward delivery contracts
 - (c) The facility affected by payment of an amount called 'Badla Charges'
 - (d) All of the above
46. When costing loss is Rs. 5,600, administrative overheads under - absorbed being Rs. 400, the loss as per financial accounts should be :
- (a) Rs. 5,600
 - (b) Rs. 5,200
 - (c) Rs. 6,000
 - (d) Rs. 6,400
47. The type of process loss that should not affect the cost of inventories is :
- (a) Abnormal loss
 - (b) Normal loss
 - (c) Seasonal loss
 - (d) Standard loss
48. Administration overheads are recovered as a percentage of :
- (a) Direct materials
 - (b) Direct wages
 - (c) Works costs
 - (d) Prime costs
49. In which of the following incentive plans of wage payment, wages on time basis are not guaranteed ?
- (a) Hasley plan
 - (b) Taylor's differential piece rate system
 - (c) Rowan plan
 - (d) None of the above
50. The most important purpose of cost accounting system is to :
- (a) Help in the valuation of inventory
 - (b) Earn extra profits
 - (c) Provide information to management for decision making
 - (d) Aid in the fixation of prices

51. According to the principles of 'span of control', there is :
- (a) A tendency to overload supervisors with too much of work
 - (b) A limit to the number of subordinates a supervisor can effectively supervise
 - (c) No limit to the number of subordinates a supervisor can supervise
 - (d) A limit to delegation of authority to the subordinates.
52. Leadership is a function of all the following factors except :
- (a) Work groups
 - (b) Situation
 - (c) Leader
 - (d) Product or service
53. 'Unity of Command' principle of effective direction means :
- (a) Subordinates should be responsible to one supervisor
 - (b) Boosting the morale of the subordinates
 - (c) Decreasing the productivity of the subordinates
 - (d) All of these
54. The function of "staff" in 'line and staff' organization is :
- (a) Take advice from the line
 - (b) Hold authority and responsibility
 - (c) Advise the line
 - (d) Fix responsibility for performance of tasks in a definite manner upon certain individuals
55. "Grapevine" is a term used in relation to :
- (a) Formal communication
 - (b) Informal communication
 - (c) Both formal and informal communication
 - (d) None of the above
56. Indirect taxes are :
- (a) Inconvenient
 - (b) Highly pinching
 - (c) Easily evadable
 - (d) None of the above
57. Which one of the following does not qualify for deduction u/s 80 C ?
- (a) Investment in the equity shares of any listed company
 - (b) Life insurance premium
 - (c) School fee paid for children's education
 - (d) Contribution to provident fund

58. Tax on total income of the assessee is levied on the basis of his :
- (a) Taxable income
 - (b) Gross total income
 - (c) Net income
 - (d) Residential status
59. The rates of Income Tax are prescribed by the :
- (a) Income Tax Act itself
 - (b) Finance Act passed annually
 - (c) Ministry of Finance annually
 - (d) Central Board of Direct Taxes
60. Casual incomes are taxable under the head :
- (a) Income from house property
 - (b) Income from other sources
 - (c) Income from capital gains
 - (d) None of the above

COMMERCE

1. The most important purpose of cost accounting is to :
 - (a) Ascertain the financial health
 - (b) Help in the valuation of inventory
 - (c) Provide information to management for decision-making
 - (d) All of the above
2. Which one of the following is the best example of a variable cost ?
 - (a) Interest on capital
 - (b) Cost of materials
 - (c) Depreciation on machinery
 - (d) Property taxes
3. Fixed cost per unit :
 - (a) Remains constant at all levels of output
 - (b) Varies with the changes in the level of output
 - (c) Both (a) and (b)
 - (d) None of the above
4. Cost of idle time arising due to non-availability of raw materials is :
 - (a) Charged to costing profit and loss account
 - (b) Charged to factory overheads
 - (c) Recovered by inflating the wage rate
 - (d) None of the above
5. Salary of a foreman should be classified as a :
 - (a) Fixed overhead
 - (b) Variable overhead
 - (c) Semi-variable overhead
 - (d) Direct cost

6. Apportionment means :
- (a) Charging of overheads to cost centres
 - (b) Charging of overheads to cost units
 - (c) Charging of overheads to both cost centres and cost units
 - (d) None of the above
7. Which of the following items is *not* included in cost accounts ?
- (a) Interest received on bank deposits
 - (b) Dividends paid on share capital
 - (c) Debenture discount
 - (d) All of the above
8. Preference shares are those which enjoy preference :
- (a) Over equity shares with regard to dividend and repayment of capital
 - (b) Over debentureholders with regard to dividend and repayment of capital
 - (c) In voting right over equity shareholders
 - (d) All of the above
9. In which of the following securities, it is more risky to invest ?
- (a) Equity shares
 - (b) Preference shares
 - (c) Debentures
 - (d) Real estate
10. When company offers new shares to the existing shareholders on pro rata basis, it is called as :
- (a) Preferential issue
 - (b) Rights issue
 - (c) Bonus issue
 - (d) Private placement

11. Speculation in stock exchange means :
- (a) Investment in securities
 - (b) Gambling in securities
 - (c) Buying and selling of securities in the hope of making profit due to changes in prices
 - (d) All of the above
12. Planning function of management is performed by :
- (a) Top management
 - (b) Middle level management
 - (c) Lower level management
 - (d) All of the above
13. A plan when expressed in quantitative terms is known as :
- (a) Policy
 - (b) Procedure
 - (c) Objective
 - (d) Budget
14. Decentralization has the effect of :
- (a) Lessening the burden on top executive
 - (b) Increasing the burden on top executive
 - (c) Does not affect the burden on top executive
 - (d) None of the above
15. A positive leader is one who motivates people by :
- (a) Creating fear
 - (b) Centralizing authority
 - (c) Increasing their satisfaction
 - (d) Holding the threats of loss of job

16. Directing function of management embraces activities of :
- (a) Issuing of orders to subordinates
 - (b) Supervising subordinates
 - (c) Providing adequate leadership to subordinates
 - (d) All of the above
17. 'Unity of Command' principle of effective direction means :
- (a) Subordinates should be responsible to one superior
 - (b) There should be unity amongst subordinates
 - (c) There should be unity amongst superiors
 - (d) A person can supervise a limited number of subordinates
18. General Manager had delegated authority to production manager for achieving budgeted production. Who is responsible for low production to Board of Directors ?
- (a) Production Supervisors
 - (b) Production Manager
 - (c) General Manager
 - (d) All of the above
19. Registration of Joint Stock Company is :
- (a) Compulsory
 - (b) Optional
 - (c) Compulsory for public companies and optional for private companies
 - (d) Compulsory for companies with liability limited by shares and optional for companies with liability limited by guarantee
20. A private limited company :
- (a) Must issue prospectus
 - (b) May not issue a prospectus but in that case it must file a statement in lieu of prospectus
 - (c) May neither issue prospectus nor file a statement in lieu of prospectus
 - (d) Must issue a prospectus and also file a statement in lieu of prospectus

21. Which of the following documents defines the scope of the company's activities ?
- (a) Memorandum of Association
 - (b) Articles of Association
 - (c) Prospectus
 - (d) Statutory Declaration
22. A prospectus means any document :
- (a) Inviting deposits from the public
 - (b) Inviting offers from the public for the purchase of shares
 - (c) Inviting offers from the public for the subscription of debentures
 - (d) All of the above
23. 'Object Clause' of the Memorandum can be altered through :
- (a) Ordinary resolution
 - (b) Special resolution
 - (c) Special resolution and confirmation by the Registrar of Companies
 - (d) Special resolution and confirmation by the Company Law Board
24. In calculating the Earning Per Share (EPS), the net profit after preference dividend is divided by :
- (a) Number of equity shares
 - (b) Number of preference shares
 - (c) Number of equity plus preference shares
 - (d) None of the above
25. "Higher the Ratio, the more favourable it is". This *does not* apply to :
- (a) Debt ratio
 - (b) Operating profit ratio
 - (c) Stock turnover ratio
 - (d) Total asset turnover ratio

26. **Assertion** : Debt-equity ratio indicates the long-term solvency of a company.
Reasoning : It measures the ability of a company to pay off its long-term liabilities.
- (a) Both assertion and reasoning are correct and reasoning correctly explains the assertion
 - (b) Both assertion and reasoning are correct but reasoning does not explain the assertion correctly
 - (c) Assertion is correct but reasoning is wrong
 - (d) Both assertion as well as reasoning is wrong
27. Assets in the balance sheet of a company are arranged in the order of :
- (a) Liquidity
 - (b) Permanence
 - (c) Book value
 - (d) Market value
28. 'Provision for tax' is shown in the liability side of a company's Balance Sheet under the heading :
- (a) Reserves and surpluses
 - (b) Secured loans
 - (c) Unsecured loans
 - (d) Current liabilities and provisions
29. In the event of liquidation, the shareholders will be asked to contribute for paying liabilities and meeting liquidation costs to the extent of an :
- (a) Unpaid amount on the shares held
 - (b) Amount fixed by the court
 - (c) Amount sufficient to pay all the liabilities and liquidation costs
 - (d) Not required to contribute any amount
30. Annuity is a contract between the insurer and the insured whereby :
- (a) An insurance company agrees to pay a certain sum of money per year to the insured person
 - (b) An insurance company agrees to pay a lump sum amount to the insured person
 - (c) An insurance company agrees to meet all the expenses of the insured person
 - (d) All of the above

31. An advertisement to sell a thing by auction is :
- (a) An offer
 - (b) An invitation to offer
 - (c) No offer at all
 - (d) A contract
32. S and P go into a shop. S says to the shopkeeper, C, "Let P have the goods, and if he does not pay you, I will". This is a :
- (a) Contract of guarantee
 - (b) Contract of indemnity
 - (c) Wagering agreement
 - (d) Quasi-contract
33. A bailee has :
- (a) A right of particular lien over the goods bailed
 - (b) A right of general lien
 - (c) A right of both particular and general lien
 - (d) No lien at all over the goods bailed
34. The doctrine of *caveat emptor* applies :
- (a) In case of implied conditions and warranties
 - (b) When the buyer does not intimate the purpose to the seller and depends upon his own skill and judgment
 - (c) When goods are sold by sample
 - (d) When goods are sold by description
35. Which one of the following is India's Central Bank ?
- (a) NABARD
 - (b) State Bank of India
 - (c) Bank of India
 - (d) Reserve Bank of India

36. A situation in which the general level of prices is steadily increasing is called as :
- (a) Deflation
 - (b) Inflation
 - (c) Disinflation
 - (d) None of the above
37. Gresham's law states that :
- (a) Bad money drives good money out of circulation
 - (b) Good money drives bad money out of circulation
 - (c) With the introduction of new coins, both good and bad money remains in circulation
 - (d) All of the above
38. Deflation is beneficial to :
- (a) Debtors
 - (b) Consumers
 - (c) Traders and businesspersons
 - (d) All of the above
39. Auditing can be defined as :
- (a) Preparation of books of accounts
 - (b) Examination of books of accounts
 - (c) Rendering expert advice to management regarding accounting matters
 - (d) All of the above
40. Internal auditor is appointed by :
- (a) The management
 - (b) The shareholders
 - (c) The government
 - (d) The statutory auditor

41. The existence of a good system of internal check reduces to a great extent :
- (a) The work of an auditor
 - (b) The liability of an auditor
 - (c) Neither work nor liability of an auditor
 - (d) Both work and liability of an auditor—
42. Where the provisions of the Companies Act are violated, the auditor must report the same to the :
- (a) Central Government
 - (b) Board of Directors
 - (c) Managing Director
 - (d) Shareholders
43. Internal check is a part of the whole system of :
- (a) Internal audit
 - (b) Internal control
 - (c) Annual audit
 - (d) Cost audit
44. Contingent liability is reported due to :
- (a) Convention of full disclosure
 - (b) Convention of conservatism
 - (c) Convention of materiality
 - (d) Dual aspect concept
45. The cost of three small files (of Rs. 4 each) was charged to expenses when purchased even though they had a useful life of several years. This was done according to the :
- (a) Cost principle
 - (b) Conservatism principle
 - (c) Going concern concept
 - (d) Materiality

46. Income and Expenditure Account is a :
- (a) Personal account
 - (b) Real account
 - (c) Nominal account
 - (d) Suspense account
47. Admission fee received by a cricket club is :
- (a) Revenue receipt
 - (b) Capital receipt
 - (c) Liability and to be shown in the balance sheet
 - (d) None of the above
48. The excess of dead rent over royalty means :
- (a) Shortworking
 - (b) Surplus
 - (c) Shortworking recoverable
 - (d) Loss to landlord
49. Failure to pay an instalment by a hire purchaser to a vendor is to result in the :
- (a) Repossession of the goods by the vendor and the forfeiture of instalments already paid
 - (b) Repossession of the goods by the vendor and the return of instalments already paid
 - (c) Increase in selling price of the goods sold
 - (d) None of the above
50. Random sampling is one where :
- (a) every item of the universe has an equal chance of being selected in the sample
 - (b) only selected items of the universe are being selected for sample study
 - (c) both of the above
 - (d) none of the above

51. Which of the following are used to measure dispersion in a given frequency ?
- (a) Interquartile Range and the Quartile Deviation
 - (b) Mean Deviation
 - (c) Standard Deviation
 - (d) All of the above
52. Partial Correlation reveals extent of relationship between :
- (a) Two variables
 - (b) Three or more variables
 - (c) Both of the above
 - (d) None of the above
53. Standard Error of estimate enables to find the :
- (a) Likely error in the estimated values of Y or X variable
 - (b) Estimated value of X variable with the help of Y variable
 - (c) Error in calculating the values of two or more variables
 - (d) All of the above
54. A statistical technique used to estimate the unknown values of Y variable corresponding to particular values of X variable is called as :
- (a) Association of Attributes
 - (b) Interpolation
 - (c) Correlation
 - (d) Regression
55. A statistical technique of Regression Analysis is associated with :
- (a) Karl Pearson
 - (b) Spearman
 - (c) Sir Francis Galton
 - (d) None of the above

56. An assessee under the Income Tax Act of 1961 is a person :
- (a) By whom income tax or other sum of money is payable under the Act
 - (b) In respect of whom any proceeding under the act has been taken for the assessment of his income or loss
 - (c) Who is assessable in respect of income or loss of another person ?
 - (d) All of the above
57. Which one of the following does *not* qualify for deduction under 80C ?
- (a) Investment in the equity shares of any listed company
 - (b) Life insurance premium
 - (c) Contribution to the Retirement Benefit Pension Fund of UTI
 - (d) Term deposit for a period of 5 years or more
58. While computing income from house property, which one of the following is allowed as deduction under Sec. 24 ?
- (a) Cost of repairs of house property
 - (b) Salary of liftman
 - (c) Interest on the capital borrowed for the construction of house property
 - (d) Electricity and water charges of the house property
59. Any sum of money exceeding Rs. 50,000 received without consideration by an individual on or after April 1, 2006 is chargeable to tax under the head :
- (a) Income from salary
 - (b) Income from house property
 - (c) Income from other sources
 - (d) Income from business or profession
60. An agreement not enforceable by law is said to be :
- (a) Void
 - (b) Voidable
 - (c) Unenforceable
 - (d) Illegal

M. Com.

1. Disclosure of Accounting Policies is envisaged in :
 - (A) IAS-1
 - (B) AS-2
 - (C) IAS-3
 - (D) IAS-4
2. Hire Purchase Price is equal to :
 - (A) Cash price
 - (B) Cash price plus interest charged
 - (C) Down payment made at the time of delivery
 - (D) Cash price less down payment
3. S. Collieries took from Punjab Brothers, a lease of a coal field for a period of 25 years from 1st April 1986 on a royalty of Rs. 25 per tonne of coal extracted with a dead rent of Rs. 2,20,000 a year with power to recoup short-workings during the first five years of the lease. The output in the first year ended 31st March 1987 was 2,000 tonnes. The amount of short-working for 1st Year was :
 - (A) Rs. 2,00,000
 - (B) Rs. 2,20,000
 - (C) Rs. 1,70,000
 - (D) Rs. 3,00,000
4. If stock worth Rs. 40,000 is insured only for Rs. 30,000 and if the loss amounts to Rs. 18,000, the claim admitted by the insurer as per average clause will be :
 - (A) Rs. 13,500
 - (B) Rs. 15,000
 - (C) Rs. 13,000
 - (D) Rs. 14,000

5. In case of Insolvency, the "list H" represents :
- (A) Deficiency account in statement of affairs
 (B) Assets in the balance sheet
 (C) Revenues and expenses in Profit & Loss
 (D) The income statement of an insurance company
6. The minimum issue of shares from (i) Preference shares to be redeemed Rs. 10,000; (ii) Premium on redemption 10%; (iii) Divisible Profit available Rs. 2,000; (iv) Fresh issue of equity shares is to be made at 25% premium, is :
- (A) Rs. 10,000
 (B) Rs. 8,000
 (C) Rs. 9,000
 (D) Rs. 11,000
7. The liquidity ratio implies :
- (A) The ability of a company to pay long-term debt
 (B) The profits generated by a company
 (C) The ability of a company to generate income
 (D) The ability of a company to pay short-term creditors
8. The following balance sheet is given to you :

Liabilities	Amount Rs.	Assets	Amount Rs.
1000 shares of Rs. 10 each	10,000	Fixed assets	5,000
100 Bonds @ Rs. 100	10,000	Current assets	10,000
Creditors	5,000	Profit & Loss Account	10,000
	25,000		25,000

From the above balance sheet, the intrinsic value of a share is :

- (A) Rs. 25
 (B) Rs. 20
 (C) Rs. 15
 (D) Rs. 10

9. The salary of 4 clerks for a period of 6 months before the relevant date was in arrears. If the salary of each clerk is Rs. 1,200 per month, the amount to be included in preferential creditors will be :
- (A) Rs. 28,800
 - (B) Rs. 19,200
 - (C) Rs. 16,000
 - (D) Rs. 1,20,000
10. A purchasing company has agreed to issue one share of Rs. 10 each, Rs. 8 called up for every three shares in the Vendor Company. If there are 50,000 shares in the Vendor Company and the shares of the purchasing company are quoted at Rs. 18 in the market. The amount as purchase consideration shall be :
- (A) Rs. 40,00,000
 - (B) Rs. 1,30,000
 - (C) Rs. 1,33,340
 - (D) Rs. 16,666
11. In case of Double account system, the term "clear profit" represents :
- (A) Receipts from sale of energy less discount
 - (B) The difference between the amount of income and expenditure and reduced by specific appropriations
 - (C) Income earned less special appropriations
 - (D) None of the above

12. A company purchased an asset for Rs. 10,000. After 5 years, the book value of the asset is Rs. 5,000. The used asset was sold in the market and it fetched Rs. 3,000. The depreciation charged for 5 years was Rs. 5,000. The sunk cost of the asset is :
- (A) Rs. 5,000
 - (B) Rs. 2,000
 - (C) Rs. 4,000
 - (D) Rs. 10,000
13. Telephone expenses through land-line (of BSNL) in India is a typical example of :
- (A) Semi-variable cost
 - (B) Fixed cost
 - (C) Variable cost
 - (D) None of the above
14. For computing costs of medicines in a pharmaceutical company, the company should apply :
- (A) Job costing
 - (B) Process costing
 - (C) Batch costing
 - (D) Contract costing
15. A company started production with 60,000 units in a month. The beginning inventory was 5,000 units (70% complete), and the ending inventory was 7,500 units (60% complete). If you are asked to calculate equivalent units under FIFO method from the above data, the equivalent units for the month would be :
- (A) 60,000 units
 - (B) 50,000 units
 - (C) 58,500 units
 - (D) None of the above

16. A owes B Rs. 1,000, but the debt is barred by limitation. A gives a letter to B agreeing to pay him Rs. 500 on account of the debt. The agreement is :
- (A) Valid
 - (B) Void
 - (C) Voidable
 - (D) All of the above
17. According to Section 11, which one of the following persons is *not* incompetent to contract under Indian Contract Act, 1872 :
- (A) minor
 - (B) person of unsound mind
 - (C) person disqualified by law to which he is a subject
 - (D) a person who has attained the age of 18 years
18. A, a teacher asked his student B to come to his home for tuition for a fee of Rs. 1,000 p.m. B was not willing to accept this offer, however, he felt the threat of shortage of attendance and agreed to A to attend the tuition for the agreed fee. Under the Indian Contract Act, 1872, it is the case of :
- (A) Coercion
 - (B) Fraud
 - (C) Mistake
 - (D) Undue influence

19. A gives a loan of Rs. 5,000 to B and C agrees to stand as a surety for repayment to the extent of Rs. 2,000. B fails to pay the whole amount. C is liable to the extent of :
- (A) Rs. 5,000
 - (B) Rs. 2,000
 - (C) Rs. 3,000
 - (D) Rs. 1,000
20. Five of the seven shareholders of a public company got killed in an accident. The company :
- (A) comes to an end
 - (B) does not come to an end
 - (C) becomes a private company
 - (D) becomes insolvent
21. A director of a company entered into a contract with an agency. The Director did not use the word "Limited" for his company while contracting with the agency on behalf of the company. In case of default :
- (A) The company is liable to agency
 - (B) The agency cannot enforce the contract
 - (C) The director is personally liable to the agency
 - (D) The shareholders are responsible
22. An act, though legal in itself, performed by the company but not authorised by objects clause in memorandum of association/the statute is said to be :
- (A) an illegal act
 - (B) an ultra-vires act
 - (C) an intra-vires act
 - (D) a doctrine of indoor management

23. A Public Ltd. Company issued an IPO. In the prospectus it had shown that the company has been making profit continuously for the past 4 years, while as it had only suffered losses. This misrepresentation is :
- (A) immaterial
 - (B) material
 - (C) none of the above
 - (D) all of the above
24. A and B are two brothers. A purchased debentures with "Pari-Passu Clause" on 1st Jan. 2007. B purchased the debentures of the same rank on 1st Jan. 2008. The company becomes bankrupt and does not have sufficient funds to repay A and B. The company should :
- (A) Pay A first as a preferential creditor
 - (B) Pay B first as a preferential creditor
 - (C) Pay A and B simultaneously and proportionately
 - (D) Not pay any of the brothers
25. For removing a director before the expiry of his term, according to section 284 of the Companies Act, 1956, the company needs to pass :
- (A) an ordinary resolution
 - (B) a special resolution
 - (C) an extraordinary resolution
 - (D) a resolution requiring a special notice

26. OKR Company Ltd. has been declaring dividend for the past 10 years. This year, the company has recorded a loss of Rs. 10,00,000. But it wants to keep its shareholders in good humour. It can :
- (A) declare dividends out of capital
 - (B) declare dividends by selling some of its assets
 - (C) not declare dividends
 - (D) declare dividends out of funds generated from loan
27. Mr. Atul, an auditor, has undertaken an in-depth examination to detect a suspected fraud in an enterprise. Mr. Atul has conducted :
- (A) an audit
 - (B) a management audit
 - (C) a cost audit
 - (D) an investigation
28. If an item is considered to be material, the audit is to be conducted in such a manner that the audit risk related to that item is :
- (A) high
 - (B) moderate
 - (C) low
 - (D) all of the above
29. As a cost auditor, you are restrained by the chief cost accountant to visit branches of the company arguing that sufficient vouchers are available in the head office. Under cost audit rules, your reaction should be :
- (A) To insist to visit all the branches
 - (B) To accept the argument of the cost accountant
 - (C) To check all the vouchers in the head office and not to insist for the visit of the branches
 - (D) make a report on half information without mentioning about this insufficient information

30. In case of a bank, if there is a clash between the directive of the RBI and the accounting standard issued by the ASB, you as an auditor while auditing the bank accounts should accept :
- (A) superiority of ASB and accordingly use it for audit
 - (B) superiority of RBI directive and accordingly use it for audit
 - (C) none of the above
 - (D) all of the above
31. Which is the appropriate measure of central tendency for the following data :
- 5, 3, 5, 2, 5, 4, 5 and 1 ?
- (A) Mean
 - (B) Median
 - (C) Mode
 - (D) None of the above
32. If in any problem solved in your B.Com. examination the value of r obtained lies outside the limits ± 1 , it implies that :
- (A) there is no relation between two variables
 - (B) there is correlation positive/negative between two variables
 - (C) there is high degree of positive correlation
 - (D) there is some mistake in calculations
33. In case of Chain Base method, the base period :
- (A) immediately precedes the period for which the index is sought
 - (B) is fixed
 - (C) is arbitrarily chosen
 - (D) none of the above

34. The equation $y = a + bx + cx^2$ implies :
- (A) a parabolic non-linear trend
 - (B) a linear trend
 - (C) a cubic third degree parabolic trend
 - (D) none of the above
35. Association of attributes is computed when :
- (A) the data relates to qualitative characteristics
 - (B) the data relates to variables
 - (C) the data relates to quantities of production
 - (D) none of the above
36. According to Economists money means :
- (A) all currency (coins and notes)
 - (B) all credit instruments
 - (C) all currency and credit instruments
 - (D) none of the above
37. Elasticity of money supply indicates :
- (A) the velocity of circulation of money
 - (B) the supply of money
 - (C) the demand for money
 - (D) the ability of the supply of money to adjust itself to changes in demand

38. During a state of inflation in the economy, the gainers are :
- (A) Debtors
 - (B) Creditors
 - (C) None of the above
 - (D) All of the above
39. Regulation "Q" as a measure of monetary policy is used by :
- (A) State Bank of India
 - (B) Ministry of Finance, Govt. of India
 - (C) Reserve Bank of India
 - (D) Standard Chartered Bank
40. Which is *not* a function of a Commercial Bank ?
- (A) Accept deposits
 - (B) Lend advances
 - (C) Provide ATM service
 - (D) Issue currency notes
41. Net National Product is equal to :
- (A) GNP - depreciation
 - (B) GNP + depreciation
 - (C) GNP + earnings on foreign investments
 - (D) All of the above

42. India has adopted as an economic system which one of the following ?
- (A) Socialism
 - (B) Capitalism
 - (C) Mixed economy
 - (D) None of the above
43. WTO was previously known as :
- (A) GATT
 - (B) IMF
 - (C) WHO
 - (D) None of the above
44. The privatisation and liberalisation policy was adopted by the :
- (A) Economic Policy of 1991
 - (B) Industrial Policy of 2006
 - (C) Industrial Policy of 1956
 - (D) Economic policy of 1971
45. Free economy refers to :
- (A) socialistic pattern of economy
 - (B) that type of economy where there is no interference by the state in production and distribution
 - (C) the mixed economy
 - (D) none of the above

46. "In union there is strength", represents which principle of Henry Fayol ?
- (A) Unity of command
 - (B) Scalar chain
 - (C) Esprit de corps
 - (D) Span of control
47. In the hierarchy of plans, Mission comes :
- (A) at the middle
 - (B) at the bottom
 - (C) at the top
 - (D) no where
48. Decentralisation in an organisation means :
- (A) When delegation is done by one manager to another
 - (B) When delegation is done by BOD to General Managers
 - (C) When delegation is done by middle management to lower management
 - (D) When delegation is done in an organisation-wide context
49. A successful leader is one who motivates people by :
- (A) Creating fear
 - (B) Centralising authority
 - (C) Increasing their satisfaction
 - (D) Holding the threats of loss of job

50. Abraham Maslow is associated with :
- (A) Theory X and theory Y
 - (B) Hygiene theory of motivation
 - (C) Need-Hierarchy theory
 - (D) Two-factor theory
51. Management by objectives was propounded by :
- (A) Henry Fayol
 - (B) F.W. Taylor
 - (C) Peter Drucker
 - (D) Koontz O'Donnell
52. When a company goes for Rights issue, the shares are allotted to the :
- (A) new shareholders
 - (B) existing shareholders
 - (C) debentureholders
 - (D) stock exchanges
53. The stock market regulator in India is :
- (A) Controller of capital issues
 - (B) Reserve Bank of India
 - (C) Ministry of Finance, Govt. of India
 - (D) Securities and Exchange Board of India

54. The SENSEX and NIFTY have :
- (A) 30 and 50 scrips respectively
 - (B) 40 and 55 scrips respectively
 - (C) 100 and 100 scrips respectively
 - (D) all of the above
55. A general manager of a company, on the information of the decision of the board regarding the new strategies of the company for wider expansion has purchased shares of the same company from the market with the belief that price shall go up. This happened as and when the strategy was launched. It is a case of :
- (A) Secret transaction
 - (B) Illegal deal
 - (C) Insider trading
 - (D) None of the above
56. A lawyer purchased books worth Rs. 20,000 during the previous year. How much depreciation he can claim under section 32 of the Income Tax Act, 1961 ?
- (A) 19% of Rs. 20,000
 - (B) 50% of Rs. 20,000
 - (C) 75% of Rs 20,000
 - (D) 100% of Rs. 20,000

57. x is provided as rent free house by his employer. The municipal valuation of the house is Rs. 70,000, rent of a similar house in the same locality is Rs. 75,000. The fair rental value in this case is :
- (A) Rs. 70,000
 - (B) Rs. 75,000
 - (C) Rs. 80,000
 - (D) None of the above
58. Prof. Alee, a Principal of a college in Srinagar got retired on 31st December, 2007. He received Rs. 15 lacs as gratuity from the Govt. Under section 10(10)(i) of the Income Tax Act, 1961, the amount which qualify for exemption from tax is :
- (A) Rs. 10 lacs
 - (B) Rs. 5 lacs
 - (C) Rs. 2 lacs
 - (D) Rs. 15 lacs
59. If you have to compute correlation among 5 series, you shall feed the data in the computer in :
- (A) MS-Power Point
 - (B) MS-Word
 - (C) MS-Excel
 - (D) None of the above
60. The programme which runs the computer is :
- (A) Interpreter
 - (B) Programme software
 - (C) Compiler
 - (D) System software

M.Com.

1. The debit opening balance of bought ledger adjustment account will appear in that account on the :
 - (A) Debit side only
 - (B) Credit side only
 - (C) Neither debit nor credit side
 - (D) None of the above
2. While preparing Income & Expenditure A/c, items relating to the past or future year will be :
 - (A) Included
 - (B) Excluded
 - (C) Carried forward
 - (D) Added
3. The details of various receipts and payments can be seen in the :
 - (A) Cash Book
 - (B) Income & Expenditure A/c
 - (C) Receipts & Payments A/c
 - (D) Balance Sheet
4. The balance of Royalty Receivable A/c is transferred to :
 - (A) Profit & Loss A/c
 - (B) Royalties Suspense A/c
 - (C) Production A/c
 - (D) Royalties A/c

5. Cash paid down at the time of hire purchase transaction is debited by the purchaser of the goods to :
- (A) Asset A/c
 - (B) Purchases A/c
 - (C) Hire Vendor A/c
 - (D) None of the above
6. The first auditors of a company shall be appointed by the :
- (A) Shareholders
 - (B) Board of Directors
 - (C) Creditors
 - (D) State Government
7. When the auditor is satisfied as to the fairness of the Balance Sheet and P/L A/c, he will give a :
- (A) Qualified report
 - (B) Clean or unqualified report
 - (C) General report
 - (D) None of the above

8. None of the following persons shall be qualified for the appointment as auditor of a company :
- (A) A body corporate
 - (B) An officer or employee of the company
 - (C) A person who is a partner or who is in the employment of an officer
 - (D) All of the above
9. In case of cost audit, an auditor has to submit his report to :
- (A) The company
 - (B) Company Law Board
 - (C) Both (A) and (B)
 - (D) Neither (A) nor (B)
10. Internal auditor is appointed by :
- (A) The management
 - (B) The shareholders
 - (C) The government
 - (D) The statutory auditor
11. A statistical technique of Regression Analysis is associated with :
- (A) Karl Pearson
 - (B) Spearman
 - (C) Sir Francis Galton
 - (D) None of the above

12. Partial correlation reveals extent of relationship between :
- (A) Two variables
 - (B) Three or more variables
 - (C) Both of the above
 - (D) None of the above
13. Index numbers measure the :
- (A) Change in the phenomenon
 - (B) Increase in price
 - (C) Increase in death and birth rates
 - (D) None of the above
14. Regression lines study the :
- (A) Relationship between two variables
 - (B) Average relationship between two series
 - (C) Positive relationship of the variables only
 - (D) All of the above
15. Statistical information is expressed in :
- (A) Descriptive form
 - (B) Numerical form
 - (C) Both descriptive and numerical form
 - (D) None of the above

16. A temporary remedy to fight inflation can be :
- (A) Increase in taxation
 - (B) Decrease in taxation
 - (C) Increase in imports
 - (D) Increase in government spending
17. Gresham's Law states that :
- (A) Good money drives bad money out of circulation
 - (B) Bad money drives good money out of circulation
 - (C) The price level varies directly with the quality of money
 - (D) Gold must be in circulation to maintain the level of paper money
18. Against which of the following type of account, cheque can be drawn ?
- (A) Deposit a/c
 - (B) Share a/c
 - (C) Current a/c
 - (D) Time Deposit a/c
19. A 'letter of credit' is produced by :
- (A) An exporter
 - (B) An importer
 - (C) Custom authorities
 - (D) Shipping company

20. Fourteen major banks in India were nationalized in :
- (A) 1969
 - (B) 1979
 - (C) 1967
 - (D) 1959
21. The immediate solvency ratio is :
- (A) Debit ratio
 - (B) Equity ratio
 - (C) Current ratio
 - (D) Liquid ratio
22. Short term financial position will improve with :
- (A) Increase in current liabilities
 - (B) Decrease in current assets
 - (C) Increase in current assets
 - (D) Decrease in current liabilities
23. When an existing company takes over the business of one or more exiting companies, it is referred to as :
- (A) Absorption
 - (B) Amalgamation
 - (C) Reconstruction
 - (D) Acquisition

24. When the expenses of liquidation are to be borne by the purchasing company, then the purchasing company debits :
- (A) Vendor Company's a/c
 - (B) Bank a/c
 - (C) Goodwill a/c
 - (D) Realization a/c
25. The term monitoring ^{mindfully} interest is associated with :
- (A) Holding Company a/cs
 - (B) Banking Company a/cs
 - (C) Insurance Company a/cs
 - (D) None of the above
26. Under the provisions of company law, deferred shares cannot be issued by :
- (A) Private company
 - (B) Public company
 - (C) Both public as well as private company
 - (D) Neither public nor private company
27. The minimum number of meetings of Board of Directors of companies in a year is :
- (A) One
 - (B) Six
 - (C) Four
 - (D) Eight

28. A private company can be formed with a minimum of only :
- (A) 5 members
 - (B) 4 members
 - (C) 3 members
 - (D) 2 members
29. The liability of the members of a Joint Stock Company is limited to :
- (A) The 2/3 of the capital
 - (B) The face of shares
 - (C) The 1/3 of the capital
 - (D) None of the above
30. It is not necessary to maintain a Register of debentureholder in case of :
- (A) Registered debentures
 - (B) Bearer debentures
 - (C) Registered debentures with Bearer interest coupons
 - (D) None of the above
31. Indian Contract Act is based on :
- (A) American Laws regarding contracts
 - (B) Law of Contracts of the UK
 - (C) Law compiled from the period of Mughal empire
 - (D) Principles of State policy enunciated by Chanakya

32. Formation of an agreement requires :
- (A) Only one person
 - (B) Only two persons
 - (C) More than two persons
 - (D) At least two persons
33. Consideration need to be :
- (A) Lawful
 - (B) Real
 - (C) Adequate
 - (D) Of some value
34. Where an unpaid seller exercises his right of resale as regards the price due and amount realized :
- (A) He can recover the deficiency from the buyer
 - (B) He has to account for the surplus to the buyer
 - (C) Both will share the surplus and deficiency equally
 - (D) None of the above
35. The principle of indemnity is applicable to :
- (A) Only marine insurance
 - (B) Only life insurance
 - (C) Both marine and life insurance
 - (D) All types of insurance except life insurance

36. Under mixed economy, central problems are solved through :
- (A) Price mechanism and Economic Planning
 - (B) Price mechanism
 - (C) Private sector
 - (D) Central Planning Authority
37. Due to which of the following causes, curve slopes downwards ?
- (A) Law of diminishing marginal utility
 - (B) Income effect
 - (C) Substitution effect
 - (D) Ignorance
38. If the total expenditure increases with the fall in price of commodity, the elasticity of its demand will be :
- (A) More than unitary
 - (B) Zero
 - (C) Less than unitary
 - (D) Unitary
39. Macro-economics deals with :
- (A) The law of supply of goods
 - (B) The level of employment in the economy
 - (C) The production of special goods in the economy
 - (D) None of the above

40. An increase in the national income at constant prices is called :
- (A) Nominal increase in national income
 - (B) Real increase in national income
 - (C) Real increase in per capita income
 - (D) Increase in per capita income in real terms
41. Speculation in stock exchange means :
- (A) Investment in securities
 - (B) Gambling in securities
 - (C) Buying and selling in the hope of making profits due to changes in prices
 - (D) All of the above
42. A market in which new issues of securities are introduced is known as :
- (A) Primary market
 - (B) Secondary market
 - (C) Grey market
 - (D) None of the above

43. In India, stock exchanges are recognized under the :
- (A) Companies Act, 1956
 - (B) Partnership Act, 1932
 - (C) Stock Exchange Regulations (Amendment) Act, 1972
 - (D) Securities Contracts (Regulation) Act, 1956
44. A market for lending and borrowing short term funds is called :
- (A) Capital market
 - (B) Money market
 - (C) Both capital and money market
 - (D) None of the above
45. SEBI is required :
- (A) To invest in open market
 - (B) To borrow loans from companies
 - (C) To supervise and control the operations of stock exchanges
 - (D) None of the above
46. Trimmings in timber industry should be treated as a :
- (A) Waste
 - (B) Scrap
 - (C) By-product
 - (D) Joint product

47. Apportionment means :
- (A) Charging of overheads to cost centres
 - (B) Charging of overheads to cost units
 - (C) Charging of overheads to both cost units and cost centres
 - (D) Charging of overheads to neither cost units nor cost centres
48. Generally if the work completed of a contract is $\frac{1}{4}$ or less than $\frac{1}{4}$ of the total work, profit carried to P/L A/c shall be :
- (A) $\frac{1}{4}$ of estimated profit
 - (B) Whole of the estimated profit
 - (C) $\frac{2}{3}$ of the estimated profit
 - (D) Nil
49. In evaluating deviations of actual from standard cost, the probable technique used is :
- (A) Variable regression
 - (B) Variance analysis
 - (C) Trend analysis
 - (D) Linear progression

50. Depreciation charged in costing is Rs. 12,500 and in financial books is Rs. 11,200. What will be the financial profit when costing profit is Rs. 5,000 ?
- (A) Rs. 5,000
 - (B) Rs. 3,700
 - (C) Rs. 6,300
 - (D) Rs. 6,600
51. Who amongst the following is considered the father of scientific management ?
- (A) H. Fayol
 - (B) F. W. Taylor
 - (C) Webster
 - (D) None of the above
52. The two-factor theory of motivation was propounded by :
- (A) Abraham Maslow
 - (B) H. G. Herzberg
 - (C) Rensis Likert
 - (D) Douglas McGregor
53. Authority refers to :
- (A) Getting work done
 - (B) Being a managerial position
 - (C) Right to get work done
 - (D) All of the above

54. Delegation of authority includes delegation of :
- (A) Authority only
 - (B) Responsibility only
 - (C) Work only
 - (D) Work and related authority
55. Management expands itself through :
- (A) Delegation
 - (B) Decentralization
 - (C) Centralization
 - (D) All of the above
56. The Indian Income Tax Act of 1961 was enforced on :
- (A) 1st April 1961
 - (B) 1st April 1962
 - (C) 1st March 1961
 - (D) 1st April 1959
57. Casual incomes are taxable under the head :
- (A) Income from house property
 - (B) Income from other sources
 - (C) Income from capital gains
 - (D) None of the above

58. Deduction u/s 80 C of Income Tax Act is limited to the maximum of :
- (A) Rs. 1,20,000
 - (B) Rs. 1,00,000
 - (C) Rs. 1,50,000
 - (D) Rs. 2,50,000
59. Tax on total income of the assessee is levied on the basis of his :
- (A) Residential status
 - (B) Taxable income
 - (C) Gross total income
 - (D) Net income
60. For income tax purposes, assessment year commences from :
- (A) 1st of April
 - (B) 1st of January
 - (C) 1st of July
 - (D) 31st of December