

ENTRANCE EXAMINATION FOR ADMISSION, MAY 2012.

M.Com. (ACCOUNTING AND TAXATION)

COURSE CODE : 311

Register Number :

*Signature of the Invigilator
(with date)*

COURSE CODE : 311

Time : 2 Hours

Max : 400 Marks

Instructions to Candidates :

1. Write your Register Number within the box provided on the top of this page and fill in the page 1 of the answer sheet using pen.
2. Do not write your name anywhere in this booklet or answer sheet. Violation of this entails disqualification.
3. Read each of the question carefully and shade the relevant answer (A) or (B) or (C) or (D) in the relevant box of the ANSWER SHEET using HB pencil.
4. Avoid blind guessing. A wrong answer will fetch you -1 mark and the correct answer will fetch 4 marks.
5. Do not write anything in the question paper. Use the white sheets attached at the end for rough works.
6. Do not open the question paper until the start signal is given.
7. Do not attempt to answer after stop signal is given. Any such attempt will disqualify your candidature.
8. On stop signal, keep the question paper and the answer sheet on your table and wait for the invigilator to collect them.
9. Use of Calculators, Tables, etc. are prohibited.

1. Under Income Tax Act Section 115JB regulate the provision regarding _____
(A) MAT (B) Donation
(C) Depreciation (D) Interest
2. The time difference between the payment is initiated and funds available in the bank account in spend able form is known as
(A) Cash cycle (B) Lock box system
(C) Float (D) None of all
3. If A and B are sharing profits in the ratio of 3:2, admit C to one-third share in the future profit, the profit-sharing ratio will be
- | A | B | C |
|-----------------------|------|------|
| (A) 2/5 | 4/15 | 1/3 |
| (B) 3/5 | 2/5 | 2/15 |
| (C) 4/15 | 3/15 | 2/15 |
| (D) None of the above | | |
4. Which one of the following is not subject to wealth tax
(A) Individual (B) HUF
(C) Firm (D) Company
5. Income earned by which one of the following is exempted from income tax
(A) Mutual fund (B) Venture capital Company
(C) Employee's state insurance fund (D) All the above
6. "Figures at best are not easy for the mind to graps and hold long enough for purpose of comparison" This statement said by
(A) W.I. King (B) Bowley
(C) Logo (D) M.M. Blair
7. Family pension received by a widow of a member of the armed forces where the death of the member has occurred in the course of the operational duties, is
(A) Exempted up to Rs. 3,00,000
(B) Exempted up to Rs. 3,50,000
(C) Totally exempted under section 10(19)
(D) Totally chargeable to tax

8. An asset which was acquired for Rs. 5,00,000 was earlier used for scientific research. After the research was completed, the machinery was brought into the business of the assessee. The actual cost of the asset for the purpose of inclusion in the block of asset shall be:
- (A) Rs. 5,00,000
 - (B) Nil
 - (C) Market value of the asset on the date it was brought into business
 - (D) None of the above
9. Where a partner transfers any capital asset into the business of firm ,the sale consideration of such asset to the partner shall be :
- (A) Market value of such asset on the date of such transfer
 - (B) Price at which it was recorded in the books of the firm
 - (C) Cost of such asset to the partner
 - (D) All of these
10. If an employer transfers second hand motor car to the employee, the perquisite is valued at –
- (A) Actual cost less depreciation @ 30% for every completed year under straight line method
 - (B) Actual cost less depreciation @ 20% for every completed year under WDV method
 - (C) Actual cost less depreciation @ 30% for every completed year under WDV method
 - (D) Actual cost less depreciation @ 20% for every completed year under SLM method
11. A partnership firm's profit as per the profit and loss account is Rs. 10,00,000. Its total income determined according to the provisions of the Income- tax Act, 1961 is Rs. 9,00,000. A partner who has 20% share in the firm can claim exemption of amount of Rs. _____ under Section 10(2A).
- (A) 2,00,000
 - (B) 1,80,000
 - (C) 20,000
 - (D) None of the above
12. Long-term capital gains arising on compulsory acquisition of agricultural land held by a domestic company within specified urban limits is _____
- (A) Not exempted under Section 10(37)
 - (B) Exempted under Section 10(37) in full
 - (C) 50% of the receipt is exempted under Section 10(37)
 - (D) 25% of the receipt is exempted under Section 10(37)

13. Gift received from one or more unrelated person(s) during the previous year shall form part of an individual's income, if the aggregate of gifts exceeds _____
(A) Rs. 50,000 (B) Rs. 1,00,000
(C) Rs. 1,35,000 (D) Rs. 1,65,000
14. The following is not an asset as envisaged by Sec.2 (ea) of the Wealth-tax Act.
(A) Bullion
(B) Urban Land
(C) Jeep used in business of manufacture of medicines
(D) Motor boats of fishing business
15. Which one of the following is an example of capital gearing ratio
(A) Debt-equity ratio (B) Proprietary ratio
(C) Working capital ratio (D) None of the above
16. Current ratio is sometimes referred to as
(A) The profitability ratio (B) The solvency ratio
(C) The working capital ratio (D) None of these
17. The proportion of term liabilities to net worth is ascertained by
(A) Debt-equity ratio (B) Proprietary ratio
(C) Capital gearing ratio (D) Acid test ratio
18. Income from business or profession is charged to income tax under section
(A) 15 (B) 28
(C) 24 (D) 45
19. Accounting standard is a
(A) Rules (B) Concepts
(C) Methods (D) Guidelines
20. If the life span of 2 projects is different, the appraisal method useful for evaluating the projects is
(A) Payback period (B) Accounting rate of return
(C) Internal rate of return (D) Annual capital charge

21. Which one of the following factors has led to the development of strong, independent professional accountancy associations within specific countries?
- (A) Predominantly small, family-run businesses
 - (B) Wide share ownership
 - (C) Banks owning majority of shares of large companies
 - (D) Communist governments
22. The status of International Accounting Standards (IASs) was given a significant boost in 2001 when which one of the following events occurred?
- (A) The President of the United States endorsed IASs for American companies
 - (B) IASs received World Heritage Status from the United Nations
 - (C) The European Commission proposed that from 2005 listed companies throughout the EU should be obliged to follow IASs rather than national standards
 - (D) IASs were made compulsory throughout Asia and Australasia
23. Cash has been described as:
- (A) The lifebuoy of the business
 - (B) The lifeboat of the business
 - (C) The lifeline of the business
 - (D) The lifeblood of the business
24. The definition of cash as used in Cash Flow Statements includes:
- (A) Only cash balances
 - (B) Only bank balances
 - (C) Bank balances and bank overdrafts
 - (D) Cash in hand plus bank balances less bank overdrafts
25. How can a profitable business fail?
- (A) Because it can't pay its bills
 - (B) Because it has more current liabilities than current assets
 - (C) Because it has a bank overdraft
 - (D) Because it has too much cash
26. The maximum number of person required to form a private limited company and public limited company respectively are
- (A) 2 and 5
 - (B) 5 and 7
 - (C) 2 and 7
 - (D) 7 and 2
27. Bills rediscounting facility is offered by
- (A) All public sector banks
 - (B) Some of cooperative banks
 - (C) IDBI
 - (D) All SFCs

28. An interest rate that has been annualized using compound interest is termed as
 (A) Simple interest rate (B) Annual interest rate
 (C) Discount interest rate (D) Effective annual interest rate
29. Risk –return trade-off implies
 (A) Increasing the profit of the firm through increased production
 (B) Not granting credit to risky customers
 (C) Taking decisions in such a way which optimizes the balance between risk and return
 (D) Minimizing all risks
30. Degree of total leverage can be applied in measuring change in
 (A) EBIT to a percentage change in quantity
 (B) EPS to a percentage change in EBIT
 (C) EPS to a percentage change in quantity
 (D) Quality to percentage change in EBIT.
31. At operating breakeven point which of the following is true
 (A) Sales revenue just covers the fixed cost
 (B) Sales revenue is just equal to the variable cost
 (C) Fixed cost is same as that of the variable cost
 (D) EBIT is zero
32. Net working capital can be said to be financed by
 (A) Cash credit (B) Overdraft
 (C) Equity capital only (D) Long term sources of capital
33. Primary memory stores
 (A) data alone (B) programs alone
 (C) results alone (D) all of these
34. Which device can understand difference between data & programs?
 (A) input device (B) output device
 (C) memory (D) microprocessor

35. Memory unit is one part of
(A) input device (B) control unit
(C) output device (D) central processing unit
36. Which of the following is not an output device?
(A) Scanner (B) Printer
(C) Flat screen (D) Touch screen
37. A is admitted as a new partner and agree to pay Rs.5000 as premium, but brings only Rs. 4000 in cash. The balance of Rs. 1000 must be debited to
(A) Good will account (B) A's loan account
(C) A's current account (D) A's capital account
38. Profit or loss on revaluation when a partner retires is transferred to capital/current account in
(A) Capital ratio (B) Gaining ratio
(C) Old profit sharing ratio (D) Sacrificing ratio
39. Which one of the following statements correctly explains the Accounting Period Concept?
(A) A business organization is assumed to carry on its operations forever.
(B) A business organization is assumed to carry on its operations for a long period.
(C) The period of income statement to be prepared must be specified.
(D) The accounting entity of business is distinct from its owners.
40. Which of the following accounting standards deals with the effect of changes in foreign exchange rates?
(A) AS-11 (B) AS-3
(C) AS-9 (D) AS-19

41. Under which of the following approaches a grant is treated as a part of shareholders' funds as per Accounting Standard - 12?
- (A) Capital approach (B) Income approach
(C) Revenue approach (D) Expense approach
42. Goods returned to Raja are entered as
- (A) Goods a/c Dr.
 To Raja a/c.
(B) Raja a/c Dr.
 To sales a/c.
(C) Purchases a/c Dr.
 To Purchases returns a/c.
(D) Raja a/c Dr.
 To Purchases returns a/c.
43. On the basis of concept of accounting, assets are categorized into fixed assets and current assets
- (A) Business entity (B) Cost
(C) Going concern (D) Money measurement
44. In what circumstance Special audit is carried out
- (A) The financial position of any company is such as to endanger its solvency
(B) First auditor was removed without notice to shareholders
(C) Subsequent auditor was removed without notice to shareholders
(D) Part -I of schedule VI is not properly prepared
45. Who will lay the annual Account at Annual General Meeting?
- (A) Shareholders (B) Board of directors
(C) Chartered accounts (D) Company secretary
46. Which of the following items is a non-cash item?
- (A) Salary paid (B) Purchase of asset
(C) Sale of asset (D) Depreciation on asset

47. Which of the following statements is FALSE?
- (A) Net profits are ascertained on the basis of historical costs
 - (B) The profit and loss account does not disclose the effect of non-financial items
 - (C) Profit and loss account is prepared for a certain period and hence it is an interim statement
 - (D) Profit and loss account is prepared for a particular day or date
48. Which of the following is NOT a fundamental principle by which an accountant should be governed in the conduct of his professional relationship with others?
- (A) Integrity
 - (B) Objectivity
 - (C) Independence
 - (D) Non-technical standard
49. Costs which vary in total directly in proportion to the volume of output are called
- (A) Variable costs
 - (B) Semi-variable costs
 - (C) Fixed costs
 - (D) Opportunity costs
50. The selling price per unit of the product remains the same even if volume varies is one of the assumptions of
- (A) Direct costing
 - (B) Uniform costing
 - (C) Historical costing
 - (D) Marginal costing
51. In which of the following costing techniques the question of under or over absorption of fixed overheads does not arise?
- (A) Marginal costing
 - (B) Absorption costing
 - (C) Historical costing
 - (D) Output costing
52. The difference between the amounts of the costs for two alternatives is called
- (A) Differential costs or incremental costs
 - (B) Sunk costs
 - (C) Abnormal costs
 - (D) Composite costs
53. In which of the following circumstances an organization may accept additional orders or special orders?
- (A) To increase prices
 - (B) To utilize surplus capacity
 - (C) To utilize latest technology
 - (D) To maintain good relations with customers

54. Sunk costs are
- (A) Future costs (B) Present costs
(C) Past costs (D) Opportunity costs
55. Cost drivers for activities are sometimes called
- (A) Activity drivers (B) Activity movers
(C) Activity navigators (D) Activity helpers
56. Which of the following equations is correct in relation to target costing?
- (A) Target cost = Sales price (for the target market share) – Desired profit
(B) Target cost = Sales price (for the target market share) – Total cost
(C) Target cost = Sales price (for the target market share) – Fixed cost
(D) Target cost = Sales price (for the target market share) – Contribution
57. Can be defined as “the accumulation of costs for activities that occur over the entire life cycle of a product, from inception to abandonment by the manufacturer and the customer.”
- (A) Life cycle costing (B) Target costing
(C) Activity based costing (D) Absorption costing
58. The net value added is derived by deducting _____ from the gross value added
- (A) Depreciation (B) Cost of production
(C) Interest (D) Cost of material
59. According to opportunity cost approach, the value of is determined according to its alternative use in case of valuation of human resources
- (A) An employee (B) A director
(C) A shareholder (D) A supplier
60. Which of the following tools is a tool that quantifies the economic value of brand?
- (A) Earning Valuation (B) Cost Method
(C) Brand Valuation (D) Market Value Addition

61. Which of the following statements is TRUE?
- The basic concepts related to balance sheet are realization and matching
 - The basic concepts related to profit and loss account are cost concept and business entity
 - The basic concepts related to balance sheets are cost concept and business entity
 - The basic concepts related to profit and loss account are matching concept and going concern
62. As per AS-11 the amount for which an asset could be exchanged or a liability settled, between knowledgeable willing parties in an arms length transaction is called
- | | |
|------------------|----------------------|
| (A) Fair value | (B) Forward rate |
| (C) Average rate | (D) Forward contract |
63. Accounting for Retirement Benefits (AS-15) deals with which of the following?
- | |
|--|
| (A) Gratuity |
| (B) Provident Fund |
| (C) Leave Encashment at the time of retirement |
| (D) Ex gratia |
64. If the total assets of the company were Rs. 8,00,000 which consist of current assets of Rs. 3,50,000 and fixed assets of Rs. 4,50,000, outside liabilities were Rs. 5,00,000, capital of the company is
- | | |
|------------------|------------------|
| (A) Rs. 5,00,000 | (B) Rs. 4,50,000 |
| (C) Rs. 2,00,000 | (D) Rs. 3,00,000 |
65. From the information given below, find the value of gross Profit, if the Gross Profit is 25% of the Cost of Goods Sold.
- | Particulars | Amt.(Rs) |
|---------------|----------|
| Sales | 6,00,000 |
| Purchases | 2,10,000 |
| Opening Stock | 75,000 |
- | | |
|------------------|------------------|
| (A) Rs. 1,25,000 | (B) Rs. 2,00,000 |
| (C) Rs. 1,20,000 | (D) Rs. 2,20,000 |

66. The following information is related to Swetha Ltd.

Particulars	Amt.(Rs.)	Particulars	Amt. (Rs.)
Opening Stock	20,000	Closing Stock	26,000
Net Sales	1,64,000	Net Purchases	88,000
Sales Returns	6,000	Purchase Returns	20,000
Cost of good sold	82,000	Preliminary Expenses paid	22,000
Selling Expenses paid	22,000	Income Tax paid	24,000
Loose Tools purchased	12,000		

The gross profit and Net profit will be

- (A) Rs. 82,000 and 44,000 (B) Rs. 64,000 and 44,000
(C) Rs. 82,000 and 36,000 (D) Rs. 86,000 and 42,000
67. If we want to produce 10,000 units, the maintenance costs to be incurred are Rs. 15,000, and if we want to produce 15,000 units, the maintenance costs would be Rs. 17,500. Determine the total fixed costs from the above information assuming that the maintenance costs are semi variable.
- (A) Rs. 10,000 (B) Rs. 8,000
(C) Rs. 7,000 (D) Rs. 6,500
68. Fixed expenses are Rs. 3,00,000, Variable cost Rs. 20 and Selling price per unit is Rs. 30. What is the Contribution per unit?
- (A) Rs. 10 (B) Rs. 20
(C) Rs. 30 (D) Rs. 60
69. A system whereby separate tribal balance can be taken out from each ledger is called
- (A) Self Balancing System (B) Sectional Balancing System
(C) Self Balancing Ledger (D) None of all
70. Which of the following represent the short-term tool of financial statement analysis?
- (A) Fund flow statements (B) Cash flow statements
(C) Comparative statements (D) Common size statements

71. Which of the following is a benefit of using Activity Based Costing (ABC)?
- (A) ABC is based on future costs
 - (B) ABC highlights the causes of cost
 - (C) ABC classifies costs into variable and fixed
 - (D) ABC is less costly compared to many traditional methods of applying costs to the products
72. Which of the following is NOT a method of valuation of Human resources?
- (A) Historical Cost Approach
 - (B) Replacement Cost approach
 - (C) Opportunity Cost Approach
 - (D) Marginal Cost Approach
73. Treasury Bills Market, Markets for Commercial Paper and Certificate of Deposits are some of the examples of a
- (A) Money market
 - (B) Debt market
 - (C) Capital market
 - (D) Commodity market
74. For calculation of income tax dividend comes under the head of
- (A) Salary
 - (B) Income from Business
 - (C) Income from Other sources
 - (D) None of all
75. Amount set aside out of profits or other surpluses which are not meant to cover any liabilities, contingency, commitment or depreciation in the value of assets are called
- (A) Provision
 - (B) Reserve
 - (C) Sinking Funds
 - (D) None of all
76. A business may be split into various divisions and located into various places are known as
- (A) Branches
 - (B) Department
 - (C) Segment
 - (D) None of all
77. Select an example of direct tax
- (A) Custom duty
 - (B) VAT
 - (C) Wealth tax
 - (D) Excise duty

78. The profit or loss of each job is measured by preparing
(A) Cost sheet (B) Job cost sheet
(C) Profit and loss A/C (D) None of all
79. It is the minimum rate of return that company should earn to sustain in the business
(A) Cost of capital (B) Cost of equity
(C) Cost of debt (D) None of all
80. Zero interest rate bond are sold at
(A) Discount (B) Premium
(C) Face value (D) None of all
81. For which kinds of business Tonnage Tax is applicable?
(A) Shipping business (B) Software business
(C) Textile business (D) None of the above
82. Accounting Standard is a _____
(A) Rules (B) Concepts
(C) Methods (D) Guidelines
83. Seed capital scheme was introduced by
(A) ICICI (B) IDBI
(C) IFCI (D) SFC's
84. "Legal tender money" refers to
(A) Cheques (B) Drafts
(C) Bills of exchange (D) Currency notes
85. In India, the company which actually deals with the corpus of the mutual fund is called
(A) Sponsor Company (B) Trustee Company
(C) Asset Management Company (D) Mutual fund Company

86. Linear relationship refers to
- (A) Straight line
 - (B) Constant change in dependent variable
 - (C) Curves
 - (D) None of the above
87. In "less than" cumulative frequency distribution, the omitted limit is _____
- (A) Lower
 - (B) Upper
 - (C) Last
 - (D) Middle
88. "F" ratio contains
- (A) Two estimates of population variance
 - (B) Two estimation of population mean
 - (C) One estimate of population and one population mean
 - (D) None of the above
89. A normal curve is completely defined by the
- (A) Mean and standard deviation
 - (B) Mean and mean deviation
 - (C) Mean and quartile deviation
 - (D) None of the above
90. The difference between the largest and smallest value is called
- (A) Range
 - (B) Array
 - (C) Variable
 - (D) Mark
91. Standard error is
- (A) Deviation from original value
 - (B) Deviation from sample of original value
 - (C) Deviation from the critical value
 - (D) None of the above
92. Margin of Safety is equal to
- (A) Actual sales- Break even sales
 - (B) Sales – Contribution
 - (C) Sales- Fixed cost
 - (D) None of all

93. A partner has an implied authority to
- (A) Acquire immovable property on behalf of the firm
 - (B) Enter into a partnership on behalf of firm
 - (C) To borrow money on behalf of the firm
 - (D) None of these
94. Depletion is a term used for writing off
- (A) Intangible Assets
 - (B) Wasting Assets
 - (C) Fictitious Assets
 - (D) Contingent Assets
95. Clear profit is a concept applicable to
- (A) Insurance companies
 - (B) Public utility companies
 - (C) Banking companies
 - (D) Petroleum companies
96. Opportunity cost helps in
- (A) Ascertainment of cost
 - (B) Controlling cost
 - (C) Managerial cost
 - (D) Ascertainment of profit
97. The proportion of share capital which can be called up exact on the winding up is known as
- (A) Called up capital
 - (B) Paid up capital
 - (C) Authorized capital
 - (D) Reserve capital
98. Contribution margin is also known as
- (A) Surplus
 - (B) Gross profit
 - (C) Marginal income
 - (D) Net income
99. Total return after payback period is not considered in case of
- (A) Payback period
 - (B) Internal rate of return
 - (C) Accounting rate of return
 - (D) Net present value
100. A "sale and lease back" arrangement is suitable for a lessee having
- (A) Liquidity crisis
 - (B) Low profits
 - (C) High profit
 - (D) Retained earnings

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1. Application of statistical techniques to a business decision problem depends on the availability and reliability of
 - (A) Statistical data
 - (B) Tools
 - (C) Investigator
 - (D) All of these
2. Primary data can be collected by
 - (A) Direct personal investigation
 - (B) Schedule
 - (C) Interview
 - (D) All of these
3. A sample is the selection of a part of the
 - (A) Data
 - (B) Report
 - (C) Universe
 - (D) Editing
4. Which is/are technique of selecting 'Random Sampling'
 - (A) Lottery technique
 - (B) correlation technique
 - (C) Interview technique
 - (D) All of these
5. Which is the formula of computing of correlation under direct method?
 - (A) $r = \frac{\sum dxdy}{\sqrt{n}}$
 - (B) $r = \frac{\sum dxdy}{N \times SDx \times SDy}$
 - (C) $r = \frac{\sum dxdy}{dy}$
 - (D) $r = \frac{\sqrt{N-1}}{100} (dy - dx)$
6. Which is the type of Regression
 - (A) Simple regression
 - (B) Complex regression
 - (C) Random regression
 - (D) Single regression
7. In a symmetric distribution, the relationship between averages is like this
 - (A) Mean > Median > Mode
 - (B) Mean < Median < Mode
 - (C) Mean = Median = Mode
 - (D) Mean > Median < Mode
8. A graph of a cumulative frequency distribution is called
 - (A) Ogive
 - (B) Frequency polygon
 - (C) Pie diagram
 - (D) Histogram
9. Which of the following is a relative measures of dispersion
 - (A) Standard deviation
 - (B) Variance
 - (C) Co-efficient of variance
 - (D) None of the above
10. Depiction of relationship present between two variables is called
 - (A) Correlation
 - (B) Regression
 - (C) Dispersion
 - (D) Location

11. Which is the banking regulation Act
(A) Companies Act 1956 (B) The Indian Contract Act 1872
(C) The banking companies Act 1949 (D) None of the above
12. is the basic requirement of economic development
(A) Co-ordination (B) Capital formation
(C) Training (D) Cost
13. Which is not a type of bank
(A) Deposits bank (B) Foreign bank
(C) Rural bank (D) Store bank
14. The secondary function of a bank involves
(A) Cash credit (B) To issue bank draft
(C) Discounting of trade bills (D) All of these
15. Where is the head office of RBI
(A) Jaipur (B) Delhi
(C) Bombay (D) Bengaluru
16. In a perfectly competitive market, the firm will be
(A) A price maker
(B) A price taker
(C) Restricting entry of other firms
(D) Producing a product which will be different from its competitors
17. A partner has an implied authority to
(A) Acquire immovable property on behalf of the firm
(B) Enter into a partnership on behalf of firm
(C) To borrow money on behalf of the firm
(D) None of these
18. Notional cost is a
(A) Product cost (B) Sunk cost
(C) Period cost (D) Hypothetical cost

19. The slope of demand curve is
(A) Upward from left to right (B) Downward from left to right
(C) Concave (D) Convex
20. Where there is no legal separation between the assets and liabilities of a business, and the assets and liabilities of an individual, the business is
(A) A sole trader (B) A limited company
(C) A cooperative (D) A partnership
21. Sum payable based on output to the owner for use of right vested to him
(A) Rent (B) Royalties
(C) Interest (D) None of all
22. A contract of insurance is a contract of
(A) Indemnity (B) Pledge
(C) Guarantee (D) Hypothecation
23. What is the full form of IRDA?
(A) Industrial Regulation and Development Authority
(B) Insurance Regulatory and Development Authority
(C) Indian Regulation and Development Authority
(D) None of these
24. If the correlation between body weight and annual income were high and positive, we could conclude that:
(A) High incomes cause people to eat more food.
(B) Low incomes cause people to eat less food.
(C) High income people tend to spend a greater proportion of their income on food than low income people, on average.
(D) High income people tend to be heavier than low income people, on average.
25. Linear relationship refers to
(A) Straight line
(B) Constant change in dependent variable
(C) Curves
(D) None of the above

26. Period cost means
(A) Variable cost (B) Fixed cost
(C) Semi variable cost (D) None of the above
27. The costing method in which fixed factory overhead is added to inventory is
(A) Absorption costing (B) Marginal costing
(C) Standard costing (D) Differential costing
28. The return after the pay off period is not considered in case of
(A) IRR Method (B) ARR Method
(C) Pay-back method (D) NPV Method
29. Which one of the following is a depleting asset?
(A) Mines (B) Patents
(C) Technical know-how (D) Books
30. On which one of the following amortization is provided?
(A) Quarries (B) Loose tools
(C) Trade marks (D) Land
31. Which one of the following is fictitious assets?
(A) Deferred revenue expenditure (B) Capital expenditure
(C) Depreciation expenditure (D) Miscellaneous expenditure
32. Which one of the following duty is based on the size of the product?
(A) Octroi duty (B) Specific duty
(C) Ad valorem duty (D) Anti-dumping duty
33. Incidence of tax and impact of tax fall on different persons is
(A) Entertainment Tax (B) Sales Tax
(C) Toll (D) All the above
34. HSN classification is not applicable to
(A) Excise duty (B) Customs duty
(C) Octroi duty (D) None of the above
35. Which one of the following income is taxed at 15% for the assessment year 2013-14
(A) Long-term capital gain on sale of shares
(B) Short capital gain on sale of shares
(C) Dividend from ULIP
(D) Dividend from cooperative societies

36. Spread rate refers to
- (A) The excess of average lending and deposits rates
 - (B) The excess of CRR over SLR
 - (C) The excess of CAR over Repo
 - (D) The excess of Repo over reverse Repo
37. "GATS" of the WTO is
- (A) General agreement on trade subsidies
 - (B) General agreement on trade in services
 - (C) General agreement on trade secrets
 - (D) General agreement on trade in securities
38. India's foreign trade is characterized by
- | | |
|-----------------------------|------------------------------|
| (A) Surplus current account | (B) Deficit invisibles trade |
| (C) Surplus visibles trade | (D) Deficit balance of trade |
39. Which of the following is related to accounting standards?
- | | |
|----------|----------|
| (A) GAAR | (B) GAAP |
| (C) IAAS | (D) FASB |
40. Which one is the component of capital market?
- | | |
|----------------------------------|------------------------------------|
| (A) Commercial bill market | (B) Treasury bill market |
| (C) Gilt-edged securities market | (D) Certificate of deposits market |
41. Who provides 'angel capital'?
- | | |
|-------------------------------|-------------------------------------|
| (A) Venture capitalist | (B) Professional banker |
| (C) High net-worth individual | (D) Foreign institutional investors |
42. Which one of the rating agencies is the earliest?
- | | |
|----------|------------|
| (A) ICRA | (B) CRISIL |
| (C) CARE | (D) FRI |
43. The concept of "4Ps" of marketing was originally propounded by
- | | |
|-----------------|------------------|
| (A) F.W. Taylor | (B) Levitt |
| (C) Kotler | (D) A.S. Ganguly |

44. Find the external environmental factors from the following
- (A) Strengths and threats
 - (B) Weaknesses and opportunities
 - (C) Opportunities and threats
 - (D) Strengths and weaknesses
45. 'Dissonance' is a stage in the process of
- (A) Buying (B) Pricing
 - (C) Promoting (D) Bargaining
46. The number of product lines that a company offers is
- (A) Consistency of product mix (B) Length of product mix
 - (C) Depth of product mix (D) Width of product mix
47. The stage of a product's life cycle when the sales curve peaks and starts to decline and profit continues to decline, is called
- (A) Introduction stage (B) Decline stage
 - (C) Growth stage (D) Maturity stage
48. Behaviourally anchored rating scales (BARS) are
- (A) Appraisal related (B) Security related
 - (C) Morale related (D) Succession related
49. Prescribing the qualifications required for a job position is called
- (A) Job analysis (B) Job description
 - (C) Job specification (D) Job posting
50. Family pension scheme relates to
- (A) Employee health (B) Employee safety
 - (C) Social welfare (D) Social security
51. That personnel function interested in getting more and more candidates for a position is
- (A) Compensation (B) Recruitment
 - (C) Selection (D) Advertisement
52. The activities of increasing the knowledge and skills of an employee to perform a particular job are known as
- (A) Job enrichment (B) Job enlargement
 - (C) Training and development (D) Induction and placement

53. Foreign direct investments intend to
- (A) Make profit from capital market
 - (B) Make earnings through interest
 - (C) Acquire controlling interest
 - (D) Destabilize host economy
54. Canada is a member of
- (A) NAFTA
 - (B) ASEAN
 - (C) SAARC
 - (D) EC
55. The exchange rate of Indian Rupee against US Dollar moved from \$ 1 = Rs. 40 to \$ 1 = Rs. 50. It means
- (A) Rupee appreciated by 25% and Dollar depreciated by 20%
 - (B) Rupee depreciated by 25% and Dollar appreciated by 20%
 - (C) Both appreciated by 25%
 - (D) Both depreciated by 25%
56. Under geographic indications of WTO come
- (A) ThirupathiLaddu
 - (B) Process patent
 - (C) Transfer pricing
 - (D) TATA's NANO
57. Find the odd-one out
- (A) GDR
 - (B) ADR
 - (C) IDR
 - (D) SDR
58. Income Tax act is applicable to
- (A) Whole of India
 - (B) Whole of India except Jammu and Kashmir
 - (C) Whole of India except the state of Sikkim
 - (D) Whole of India except North Eastern states
59. Under the income tax act, the incidence of tax depends on
- (A) The citizenship of the tax payer
 - (B) The age of the tax payer
 - (C) Residential status of the tax payer
 - (D) Tax paying capacity of the tax payer

60. Income from tea cultivation and manufacturing of tea business has to be divided into two parts
- (A) 40% is agricultural income
 - (B) 50% is agricultural income
 - (C) 60% is agricultural income
 - (D) 70% is agricultural income
61. The strategy suggested for eliminating tax evasion is
- (A) Conducting surveys frequently to detect evasion
 - (B) Lowering the tax rates and bringing a larger segment under tax bracket
 - (C) Dispensing with the income tax totally
 - (D) Announcing voluntary disclosure schemes to unearth black money
62. The due date of first instalment of advance tax by assesses other than companies is
- (A) 15th June
 - (B) 30th June
 - (C) 15th July
 - (D) 15th September
63. If Opening Stock is Rs10,000, Net Purchases Rs70,000, Wages Rs2,500, Carriage inward Rs.500 and Closing Stock Rs15,000, what is the Manufacturing Cost ?
- (A) Rs.65,000
 - (B) Rs.83,000
 - (C) Rs.68,000
 - (D) Rs.73,000
64. What does a high pay-out ratio indicate?
- (A) A High Earning Per Share (EPS)
 - (B) The management is not ploughing back enough profit.
 - (C) The management is ploughing back profit.
 - (D) The company is earning high profit.
65. Which one of the following statements is true?
- (A) Capital expenditure does not affect the profitability of a concern but revenue expenditure does.
 - (B) Capital expenditure affects the profitability of a concern directly but revenue expenditure does not.
 - (C) Capital expenditure affects the profitability of a concern indirectly but revenue expenditure affects directly.
 - (D) Both capital expenditure and revenue expenditure affect the profitability of a concern directly.

66. If a business's activities are described as continuing, they are:
- (A) Continuing to be profitable.
 - (B) Continuing beyond the end of the financial period.
 - (C) Continuing to cause the business anxiety.
 - (D) Continuing until the end of the financial year, but then closing
67. PBIT stands for:
- (A) Profit before interest and taxation.
 - (B) Profit before income and taxation.
 - (C) Profit before income and turnover.
 - (D) Profit before interest and turnover.
68. 'Significant influence' (in the definition of an associate) is presumed to exist if one entity owns at least the following percentage of another entity's shares:
- (A) 10
 - (B) 30
 - (C) 20
 - (D) 50
69. What proportion of an associate's turnover is included within a group's turnover total in its group profit and loss account?
- (A) 20%
 - (B) 50%
 - (C) 100%
 - (D) None
70. Which one of the following most closely defines 'Amortization'?
- (A) The depreciation of tangible fixed assets
 - (B) The depreciation of intangible fixed assets
 - (C) The depreciation of current assets
 - (D) The revaluation of land and buildings
71. Which one of the following most closely defines 'Goodwill'?
- (A) The difference between the cost of an investment in a business and the value of the net assets acquired in that business
 - (B) The payment made to purchase a business from its existing owner
 - (C) The amount received by a bus the difference between what the owner thinks the business is worth and the actual value of the business's fixed assetsiness owner when selling that business
 - (D) None
72. Cash has been described as:
- (A) The lifebuoy of the business
 - (B) The lifeboat of the business
 - (C) The lifeline of the business
 - (D) The lifeblood of the business

73. The definition of cash as used in Cash Flow Statements includes:
- (A) Only cash balances.
 - (B) Only bank balances.
 - (C) Bank balances and bank overdrafts.
 - (D) Cash in hand plus bank balances less bank overdrafts.
74. How can a profitable business fail?
- (A) Because it can't pay its bills
 - (B) Because it has more current liabilities than current assets
 - (C) Because it has a bank overdraft
 - (D) Because it has too much cash
75. Which of the following is not a standard heading in a cash flow statement?
- (A) Financing
 - (B) Taxation
 - (C) Equity dividends paid
 - (D) Current expenditure
76. Amount set aside out of profits or other surpluses which are not meant to cover any liabilities, contingency, commitment or depreciation in the value of assets
- (A) Provision
 - (B) Reserve
 - (C) Sinking Funds
 - (D) None of all
77. The value of reputation of firm is known as
- (A) Provision
 - (B) Goodwill
 - (C) Capital Reserve
 - (D) None of all
78. A statement which emerges after the marshalling of entries relating to a person, an assets or item of expense or income for a particular period is known as
- (A) Accounts
 - (B) Journal
 - (C) Accounting
 - (D) None of all
79. A business may be split into various divisions and located into various places are known as
- (A) Branches
 - (B) Department
 - (C) Segment
 - (D) None of all
80. A person unable to pay or settle his debt is known as
- (A) Solvency
 - (B) Insolvency
 - (C) Insolvent
 - (D) None of all

81. Sum payable based on output to the owner for use of right vested to him
(A) Rent (B) Royalties
(C) Interest (D) None of all
82. Break even analysis refers to ascertainment of level of operations where total revenue is equal to
(A) Variable cost (B) Total cost
(C) Fixed cost (D) None of all
83. Margin of Safety is equal to
(A) Actual sales- Break even sales (B) Sales – Contribution
(C) Sales- Fixed cost (D) None of all
84. X, Y and Z have been sharing profits and losses in the ratio of 3: 2: 1. Z retires. His share is taken over by X and Y in the ratio of 2: 1. Calculate the new profit-sharing ratio.
(A) X and Y 11: 3 (B) X and Y 11: 5
(C) X and Y 11:7 (D) X and Y 7:11
85. On dissolution, realization account is debited with
(A) All assets to be realised
(B) All outside liabilities of the firm
(C) Cash received on sale of assets
(D) None of the above
86. Goods worth Rs. 1,000 taken by the proprietor for personal use should be credited to
(A) Purchases account (B) Sales account
(C) Drawings account (D) Bank account
87. Subscriptions receivable at the beginning and end of the year are Rs. 2000 and Rs. 3000 respectively. Income and Expenditure accounts show subscriptions at Rs. 20,000. The amount shown in receipt and payment account under subscriptions account
(A) Rs. 19,000 (B) Rs. 23,000
(C) Rs. 22,000 (D) Rs. 18,000
88. A Fund of Funds is a scheme that invests primarily
(A) In money market instruments
(B) In other schemes of the same mutual fund or other mutual funds
(C) In the bullion market
(D) Only in primary market.

89. Consignee's account is a
(A) Nominal account (B) Personal account
(C) Real account (D) None of the above
90. A draft purchased is reported lost and the purchaser wants to stop the payment of the draft. Can the bank do it?
(A) Bank cannot stop payment since it is a promissory note.
(B) Bank can stop payment since covered under negotiable instrument.
(C) Bank can ask the purchaser to suffer for negligence and bank cannot help.
(D) Bank would issue stop payment instructions only after two weeks from date of issue.
91. A man saves every year Rs. 4,000 and invests it at the end of the year at 10 per cent per annum compound interest. Calculate the total amount of his savings at the end of the third year.
(A) 13,260 (B) 13,230
(C) 13,240 (D) 13,250
92. In case of Strategic Alliances
(A) The partners will remain as separate entities
(B) The partners will lose their individual identities
(C) One partner will get merged with the other
(D) None
93. A truck cost Rs. 6,000 with a residual value of Rs. 2,000. The truck is expected to have a useful life of 50,000 miles. By assuming the truck is driven 20,000 miles the first year, the depreciation expenses would be
(A) 2,400 (B) 240
(C) 16,000 (D) 1,600
94. The degree of financial leverage reflects the responsiveness of
(A) Operating income to changes in total revenue
(B) EPS to changes in EBIT
(C) EPS to changes in total revenue
(D) None of the above
95. Balance of Payment includes components
(A) Current & Capital Account, Unilateral Payments & Official Settlement A/c
(B) Revenue Account, P & L Account, Capital Account, Official Account
(C) Trade Account, Activity Account, Revenue Account, Currency Account
(D) Forex Account, Trade Account, Funds Account

96. Expand the IFRS?

- (A) Indian Financial Reporting standard
- (B) International Financial Reporting standard
- (C) Indian Financial Reporting system
- (D) None of the above

97. Speculator is a person

- (A) Who evaluates the performance of the company
- (B) Who uses his own funds only
- (C) Who is willing to take high risk for high return
- (D) Who considers here says and market behaviours

98. Equity shareholders rights are listed below. One of the right is incorrect

- (A) Right to have first claim in the case of winding up of the company
- (B) Right to vote at the general body meeting of the company
- (C) Right to share profits in the form of the dividends
- (D) Right to receive a copy of the statutory report

99. The major player in the Indian money market is

- | | |
|------------------------|---------------------------|
| (A) Co-operative banks | (B) Indigenous banks |
| (C) Commercial banks | (D) Reserve Bank of India |

100. It is a predetermined cost on a scientific basis taking into consideration all the factors relating to costs like raw material consumption rate, labour efficiency, machine efficiency etc

- | | |
|--------------------|-----------------|
| (A) Estimated cost | (B) Budget cost |
| (C) Standard cost | (D) None of all |

ENTRANCE EXAMINATION FOR ADMISSION, MAY 2011.

M.Com. (BUSINESS FINANCE/ACCOUNTING AND TAXATION)

COURSE CODE : 351/311

Register Number :

*Signature of the Invigilator
(with date)*

COURSE CODE : 351/311

Time : 2 Hours

Max : 400 Marks

Instructions to Candidates :

1. Write your Register Number within the box provided on the top of this page and fill in the page 1 of the answer sheet using pen.
2. Do not write your name anywhere in this booklet or answer sheet. Violation of this entails disqualification.
3. Read each question carefully and shade the relevant answer (A) or (B) or (C) or (D) in the relevant box of the ANSWER SHEET using HB pencil.
4. Avoid blind guessing. A wrong answer will fetch you -1 mark and the correct answer will fetch 4 marks.
5. Do not write anything in the question paper. Use the white sheets attached at the end for rough works.
6. Do not open the question paper until the start signal is given.
7. Do not attempt to answer after stop signal is given. Any such attempt will disqualify your candidature.
8. On stop signal, keep the question paper and the answer sheet on your table and wait for the invigilator to collect them.
9. Use of Calculators, Tables, etc. are prohibited.

1. The correlation coefficient provides
 - (A) A measure of the extent to which changes in one variable cause changes in another variable
 - (B) A measure of the strength of the linear association between two categorical variables
 - (C) A measure of the strength of the association (not necessarily linear) between two categorical variables
 - (D) A measure of the strength of the linear association between two quantitative variables
2. The probability that the Red River will flood in any given year has been estimated from 200 years of historical data to be one in four. This means
 - (A) The Red River will flood every four year
 - (B) In the next 100 years, the Red River will flood exactly 25 times
 - (C) In the last 100 years, the Red River flooded exactly 25 times
 - (D) In the next 100 years, the Red River will flood about 25 times
3. Declaration of dividends by company comes under the section
 - (A) 201-203
 - (B) 202-205
 - (C) 204-207
 - (D) 205-207
4. An agent middle man is one who
 - (A) Takes title
 - (B) Does not take title
 - (C) Act as a purchaser
 - (D) Sells convenience goods
5. If $p = q = 1/2$, the frequency distribution will be
 - (A) Perfectly symmetrical
 - (B) Non perfectly symmetrical
 - (C) 0
 - (D) +1
6. If initial investment is Rs. 100,000 and the annual cash flow is 20,000 then the payback reciprocal will be
 - (A) $1/5^{\text{th}}$ or 20%
 - (B) $1/4^{\text{th}}$ or 25%
 - (C) $1/2$ or 50%
 - (D) $1/6$ or 15%
7. Performance appraisal is a primary HRM process that links employees to organizations and provides input for other processes through these means
 - (A) Identification, Measurement, Management
 - (B) Assessment, Direction, Development
 - (C) Recruitment, Selection, On boarding
 - (D) Skill, Effort, Responsibility

8. _____ is the most important source of revenue for states
(A) Property tax (B) Income tax
(C) Sales tax (D) All of the above
9. Time an activity would take assuming very unfavorable conditions is represented by the
(A) Optimistic time (B) Most likely time
(C) Deterministic time (D) Pessimistic time
10. A unit of the Unit Trust of India is a
(A) Share (B) Debenture
(C) Negotiable Instrument (D) None of these
11. Corporate governance success includes three key groups. Which of the following represents these three groups?
(A) Suppliers, managers, and customers
(B) Board of Directors, executive officers, and common shareholders
(C) Suppliers, employees, and customers
(D) Common shareholders, managers, and employees
12. The ordinal scale of measurement
(A) Has a meaningful zero point
(B) Is based on ranks
(C) Cannot assume negative values
(D) All of the above
13. All of the following are the examples of capital expenditure except:
(A) Purchasing a new police vehicle
(B) Lawn maintenance
(C) Constructing a new school
(D) All of the above
14. For calculation of income tax dividend coming under the head of
(A) Salary (B) Income from Business
(C) Income from Other sources (D) None of all

15. Sum payable based on output to the owner for use of right vested to him
(A) Rent (B) Royalties
(C) Interest (D) None of all
16. Break even analysis refers to ascertainment of level of operations where total revenue is equal to
(A) Variable cost (B) Total cost
(C) Fixed cost (D) None of all
17. The time difference between the payment is initiated and funds available in the bank account in spend able form is known as
(A) Cash cycle (B) Lock box system
(C) Float (D) None of all
18. Notional cost is a
(A) Product cost (B) Sunk cost
(C) Period cost (D) Hypothetical cost
19. What is CRR?
(A) Cash Reserve Ratio (B) Current Ratio Rate
(C) Review Report (D) Credit Rating Record
20. The rate of which discounting the bills of first class banks is done by RBI is called
(A) Bank Rate (B) Prime Lending Rate
(C) Loan Rate (D) Discounting Rate
21. NGO is the term associated with
(A) SHG (B) PMRY
(C) SEEUY (D) Agri. Advances
22. C.R.A. in banking parlance stands for
(A) Credit Rating Association (B) Credit Rating Agency
(C) Credit Risk Assessment (D) None of these
23. Who is the Governor of RBI?
(A) Bimal Jalan (B) Y V Reddy
(C) K J Udeshi (D) None of these

24. Concerning organizational cultures,
- (A) A strong culture is a more productive environment
 - (B) A weak culture is a more productive environment
 - (C) The specific culture that contributes to positive effectiveness is well known
 - (D) The stronger the culture, the more influential it is on employee behavior
25. In order from lowest to highest, what are Maslow's five classes of needs?
- (A) Social-esteem-physiological-safety-self-actualization
 - (B) Physiological-safety-social-self-actualization-esteem
 - (C) Physiological-safety-social-esteem-self-actualization
 - (D) Self-actualization-esteem-safety-social-physiological
26. What is the key word in understanding organization structure?
- (A) Control
 - (B) Change
 - (C) Process
 - (D) Delegation
27. The definition of communication implies that
- (A) Communication is mostly verbal
 - (B) Communication is mostly written
 - (C) Most communication is in a vertical direction
 - (D) Understanding must occur to have communication
28. Selling a very high price, initially for a new product, latterly on, the price will be gradually reduced depends upon competition
- (A) Prestige pricing
 - (B) Skimming pricing
 - (C) Dual pricing
 - (D) Cost plus pricing
29. Where there is no legal separation between the assets and liabilities of a business, and the assets and liabilities of an individual, the business is
- (A) A sole trader
 - (B) A limited company
 - (C) A cooperative
 - (D) A partnership
30. A business arrangement where one party allows another party to use a business name and sell its products or services is known as
- (A) A cooperative
 - (B) A franchise
 - (C) An owner-manager business
 - (D) A limited company

31. S&P CNX Nifty includes _____ most liquid stocks that trade on NSEIL
(A) 50 (B) 30
(C) 500 (D) 100

32. Which of the following is not the main objective of SEBI?
(A) Protecting the interest of investors in securities market
(B) Regulating the securities market
(C) Promoting and developing Forex Market in India
(D) Promoting the development of securities market

33. When key factor is operating the formula for calculating profitability is
(A) Contribution / key factor (B) Sales / key factor
(C) Profit / key factor (D) None of the above

34. Which of the following is a benefit of participation in a depository?
(A) No stamp duty on transfer of securities
(B) Elimination of risks associated with physical certificates such as bad delivery, fake securities, etc.
(C) Nomination facility
(D) All of the above

35. The negotiable financial instrument is different from the non-negotiable financial instrument in terms of
(A) Maturity period (B) Interest rate
(C) Transferability (D) Face value

36. Which one of the following is not a money market security?
(A) Treasury bills (B) National savings certificate
(C) Certificate of deposit (D) Commercial paper

37. Commercial papers are
(A) Unsecured promissory notes (B) Secured promissory notes
(C) Sold at a premium (D) Issued for a period of 1 to 2 years

38. On the admission of a new partner, the increase in value of assets is debited to
(A) Asset account (B) Profit and loss adjustment account
(C) Old partner's capital account (D) None of the above

39. If A and B are sharing profits in the ratio of 3 : 2, admit C to one-third share in the future profit, the profit-sharing ratio will be
- | | | |
|-----------------------|------|------|
| A | B | C |
| (A) 2/5 | 4/15 | 1/3 |
| (B) 3/5 | 2/5 | 2/15 |
| (C) 4/15 | 3/15 | 2/15 |
| (D) None of the above | | |
40. On the retirement of a partner the whole goodwill amount is credited to the account of
- (A) Only retiring partner
 - (B) All partners including retiring partner
 - (C) Only remaining partner
 - (D) None of the above
41. On dissolution, realization account is debited with
- (A) All assets to be realized
 - (B) All outside liabilities of the firm
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 - (B) Personal account
 - (C) Real account
 - (D) All the above
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- (A) 2,400
 - (B) 240
 - (C) 16,000
 - (D) 1,600

46. Use the following information to calculate net cash from operating activities: cash sales \$100,000; cash from account receivable payments \$200,000; cash dividends received \$3,000; dividends paid \$4,000; rent paid \$5,000; and amortization expense \$6,000.
- (A) \$298,000 (B) \$292,000
(C) \$98,000 (D) \$294,000
47. In the periods of rising prices and stable or increasing inventory quantity LIFO method of inventory valuation will
- (A) Increase income before tax (B) Will Reduce COGS and Cash Flow
(C) Will reduce Net Income (D) None of the above
48. A agrees to sell his car worth Rs. 1,00,000 to B for Rs. 20,000 only A's consent was obtained by coercion. Here the agreement is
- (A) Void (B) Valid
(C) Voidable (D) Unlawful
49. The negotiable instruments Act makes specific mention of three instruments namely Cheque, Bill of exchange and
- (A) Promissory note (B) Funds
(C) Banks draft (D) Customary note
50. Matured term deposit accounts are classified as
- (A) Contingent liability (B) Time liability
(C) Current liability (D) Demand liability
51. Amortization is a term used for writing off
- (A) Wasting assets (B) Intangible assets
(C) Contingent assets (D) Liquid assets
52. Limiting factor is a term used in
- (A) Absorption costing (B) Standard costing
(C) Marginal costing (D) Differential costing
53. Idle time variance arises in the context of
- (A) Labour cost variance (B) Variable overhead variance
(C) Fixed overhead variance (D) All the above

54. Escalation clause is a clause applicable in
(A) Operating costing (B) Operation costing
(C) Process costing (D) Contract costing
55. Reverse cost method is a method used in
(A) By-products costing (B) Joint products costing
(C) Unit costing (D) Job costing
56. Income from business or profession is charged to income tax under section
(A) 15 (B) 28
(C) 24 (D) 45
57. Which one of the following is not a quick asset?
(A) Marketable securities (B) Prepayments
(C) Receivables (D) Outstanding income
58. Trade off between liquidity versus profitability is the crux of
(A) Capital budgeting (B) Capital structure
(C) Working Capital Management (D) Dividend decision
59. Valuation Balance Sheet is prepared by
(A) Life insurance Company (B) Banking Company
(C) Govt. Company (D) All the above
60. The founder of the Behaviouralistic School of management is
(A) F.W Taylor and Others (B) Elton Mayo and his followers
(C) Henry Fayol and his followers (D) None of the above
61. NABARD is the
(A) Apex bank for agricultural and rural development
(B) Apex bank for urban development
(C) Apex bank for industrial development
(D) None of the above
62. The present number of public sector commercial bank is
(A) 28 (B) 14
(C) 27 (D) 26

63. The present system of banking followed in India is
(A) Unit banking system (B) Correspondent banking system
(C) Branch banking system (D) None of the above
64. The theory of law of demand states that other things remaining constant
(A) When the price falls down the quantity demand would increase
(B) When the price of gold increases still the demand would increase
(C) When the price for the goods and services increase the quantity demanded would also increase
(D) None of the above
65. Utility analysis was based upon the belief
(A) The satisfaction derived from the consumption of a commodity can be measured and quantified
(B) The satisfaction derived from the consumption of a particular commodity can be ranked
(C) The demand for that commodity would increase if the utility is less
(D) None of the above
66. The Indian who got Nobel Prize in economics is
(A) Dr. Manmohan Singh (B) Dr. B.R. Ambedkar
(C) Dr. Amertia Sen (D) Dr. Montek Singh Ahluwalia
67. The economic system which emanated from India is
(A) Capitalism (B) Socialism
(C) Communism (D) Democratic socialism
68. The doctrine of "Indoor management" implies that
(A) The outsiders need not necessarily know about the internal management of the company other than what is stated in Articles of Association
(B) The outsiders have the right to think that the internal management as per the articles of association
(C) Both are right
(D) None of the above
69. The first meeting of a company in the life time is known as a
(A) Statutory meeting (B) First annual general body meeting
(C) Promoters meeting (D) Directors meeting

70. The member who signs in the memorandum of association for starting a company is known as
(A) Shareholders (B) Promoters
(C) Directors (D) None of the above
71. Consideration is Commercial Law implies
(A) Something in return
(B) The price paid for the goods purchased
(C) The obligation performed in return for some service
(D) All of the above
72. If profit is one forth of selling price, the share of profit to cost will be
(A) 1/3 (B) 1/4 (C) 1/5 (D) 1/6
73. The balance of the share forfeiture account, after the re-issue of forfeited shares is transferred to
(A) Capital redemption reserve (B) Capital reserve
(C) General reserve (D) P & L account
74. Higher the ratio, the lower the profitability is applicable to
(A) Gross profit ratio (B) Net profit ratio
(C) Operating ratio (D) Return on investment
75. The term 'funds' as used in 'funds flow statement' means
(A) Cash
(B) Current assets
(C) Current liabilities
(D) Current assets minus current liabilities
76. Plant and machinery on 1st January 2010 is Rs. 5,000 and on 31st December 2010 is Rs. 80,000, depreciation of Rs. 10,000 was provided during the year. This has resulted in
(A) Source of funds Rs. 30,000 (B) Application of funds Rs. 30,000
(C) Application of funds Rs. 40,000 (D) Source of funds Rs. 40,000
77. A person had insured his goods worth Rs. 10,000 for Rs. 8,000 against fire and his loss by fire was Rs. 9,000. His claim is
(A) Rs. 8,000 (B) Rs. 9,000
(C) Rs. 10,000 (D) None of the above

78. The interval between two annual general meeting should not be more than
(A) 12 months (B) 15 months
(C) 18 months (D) 20 months
79. Privatization of ownership through sale of equity shares is called
(A) Denationalization (B) Disinvestment
(C) Contracting (D) None of these
80. Which among these have not been opened for private sector participation?
(A) Telephone sector (B) Power
(C) Railways (D) None of these
81. The commonly used method of absorbing factory over head is
(A) Prime cost (B) Machine cost
(C) Labour cost (D) Material cost
82. IMF stands for
(A) International machinery fund (B) International monetary fund
(C) Indian machinery fund (D) Indian monetary fund
83. NYSE is acronym for
(A) New York stock exchange (B) New York script exchange
(C) New York special exchange (D) National York securities exchange
84. A pledge is
(A) A general contract of promise
(B) A contract of agency
(C) A contract of indemnity
(D) A special type of contract of guarantee
85. Marketing refers to the
(A) Sale of product
(B) Goods and services are exchanged too each other
(C) Goods distribution
(D) All of these

86. Which one of the following is not an element of marketing mix?
 (A) Promotion (B) Place
 (C) Product (D) None of these
87. The concept of Marketing Myopia was given by
 (A) Peter Drucker (B) Philip Kotler
 (C) Theodore Hevitt (D) Henry Fayol
88. Banking sector reforms are recommended by
 (A) Janakiraman committee (B) Nadkarni committee
 (C) Narasimhan committee (D) L.C. Gupta committee
89. Accounting standard is a
 (A) Rules (B) Concepts
 (C) Methods (D) Guidelines
90. The term 'CENVAT' is associated with
 (A) Transportation (B) Auditing
 (C) Banking (D) Taxation
91. The phrase 'lenders of last resort' refers to.
 (A) World Bank
 (B) Reserve bank of India
 (C) Industrial development bank of India
 (D) Yes bank
92. Cluster sampling is a
 (A) Probability sampling (B) Non probability sampling
 (C) Deliberate sampling (D) None of the above
93. Which one of the following is not an indirect tax?
 (A) Export duty (B) Import duty
 (C) Estate duty (D) Excise duty

94. When a new company with the similar or same name is formed to take over the business of existing companies it is called
(A) Absorption (B) Acquisition
(C) Internal reconstruction (D) External reconstruction
95. Which one of the following is an example of capital gearing ratio?
(A) Debt-equity ratio (B) Proprietary ratio
(C) Working capital ratio (D) None of the above
96. CRISIL is a
(A) Bank (B) Insurance company
(C) Credit rating agency (D) Police force
97. SHCIL performs
(A) Finance function (B) Manufacturing function
(C) Marketing function (D) Depository function
98. When referring to a curve that tails off to the left you would call it
(A) Symmetrical (B) Skewed right
(C) Positively skewed (D) None of the above
99. The weight used in quantity index
(A) Percentage of quantity (B) Prices
(C) Average quantity (D) None of the above
100. Which of the following index numbers is used for measuring the changes in the general level of prices?
(A) Consumer price index numbers (B) Cost of living index numbers
(C) Fisher's ideal index numbers (D) Wholesale price index

Sr No.	MCom Accounting and Taxation
1	Find the missing term in the following series: 3,10,29,66,127...?
Alt1	164
Alt2	187
Alt3	216
Alt4	218
2	Choose word from the given options which bears the same relationship to the third word, as the first two bears: Flower : Butterfly :: Dirt :?
Alt1	Rats
Alt2	Fly
Alt3	Bugs
Alt4	Sweeper
3	Tiff is to Battle as Frugal is to?.....
Alt1	Sprint
Alt2	Vague
Alt3	Miserly
Alt4	Vital
4	Select the lettered pair that has the same relationship as the original pair of words: Expend: Replenish
Alt1	Exhort: Encourage
Alt2	Formant: Rebellion
Alt3	Defect: Rejoin
Alt4	Encroachment: Occupy
5	Choose the set that has the same relationship as in the original: Bone : Skeleton : Nerve
Alt1	House: Door: Window
Alt2	Spoke: Wheel: Handle
Alt3	Retina: Eye: Pupil
Alt4	Snow: Cloud: Ice
6	Spot the defective segment from the following:
Alt1	Only with your help
Alt2	I passed the test
Alt3	though you helped me
Alt4	at the last minute
7	The government proposes to ----- hanging.
Alt1	cancel
Alt2	nullify
Alt3	invalidate

Alt4	abolish
8	The burglar was hit -----.
Alt1	on head
Alt2	on his head
Alt3	on the head
Alt4	in the head
9	Choose the option closest in meaning to the given word: COGENT
Alt1	consistent
Alt2	acceptable
Alt3	convincing
Alt4	weak
10	Choose the antonymous option you consider the best: PROVIDENT
Alt1	careful
Alt2	worldly
Alt3	prodigal
Alt4	frugal
11	Ravi's brother is 3 years senior to him. His father was 28 years of age when his sister was born while his mother was 26 years of age when he was born. If his sister was 4 years of age when his brother was born, what was the age of Ravi's father and mother respectively when his brother was born ?
Alt1	32 years, 23 years
Alt2	32 years, 29 years
Alt3	35 years, 29 years
Alt4	35 years, 33 years
12	In each of the following questions some statements are followed by two conclusions (i) and (ii). Read the statements carefully and then decide which of the conclusions follow beyond a reasonable doubt. Mark your answer as Statement: All my films are copies. I am happy to inform of the source when I copy – a producer Conclusions: (i) The producer does not make even a single film based on his own idea (ii) The producer copies domestic and foreign films
Alt1	If only conclusion (i) follows
Alt2	If only conclusion (ii) follows
Alt3	If neither conclusion (i) nor (ii) follows
Alt4	If both the conclusions follow

13	3. What value should come in place of question mark (?) in the following number series? 14, 28, 46, ?, 94, 124
Alt1	64
Alt2	68
Alt3	72
Alt4	76

14	In a certain code ADVENTURES is written as TDRESAUVEN. How is SURPRISINGwritten in that code ?
Alt1	IUIPGSRSNR
Alt2	IUINGSSRRP
Alt3	IUIPGSSRNR
Alt4	IRIPGSSNRR

15	Wax is related to Grease in the same way as Milk is related to
Alt1	Drink
Alt2	Ghee
Alt3	Curd
Alt4	Protein

16	The following information is given: Six persons A, B, C, D, E and F are sitting in two rows, three in each. E is not at the end of any row. D is second to the left of F. C, the neighbour of E, is sitting diagonally opposite to D. B is the neighbour of F. After interchanging seat with E, who will be the neighbours of D in the new position ?
Alt1	C and A
Alt2	F and B
Alt3	Only B
Alt4	Only A

17	If 30 students occupy 2/3 of the seats in a classroom, how many students would occupy 4/5 of the seats in the classroom?
Alt1	36
Alt2	32
Alt3	40
Alt4	48

18	Mean of the first 10 odd numbers is
Alt1	10
Alt2	13
Alt3	15
Alt4	9

19	Two numbers are in the ratio 2:3, If 4 be subtracted from each, they are in the ratio 3:5, Find the numbers.
----	--

Alt1	16,24
Alt2	20,30
Alt3	0.341666667
Alt4	None

20	It takes 30 seconds to cut the woodlock into 3 pieces. How much time does it takes to cut the same block into 4 pieces?
Alt1	40secs
Alt2	45secs
Alt3	50secs
Alt4	60secs

21	Accounting provides information on
Alt1	Cost and income for managers
Alt2	Company's tax liability for a particular year
Alt3	Financial conditions of an institution
Alt4	All of the above

22	The long term assets that have no physical existence but are rights that have value is known as
Alt1	Current assets
Alt2	Fixed assets
Alt3	Intangible assets
Alt4	Investments

23	The assets that can be converted into cash within a short period (i.e. 1 year or less) are known as
Alt1	Current assets
Alt2	Fixed assets
Alt3	Intangible assets
Alt4	Investments

24	Patents, Copyrights and Trademarks are
Alt1	Current assets
Alt2	Fixed assets
Alt3	Intangible assets
Alt4	Investments

25	Any written evidence in support of a business transaction is called
Alt1	Journal
Alt2	Ledger
Alt3	Ledger posting
Alt4	Voucher

26	The management process function consist of -----.
Alt1	Planning, Organizing, Staffing & Directing
Alt2	Planning, Organizing , Leading& directing
Alt3	Planning, Organizing, Leading & Staffing
Alt4	Planning, Organizing, Leading & Controlling.

27	The change in company's financial structure is called -----.
Alt1	Reconstruction
Alt2	Absorption
Alt3	Amalgamation
Alt4	Liquidation
28	Goodwill is an example of -----.
Alt1	Wasting asset
Alt2	Intangible asset
Alt3	Tangible asset
Alt4	Current asset
29	"Uberrimae Fidei" means
Alt1	Indemnity
Alt2	Insurable interest
Alt3	Good faith
Alt4	Mitigation of loss
30	In India, the company which actually deals with the corpus of the mutual fund is called
Alt1	sponsor company
Alt2	trustee company
Alt3	asset management company
Alt4	Mutual fund Company
31	Discount and Finance House of India was set up in
Alt1	1982
Alt2	1988
Alt3	1992
Alt4	1969
32 has been set up mainly to provide a secondary market in Govt. Securities
Alt1	DHFI
Alt2	OTCEI
Alt3	STCI
Alt4	NSDL
33	SENSEX is the index of
Alt1	BSE
Alt2	NSE
Alt3	OTCEI
Alt4	CSE
34	Under the Income Tax act, the incidence of taxation depends on.....
Alt1	The citizenship of the tax-payer.
Alt2	The age of the taxpayer
Alt3	The residential status of the tax-payer

Alt4	The gender of the taxpayer
35	Unabsorbed depreciation can be carried forward for set off.....
Alt1	for a period of four years only
Alt2	for a period of eight years only
Alt3	for an unlimited number of years
Alt4	for a period of eighteen years only
36	Residential status is determined for.....
Alt1	Previous year
Alt2	Assessment year
Alt3	Accounting year
Alt4	Financial year
37	How many heads of income are there to compute Gross total income.
Alt1	Six
Alt2	Five
Alt3	Four
Alt4	Three
38	Which one of the following is not an income from other sources?
Alt1	Interest on fixed deposit in bank
Alt2	Winnings from cross word puzzles
Alt3	Gift in excess of Rs.50,000 from an unrelated person
Alt4	Profit on sale of building
39	Dividends from co-operative society are.....
Alt1	Exempted
Alt2	Taxable
Alt3	Partially Exempted
Alt4	Partially Taxable
40	ESOP stands for
Alt1	Equity share option Plan
Alt2	Equity shares Option premium
Alt3	Employee stock Option Plan
Alt4	Equity Stock Option Plan
41	According to IFRS, the term financial asset includes
Alt1	Cash or Cash equivalent
Alt2	Equity shares
Alt3	Contractual right to receive cash
Alt4	All the above
42	Which of the following is /are example of primary or direct financial instrument
Alt1	Fixed deposit receipt
Alt2	Insurance policies

Alt3	Mutual fund Unit
Alt4	Debentures

43	A Non Banking Financial Institution
Alt1	Can accept demand deposit
Alt2	Can issue cheques to customers
Alt3	Cannot accept fixed deposit
Alt4	Cannot accept demand deposit and cannot issue cheques

44	Accounting principles are based on
Alt1	Convenience in accounting
Alt2	Objectivity
Alt3	Subjectivity
Alt4	Practicability

45	The Ease of Doing Business Report is prepared by which of the following organizations every year
Alt1	World Bank
Alt2	Asian Development Bank
Alt3	International Monetary Fund
Alt4	World Trade Organisation

46	Demand is a function of
Alt1	Price
Alt2	Firm
Alt3	Product
Alt4	Cost

47	Liberalization means
Alt1	Reducing number of reserved industries from 17 to 8
Alt2	Liberating the industry, trade and economy from unwanted restrictions
Alt3	Opening up of economy to the world by attaining international competitiveness
Alt4	Free determination of interest rates

48	Acid test ratio is:
Alt1	Current assets: current liabilities
Alt2	Quick assets: current liabilities
Alt3	Total assets: total liabilities
Alt4	Fixed assets: fixed liabilities

49	If earning price (EP) ratio is 0.05 and Earnings per share is Rs. 8, the market price of share = :
Alt1	Rs. 40
Alt2	Rs. 100
Alt3	Rs. 160
Alt4	Rs. 0.40

50	Span of management refers to:
Alt1	Activities performed by a manager

Alt2	Number of subordinates supervised by a manager
Alt3	Number of superiors a manager has to report to
Alt4	None of the above

51	Who has propounded the X and Y theory of motivation?
Alt1	Mc Gregor
Alt2	Vroom
Alt3	Herzberg
Alt4	O'Donnell

52	Who introduced the concept of MBO?
Alt1	Mary Parker Follett
Alt2	Keith Devine
Alt3	Peter Drucker
Alt4	None of the above

53	Which one of the following is NOT related to the convention of conservatism?
Alt1	Making provision for doubtful debts and discount on debtors in anticipation of actual bad debts and discount
Alt2	Valuation of stock at Market Price or Cost Price whichever is higher
Alt3	Charging of small capital items as Revenue
Alt4	Adopting Written-down Value

54	If opening stock = Rs. 2,45,000; purchases = Rs. 15,00,000; sales = Rs. 17,40,000 and rate of gross profit = 20% on cost of goods sold, then the closing stock would be at
Alt1	Rs. 3,53,000
Alt2	Rs. 2,95,000
Alt3	Rs. 2,45,000
Alt4	Rs. 1,95,000

55	Which one of the following is correct with respect to going concern convention?
Alt1	The enterprise is not going to terminate its operations in the period ahead
Alt2	The enterprise may go out of business in the next accounting period
Alt3	The enterprise may not divest or diversify its operational spheres
Alt4	The enterprise may not revalue its assets during the current accounting Period

56	Which one of the following accounting conventions stipulates that contingent assets appear as a footnote in the balance sheet?
Alt1	Materiality
Alt2	Consistency
Alt3	Disclosure
Alt4	Conservatism

57	Owner's equity stands for:
Alt1	Fixed Assets minus Fixed Liabilities
Alt2	Fixed Assets minus Current Liabilities
Alt3	Current Assets minus Fixed Liabilities
Alt4	Total Assets minus Total Liabilities

58	Maximum value of correlation is
Alt1	2
Alt2	1.5
Alt3	1
Alt4	0

59	The Balance Sheet is only:
Alt1	An account
Alt2	A summary
Alt3	A statement
Alt4	None of the above

60	Which one of the following is an example of a company incorporated by a Special Act of Parliament?
Alt1	Life insurance Corporation of India
Alt2	Indian Oil Corporation
Alt3	State Trading Corporation of India
Alt4	Bharat Heavy Electricals Limited

61	The basic objective of a sample is to draw _____ about the population from which such sample is drawn
Alt1	Conclusion
Alt2	Characteristics
Alt3	Inferences
Alt4	Parameters

62	In case of Instalment system, total interest receivable by the seller is credited to:
Alt1	Bank Account
Alt2	Interest Suspense Account
Alt3	Interest Account
Alt4	Sales Account

63	X and Y share profits and Losses in the ratio of 3:2. They admit Z for the 1/6th share in the profit. The new ratio of distribution of profits will be :
Alt1	3:2:1
Alt2	3:3:2
Alt3	4:1:1
Alt4	3:2:3

64	Which method of inventory valuation is most widely used in accounting?
Alt1	Cost price
Alt2	Market Price
Alt3	Cost or Market Price whichever is greater
Alt4	Cost or Market Price whichever is lower

65	Which of the following ratio indicates the short term solvency of a firm?
----	---

Alt1	Profit to Capital
Alt2	Gross Profit to Sales
Alt3	Current assets to current liabilities
Alt4	Current assets to fixed assets

66	Unclaimed dividends is shown on the liability side of the balance sheet under the heading-
Alt1	Current liabilities
Alt2	Current Assets
Alt3	Reserve or Surplus
Alt4	Provisions

67	Long term Loans from the public is called
Alt1	Debentures
Alt2	Shares
Alt3	Retained earnings
Alt4	Public deposits

68	In Accounting, profit prior to incorporation is treated as:
Alt1	Revenue reserve
Alt2	Secret reserve
Alt3	Capital reserve
Alt4	General reserve

69	The banker has a statutory obligation to:
Alt1	Honour customers cheques
Alt2	Exercise lien
Alt3	Maintain secrecy of his customer's account
Alt4	Honour customer's bills

70	Which of the following Act helps a bank in its day-to-day activities?
Alt1	Competition Act
Alt2	Negotiable Instrument Act
Alt3	Hindu Succession Act
Alt4	NRI Act

71	Which of the following is not a part of India's Money Market?
Alt1	Bill Market
Alt2	Banks
Alt3	Mutual Funds
Alt4	Indian Gold Council

72	Devaluation means
Alt1	To reduce the value of home currency in other currency
Alt2	To appreciate the value of home currency
Alt3	To issue new currency in place of old currency
Alt4	None of the above

73	The first Regional Rural Bank was established in India on:
Alt1	1st January, 1960
Alt2	2nd October, 1970
Alt3	2nd October, 1975
Alt4	15th August, 1980

74	How many commercial banks were nationalised by the Government of India on 19th July 1969?
Alt1	5
Alt2	6
Alt3	14
Alt4	10

75	Which one of the following is not an instrument of credit control in the banking system?
Alt1	Open market operations
Alt2	Moral suasion
Alt3	Cash reserve ratio
Alt4	Tax rates

76	SDRs are popularly known as:
Alt1	Currency notes
Alt2	Paper gold
Alt3	Silver coins
Alt4	Gold coin

77	Which of the followings is not related with motivation?
Alt1	Desire
Alt2	Needs
Alt3	Skill
Alt4	Incentives

78	According to Kurt Lewin which of the following is not a stage of organisational change process?
Alt1	Unfreezing
Alt2	Freezing
Alt3	Gassing
Alt4	Changing Stage

79	Human Resource planning is the responsibility of both the line and staff manager:
Alt1	TRUE
Alt2	FALSE
Alt3	Only line manager
Alt4	Only staff manager

80	The concept of functional organisation was introduced by:
Alt1	Henry Fayol
Alt2	F.W. Taylor
Alt3	George R. Terry
Alt4	Urwick

81	<p>Following are the steps of organisation development (OD) process:</p> <ul style="list-style-type: none"> a. Planning for change b. Intervention in the system c. Problem identification and diagnosis d. Evaluation and feedback <p>The correct sequence of these steps is:</p>
Alt1	c, a, b,d
Alt2	a,b,c,d
Alt3	a,c,b,d
Alt4	c,b,a,d
82	Batch Costing is adopted in:
Alt1	Pharmaceutical industry
Alt2	House construction
Alt3	Film industry
Alt4	Scooter industry
83	Increase in total variable cost is due to:
Alt1	Increase in fixed cost
Alt2	Increase in sales
Alt3	Increase in production
Alt4	Increase in semi-variable cost
84	When more than half of a contract is complete the amount of profit transferred to P&L A/c would be:
Alt1	Total Profit
Alt2	Two third of total profit
Alt3	One third of profit multiplied by cash ratio
Alt4	Two third of profit multiplied by cash ratio
85	Most suitable basis for apportioning the canteen expenses is:
Alt1	Space occupied
Alt2	Cost of machine
Alt3	Number of machines
Alt4	Number of employees
86	Cost audit is necessary to:
Alt1	All Industries
Alt2	Specified industries
Alt3	Small industries
Alt4	to any industry
87	If the distribution is- $\bar{x} < M < Z$, then it is a:
Alt1	Symmetrical distribution
Alt2	Moderately asymmetrical distribution whose left hand tail is longer

Alt3	Moderately asymmetrical distribution whose right hand tail is longer
Alt4	Indeterminate distribution

88	Coefficient of correlation between X and Y is zero if both variables:
Alt1	Increase together
Alt2	Decrease together
Alt3	Are paired randomly in absence of relationship
Alt4	Move in opposite direction

89	Which of the following methods of interpolation in practice especially when the number of known values is large:
Alt1	Newton's method
Alt2	Binomial expansion method
Alt3	Lagrange's method
Alt4	Parabolic curve method

90	Auditing is compulsory for
Alt1	Small scale enterprises
Alt2	All partnership firms
Alt3	All Joint stock companies
Alt4	All proprietary concerns

91	The Scope of work of statutory audit for a company is decided by the:
Alt1	Shareholders
Alt2	Management
Alt3	Government
Alt4	Law

92	Fixed assets are valued at:
Alt1	Cost
Alt2	Market value
Alt3	Cost or market price whichever is less
Alt4	Cost less depreciation

93	In the case of a negotiable instrument, the following person generally gets a good title:
Alt1	Finder of the lost instrument
Alt2	Holder of a stolen instrument
Alt3	Holder in due course
Alt4	Holder of a forged instrument

94	At the point where marginal utility becomes zero, the total utility remains:
Alt1	Zero
Alt2	Minimum
Alt3	Maximum
Alt4	Equal

95	When the general price level increases at a very fast speed, then this type of inflation is called:
----	---

Alt1	Creeping inflation
Alt2	Walking inflation
Alt3	Running inflation
Alt4	Imported inflation

96	Prior to the World War I, the monetary standard of world economy was:
Alt1	Gold standard
Alt2	Silver standard
Alt3	SDR
Alt4	Dollar

97	Paper money is a good example of:
Alt1	Gold standard
Alt2	Representative money
Alt3	Silver money
Alt4	Metallic Money

98	Normally demand curve slopes:
Alt1	Upward
Alt2	Downward
Alt3	Horizontal
Alt4	Vertical

99	Which of the following is NOT a member of OECD?
Alt1	Kuwait
Alt2	Australia
Alt3	U.K.
Alt4	U.S.A.

100	The countries with which a particular nation has trade relations is:
Alt1	Direction of trade
Alt2	Composition of Trade
Alt3	Balance of trade
Alt4	Value of trade

Examination: M.Com Accounting and Taxation

Section 1 - Section 1

Question No.1

4.00

Bookmark

The value of a dependent variable can be predicted by using which of the following statistical tools?

- Correlation analysis
- Variance analysis
- Chi-square analysis
- Regression analysis

Question No.2

4.00

Bookmark

Funds flow statement is based on the _____.

- Fixed assets concept of funds
- Working capital concept of funds
- Long term funds
- Cash concept of funds

Question No.3

4.00

Bookmark

Installation expenses incurred on Machinery will be debited to:

- Machinery Account
- Cash Account
- Profit and Loss Account
- Installation Expenses Account

Question No.4

4.00

Bookmark

The co-efficient of correlation

- Can be less than 1
- Can be more than 1
- Has no limits
- Varies between ± 1

Question No.5

4.00

Bookmark

Total claims against a firm can be referred to as:

- Current liabilities + equity
- Accounts receivable + long-term liabilities
- Current liabilities + long-term liabilities
- Current liabilities + long-term liabilities + equity

Question No.6

4.00

Bookmark

Sunil likes chocolates very much, _____?

- doesn't he?
- does he
- is it?
- isn't it?

Question No.7

4.00

Bookmark

_____ serves as the basis of selection, promotion and transfer of employees.

- Job description
- Job evaluation
- Heavy cash inflows at the later stages of the project
- Job

Question No.8

4.00

Bookmark

Subscription received by a Club will be shown as an item of:

- Liability
- Expense
- Asset
- Revenue

Question No.9

4.00

Bookmark

The statistical tool that can be used by the teacher who wants to know whether the enforcing stricter attendance rules helps the students to perform better in their studies is:

- Correlation analysis
- Multiple Regression Analysis
- Logistic Regression Analysis
- Cluster Analysis

Question No.10

4.00

Bookmark

What is the amount of sales if profits are Rs. 20000, fixed costs are Rs. 40000 and P/V ratio is 20 %:

- Rs. 400000
- Rs. 100000
- Rs. 200000
- Rs. 300000

Question No.11

4.00

Bookmark

Secular trend refers to the

- Long term movement
- Short term movement
- Medium term movement
- Very short term movement

Question No.12

4.00

Bookmark

Prestige pricing is highly applicable to

- specialty goods
- necessary goods
- shopping goods
- luxury goods

Question No.13

4.00

Bookmark

You wouldn't tell them what happened, _____

- wouldn't you?
- isn't it?
- would you?
- won't you?

Question No.14

4.00

Bookmark

Grapevine communication is a form of:

- Vertical communication
- Downward communication
- Informal communication
- Upward communication

Question No.15

4.00

Bookmark

Product diversification is known as _____

- an expansion of the existing product line
- closing the existing produce line
- narrowing the existing product line
- concentrating the existing product line

Question No.16

4.00

Bookmark

A financial statement that presents all the owning and owing of a firm as on a particular date is called:

- Balance sheet
- Income statement
- Funds flow statement
- Cash flow statement

Question No.17

4.00

Bookmark

Management Audit is:

- An investigation of an business for ascertaining the soundness of managements activities
- An investigation of an business from the highest level downward in order to ascertain the soundness of management
- An investigation of an business for identifying the soundness of management activities
- An investigation of an business from the lowest level upward in order to ascertain the soundness of management

Question No.18

4.00

Bookmark

Verification of the value of assets, liabilities, the balance of reserves, provision and the amount of profit earned or loss suffered a firm is called _____.

- Continuous audit.
- Balance sheet audit.
- Interim audit.
- Partial audit.

Question No.19

4.00

Bookmark

Which symbol is used to represent the ANOVA statistic?

- χ^2
- F
- p
- n

Question No.20

4.00

Bookmark

Which of the following documents is not relevant for vouching cash sales?

- Salesmen's summary
- Monthly statements sent to customers
- Bank statement
- Daily cash sales summary

Question No.21

4.00

Bookmark

Choose the correct meaning of the italicized idiom.

The police *cordoned off* the area after the explosion.

- isolated the area
- did not allow anyone to leave the area
- filled the whole area
- checked everyone in the area

Question No.22

4.00

Bookmark

Advertising on the _____ is a recent experience.

- HTML.
- world wide web.
- netscape
- internet.

Question No.23

4.00

Bookmark

In India, the law relating to auditing follows which of the following models?

- Latin Model
- Roma Model
- Greek Model
- British Model

Question No.24

4.00

Bookmark

Statutory audit means:

- Statutory audit in the case of enterprise it is not made compulsory by law
- Statutory audit it is not necessary for an enterprise
- Statutory audit it can be conducted on the base of enterprise choice
- Statutory audit in the case of enterprise is made compulsory by law

Question No.25

4.00

Bookmark

Rapid skimming strategy means_____.

- Charging high price and spending high on promotion
- Charging low price
- Charging high price and low promotion
- All the above

Question No.26

4.00

Bookmark

Prime costs and conversion costs share which common element of total cost?

- Variable overhead
- Direct labour
- Fixed overhead
- Direct materials

Question No.27

4.00

Bookmark

The most common continuous distribution used in statistics is called as:

- Uniform distribution
- Exponential distribution
- Normal distribution
- Binomial distribution

Question No.28

4.00

Bookmark

Which of the following is true?

- Net profit + Gross profit = Operating expenses
- Net profit + Operating expenses = Cost of goods sold
- Sales - Gross Profit - Operating expenses = Net Profit
- Gross Profit - Operating expenses = Net profit

Question No.29

4.00

Bookmark

Presumptive Taxation Scheme is not applicable to:

- LLP
- HUF
- Partnership firm
- Resident individual

Question No.30

4.00

Bookmark

If 9 men working 6 hours a day can do a work in 88 days. Then 6 men working 8 hours a day can do it in how many days?

- 99
- 95
- 89
- 97

Question No.31

4.00

Bookmark

Partner's salaries to be debited to

- Profit and Loss Appropriation Account
- Trading Account
- Profit and Loss Account
- Capital account

Question No.32

4.00

Bookmark

Statement: Be humble even after being victorious.

Assumptions:

- I. Many people are humble after being victorious
- II. Generally People are not humble
 - If only assumption I is implicit
 - If both I and II are implicit
 - If only assumption II is implicit
 - If neither I nor II is implicit

Question No.33

4.00

Bookmark

Showing fixed assets in the Balance Sheet of a company at the depreciated value is based on:

- The duality principle
- The principle of equity
- The principle of materiality
- The principle of conservatism

Question No.34

4.00

Bookmark

Based on the information given answer the following question.

1. In a family of six persons, there are people from three generations. Each has separate professions and they like different colours. There are two couples.
2. Shyam is an Engineer and his wife is not a doctor and she does not like Red colour.
3. Chartered Accountant likes green colour and his wife is a teacher.
4. Manisha is the mother-in-law of Sunita and she likes orange colour.
5. Vimal is the grand father of Tarun and tarun is the Principal and likes black colour.
6. Nyna is the grand daughter of Manisha and she likes blue colour. Nyna's Mother likes white colour.

Which Colour is liked by the Sunita?

- Green
- Black
- Cannot be determined
- White

Question No.35

4.00

Bookmark

The probability of committing Type II error is denoted by:

- Beta
- Gamma
- Alpha
- Omega

Question No.36

4.00

Bookmark

If total cost is Rs. 500 and the total variable cost is Rs. 200, what will be the total fixed cost if output is

(a) 100 units and (b) 200 units?

- Rs. 500, Rs. 500
- Rs. 700, Rs. 700
- Rs. 300, Rs. 400
- Rs. 300, Rs. 300

Question No.37

4.00

Bookmark

The financial tool that provides best of the trend forecast with regard to valuation of a firm is:

- CAGR
- Dividend yield
- PB ratio
- PE ratio

Question No.38

4.00

Bookmark

If black is called white, white is called red, red is called pink, pink is called green, green is called blue, what would be the colour of human blood?

- Blue
- White
- Green
- Pink

Question No.39

4.00

Bookmark

Study the following information carefully and answer the question below it

In a family, Isha is the granddaughter of Asha. Deepa is the mother of Hansa. Charan is the son of Anand. Radha is the mother of Isha. Deepa is the sister of Vinod and Charan. Nagesh has two children, Gita and Hansa. Emesh is the only grandson in the family. Charan is not married. Radha is the daughter-in-law of Anand.

Who is married to Radha?

- Charan
- Anand
- Vinod
- Nagesh

Question No.40

4.00

Bookmark

Where a debt becomes bad, the amount should be:

- Debited to sales Account
- Debited to Cash Account
- Credited to Debtors Account
- Credited to Bad Debts Account

Question No.41

4.00

Bookmark

The concept of Management by Objective (MBO) was propounded by:

- Keith Davis
- Peter Drucker
- Mary Parker
- F. W. Taylor

Question No.42

4.00

Bookmark

Increase in demand because of decrease in price is called

- Contraction
- Extension
- Decrease
- Increase

Question No.43

4.00

Bookmark

Current ratio is a _____

- short-term solvency
- turnover ratio
- profitability ratio
- long-term solvency ratio

Question No.44

4.00

Bookmark

Which of the following pairs of techniques of capital budgeting show contradictory results while evaluating a mutually exclusive project?

- IRR and PI
- IRR and NPV
- IRR and ARR
- NP and PI

Question No.45

4.00

Bookmark

A manager who works with the help of rules and regulations is called

- Laissez faire leader
- Bureaucratic leader
- Traipest leader
- Participator leader

Question No.46

4.00

Bookmark

The accounting concept that underlines that a company will continue to trade for a foreseeable future is:

- Prudent concept
- Going concern concept
- Consistency concept
- Entity concept

Question No.47

4.00

Bookmark

Which of the following is not an element of financial management?

- Financial control
- Financial Planning
- Financial Decision making
- Allocation of resources

Question No.48

4.00

Bookmark

Efficiency ratio * Capacity ratio is:

- Structural ratio
- Debt-equity ratio
- Activity ratio
- Liquidity ratio

Question No.49

4.00

Bookmark

Insurable interest means

Statement 1: Legal right to insure.

Statement 2: Have suffered financial loss.

- Both statements are correct
- Statement A is correct
- Statement B is correct
- Both statements are wrong

Question No.50

4.00

Bookmark

A stable dividend policy is indicative of which of the following:

- Stable pay-out ratio
- Stable EPS
- Stable PE ratio
- Stable PB ratio

Question No.51

4.00

Bookmark

Annual General Meeting can be called by_____.

- Company secretary
- Board of directors
- shareholders
- an aging director

Question No.52

4.00

Bookmark

The amount deposited in Securities Premium Account can be used for_____.

- Distributing profits
- Issue of Bonus Shares
- Paying the amount to director
- All the above.

Question No.53

4.00

Bookmark

Choose the most appropriate preposition to fill the blank:

The mathematics exam will be held between 2____4pm.

- to
- and
- from
- at

Question No.54

4.00

Bookmark

Conversion cost comprises of:

- Direct material cost and direct wages
- Direct wages and factory overheads
- Direct wages and factory cost
- Direct material cost and factory cost

Question No.55

4.00

Bookmark

The process where a bank transfers its credit to its customers when it advances loans to its customers and transfers to itself when these advances are returned to it as deposits is known as:

- Deposit creation
- Credit multiplication
- Credit creation
- Bank creation

Question No.56

4.00

Bookmark

Profit prior to incorporation is transferred to _____.

- Trading Account
- Profit and Loss Account
- Capital reserve
- General reserve

Question No.57

4.00

Bookmark

Choose the synonym of the italicized word.

Some people are extremely *fastidious* in their choice of dress.

- fussy
- careless
- pompous
- discriminating

Question No.58

4.00

Bookmark

Study the following information carefully and answer the question below it (i) There is a group of five persons- A, B, C, D and E (ii) One of them is manual scavenger, one is sweeper, one is watchman, one is human scarecrow and one is grave-digger (iii) Three of them – A, C and grave-digger prefer tea to coffee and two of them – B and the watchman prefer coffee to tea (iv) The human scarecrow and D and A are friends to one another but two of these prefer coffee to tea. (v) The manual scavenger is C's brother Which of the following groups includes a person who likes tea but is not a grave-digger?

- BD
- DE
- BCE
- None of the above

Question No.59

4.00

Bookmark

Assets having definite shape and physical existence are called

- Tangible asset
- Fictitious asset
- Intangible asset
- Current asset

Question No.60

4.00

Bookmark

Depreciation is included as a cost in which of the following techniques,

- Net present value
- Net present value Index
- Accounting rate of return
- Internal rate of return

Question No.61

4.00

Bookmark

Per unit fixed cost has a tendency to:

- Decrease as volume of direct costs increases
- Increase as volume of output decreases
- Decrease as volume of output remains unchanged
- Increase as volume of direct costs decreases

Question No.62

4.00

Bookmark

The concept of insurance involves a transfer of

- Risk
- Needs
- Ownership
- Liability

Question No.63

4.00

Bookmark

Combined leverage is the percentage change in relationship between sales and _____.

- Earnings per shares
- Break-even point
- Operating income
- Operating leverage

Question No.64

4.00

Bookmark

Loss prior to incorporation should be debited to:

- Revenue Reserve a/c
- Preliminary expenses a/c.
- Capital reserve a/c
- Goodwill a/c

Question No.65

4.00

Bookmark

Hentry Fayol is known for.....

- Group dynamic
- Principles of management
- Rationalisation
- Scientific management

Question No.66

4.00

Bookmark

The canteen expenses should be apportioned to cost centers by:

- the replacement value of machinery and equipment
- the number of employees
- the number of kilowatt hours
- floor area or cubic capacity

Question No.67

4.00

Bookmark

When testing for independence in a contingency table with 3 rows and 4 columns, there are _____ degrees of freedom.

- 12
- 6
- 7
- 5

Question No.68

4.00

Bookmark

Study the following information carefully and answer the question below it:

Aasha, Bhuvnesh, Charan, Danesh, Ekta, Farhan, Ganesh and Himesh are sitting around a circle, facing the centre. Aasha sits fourth to the right of Himesh while second to the left of Farhan. Charan is not the neighbour of Farhan and Bhuvnesh. Danesh sits third to the right of Charan. Himesh never sits next to Ganesh.

Which is the position of Farhan with respect to Ekta?

- Third to the left
- Second to the right
- Fourth to the right
- Sixth to the left

Question No.69

4.00

Bookmark

1, 4, 27, 16, ?, 36, 343

- 25
- 125
- 72
- 132

Question No.70

4.00

Bookmark

Opportunity cost describes:

- The optimum cost
- The alternative cost
- The bargaining price for a factor of production
- The actual cost of a product

Question No.71

4.00

Bookmark

Financial leverage is:

- The extent of the use of total cost in the cost structure of a firm
- The extent of the use of fixed cost in the capital structure of a firm
- The extent of the use of semi-variable cost in the cost structure of a firm
- The extent of the use of variable cost in the cost structure of a firm

Question No.72

4.00

Bookmark

Accounting Standard-14 is related with

- Depreciation Accounting
- Valuation of stock
- Valuation of Assets
- Amalgamation

Question No.73

4.00

Bookmark

Which of the following is not true?

- The financial statement shall give a true and fair view of the state of affairs of the company
- The auditor can examine whether the transactions of an enterprise have been executed within the framework of certain standards of financial propriety
- An audit is independent examination of financial information of any entity, whether profit oriented or not
- Audit is legally obligatory for all type of business organizations or institutions

Question No.74

4.00

Bookmark

Fill in the blank with the correct form of the verb.

The International Women's Day _____ with great enthusiasm by our university last month.

- celebrated
- is celebrated
- has celebrated
- was celebrated

Question No.75

4.00

Bookmark

Salary received by the manager of an agricultural farm is

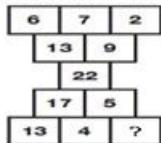
- A salary income.
- An agricultural income.
- A capital income
- A business income.

Question No.76

4.00

Bookmark

Which number replaces the question mark?



- 2
- 4
- 1
- 3

Question No.77

4.00

Bookmark

Positive NPV would mean that IRR will be:

- Greater than the required rate of return
- Negative
- Less than the required rate of return
- Positive

Question No.78

4.00

Bookmark

The most important document of a company is its_____.

- memorandum of association.
- annual report.
- articles of association
- prospectus.

Question No.79

4.00

Bookmark

An External Auditor is:

- The person who professional qualified or not, but he/she appointed within organization for specific work of auditing
- The person who practice the profession of accountancy but not qualified in the professional examination
- The person who professionally qualified, but he/she appointed within organization for different work
- The person who practice the profession of accountancy having qualified in the professional examination, but he/she appointed for auditing the accounts

Question No.80

4.00

Bookmark

IRR would favour project proposals which have,

- Heavy cash inflows in the early stages of the project.
- Heavy cash inflows at the middle stages of the project
- Evenly distributed cash inflows throughout the project.
- Heavy cash inflows at the later stages of the project

Question No.81

4.00

Bookmark

Which of the following sections of the Income Tax Act of 1961 deals with taxing gifts received by staff from their companies?

- Section 55
- Section 50
- Section 54
- Section 56

Question No.82

4.00

Bookmark

Excess of amount of purchase price over and above the acquired share of equity (net assets) is called:

- Goodwill
- Revenue reserve
- Minority interest
- Capital reserve

Question No.83

4.00

Bookmark

Positive NPV will indicate that:

- BCR = 1
- IRR ≥ Cost of capital
- IRR ≤ Cost of capital
- IRR = Cost of capital

Question No.84

4.00

Bookmark

The cost incurred as a result of past decisions which cannot be reversed or altered is termed as:

- Sunk cost
- Marginal cost
- Opportunity cost
- Fixed cost

Question No.85

4.00

Bookmark

The threshold limit of turnover for attracting GST is:

- Rs. 30 lakh and above per annum
- Rs. 40 lakh and above per annum
- Rs. 25 lakh and above per annum
- Rs. 20 lakh and above per annum

Question No.86

4.00

Bookmark

The test that measures a person's capacity or latent ability to learn and perform the job is called:

- Job Knowledge test
- Skill Test
- Interest Test
- Aptitude test

Question No.87

4.00

Bookmark

P/V Ratio is 25% and Margin of Safety is Rs; 3,00,000, the amount of profit is _____

- Rs. 60,000
- Rs. 1,00,000.
- Rs. 80,000.
- Rs. 75,000.

Question No.88

4.00

Bookmark

Business loss of an amalgamating company shall be:

- carried forward and set off in the hands of amalgamated company subject to certain conditions
- not be carried forward
- allowed to be carried forward only by amalgamating company
- carried forward and set off in the hands of amalgamated company unconditionally

Question No.89

4.00

Bookmark

Stock in trade is valued ____.

- at cost price.
- at market price.
- at cost price less depreciation.
- at cost price or market price whichever is less.

Question No.90

4.00

Bookmark

In marginal costing technique, Contribution minus Fixed cost gives you:

- Break-even point
- Margin of safety
- Profit
- Variable cost

Question No.91

4.00

Bookmark

X,Y and Z are partners in the ratio of 1/2; 2/5 ; 1/10, what will be the new ratio of the remaining partners if X retires

- 3:01
- 5:01
- 2:01
- 4:01

Question No.92

4.00

Bookmark

Choose the best antonym of the italicized word.

The principal *deprecated* the attitude of some student-leaders.

- tolerated
- derided
- appreciated
- ignored

Question No.93

4.00

Bookmark

In the following question, the first two words (given in italics) have a definite relationship. Choose one word out of the given four alternatives which will fill the blank space and show the same relationship with the third word as between the first two.

Latex is to *Rubber* as *Flax* is to?

- Cotton
- Jute
- Silk
- Linen

Question No.94

4.00

Bookmark

If an event cannot take place, the probability will be

- ± 1
- 0
- 1
- 1

Question No.95

4.00

Bookmark

Workmen Compensation insurance is also known as _____ policy

- Employees liability
- Worker's liability
- Third party liability
- Employer's liability

Question No.96

4.00

Bookmark

Statements: Buses are cars. Cycles are cars

Conclusion:

- I. Cars are buses
- II. Buses are Cycles

- If only conclusion II follows
- If only conclusion I follows
- If either I or II follows
- If neither I nor II follows

Question No.97

4.00

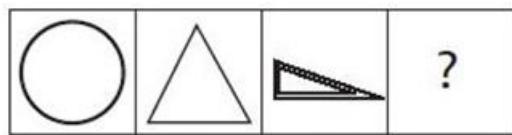
Bookmark

The principle of indemnity does not apply to _____ .

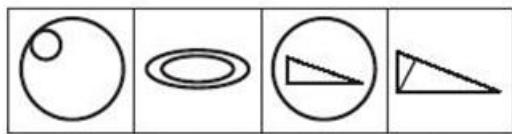
- Burglary insurance
- Fire Insurance
- Life and Personal Accident insurance
- Marine Insurance

Question No.98

4.00

Bookmark 

A B C D



(1) (2) (3) (4)

- 4
- 2
- 3
- 1

Question No.99

4.00

Bookmark

The Hygiene Theory of Motivation was propounded by:

- Peter Drucker
- McGregor
- Maslow
- Fredrick Herzberg

Question No.100

4.00

Bookmark

The method of mining silver varies from place to place, _____?

- isn't it?
- is it?
- doesn't it?
- does it?

311 PU M.Com Accounting & Taxation

1 of 100

182 PU_2016_311_E

Inflation means:-

- Purchasing power increases in income
- Borrowing capacity increases
- Increases in the value of goods and services
- Decreases in the value of an asset

2 of 100

210 PU_2016_311_E

The primary objective of audit is to:-

- Verify and report on the state of affairs of the business
- Verify and value assets as per company's account
- Verify liabilities and report to registrar of companies
- Appoint auditors

3 of 100

144 PU_2016_311_E

Power(s) which can be exercised only at board meeting are:-

- The power to make calls
- The power to borrow money otherwise than on debentures
- The power to issue debentures
- All the above

4 of 100

204 PU_2016_311_E

Stock turnover is a:-

- Liquidity ratio
- Activity ratio
- Solvency ratio
- Profitability ratio

5 of 100

143 PU_2016_311_E

Shares can be forfeited only:-

- For non-payment of call money
- For non-payment of call money and special powers in Articles Adhere to with legal procedure
- For illness of shareholder

- For unsoundness or on the death of share holders

6 of 100

185 PU_2016_311_E

Which of the following a relative measure of dispersion:-

- Standard deviation
- Mean
- Variance
- Co-efficient of variation

7 of 100

166 PU_2016_311_E

Human resource management helps improve:-

- Productivity
- Production
- Power
- Profits

8 of 100

186 PU_2016_311_E

A normal distribution completely define by the:-

- Mean and mean deviation
- Mean and standard deviation
- Mean range
- Mean and quartile deviation

9 of 100

147 PU_2016_311_E

As individual legal entities, corporations assume liability for their own debts, so the shareholders hold:-

- shared liability
- only limited liability
- unlimited liability
- joint liability

10 of 100

149 PU_2016_311_E

Which of the following books would be used to record an adjusting entry in depreciation?

- Sales book
- Cash book
- Journal

- Purchases book

11 of 100

202 PU_2016_311_E

Preparation of cash flow statement is:-

- Recommendatory
- Required under the income tax act
- Required under the company act
- Mandatory

12 of 100

108 PU_2016_311_E

VAT is:-

- Multi point tax
- Single point tax
- Service tax
- Revenue neutral tax

13 of 100

184 PU_2016_311_E

The functional relationship between price and quantity demand is known as:-

- Consumer demand
- Elasticity of demand
- Law of demand
- Shift in demand

14 of 100

106 PU_2016_311_E

In India Life insurance business was nationalized in the year:-

- 1980
- 1972
- 1955
- 1956

15 of 100

161 PU_2016_311_E

Which of the following errors are not disclosed by Trial Balance?

- Errors of Principle
- Compensatory Errors
- Errors of Omission

- All the three

16 of 100

107 PU_2016_311_E

FEMA was brought in to force with effect from:-

- 1.06.2000
- 1.06.1999
- 1.06.2001
- 1.06.1998

17 of 100

124 PU_2016_311_E

'Holding gains in relation to stocks should not be used for payment of dividend' which one of the following accounting principles is involved in this?

- Cost
- Materiality
- Consistency
- Realisation

18 of 100

189 PU_2016_311_E

A business may be split into various division and located in various places are known as:-

- Branches
- Department
- Segment
- None of the above

19 of 100

146 PU_2016_311_E

This type of business organization is relatively easy to start, and they're subject to much lighter regulatory and paperwork burden than other business forms.

- Corporation
- Hybrid organizations
- Sole proprietorship
- Partnership

20 of 100

188 PU_2016_311_E

Student "t" test is applied:-

- When sample size is more than 100
- When sample size is more than 50

- When sample size is more than 30
- When sample size is less than 30

21 of 100

163 PU_2016_311_E

According to McClelland's Needs Theory, which of the following is not a motivating need?

- Need for Power
- Need for Security
- Need for Achievement
- Need for Affiliation

22 of 100

128 PU_2016_311_E

Providing regular market to the members is the objective of which cooperative society?

- Middlemen Cooperative
- Consumer's Cooperative
- Producer's Cooperative
- Cooperative Marketing

23 of 100

142 PU_2016_311_E

Transmission of shares do not include:-

- Transfer to legal heirs on death or insolvency
- Voluntary and deliberate act of the transferor
- Result of operation of law
- Transmission on voluntary liquidation

24 of 100

130 PU_2016_311_E

What is the primary capital of cooperatives?

- Savings
- Donations
- Member's share capital
- Deposits

25 of 100

164 PU_2016_311_E

When a company distributes its products through a channel structure that includes one or more resellers, this is known as _____.

- multi-level marketing

- integrated marketing
- direct marketing
- indirect marketing

26 of 100

165 PU_2016_311_E

Deployment of which resource is difficult to master:-

- Capital
- Land
- Natural
- Human

27 of 100

201 PU_2016_311_E

The term fund as used in fund flow statement means:-

- Current assets
- Cash
- Current assets - current liabilities
- Current liabilities

28 of 100

100 PU_2016_311_E

Consumer protection act was passed in the year:-

- 1986
- 1987
- 1988
- 1985

29 of 100

123 PU_2016_311_E

Which one of the following branches of accounting primarily deals with processing and presenting of accounting data for internal use?

- Tax accounting
- Financial accounting
- Management accounting
- Inflation accounting

30 of 100

105 PU_2016_311_E

In a contract of insurance where loss is to be made good by the insurance company is:-

- Insurer
- Beneficiary
- Assured
- Indemnifier

31 of 100

145 PU_2016_311_E

Which of the following is the firm's highest-level financial manager?

- Chief executive officer
- Corporate governance
- Chief financial officer
- Board of directors

32 of 100

101 PU_2016_311_E

Which one of the taxes is not an indirect tax?

- Central excise
- Service tax
- Wealth tax
- Customs duty

33 of 100

206 PU_2016_311_E

Writing off the expired cost of intangible assets is called:-

- Capitalization
- Depletion
- Depreciation
- Amortization

34 of 100

162 PU_2016_311_E

Which one is not an international organization?

- ASEAN
- ASEM
- SAARC
- CBDT

35 of 100

122 PU_2016_311_E

Money measurement concept of Accounting Theory is based on the assumption that the value of money will:-

- Decrease
- Remain constant
- Fluctuate
- Go up

36 of 100

167 PU_2016_311_E

The relative position of an organization's pay incentives compared to other companies in the same industry is known as:-

- Pay structure
- Pay level
- Pay appraisal
- Pay feedback

37 of 100

208 PU_2016_311_E

Sensex is based on:-

- 30 shares
- 50 shares
- 60 shares
- 40 shares

38 of 100

104 PU_2016_311_E

The nature of contract of personal accident is:-

- Wagering contract
- Contingent contract
- Contract of indemnity
- Contract of guarantee

39 of 100

103 PU_2016_311_E

Term IPR means:-

- Investment property right
- Intelligent property right
- Information property right
- Intellectual property right

40 of 100

187 PU_2016_311_E

The data classified on the basis of time is called:-

- a) Geographical classification
- b) Chronological classification
- c) Both (a) & (b)
- d) None of the above

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121 PU_2016_311_E

Owner's equity stands for:-

- Fixed assets minus fixed liabilities
- Total assets minus total liabilities
- Current assets minus fixed liabilities
- Fixed assets minus current liabilities

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209 PU_2016_311_E

Audit of joint stock companies is conducted in order to:-

- Increase the profit
- Increase the goodwill
- Satisfy the shareholders
- Meet the statutory requirements

43 of 100

207 PU_2016_311_E

Which of the following is a spontaneous source of financing working capital?

- Trade credit
- Cash credit
- Overdraft
- Letter of credit

44 of 100

110 PU_2016_311_E

A special resolution is one which is passed by:-

- 75% majority
- 50% majority
- 95 % majority
- 65% majority

45 of 100

125 PU_2016_311_E

X started business with a capital of Rs. 20,000 and purchases goods worth Rs.2,000 on credit. These transactions may be expressed in the form of an accounting equation such as:-

- Rs.22,000 = Rs.20,000 + 2,000
- Rs.22,000 = 0 + Rs.22,000
- Rs.22,000 = Rs.22,000 + 0
- Rs.20,000 = Rs.22,000 2000

46 of 100

109 PU_2016_311_E

No. of parties in a bill of exchange are:-

- Three
- Five
- Four
- Two

47 of 100

181 PU_2016_311_E

Quasi contract:-

- Deemed to be contract
- No contract
- Voidable contract
- Valid contract

48 of 100

168 PU_2016_311_E

Analyzing processes of change in the business environment involves conceptualizing it as:-

- Complex
- Diverse
- Dynamic
- Static

49 of 100

183 PU_2016_311_E

The inflation free instrument is:-

- deep discount bond
- Option bond
- Index linked gilt bond
- Leasing

50 of 100

148 PU_2016_311_E

The term 'funds' as used in 'funds flow statement' means:-

- Current assets
- Current asset minus current liabilities
- Current liabilities
- Cash

51 of 100

141 PU_2016_311_E

According to sec.13(a) of Negotiable Instrument Act 1881 Negotiable instrument does not include:-

- Bill of lading
- Promissory note
- Bill of exchange
- A cheque

52 of 100

129 PU_2016_311_E

Who usually creates the Producers cooperative societies?

- Consumers
- Farmers
- Producers
- Middlemen

53 of 100

203 PU_2016_311_E

The interval between two annual general meeting should not be more than:-

- 15
- 19
- 12
- 20

54 of 100

169 PU_2016_311_E

Which of the following is an example of foreign exchange?

- Exchange of claims denominated in another currency
- Exchange of cash issued by a foreign central bank
- Exchange of bank deposits
- All of the above

55 of 100

127 PU_2016_311_E

The term depletion is used in relation to:-

- Wasting assets
- Current assets
- Intangible assets
- Fixed assets

56 of 100

190 PU_2016_311_E

Break even analysis refers to ascertainment of level of operation where total revenue is equal to:-

- Marginal cost
- Total cost
- Variable cost
- Fixed cost

57 of 100

205 PU_2016_311_E

Which of the following is a accounting equation?

- Capital = asset + liability
- Capital = assets - liability
- Assets = liabilities - capital
- Liabilities = assets + capital

58 of 100

102 PU_2016_311_E

Which one of the taxes is not levied by central government?

- Central excise
- Land revenue
- Income tax
- Customs duties

59 of 100

150 PU_2016_311_E

"Interest earned but not received" should be classified as:-

- Prepaid expense
- Unearned revenue
- Accrued liability
- Accrued asset

60 of 100

126 PU_2016_311_E

Which one among the following shall result in 'capital loss' to a firm?

- loss due to delivery by port authorities
- confiscation of goods by custom authorities on account of false declaration
- Pilferage of certain items
- loss of goods in transit

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245 PU_2016_311_A

FRANCO price cover:-

- Only charges for placing the goods near the ship
- All charges necessary for sending the goods to the buyers place of business
- Only cost of loading the goods on board the ship
- Only cost freight and insurance

62 of 100

224 PU_2016_311_A

What does the term 'third sector' refer to?

- The service sector
- The high technology industries
- The voluntary sector
- Small and Medium Sized Enterprises (SMEs)

63 of 100

230 PU_2016_311_A

Operating lease is favored by the lessee; in respect of assets which depreciate in value on account of:-

- Wear and tear
- Obsolescence
- Exhaustion
- Efflux of time

64 of 100

220 PU_2016_311_A

The trade theory of comparative advantage was developed by:-

- Adam Smith
- David Ricardo
- Alfred Marshall
- Haberler

65 of 100

241 PU_2016_311_A

The costing method in which fixed factory overheads are added to inventory is:-

- incremental costing
- absorption costing
- marginal costing
- direct costing

66 of 100

248 PU_2016_311_A

The typical method of retail operation used by supermarkets and catalog showrooms is called:-

- full-service retailing
- service-merchandiser
- self-service retailing
- limited-service retailing

67 of 100

244 PU_2016_311_A

A cartel is a combination of firms:-

- Whose combined assets are worth more than 90% of the total assets of the industry
- Whose combined profit are enormous
- Which are functioning in a particular industry
- Which control the major chunk of the market

68 of 100

228 PU_2016_311_A

Bread and milk are which kind of products?

- Shopping products
- Unsought products
- Specialty Products
- Convenience products

69 of 100

229 PU_2016_311_A

Which of the following is categorized as an indirect payment portion of employee compensation?

- Salaries
- Commissions
- Employer-paid insurance
- Wages

70 of 100

227 PU_2016_311_A

Which one refers to cash inflow under payback period method?

- Cash flow before depreciation and taxes
- Cash flow after depreciation but before taxes
- Cash flow after depreciation and taxes
- Cash flow before depreciation and after taxes

71 of 100

226 PU_2016_311_A

Combined leverage is calculated as:-

- Operating Leverage - Financial Leverage
- Operating Leverage x Financial Leverage
- Operating Leverage / Financial Leverage
- Operating Leverage + Financial Leverage

72 of 100

249 PU_2016_311_A

Marketing is both an "art" and a "science" there is constant tension between the formulated side of marketing and the _____ side.

- creative
- behavior
- selling
- management

73 of 100

223 PU_2016_311_A

Which of the following is not an element of financial management?

- Financial planning
- Financial decision making
- Allocation of resources
- Financial control

74 of 100

242 PU_2016_311_A

Which of the following is not included under optimum capital structure?

- minimum cost of capital
- minimum profit
- minimum risk

- maximum control

75 of 100

246 PU_2016_311_A

Coordination is:-

- the essence of management
- function of management
- an objective of management
- none of the above

76 of 100

225 PU_2016_311_A

Which of the following is not an element of delegation?

- Authority
- Accountability
- Responsibility
- Informal organization

77 of 100

247 PU_2016_311_A

In North, it takes 50 labor hours to produce cloth and 100 hours to produce grain. In South, it takes 200 labor hours to produce cloth and 200 hours to produce grain. Which of the following statements is true?

- North should produce grain
- North has a comparative advantage in the production of cloth
- South has an absolute advantage in the production of grain
- South has an absolute advantage in the production of both cloth and grain

78 of 100

221 PU_2016_311_A

These individuals examine the firm's accounting systems and comment on whether financial statements fairly represent the firm's financial position.

- Chief financial officers
- Board of directors
- Auditors
- Accounting departments

79 of 100

243 PU_2016_311_A

The portion of the share capital which cannot be called up except on the winding up is known as:-

- called up capital
- authorized capital

- reserve capital
- paid up capital

80 of 100

222 PU_2016_311_A

P/V ratio is 30%, selling price per unit is Rs. 25, the marginal cost is:-

- Rs. 16
- Rs. 17.5
- Rs. 20
- Rs. 15

81 of 100

266 PU_2016_311_D

The practice generally known as double taxation is due to:-

- a. Shareholders' dividends being taxed at both the federal and state levels
- b. corporate income being taxed at both the federal and state levels
- c. both (a) and (b) above
- d. corporate incomes being taxed at the corporate level, then again at the shareholder level when corporate profits are paid out as dividends

82 of 100

262 PU_2016_311_D

In the long run, a firm in monopolistic competition:-

- May earn normal profits, super normal profits or incur losses
- Incurs losses
- Always earns super profits
- Earns normal profits only

83 of 100

261 PU_2016_311_D

The law of variable proportions comes into being when _____.

- All factors are variable
- Variable factors yield less
- There are only two variable factors
- There is a fixed factor and a variable factor

84 of 100

260 PU_2016_311_D

Key characteristics of market portfolio is that:-

- does not include any efficient etc

- has lowest risk of any efficient portfolio
- has highest return of any efficient portfolio
- has highest return per unit risk of any efficient portfolio

85 of 100

284 PU_2016_311_D

The rate at which RBI is lending money to banking companies is known as:-

- Repo rate
- Reverse repo rate
- Bank rate
- Prime lending rate

86 of 100

285 PU_2016_311_D

Which one of the following is not a money market security?

- Commercial paper
- Treasury bills
- Certificate of deposit
- National saving certificate

87 of 100

289 PU_2016_311_D

North west corner rule applied for:-

- The linear programming
- Transportation problem
- Assignment problem
- Game theory

88 of 100

270 PU_2016_311_D

Accounting for Intangible Assets are related to:-

- AS - 12
- AS - 24
- AS - 10
- AS - 26

89 of 100

269 PU_2016_311_D

A company that functions to unite sellers and buyers of foreign currency-denominated bank deposits is called:-

- a broker
- a bank
- an investor
- a wholesaler

90 of 100

281 PU_2016_311_D

Which of the following companies do not have the obligation to get its Articles of Association registered along with the Memorandum of Association?

- Public Company limited by shares
- Companies limited by guarantee
- Unlimited companies
- Private companies limited by shares

91 of 100

265 PU_2016_311_D

Sec 233B of companies Act 1956 provides that an auditor who is going to conduct cost Audit must:-

- Person with special knowledge of costing irrespective of any formal qualification
- Cost Accountant
- Chartered accountant
- Cost or chartered accountant

92 of 100

283 PU_2016_311_D

The lower of CRR is aimed at:-

- Increasing the value of rupee in foreign exchange market
- Decreasing the lending capacity of the commercial bank
- Reducing the supply of money
- Increasing the supply of credit of commercial banks

93 of 100

264 PU_2016_311_D

Hundi payable on demand within a reasonable time after its receipt by holder is called:-

- DarshiniHundi
- Shahjoghundi
- Mudattihundi
- Jawabihundi

94 of 100

267 PU_2016_311_D

A legal duty between two parties where one party must act in the interest of the other party.

- fiduciary
- investment banker
- agency theory
- angel investor

95 of 100

287 PU_2016_311_D

Correlation is said to be linear when:-

- Change in one variable does not affect the other
- Change in one variable tend to be constant ratio of change in other
- Increase in one variable result a decrease in other
- Decrease in one variable result an increase in other

96 of 100

288 PU_2016_311_D

Network model have advantage interms of project:-

- a) Planning
- b) Scheduling
- c) Controlling
- d) (a) & (b)

97 of 100

263 PU_2016_311_D

Arbitration excludes:-

- Formal documentation required rather than mere Writing
- Its quasi judicial process
- Related reference is in Arbitration Act 1940
- Less costly and prompt decisions

98 of 100

268 PU_2016_311_D

An outsourcer:-

- provides recycling capabilities to the organization
- is always located in a foreign country
- generates its revenue by producing for another company
- only produces standardized parts

99 of 100

286 PU_2016_311_D

Time an activity would take very unfavorable conditions is represented by the:-

- Pessimistic time
- Most likely time
- Deterministic time
- Optimistic time

100 of 100

290 PU_2016_311_D

Sum payable based on output to the owner for use of right vested to him:-

- Interest
- Rent
- Profit
- Royalties