

M.Com.

1. The debit opening balance of bought ledger adjustment account will appear in that account on the :
 - (A) Debit side only
 - (B) Credit side only
 - (C) Neither debit nor credit side
 - (D) None of the above

2. While preparing Income & Expenditure A/c, items relating to the past or future year will be :
 - (A) Included
 - (B) Excluded
 - (C) Carried forward
 - (D) Added

3. The details of various receipts and payments can be seen in the :
 - (A) Cash Book
 - (B) Income & Expenditure A/c
 - (C) Receipts & Payments A/c
 - (D) Balance Sheet

4. The balance of Royalty Receivable A/c is transferred to :
 - (A) Profit & Loss A/c
 - (B) Royalties Suspense A/c
 - (C) Production A/c
 - (D) Royalties A/c

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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