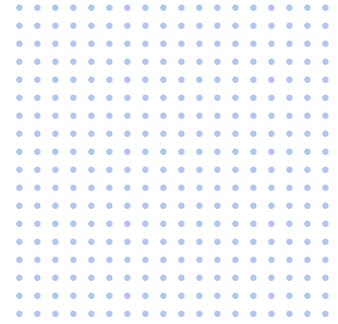




FOR KUET EXAM PREPARATION

KUET 2024 Question Paper · M.Com

EXAM	YEAR	TYPE	SUBJECT
KUET	2024	Question Paper	M.Com

Sr. No. ¹ 242**ENTRANCE TEST-2024****SCHOOL OF BUSINESS STUDIES****M.Com.**

Question Booklet Series

B

Total Questions : 60

Time Allowed : 70 Minutes

Roll No. :

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Instructions for Candidates :

1. Write your Entrance Test Roll Number in the space provided at the top of this page of Question Booklet and fill up the necessary information in the spaces provided on the OMR Answer Sheet.
2. OMR Answer Sheet has an Original Copy and a Candidate's Copy glued beneath it at the top. While making entries in the Original Copy, candidate should ensure that the two copies are aligned properly so that the entries made in the Original Copy against each item are exactly copied in the Candidate's Copy.
3. All entries in the OMR Answer Sheet, including answers to questions, are to be recorded in the Original Copy only.
4. Choose the correct / most appropriate response for each question among the options A, B, C and D and darken the circle of the appropriate response completely. The incomplete darkened circle is not correctly read by the OMR Scanner and no complaint to this effect shall be entertained.
5. Use only blue/black ball point pen to darken the circle of correct/most appropriate response. In no case gel/ink pen or pencil should be used.
6. Do not darken more than one circle of options for any question. A question with more than one darkened response shall be considered wrong.
7. There will be '**Negative Marking**' for wrong answers. Each wrong answer will lead to the deduction of 0.25 marks from the total score of the candidate.
8. Only those candidates who would obtain positive score in Entrance Test Examination shall be eligible for admission.
9. Do not make any stray mark on the OMR sheet.
10. Calculators and mobiles shall not be permitted inside the examination hall.
11. Rough work, if any, should be done on the blank sheets provided with the question booklet.
12. OMR Answer Sheet must be handled carefully and it should not be folded or mutilated in which case it will not be evaluated.
13. Ensure that your OMR Answer Sheet has been signed by the Invigilator and the candidate himself/herself.
14. At the end of the examination, hand over the OMR Answer Sheet to the invigilator who will first tear off the original OMR sheet in presence of the Candidate and hand over the Candidate's Copy to the candidate.

SP-4497-B

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[Turn over**SEAL**

1. Mr. Firdous, a private sector employee, who retired on 1st October, 2022 is receiving Rs. 5000 pension p.m. On 1st February, 2023, he commuted 60% of his pension and received Rs. 300,000 as commuted pension, and he has also received Rs. 500,000 as gratuity at the time of his retirement. What is his taxable pension ?
 (A) 1,57,333
 (B) 24,000
 (C) 74,000
 (D) 1,37,246
2. Which of the following is fully taxable allowance ?
 (A) House Rent Allowance
 (B) Servant Allowance
 (C) Allowances to High Court Judges
 (D) Special Allowances
3. Unlisted securities other than shares held upto 36 months are considered as _____ as per Income Tax Act, 1961.
 (A) Short-Term Capital Assets
 (B) Long-Term Capital Assets
 (C) Short-Term Speculative Securities
 (D) Long-Term Speculative Securities
4. An individual assessee, resident in India, has made the following deposit/payment during the previous year 2023-24: Contribution to the Public Provident Fund Rs. 1,50,000 and Insurance premium Rs. 25,000, paid on the life of the spouse (policy taken on 1-4-2018) (Assured value Rs. 2,00,000). What is the deduction allowable under section 80C for A.Y. 2024-25 ?
 (A) 2,00,000
 (B) 1,70,000
 (C) 1,60,000
 (D) 1,50,000
5. Section 80E of Income Tax Act, 1961, allows deduction in case of _____.
 (A) Medical treatment of specified diseases or ailments
 (B) Maintenance including medical treatment of a dependent disabled
 (C) Interest on loan taken for higher education
 (D) Donations to certain funds, charitable institutions
6. Mr. Imran owns a house which he has let out for the previous year. Municipal Value is Rs. 55,000; Fair Rent Rs. 60,000; Standard Rent Rs. 75,000; and Actual Rent Received Rs. 72,000. What is the Gross Annual Value (GAV) of the house ?
 (A) 55,000
 (B) 60,000
 (C) 72,000
 (D) 90,000

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

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

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

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

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

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

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

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