M.Com.(Honours)

1. RTI Act 2005 came into force on
A) 12 October 2005
B) 15 August 2005
C) 15 June 2005
D) 1 November 2005

2. Which of the following is an example of intellectual property?
A) Patent
B) Trade Marks
C) Copy right
D) All of the above

3. How many schedules are there in IT Act, 2000?
A) 3
B) 4
C) 6
D) 2

4. Which of the following is not a negotiable instrument?
A) Currency Note
B) Promissory Note
C) Bill of Exchange
D) Cheques

5. If PPP holds
A) The nominal exchange rate will not change
B) The real exchange rate will not change
C) Both real and nominal exchange rates will not change
D) Both Real and Nominal exchange rates will move together

6. India is facing continuous deficit in its balance of payments. In the foreign exchange market rupee is expected to
A) Depreciate
B) Appreciate
C) Show no specific tendency
D) Depreciate against currencies of the countries with positive balance of payments and appreciate against countries with negative balance of payment.

7. Hedging transaction is indicated by
A) Transactions in odd amounts
B) Presentation of documentary support
C) Frequency of such transactions
D) None of the above

8. Following the Uruguay Round Agreement, GATT was converted from a provisional agreement into WTO with effect from

A) January 1, 1994
B) April 1, 1994
C) January 1, 1995
D) March 1, 1995

9. Which one is not an international organization?
A) SAARC
B) ASEM
C) ASEAN
D) CBDT

10. A letter of credit means
A) A bank agreeing to accept and pay on due date
B) A letter containing conditions of credit purchase or sale
C) A letter sent by exporter to importer sanctioning credit deal
D) A letter sent by importer to exporter sanctioning credit deal

11. RBI notifies CRR under _____ Act.
A) Section 24 of the Banking Regulation Act
B) Section 42 of the Banking Regulation Act
C) Section 24 of the RBI Act
D) Section 42 of the RBI Act

12. As per RBI's clean note policy writing on a currency note is
A) An Offence
B) A crime
C) A punishable offence
D) The notes becomes non-legal tender

13. Which one among the following has not started commercial banking?
A) SIDBI
B) IDBI
C) ICICI
D) UTI

14. HRM does not include
A) Job Evaluation
B) Performance Appraisal
C) Sale promotion
D) Job enrichment

15. 360 degree method relates to
A) Performance Appraisal
B) Organizational climate
C) Employee Morale
D) Retrenchment

16. If the current ratio is 2:1 and working capital is Rs 60,000. What is the value of the current assets?
A) Rs 60,000
B) Rs 1,00,000
C) Rs. 1,20,000
D) Rs 1,80,000

17. Which is not a form of internet Marketing?
A) On-Line Marketing
B) Internet Advertising
C) E-Marketing
D) Product Mix and Branding

18. Which is the base of Green Marketing?
A) Greenhouse gas reduction market
B) Capital Flow
C) Programme
D) Product

19. According to the principle of 'Span of Control' there is
A) A tendency of overload supervisors with too much work
B) A limit to a number of subordinates a supervisor can effectively supervise
C) No limit to the number of subordinates a supervisor can supervise
D) A limit to delegation of authority to the subordinate.

20. MBO is a technique which requires that the objectives of the enterprise
A) Be Written and defined in broad terms
B) Lay down the time period for achieving the desired results
C) Include a plan of action for achieving the desired result
D) Be defined in terms of measurable results

21. The Managerial Grid was developed by
A) Rensis Likert
B) Stanton
C) Jones
D) Robert Blake and JoneMounton

22. Who coined the term Scientific Management?
A) Elton Mayo
B) Henry Fayol
C) F.W.Taylor
D) Rensis Likert

23. Theory X is the theory of
A) Controlling
B) Financial Planning
C) Motivation

D) Planning

24. In Vroom's Expectancy theory, Valence means
A) Strength of an individual's preference for a particular outcome
B) Salary
C) Supervision
D) Knowledge of Planning

25. To indicate the functions of management the catch work PODSCORB was coined by
A) Luther Gullick
B) Henry Fayol
C) Ernest Dale
D) Peter F Drucker

26. Which one of the following is not a measure of dispersion
A) Quartile
B) Range
C) Mean Deviation
D) Standard Deviation

27. Chunk Sampling is known as
A) Quota Sampling
B) Convenience Sampling
C) Judgement Sampling
D) Cluster Sampling

28. The value of Karl Pearson's coefficient of correlation cannot be
A) +2
B) +1
C) 0
D) 0.5

29. Classification of respondents only on the basis of gender is an application of
A) Ordinal Scale
B) Nominal Scale
C) Interval Scale
D) Ratio Scale

30. We can measure the cause and effect relationship by the help of
A) Time series analysis
B) Cross-Sectional analysis
C) Correlation Analysis
D) Regression Analysis

31. The Law of Diminishing Returns is applied to all the fields of production was stated by
A) A.C Pigou
B) Walras

C) Alfred Marshall
D) David Ricardo

32. An indifference curve is always
A) A vertical Straight line
B) Convex to the origin
C) Concave to the origin
D) A Horizontal Straight Line

33. For maximization of Profit in the short run, the condition is
A) AR=AC
B) MR=MC
C) MR=AR
D) MC=AC

34. Market with one buyer and one seller is called
A) Monopsony
B) Monopoly
C) Bilateral Monopoly
D) Oligopoly

35. The concept of imperfect competition was developed by
A) Marshall
B) Jevons
C) Joan Robinson
D) Mrs. Lillian Gilbreth

36. Cartels under Oligopoly do not survive for long because of
A) Inter firm rivalry
B) Low profit
C) High cost of marketing
D) Heavy Loss

37. 'Kinked' demand curve is related with
A) Monopoly
B) Discriminating monopoly
C) Oligopoly
D) Perfect Competition

38. Income and Expenditure Account is prepared in non-trading concerns in lieu of
A) Manufacturing account
B) Profit and Loss Account
C) Trading Account
D) Cash Book

39. Which of the following is not an example of direct expenses?
A) Dock Charges

B) Customs duty and Excise Duty
C) Royalty
D) Audit Fees

40. Goods withdrawn by the proprietor for his personal use are
A) Shown as a deduction from the purchases
B) Shown as a deduction from sales
C) Treated as sales at cost price
D) Added to the purchases

41. Which of the following accounting equations is not correct?
A) Assets=Liabilities + capital
B) Capital = Assets - Liabilities
C) Liabilities = Assets - capital
D) Liabilities = Assets + capital

42. According to which of the following concepts, revenue is recognized when it is earned rather than when it is collected and recognises when assets or benefits are used rather than they are paid for ?
A) Accrual concepts
B) Realisation concept
C) Cost concept
D) Money measurement concept

43. Which of the following concept is also known as 'Prudence'?
A) Conservatism
B) Consistency
C) Full disclosure
D) Materiality

44. Stock is valued in the books of accounts at
A) Cost price
B) Market price
C) Cost price or market price whichever is less
D) Depends whether LIFO method is used or FIFO method is used

45. The fundamental accounting equation' Assets = Liabilities' is a formal expression of
A) Dual aspect concept
B) Matching concept
C) Going concern concept
D) Money measurement concept

46. Which of the following ways can be used to create 'Secret Reserves'?
A) Writing of excessive depreciation
B) Charging capital expenditure to profit and loss account
C) Showing a contingent liability as an actual liability
D) All of the above

47. A capital reserve is generally created out of profits or gains of a capital nature. Which of the following is not a profit or gain of capital nature?

A) Profit on reissue of forfeited shares
B) Profit on sale of fixed assets
C) Profit prior to incorporation
D) Profit on sale of goods

48. A trader maintains his books of accounts on Single Entry basis. His books of accounts show that his total purchases during the were Rs. 90, 0000 of which he returned goods worth Rs. 10,0000. His credit sales were Rs. 50,0000 and cash sales were Rs. 80,0000. Of the total sales goods returned were Rs. 30,0000. Closing stock is Rs. 1,20,0000. He sells his goods at cost plus 33 1/3%. His opening stock is
A) Rs. 1,20,000
B) Rs. 1,00,000
C) Rs. 80,000
D) Rs. 70,000

49. If the operating expenses exceed gross profit, the excess is referred to as
A) Operating income
B) Operating loss
C) Non-operating expenses
D) Non-operating income

50. Income and Expenditure account starts
A) With a debit balance
B) With a credit balance
C) With no opening balance on either side of the account
D) With debit or credit balance

51. According to the decision in Garner vs. Murray, in the absence of any agreement to the contrary , the deficiency of the insolvent partner must be borne by other solvent partners in
A) Profit-sharing ratio
B) Capital ratio which stood after the dissolution of the firm
C) Capital ratio which stood before the dissolution of the firm
D) Equal proportion

52. Bonus shares can be issue by a company
A) Out of the Reserves created by revaluation of fixed assets
B) Out of share premium not collected in cash
C) Without any provision for it in the Articles of Association of the company
D) Out of free reserves built out of genuine profit

53. Following are the details of a firm:

Opening stock	Rs. 5,000
Purchases	Rs. 20,000
Sales	Rs. 35,000
Closing stock	Rs. 10,000

Expenses Rs. 5,000

The amount of Cash from Operations (CFO) will be

A) Rs. 15,000
B) Rs. 10,000
C) Rs. 5,000
D) Rs. 20,000

54. An obligation of business is

A) Asset
B) Liability
C) Income
D) Expense

55. Credit word has been derived from the Latin word 'credere' which means

A) 'to owe'
B) 'to believe'
C) 'to give
D) 'to take'

56. Depreciation is provided on

A) Fixed assets
B) Current assets
C) Liquid assets
D) Fictitious assets

57. X and Y are partners sharing profits and losses in the ratio 3:2, X's son Z is admitted as a partner. X makes a gift of 1/5 share out of his profits to Z. Goodwill of the firm is valued at Rs. 40,000. Z will pay

A) Rs. 8,000 to X
B) Rs. 4,000 to X and Rs. 4,000 to Y
C) Rs. 8,000 to X and Rs. 8,000 to Y
D) Nothing at all

58. Which of the following methods results in lower valuation of inventory and lower income when prices are rising?

A) FIFO
B) LIFO
C) Simple average method
D) Weighted average method

59. Statutory audit is the audit which is

A) Compulsory under some law in force
B) Nothing but another name of internal audit
C) Conducted on continuous basis
D) Applicable in case of sole proprietary concerns

60. An interim audit is conducted

A) At the end of the financial year

B) As per the direction of the Central Government only
C) In between two annual audits
D) For Government companies only

61. An auditor of a partnership firm is appointed as per
A) Statute
B) Government orders
C) Agreement
D) Convention

62. According to companies act, when the dividend proposal is exceeding 20 per cent of the paid-up capital, the amount to be transferred to reserve shall not be less than
A) 7.5 percent of the current profit
B) 10 per cent of the current profit
C) 12.5 per cent of the current profit
D) 15 percent of the current profit

63. If a company buys back its shares/ securities out of free reserves, it must transfer sum equal to the nominal value of the shares/securities to
A) Capital Redemption Reserve Account
B) General Reserve Account
C) Capital Reserve Account
D) Shares/securities Buy Back Account

64. The liability of a sole trader is
A) Limited to the extent of the capital invested into the business
B) Limited to extent of capital invested in the business plus bank balance if any
C) Unlimited
D) Limited in some cases and unlimited in other

65. Which of the following can become partner?
A) Alien enemy
B) Minor
C) Person of unsound mind
D) Corporation

66. 'Insurer' is a person who has
A) Insured his life or goods
B) Helped a person to get an insurance policy
C) Undertaken to make good the loss of the subject matter of insurance
D) Filed a suit in a court of law to recover an insurance claim

67. Purchase and sale of securities beyond the official working hours is known as
A) Kerb trading
B) Rigging
C) Cornering
D) Hammering

68. Which one of the following is not related to the trait theory of leadership?
A) Physical factors such as height
B) Intelligence and extroversion
C) Self confidence and ambition
D) Training and experience of employees

69. Job specification is
A) The specification required for the job
B) A statement of the skills and abilities needed in the performance of a job
C) A statement of the duties and responsibilities of the job
D) The manner in which the job is to be performed

70. Which one of the following orders indicates the correct logical order of managerial functions ?
A) Organising, planning, directing, staffing, coordination and control
B) Planning, organising, staffing, directing, control and coordination
C) Planning, directing, organising, staffing, control and coordination
D) Organising, planning, staffing, directing, control and coordination

71. If the span of control is narrow, a number of managers would be required in each unit of the organisation and there would be many managerial levels or layers. Such an organisational structure is referred to as
A) Flat structure
B) Tall structure
C) Matrix structure
D) Project structure

72. Theory Y states that
A) Workers prefer to directed
B) Workers exercise self-control and self-direction
C) Workers have inherent liking for work
D) None of the above

73. *Esprit de corps* principle of management states that
A) There is need for team work
B) Labour turnover should be minimised
C) Discipline should be maintained
D) There should be only one superior for each subordinate

74. In Taylor's functional organisation, *gang boss*
A) Inspects the quality of work done
B) Issues instructions to workers
C) Sets up tools and machines for work
D) Compiles cost of production

75. Which theory of motivation assumes that average human being dislikes work?
A) McGregor's Theory X

B) Theory Y
C) Maslow's theory
D) Equity theory

76. The Articles of Association establishes relationship between
A) Company and its member
B) Company and outsider
C) Company and its members *inter se*
D) Company and banker

77. The doctrine of Indoor Management means
A) So far as the internal proceedings of the company are concerned, strangers dealing with the company are entitled to assume that everything is done regularly
B) Regularity of internal proceedings must be inquired into before dealing with the company
C) Both A) and B)
D) None of the above

78. Quorum for general meeting for private and public companies is
A) 2 and 5
B) 3 and 6
C) 5 and 7
D) None of the above

79. When a person transacts with a company on a matter which is beyond the power of the company, the person will be governed by the doctrine of
A) Indoor management
B) Self assessment
C) Constructive notice
D) Management by exception

80. A company can invest money in another company only if it is so authorised by its
A) Memorandum of association
B) Articles of association
C) Auditors
D) Company secretary

81. A and B were only two members of a private limited company. Both of them have been killed in a bomb blast. The consequences will be
A) The company will cease to exist
B) The company does not cease to exist
C) The company may o may not exist depending on the terms of Memorandum of association
D) Depends on the conditions contained in the certificate of Incorporation granted by the registrar of Companies

82. A registered company is the company which is incorporated

A) Under the Companies Act, 1956
B) By a special notification of the Central government
C) Under the Indian registration act
D) By a special act of parliament or state

83. Window dressing is prohibited due to
A) Convention of conservatism
B) Convention of disclosure
C) Convention of materiality
D) Accrual concept

84. Leased property is generally depreciated by
A) Annuity method
B) Fixed instalment method
C) Reducing balance method
D) Insurance policy method

85. Assets in the balance sheet of a company are arranged in order of
A) Liquidity
B) Permanence
C) Book value
D) Market value

x-x-x