

**Master of Commerce (M.Com.)/B**

1. Under Section 224 of the Companies' Act (1956), if a casual vacancy is caused due to death of an auditor, the auditor can be appointed by :
  - (A) Central Govt.
  - (B) Board of Directors
  - (C) Shareholders
  - (D) Comptroller and Auditor General of India
2. Selling and distribution overheads (fixed) are apportioned using one of the following basis :
  - (A) Units of production
  - (B) Cost of goods sold
  - (C) Direct labour hours
  - (D) None of the above
3. Cost object may be :
  - (A) Cost unit and cost centre
  - (B) Conversion cost
  - (C) Sunk cost
  - (D) Out of pocket cost
4. In case of contracts remaining incomplete at the end of an accounting period, loss arising thereto is :
  - (A) transferred to work-in-progress
  - (B) debited to Profit and Loss account
  - (C) debited partly to Profit and Loss a/c and partly to work-in-progress
  - (D) None of the above
5. In which of the following, single or output costing is not used ?
  - (A) Brick making
  - (B) Pencil making
  - (C) Steel making
  - (D) Sugar manufacture
6. Which of the following does not constitute valid acceptance ?
  - (A) It has been communicated
  - (B) It is absolute and unqualified
  - (C) The offer has been accepted by the proper person
  - (D) It has been presumed by the silence of offeree
7. A agrees to marry B after taking the consent of B's father C. Unknown to both the parties (A and B), C had already died at the time of making of the contract. The contract is :
  - (A) Voidable
  - (B) Valid
  - (C) Void
  - (D) All of the above

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

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

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

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

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

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

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

54. A banking company cannot form any subsidiary except for the following purpose/s :

- (A) The undertaking of any business permissible for banking company to undertake
- (B) Carrying on business of banking exclusively outside India with previous permission in writing of the Reserve Bank of India
- (C) The undertaking of such other business which the Reserve Bank of India permits with prior approval of the Central Govt.
- (D) All of the above

55. For removing an auditor, a banking company requires prior permission of :

- (A) the Central Govt.
- (B) the State Govt. where bank is located
- (C) the SEBI
- (D) the RBI

56. According to the Insurance Regulatory and Development Authority Regulations, 2002, the three final accounts to be prepared by an insurance company are :

- (A) Revenue Account, Balance Sheet and Cash flow statement
- (B) Revenue Account, Profit & Loss A/c and Funds flow statement
- (C) Revenue Account, Profit & Loss A/c and Balance Sheet
- (D) All of the above

57. Commission on Re-insurance ceded is :

- (A) Paid by an insurance company to another company for reinsurance business
- (B) Received by an insurance company from another company for reinsurance business
- (C) Both (A) and (B)
- (D) None of the above

58. Limitation of an Audit is :

- (A) that it does not reveal complete picture of an organisation
- (B) that it does not guarantee accuracy of accounts
- (C) that auditor may be biased
- (D) All of the above

59. Internal check refers to :

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

60. Stock should be valued at :

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

## M.Com. Commerce/B

1. Unity of command signifies that an employee must receive instructions from :
  - (A) his subordinates
  - (B) only one boss
  - (C) a committee of officers/managers
  - (D) none of the above
2. Paul Simmon sings, "And in the night I see ten thousand people, may be more; people talking-without speaking, people hearing-without listening, no one dared-disturb the sound of silence." This is a state of :
  - (A) Self communication
  - (B) External communication
  - (C) Cliche Conversation (Communication)
  - (D) Peak communication
3. Laissez-Faire leadership is a state of affairs where the group would be :
  - (A) controlled by the boss by autocratic conditions
  - (B) given freedom to decision with no intervention by the boss
  - (C) encouraged to give their views and decision made through participation
  - (D) asked all of the above
4. A plan expressed in quantitative or financial terms is called :
  - (A) a Mission
  - (B) a Vision
  - (C) a Strategy
  - (D) a Budget
5. Challenging task is a :
  - (A) Hygiene factor
  - (B) Motivation factor
  - (C) Social need
  - (D) None of the above
6. Feedback is an information mechanism through which :
  - (A) actual performance is compared with planned performance and reported
  - (B) planned performance is communicated to the actual doers
  - (C) authority is exercised on subordinates to pressurise them
  - (D) the subordinates are made happy

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

50. The minimum number of persons who can form a public limited company is :
- (A) 2 (B) 5  
(C) 7 (D) 10
51. Which of the following does not involve winding up of a company by court ?
- (A) Failure to commence business within the stipulated time  
(B) Reduction of members below statutory limit  
(C) Inability to pay debts  
(D) When the members pass a resolution that the company should be wound up
52. One of the conditions of a contract is that the parties entering into a contract must be major, and as per Indian Majority Act, a major is one who has attained the age of :
- (A) 20 years (B) 16 years  
(C) 18 years (D) 25 years
53. Pal promised to marry Lovely only, and none else; and to pay a definite sum if he married someone else. Pal married Beauty. It was held that Lovely could not recover the sum as the agreement was :
- (A) Voidable (B) Valid  
(C) Void (D) None of the above
54. Under Sale of Goods Act, in case of sale, which condition is valid from the following ?
- (A) If the goods are destroyed, the loss falls on the seller  
(B) If the buyer fails to pay for the goods, the seller may sue for the price  
(C) If the buyer fails to accept and pays for the goods, the seller can only sue for damages and not for price  
(D) Property or ownership to be transferred at a future time
55. In which of the following, the MRTP Act, 1969 is not applicable to :
- (A) Public Limited Companies in India  
(B) Foreign Companies in India  
(C) Private Companies in India  
(D) Companies owned and controlled by the government

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

# M. Com - 2010

## M. Com. Programme

1. Expenses incurred but not paid are shown in :
  - (a) Liability side of balance sheet
  - (b) Debit side of P/L a/c and liability side of balance sheet
  - (c) Credit side of P/L a/c and liability side of balance sheet
  - (d) Credit side of P/L a/c and asset side of balance sheet
2. A business is said to having an indefinite life according to :
  - (a) Accounting period concept
  - (b) Cost concept
  - (c) Going concern concept
  - (d) Dual aspect concept
3. Which one of the following is an accounting equation :
  - (a)  $\text{Capital} = \text{Assets} + \text{Liabilities}$
  - (b)  $\text{Capital} = \text{Assets} - \text{Liabilities}$
  - (c)  $\text{Assets} = \text{Liabilities} - \text{Capital}$
  - (d)  $\text{Liabilities} = \text{Assets} + \text{Capital}$
4. Cash paid down at the time of hire purchase transaction is debited by the purchaser of the goods to :
  - (a) Asset A/c
  - (b) Purchases A/c
  - (c) Hire Vendor A/c
  - (d) None of the above
5. Immediately after purchasing a new truck, Rs. 1,000 is paid to have the name of the company and other advertising material painted on the truck. This Rs. 1,000 is a :
  - (a) Capital expenditure
  - (b) Revenue expenditure
  - (c) Deferred revenue expenditure
  - (d) None of these
6. Management audit is ordered by the :
  - (a) Workers of the company
  - (b) Board of Directors
  - (c) Securities Exchange Board of India
  - (d) None of the above
7. Duties of a Company auditor are defined by :
  - (a) Memorandum of Association
  - (b) Articles of Association
  - (c) Companies Act, 1956
  - (d) Agreement between company and the auditor

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

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

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

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

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

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

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

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

## COMMERCE

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

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

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

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

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

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

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

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

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

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

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

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

**M. Com.**

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

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

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

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

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

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

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

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

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

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

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

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

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

38. During a state of inflation in the economy, the gainers are :

- (A) Debtors
- (B) Creditors
- (C) None of the above
- (D) All of the above

39. Regulation "Q" as a measure of monetary policy is used by :

- (A) State Bank of India
- (B) Ministry of Finance, Govt. of India
- (C) Reserve Bank of India
- (D) Standard Chartered Bank

40. Which is *not* a function of a Commercial Bank ?

- (A) Accept deposits
- (B) Lend advances
- (C) Provide ATM service
- (D) Issue currency notes

41. Net National Product is equal to :

- (A) GNP - depreciation
- (B) GNP + depreciation
- (C) GNP + earnings on foreign investments
- (D) All of the above

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

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

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

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

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

**M.Com.**

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

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

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

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

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

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

24. When the expenses of liquidation are to be borne by the purchasing company, then the purchasing company debits :
- (A) Vendor Company's a/c
  - (B) Bank a/c
  - (C) Goodwill a/c
  - (D) Realization a/c
25. The term <sup>mindfully</sup> monitoring 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  $\frac{2}{3}$  of the capital
  - (B) The face of shares
  - (C) The  $\frac{1}{3}$  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