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Register Number :

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Name :

Max.Marks : 100

**Entrance Examination for Admission to the P.G. Courses in the
Teaching Departments, 2026**

CSS

M.COM. (FINANCE AND ACCOUNTING/RURAL MANAGEMENT)

GENERAL INSTRUCTIONS

1. The Question Paper is having 100 Objective Questions, each carrying one mark.
2. The answers are to be marked **only** in the “**OMR Sheet**” provided.
3. **Negative marking : 0.25 marks** will be deducted for each wrong answer .

INSTRUCTIONS FOR FILLING THE OMR SHEET

- The OMR sheet should not be folded or crushed.
- Use only blue/black ball point pen to fill the circles.
- Use of pencil is strictly prohibited.
- Circles should be darkened completely and properly.
- Cutting and erasing on this sheet is not allowed.
- Do not leave any stray marks on the sheet.
- Do not use marker or white fluid to hide the mark.

• **WRONG METHODS**



CORRECT METHOD



10. A trader pays rent in January for the next three months. Under accrual accounting, this payment is treated as:
- A. An expense for January
 - B. A revenue for January
 - C. A prepaid expense (Asset)
 - D. An accrued expense (Liability)
11. According to which concept is the business treated as separate from its owner?
- A. Money Measurement Concept
 - B. Going Concern Concept
 - C. Business Entity Concept
 - D. Realization Concept
12. Under which accounting system is revenue recognized when it is earned, regardless of when cash is received?
- A. Cash Basis
 - B. Accrual Basis
 - C. Single-entry System
 - D. Hybrid Basis
13. Minority Interest in a consolidated balance sheet represents:
- A. The share of profit attributable to the parent company
 - B. The share of net assets not owned by the parent company
 - C. The share of profits retained by the subsidiary
 - D. The total liability of the subsidiary
14. Which of the following is not a condition for "Amalgamation in the Nature of Merger"?
- A. All assets and liabilities are transferred
 - B. Shareholders holding 90% of shares become shareholders of the new company
 - C. Business is intended to be carried on
 - D. Purchase consideration is paid only in cash

15. Internal reconstruction involves:
- A. Liquidation of the company
 - B. Reduction of share capital
 - C. Merging with another company
 - D. Formation of a new company
16. When the business of an existing company is taken over by another company, it is called:
- A. Amalgamation
 - B. Absorption
 - C. Internal Reconstruction
 - D. External Reconstruction
17. Goodwill is recorded on a balance sheet under:
- A. Fixed Assets
 - B. Current Assets
 - C. Intangible Assets
 - D. Fictitious Assets
18. Intrinsic Value of a share is also known as:
- A. Yield Value
 - B. Fair Value
 - C. Net Asset Value
 - D. Market Value
19. Which Ind AS deals with Consolidated Financial Statements?
- A. Ind AS 1
 - B. Ind AS 10
 - C. Ind AS 29
 - D. Ind AS 110
20. Current assets are also known as:
- A. Fixed assets
 - B. Working capital
 - C. Intangible assets
 - D. Fictitious assets
21. Which of the following is not a component of the financial statements?
- A. Balance Sheet
 - B. Statement of Profit and Loss
 - C. Cash Flow Statement
 - D. Director's Report

28. Which of the following is a right of a Company Auditor?
- Right to attend Board Meeting
 - Right to get dividend
 - Right to seek information and explanation
 - Right to remove director
29. An internal auditor is a:
- Temporary Employee
 - Permanent Employee
 - External Agent
 - Government Official
30. Window dressing implies:
- Over Valuation of assets
 - Under Valuation of assets
 - Checking of Wastages
 - None of these
31. Verification of assets involves:
- Physical examination of assets
 - Checking the valuation of assets
 - Checking the authority of acquisition
 - All of the above
32. "Vouching is the backbone of auditing", this statement is related to which case?
- London and General Bank, 1895
 - Armitage vs. Brewar and Knott, 1932
 - Mackson and Robinson Incorporation, 1932
 - None of these
33. An audit which is compulsory by law is called:
- Continuous audit
 - Management audit
 - Statutory audit
 - Interim audit
34. Auditing begins where _____ ends.
- Accounting
 - Vouching
 - Investigation
 - Verification

35. Which of the following is a core function of a bank in a developing economy?
- A. Speculative investment
 - B. Providing finance to priority sectors
 - C. Manufacturing products
 - D. Charging high interest rates.
36. Microfinance refers to providing financial services to:
- A. Large corporate houses
 - B. Low-income individuals or groups who lack access to conventional banking.
 - C. Foreign investors
 - D. State governments
37. Which of the following is the Apex Bank for Agricultural and Rural Development?
- A. RBI
 - B. SBI
 - C. NABARD
 - D. SIDBI
38. Which of the following best describes Financial Inclusion?
- A. Providing banking services to only the affluent class.
 - B. Offering financial services at affordable costs to vast sections of low-income groups.
 - C. Limiting the number of bank branches.
 - D. Restricting digital payments.
39. Which of the following is NOT a negotiable instrument?
- A. Cheque
 - B. Promissory Note
 - C. Bill of Exchange
 - D. Fixed Deposit Receipt
40. What is the effect of an increase in the Cash Reserve Ratio (CRR)?
- A. The loan-making capacity of commercial banks decreases.
 - B. The loan-making capacity of commercial banks increases.
 - C. The interest rates decrease.
 - D. There is no impact on credit supply.

41. What is the repo rate?
- A. The rate at which commercial banks borrow money from the RBI.
 - B. The rate at which RBI buys government securities from the market.
 - C. The rate at which commercial banks lend to the public.
 - D. The rate at which RBI borrows from commercial banks.
42. What is known as 'Lender of Last Resort'?
- A. A bank that provides loans to farmers only.
 - B. A commercial bank that lends to others during a crisis.
 - C. The Reserve Bank of India (RBI) providing accommodation to a bank in crisis.
 - D. The State government acting as a lender.
43. Minor's income is NOT clubbed with parents if:
- A. Parents are separated
 - B. Minor is married
 - C. Minor is handicapped under Sec 80U
 - D. None
44. Salary paid by an Indian company to employees in foreign branches is:
- A. Accruing outside India
 - B. Deemed to accrue in India
 - C. Exempt
 - D. None
45. Which of the following is NOT a head of income?
- A. Salaries
 - B. House Property
 - C. Business/Profession
 - D. Interest
46. Income from subletting of house property is taxable under:
- A. House Property
 - B. Income from Other Sources
 - C. Capital Gain
 - D. Profits and Gains from Business or Profession

47. Income tax is charged on the income of the:
- | | |
|--------------------|--------------------|
| A. Previous year | B. Assessment year |
| C. Accounting year | D. Calendar year |
48. The "Previous Year" means:
- | |
|---|
| A. Financial year immediately preceding the assessment year |
| B. Calendar year |
| C. Assessment year |
| D. None of the above |
49. Income tax is a:
- | | |
|-----------------|----------------------|
| A. Indirect Tax | B. Direct Tax |
| C. Sales Tax | D. None of the above |
50. Under which section of the Income Tax Act, 1961, is an "Assessee" defined?
- | | |
|------------------|-----------------|
| A. Section 2(31) | B. Section 2(7) |
| C. Section 3 | D. Section 4 |
51. When actual cost is less than standard cost, the variance is:
- | | |
|------------|---------------|
| A. Adverse | B. Favourable |
| C. Nil | D. Fixed |
52. If Fixed Cost is ₹1,00,000 and P/V Ratio is 20%, the Break-Even Point (in ₹) is:
- | | |
|--------------|--------------|
| A. ₹50,000 | B. ₹80,000 |
| C. ₹5,00,000 | D. ₹5,50,000 |
53. A budget that is designed to change in accordance with the level of activity actually attained is called a:
- | | |
|------------------|----------------------|
| A. Fixed Budget | B. Flexible Budget |
| C. Master Budget | D. Zero-based Budget |
54. Margin of Safety can be increased by:
- | | |
|---------------------------------|---------------------------------|
| A. Increasing the Variable Cost | B. Decreasing the Selling Price |
| C. Reducing Fixed Costs | D. Decreasing Sales Volume |
55. The Break-Even Point is the point where:
- | |
|---|
| A. Total Revenue equals Total Variable Cost |
| B. Total Revenue equals Total Fixed Cost |
| C. Total Revenue equals Total Cost |
| D. Profit is at its maximum |

56. Abnormal Loss in Process Costing is valued at:
- A. Scrap value
 - B. Market value
 - C. Cost of good units
 - D. Realisable value
57. In a Cost Sheet, 'Work-in-Progress' adjustment is made to calculate:
- A. Prime Cost
 - B. Works Cost (Factory Cost)
 - C. Cost of Production
 - D. Cost of Goods Sold
58. Prime Cost consists of:
- A. Direct Materials + Direct Labour + Direct Expenses
 - B. Direct Labour + Factory Overheads
 - C. Direct Materials + Indirect Labour
 - D. Factory Cost + Administrative Overheads
59. Which of the following is an example of a period cost?
- A. Direct materials
 - B. Factory rent
 - C. Sales commissions
 - D. Direct labour
60. Which document contains the internal rules and regulations of a company?
- A. Prospectus
 - B. Memorandum of Association
 - C. Articles of Association
 - D. Certificate of Incorporation
61. Which of the following is the final stage in the life of a company?
- A. Incorporation
 - B. Commencement of business
 - C. Winding Up
 - D. Liquidation
62. Which of the following is a key requirement under SEBI Listing Regulations?
- A. Compulsory dividend payment
 - B. Constitution of an audit committee
 - C. Guaranteed share price
 - D. Unlimited voting rights
63. The doctrine that states actions taken by a company beyond the scope of its constitutional documents are void is known as:
- A. Doctrine of Indoor Management
 - B. Doctrine of Constructive Notice
 - C. Doctrine of Ultra Vires
 - D. Doctrine of Alter Ego

70. Which of the following is a source of funds?
- A. Purchase of Machinery
 - B. Payment of Dividend
 - C. Issue of Shares for cash
 - D. Increase in Inventory
71. If a company's Net Profit Ratio decreases while Sales remain constant, it indicates:
- A. Lower cost of goods sold
 - B. Higher operational efficiency
 - C. Increased operating expenses or lower gross profit
 - D. Improved liquidity
72. Financial Accounting reports are generally:
- A. Confidential
 - B. Prepared periodically (e.g., quarterly, annually)
 - C. Forward-looking
 - D. Used by internal managers for daily decisions
73. What is the main goal of using AI in modern digital marketing?
- A. Replacing all human marketers.
 - B. Personalized customer experiences
 - C. Increasing the cost of ads
 - D. Ignoring consumer data
74. What is the process of optimizing a website to rank higher in unpaid search engine results?
- A. Pay-Per-Click (PPC)
 - B. Social Media Marketing
 - C. Search Engine Optimization (SEO)
 - D. Content Marketing

75. Michael Porter's "generic strategies" include Low cost, Differentiation, and _____
- A. Focus
 - B. Expansion
 - C. Diversification
 - D. Segmentation
76. What does SWOT stand for in strategic management?
- A. Strategies, Weaknesses, Operations, Threats
 - B. Strengths, Weaknesses, Opportunities, Threats
 - C. Sales, Weaknesses, Opportunities, Trends
 - D. Strengths, Weaknesses, Operations, Trends
77. A strategy that involves setting an artificially high price and afterwards offering the product at substantial savings is known as:
- A. Differentiated Pricing
 - B. Psychological Discount Pricing
 - C. Mark-up Pricing
 - D. Marginal Pricing
78. Which of the following is NOT an element of the promotion mix?
- A. Advertising
 - B. Sales Promotion
 - C. Branding
 - D. Public Relations
79. "Salesmanship in print" is a definition of:
- A. Publicity
 - B. Sales Promotion
 - C. Advertising
 - D. Personal Selling

80. Which strategy involves tailoring products and marketing programs to the needs of individual customers?
- A. Differentiated Marketing
 - B. Undifferentiated Marketing
 - C. Customised or Personalised Marketing
 - D. Niche Marketing
81. When a company offers a new version of an existing product, it is modifying its:
- A. Product width
 - B. Product depth
 - C. Product consistency
 - D. Product breadth
82. If the variance of a dataset is 16, the standard deviation is:
- A. 256
 - B. 8
 - C. 4
 - D. 2
83. Type I error occurs when:
- A. We reject a null hypothesis that is true
 - B. We accept a null hypothesis that is true
 - C. We reject a null hypothesis that is false
 - D. We accept a null hypothesis that is false
84. Which sampling method ensures every member of the population has an equal chance of selection?
- A. Judgment Sampling
 - B. Quota Sampling
 - C. Simple Random Sampling
 - D. Convenience Sampling

85. For a normal distribution, the relationship between mean, median, and mode is
- A. Mean > Median > Mode
 - B. Mean < Median < Mode
 - C. Mean = Median = Mode
 - D. Mean = Median < Mode
86. Which index number formula satisfies the Time Reversal Test?
- A. Laspeyres
 - B. Paasche
 - C. Fisher's Ideal Index
 - D. Bowley's Index
87. If the correlation coefficient ' $r = 0$ ' there is:
- A. Perfect linear relationship
 - B. No linear relationship
 - C. High degree of positive correlation
 - D. High degree of negative correlation
88. Which of the following is an absolute measure of dispersion?
- A. Coefficient of variation
 - B. Coefficient of skewness
 - C. Standard deviation
 - D. Coefficient of quartile deviation
89. Which measure of central tendency is least affected by extreme values?
- A. Arithmetic Mean
 - B. Median
 - C. Geometric Mean
 - D. Harmonic Mean

90. SDRs (Special Drawing Rights) are known as "Paper Gold" and are issued by:
- A. World Bank
 - B. IMF
 - C. ADB
 - D. RBI
91. Unsystematic risk can be reduced through:
- A. Hedging
 - B. Diversification
 - C. High leverage
 - D. Speculation
92. What does the term "Bear Market" indicate?
- A. Rising stock prices
 - B. Falling stock prices
 - C. Stable stock prices
 - D. High trading volume
93. The first computerized stock exchange in India is:
- A. BSE
 - B. NSE
 - C. OTCEI
 - D. MCX
94. Which derivative instrument gives the buyer the right, but not the obligation, to buy or sell an asset?
- A. Futures
 - B. Forwards
 - C. Options
 - D. Swaps
95. A contract between a buyer and a seller, entered on a particular date, regarding a transaction that they will fulfill at a later date, is known as:
- A. Spot Contract
 - B. Derivative Contract
 - C. Forward Contract
 - D. Future Contract

96. The market for short-term funds with maturity up to one year is known as:
- A. Capital Market
 - B. Money Market
 - C. Primary Market
 - D. Stock Exchange
97. Which decision determines the amount of earnings to be retained and distributed to shareholders?
- A. Investment Decision
 - B. Dividend Decision
 - C. Financing Decision
 - D. Capital Structure Decision
98. Which of the following is a "spontaneous" source of working capital finance?
- A. Commercial Paper
 - B. Bank Overdraft
 - C. Trade Credit
 - D. Public Deposit
99. Net Working Capital is calculated as:
- A. Current Assets + Current Liabilities
 - B. Current Assets - Current Liabilities
 - C. Fixed Assets - Current Liabilities
 - D. Total Assets - Current Liabilities
100. Which capital structure theory suggests that the value of the firm is independent of its capital structure?
- A. Net Income Approach
 - B. Net Operating Income Approach
 - C. Modigliani-Miller (MM) Approach (without taxes)
 - D. Traditional Approach

ROUGH WORK

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