

No. of Pages. 20

Code No.

Y – 3084

Register Number :

Time : 2 Hours

Name :

Max.Marks : 100

**Entrance Examination for Admission to Four Year Under Graduate
Programmes in the Teaching Departments, 2026**

CSS

COMMERCE

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



DO NOT WRITE HERE

Choose appropriate answer from the options in the questions.

(100 × 1 = 100 marks)

1. Consumer Protection Act was originally passed in:

A. 1996

B. 1986

C. 2006

D. 1976

2. Which of the following is NOT an objective of a business?

A. Earning profit

B. Creation of customers

C. Innovation

D. Payment of taxes

3. A partner who only lends his name to the firm is called:
 - A. Active partner
 - B. Sleeping partner
 - C. Nominal partner
 - D. Secret partner

4. The simplest and oldest form of business organisation is:
 - A. Partnership
 - B. Sole Proprietorship
 - C. Joint Stock Company
 - D. Co-operative Society

5. The liability of members in a Co-operative Society is:
 - A. Unlimited
 - B. Limited
 - C. Joint and several
 - D. None of these

6. The board of directors of a Joint Stock Company is elected by whom?
 - A. Employees
 - B. Debenture holders
 - C. Shareholders
 - D. Government

7. A document that defines the relationship of the company with the outside world is:
 - A. Memorandum of Association
 - B. Articles of Association
 - C. Prospectus
 - D. Certificate of Incorporation

8. The primary objective of a public enterprise is:
 - A. To earn maximum profit
 - B. To provide service to the society
 - C. Both (A) and (B)
 - D. None of these

9. UPI stands for
 - A. Union Payment Interface
 - B. Unique Payment Interface
 - C. Unified Payment Interface
 - D. Upper Payment Interface

10. Prepaid expenses are classified as:
 - A. Current liabilities
 - B. Current assets
 - C. Non-current liabilities
 - D. Equity

18. The main purpose of licensing in international trade is:
- A. To restrict imports
 - B. To promote exports
 - C. To control foreign exchange
 - D. To regulate the flow of goods and services
19. A statutory corporation is formed by:
- A. A special act of Parliament
 - B. Registration under the Companies Act
 - C. Royal Charter
 - D. None of these
20. In Taylor's Functional Foremanship, who is responsible for the quality of work?
- A. Speed Boss
 - B. Inspector
 - C. Repair Boss
 - D. Route Clerk
21. Which ratio measures the ability of a firm to meet its long-term obligations?
- A. Liquidity
 - B. Solvency
 - C. Turnover
 - D. Profitability
22. _____ is a force that binds all the functions of management.
- A. Cooperation
 - B. Coordination
 - C. Planning
 - D. Management hierarchy
23. A company that holds more than 50% of the voting power in another company is known as:
- A. Subsidiary company
 - B. Holding company
 - C. Associate company
 - D. Affiliate company
24. In the context of small business, which scheme provides financial assistance to entrepreneurs for setting up new micro-enterprises?
- A. PMEGP
 - B. MUDRA
 - C. Both (A) and (B)
 - D. None of these

25. A formal contract where a company assigns the right to use its name, brand, or trademark to another company is called:
- A. Licensing
 - B. Franchising
 - C. Joint Venture
 - D. Contract Manufacturing
26. Max Webber is associated with which school of management thought?
- A. Human Relations Approach
 - B. Scientific Management
 - C. Administrative Management
 - D. Bureaucratic Management
27. Which principle of general management advocates that, "Employee turnover should be minimised to maintain organisational efficiency"?
- A. Stability of personnel
 - B. Remuneration of employees
 - C. Equity
 - D. Esprit De Corps
28. The objective of this technique of scientific management is to reduce a given line or a product to fixed type sizes and characteristics. Name the technique.
- A. Method study
 - B. Differential piece wage system
 - C. Standardisation and simplification of work
 - D. Functional foremanship
29. X Ltd. plans to earn a 15% return on its investment in a new project. Identify the type of plan being described in the above lines.
- A. Method
 - B. Strategy
 - C. Programme
 - D. Objective
30. Which principle of management states that an employee should receive orders from one superior only?
- A. Unity of Direction
 - B. Unity of Command
 - C. Centralization
 - D. Scalar Chain
31. Planning is a process.
- A. Forward-looking
 - B. Backward-looking
 - C. Both (A) and (B)
 - D. None of these

39. Scalar chain refers to:
- A chain of command from top to bottom
 - A series of steps in a process
 - The relationship between functional departments
 - The communication network within an organisation
40. It refers to the horizontal movement of employees along with the organisational structure. What is it?
- Transfer
 - Promotion
 - Training
 - Demotion
41. An example of a policy is
- No smoking in the factory
 - Recruitment should be through campus interviews
 - A minimum of 10% profit should be earned
 - Machinery will be replaced after five years
42. SENSEX is the index of
- BSE
 - NSE
 - OTCEI
 - CSE
43. The process of financial management involves:
- Investment decisions
 - Financing decisions
 - Dividend decisions
 - All of these
44. In a stock exchange, "Bear" speculators are also known as
- Tharawaniwalas
 - Tejiwalas
 - Mandiwalas
 - Badliwalas
45. Which concept of marketing emphasizes that a business should first identify the needs of consumers and then satisfy them better than competitors?
- Production concept
 - Product concept
 - Selling concept
 - Marketing concept

46. The function of controlling is to ensure that:
- A. Plans are implemented as intended
 - B. Actual performance matches planned performance
 - C. Corrective action is taken when necessary
 - D. All of these
47. When a superior gives his subordinate the authority to perform a task, it is known as:
- A. Responsibility
 - B. Delegation
 - C. Accountability
 - D. Decentralization
48. Return of goods by a customer is recorded in _____.
- A. Purchase book
 - B. Sales book
 - C. Sales return book
 - D. Purchase return book
49. A company's optimal capital structure is the mix of debt and equity that minimizes the:
- A. Cost of debt
 - B. Cost of equity
 - C. Weighted Average Cost of Capital (WACC)
 - D. Total financial risk
50. Which technique of controlling involves analyzing the relationship between sales volume, costs, and profits?
- A. Break-even analysis
 - B. Budgetary control
 - C. Ratio analysis
 - D. Inventory control
51. In marketing, "segmentation" involves:
- A. Dividing the market into distinct groups of buyers
 - B. Choosing which market segments to target
 - C. Developing a marketing mix for each segment
 - D. All of these

52. A cheque on which two parallel lines are drawn in the left top corner is called :
- A. Bearer cheque
 - B. Traveller's cheque
 - C. Account payee cheque
 - D. None of the above
53. The Golden Rules of accounting relate to:
- A. Nominal Accounts only
 - B. Personal, Real, and Nominal Accounts
 - C. Real and Nominal Accounts only
 - D. Personal and Real Accounts only
54. Profit on forfeiture of shares is transferred to
- A. Profit and Loss Account
 - B. Capital Reserve
 - C. General Reserve
 - D. Share Capital Account
55. The process of recording transactions in a chronological order is called:
- A. Journalising
 - B. Posting
 - C. Balancing
 - D. Summarising
56. A trial balance is prepared to test the:
- A. Arithmetical accuracy of ledger accounts
 - B. Truthfulness of financial statements
 - C. Financial position of the business
 - D. Profitability of the business
57. Cash received from a customer is recorded on which side of the Cash Book?
- A. Debit side
 - B. Credit side
 - C. Both sides
 - D. None of these
58. A ledger contains:
- A. All assets and liability accounts
 - B. All nominal accounts
 - C. All personal accounts
 - D. All types of accounts

59. Depreciation is a:
- A. Provision
 - B. Reserve
 - C. Capital expense
 - D. Revenue expense
60. A contra entry in a two-column Cash Book affects:
- A. Cash and Bank columns
 - B. Cash and Discount columns
 - C. Bank and Discount columns
 - D. None of these
61. When goods are sold on credit, which account is debited?
- A. Cash Account
 - B. Sales Account
 - C. Customer's Account
 - D. Purchases Account
62. Bank Reconciliation Statement is prepared to reconcile the difference between:
- A. Cash book balance and Pass book balance
 - B. Trial balance and Balance sheet
 - C. Profit and loss account and Balance sheet
 - D. Trading account and Profit and loss account
63. Depreciation is charged on _____.
- A. Current assets
 - B. Fixed tangible assets
 - C. Both current and fixed assets
 - D. None of the above
64. Which of the following is a current asset?
- A. Machinery
 - B. Furniture
 - C. Cash in hand
 - D. Building
65. An error of principle occurs when
- A. A transaction is completely omitted
 - B. A transaction is recorded in the wrong book
 - C. Capital expenditure is treated as revenue expenditure (or vice versa)
 - D. Arithmetical calculations are incorrect

66. Cost of Goods Sold is calculated as
- A. Opening Stock + Purchases + Direct Expenses – Closing Stock
 - B. Sales - Gross Profit
 - C. Both (A) and (B)
 - D. None of these
67. A bill of exchange is a:
- A. Promise to pay
 - B. Request to pay
 - C. Unconditional order to pay
 - D. Conditional order to pay
68. Under the Single Entry System, profit is calculated by comparing:
- A. Assets and liabilities
 - B. Capital at the beginning and end of the year
 - C. Income and expenditure
 - D. Cash inflows and outflows
69. Quick Ratio is also known as:
- A. Acid Test Ratio
 - B. Debt Ratio
 - C. Proprietary Ratio
 - D. Solvency Ratio
70. _____ is a method by which banks borrow from each other to be able to maintain the cash reserve ratio.
- A. Commercial bill
 - B. Commercial papers
 - C. Call money
 - D. None of the above
71. The amount paid to the drawer on the due date of a bill is called:
- A. Honouring of bill
 - B. Discounting of bill
 - C. Retirement of bill
 - D. Renewal of bill
72. Current ratio is an example of:
- A. Profitability Ratio
 - B. Liquidity Ratio
 - C. Activity Ratio
 - D. Solvency Ratio

73. At the end of the year, the depreciation account is transferred to _____ :
- A. Trading account
 - B. Profit and loss appropriation account
 - C. Profit and loss account
 - D. Balance sheet
74. The 'Prudence' principle in accounting implies that _____:
- A. Anticipate all future losses but do not anticipate future profits
 - B. Value all assets at market price
 - C. Record transactions at their historical cost
 - D. Do not create any provisions or reserves
75. The depreciation charged on an asset will be credited to _____ :
- A. Depreciation A/c
 - B. Asset A/c
 - C. Bank A/c
 - D. Cash A/c
76. Under the written-down value method of depreciation, the depreciation charge:
- A. Increases every year
 - B. Decreases every year
 - C. Remains constant every year
 - D. Fluctuates every year
77. In the absence of a partnership deed, partners are entitled to interest on their capital at:
- A. 6% p.a.
 - B. 5% p.a.
 - C. 10% p.a.
 - D. No interest is allowed

78. Profit or Loss on Revaluation of Assets and Liabilities is shared by old partners in their:
- A. New Profit Sharing Ratio
 - B. Old Profit Sharing Ratio
 - C. Capital Ratio
 - D. Equally
79. The liability of a shareholder in a company is limited to the:
- A. Face value of shares held
 - B. Called-up value of shares held
 - C. Paid-up value of shares held
 - D. None of these
80. A debenture is a document that evidences a company's:
- A. Ownership
 - B. Debt
 - C. Profit
 - D. Assets
81. Comparative financial statements show:
- A. Financial data for a single period
 - B. Financial data for two or more periods side-by-side
 - C. Changes in financial position
 - D. Profitability ratios
82. Which ratio measures the short-term solvency of a business?
- A. Current Ratio
 - B. Liquid Ratio
 - C. Both (A) and (B)
 - D. Net Profit Ratio

83. A cash flow statement shows the cash inflows and outflows from:
- A. Operating activities
 - B. Investing activities
 - C. Financing activities
 - D. All of these
84. The sacrificing ratio is used to share premium for goodwill brought in by a new partner in his:
- A. Admission
 - B. Retirement
 - C. Death
 - D. All of these
85. If the two sides of the trial balance do not tally, which account is opened?
- A. Suspense account
 - B. Personal account
 - C. Real account
 - D. None of the above
86. When a partner retires, the continuing partners gain in their:
- A. Old ratio
 - B. Gaining ratio
 - C. New ratio
 - D. Sacrificing ratio
87. Debenture holders are the _____ of a company.
- A. Owners
 - B. Creditors
 - C. Managers
 - D. Employees

88. The main tool for analysis of financial statements is:
- A. Cash Flow Statement
 - B. Ratio Analysis
 - C. Comparative Statement
 - D. All of these
89. On the death of a partner, the amount due to him is paid to:
- A. The Firm's Creditors
 - B. Government
 - C. Remaining Partners
 - D. Legal Executor
90. Rs. 280 received from Mr. X is credited to his account as Rs. 208, this error is called
- A. Compensating errors
 - B. Errors of principle
 - C. Errors of omission
 - D. Errors of commission
91. Uruguay rounds results in the establishment of:
- A. GAAT
 - B. WTO
 - C. WHO
 - D. IMF
92. Which of the following is prepared on the basis of trial balance?
- A. Journal
 - B. Ledger
 - C. Final Accounts
 - D. None of the above

93. A company issued 10,000 shares of Rs. 10 each at a premium of Rs. 2 per share. The premium will be credited to:
- A. Share Capital Account
 - B. Securities Premium Reserve Account
 - C. Profit and Loss Account
 - D. General Reserve Account
94. Purchase of machinery for cash is an example of:
- A. Cash flow from operating activities
 - B. Cash flow from investing activities
 - C. Cash flow from financing activities
 - D. No cash flow
95. Operating Ratio is calculated as:
- A. $(\text{Cost of Goods Sold} + \text{Operating Expenses}) / \text{Net Sales} * 100$
 - B. $\text{Operating Profit} / \text{Net Sales} * 100$
 - C. $\text{Net Profit} / \text{Net Sales} * 100$
 - D. $\text{Gross Profit} / \text{Net Sales} * 100$
96. Introducing a product at low price and increasing the price once the brand succeeds is known as _____ Pricing.
- A. Penetration
 - B. Skimming
 - C. going rate
 - D. None of these

97. Payment of dividend to shareholders is an example of:
- A. Cash flow from operating activities
 - B. Cash flow from investing activities
 - C. Cash flow from financing activities
 - D. No cash flow
98. The first book of the original entry is _____.
- A. Journal
 - B. Ledger
 - C. Trial balance
 - D. None of the above
99. An increase in the value of closing stock will lead to:
- A. Increase in gross profit
 - B. Decrease in gross profit
 - C. No effect on gross profit
 - D. Increase in net profit only
100. If the current ratio is 2:1 and working capital is Rs.20,000, then current assets are:
- A. Rs. 10,000
 - B. Rs. 40,000
 - C. Rs. 30,000
 - D. Rs. 60,000
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ROUGH WORK

ROUGH WORK