

COMMON P. G. ENTRANCE TEST – 2024 (CPET-2024)

Test Booklet No. : **04037**

Subject Code : **06**

Hall Ticket No. :

Subject : **COMMERCE**

TEST BOOKLET

Time Allowed : **60 Minutes**

Full Marks : **80**

: INSTRUCTIONS TO CANDIDATES :

1. The Test Booklet contains **15** pages including the cover page and **80** (Question Nos. 1 to 80) multiple choice questions.
2. DO NOT break open the seal of the Test Booklet until the invigilator instructs to do so.
3. The candidates must check discrepancy, if any (like up-printed or torn or missing pages or missing questions) in the Test Booklet immediately after breaking the seal of the Test Booklet. If detected, the invigilator may be requested to replace the same.
4. Candidates are required to fill up and darken the **Hall Ticket No., Test Booklet Serial No.** and OMR Answer Sheet Serial No. in attendance sheet carefully. Wrongly filled in OMR Answer Sheet is liable for rejection.
5. Each question has four choices / answers marked (A), (B), (C), (D). Candidate has to select the most appropriate choice / answer to each question and darken the oval completely against the question number provided in the OMR Answer Sheet.
6. Indicate only one choice / answer from the options provided by darkening the appropriate oval in the OMR Answer Sheet. More than one response to a question shall be treated as a wrong answer.
7. Use only **Black Ball Point Pen** for darkening the oval for answering.
8. All the questions are compulsory and they carry equal marks. The total marks scored by a candidate depends on the number of correct choices / answers darkened in the OMR Answer Sheet. There will be no negative marking for wrong answers.
9. No candidate shall be allowed to leave the Examination Hall / Room till all OMR Answer Sheets have been collected by the invigilator.
10. On completion of the entrance test, the original OMR Answer Sheet be handed over to the invigilator. Candidates are allowed to take the second copy of the OMR Answer Sheet along with the used Test Booklet for reference.
11. Candidates are not allowed to carry any personal belongings including electronic devices such as scientific calculator, cell phones, headphones, earbuds, or any other type of devices that allow communication of any kind inside the Examination Room / Hall.
12. The candidates are advised not to scribble or make any mark on the OMR Answer Sheet except marking the answers at the appropriate places and filling up the details required. Rough work, if any, may be done in the blank sheet(s) provided at the end of the Test Booklet.
13. Any malpractice / use of unfair means will lead to your disqualification from the entrance test / admission process and may also lead to appropriate legal action as deemed fit.

DO NOT OPEN THIS TEST BOOKLET UNTIL YOU ARE ASKED TO DO SO

1. In case of Hire Purchase System, Interest is not included in :
(A) Down payment (B) Hire purchase price
(C) Instalment (D) Transfer price
2. In pure single entry :
(A) Purchase and sales book are kept
(B) Only cash book is kept
(C) All subsidiary books are kept
(D) Only Journal proper book is kept
3. Effect of dishonour of B/R is given :
(A) Only in the B/R account
(B) In Debtors account and B/R account
(C) Only in the Debtors account
(D) Only in the B/P account
4. Generally, depreciation on fixed assets is calculated on which balance ?
(A) Opening
(B) Closing
(C) Only on additional assets
(D) Amount realised on asset sold
5. According to hire purchase agreement Rs. 25,000 is the down payment and Rs. 90,000 is the total amount of three equal instalments inclusive of interest Rs. 15,000. How much would be the cash price of the asset ?
(A) Rs. 90,000 (B) Rs. 1,00,000
(C) Rs. 1,15,000 (D) Rs. 1,30,000
6. Management is a wider concept than administration according to :
(A) Oliver Sheltom (B) Henry Fayol
(C) Hernold Koontz (D) William Newman

7. The Indian Contract Act, applies to the :
- (A) Whole of India excluding Jammu and Kashmir
 - (B) Whole of India including Jammu and Kashmir
 - (C) States notified by the Central Government from time to time
 - (D) Odisha Only
8. Which of the following legal statement is incorrect ?
- (A) An agreement enforceable by law is a contract [Section 2]
 - (B) All agreements are contracts [Section 10]
 - (C) A proposal when accepted becomes a promise [Section 2]
 - (D) Every promise and every set of promise forming the consideration for each other is an agreement [Section 2(e)]
9. _____ is a one-sided contract in which only one party has to perform his promise or obligation.
- (A) Void contract
 - (B) Illegal agreement
 - (C) Unilateral contract
 - (D) Bilateral contract
10. The incidence of tax on tax is called :
- (A) Tax Cascading
 - (B) Tax Pyramidding
 - (C) Tax evasion
 - (D) Indirect tax
11. Under GST, 'value addition' refers to :
- (A) Expenses plus profit
 - (B) Cost plus tax
 - (C) Cost plus tax plus profit
 - (D) Tax plus profit
12. UTGST is applicable when :
- (A) Sold from Union territory
 - (B) Goods are purchased by Central Government
 - (C) Sold from one union territory to another union territory
 - (D) There is interstate supply
13. _____ is the concept of "LET THE BUYER BEWARE".
- (A) Information Center
 - (B) Unfair Trade Practices
 - (C) Caveat Emptor
 - (D) Buyer Kingdom

14. At Break-even point contribution will be equal to :
- (A) Variable cost (B) Fixed cost
(C) Profit (D) Sales
15. Fixed costs Rs. 6,000, Profit required Rs. 4,000 and P/V ratio is 50%, then sales required will be _____.
- (A) Rs. 6,000 (B) Rs. 4,000
(C) Rs. 10,000 (D) Rs. 20,000
16. A cost centre is :
- (A) A production department where all production costs are aggregated
(B) An area of business accountable for both costs and revenues
(C) The part of the business where all costs are paid to suppliers
(D) An area for which costs are accumulated
17. An increase in current asset accompanied by the increase in current liabilities of the same amount will :
- (A) Improve short-term financial position
(B) Not improve short-term financial position
(C) Improve long-term financial position
(D) Increase the Non-current assets
18. _____ is the dividend paid to the members of a company during a financial year before the finalization of annual accounts.
- (A) Bonus (B) Final dividend
(C) Interim dividend (D) Stock dividend
19. Given sales = Rs. 1,00,000 ; Profit = Rs. 10,000 ; Variable cost = 70%. The sales required to earn a profit of Rs. 40,000 is _____.
- (A) Rs. 15,00,000 (B) Rs. 1,00,000
(C) Rs. 2,00,000 (D) Rs. 1,10,000

20. Marketing creates profit by creating _____ to the buyer.
- (A) Value (B) Money
(C) Product (D) Price
21. Which of the following would not be one of the primary advertising objectives as classified by primary purpose ?
- (A) To inform (B) To persuade
(C) To remind (D) To make profits
22. Bonus shares are issued by a company to its _____ without receiving any amount from them.
- (A) Employees (B) Customers
(C) Shareholders (D) Promoters
23. Maximum limit for the deduction of Life insurance premium from the gross total income is _____.
- (A) Rs. 2,00,000 (B) Rs. 1,50,000
(C) Rs. 1,00,000 (D) Amount of premium paid
24. The account opened to close the various assets and liabilities of the firm on dissolution is called _____ account.
- (A) Revaluation (B) Amalgamation
(C) Realization (D) Reduction
25. Reserve for unexpired risk is shown under :
- (A) Reserves and surplus (B) Current liabilities
(C) Provisions (D) Assets
26. The desire to reach the peak of one's potential is called as :
- (A) Self-actualization need (B) Safety need
(C) Esteem need (D) Social need
27. _____ Communication is also known as Grapevine.
- (A) Formal (B) Informal
(C) Lateral (D) Non-verbal

28. When new employees are to be recruited, _____ training should be arranged for them.
- (A) Apprenticeship (B) Induction
(C) Vestibule (D) On the job
29. _____ suggests that each communication going up or coming down must flow through each position in the line of authority.
- (A) Communication pattern (B) Horizontal communications
(C) Scalar chain (D) Unity of command
30. The main objective of _____ is to determine and eliminate unnecessary and wasteful movements.
- (A) Work study (B) Time study
(C) Motion study (D) Efficiency study
31. The difference between selling price and marginal cost is :
- (A) Profit (B) Marginal cost
(C) Contribution (D) Loss
32. In contract costing payment of cash to the contractor is made on the basis of :
- (A) Estimated work (B) Standard work
(C) Certified work (D) Uncertified work
33. At break-even point, the :
- (A) Fixed cost equal to the total sales value
(B) Variable cost equal to the total sales value
(C) Total cost equal to the total sales value
(D) Variable cost equal to fixed cost
34. Current ratio is 4 : 1, the amount of current liabilities is Rs.12,000 the amount of working capital is _____.
- (A) Rs. 48,000 (B) Rs. 36,000
(C) Rs. 30,000 (D) Rs. 60,000

35. Depreciation is sometimes treated as _____ of funds.
- (A) Outflow (B) Use
(C) Source (D) Inflow
36. A person liable to contribute to the assets of a company in the event of its being wound up is called :
- (A) Share holder (B) Company Member
(C) Contributory (D) Debtor
37. _____ contains rules, regulations and bye-laws regarding the internal management of companies.
- (A) Memorandum of Association (B) Articles of Association
(C) Prospectus (D) Certificate of Incorporation
38. The Statutory Auditors of the company are appointed by :
- (A) Shareholders in annual general meeting
(B) Board of Directors
(C) Company law board
(D) Management
39. Goods sent by the Head office at the end of the year but not received by Branch before the year ended is known as :
- (A) Goods in transit (B) Loss by fire
(C) Shortage (D) Loss
40. Dependent Branch doesn't keep any book of account as their entire Accounting work is performed by the Head office :
- (A) True (B) May be false
(C) Neither true nor false (D) May be true
41. The important objective of Accounting Standards is to _____ diverse accounting policies and practices.
- (A) Harmonies (B) Incomplete
(C) Complex (D) Compact

42. XYZ LLP falls under which category of person ?
- (A) Individual (B) Partnership firm
(C) Company (D) Association of person
43. Compliance with the Standard of Auditing is the responsibility of :
- (A) Management (B) Those charged with governance
(C) Auditor (D) Audit Committee
44. Goods sent on approval basis' have been recorded as 'Credit sales'. This is an example of :
- (A) Error of principle (B) Error of commission
(C) Error of omission (D) Error of duplication
45. Section 143 of Companies Act 2013 deals with :
- (A) Powers and rights of an Auditor (B) Removal of an Auditor
(C) Appointment of an Auditor (D) Remuneration of an Auditor
46. The trend line $Y = a + bX$ obtained by the least squares method is known as the line of :
- (A) Best fit (B) Fit best
(C) Best neutral (D) Non-linear fit
47. Find the median of the set = {11, 22, 33, 55, 66, 99} :
- (A) 55 (B) 44
(C) 33 (D) 22
48. If the mode is 14 and value of mean is 5 then the value of median is :
- (A) 12 (B) 18
(C) 8 (D) 14
49. The arithmetic mean of the marks obtained by 50 students was calculated as 44. It was later discovered that a score of 36 was misread as 56. Find the correct value of arithmetic mean of the marks obtained by the students :
- (A) 43 (B) 43.6
(C) 45 (D) 50

50. When purchases of securities are more than sales of securities, the market is called :

- (A) Bullish
- (B) Bearish
- (C) Grey
- (D) Odd

51. Discount and Finance House of India (DFHI) mainly deals in :

- (A) Commercial bills
- (B) Corporate securities
- (C) Treasury bills
- (D) Commercial papers

52. "Uberrimae Fidei" means :

- (A) Indemnity
- (B) Insurable interest
- (C) Good faith
- (D) Mitigation of loss

53. Match List – I with List – II and select the correct answer :

List – I

List – II

- | | |
|------------------------|--------------------|
| (a) Financial Leverage | (i) Efficiency |
| (b) Quick Ratio | (ii) Profitability |
| (c) Stock Turnover | (iii) Risk |
| (d) Margin on sales | (iv) Liquidity |
- (A) (a)-(iii), (b)-(iv), (c)-(i), (d)-(ii)
 - (B) (a)-(iii), (b)-(iv), (c)-(ii), (d)-(i)
 - (C) (a)-(iv), (b)-(iii), (c)-(i), (d)-(ii)
 - (D) (a)-(iv), (b)-(iii), (c)-(ii), (d)-(i)

54. Given that for a job standard time is 8 hours, actual time taken is 6 hours and the time rate is Rs. 2 per hour, what is the total wages under Halsey premium plan ?

- (A) Rs. 12
- (B) Rs. 14
- (C) Rs. 16
- (D) Rs. 18

55. The cost of one thing in terms of the alternative given up is called :

- (A) Real cost
- (B) Production cost
- (C) Physical cost
- (D) Opportunity cost

56. In finance, "working capital" means the same thing as :
- (A) Total assets
 - (B) Fixed assets
 - (C) Current assets
 - (D) Current assets minus current liabilities
57. A company purchases goods but does not pay payments to suppliers immediately and record them as :
- (A) Account payable
 - (B) Account receivable
 - (C) Current liabilities
 - (D) Accumulated liabilities
58. Value of net income is Rs.1,24,500,000 and common shares outstanding are 60,000,000 shares, then earning per share will be :
- (A) Rs. 2.75
 - (B) Rs. 0.48
 - (C) Rs. 2.08
 - (D) Rs. 2.80
59. Financial Management is mainly concerned with :
- (A) All aspects of acquiring and utilizing financial resources for firm's activities
 - (B) Arrangement of funds
 - (C) Efficient Management of every business
 - (D) Profit maximization
60. Capital budgeting is related to :
- (A) Long-terms assets
 - (B) Short-term assets
 - (C) Long-terms and short-terms assets
 - (D) Financial assets
61. The process of recording financial data up to trial balance is :
- (A) Book keeping
 - (B) Classifying
 - (C) Summarizing
 - (D) Analyzing

62. Hitesh Ltd.'s purchase consideration is Rs. 12,345 and Net Assets Rs. 3,568, then :
- (A) Goodwill Rs. 8,777 (B) Capital Reserve Rs. 8,777
(C) Goodwill Rs. 15,913 (D) Capital Reserve Rs. 15,913
63. Which of the following is not included into the final accounts ?
- (A) Trading and profit and loss account
(B) Profit and loss appropriation account
(C) Cash-book
(D) Balance sheet
64. An increase in sales price :
- (A) Does not affect Break-Even Point (B) Lower Break-Even Point
(C) Raises Break-Even Point (D) Lowers net profit
65. If vendors are issued debentures of Rs. 1,00,000 in consideration of net assets of Rs. 1,20,000 the balance of Rs. 20,000 will be credited to :
- (A) Goodwill Account (B) Capital Reserve Account
(C) Profit and Loss Account (D) General Reserve Account
66. NRI stands for :
- (A) Non-Rural Individuals (B) Non-Rural Immigrants
(C) Non-Resident Indian (D) Not for Return Institute
67. PAN stands for :
- (A) A kind of utensil (B) Primary Account Number
(C) Permanent Account Number (D) Parent Account Number
68. TDS stands for :
- (A) Time Deposit Scheme (B) Total Deposit Scheme
(C) Tax Deducted at Source (D) Tax Deposited at Source
69. Debenture holders are _____ of a company.
- (A) Owners (B) Creditors
(C) Debtors (D) Promoters

70. Requirements given in Part – II of the Schedule – VI of Companies Act, 2013 apply to :
- (A) Trading Account
 - (B) Profit and Loss Statement
 - (C) Balance Sheet
 - (D) Final Accounts
71. Preliminary expenses are incurred on the _____ of a company.
- (A) Formation
 - (B) Fluctuation
 - (C) Absorption
 - (D) Amalgamation
72. _____ deals with consolidated financial statements.
- (A) Ind AS 110
 - (B) Ind AS 100
 - (C) Ind AS 112
 - (D) Ind AS 120
73. Ind AS _____ deals with PPE.
- (A) 16
 - (B) 116
 - (C) 101
 - (D) 105
74. Buy back of equity shares is a process of capital _____.
- (A) Reduction
 - (B) Restructuring
 - (C) Control
 - (D) Appreciation
75. The share capital account is debited with _____ while forfeiting shares.
- (A) Calls in arrears
 - (B) Paid up capital
 - (C) Called up capital
 - (D) Issued capital
76. _____ lease is a lease that transfers substantially all the risks and rewards incidental to ownership of assets.
- (A) Finance
 - (B) Operating
 - (C) Advanced
 - (D) Maturity
77. Rights shares are those shares which are :
- (A) First offered to the existing shareholders
 - (B) Issued by a newly formed company
 - (C) Issued to the Directors of the company
 - (D) Issued to the holders of convertible debentures

78. The maximum extent to which a company can raise share capital is called _____ capital.
- (A) Subscribed (B) Authorized
(C) Called-up (D) Reserve capital
79. If 500 shares of Rs. 10 each on which Rs. 3 on final call is not paid are forfeited, then share forfeited account will be credited with _____.
- (A) Rs. 1,500 (B) Rs. 3,500
(C) Rs. 5,000 (D) Rs. 2,000
80. If one share is allotted for every five shares applied, an applicant for 1,000 shares will get _____.
- (A) 200 shares (B) 5000 shares
(C) 5 shares (D) 6 shares



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Comments

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