

COMMON P. G ENTRANCE TEST – 2020

Test Booklet No. : **83765**

DEPT. OF HIGHER EDUCATION, GOVT. OF ODISHA
TEST BOOKLET

Subject Code **16**

Subject **COMMERCE**

Time Allowed : 90 Minutes

Full Marks : 70

: INSTRUCTIONS TO CANDIDATES :

1. IMMEDIATELY AFTER THE COMMENCEMENT OF THE EXAMINATION, YOU SHOULD CHECK THAT THIS TEST BOOKLET DOES NOT HAVE ANY UNPRINTED OR TORN OR MISSING PAGES OR ITEMS ETC. IF SO, GET IT REPLACED BY A COMPLETE TEST BOOKLET.
2. You have to enter your Hall Ticket No. on the Test Booklet in the Box provided alongside. DO NOT write anything else on the Test Booklet.
3. YOU ARE REQUIRED TO FILL UP & DARKEN HALL TICKET NO. & TEST BOOKLET NO. IN THE ANSWER SHEET AS WELL AS FILL UP TEST BOOKLET SERIAL NO. & ANSWER SHEET SERIAL NO. IN THE ATTENDANCE SHEET CAREFULLY. WRONGLY FILLED UP ANSWER SHEETS ARE LIABLE FOR REJECTION AT THE RISK OF THE CANDIDATE.
4. This Test Booklet contains 70 items (questions). Each item (question) comprises four responses (answers). You have to select the correct response (answer) which you want to mark (darken) on the Answer Sheet. In case, you feel that there is more than one correct response (answer), you should mark (darken) the response (answer) which you consider the best. In any case, choose ONLY ONE response (answer) for each item (question).
5. You have to mark (darken) all your responses (answers) ONLY on the separate Answer Sheet provided by using BALL POINT PEN (BLUE OR BLACK). See instructions in the Answer Sheet.
6. All items (questions) carry equal marks. All items (questions) are compulsory. Your total marks will depend only on the number of correct responses (answers) marked by you in the Answer Sheet. There is no negative marking.
7. After you have completed filling in all your responses (answers) on the Answer Sheet and after conclusion of the examination, you should hand over to the Invigilator the Answer Sheet issued to you. You are allowed to take with you the candidate's copy / second page of the Answer Sheet along with the Test Booklet, after completion of the examination, for your reference.
8. Sheets for rough work are appended in the Test Booklet at the end.

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

1. As per which concept business is distinct from its owner ?
 - (A) Money measurement concept
 - (B) Business entity concept
 - (C) Going concern concept
 - (D) Matching concept

2. IFRS stands for _____.
 - (A) International Financial Reporting Standard
 - (B) Indian Financial Reporting Standard
 - (C) Indian Financial Recording Standard
 - (D) International Financial Recording Standard

3. The expenses the benefit of which is consumed within one year is known as _____.
 - (A) Revenue expenditure
 - (B) Capital expenditure
 - (C) Differed revenue expenditure
 - (D) All of the above

4. A void contract is _____.
 - (A) Not enforceable at all
 - (B) Enforceable at the option of either party
 - (C) Enforceable at the option of the aggrieved party
 - (D) Enforceable at the option of the party who is not aggrieved

5. Which is odd one out ?
 - (A) Specific goods
 - (B) Future goods
 - (C) Ascertained goods
 - (D) Unascertained goods

6. Which of the following is not an essential element of partnership ?
 - (A) Association of two or more persons
 - (B) Mutual agency
 - (C) Result of an agreement
 - (D) Separate legal entity

7. The excess of called up capital over paid up capital is _____.
- (A) Calls in advance
 - (B) Calls in arrears
 - (C) Under Subscription
 - (D) None of the above
8. Two companies A Ltd. and B Ltd. go into liquidation to form a new company called C Ltd. It is a case of _____.
- (A) Absorption
 - (B) External reconstruction
 - (C) Amalgamation
 - (D) All of the above
9. Minority of the subsidiary company is entitled to _____.
- (A) Capital profits
 - (B) Revenue profits
 - (C) Both capital and revenue profits
 - (D) None of the above
10. A Private company can have a maximum of _____ members.
- (A) 2
 - (B) 50
 - (C) 100
 - (D) 200
11. Annual General Meeting (AGM) must be held by _____.
- (A) Every public company
 - (B) Every private company
 - (C) Every 'One Person Company'
 - (D) Every company other than 'One Person Company' and 'Small Company'
12. Which of the following is not a characteristic feature of a Private Ltd. Company ?
- (A) It restricts the rights to transfer its shares
 - (B) It limits its membership to 200 (Except 'One Person Company')
 - (C) It has a minimum paid up share capital of Rs. 1,00,000/-
 - (D) It prohibits any invitation to public to subscribe its security

13. The process of finding and attracting capable applicant for employment is called _____.
- (A) Recruitment
 - (B) Selection
 - (C) Placement
 - (D) Training
14. Which of the following is not a method of performance appraisal ?
- (A) Ranking method
 - (B) Essay method
 - (C) Mentoring
 - (D) Self appraisal
15. "Learning by doing itself" is known as _____.
- (A) On-the-job training
 - (B) Off-the-job training
 - (C) Apprenticeship
 - (D) Vestibule training
16. Interest received by an individual on bank deposits is chargeable under the head _____.
- (A) Income from salary
 - (B) Income from house property
 - (C) Capital gain
 - (D) Income from other sources
17. An Individual or HUF having income from a proprietary business or profession is required to file _____.
- (A) ITR-1
 - (B) ITR-2
 - (C) ITR-3
 - (D) ITR-4

18. Year in which income is taxable, is known as _____ and year in which income is earned, is known as _____.
- (A) Previous year, Assessment year
 - (B) Assessment year, Assessment year
 - (C) Previous year, Previous year
 - (D) Assessment year, Previous year
19. Proportional allotment of cost of item to cost centers or cost units is called as _____.
- (A) Technical, Human, Conceptual
 - (B) Conceptual, Human, Technical
 - (C) Technical, Conceptual, Human
 - (D) Human, Conceptual, Technical
20. Strategic planning differs from operational planning as strategic planning focuses on _____.
- (A) Future course of action
 - (B) Long-term perspective
 - (C) Short-term perspective
 - (D) Single-use plans
21. Which of the following concept in motivation has been given by Vector Vroom ?
- (A) Instrumentality
 - (B) Equity
 - (C) Parity
 - (D) Carrot and Stick
22. Which of the following method of valuing material issues is suitable in the times of raising prices ?
- (A) First in First out method
 - (B) Last in First out method
 - (C) Average cost method
 - (D) Standard price method

23. Proportional allotment of cost of item to cost centres or cost units is called as _____.
- (A) Allocation
 - (B) Apportionment
 - (C) Absorption
 - (D) All of the above
24. The technique and process of ascertaining cost is known as _____.
- (A) Accounting
 - (B) Cost Accounting
 - (C) Cost Accountancy
 - (D) Costing
25. The compound interest on a sum of Rs. 10,000 in 2 years at the rate of 4% per annum is _____.
- (A) 10,816
 - (B) 816
 - (C) 800
 - (D) None of the above
26. A square matrix in which all the elements above or below the principal diagonal are zeros and rest are non-zeros is called as _____.
- (A) Zero matrix
 - (B) Scalar matrix
 - (C) Diagonal matrix
 - (D) Triangular matrix
27. An annuity which is payable for ever is called _____.
- (A) Annuity perpetual
 - (B) Annuity certain
 - (C) Annuity contingent
 - (D) None of the above
28. How many types of alignment are available in MS word ?
- (A) 5
 - (B) 3
 - (C) 4
 - (D) 2

29. The default font size of MS Excel is _____
- (A) 10
 - (B) 11
 - (C) 12
 - (D) 13
30. The shortcut key for slide show in MS PowerPoint is _____
- (A) f2
 - (B) f3
 - (C) f4
 - (D) f5
31. Fixing high price to earn high profit at the early stage of a product is regarded as _____
- (A) Penetration pricing
 - (B) Skimming pricing
 - (C) What the traffic can bear pricing
 - (D) Marginal cost pricing
32. Which of the following is not covered under Marco environment ?
- (A) Demographic environment
 - (B) Economic environment
 - (C) Political environment
 - (D) Supplier
33. A product adapted to the requirement of an individual is known as _____
- (A) Differentiated product
 - (B) Customised product
 - (C) Branded product
 - (D) Augmented product
34. The ultimate objective of financial management is _____
- (A) Profit maximisation
 - (B) Sales maximisation
 - (C) Shareholder's wealth maximisation
 - (D) Cost minimisation

35. The process of determining the present value of future cash flow is _____.
- (A) Compounding
 - (B) Deducting
 - (C) Discounting
 - (D) None of the above
36. The determinants of Working Capital includes _____.
- (A) Business cycle
 - (B) Market condition
 - (C) Dividend policy
 - (D) All of these
37. Which section of Companies Act, 2013 provides for Corporate Social Responsibility ?
- (A) Section 132
 - (B) Section 133
 - (C) section 134
 - (D) Section 135
38. The provision for Constitution of National Financial Reporting Authority is provided by _____.
- (A) The Chartered Accountants Act
 - (B) The Companies Act, 2013
 - (C) The Securities and Exchange Board of India Act
 - (D) The Banking Regulation Act
39. The kind of audit conducted between two annual audits is called as _____.
- (A) Internal audit
 - (B) Interim audit
 - (C) Final audit
 - (D) Continuous audit
40. The GSTIN has _____ digits.
- (A) 13
 - (B) 14
 - (C) 15
 - (D) 16

41. In case of perfectly inelastic demand, the shape of the demand curve is _____.
- (A) Vertical straight line
 - (B) Horizontal straight line
 - (C) Rectangular hyperbola
 - (D) None of the above
42. The rate at which factors can be substituted at the margin without altering the level of output is called _____.
- (A) Isoquants
 - (B) Equal product curve
 - (C) Marginal rate of technical substitution
 - (D) None of the above
43. When inputs in a given proportion and the output increases in the same proportion. It is a case of _____.
- (A) Increasing return to scale
 - (B) Constant return to scale
 - (C) Decreasing return to scale
 - (D) None of the above
44. Product differentiation is a distinguishing feature of which form of market ?
- (A) Monopoly
 - (B) Oligopoly
 - (C) Perfect competition
 - (D) Monopolistic competition
45. Which of these is a characteristic feature of Monopoly ?
- (A) Single seller
 - (B) Price-maker
 - (C) Barriers on entry and exit of firms
 - (D) All of the above
46. An indifference curve is _____.
- (A) A straight line sloping downward
 - (B) Parallel to X-axis
 - (C) Convex to the origin
 - (D) None of the above

47. In Oligopoly market, a kinked demand curve explains _____.
- (A) The ideal price
 - (B) Falling prices
 - (C) Price rigidity
 - (D) None of the above
48. Which of the following is not a characteristic feature of perfect competition ?
- (A) Large number of buyer and seller
 - (B) Homogenous product
 - (C) Free entry and exit
 - (D) Price competition
49. Monetary policy is formulated by _____.
- (A) National Financial Reporting Authority
 - (B) Reserve Bank of India
 - (C) Securities and Exchange Board of India
 - (D) State Bank of India
50. Disposable income can be best defined as _____.
- (A) The actual income received by the households
 - (B) Income received by the households after deducting personal taxes
 - (C) Income received by the resource suppliers for their current contribution to production
 - (D) None of the above
51. Each of the following items is a component of the expenditure approach of measuring national income, except _____.
- (A) Personal consumption expenditure
 - (B) Government expenditure
 - (C) Net interest
 - (D) Imports
52. Leakages from the income-expenditure stream refer to _____.
- (A) Exports, savings and taxes
 - (B) Savings, taxes and imports
 - (C) Government spendings, exports and imports
 - (D) Investments, government spendings and exports

53. A deep and prolonged recession is called as _____.
- (A) Inflation
 - (B) Disinflation
 - (C) Depression
 - (D) None of the above
54. An increase in the price of raw materials causes _____ inflation.
- (A) Cost-push
 - (B) Profit-push
 - (C) Import-push
 - (D) Demand-pull
55. If the consumer price index increased from 124.0 in year 2009 to 130.7 in year 2010, the economy experienced _____.
- (A) Inflation of 5.4%
 - (B) Deflation of 6.7%
 - (C) Inflation of 6.7%
 - (D) Deflation of 5.4%
56. A newly graduated student is looking for a job. This exemplifies _____ unemployment.
- (A) Cyclical
 - (B) Frictional
 - (C) Structural
 - (D) Seasonal
57. The sum of the deviation of the items taken from _____ is zero.
- (A) Arithmetic mean
 - (B) Median
 - (C) Mode
 - (D) Geometric mean
58. Which of the following is a positional average ?
- (A) Arithmetic mean
 - (B) Geometric mean
 - (C) Harmonic mean
 - (D) Median

59. Which of the following is true about negative Skewness ?
- (A) Mean > Median > Mode
 - (B) Mode > Median > Mean
 - (C) Mode < Median < Mean
 - (D) Mean = Median = Mode
60. When with decrease in one variable another variable decreases, it is a case of _____.
- (A) Positive correlation
 - (B) Negative correlation
 - (C) No correlation
 - (D) None of the above
61. The measure of dependency of one variable on other variable is known as _____.
- (A) Correlation
 - (B) Regression
 - (C) Dispersion
 - (D) Skewness
62. Circular test is satisfied by _____.
- (A) Fisher's method
 - (B) Laspeyre's method
 - (C) Paasche's method
 - (D) Kelley's method
63. The ratio of explained variation to total variation is called as _____.
- (A) Coefficient of correlation
 - (B) Coefficient of determination
 - (C) Coefficient of non-determination
 - (D) Coefficient of variation
64. When the new indices are to be spliced with the base year of the old indices, it is a case of _____.
- (A) Forward splicing
 - (B) Backward splicing
 - (C) Deflating
 - (D) None of the above

65. In which year Planning Commission of India was replaced by NITI Aayog ?
- (A) 2014
 - (B) 2015
 - (C) 2016
 - (D) None of the above
66. World Trade Organisation came into force in _____.
- (A) 1947
 - (B) 1948
 - (C) 1994
 - (D) 1995
67. Balance of trade deals with _____.
- (A) Export and import of visible items
 - (B) Export and import of both visible and invisible items
 - (C) Export and import of invisible items
 - (D) Export of visible and invisible items
68. Economic globalisation includes _____.
- (A) Globalisation of markets
 - (B) Globalisation of investments
 - (C) Globalisation of production
 - (D) All of the above
69. The interest rate at which Reserve Bank of India provides overnight liquidity to banks is known as _____.
- (A) Repo rate
 - (B) Reverse repo rate
 - (C) Bank rate
 - (D) Cash reserve ratio
70. Which of the following is not an instrument of monetary policy?
- (A) Open market operation
 - (B) Bank rate
 - (C) Cash reserve ratio
 - (D) Taxation

SPACE FOR ROUGH WORK