TN PG TRB EXAM
COMMERCE

MODEL QUESTION PAPER – 1

01. The first legislative enactment for "Registration of Joint Stock Companies" was passed in the year

A) 1850 B) 1860

C) 1844 D) 1956

02. The term 'diminution' implies a cancellation of

A) issued capital

B) authorized capital

C) subscribed capital

D) called up capital

03. The remuneration payable to directors cannot exceed 11% of

A) gross profits B) cash profits

C) total profits D) net profits

04. Read the following

I. Workmen's due and Secured Creditors

II. Cost and Charges of Winding Up

III. Preferential Debts

IV. Floating Charges

V. Unsecured Creditors

The order of priority in paying off debts during winding up shall be

A) I, II, III, IV and V

B) II, I, IV, III and V

C) I, III, II, IV and V

D) V, IV, III, I and II

05. A director must

A) be an individual

B) be competent to contract

C) hold a share qualification

D) all of these

06. The word 'money' is derived from_____ word.

A) Latin B) French

C) Italy D) English

07. The market, which plays an important role in mobilizing savings and channelizing them into productive investments for the development of Commerce and Industry, is called as

A) short-term market

B) capital market

C) bullion market

D) unregulated market

08. Who among the following is/are associated with the terms of trade?

A) Jacob Viner

B) G.M. Meier

C) Both (A) and (B)

D) Kindleberger and Devons

09. A policy whereby domestic industries are to be protected from foreign competition is referred to as

A) protection B) tariff

C) exchange control D) terms of trade

10. The balance of payments account of a country is constructed on the principle of

A) receipts and payments method of accounting

B) single entry system of accounting

C) double entry system book-keeping

D) cash basis of accounting

---

1. (A)   2. (B)   3. (D)   4. (A)   5. (D)   6. (A)   7. (B)   8. (C)   9. (A)   10. (C)

---

11. **Which is the Soft Loan Window of the International Bank for Reconstruction and Development?**
    A) International Development Association
    B) Multi-Investment Guarantee Agency
    C) European Economic Community
    D) General Agreement on Trade and Tariff

12. **World Trade Organization agreement came into force with effect from**
    A) 01.04.1994   B) 01.04.1996
    C) 01.01.1995   D) 30.01.1998

13. **The Reserve Bank of India introduced the Bill Market Scheme in the year**
    A) 1952   B) 1972
    C) 1862   D) 1947

14. **The Nationalization of 14 commercial banks took place in the year**
    A) 1971   B) 1961
    C) 1981   D) 1969

15. **Which is not an objective of International Monetary Fund?**
    A) to promote private foreign investment
    B) to promote international monetary co-operation
    C) to facilitate the expansion and balanced growth of international trade
    D) to promote exchange stability

16. **Coefficient of quartile deviation is equal to**
    A) $\dfrac{Q3-Q1}{Q3+Q1}$ B) $\dfrac{Q3-Q1}{2}$
    C) $\dfrac{Q3-Q1}{Q3+Q2}$ D) $\dfrac{Q3-Q4}{Q3+Q2}$

17. **Pearsonian coefficient of skewness is equal to**
    A) Mean–Mode
    B) $\dfrac{\text{Mean - Mode}}{\text{Standard Deviation}}$
    C) Median–Q1–Q3–Median
    D) $\dfrac{\text{Mean + Mode}}{\text{Standard Deviation}}$

18. **Which is not a part of components of a time series?**
    A) trend
    B) seasonal changes
    C) regular variations
    D) demography

19. **Which among the following is/are the mathematical test(s) of consistency?**
    A) time reversal test
    B) factor reversal test
    C) circular test
    D) all of these

20. **In a linear equation Y = a+bX, here 'Y' refers to**
    A) dependant variable
    B) independent variable
    C) neither (A) nor (B)
    D) function

21. **What is the chance of throwing a number greater than 3 in a single throw with a die?**
    A) ½   B) 1/3
    C) ¼   D) 1/6

22. **In case of contingency tables, the degrees of freedom is obtained by applying the formula**
    A) $\sum \dfrac{(O-E)^2}{E}$ B) $v = (r-1)\,(c-1)$
    C) $N = (A) + (B)$ D) $R = N+n^2$

---

11. (A)   12. (C)   13. (A)   14. (D)   15. (A)   16. (A)   17. (B)   18. (D)   19. (D)   20. (A)
21. (A)   22. (B)

SURA'S © TRB - COMMERCE (PG)

23. When a complete list of the population is available, a common method of selecting a sample is to take every nth item from the list. This is known as
   A) random sampling
   B) systematic sampling
   C) stratified sampling
   D) multi-stage sampling

24. A group of objects selected at random from a population tends to possess the characteristics of the larger group. This is the law of
   A) large numbers
   B) statistical regularity
   C) sample enumeration
   D) sampling method

25. Which of the following methods may be adopted for obtaining information by communication by an investigator?
   A) personal interviews
   B) mailed questionnaires
   C) questionnaires in charge
   D) all of these

26. Industrial Development Bank of India was established in the year
   A) 1964   B) 1864
   C) 1948   D) 1955

27. Variable Reserve Ratio as a method of credit control was suggested by
   A) Keynes   B) Pigou
   C) Metha   D) Schumpeter

28. In what method, the Central Bank prescribes the margin to be kept for loans?
   A) direct auctions
   B) margin requirements
   C) rationing of credit
   D) all of these

29. The market for short term loans is known as
   A) Money Market
   B) Acceptance Market
   C) Treasury Market
   D) Call Money Market

30. The Special Drawing Rights was introduced in the year
   A) 1980   B) 1960
   C) 1978   D) 1970

31. From the following particulars, calculate profit as per financial books.
   i)   Profit as per cost books ₹ 10,000
   ii) Over recovery of office overheads in cost books ₹ 3,000
   iii) Under valuation of stock in cost books ₹ 2,000
   iv) Income tax not considered in cost books ₹ 7,000
   A) ₹ 7,000   B) ₹ 8,000
   C) ₹ 9,000   D) ₹ 10,000

32. Rent, rates, and taxes of building are apportioned on the basis of
   A) value of plant
   B) floor space occupied
   C) asset value
   D) number of light points

33. Distribution overhead includes
   A) warehouse rent
   B) packing
   C) both (A) and (B)
   D) prime cost

34. Relevant costs should always be
   A) sunk costs   B) past costs
   C) future costs   D) conversion cost

23. (B)   24. (B)   25. (D)   26. (A)   27. (A)   28. (B)   29. (A)   30. (D)   31. (B)   32. (B)
33. (C)   34. (C)

SURA'S ☺ TRB - COMMERCE (PG)

35. 'Just-in-time' is the managerial philosophy of
A) elimination of waste
B) reduction of waste
C) purchasing goods for stock
D) all of these

36. Work uncertified is always valued at
A) cost price
B) market price
C) cost or market price whichever is lower
D) cost or market price whichever is higher

37. The price at which output is transferred to the next process is known as
A) sales price   B) cost price
C) transfer price   D) market price

38. The specific point in the production process at which the different products emerge as individual products is known as
A) cut-off point   B) individual point
C) split-off point   D) joint point

39. From the following particulars, calculate total passenger kms.
Number of buses 4; Days 30; No. of trips by each bus 1; Distance run 50 Kms (one way); Capacity of each bus 40 passengers; Actual passengers carried 75% of capacity.
A) 3, 60,000 kms   B) 2, 80,000 kms
C) 4, 80,000 kms   D) 1, 80,000 kms

40. Given fixed cost ₹ 16,000, profit earned ₹ 4,000 and break even sales ₹ 80,000. What are actual sales?
A) 2, 00,000   B) 3, 00,000
C) 1, 00,000   D) 2, 50,000

41. The angle between sales and total cost line represents

A) total cost line
B) angle of incidence
C) angle of accident
D) angle of decadence

42. The profit volume ratio of 'Y' Ltd is 50% and the margin of safety is 40%. Calculate the net profit if the sales volume is ₹ 1,00,000.
A) ₹ 40, 000   B) ₹ 30, 000
C) ₹ 20, 000   D) ₹ 50, 000

43. Output costing is otherwise known as
A) unit costing
B) contract costing
C) process costing
D) batch costing

44. A plan of action for a future period is called as
A) forecast   B) budget
C) standard`   D) estimate

45. A set of documents showing the budgeting organization and procedures is called as
A) budget centre   B) budget period
C) budget manual   D) budgeted Project

46. The standard, which is expected to be attained during a specified budget period, is known as
A) expected standard
B) current standard
C) normal standard
D) basic standard

47. "Whatever a manager does, he does through making decisions." This is the words of
A) Henry Fayol   B) Alfred Marshall
C) Flippo   D) Peter F. Drucker

---

35. (A)   36. (A)   37. (C)   38. (C)   39. (A)   40. (C)   41. (B)   42. (C)   43. (A)   44. (B)
45. (C)   46. (A)   47. (D)

SURA'S ☯ TRB - COMMERCE (PG)

48. **Which is marginal costing equation?**
    A) sales = variable cost + fixed cost + Profit
    B) sales = variable cost – fixed cost – profit
    C) sales + variable cost – profit + loss
    D) sales = variable cost + sunk cost

49. **The figures of previous budget period are not taken into consideration in**
    A) cash budget
    B) performance budgeting
    C) zero-base budgeting
    D) always best control

50. **The net working capital is that portion of current assets which is financed by**
    A) short-term sources of funds
    B) long-term sources of funds
    C) partly by long term sources of funds and partly by short-term sources of funds
    D) medium-term funds

51. **Calculate Payback period from the following information.**
    Initial investment is ₹ 2,00,000; and Annual cash inflow is ₹ 50,000 per year.
    A) 5 years   B) 6 years
    C) 7 years   D) none of these

52. **Internal Rate of Return is the rate of return at which**
    A) net present value is nil
    B) net present value is negative
    C) net present value is positive
    D) net present value is 10

53. **Ratio analysis was pioneered by**
    A) Philip Kotler   B) Taylor
    C) Alexander wall   D) Tom Jones

54. **An ideal fixed assets ratio is**
    A) 1:1   B) 2:1
    C) 0.5:1   D) 0.67:1

55. **Funds from operation is a/an**
    A) gross profit   B) net profit
    C) total Profit   D) operating profit

56. **Which is not a correct one?**
    A) increase in current liability increases cash
    B) decrease in current liability decreases cash
    C) increase in current assets decreases cash
    D) decrease in current asset decreases cash

57. **From the following particulars, calculate the debtor's turnover ratio.**
    Credit sales for the year ₹ 12, 000, Debtors ₹ 1, 000 and Bills receivable ₹ 1,000.
    A) 6 times   B) 12 times
    C) 3 times   D) 4 times

58. **Trend Analysis is significant for**
    A) profit planning
    B) working capital management
    C) forecasting and budgeting
    D) all of these

59. **Marketing process is split up into three institutional functions: Concentration, Equalization, and Dispersion. This is under**
    A) functional approach
    B) institutional approach
    C) system approach
    D) product approach

60. **Modern marketing is always**
    A) sales oriented
    B) management oriented
    C) consumer oriented
    D) production oriented

---

48. (A)   49. (C)   50. (B)   51. (D)   52. (A)   53. (C)   54. (D)   55. (D)   56. (D)   57. (A)
58. (C)   59. (B)   60. (C)