Studymate Foundation Paper

Date : 23/12/2018	Accountancy, Economics & Mathematics/Business Studies (Set-2)	CLASS
Duration : 90 Min.		
Max. Marks : 90		XI

General Instructions:

1. All questions are compulsory in each section.
2. Each question is allotted **ONE** mark for each correct response.
3. No deduction from the total score will be made if no response is indicated for the question in the answer sheet.
4. There is only **ONE** correct response for each question. Filling up **MORE THAN ONE** response in each question will be treated as wrong response.
5. This paper contains 90 questions (Accountancy 1-30, Economics 31-60 and Mathematics 61-90 / Business Studies 61-90).
6. It is **MANDATORY TO ATTEMPT** Accountancy, Economics and attempt **ANY ONE** of either Mathematics or Business Studies.
7. Use of calculators is not allowed.

(Accountancy)

1. A Machine was purchased on 1st April, 2008. The balance of this machine on 31st March, 2011 is ₹4,37,400. Depreciation is charged @10% p.a. on written down value Method. What was the cost price of machine (on 1st April, 2008)?

    (A) ₹8,00,000   (B) ₹6,24,000   (C) ₹6,00,000   (D) None of these

2. A bill drawn on 23.11.2010 as payable 2 Months after date was accepted on 24.11.2010. The date of maturity of the bill will be-

    (A) 26.01.2011   (B) 25.01.2011   (C) 23.01.2011   (D) 27.01.2011

3. A second hand machine is purchased for ₹90,000 amount paid to repair the machine ₹10,000 and transportation cost is ₹20,000. While passing journal entry machine account will be debited by:

    (a) ₹90,000   (b) ₹1,00,000   (c) ₹1,20,000   (d) None of these

4. The accountant of M/s ABC Ltd. is not able to tally the trial balance. The difference in trial balance is due to:

Head of account	Debit	Credit
Salary	2,000	
Miscellaneous expenses	2,000	
Misc. receipt	1,000	
Purchase return	1,000	
Sales		5,000
Purchase	3,000	

    (a) Wrong placement of salary account.

    (b) Wrong placement of miscellenous exp.

    (c) Wrong placement of misc. receipt and purchase return.

    (d) None of these

5. Credit balance as per cashbook was ₹5,000 on 31.12.2018, if cheque issued but not presented amounts to ₹2,000 and direct deposit by customer amounted to ₹10,000, calculate balance as per pass book should be:

   (a) ₹7,000 debit　　(b) ₹7,000 credit　　(c) ₹17,000 credit　　(d) None of these

Directions for the Question 6 to 8: In each of the questions given below, there are two statements marked as Statement (A) and Statement (B). Mark your answer as per the codes provided below:

(A) Both A and B are true and B is correct explanation of A.

(B) Both A and B are true and B is not correct explanation of A.

(C) A is true and B is false.

(D) A is false and B is true.

6. **Statement (A):** Provision for discount is made on debtors after subtracting further bad debts and new provisions.

   Statement (B): Only those debtors who pay money immediately are given discount.

7. **Statement (A):** Accounts follow accrual basis of accounting.

   Statement (B): Revenue is deemed to be realised when the title or the ownership of the goods has been transferred to the purchaser and when he has legally become liable to pay the amount to seller.

8. **Statement (A):** To reduce the burden of journals and avoid duplicity subsidiary books are prepared.

   Statement (B): Cash book is a substitute book for cash account and bank account.

9. Life insurance premium paid by firm of ₹10,000, should be treated as follows

   (A) Credited to profit and loss A/c　　　　(B) Debited to Trading A/c

   (C) Deducted from capital　　　　　　　(D) Deducted from sales

10. When a cheque received is endorsed, it must be entered on

    (A) Debit side of Cash book　　　　　　(B) Credit side of Cash book

    (C) Journal Proper　　　　　　　　　　(D) Both the sides of cash book

11. From the following information calculate gross profit:

    Opening stock ₹50,000, closing stock ₹80,000, carriage on purchase ₹15,000, carriage on sales ₹25,000, sales ₹15,00,000 cost of goods sold ₹12,10,000.

    (a) ₹2,75,000　　(b) ₹2,65,000　　(c) ₹2,90,000　　(d) ₹3,05,000

12. Calculate closing stock from the following details:

    Opening stock ₹2,40,000; Sales ₹9,75,000; Purchases ₹6,80,000; Depreciation ₹2,00,00; Stock lost by fire ₹10,000; Gross profit is 30% on cost.

    (a) ₹1,70,000　　　　　　　　(b) ₹1,60,000

    (c) ₹3,95,000　　　　　　　　(d) ₹7,50,000

13. Which of the following statements is not true:

(a) Balance sheet is prepared on a particular date and not for a particular accounting period.

(b) Marshalling means showing the asset and liabilities in a proper order in the balance sheet.

(c) Grouping means showing the items of similar nature under a common heading.

(d) The least liquid asset is shown first in order of permanence.

14. Bill discounted but not matured is

(a) Current liability (b) Contingent liability

(c) Current asset (d) Intangible asset

15. What will be the amount of operating profit from the following information:

Net profit ₹2,50,000   Factory rent ₹7,000

Loss on sale of furniture ₹6,000   Salary ₹60,000

Dividend received ₹3,000   Rent received ₹12,000

(a) ₹2,56,000 (b) ₹2,41,000

(c) ₹2,35,000 (d) None of these

16. Shyam our debtor for ₹2,500 had defaulted and the amount had been treated as bad debts. He has now paid ₹2,000. What amount should be credited to Shyam account?

(a) ₹2,000 (b) ₹2,500 (c) ₹500 (d) None of these

17. Salary of manager is _____ and appointment of manager is _____

(a) Compulsory – optional (b) Event – transaction

(c) Transaction – event (d) None of these

18. Outstanding expense are recorded in the books of account because of which principle of accounting?

(a) Prudence (b) Dual aspect (c) Accrual (d) All of these

19. If capital is ₹5,00,000, loan is ₹2,50,000 and creditor is of ₹50,000 then total asset of the firm is

(a) ₹8,00,000 (b) ₹5,00,000 (c) ₹7,50,000 (d) ₹5,50,000

20. Nature of input CGST is

(a) Liability (b) Expense (a) Revenue (d) Asset

21. Prepration of Trial Balance, Profit & Loss A/c and Balance Sheet come in the stage of

(a) Recording (b) Measuring (c) Classifying (d) Summarising

22. Which of the followings is/ are not the qualitative characteristics of accounting information

(i) Reliability (ii) Communication (iii) Summarising (iv) Relevance

Chose the correct option

(a) (i) & (ii) (b) (ii) & (iii) (c) (i) & (iii) (d) (iii) & (iv)

23. Cash sales ₹2,00,000; credit sales ₹1,00,000; credit purchases ₹1,50,000; wages paid ₹50,000 and outstanding salary ₹50,000. What would be the difference between profit or loss if accounts are maintained by both cash basis and accural basis of accounting?

(a) ₹1,00,000   (b) ₹Zero   (c) ₹50,000   (d) None of the these

24. Proprietor Mr. Ajay sold his personal bike of ₹50,000 at ₹40,000 and out of which cash of ₹30,000 paid to business creditors in full settlement of dues of creditors of ₹40,000. Choose the correct option for recording journal entry in the books of the firm.

(a) Creditors A/c   Dr   40,000

     To Cash A/c   30,000

     To Discount Received A/c   10,000

(b) Creditors A/c   Dr. 40,000

     To Cash A/c   30,000

     To Loss on Sale of Bike A/c 10,000

(c) Cash A/c   Dr   40,000

     To Bike A/c   30,000

     To Discount Received A/c   10,000

(d) Creditors A/c   Dr. 40,000

     To Capital A/c   30,000

     To Discount Received A/c   10,000

25. A firm is maintaining subsidiary books along with journal proper. Find which of the following will be recorded in journal proper.

(i) Goods of ₹1,000 purchased from Ram

(ii) Goods of ₹1,000 purchased from Shyam on cash

(iii) Furniture of ₹1,000 purchased from Mohan

(iv) Furniture of ₹1,000 purchased from Ravi on cash

Chose the correct option

(a) (i), (ii) & (iii)   (b) (ii) & (iii)   (c) (iii)   (d) (iii) & (iv)

26. Wages paid for construction of building is debited to

(a) Wage accounts   (b) Building accounts

(c) Construction accounts   (d) None of these

27. Sold to Krishan for ₹3465 wrongly credited to Kishan as ₹3456. Rectified entry should be.

(a) Krishan's A/c   Dr.   3,464

     To Kishan's A/c   3,456

(b) Krishan's A/c   3,456

     Kishan's A/c   3,465

     To Suspense A/c   6,921

(c) Krishan's A/c   Dr.   9

     Kishan's A/c   Dr.   9

     To Suspense   18

(d) Suspense A/c   6,921

     To Krishan's A/c   Dr.   3,456

     To Kshan's A/c   Dr.   3,465

28. What is the impact of discount allowed in accounting equation?

(a) Increase in assets and owners liability   (b) Decrease in assets and owners liability

(c) Increase in Liability and owners liability   (d) Decrease in Liability and owners liability

29. Mr. A started a business on 1st April, 2013 with a capital of ₹1,50,000 and a bank loan of ₹1,00,000. On 31st March 2014, his assets were ₹2,25,000 calculate closing capital and Profit/ loss the year

(a) ₹75,000 and ₹1,25,000

(b) ₹1,25,000 and (₹25,000)

(c) ₹2,50,000 and ₹75,000

(d) None of these

30. _____ is offered and allowed on sales completed in the past.

(a) Trade discount

(b) Cash discount

(c) Rebate

(d) None of these

(Economics)

31. The captain of the cricket team has to select either of the two batsman A and B for 5-day match between India and Pakistan. He needs a more consistent player. Please support him as whom to select based on the data of their earlier performance

Batsman A   Batsman B

$\overline{X}$ = 70 $\overline{Y}$ = 62

σ_X = 34 σ_Y = 13

The option are-

(a) Batsman A as his average score is high.

(b) Batsman A as his standard deviation is high.

(c) Batsman B as his coefficient of variation in lesser than that of B.

(d) Batsman A as his coefficient of variation is higher than that of B.

32. What type of correlation exists between the marks of Economics and Hindi in the data given below?

Economics (Marks)	77	54	27	52	14	35	90	26	56	60
Hindi (Marks)	35	58	60	46	50	40	35	56	44	42

(a) Positive and linear

(b) Negative and linear

(c) Positive and non-linear

(d) Negative and non-linear

33. Three students of class XII, Arun, Nitika and Rahul were given the task of selecting a sample of 16 students from a class of 50 students. Arun got the list of roll numbers of student and then took student after regular interval of 5. Nitika divided the entire class into boys and girls and then draw a sample of 5 student from each group. Rahul picked up his 10 friends in the sample. Which methods were used by them.

(a) Arun - Judgement

    Ritika - Stratified

    Rahul - Systematic

(b) Arun - Judgement

    Ritika - Systematic

    Rahul - Stratified

(c) Arun - Systematic

    Ritika - Stratified

    Rahul - Judgement

(d) Arun- Systematic

    Ritika - Judgement

    Rahul - Stratified

34. Errors of origin arises due to

(a) Incomplete data and non response of students.

(b) Wrong calculation.

(c) Wrong interpretation of data

(d) Inappropriate definition of unit, scale or defective questionnaire

35. If f_1 = 30, f_0 = 25, f_2 = 24, L_1 = 40 and i = 20, the value of mode will be

(a) 39.9   (b) 42.09   (c) 47.09   (d) 49.09

36. A statistical tool which tells us how items in a particular group is spread out from the average value is called

(a) Correlation   (b) Mode

(c) Median   (d) Standard deviation

37. Average daily wage of 50 workers of a factory was Rs. 200 with standard deviation of Rs. 40. Each given a raise of Rs. 20. The new average daily wage and standard deviation will be

(a) 220, 60   (b) 220, 40   (c) 200, 40   (d) 200,60

38. If CBSE is interested in knowing the minimum marks in Economics of top 25% of the students, it will calculate

(a) First quartile   (b) Median   (c) third quartile   (d) Fifth decile

39. Area under frequency polygon is equal to the area under

(a) Less than ogive   (b) Histogram   (c) Pie diagram   (d) More than ogive

40. The pie diagram of market share of 4 brands of TV sold in Bhopal are given below

Brands of sets	Units sold in Panipat
Samsung	480
Akai	360
Onida	240
Sony	120

Which of the below mentioned conclusion will be correct.

(a) Share of Akai in greater than share of Samsung.

(b) Samsung holds the maximum market share with 30%.

(c) Akai and Onida both has maximum share of 40%.

(d) Sony has 10% share in the market.

41. Improvement in skills of labour will be shown by

(a) a point on PPC to the point inside the PPC.

(b) a leftward shift of PPC.

(c) a rightward shift of PPC.

(d) a point inside the PPC to the point on PPC.

42. With an increase in income household A starts consuming more of full cream milk and less of double toned milk while household B starts consuming more of double toned milk and less of single toned milk. Identify the correct statement.

(a) For household A – full cream is inferior good and double toned is a normal good.

(b) For household B – double toned is a normal good and single toned is a inferior good.

(c) For both households A and B – single toned is an inferior good.

(d) For both households A and B – double toned is a normal goods.

43. Based on the graph drawn below identify the correct statement.

(a) Elasticity at point A is more than at point B.

(b) Elasticity at point B is more than at point A.

(c) Elasticity is same at both the points and is equal to zero.

(d) Elasticity is same at both the points and is equal to infinity.

44. When MP > AP, and MP is falling, AP is

(a) rising   (b) falling   (c) at maximum   (d) none of above

45. If price of X remains Rs. 4 and price of Y increases from Rs. 2 to Rs. 4, what will happen to the slope of budget line?

(a) slope will remain same   (b) slope will increase

(c) slope will decrease   (d) none of the above

46. If $\sum X$ (wrong) = 10,600, correct mean = 264.125, incorrect item = 150, number of item = 40, then find the value of correct item.

(a) 100   (b) 120   (c) 115   (d) 200

47. Which of the following statement is correct for given bar diagram
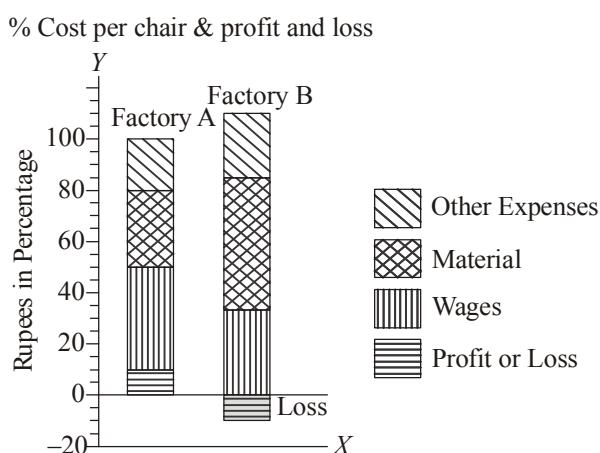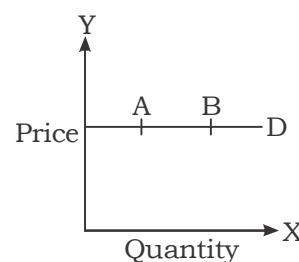
(a) Factory B is spending more percentage on wages as compared to factory A.

(b) Factory A is selling at a higher price than cost price.

(c) Factory B is making more profits than factory A.

(d) Factory B is selling at a higher price than the cost price.

48. The formula, Mode = 3 Median – 2 Mean will apply to which of the diagram drawn below
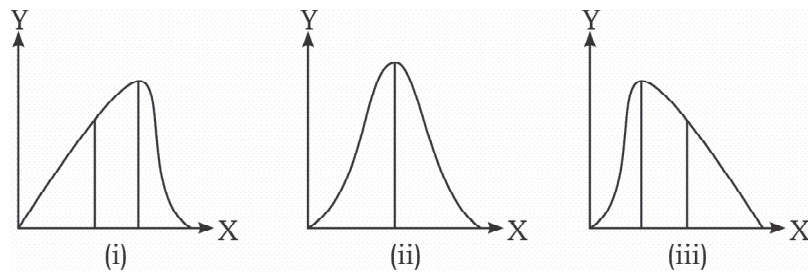
(i)   (ii)   (iii)
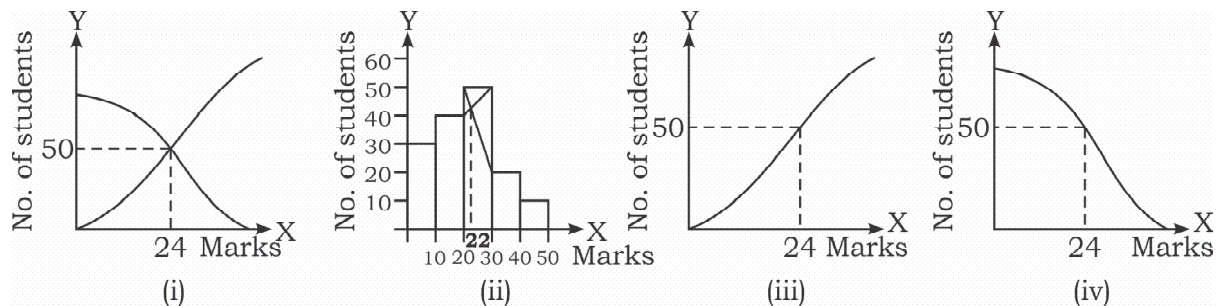
(a) (i), (ii) and (iii)   (b) (i) and (ii)   (c) (i) and (iii)   (d) (ii) and (iii)

49. If $\sum fm = 1,765 + 45f$ and $\sum f = 33 + f$ and $\overline{X} = 52$.

The value of missing frequency will be

(a) $f = 8$ (b) $f = 10$ (c) $f = 6$ (d) $f = 7$

50. If N/2th item = 50th item,

(i)   (ii)   (iii)   (iv)

Which of these above mentioned diagrams will give us the correct value of median?

(a) (i), (ii), (iii), (iv)   (b) (i) and (iii)   (c) (i), (ii) and (iii)   (d) (ii) and (iii)

51. Which of the following is an explicit cost?

(a) Estimated rental value of land   (b) Depreciation

(c) Normal profit   (d) Interest on self invested capital

52. With decrease in output AVC and AC curves

(a) come closer and closer to each other.   (b) intersect each other

(c) go farther from each other.   (d) become parallel to each other.

53. The shape of TFC curve in short run is

(a) parallel to y-axis   (b) parallel to x-axis   (c) inverse U-shaped   (d) U-shaped

54. Increase in demand is said to occur when

(a) less quantity is demanded at the same price.

(b) more quantity is demanded at a lower price.

(c) more quantity is demanded at the same price.

(d) less quantity is demanded at a higher price.

55. When price of a commodity X falls by 10%, its demand rises from 150 units to 180 units. How much should be the percentage fall in its price so that its demand rises from 150 units to 210 units?

(a) 30%   (b) 25%   (c) 20%   (d) 28%

56. For a horizontal demand curve the slope will be

(a) equal to 1   (b) less than 1   (c) equal to 0   (d) equal to infinity

57. Given Marginal Utility of Money = 2 utils and price of X is ₹ 4, a consumer attains equilibrium when he buys 4 units of X. How many units will be purchased by him if MU_m increases to 4 utils.

Units of X	MU_x (Utils)
1	20
2	16
3	12
4	8
5	4
6	0
7	−4

(a) 3   (b) 6   (c) 2   (d) 1

58. Out of the 3 points A, B and C, where would a consumer be, if MRS < MRE
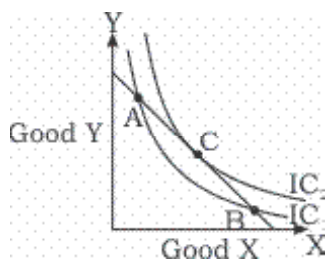
(a) A and C.   (b) Only at A.   (c) A and B.   (d) Only at B.

59. Phase of negative returns is the third phase of law of variable proportions in which

(a) total product increases at diminishing rate.

(b) marginal product falls but remains positive.

(c) total product reaches its maximum.

(d) total product falls.

60. Which of the following statements is true?

(a) Rich people do not have scarcity of resources.

(b) Developed nations do not face any economic problem.

(c) Economic problem is basically a problem of choice.

(d) Countries with small population have limited wants.

(Mathematics)

61. The value of $\sin(45° + \theta) - \cos(45° - \theta)$ is

(a) $2 \cos \theta$ (b) $2 \sin \theta$ (c) 1   (d) 0

62. If $\sin \theta + \cos \theta = 1$, then the value of $\sin 2\theta$ is equal to

(a) 1   (b) ½   (c) 0   (d) −1

63. If $x^n - 1$ is divisible by $x - k$, then the least positive value of k is

(a) 1   (b) 2   (c) 3   (d) 4

64. The value of $1 + i^2 + i^4 + i^6 + ... + i^{20}$ is

(a) 1   (b) −1   (c) 0   (d) 2

65. What is the value of $\dfrac{i^{4n+1} - i^{4n-1}}{2}$?

(a) 1   (b) i (c) −1   (d) $-i$

66. In a town of 840 persons, 450 persons read Hindi, 300 read English and 200 read both. Then the number of person who read neither is

(a) 240   (b) 290   (c) 180   (d) 160

67. Let $n(A) = m$ and $n(B) = n$. Then the total number of non-empty relations that can be defined from A to B is

(a) m^n (b) $n^m - 1$ (c) $mn - 1$ (d) $2^{mn} - 1$

68. The domain and range of the real function f defined by $f(x) = \dfrac{4 - x}{x - 4}$ is given by

(a) Domain = R, Range = {−1, 1}   (b) Domain = R − {−1}, Range = R

(c) Domain = R − {4}, Range = {−1}   (d) Domain = R − {−4}, Range = {−1, 1}

69. The value of $\dfrac{1 - \tan^2 15°}{1 + \tan^2 15°}$ is

(a) 1   (b) $\sqrt{3}$ (c) $\dfrac{\sqrt{3}}{2}$ (d) 2

70. The value of tan 3A − tan 2A − tan A is equal to

(a) tan 3A tan 2A tan A

(b) −tan 3A tan 2A tan A

(c) tan A tan 2A − tan 2A tan 3A − tan 3A tan A

(d) None of these

71. In an A.P. the pth term is q and the $(p + q)$th term is 0. Then the qth term is

(a) $-p$ (b) p (c) $p + q$ (d) $p - q$

72. Sum of $1^2 + 2^2 + 3^2 + ...+ n^2$ is

(a) $\dfrac{n(n + 1)(n + 2)}{6}$ (b) $\dfrac{n(n + 1)(2n + 1)}{6}$ (c) $\dfrac{n(n + 1)(n - 1)}{3}$ (d) $\dfrac{n(n - 1)(n - 2)}{3}$

73. Equation of line passing through (1, 2) and parallel to the line $y = 3x - 1$ is

(a) $y + 2 = x + 1$ (b) $y + 2 = 3(x + 1)$ (c) $y - 2 = 3(x - 1)$ (d) $y - 2 = x - 1$

74. If a, b, c are in A.P., then the straight line $ax + by + c = 0$ will always pass through

(a) (1, 2)   (b) (1, − 2)   (c) (2, 1)   (d) (−2, 1)

75. The equation of the circle which passes through the point (4, 5) and has its centre at (2, 2) is

(a) $(x - 2)^2 + (y - 2)^2 = 13$ (b) $(x - 2)^2 + (y - 2)^2 = 26$

(c) $(x - 2)^2 + (y + 2)^2 = 13$ (d) $(x + 2)^2 + (y + 2)^2 = 13$

76. Given that x, y and b are real numbers $x < y,\ b < 0$, then

(a) $\dfrac{x}{b} < \dfrac{y}{b}$ (b) $\dfrac{x}{b} \le \dfrac{y}{b}$ (c) $\dfrac{x}{b} > \dfrac{y}{b}$ (b) $\dfrac{x}{b} \ge \dfrac{y}{b}$

77. There are 10 lamps in a hall. Each one of them can be switched on independently. Find the number of ways in which the hall can be illuminated.

(a) $2^{10} - 1$ (b) 2^{10} (c) $10!$ (d) 10^2

78. Every body in a room shakes hands with everybody else. The total number of shakes is 66. The total number of persons in the room is

(a) 11   (b) 12   (c) 13   (d) 14

79. The total number of terms in the expansion of $(x + a)^{51} - (x - a)^{51}$ after simplification is

(a) 102   (b) 25   (c) 26   (d) None of these

80. If the coefficient of x^7 and x^8 in $\left(2 + \dfrac{x}{3}\right)^n$ are equal, then n is

(a) 56   (b) 55   (c) 45   (d) 15

81. If $^nC_{12} = {}^nC_8$, then n is equal to

(a) 20   (b) 12   (c) 6   (d) 30

82. The mean deviation of the data 2, 9, 9, 3, 6, 9, 4 from the mean is

(a) 2.23   (b) 2.57   (c) 3.23   (d) 3.57

83. If the focus of a parabola is $(0, -3)$ and its directrix is $y = 3$, then its equation is

(a) $x^2 = -12y$ (b) $x^2 = 12y$ (c) $y^2 = -12x$ (d) $y^2 = 12x$

84. In a non-leap year, the probability of having 53 tuesdays or 53 wednesdays is

(a) $\dfrac{1}{7}$ (b) $\dfrac{2}{7}$ (c) $\dfrac{3}{7}$ (d) None of these

85. A single letter is selected at random from the word 'PROBABILITY'. The probability that it is a vowel is

(a) $\dfrac{1}{3}$ (b) $\dfrac{4}{11}$ (c) $\dfrac{2}{11}$ (d) $\dfrac{3}{11}$

86. The length of the foot of perpendicular drawn from the point $P(3, 4, 5)$ on y-axis is

(a) 10   (b) $\sqrt{34}$ (c) $\sqrt{113}$ (d) $5\sqrt{2}$

87. $\displaystyle\lim_{x \to 0} \dfrac{\sin x}{x(1 + \cos x)}$ is equal to

(a) 0   (b) $\dfrac{1}{2}$ (c) 1   (d) -1

88. $\displaystyle\lim_{x \to 0} \dfrac{|x|}{x}$ is equal to

(a) 1   (b) -1 (c) 0   (d) Does not exist

89. If $f(x) = x \sin x$, then $f'\left(\dfrac{\pi}{2}\right)$ is equal to

(a) 0 (b) 1 (c) −1 (d) $\dfrac{1}{2}$

90. $\lim\limits_{x \to \pi} \dfrac{\sin x}{x - \pi}$ is

(a) 1 (b) 2 (c) −1 (d) −2

(Business Studies)

61. Centralised control in MNCs implies control exercised by

(a) Branches (b) Headquarters (c) Parliament (d) Subsidiaries

62. PSEs are organisations owned by

(a) Government (b) Joint Hindu Family

(c) Foreign Company (d) Private Company

63. Which of the following is not MNC of India?

(a) Infosys (b) Reliance (c) Colgate (d) Ranbaxy

64. Bandan Bank comes under which category of banks?

(a) Public Sector Banks (b) Private Sector Banks

(c) Cooperative Banks (d) None of the above

65. Even after investing more money in an organisation, Ravi was able to give just one vote. Which type of organisation is this.

(a) Cooperative society. (b) Partnership firm.

(c) One man Company. (d) Hindu undivided family.

66. Which of the following is not an example of economic activity?

(a) Farming.

(b) A house wife preparing Rice for her Son's Friend.

(c) A school teacher teaching to her son at school.

(d) Teaching.

67. Which of the following cannot be classified as an auxiliary to trade?

(a) Banking (b) Insurance (c) Transport (d) Mining

68. "Profit do not have to be shared." This statement refers to

(a) Company (b) Hindu Undivided Family

(c) Partnership (d) Sole proprietorship

69. In which type of business organisation "Perpetual Succession" is found

(a) Sole Proprietorship (b) Partnership

(c) Company (d) All of the above

70. A prospectus is issued by

(a) A private company

(b) A public company.

(c) A public enterprise seeking investment from bank.

(d) A public company seeking investment from public.

71. ADRs are issued in

(a) China   (b) Canada   (c) USA   (d) India

72. Which one of the following is the unsecured short-term deposits made by company with another company

(a) American Depository Receipt   (b) Inter Corporate Deposits

(c) Global Depository Receipt   (d) Indian Depository Receipt

73. The investment limit of SSI does not exceed

(a) 1 Lakh to 5 lakh   (b) Five to ten Crore

(c) Ten Crore and above   (d) Above 25 Lakh and upto 5 crore.

74. Which of the following is helpful in the balanced regional development?

(a) Companies   (b) Small business

(c) Large-scale business   (d) none of the above

75. Incentive which is not given by government to industries in backward, tribal and hilly areas, is

(a) Preferential allotment of raw materials   (b) Power at concessional rates

(c) Free advertising in TV and newspapers   (d) Exemption from sales tax

76. The word 'Assurance' is used for

(a) Life Insurance   (b) Theft Insurance   (c) Fire Insurance   (d) Marine Insurance

77. A European company wants to raise finance from India. Which will be the best option to do so

(a) ADR.   (b) GDR.

(c) IDR.   (d) Financial institution

78. Factoring facility is......................type of outsourcing services

(a) Customers Support Services   (b) Courier Services

(c) Advertising services   (d) Financial services

79. Which of the following is capable of doing maximum good to society?

(a) Ethics   (b) Laws and regulations

(c) Business success   (d) Professional Management

80. The term 'redeemable' is used for

(a) Commercial Papers   (b) Public Deposits

(c) Equity shares   (d) Preference Shares

81. While taking a life insurance policy from a insurance company Ravi did not disclose that he was suffering from acute/critical injury. Which principle of insurance has been violated by Rocky

(a) Principle of Indemnity

(b) Principle of contribution

(c) Principle of utmost good faith

(d) Principle of mitigation

82. Car of a company was completely destroyed in an accident and the market value of the car was approximately ₹3,00,000 lakh. But company put a claim of ₹4,00,000 with the insurance companies. Which principle has been violated.

(a) Principle of Indemnity

(b) Principle of contribution

(c) Principle of utmost good faith

(d) Principle of mitigation

83. Debentures are

i. Short term finance option

ii. Long term finance option

ii. Debt capital

iv. Owner capital

(a) I and ii   (b) ii and iii   (c) iii and iv   (d) i and iii

84. The possibilities of inadequate profits or even losses due to uncertainties are known as _____

(a) Business contingencies

(b) Business risks

(c) Business ventures

(d) None of these

85. Transfer of interest exists in the case of

(a) Profession   (b) employment   (c) business   (d) none of these

86. Which source of finance is cheapest to company?

(A) Equity share

(B) Preference share

(C) Retained earnings

(D) Debenture

87. _____ is commonly used by business organisations as a source of short-term financing.

(A) Lease financing   (B) ADRs   (C) Trade Credit   (D) None of these

88. Which of the following cannot be an argument for social responsibility.

(A) Justification for existence and growth.

(b) Long-term interest of the firm.

(c) Paying taxes as per manipulated Balance Sheet.

(d) Converting problems into opportunities.

89. Which of the following is not an emerging mode of business

(a) E- commerce

(b) Out sourcing

(c) Brick and mortar trade.

(d) BPO

90. KT industries took insurance policies from two different companies. One policy is for ₹1,00,000 and another policy is for ₹2,00,000. After 3 months there was a fire in his godown and goods worth ₹1,50,000 were destroyed. How much amount can he claim from each insurance company.

(a) ₹7,50,000, ₹75,000

(b) ₹1,50,000, ₹1,50,000

(c) ₹50,000, ₹1,00,000

(d) None of these

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