

SAMPLE MULTIPLE CHOICE QUESTIONS

CLASS: FYBBI SEMESTER I

BUSINESS COMMUNICATION

1. Full form of PTO
 - a) Paid time of
 - b) page turn over
 - c) please turn over
 - d) paper time on

2. A barrier to communication which exists in the environment or is due to external causes, is _____.
 - a) Physical barriers
 - b) semantic barriers
 - c) socio-cultural barriers
 - d) Psychological barriers

3. Organizational communication is between the people on the _____ level in the managerial hierarchy of an organization.
 - a) different
 - b) same
 - c) external
 - d) outer

4. _____ refers to the information communication within an organization.
 - a) Upward communication
 - b) Grapevine Communication
 - c) Face – to - face
 - d) Oral Communication

5. Flow of information from the lower levels of the hierarchy to the higher levels of the hierarchy.
 - a) Upward communication
 - b) Down word Communication
 - c) Electronic communication
 - d) Oral Communication

6. To _____ means to propose or to put forward an idea for consideration.
 - a) suggestion
 - b) motivation
 - c) persuasion
 - d) communication

7. _____ is the response or reply which the receiver of a message gives back to the sender.
 - a. Encoding
 - b. Decoding
 - c. Feedback
 - d. Medium

8. Signs and ----- were used when language did not exist.
 - a. Telephones
 - b. Telegrams
 - c. Symbols
 - d. Letters

9. Message arises in the mind of the-----
 - a) sender
 - b) receiver
 - c) symbols
 - d) letter

10. Social media created----- communities using a computer.
 - a) vicious
 - b) virtual
 - c) real
 - d) vain

11. Know your----- for effective communication.
 - a) Neighbor
 - b) self
 - c) audience
 - d) colleagues

12. Forms of communication in which words are used to convey messages are referred to as-----
 - a) Visual
 - b) verbal
 - c) non-verbal
 - d) manual

13. A 'barrier' refers to-----
 - a) a break
 - b) An obstacle
 - c) A bar carrier
 - d) A road block

14. Semantic barriers are also called-----
 - a. Language barriers
 - b. Physical barriers
 - c. Psychological barriers
 - d. Cross-cultural barriers

15. A--- is a plan which shows the positions of different parts of the letter.
 - a. Outline
 - b. Graph
 - c. Layout
 - d. Pattern

16. Use of---- attitude in business correspondence enables visualizing the reaction of the reader.
- I
 - You
 - We
 - No
17. The organization of the content in an E-mail should be-----friendly.
- Reader
 - User
 - Student
 - Writer
18. The-----of an e-mail is that single thought or message conveyed by that e-mail.
- topic sentence
 - hook
 - attachment
 - last sentence
19. -----Contains subject matter.
- Sign
 - Enclosure
 - Header
 - Body of the letter
20. ----- letter appreciates employee's professionalism.
- memorandum
 - testimonial
 - appreciation
 - confirmation
21. Letter of----- is written only when the employee is discontented with the employer.
- recommendation
 - regret
 - resignation
 - acceptance
22. It is recommended that the ----- always have an Objective or Summary, to focus the reader.
- logical resume
 - chronological resume
 - conventional resume
 - non-conventional resume
23. The ----- form of resume is appropriate for all types of applicant.
- conventional
 - non-conventional
 - acceptance
 - resign

24. Financial assets that can be quickly converted to cash.
- Fixed assets
 - current assets
 - Liquid assets
 - only fixed assets
25. Spending money on stocks, shares, and other securities, or on assets such as plants and machinery.
- Inventory
 - Investment
 - Invoice
 - Insurance
26. Sentences in a ----- form a unit.
- Paragraph
 - Essay
 - Letter
 - Debate
27. The key elements of a paragraph do not include ____.
- A topic sentence
 - Supporting sentence
 - Logical order
 - Subject field
28. -----is a sentence that expresses the main idea of a paragraph.
- Supporting sentence
 - logical order
 - Topic sentence
 - Transition
29. "Communication is the _____ by which information is transmitted between individuals and / or organizations.
- process
 - feedback
 - Persuasion
 - motivation
30. Allness and _____ are related to each other.
- Halo effect
 - Horn effect
 - Closed mind
 - Polarization
31. Which of these should be avoided in a paragraph?
- Courtesy
 - Positive attitude
 - Discriminatory
 - Politeness

32. How many paragraphs should an article have?
- a) A minimum ten
 - b) At least five
 - c) No more than four
 - d) As many as there are separate thoughts that can be linked together
33. What should not be included in a good paragraph?
- a) Highlight the main idea
 - b) Support the main idea
 - c) Connect to the next point
 - d) Irrelevant ideas
34. Organizations have to make regular efforts to prevent -----.
- a) Communication
 - b) Miscommunication
 - c) Communication barrier
 - d) Understanding
35. Whose responsibility is to overcome barriers to communication?
- a) Sender
 - b) Receiver
 - c) Both sender and receiver
 - d) Nobodies
36. In which type of listening, we listen critically and analytically for considering the topic of the argument.
- a) Critical listening
 - b) Attentive listening
 - c) Appreciative listening
 - d) Empathic listening
37. Which one of the following is *not* a characteristic of integrity in employee?
- a) Cheating to customer
 - b) Honest
 - c) Trustworthy
 - d) Hardworking
38. How to demonstrate integrity at the workplace?
- a) Don't follow company policies
 - b) Be late for the work
 - c) Be accountable for your mistakes
 - d) Criticize to others

39. Which of the following do not conform to the principles of effective letter writing

A Use of 'You Attitude' to keep the reader in mind

B Each para should deal with a single topic

C The communication should be legible

D The letter should cover all the subjects that need to be communicated at one time.

40. Which of the following kinds of communication do students spend most time engaged in?

a) Listening

b) Speaking

c) Reading

d) Writing

41. Which of the following is not a step in the listening process?

a) Comprehension of message

b) Receiving

c) Misinterpreting

d) Responding

42. The main objective of communication is----

a) Information and persuasion

b) Personality development

c) Control and management

d) Need for organization

43. Gossip and rumour are part of -----communication.

a) Formal

b) Informal

c) Horizontal

d) Vertical

44. Which one is not an audio-visual communication?

- a) Cinema
- b) Television
- c) Drama
- d) Charts and graphs

45. Which of the following reflect ethical behavior at the workplace?

- A Utilizing free time in office to complete personal tasks
- B Using co-workers computer when they are not at the desk
- C Discussing business plan with friends from competitor's company
- D Going by company policies in closing a business deal

46. Documents sent along with the letter-----

- a) Postscript
- b) Enclosure
- c) Envelope
- d) minute book

47. The traditional resume is called the-----resume.

- a) chronological
- b) functional
- c) combined
- d) single

48. Listening, reading, speaking and writing are all types of ----

- a) Communication skills
- b) Emotional barriers
- c) Evaluation techniques
- d) Nonverbal communication

49. Body language is a form of what communication?

- a) For people with disabilities
 - b) High function
 - c) Verbal communication
 - d) Non-verbal communication

50. Identify the statement representing computer ethics

A Freedom to post all and any kind of information in professional space

B Using authentic software for work

C Accessing co-workers data and presenting as your own

D Using cookies and spyware to access others data.

**SAMPLE MULTIPLE CHOICE QUESTIONS
BUSINESS ECONOMICS**

- 1 In Business Economics the central problem is:
 - a. Allocation
 - b. Consumption
 - c. Scarcity
 - d. Money
2. The concept of scarcity of resources
 - a. Implies that consumers wants will be satisfied
 - b. Applies only to less developed countries
 - c. Do not applied to developed countries
 - d. Consumers wants will never be satisfied
3. The opportunity cost of watching a movie will be equal to
 - a. time lost while watching the show
 - b. pleasure that could have been enjoyed watching TV instead
 - c. the pleasure enjoyed by watching the show
 - d. the amount paid to buy the tickets
4. Which of the following is related to micro economics
 - a. inflation
 - b. national income
 - c. unemployment
 - d. personal income
5. The market supply curve illustrates how
 - a. quantity supplied increases as price decreases
 - b. quantity supplied increases as price increases
 - c. quantity supplied increases as technology improves
 - d. quantity supplied increases as resource price decreases
6. A -----is magnitude of interest that can be measured.
 - a. Variable
 - b. Function
 - c. Graphs
 - d. Curves
- 7 Expansion in supply refers to a situation when the producers are willing to supply
 - a. Larger quantity of the commodity at an increased price
 - b. larger quantity of the commodity due to increased taxation on that commodity
 - c. Larger quantity of the commodity at the same price
 - d. larger quantity of the commodity at the decreased price
- 8 Increase in demand is shown by
 - a. Movement along the same demand curve
 - b. Shifts of the demand curve
 - c. The highest point on the demand curve
 - d. Lowest point of the demand curve
9. Market equilibrium exists when _____ at the prevailing price.
 - a. quantity demanded is less than quantity supplied
 - b. quantity supplied is greater than quantity demanded
 - c. quantity demanded equals quantity supplied
 - d. quantity demanded is greater than quantity supplied
- 10 A movement along the demand curve to the left may be caused by:
 - a. . A decrease in supply.

- b. A rise in the price of inputs.
 - c. A fall in the number of substitute goods.
 - d. A rise in income.
- 11 The quantity demanded of a product rises whenever
- a. The product's price falls.
 - b. Incomes increase.
 - c. Population increases.
 - The prices of substitute goods rise.
12. A normal good can be defined as one which consumers purchase more of it as?
- a) Incomes rise
 - b) prices rise
 - c) income fall
 - d) prices fall
- 13 The income effect of a price change?
- a) Is always positive.
 - b) Is always negative
 - c) May be positive or negative
 - d) Is caused by change in consumer tastes.
- 14 If goods is normal, than the demand curve for that goods must be?
- a) perfectly elastic
 - b) completely
 - c) upward sloping
 - d) Downward sloping
- 15 An inferior good?
- A) Must be a Giffen good
 - B) has a positively sloped demand curve
 - C) Can be a Geffen good but a Geffen good must always be an inferior good.
 - D) Giffen good is not always inferior
- 16 In case of Giffen goods?
- A) The positive substitution effect of a price change is smaller than the negative income effect
 - B) The positive substitution effect of a price change is same as the negative income effect
 - C) The negative substitution effect of a price change is larger than the positive income effect
 - D) The positive substitution effect of a price change is larger than the negative income effect
- 17 In the equation $D_x = a - b p_x$,?
- A) a is the quantity of X demanded when price is zero.
 - B) b is the quantity of X demanded when price is zero
 - C) a is the slope of the demand curve.
 - D) b is the elasticity of demand.
- 18 An elasticity of -1 means that?
- A) The demand curve is vertical.
 - B) The demand curve is horizontal
 - C) The relatively changes in price and quantity are equal

D) expenditure on the good would increase if price is reduced

19. If a rise in price increase TR, the producer is operating on
A) The segment below the mid-point of the demand curve
B) The segment above the mid-point of the demand curve
C) The mid-point of the demand curve
D) The Y-intercept of the demand curve
- 20 Demand forecasts can help businesses to formulate appropriate?
A) Price policy
B) Income policy
C) Making policy
D) Manufacturing
- 21 Regression methods is the most commonly used method of forecasting?
A) Delphi methods
B) Survey methods
C) Regression methods
D) Trend methods
- 22 Which of the following would be an implicit cost for a firm?
A. payment of wages and salaries of workers
B. payment to the supplier of raw materials
C. salary that the business owner would have earned by working elsewhere
D. interest to the bank for borrowed funds
- 23 LAC is used to determine _____.
A. the lowest possible AC for producing various levels of output
B. the maximum output at lowest variable cost
C. The output at which fixed cost is minimized
D. the optimum firm size
- 24 Average fixed cost _____
A. declines over a certain output range
B. declines over the entire output range
C. is a long -run concept only
D. is influenced by decreasing returns to scale
- 25 An iso-quant, representing equal level of output, cannot be concave to the origin because
- | |
|---|
| a) capital is reduced at an increasing rate for every unit of labour added. |
| b) capital is increased at an increasing rate for every Unit of labour added. |
| c) capital is reduced at a diminishing rate for every unit of labour added |
| d) labour is added at an increasing rate for every unit of labour added |
- 26 If Average fixed cost is Rs. 40 and average variable cost is Rs. 80 for an output level of 10, then the total cost is _____.
A. Rs. 1200
B. RS. 120

- C. RS. 40
- D. RS. 400

- 27 Negative marginal returns occur due to
- a) Relative abundance of variable factors
 - b) Relative abundance of fixed factors
 - c) Relative scarcity of variable factors
 - d) Scarcity of fixed and variable factors
- 28 Which is a true statement?
- a) Decreasing returns to scale and diminishing marginal returns are two ways of stating the same thing
 - b) Increasing returns to scale is a short-run concept, and diminishing marginal returns is a long-run concept.
 - c) Constant returns to scale is a short-run concept, and decreasing returns to scale is a long-run concept.
 - d) Increasing returns to scale is a long run concept and increasing marginal returns is a short run concept
- 29 A fixed proportion production function is
- a) one in which a given level of output can be produced by several alternative combinations of factors
 - b) represented by a right angle iso-quant
 - c) represented by an iso-quant that is convex to the origin
 - d) one where labour and capital are perfectly substitutable
- 30 In the short run, increasing marginal returns take place due to
- a) variability of all factors
 - b) abundance of fixed factors
 - c) abundance of variable factors
 - d) economies of scale
- 31 Increasing marginal returns come to an end when
- a) AP intersects MP
 - b) TP begins to decline
 - c) TP begins to rise at a diminishing rate
 - d) MP becomes negative
- 32 The marginal product of labor curve shows the change in total product resulting from a:

- a) one-unit increase in the quantity of a particular resource used, letting other resources vary.
 - b) one-unit increase in the quantity of a particular resource used, holding constant other resources.
 - c) change in the cost of a variable resource.
 - d) change in the cost of a fixed resource.
- 33 When the total product curve is falling, the:
- a) marginal product of labor is zero.
 - b) marginal product of labor is negative
 - c) average product of labor is increasing.
 - d) average product of labor must be negative
- 34 An iso-quant, representing equal level of output, cannot be concave to the origin because
- e) capital is reduced at an increasing rate for every unit of labour added.
 - f) capital is increased at an increasing rate for every Unit of labour added.
 - g) capital is reduced at a diminishing rate for every unit of labour added
 - h) labour is added at an increasing rate for every unit of labour added
- 35 Which of the following is the most competitive market structure?
- a. perfect competition
 - b. monopolistic
 - c. monopoly
 - d. oligopoly
- 36 At the shut down point, price is equal to average _____ cost.
- a. Fixed
 - b. Variable
 - c. Above
 - d. Below
- 37 If a few firms share most of an entire industry's revenues, the market structure is most likely
- a. perfect competition
 - b. monopolistic
 - c. monopoly
 - d. oligopoly
- 38 Which of the following statements is true for both monopolistically competitive and oligopolistic industries?
- a) It is impossible for new firms to enter the industries.
 - b) Collusion and the creation of cartels is common.

- c) Producers cannot benefit from knowing other firms' plans.
- d) Firms have some degree of control over prices.
- 39 Oligopolists prefer _____.
- Price competition to non-price (product differentiation) competition because consumers care more about price than other features.
 - To act independently in establishing their prices.
 - To compete in terms of product differentiation, because such changes are more difficult and take longer to match than price changes.
 - To compete in terms of product differentiation because these changes reduce costs and make consumer demand more elastic.
- 40 The break-even point is defined as occurring at an output rate at which
- total cost is minimized.
 - total revenue equals total opportunity cost.
 - economic profit is maximized.
 - marginal revenue equals marginal cost.
- 41 Assuming long-run external economies exist, when demand increases in a perfectly competitive market, in the long run the average total cost curve for a typical firm
- shifts upward.
 - shifts downward.
 - is no longer U-shaped.
 - stays the same.
- 42 When dumping is of a temporary nature it is called
- Persistent dumping
 - Predatory dumping
 - Sporadic dumping
 - Elasticity differs in different market
- 43 Under dumping a monopolist's demand curve in the world market is
- Downward sloping and less elastic
 - Perfectly elastic
 - a kinky demand curve
 - Elasticity differs in different market
- 44 Mark up on cost explains by _____ formula.
- $M = P - C / C$
 - $A = P - A / D$
 - $A = C - A / D$
 - $C = I - A / C$
- 45 Public undertakings for various reasons may follow a price policy based on the _____
- Marginal cost
 - Abnormal cost
 - General cost
 - Normal cost
- 46 To control monopoly or regulate the price charged by a _____ may impose a price based on marginal cost.
- Monopoly firm the client

- B. Monopoly firm the government
 - C. Monopoly firm the business
 - D. Monopoly firm the sector
- 47 Cost plus pricing refers to _____.
- A. Price of a commodity should cover the cost of production of the goods and as a by-product price of one good on the other commodity.
 - B. different prices are charged in different market
 - C. Monopolist can charge different prices for the same good provided.
 - D. Goods sold in so-called rich localities or sold in departmental stores may be charged higher prices.
- 48 Multiple product pricing refers to _____
- A. Price of a commodity should cover the cost of production of the goods and as a by-product price of one good on another commodity.
 - B. different prices are charged in different market
 - C. Monopolist can charge different prices for the same good provided.
 - D. Such goods are produced a firm needs to consider the effect of a change in the price of one good on the other commodity.
- 49 Negligible price difference refers to as discrimination _____
- A. Price discrimination is resorted to, but the difference in price too small
 - B. different prices are charged in different market
 - C. Monopolist can charge different prices for the same good provided.
 - D. Situated at sufficiently long distances then transfer of goods may not be economical.
- 50 Price quality link refers to _____
- A. Due to irrationality or for any other reason consider higher price as an indicator of better quality.
 - B. different prices are charged in different market
 - C. Monopolist can charge different prices for the same good provided.
 - D. Situated at sufficiently long distances then transfer of goods may not be economical.

SAMPLE MULTIPLE CHOICE QUESTIONS
ENVIORNMENT AND MANAGEMENT OF FINANCIAL SERVICES

- 1 Standardisation of financial services is not _____.
 - a Possible
 - b feasible
 - c visible
 - d flexible
- 2 Which of the following is not a financial service?
 - a Banking
 - b Communication
 - c Insurance
 - d Leasing
- 3 Credit Card is issued by _____.
 - a Insurance companies
 - b telephone companies
 - c banking companies
 - d broking companies
- 4 Portfolio management is process of investment in _____.
 - a stock market
 - b insurance
 - c bank
 - d securities
- 5 Which of the following instruments are traded on stock exchange?
 - a Bank deposits
 - b shares
 - c venture capital
 - d insurance policies

_____ insurance forms the lifeline of several commerce and trade

- 6 activities.
 - a Life
 - b Medical

- c General
 - d Marine
- 7 Which of the following is the public sector bank?
- a HDFC Bank
 - b Central Bank
 - c Yes Bank
 - d Bank of Baroda
- _____ are business organisation that act as mobilization and depositors
- 8 of savings.
- a Financial Market
 - b Financial institutions
 - c Financial instruments
 - d Financial Services
- 9 Commercial paper is sold at _____ and redeemed at face value.
- a discount
 - b par
 - c premium
 - d face value
- 10 An overdraft facility is offered to _____ holders.
- a Saving account
 - b current account
 - c Recurring account
 - d fixed account
- 11 The Cooperative Bank was started in India in _____ year.
- a 1994
 - b 1904
 - c 1940
 - d 1944
- 12 The Narasimham Committee recommended the establishment of _____.
- a SBI
 - b RBI
 - c RRB
 - d NABARD

- 13 _____ bank provides refinancing facility to commercial bank.
- a RBI
 - b RRB
 - c NABARD
 - d Development Bank
- _____ bank was established in 1955 as public limited bank under the
- 14 sponsorship of World Bank.
- a SBI
 - b ICICI Bank
 - c RBI
 - d Cooperative Bank
- 15 IDBI Bank was set up, _____ as wholly owned subsidiary of RBI.
- a July, 1946
 - b July, 1964
 - c July, 1954
 - d July, 1945
- 16 _____ is financial and risk management tool available to the exporters.
- a Factoring
 - b Forfaiting
 - c Lien
 - d Hypothecation
- 17 Insurance is _____ to reduce or eliminate risk of loss to life or property.
- a Social device
 - b saving
 - c Economical value
 - d Spreading of risk
- 18 _____ capital is also known as seed capital
- a share
 - b borrowed
 - c venture
 - d business
- 19 ____ is the leading credit rating agency in India.

- a MCX
- b CRISIL
- c NSDL
- d CDSL

_____ authority regulates money markets through monetary

20 instruments.

- a Central banking
- b Capital Market regulatory
- c Insurance and pension regulatory
- d secondary market

21. _____ do not have a value by itself but it derives its value from an underlying.

- a) Derivatives
- b) Gold
- c) Equities
- d) Bond

22. Portfolio management is a process of investment in _____.

- a. Stock market
- b. Insurance
- c. Bank
- d. Securities

23. Which of the following instruments are traded on stock exchanges?

- a. Bank deposits
- b. Shares
- c. Venture capital
- d. Insurance policies

24. Which of the following is a public sector bank?

- a) HDFC Bank
- b) Central Bank
- c) Yes Bank
- d) Bank of Baroda c

25. _____ is a person who accepts deposits, money on current account, issues and pay cheques and collects cheques for his customers.
- Accountant
 - Advisor
 - Banker
 - Manager
26. _____ provides refinance assistance to SFCs, SIICs and SIDCs under seed capital scheme.
- SIDBI
 - NABARD
 - ICICI
 - IDBI
27. _____ means any company which transacts the business of banking in India.
- Banking
 - Banker
 - Customer
 - Banking company
28. Insurance is a _____ device.
- Banking
 - Insurance
 - Saving
 - Expenditure
29. Which of the following statement is true?
- Insurance protects the asset
 - Insurance prevents its loss
 - Insurance reduces possibilities of loss
 - Insurance pays when there is loss of asset

30. Which of the below option best describes the process of insurance?
- Sharing the losses of many by a few
 - Sharing the losses of few by many
 - One sharing the losses of few
 - Sharing of losses through subsidy
31. Which does the term 'Premium' denote in relation to an insurance policy?
- Profit earned by the insurer
 - Price paid by an insured for purchasing the policy
 - Margins of an insurer on a policy
 - Expenses incurred by an insurer on a policy
32. The rate of interest is the higher in this type of deposits?
- Saving deposits
 - Current deposits
 - Fixed deposits
 - Recurring deposits
33. As per the guidelines of Basel I committee, banks were advised to have Capital Adequacy ratio at least ____ percent.
- 8%
 - 5%
 - 10
 - 12
34. _____ bank in India are the banks where the majority of the shares or equity is not held by the government, but by private shareholders.
- Public sector
 - Private sector
 - Agricultural
 - Industrial

35. The minimum capital of each RRB shall be Rs. _____.
- 50 lakhs
 - 30 lakhs
 - 25 lakhs
 - 75 lakhs
36. _____ section of Banking Regulation Act explains about opening of new branches.
- 35
 - 25
 - 22
 - 23
37. The Payment and Settlement System Act was established in _____.
- 2005
 - 2006
 - 2009
 - 2007
38. Risk transfer through risk pooling is called _____.
- Savings
 - Investment
 - Insurance
 - Risk mitigation
39. _____ is that every party to the contract must disclose all material facts relating to the subject matter.
- Indemnity
 - Subrogation
 - Utmost Good faith
 - Mutuality
40. The principle of _____ is applicable to non-life insurance policies.

- a. Disclosure
- b. Proximate cause
- c. Subrogation
- d. Indemnity

41. Which one of the following methods is not a measure of interest rate risk _____?

- a) Gap method
- b) Simulation method
- c) Market Risk
- d) Value of Risk method

42. One of the main objectives of ALM is to control _____ risk.

- a) Liquidity
- b) Market
- c) Business
- d) Legal

43. Reserve Bank of India was established in the year _____.

- a) 1935
- b) 1930
- c) 1933
- d) 1937

44. _____ insurance forms the lifeline of several commerce and trade activities.

- a) Life
- b) Medical
- c) General
- d) Marine

45. Commercial papers are sold at _____ and redeemable at its face value.

- a) discount
- b) par
- c) premium
- d) market value

46. Any person whose grievance against a Bank is not resolved to his satisfaction by the Bank within a period of two months, he can approach the _____ if his complaint pertains to any of the matters specified in the scheme.

- a) Banking Ombudsman
- b) Police
- c) Court
- d) RBI

47. The Reserve Bank of India (RBI) was established in _____.

- a) April 1935
- b) April 1945
- c) April 1947
- d) April 1955

48. Reserve Bank of India was nationalized in the year _____.

- a) 1949
- b) 1957
- c) 2000
- d) 1996

49. The Reserve Bank Acts as a banker to _____.

- a) Individuals
- b) Corporates
- c) Government
- d) Sole Proprietors

50. A substandard asset is one which has remained Non-Performing Asset for a period less than or equal to _____ is called as substandard assets.

- a) 12 months
- b) 24 months
- c) 15 months
- d) 36 months

SAMPLE MULTIPLE CHOICE QUESTIONS
PRINCIPLES OF MANAGEMENT

- 1 Contemporary management is _____
 - a Customer friendly
 - b Neglect customers
 - c Profit earning
 - d Socially in-active

- 2 “Doing things in the right manner “is termed as _____
 - a effectiveness
 - b ethics
 - c efficiency
 - d right way

- 3 Management is _____ in nature
 - a constant
 - b dynamic
 - c similar
 - d abiding

- 4 A Manager should be loaded with _____
 - a Over- confidence
 - b Negativity
 - c Self – confidence
 - d Distrust

- 5 _____ among the following is NOT an element of management process
 - a Organizing
 - b Staffing
 - c Directing
 - d Appraisal

- 6 Dual command is always dangerous. This statement is in support of which management principle?
 - a Authority & Responsibility

- b Unity of Direction
 - c Unity of Command
 - d Division of Work
- 7 Quick communication is possible in an organization by using _____
- a Gangplank
 - b Downward communication
 - c Upward communication
 - d Diagonal communication
- 8 Management uses _____ of management
- a 4Ms
 - b 5Ms
 - c 6Ms
 - d 7Ms
- 9 Peter Drucker advocated _____
- a SWOT
 - b MBO
 - c TQM
 - d MBE
- 10 Taylor supported _____ study.
- a Market
 - b Work
 - c Census
 - d Research
- 11 Division of work leads to _____.
- a specialisation
 - b delegation
 - c allocation
 - d classification
- 12 In informal organisation communication is through _____.

- a grapevine
 - b formally
 - c heirarchy
 - d personal
- 13 Line organisation is also called _____
- a scalar organisation
 - b staff organisation
 - c matrix
 - d departmentation
- 14 The line executives are concerned with the _____ of plans.
- a execution
 - b making
 - c mixing
 - d adjoining
- 15 Matrix organisation structure was first developed in _____
- a USA
 - b India
 - c UK
 - d Germany
- 16 Departmentation by function is suitable to _____ organisation.
- a small
 - b domestic
 - c medium
 - d large
- 17 Committee organisation facilitates _____ judgement.
- a group
 - b individual
 - c rigid
 - d anytime
- 18 Aerospace industry uses _____ organisation.

- a matrix
 - b line and staff
 - c committee
 - d indirect
- 19 Departmentation by _____-ensures specialisation.
- a process
 - b functions
 - c product
 - d place
- 20 Centralisation is _____.
- a economical
 - b costly
 - c affordable
 - d expensive
- 21 Operational managers are given _____to achieve.
- a target
 - b options
 - c results
 - d customer service
- 22 Functional organisation _____irrelevant activities.
- a eliminates
 - b pinpoints
 - c specifies
 - d sets
- 23 Under _____organisation, activities are divided into zones, division and branches.
- a operational
 - b matrix
 - c general
 - d planning

- 24 Mr. Kumar Mangalam Birla is a _____ by profession.
- a cost accountant
 - b doctor
 - c CA
 - d professor
- 25 Where growth is a way of life is a motto of _____.
- a Tata group
 - b Birla group
 - c Reliance group
 - d Godrej group
- 26 IRDA _____ customer confidence.
- a promotes
 - b favours
 - c Direct
 - d supports
- 27 A business organisation is invariably _____ oriented.
- a Goal
 - b employee
 - c employer
 - d Size
- 28 Delegation _____ burden on the superior.
- a reduces
 - b increases
 - c balances
 - d imposes
- 29 _____ is important to know whether the product has satisfied the need of the customer.
- a feedback
 - b communication
 - c training

- d directing
- 30 Leaders need to communicate the organisational _____ clearly to the employees.
- a Vision
 - b mission
 - c Goals
 - d adjustment
- 31 IRDA was set up in _____
- a 1999
 - b 1997
 - c 1998
 - d 1995
- 32 _____ is an expert in statistics who calculates insurance risks and premiums.
- a actuary
 - b manager
 - c CEO
 - d Staff
- 33 How many members do ADB have now?
- a 67
 - b 56
 - c 88
 - d 63
- 34 The World Bank has how many affiliates?
- a 4
 - b 9
 - c 6
 - d 3
- 35 IMF is operating as principal_____.
- a International financial institution
 - b International monetary institution

- c International banking institution
 - d Global institution
- 36 Present managing director of IMF is _____.
- a Takehiko Nakao
 - b Jim Yong Kim
 - c Haruhiko Kurado
 - d Christine Lagarde
- 37 India is one of the _____ of IMF.
- a founder member
 - b invited member
 - c associated member
 - d guest member
- 38 An affordable car launched by TATA.
- a Nano
 - b Jaguar
 - c Land Rover
 - d Suzuki
- 39 Aditya Birla was born in _____
- a 1943
 - b 1944
 - c 1950
 - d 1957
- 40 What was the membership of World Bank in the year 2012?
- a 184
 - b 191
 - c 176
 - d 190
- 41 The headquarters of ADB is at _____.
- a Manila, Philippines
 - b Singapore

- c New Delhi
 - d Seoul
- 42 _____ is a sister institution of the IMF.
- a World Bank
 - b ADB
 - c IMF
 - d WTO
- 43 Narayana Murthy is well known as an Indian Entrepreneur who co- founded_____
- a Infosys Technologies Ltd.
 - b Reliance Industries Limited
 - c Wipro Limited
 - d Tech Mahindra Limited
- 44 _____ is a known personality in the field of housing finance.
- a Deepak Parekh
 - b Narayana Murthy
 - c Anil Ambani
 - d Kamal Kamath
- 45 _____of staff managers can be treated as unwanted interference.
- a Domination
 - b PR activity
 - c HR activity
 - d Knowledge
- 46 _____ was the President World Bank from 2007 to 2012
- a Mr Robert Zoellick
 - b Barber Conable
 - c Robert McNamara
 - d Jim Yong Kim
- 47 In a small bank the _____is all in all.
- a general manager
 - b administrative manager

- c chief manager
 - d sales manager
- 48 _____ has gained lot of importance in banks.
- a customer service
 - b home delivery
 - c financial planning
 - d Recruitment
- 49 Irrelevant activities are eliminated in _____ organisation
- a Functional
 - b Operational
 - c Planning
 - d Departmental
- 50 Full-fledge organisation _____ department.
- a Remodel
 - b Create
 - c Remove
 - d Drop

SAMPLE MULTIPLE CHOICE QUESTIONS

QUANTITATIVE METHODS

- 1) A frequency polygon is constructed by plotting frequency of the class interval and the
 - A) The upper limit of the class
 - B) The lower limit of the class
 - C) Mid value of the class
 - D) Sum of lower limit and upper limit

- 2) A frequency polygon is a closed figure of
 - A) Two sides
 - B) Three sides
 - C) Many sides
 - D) one side

- 3) In a histogram, the area of each rectangle is proportional to
 - A) The class mark of the corresponding class interval
 - B) The class size of the corresponding class interval
 - C) Cumulative Frequency of the corresponding class interval
 - D) Frequency of the corresponding class interval

- 4) A circle in which sectors represents various quantities is called
 - A) Histogram
 - B) Pie Chart
 - C) Frequency Polygon
 - D) Bar Chart

- 5) In a Pie chart one can calculate the angles for each sector by the following formula
 - A) $(\text{Component part} / \text{Total}) \times 100$
 - B) $(\text{Component part} / \text{Total}) \times \text{Pi}$
 - C) $(\text{Total}/\text{Component part}) \times 360$
 - D) $(\text{Component part}/\text{Total}) \times 360$

- 6) A variable is any characteristic which can assume _____ values.

- A) Different
- B) Similar
- C) Assumed

D) Fixed

7) Component bar charts are used when data is divided into

- A) Parts
- B) Groups
- C) Circles
- D) Squares

8) Which of the following considerations for setting up classes in a frequency distribution is correct?

- A) Class widths can be different
- B) Classes should not overlap
- C) Open ended classes only at extremes
- D) The lower limit of the first class should not be an even multiple of the class width

9) Frequency distributions can be helpful means of organising and summarising quantitative data. What type of graph is usually used to accompany such data?

- A) Bar chart
- B) Histogram
- C) Scatter Diagram
- D) Time series

10) The Classification of employees according to age and salary is ___ classification

- A) Three -way
- B) Two-way
- C) One-way
- D) Four-way

11) Which of the following is a false statement

- A) AM is unique
- B) Mode is not unique
- C) Mode is the highest occurring number

D) Mode is unique

12) The Rank of Median is

A) $(1/2)N$

B) N

C) $2N$

D) 1

13) If mean and median of 9 observations are 51 and 53 respectively and the minimum and maximum values are 40 and 60, if 4 new observations 30,38,62 and 66 are added to it, then the following statement is true for the new group of 13 values .

A) Mean =51

B) Median =53

C) Mean =51 and Median =53

D) Median =58

14) The summary statistics which measure the middle or center of the data are called

A) Logarithms

B) measures of central tendency

C) measures of dispersion

D) proportions

15) The first step in calculating the median of a discrete frequency distribution of data is to determine the:

A) Cumulative frequencies

B) Relative weights

C) Relative frequencies

D) Array

16) We must arrange the data before calculating:

A) Mean

B) Median

C) Mode

D) Geometric Mean

17) Method used to compute average or central value of collected data is considered as

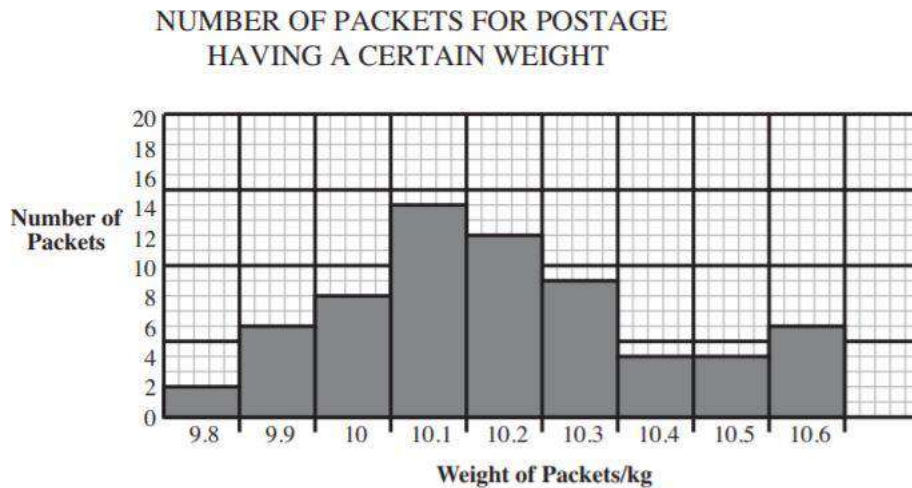
A) Measures of positive variation

B) Measures of central tendency

C) Measures of negative skewness

D) Measures of negative variation

18) What is the frequency of the median weight?



- A) 7
- B) 8
- C) 12
- D) 14

19) 3rd quartile is also known as

- A) lower quartile
- B) upper quartile
- C) median
- D) geometric mean

20) 2nd quartile is also known as

- a. lower quartile
- b. upper quartile
- c. median
- d. geometric mean

21) _____ gives actual extent of scatter of the data.

- a) Absolute Measure
- b) relative measure
- c) mode
- d) graph

22) _____ expressed as pure numbers, independent of the unit of measurement.

- a) Absolute Measure
- b) relative measure
- c) mode
- d) graph

23) For the observation x_1, x_2, \dots, x_n have frequencies f_1, f_2, \dots, f_n respectively Mean deviation from mean is given by _____

- a) $\sum_{i=1}^n f_i |x_i + \bar{x}| / \sum_{i=1}^n f_i$
- b) $\sum_{i=1}^n f_i |x_i - \bar{x}| / \sum_{i=1}^n f_i$
- c) $\sum_{i=1}^n f_i |x_i - \bar{x}| / \sum_{i=1}^n f_i + \bar{x}$
- d) $\sum_{i=1}^n f_i |x_i - \bar{x}| / 2\sum_{i=1}^n f_i$

24) For the observation x_1, x_2, \dots, x_n Mean deviation from median M is given by _____

- a) $\sum_{i=1}^n |x_i - M| / n$
- b) $\sum_{i=1}^n |x_i + M| / n$
- c) $\sum_{i=1}^n |x_i - M| / M$
- d) $\sum_{i=1}^n |x_i - M| / (x_i + M)$

25) For the observation x_1, x_2, \dots, x_n Mean deviation from mode is given by _____

- a) $\sum_{i=1}^n |x_i - Mode| / n$
- b) $\sum_{i=1}^n |x_i + Mode| / n$
- c) $\sum_{i=1}^n |x_i - Mode| / M$
- d) $\sum_{i=1}^n |x_i - Mode| / (x_i + Mode)$

26) For the observation x_1, x_2, \dots, x_n Mean deviation from mean is given by _____

- a) $\sum_{i=1}^n |x_i - \bar{x}| / n$
- b) $\sum_{i=1}^n |x_i + \bar{x}| / n$

c) $\sum_{i=1}^n |xi - \bar{x}| / \bar{x}$

d) $\sum_{i=1}^n |xi - \bar{x}| / (xi + \bar{x})$

27) For the observation x_1, x_2, \dots, x_n , have frequencies f_1, f_2, \dots, f_n respectively Mean deviation from median M is given by _____

a) $\sum_{i=1}^n fi |xi - M| / N + M$

b) $\sum_{i=1}^n fi |xi + M| / \sum_{i=1}^n fi$

c) $\sum_{i=1}^n fi |xi - M| / \sum_{i=1}^n fi$

d) $\sum_{i=1}^n |xi - M| / (xi + M)$

28) For the observation x_1, x_2, \dots, x_n , have frequencies f_1, f_2, \dots, f_n respectively Mean deviation from Mode is given by _____

a) $\sum_{i=1}^n fi |xi - Mode| / \sum_{i=1}^n fi + Mode$

b) $\sum_{i=1}^n fi |xi + Mode| / \sum_{i=1}^n fi$

c) $\sum_{i=1}^n fi |xi - Mode| / \sum_{i=1}^n fi$

d) $\sum_{i=1}^n |xi - Mode| / (xi + Mode)$

29) For ungrouped data, if x_1, x_2, \dots, x_n are n observation then standard deviation is given by _____

a) $\sqrt{\frac{\sum(x-\bar{x})^2}{n}}$

b) $\sqrt{\sum(x + \bar{x})^2}$

a) $\sqrt{\frac{\sum(x+\bar{x})^2}{n}}$

b) $\sum(x + \bar{x})^2$

30) For grouped data, if x_1, x_2, \dots, x_n are n distinct values of variable with frequencies f_1, f_2, \dots, f_n and $\sum f = N$, then standard deviation is given by _____

a) $\sqrt{\frac{\sum f(x-\bar{x})^2}{N}}$

b) $\sqrt{\sum f(x + \bar{x})^2}$

c) $\sqrt{\frac{\sum(x+\bar{x})^2}{n}}$

d) $\sum(x + \bar{x})^2$

31) Probability can be between _____

- a) greater than 10
- b) greater than 1
- c) between 0 to 1
- d) less than 0

32) When one dice is thrown probability of getting 6 on uppermost face is _____

- a) 5/6
- b) 1/6
- c) 2/3
- d) 1/2

33) If A is an event such that $n(A) = m$ and $n(S) = n$ then $P(A) =$ _____

- a) m/n
- b) n / m
- c) $n + m$
- d) $n - m$

34) Let $S = \{1, 2, 3, \dots, 20\}$ and A be the event of getting a number divisible by 3 then $P(A) =$ _____

- a) 0
- b) 0.1
- c) 0.3
- d) 1

35) From a pack of 52 well shuffled cards, a card is drawn at random, the probability that the card is a King of hearts is _____

a) $1/52$

b) $13/52$

c) $1/26$

d) $1/2$

36) The probability curve of normal distribution is _____

a) Non -symmetric

b) Positively skewed

c) Negatively skewed

d) Symmetric

37) For a normal variate with mean m , standard deviation σ , quartile deviation is approximately equal to _____

a) $(4/5) \sigma$

b) $(2/3) \sigma$

c) $(3/2) \sigma$

d) $(5/4) \sigma$

38) The area under Probability curve for a standard normal variate (z) beyond ordinate $z = 0$ is _____

a) 1

b) 0

c) 0.5

d) 0.4

39) Decision maker has _____ over the occurrence of situation

a) always control

b) no control

c) sometime control

d) rarely control

40) Decision maker defines effectiveness measure which is combination of _____

a) decision and probability

- b) situation and pay off
- c) situation and decision
- d) situation and probability

41) The nature of views of decision maker is

- a) maximisation type
- b) minimisation type
- c) optimistic , pessimistic and normal
- d) stationary type

42) Which is the one of the problem in the construction of index number?

- A. Big formula
- B. Tedious job
- C. Calculation
- D. Purpose of index number

43) Which one of the following is not the problem in the construction of index number?

- A. Selection of weight
- B. Selection of proper scale
- C. Purpose of index number
- D. Selection of base period

44) While computing a weighted index, the current period quantities are used in the _____.

- A. Laspeyre's method
- B. Paasche's method
- C. Fisher's ideal method
- D. Walsh's method

45) The aggregative expenditure method and family budget method always give _____ result.

- A. Different
- B. Same
- C. Approximate
- D. No

- 46) Which if the following is useful to calculate dearness allowances of employees?
- A. Correlation
 - B. Regression
 - C. Index number
 - D. Probability
- 47) Real income is also known as _____.
- A. Deflated income
 - B. Current income
 - C. Splicing
 - D. Base income
- 48) When the index number is calculated for more than one commodity, it is called _____.
- A. Simple index
 - B. Compound index
 - C. Multiple index
 - D. Composite index
- 49) Paasche's Formula is the type of _____ method.
- A. Weighted Average Relative
 - B. Simple Average of Relative
 - C. Weighted Aggregative
 - D. Simple Aggregative
- 50) Laspeyre's price index number is also called as _____.
- A. Base year weighted
 - B. Cost of living index
 - C. Current year weighted
 - D. Simple aggregative index

SAMPLE MULTIPLE CHOICE QUESTIONS
FOUNDATION COURSE

- 1 The _____ Report measures the size of the gender inequality gap
 - a. Per capita Income
 - b. World Health Organisation
 - c. UNESCO
 - d. Global Gender Gap
- 2 The _____ attitudes in northern India are manifested by practices such as female Infanticide, neglect in terms of healthcare and food allocation and, more recently, as female foeticide.
 - a. Discriminatory
 - b. Emancipatory
 - c. Empowerment
 - d. Respect
- 3 Equality and _____ forms the pillars of Islam religion
 - a. Brotherhood
 - b. Justice
 - c. liberty
 - d. fraternity
- 4 Jainism is based on the teachings of the _____ Tirthankara.
 - a. 1st
 - b. 19th
 - c. 23rd
 - d. 24th
- 5 Tolerance and _____ are two vital words that should be borne in mind in a multi-religious
 - a. Society.
 - b. harmony
 - c. respect
 - d. fraternity
 - e. liberty
- 6 The Eight Schedule to the Constitution lists _____ official languages.
 - a. 21
 - b. 22
 - c. 23
 - d. 24
- 7 In Tripura though not listed in the Eighth Schedule is the official language.
 - a. Brahmi
 - b. Kokborok
 - c. Mizo
 - d. Khasi
- 8 The Official Languages Act, 1963 itself was amended in
 - a. 1965
 - b. 1966
 - c. 1967
 - d. 1968
- 9 The Dravidian languages of South India had a history dependent of
 - a. Austroasiatic
 - b. Sanskrit

- c. Sino – Tibetan
 - d. Hindi
- 10 The social and political forces that influence the growth of a human being are defined as
- a. Culture
 - b. Demography
 - c. Public policy
 - d. Religion
- 11 _____, this scheme has been notified by the Ministry of Finance to save girl child on 2 December 2014.
- a) Sukanya Samriddhi Account
 - b) Criminal Law amendment act
 - c) The National plan of action for the girl child
 - d) Jan dhan yojna
- 12 Whose efforts led to Widow Remarriage Act of 1856
- a) Ram Mohan Roy
 - b) Ishwar Chandra Vidyasagar
 - c) Pandita Ramabai
 - d) Jyotirao Phule
- 13 Which of the following divisions is unique to India?
- a) Gender division
 - b) Caste division
 - c) Economic division
 - d) Religious division
- 14 Which of the following schemes provide education to girls and their welfare?
- a) One Stop Centre Scheme
 - b) UJJAWALA
 - c) SWADHAR Scheme
 - d) Beti Bachao Beti Padhao
- 15 Which scheme helps in the prevention of trafficking and provides support for rescue, rehabilitation, reintegration and repatriation of women?
- a) Ujjawala scheme
 - b) STEP scheme
 - c) Priyadarshini Scheme
 - d) DWCRA
- 16 In India pre-natal sex determination of an unborn child is legally
- a) allowed when the woman already has two girl children
 - b) allowed when the woman is expecting twin children
 - c) allowed when foetal abnormalities and genetic defects are suspected
 - d) not allowed at all
- 17 The 2011 census report states that there are _____ females per 1000 males.
- a) 952
 - b) 940
 - c) 920
 - d) 910
- 18 Techniques such as _____ were introduced to identify any genetic abnormalities.
- a) Vulgarity
 - b) Undignified status
 - c) Amniocentesis

- d)Ultrasound
- 19 Section _____ of IPC protects women from domestic violence.
- a)478 A
 - b)488 A
 - c) 498 A
 - d) 448 A
- 20 Domestic Violence Act was passed in the year _____.
- a)2002
 - b) 2005
 - c)2004
 - c) 2007
- 21 _____ of the Indian Constitution states that Untouchability is abolished & its Practice in any form is forbidden
- a. Article 17
 - b. Article 21
 - c. Article 22
 - d. Article 24
- 22 The Caste system is more prominent among the _____ than any other Community
- a. Muslim
 - b. Hindu
 - c. Christians
 - d. Buddhism
- 23 The _____ Guaranteed equal access in several spheres such as the legal process, education & Public employment
- a. Directive Principle
 - b. Fundamental Rights
 - c. Preamble
 - d. Duties
- 24 The _____ are guidelines to the central & State government for policy making & for achieving social, economic & political justice
- a. Directive Principle
 - b. Fundamental Rights
 - c. Preamble
 - d. Duties
- 25 The _____ scheme has improved enrolment in government school
- a. Free books
 - b. Mid-day meal
 - c. Free Uniform
 - d. Free Games
- 26 At times _____, leads to violence & lawlessness in the society.
- a. Co – ordination
 - b. Co – operation
 - c. Conflict
 - d. Cooperative
- 27 _____ is a belief or an ideology of a social, political & religious group that their religion & practices are superior to those of other group
- a. Communalism
 - b. Casteism
 - c. Secularism
 - d. Linguism

- 28 Due to _____ there are conflict between upper caste and lower caste
- Communalism
 - Casteism
 - Secularism
 - Linguism
- 29 Communalism in the Indian context is _____ between any two religious groups.
- Tensions
 - Pressure
 - Co – ordination
 - Co – operation
- 30 The etymology of communalism is '_____' – to come together.
- Commune,
 - Conflicts
 - Issue
 - Co – operation
- 31 The _____ to the Constitution is called Preamble.
- Introductory note
 - Foot note
 - End note
 - General note
- 32 The word _____ envisages the goal of a 'Welfare State'.
- Sovereign
 - Secular
 - Socialist
 - Generalist
- 33 The word _____ means equal respect for all religions.
- Sovereigns
 - Secular
 - Socialist
 - Generalist
- 34 _____ means that there will be representative and responsible system of government.
- Republic
 - Liberty
 - Democratic
 - Social
- 35 _____ means the head of the state (President) will be periodically elected by the people.
- Republic
 - Liberty
 - Democratic
 - Social
- 36 _____ justice gives universal adult franchise, equal opportunity to all citizens and protection to minority.
- Social
 - Economic
 - Political
 - Liberal
- 37 _____ justice means that everyone must have sufficient opportunity to earn daily bread and satisfy basic needs.

- a. Social
 - b. Economic
 - c. Political
 - d. Liberal
- 38 _____ justice aim at setting up of a society where there is equal social status for all and there is no discrimination on any grounds.
- a. Social
 - b. Economics
 - c. Political
 - d. Liberal
- 39 _____ means that individual has freedom of thought, belief, expression, faith and worship.
- a. Liberty
 - b. Equality
 - c. Democratic
 - d. Regional
- 40 _____ of the individual means the personality of each individual should be recognized and respected.
- a. Liberty
 - b. Equality
 - c. Dignity
 - d. Regional
- 41 Political parties that contest local, state, national elections are required to register with the ___of India.
- a. Election commission
 - b. Supreme court
 - c. President
 - d. State Government
- 42 Political parties recognized in _____ or more states are considered as national parties.
- a. Six
 - b. Five
 - c. Four
 - d. Three
- 43 The main aim of every political party is to promote_____
- a. Secularism.
 - b. Socialism
 - c. National interest
 - d. Integrity
- 44 Political parties which do not get a majority, plays the role of _____ parties.
- a. Opposition
 - b. Ruling
 - c. Suppressing
 - d. Supporting
- 45 The election commission of India can _____ a political party when found that a party has registered through fraudulent means.
- a. Recognize
 - b. De-recognize
 - c. Promote
 - d. Demote
- 46 The _____ governments enjoy greater degree of autonomy in decision-making.

- a. Union
 - b. State
 - c. Local
 - d. Municipality
- 47 The urban areas in India looked after by the__.
- a. Municipalities
 - b. State
 - c. Panchayat raj
 - d. Gram Panchayat
- 48 The municipal corporation of Greater Mumbai operates under the ____.
- a. State Government
 - b. Brihanmumbai municipal corporation
 - c. Unions Government
 - d. Thane municipal corporation
- 49 The councillor enjoys a terms of ____ years
- a. Two
 - b. Three
 - c. Five
 - d. One
- 50 The ____ is the first citizen of the city.
- a. President
 - b. Governor
 - c. Mayor
 - d. Prime Minister

SAMPLE MULTIPLE CHOICE QUESTIONS
FINANCIAL ACCOUNTING - I

1. Book- keeping records which type of Business transactions?
 - a. Cash
 - b. Financial
 - c. Book
 - d. Credit
2. Book- keeping includes which of the following financial business transactions?
 - a. Analysis
 - b. Elimination
 - c. Reading
 - d. Recording and Classification
3. Recording of transactions is done in which book?
 - a. Journal
 - b. Transactions Book
 - c. Record book
Ledger
4. Classification of entries is done in a book called
 - a. Journal
 - b. Classified book
 - c. Record book
 - d. Ledger
5. Journal record transactions as and when they happen
 - a. Account- wise
 - b. Date- wise
 - c. Voucher- wise
 - d. Name- wise
6. Each account is kept on a separate page in the ledger known as
 - a. Sheet
 - b. Folio
 - c. Card
 - d. Voucher

7. Year- end balances of income and expense accounts appearing in the ledger are summarized in the

- a. Balance sheet
- b. Profit and loss account
- c. Statement of Affairs
- d. Cash flow statement

8. Year- end balances of assets and liabilities accounts appearing in the ledger are summarized in the

- a. Balance sheet
- b. Asset statement
- c. Profit and loss account
- d. Trial balance

9. User of accounting information include

- a. Creditors
- b. Lenders
- c. Customers
- d. Creditors, Lenders & Customers

10. Following is the example of external users

- a. Government
- b. Owners
- c. Management
- d. Employees

11. Following is the example of internal users

- a. Government
- b. Investors
- c. Management
- d. Employees

12. Following is not the example of external users

- a. Government
- b. Investors
- c. Creditors

13 _____ facility is given to the saving account holder only.

- a. Cheque
- b. pay in slip
- c. withdrawal slip

Credit Note

14 In credit transactions, buyer gets _____ memo.

- a. Cash
- B. Credit
- c. Debit
- d. Voucher

_____ is the statement given by the seller to buyer or the person who pays money,

15 giving acknowledgement of cash received.

- a. Cash Memo
- B. Credit Memo
- c. Debit Note
- d. Voucher

16 Petty Cashier records all the petty cash expenses of the business on _____ basis.

- a. annually
- b. weekly
- c. Monthly
- d.daily

_____ is the document showing authentic and official acknowledgment of the fact of cash received by the person.

17

- a. Receipt
- b. Cheque
- c. Debit Note
- d. Credit Note

18 which of the following reason customer do not return goods _____?

- a. Goods are supplied in excess
- b. quality of the goods is not as specified
- c. goods received in damaged condition
- d. goods received as per size

- 19 Which of the following circumstances when the bank balance increases in the cash book with bank column?
- When cheques are issued by the trader
 - when bank has paid life insurance premium
 - when cheques are deposited
 - when bank charges interest

- 20 Which of the following circumstances when the bank balance goes down
- When cheques are issued by the trader
 - when interest is credit by the bank
 - when dividend warrant is debited
 - when bank commission is charged by the bank

21 The Pass Book of Mr. Hari shows a debit balance of Rs.6,700 on 31-12-2018. reconcile the Bank statement as on 31-12-18. from the following information.

- Bank has directly made payment of Rs.1,250 for rent as per standing instructions.
 - A debtor directly deposited cash 350 in the bank. What will be the Bank balance as per Cash Book?
- 5,800
 - 7,600
 - 7,050
 - 5,450

22 1. Bank balance as per Cash Book Rs.8,600. 2. cheque of Rs.4,000 issued but not presented for payment. 3. Bank charges Rs. 200 debited by bank.

Reconcile Bank statement. What will be the balance as per the Pass Book?

- 12,600
- 12,400
- 8,800
- 4,600

23 On 31st December, 2018 the bank balance as per the cash book of Mahindra & Co. was Rs.15,000 and Mahindra & Co. issued a cheque of Rs.2,500 which was not presented on for payment on 2nd October, 2018. What will be the Balance as per the pass book on reconciliation of bank statement?

- 17,500
- 15,000

- c. 13,500
- 24 _____ are those errors where something has been wrongly recorded.
- a. Errors of complete omission
 - b. Errors of Principle
 - c. Posting wrong amount to a wrong account
 - d. Error of commission
- When two error of equal amount are committed but on the opposite side then these are
- 25 known as _____.
- a. Errors of complete omission
 - b. Errors of Principle
 - c. Posting wrong amount to a wrong account
 - d. Compensating error
- 26 If transaction is totally omitted from the books, it is called?
- a. Errors of commission
 - b. Errors of Principle
 - c. Error of recording
 - d. Error of omission
- 27 If the sum of the debits and credits in a trial balance is not equal, then?
- a. The chart of account also does not balance
 - b. it is safe to proceed with the preparation of financial statement
 - c. most likely an error was made in posting journal entries or the general ledger or in preparing the trial balance.
 - d. There is no concern because the two amounts are not meant to be equal
- 28 What is the treatment of ending stock in trial balance?
- a. Dr.
 - b. Cr.
 - c. not considered
 - d. subtracted from opening stock
- 29 Suspense account is opened when ____ does not tally
- A. Balance sheet
 - B. Trial balance
 - C. Profit and loss
 - D. Trading account

- 30 Which of the following is not an error of principle
- A. Repair or the over hauling of machinery purchased debited to repairs account
 - B. Cash paid to Karan posted to salary
 - C. Sale of old car credited to sales account
 - D. Purchase of furniture debited to purchase account
- 31 Which of the following is not an error of commission
- A. Wrong balancing of machinery account
 - B. Credit sales to Pawan Rs.5000 credited to his account
 - C. Cash sales not recorded in cash book
 - D. Overcasting of sales book
- 32 A transaction involving exchange of money
- a. Financial transaction
 - b. Receipt
 - c. Payment
 - d. Settlement
33. Exchange of goods for cash
- a. Credit transaction
 - b. Financial transaction
 - c. Barter
 - d. Cash transaction

Q34 The act of buying an asset without having to make full payment in the immediate future is known as:

- A. Hire purchase
- B. Finance lease
- C. Operating lease
- D. Sale and leaseback

Q35. The amount of interest is credited by the buyer to.....

- A. Hire purchase Account
- B. Hire Vendor Account

- C. Interest Account
- D. Cash Account

Q36. The depreciation in the books of buyer is charged on.....

- A. Hire Purchase Price
- B. Market price
- C. Total Instalment amount
- D. Cash Price

Q36. Hirer charges depreciation on:

- A. Hire purchase price
- B. Cash price.
- C. Lower of the two
- D. None of these

Q37. What is transferred to Hirer under hire purchase system:

- A. Ownership of assets
- B. Possession of asset
- C. Ownership and possession of asset
- D. None of these

Q38. Hire Purchase Act is passed in the year

- A. 1932
- B. 1956
- C. 1972
- D. 1872

Q39. The Sale of Goods Act is applicable in:

- A. Credit Purchases
- B. Cash Purchases
- C. Cash Sales
- D. None of these

Q40. Under which system, ownership is transferred on payment of final instalment

- A. Instalment system.
- B. Credit system.
- C. Hire purchase system.
- D. Cash system.

Q41. Under hire purchase system the buyer is called _____.

- A. Buyer.
- B. Hirer.
- C. Hire vendor.
- D. Debtor.

Q42. Under hire purchase system who has the right of sell _____.

- A. Buyer.
- B. Hirer
- C. Hire Vendor.
- D. Debtor

Q43. Subscription received in advance during the accounting year is

- A. an income
- B. an expense
- C. an asset
- D. A liability

Q44. Income and Expenditure Account shows a balance of

- A. Cash in hand
- B. Capital account
- C. Net profit
- D. Excess of revenue over expenditure or vice versa

Q45. Donations received for special purposes should be

- A. Credited to a separate fund account and shown in the balance sheet
- B. Treated as revenue

- C. Treated as revenue unless the amount is large
- D. Not recorded at all

Q46 Subscription in arrears for the current year are shown

- A. On the credit side of the income and expenditure account and the assets side of a balance sheet
- B. Debit side of the profit and loss account and the liabilities side of a balance sheet
- C. Only on the Assets side of a balance sheet
- D. Only on liabilities side of balance sheet

Q47 The receipts and payments account generally shows

- A. A credit balance
- B. Cash/ Bank balance
- C. Capital fund or accumulated fund
- D. Surplus or d

Q48. _____ which transfer of entries from the journal to the concerned account in the ledger.

- A. Posting
- B. Casting
- C. Narration
- D. Totalling

Q49 _____ means finding the difference between the total of the debit side and of the credit side of an account.

- A. Posting
- B. Totalling
- C. Sub totalling
- D. Balancing

Q50 If the debit side of an account is more than the credit side, the account is said to have a _____ balance.

- A. Credit
- B. Debit
- C. Nil
- D. Negative
