

## Model Question Paper

### Undergraduate Programme - Commerce

**Questions: 40**

**Time : 40 Minutes**

**Max. Marks: 40 x 1 = 40**

SHADE the correct Response viz., A, B, C, D or E in the RESPONSE SHEET. Each Question carry ONE mark.

### SAMPLE QUESTIONS

- 1) According to the Companies Act, 1956, a private company must have at least
  - A) Seven directors
  - B) Three directors
  - C) Four Directors
  - D) Two directors
  - E) One director
  
- 2) Which of the following statements about e-business is TRUE?
  - A) High set up cost
  - B) Indirect connection with suppliers & customers
  - C) Long business process cycle
  - D) Limited geographical functioning area
  - E) Flat organizational structure
  
- 3) Any company incorporated outside India but has set up a business place in India is known as
  - A) Foreign Branch
  - B) Foreign Government company
  - C) Foreign public Company
  - D) Foreign company
  - E) Foreign Private company
  
- 4) Which of the following is an example of intellectual property?
  - A) Trademarks
  - B) Avionics
  - C) Computer hardware
  - D) Textiles
  - E) Electronics equipment
  
- 5) Who is authorized to issue coin in India
  - A) Reserve Bank of India
  - B) Ministry of Finance
  - C) State Bank of India
  - D) Bombay Stock Exchange
  - E) President of India
  
- 6) When does a state have a negative balance of trade?
  - A) When it pursues a policy of autarky
  - B) When its exports are greater than its imports
  - C) When its tariffs are greater than its revenues
  - D) When its imports are greater than its exports
  - E) When it loses a WTO ruling

- 7) Middle level managers require the greatest amount of
- A) Technical skill
  - B) Human skill
  - C) Conceptual skill
  - D) Mechanical skill
  - E) Informational skill
- 8) One of the following is NOT Fayol's Principle of Management. Identify it.
- A) Unity of Command
  - B) Unity of Direction
  - C) Globalised Division
  - D) Principle of Scalar Chain
  - E) Principle of Equity
- 9) One of the following is NOT a feature of equity share. Identify it.
- A) Equities are Long term securities
  - B) Equities pay dividend which may vary from year to year
  - C) Equities give ownership rights in the business of the issuer
  - D) Equities are to be redeemed within 10 years of its issue
  - E) Equity share holders can participate in the management of the company
- 10) Social responsibility of business implies that business be run
- A) By socially responsible people
  - B) On non profit motive
  - C) For the benefit of socially underprivileged
  - D) For both profit and social benefits
  - E) On altruistic lines
- 11) The form of organization known for giving rise to rumors is called
- A) Decentralised organization
  - B) Centralised organization
  - C) Informal organization
  - D) Formal organization
  - E) Departmentalised organization
- 12) An assembly line is an example of a
- A) Product focused process
  - B) Customized process
  - C) Repetitive process
  - D) Specialized process
  - E) Intermittent process
- 13) When a life insurance policy holder surrenders his policy before its maturity he will get the
- A) sum assured on the maturity date
  - B) Surrender value on the maturity date
  - C) surrender value on the surrender date
  - D) sum assured on surrender date
  - E) surrender value as annuity over the remaining period

- 14) Which of the following statements is FALSE?
- A) Listing of securities in a stock exchange widens the market for such securities
  - B) Unlisted securities cannot be sold in stock exchange
  - C) Stock exchanges buy and sell securities
  - D) Listed securities get a good credit rating
  - E) Stock exchanges give timely signals of economic conditions of a country
- 15) Tax levied on imported goods is known as
- A) Purchases Tax
  - B) Customs Duty
  - C) Excise Duty
  - D) Cess
  - E) Corporation Tax

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