

FYBFM SEM I (2020 – 21)

MODEL QUESTIONS

BUSINESS MATHEMATICS

- Ms. A bought a property for Rs. 1200000 and sold it for Rs. 1272000, the percentage loss /gain is
 - 6%
 - 8%
 - 10%
 - 12%
- An article was bought for rs 5000 and sold at 2% loss, its selling price is
 - 4500
 - 3500
 - 8000
 - 6500
- Profit = Selling Price minus _____
 - Cost Price
 - Net Selling Price
 - Trade Discount
 - Invoice Price
- In how much time will 5000 at 3% produce the same income as 10000 in 2 years at 3% simple interest?
 - 4 years
 - 3.5 years
 - 9 years
 - 6 years
- Find the compound interest after 3 years on a principal of Rs 15000 at 10%.
 - Rs. 4965
 - Rs. 4952
 - Rs. 4500
 - Rs. 6000
- Calculate effective rate equivalent to nominal interest rate 12% compounded half yearly.
 - 12.36%
 - 14%
 - 14.25%
 - 15%
- The present value is always _____ the future value.
 - More than
 - Less than
 - Equal to
 - Independent of
- In 4 days, 6 workers make 8 chairs. In 7 days how many chairs will 9 workers make?
 - 21 chairs
 - 12 Men
 - 15 Men
 - 19 Chairs
- Express this fraction in percentage: $\frac{3}{8}$
 - 37.5%
 - 42%
 - 8.5%

- iv) 9%
10. Find 8% of 120
- i) 9.6
 - ii) 12
 - iii) 15
 - iv) 20
11. If 12% of a certain amount is Rs 270 then find the amount
- i) 2250
 - ii) 1520
 - iii) 1295
 - iv) 650
12. If 28% of a certain amount is Rs 3500, find the amount
- i) 12500
 - ii) 15000
 - iii) 16000
 - iv) 9000
13. Find 20% of 360
- i) 72
 - ii) 90
 - iii) 85
 - iv) 75
14. An article was sold for Rs 2975 at a 15% loss. Find the price at which it was bought
- i) Rs 3500
 - ii) Rs 4500
 - iii) Rs 2500
 - iv) Rs 3000
15. No of units reinvested is equal to Dividend Amount divided by
- i) Ex-dividend NAV
 - ii) NAV of the day of purchase
 - iii) NAV of the day of Sale
 - iv) Net NAV
16. Total Investment is equal to Purchase price per share into
- i) No of shares
 - ii) No of outstanding shares
 - iii) Shares price plus dividend
 - iv) Share price minus brokerage
17. NPV stands for
- i) Net Present Value
 - ii) Net Asset Value
 - iii) New Profit Value
 - iv) New Price Value
18. NAV stands for
- v) Net Present Value
 - vi) Net Asset Value
 - vii) New Profit Value
 - viii) New Price Value
19. AMC stands for
- i) Asset under management
 - ii) Asset Management Company

- iii) Asset Making cost
 - iv) Asset Marking Cost
20. ROR stands for
- i) Rate of Return
 - ii) Rights of Rights
 - iii) Return on Rights issue
 - iv) Right to Refusal
21. Selling price is
- i) Cost plus loss
 - ii) Cost minus profit
 - iii) Cost plus profit
 - iv) Selling price plus brokerage
22. Purchase price is
- i) SP minus loss
 - ii) SP plus profit
 - iii) SP minus profit
 - iv) SP plus brokerage
23. 10% commission on Rs2500 sale is
- i) 250
 - ii) 225
 - iii) 325
 - iv) 350
24. .5% brokerage on Rs5000 sales is
- i) 25
 - ii) 250
 - iii) 125
 - iv) 55
25. If .5% brokerage on Rs 5000 purchase, then the purchase price is
- i) 5250
 - ii) 5025
 - iii) 5125
 - iv) 5550

FOUNDATION COURSE I

Sr.	Question	A	B	C	D
1	Shwetambar and _____are the two sects Jainism.	Pitambar	Digambar	Mahayana	Prathapa
2	.The Constitution of India has recognized _____ major languages.	22	24	32	26
3	_____,also known as India’s Silicon Valley	Kolkata	Mumbai	Bangalore	Delhi
4	In India the state of _____has the lowest gender ratio.	Rajasthan	Haryana	Punjab	UP
5	The major cause of declining sex ratio is _____	Poverty	Pollution	Smoking	Smog
6	_____is the holy book of the Sikhs	Guru Granath Sahib	Bible	Quran	Gita
7	In _____there is short sightedness but not farsightedness.	Hypermetropia	Myopia	Onomatopoeia	Dylases
8	_____is the main reason of female foeticide.	Preference of male child	Unemployment	Globalisation	Pollution
9	_____ have no population of Scheduled Castes.	Punjab	Nagaland	Uttar Pradesh	Maharashtra
10	Gender is a _____ concept.	Sociological	Economic	Biological	Cultural
11	Deficiency of Vitamin _____ may cause blindness.	A	B	C	D
12	Disparity means _____	Difference	Inequality	variation	Biases
13	The_____ border dispute is a dispute involving the Indian states of Karnataka and Maharashtra.	Belgaum	Sangli	Pune	Sangli
14	_____implements the plans and ideas of an entrepreneur.	Secularism	Casteism	Communication	Fraternity
15	Demand of the sons of the soil is _____	Communalism	Casteism	Regionalism	Secularism
16	There is a water dispute over _____ river in the states in Maharashtra, Karnataka and Andhra Pradesh.	Cauveri	Krishna	Konya	Ganga
17	_____ refers to behaviour that is intended to cause harm or pain to others	Conflicts	aggression	judicial	violence

18	_____ refers to attachment towards one's own region.	Regionalism,	Linguism	Communalism	Socialism
19	How many articles are there in the Universal Declaration of Human Rights?	10	20	30	40
20	Prime Minister is the _____ head in India	Executive	Legislative	Judicial	Authoritative
21	_____ is the chief architect of the Indian constitution.	Dr. Rajendra Prasad	Dr.B.R.Ambedkar	Acharya Kripalni	Nehru
22	Indian constitution provides _____ citizenship to the citizens of India.	Single	Dual	Triple	Quadruple
23	_____ is a national party.	Biju Janata Dal	Telugu Desam	Indian National Congress	Sashan dal
24	73rd Amendment of the Indian Constitution is related to _____	Independent Judiciary	Panchayati Raj	Parliamentary System	Gramsabha
25	The Indian Constitution makes provision for positive discrimination via article _____	15	14	17	19

INTRODUCTION TO FINANCIAL SYSTEM

Sr.	Questions	Option 1	Option 2	Option 3	Option 4
1	Surplus units are those units that have	deficit funds	excess funds	no funds	more money than others
2	Financial system is an ideal linkage between	savers and investors	government and people	India and other countries	producers and consumers
3	The Bank for International Settlement was established in which year?	1920	1930	1950	1947
4	The second world war was termed as	the global war	the great war	the financial war	the golden era
5	Capital market securities are generally	Short-term	Medium-term	Long-term	Infinite
6	The law passed in 1911 to protect investors through anti-fraud provisions, regulation of brokers, etc was	Basel accord	Special drawing rights	Anti-immigration law	Blue Sky Law
7	Which country's financial history can be divided into the Meiji Restoration to outbreak of WWI period and the interwar period	China	Japan	UK	Canada
8	In terms of market capitalization, at the end of 2005, which stock market ranked 18th largest stock market in the world?	NYSE	NSE	BSE	LSE
9	Indian financial system is _____	Bank-based	Market-based	Law-based	Regulation-based
10	The federal reserve system, commercial banks, savings institutions and credit unions together make the _____	Canadian banking system	UK banking system	Indian banking system	US banking system
11	Which country went through a financial revolution just before the start of industrial revolution?	USA	UK	India	Germany
12	Regulatory institutions are _____ and _____ to the economic environment.	transparent and rigid	intervening and secretive	rigid and independent	adaptable and responsive
13	Regulatory institutions try to attain better economic and social objectives, _____	While reducing unnecessary cost to investors	While reducing unnecessary costs to business	While ensuring investors pay the due costs	While ensuring businesses pay the due cost

14	Regulatory institutions are managed by	Committee members	General manager	Management board	Government of India
15	One of following have grievance redressal procedure through sector financial ombudsmen services.	FMC	IRDA	PFRDA	GOI
16	RBI was constituted as a shareholders' bank with a fully paid up capital of	50 lakhs	5 lakhs	50 crores	5 crores
17	_____ is the regulatory body for insurance companies.	AMFI	SBI	IRDA	SEBI
18	An insurance Ombudsman is appointed for a term of _____ years.	Three	Two	Five	Till the age of 60 years
19	Which one of the following is not a function of NHB?	Encouraging financial institutions to lend for the purpose of housing	Ensuring there's a credible and stable housing finance system in the country	Providing financial assistance to the various banks and housing finance institutions	Setting up credit rating agencies for maintaining credibility of housing loans
20	Which one of the following is not a function of Financial markets?	Price discovery	Risk sharing	Borrowing and Lending	Elimination of transaction costs
21	RBI has been using two ratios for controlling credit, namely ___ and ___	Quantitative Qualitative	CRR and SLR	Asset and Liability	Credit and Bad-debt
22	___ refers to a market for short-term funds, which deals in financial assets whose period of maturity is one year or less at the time of issuance.	Capital market	Primary market	Secondary market	Money market
23	_____ represent the form of fractional ownership in which a shareholder, as a fractional owner, undertakes the maximum entrepreneurial risk associated with a business venture.	Capital shares	Bonds	Equity shares	Convertible bonds
24	_____ is a market where new securities are bought and sold for the first time.	Bond market	Capital market	Primary market	Secondary market
25	Which one of the following is not a recent developments in equity markets.	Online trading	Free pricing	Book building	Removal of entry restrictions

BUSINESS ECONOMICS I

Sr. No.	Questions	Option 1	Option 2	Option 3	Option 4
1	What gives rise to the problem of scarcity?	lack of money	uneven distribution of income	capital equipment being greater than labour	wants exceeding resources
2	A woman owns a TV which she had bought for Rs.40,000. She is considering buying a better model. Her neighbour offers her Rs.10,000 for her TV. What is the opportunity cost of her rejecting this offer?	Rs.10,000	Rs.40,000	Rs.30,000	Rs.50,000
3	Given an equilibrium position, increase in demand will cause	market price to rise and supply to contract	market price to fall and supply to extend	market price to rise and supply to extend	market price to rise and supply to decrease
4	Which of the following pairs is an example of complementary goods?	coffee and tea	butter and ghee	pen and laptop	car and fuel
5	What is meant by equilibrium quantity in the market for a good?	quantity produced each period	quantity at which demand and supply matches	quantity at which maximum profits occur	quantity which maximizes revenue
6	The government subsidizes production of electric cars. This is likely to	decrease supply of electric cars	increase cost of production for electric cars	increase cost of production for other cars	increase supply of electric cars
7	Demand curve slopes downward because	with a fall in price, the good can be put to multiple uses	with a rise in price, the consumers can buy more	with a fall in price, the consumers can buy less	with a rise in price, the good can be put to multiple uses
8	Sir Robert Giffen noticed in Britain that when the price of bread increased	rich families bought more of bread and meat	rich families gave up bread	poor families reduced consumption of meat to	rich families gave up meat

				be able to buy bread	
9	What is derived demand also known as?	autonomous demand	substitute demand	expected demand	induced demand
10	In which market form company demand and industry demand one and the same?	Perfect competition	Monopoly	Monopolistic competition	Oligopoly
11	Demand for goods like water and electricity, that have multiple uses, is known as	joint demand	short-run demand	market demand	composite demand
12	If a market is in equilibrium, what change would keep equilibrium quantity the same but increase in the price?	a decrease in demand with a decrease in supply	a decrease in demand with an increase in supply	an increase in demand with a decrease in supply	an increase in demand with an increase in supply
13	Economics is mainly concerned with the study of how to	produce new wants	determine the government policies	control unemployment and inflation	allocate scarce resources for unlimited wants
14	As output increases, what happens to the average fixed cost of production?	It falls continuously	It falls and then rises	It remains constant	It rises and then falls
15	TP curve eventually falls because	MP rises	MP falls	MP is constant	MP becomes negative
16	Which costs will be reduced if a factory decreases the amount of pollution it causes to the environment?	Average cost	External cost	Fixed cost	Variable cost
17	How does a firm guarantee that it makes maximum profit?	By maximising the difference between its total revenue and total cost	By maximising the number of goods it sells	By minimising the amount of goods it keeps in stock	By minimising the difference between average revenue and average cost
18	The classical approach to Law of Variable Proportions was developed by _____.	Adam Smith and Alfred Marshall	Adam Smith and David Ricardo	David Ricardo and Alfred Marshall	Alfred Marshall and Samuelson

19	When a large firm manages to use its waste product to produce by-products, the firm is said to derive _____.	Financial economies of scale	Managerial economies of scale	Diseconomies of scale	Technical economies of scale
20	In the first phase of Law of variable proportions, TP curve increases at an increasing rate because	Fixed factors are indivisible	Ideal factor-ratio is achieved	Ideal-factor ratio is crossed	Division of labour leads to increased productivity
21	A producer has achieved maximum production equilibrium when	MP is tangent to AP	TP is tangent to MP	Isocost line is tangent to isoquant	Isomap is tangent to isoquant
22	Under perfect competition AR = _____	MR	TR	FC	MC
23	Cross elasticity between substitutes is _____.	positive	negative	unrelated	equal
24	Price elasticity of demand for necessary commodities is _____.	less than 1	greater than 1	equal to 1	cannot be defined
25	For price discrimination to be profitable, _____ should be different in different markets.	elasticity	demand	supply	cost

BUSINESS ENVIRONMENT

S. No	Question	Option 1	Option 2	Option 3	Option 4
1	_____ is not influenced by businessmen, but businessmen have limited capacity to influence environment	Environment	Policies	Government	Stakeholders
2	_____ environment is the net result of policies like industrial policy, business laws, licensing policy, exim policy etc.	Political	Economic	Social	Natural
3	_____ is a form of business organisation in which a single individual owns and manages the business takes the profits and bears the losses himself.	Sole trading concern	Partnership firm	Joint Stock Company	Joint Hindu Family
4	The _____ environment refers to the influence exerted by the three political institution i.e. legislature, executive and judiciary	Economic	Social	Political	Cultural
5	_____ environment consists of natural resources like land, minerals, soil, climate etc.	Economic	Political	Ecological	Legal
6	Economic and _____ environmental are closely connected	Technological	Social	Cultural	Political
7	In SWOT Analysis, T stands for _____	Trade	Threats	Technology	Transition
8	_____ are the ends and future destinations which a business unit desires to achieve.	Business Environment	Objectives	Climate	Strategy
9	Research on ethical dilemmas indicates that _____ is/are often the cause of unethical behavior by people at work.	declining morals in society	lack of religious beliefs	the absence of whistleblowers	pressures from bosses and superiors
10	A(n) _____ is someone who exposes the ethical misdeeds of others	whistleblower	ethics advocate	ombudsman	Stakeholder
11	_____ is the act of being an Entrepreneur	Entrepreneurship	Joint Venture	Partnership	Sole Trading Concern
12	MSMED Act came into force in _____	2000	2002	2004	2006

13	Consumerism is a _____ movement.	economic	social	political	Legal
14	Any individual who purchases products or services for his personal use is called _____.	Purchaser	Vendor	Consumer	Supplier
15	India has been observing _____ as National Consumers' Day.	15th August	15th January	15th March	15th November
16	What is corporate social responsibility?	The social demands customers have about society's welfare	The social demands the government has about society's welfare	The concerns shareholders have about society's welfare.	The concerns a company has about society's welfare.
17	Which of the following form part of the business case for CSR?	That the corporation is a creation of society and should therefore serve its needs	That the corporation is a legal creation and therefore cannot be a moral agent	Business decisions will have social and environmental consequences which will be addressed by governments	Business has no responsibility, so CSR is not a part of business
18	Which of the following is not a true statement in highlighting problems associated with bribery and corruption?	It adds substantially to the cost of doing business	It can undermine the democratic process	It may divert resources away from public service projects such as schools and hospitals	It is commonly accepted and just another feature of a properly working market economy
19	All definitions of Corporate Social Responsibility recognize that:	companies have a responsibility for their impact on society and environment.	the natural environment should be the main focus of CSR activities.	business ethics is a complex issue.	companies must pay equal attention to business ethics and sustainability.
20	One way to reduce a business's carbon footprint is through _____.	greenwashing	sponsorship	communicating with investors	sustainable design

21	A conflict between self-interest and a professional obligation.	Obligation	Conflict of Interest	Problem Solving	Rule Enforcement
22	An organization's obligation to act to protect and improve society's welfare as well as its own interests is referred to as _____.	Organisational Social Responsiveness	Organisational Social Responsibility	Corporate Obligation	Business Ethics
23	To avoid artificial scarcity of goods and services and thereby ensure fair and equitable distribution, is the responsibility of business towards _____.	Itself	Government	Consumers	Employees
24	Expand or _____ is a rule in the present global business.	Perish	Diminish	Reduce	Restructure
25	_____ growth strategies bring growth from within the enterprises and also by using the available internal resources.	External	Internal	Interior	Exterior

BUSINESS COMMUNICATION I

1) The English word 'Communication' is derived from the Latin word

Communis	Commus	Communion	Commonium
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2) A Sender of a message is also known as a/an

Listener	Encoder	Reader	Processor
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3) The Shannon Weaver Model uses _____ as their medium.

Telephone	Radio	Skype	Email
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4) From the following, which is a computer input device

Monitor	Mouse	Printer	Speakers
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5) Moodle is an example of a/an

Social Media	E-learning platform	Search engine	Presentation software
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6) _____ is used in companies to connect the office computers within one building

WAN	LAN	MAN	USB
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7) An organizational hierarchal structure which slows communication is

Flat	Circular	Multi-layered	Closed
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8) Expressing grievances is a part of

Downward Communication	Upward Communication	Diagonal Communication	Horizontal Communication
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9) This method best controls distortion and dilution of message because of direct, inter-level communication

Downward Communication	Upward Communication	Diagonal Communication	Horizontal Communication
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10) _____ communication has no legal validity

Verbal	Non-verbal	Oral	Written
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11) Kinesics is the study of

Body Language	Space	Culture	Time
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12) Which one of the following is a disadvantage to written communication?

Multiple copies	Permanent record	Planned and organised	Absence of personal touch
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13) Which of the following is a Semantic barrier?

Environmental stress	Halo effect	Misinterpretations	Closed mind
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14) Language and _____ are closely related.

Physiology	Prejudice	Culture	Stress
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15) An individual's attempt to constantly justify oneself is called as

Defensiveness	Protection	Individualism	Libertarianism
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16) Selling ABBIBAS shoes would be considered as

Piracy	Spelling mistake	Surrogate advertising	Corporate selling responsibility
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17) Which one of the following is not an institution from where one learns morals and values

Family relations	Religious teachings	Laws of society	Scientific principles
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18) Which of the following displays personal integrity

Honesty	Timidness	Copyright	Creativity
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19) _____ listening is distracted listening.

Marginal	Psychological	Political	Social
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20) _____ is to give meaning to the words and to understand what the speaker means.

Receiving	Remembering	Thinking speed	Interpreting	
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21) Semi-block form uses _____ paragraphs.

Blocked	Indented	Opening	Closing
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22) If the salutation begins with "Dear Mr Malcolm.." the end of the letter will have

Yours faithfully	Yours sincerely	Yours' faithfully	Your's sincerely
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23) Which of the following would you mention in your Resume?

Favourite movies	Hobbies	Family members	Nursery school
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24) A 'referee' is a person who writes a/an

Cricket match report	Recommendation Letter	Appreciation Letter	Football match report
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25) After all, we were as affected as _____ ' Choose the right option.

Them	They	Their	Themselves
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FINANCIAL ACCOUNTING I

Sr.	Question	A	B	C	D
1	AS - 1 refers to _____	Fixed Asset	Depreciation	Revenue Recognition	Disclosure of Accounting policies
2	Anticipate no profit but provide for all possible losses is supported by principle _____	Conservatism	Matching	Consistency	Realization
3	Cash column of cash book can never have _____ balance	Credit	Debit	Zero	none of above
4	The amount of depreciation reduces year after year under _____	Fixed Instalment method	Written Down Value Method	Depreciation Fund Method	Revaluation Method
5	The process of entering all transactions from the Journal to Ledger is called _____	Posting	Entry	Accounting	None of the above
6	Goods are distributed as free samples worth Rs. 50000 for advertisement purpose. Which of the following journal Entry would be passed?	Advertisement A/c Dr. 50000 To Capital A/c 50000	Purchases A/c Dr.50000 To Advertisement A/c 50000	Advertisement A/c Dr. 50000 To Sales A/c 50000	Advertisement A/c Dr. 50000 To Goods distributed as free sample A/c 50000
7	If a trial balance totals do not agree, the difference must be entered in	The Profit and Loss Account	A Nominal Account	The Capital Account	Suspense Account
8	Which of the following is a contra entry	Bearer cheque received from Debtor and encashed	Salary paid by cheque	Cash deposited in the Bank A/C	Bank charges debited by bank
9	Overdraft means the _____ balance in the passbook	Debit	Credit	Excess	Nil
10	The basic consideration (s) in distinction between capital and Revenue expenditure is/are	Nature of business	Effect on revenue generating capacity of business	Purpose of expenses	All of the above
11	Rent paid to Land lord is debited to _____ Account	Landlord	Rent	Cash	Sales
12	10 % Depreciation on the reducing balance method on an asset costing Rs. 50000 in the second year of its use will be	Rs.5000	Rs. 10000	Rs. 50000	Rs.4500
13	Assets account show _____ balance	debit	credit	either debit or credit	plus

14	The final result of a Manufacturing Account shows	Gross profit	Net profit	Cost of Manufacturing	Book value of factory
15	Trial balance as on 31st Dec ,2013 contains the following information 12% Bank loan Rs.40000 , interest paid Rs. 3800. Interest debited to the Profit and Loss A/c is	Rs. 4800	Rs.5000	Rs.5500	Rs. 1000
16	Casting means	Totalling	Cross checking	Selecting	posting
17	Error not affecting the trial balance is	Partial omission of a transaction	Posting of the wrong amount	Complete omission of a Transaction	Wrong totalling or balancing
18	Classification of Entries is done in a book called	Journal	Ledger	Classified Book	Record Book
19	When the balance as per Pass Book is the starting point, cheques issued but not presented are	added	subtracted	both added and subtracted	neither of the two
20	Installation of a gas boiler to replace one using coke is	Revenue expenditure	Capital Expenditure	Deffered revenue expenditure	None of the above
21	Rs. 5000 spent as repairs to furniture should be debited to	Furniture A/c	Repairs A/c	Sales A/c	cash A/c
22	A motor truck costing Rs. 15000 and standing in the books at Rs. 7250 was sold for Rs. 12000	Capital Receipt Rs.12000 and Revenue profit Rs. 4750	Capital Receipt Rs.7250 and Revenue profit Rs. 4750	Capital Receipt Rs.15000 and Revenue profit Rs. 3000	Capital Receipt Rs.12000 and Revenue loss Rs. 3000
23	Cost of cellular phones Rs. 50000 gifted to sales Managers on achievement of targets is	Caital Expenditure	Revenue expenditure	Capital receipt	Revenue Receipt
24	Which is the rectifying entry for Rs. 2500 paid for new cupboard debited to Purchase A/c	Purchase A/c Dr. 2500 To cash A/c 2500	Furniture A/c Dr. 2500 To cash A/c 2500	Cash A/c Dr. 2500 To purchases 2500	Furniture A/c Dr. 2500 To Purchases A/c 2500
25	M/s Sitaram and Co. purchased a Machinery on 1st jan , 2016 for Rs. 200000. Company provides depreciation @ 10% p.a. on Reducing Balance Method on 31st March every year. What is Written Down value of Machinery as on 31st 2017	175500	162000	160000	175000
