



Dr.G.R.Damodaran College of Science

(Autonomous, affiliated to the Bharathiar University, recognized by the UGC) Re-
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CRISL rated 'A' (TN) for MBA and MIB Programmes

I B. COM [2017 - 2020]

SEMESTER I

CORE: BUSINESS ORGANISATION AND OFFICE MANAGEMENT - 102B

Multiple Choice Questions.

1. Business means _____.

- A. Commerce.
- B. Industry and commerce.
- C. Trade and commerce.
- D. Selling and buying of goods.

ANSWER: B

2. Which of the following is not an economic activity?

- A. A doctor practicing.
- B. A lawyer practicing law.
- C. A professional cricketer playing cricket.
- D. A student playing cricket.

ANSWER: D

3. Which of the following is an extractive industry?

- A. Cattle breeding.
- B. Forest cultivation.
- C. Hunting.
- D. Flour mills.

ANSWER: C

4. Which of the following is not a manufacturing industry?

- A. Iron and steel works.
- B. Flour mills.
- C. Fruit canning.
- D. Mining.

ANSWER: D

5. A valid definition of a business purpose is to _____.

- A. Create a customer.
- B. Maximize profits.
- C. Serve the society.
- D. Increase the wealth of the firm.

ANSWER: A

6. Sole-trade organization is also called as _____.

- A. Individual proprietorship
- B. Partnership.
- C. Joint stock company.
- D. Co-operative society.

ANSWER: A

7. Who is dormant partner?

- A. One who takes no active part in business.
- B. A working partner.
- C. Partner for profits
- D. Minor partner

ANSWER: A

8. In case of minor acting as a partner, his personal properties are ____.

- A. Liable for the debts of the firm.
- B. Not liable for the debts of the firm.
- C. Partly liable for the debts of the firm.
- D. Only debts of the firm.

ANSWER: B

9. When a partnership is dissolved?

- A. In any case of death of any of the partner.
- B. By mutual consent.
- C. By insolvency of any of the partner.
- D. By insanity or madness.

ANSWER: A

10. The liability of a sole proprietor is _____.

- A. Limited to the extent of his capital invested in the business.
- B. Limited to the extent of the value of business assets.
- C. Limited to the extent of the value of business assets and his all private assets.
- D. Limited value of the business assets.

ANSWER: C

11. The maximum number of partners in a firm carrying on banking business is ____.

- A. 7.
- B. 10.
- C. 50.
- D. 20

ANSWER: C

12. The agreement of partnership _____.

- A. Must be oral.
- B. Must be in writing.
- C. Can be either oral or in writing.
- D. Must be in writing on a stamp paper.

ANSWER: D

13. Liability of partners in respect of the firms debts is _____.
- A. limited up to the amount of his capital in the business.
 - B. Unlimited.
 - C. limited up to the amount of guarantee given by the partner.
 - D. limited up the amount of his capital and loan to the firm if any.

ANSWER: D

14. A partner in a firm _____.
- A. cannot transfer his share to an outsider.
 - B. can transfer his share to an outsider with the consent of majority partners.
 - C. can transfer his share to an outsider without the consent of any other partners.
 - D. can transfer his share to an outsider with the consent of all other partners.

ANSWER: A

15. A manager with a share in the profits _____.
- A. is only a servant of the firm.
 - B. becomes a partner by the operation of law.
 - C. becomes a partner by implied agreement.
 - D. becomes a partner from status.

ANSWER: A

16. A nominal partner is _____.
- A. not entitled to share the profits of the concern.
 - B. entitled to equal share in the profits unless there is an agreement to any other profit sharing ratio.
 - C. not liable for the acts of other partners.
 - D. not able to third parties.

ANSWER: A

17. The minimum number of members in a private limited company is ____.
- A. 2.
 - B. 3.
 - C. 7.
 - D. 10

ANSWER: A

18. A Joint stock company is governed by _____.
- A. Companies act 1926.
 - B. Companies act 1936.
 - C. Companies act 1946.
 - D. Companies act 1956.

ANSWER: D

19. Memorandum of association of a firm contains _____.
- A. rules regarding the internal management of the company.
 - B. rules regarding the constitution and activities of the company.
 - C. rules regarding the external management.

D. rules regarding the constitution.

ANSWER: B

20. The liability of shareholders of a public company is limited to the _____.

- A. nominal value of shares.
- B. extent of their private assets.
- C. paid up value of shares.
- D. accounts called up.

ANSWER: C

21. A Government company is one in which _____.

- A. the entire share capital is held by the central and / or state government.
- B. 50% of capital is held by central government and the remaining 50% by one or more state governments.
- C. at least 50% of the capital is held by central and / or state governments.
- D. entire share capital held by state government.

ANSWER: D

22. A Company is called an artificial person because _____.

- A. It does not have the shape of a natural person.
- B. It cannot be used in the court of law.
- C. It is invisible and intangible.
- D. It exists only in contemplation of law.

ANSWER: C

23. The liability of members of a co-operative society is _____.

- A. limited to the amount of nominal value of capital held.
- B. limited to the amount of paid up value of the capital held.
- C. unlimited.
- D. limited or unlimited depending upon what the society has opted for it.

ANSWER: D

24. Membership of a co-operative is _____.

- A. compulsory.
- B. voluntary
- C. not essential.
- D. not compulsory.

ANSWER: B

25. The minimum number of members required for registration of a co-operative society is _____.

- A. 2
- B. 7
- C. 10
- D. 20

ANSWER: C

26. A member of a co-operative society can leave the society by _____.

- A. transferring his share to another person without anybody's consent.

- B. transferring his share to another person with the consent of the managing committee.
- C. transferring his share to a fellow member.
- D. withdrawing his capital from the society.

ANSWER: D

27. Which of the following is an example of a company incorporated by a special act of parliament?

- A. Delhi cloth and general mills ltd.
- B. Tata iron and steel Co. Ltd.
- C. Industrial Finance Corporation of India Ltd.
- D. Swadesh Cotton Mills Ltd.

ANSWER: C

28. Dividend on preference capital will be paid _____.

- A. only when there are profits.
- B. even if there are no profits.
- C. only when directors recommend.
- D. only when share holders recommend

ANSWER: C

29. A public corporation means _____.

- A. Public company
- B. Government company.
- C. Statutory corporation.
- D. Department of union government.

ANSWER: C

30. The partnership entity is _____.

- A. legal entity.
- B. legal entity and accountable entity.
- C. neither entity nor accountable entity.
- D. group of individuals without legal status.

ANSWER: B

31. Promoter is a person who _____.

- A. takes part in the incorporation of a company .
- B. is a director.
- C. is a relative of the managing director.
- D. works to publicity to the company.

ANSWER: A

32. The minimum number of shareholders in a public limited company is ____.

- A. 2
- B. 3
- C. 5
- D. 7

ANSWER: D

33. A private company should have at least _____ members.

- A. 2
- B. 7
- C. 10
- D. 50

ANSWER: A

34. The charter of a company is its _____.

- A. prospectus.
- B. statement lieu of prospectus.
- C. memorandum of association.
- D. articles of association.

ANSWER: C

35. An association of 25 people not registered under the companies act, but carrying on business, is a/an _____.

- A. partnership.
- B. private company.
- C. public company.
- D. illegal association.

ANSWER: D

36. A partnership firm cannot raise funds by _____.

- A. bank loan
- B. Partner loan
- C. debentures
- D. partner capital

ANSWER: C

37. The term Capitalization is used in relation to _____.

- A. Sole-proprietorship.
- B. Partnership.
- C. Joint stock companies.
- D. Co-operative societies.

ANSWER: C

38. Over-capitalization results from _____.

- A. payment of excessive amount for goodwill.
- B. underestimating the rate of capitalization.
- C. raising more money than can be profitably used.
- D. raising only the money.

ANSWER: C

39. Which of the following securities is not redeemable?

- A. Equity shares.
- B. Preference shares.
- C. Cumulative preference shares.
- D. Debentures.

ANSWER: A

40. Preference shares are those which carry preferential right in respect of _____.

- A. dividends.
- B. repayment of capital.
- C. both dividend and repayment of capital.
- D. right to vote on all important motions in AGM.

ANSWER: D

41. Investment in which of the following is most risky?

- A. Equity shares.
- B. Preference shares.
- C. Debentures.
- D. Land.

ANSWER: C

42. Which of the following is not an ownership security?

- A. Equity shares.
- B. Debentures.
- C. Preference shares.
- D. Shares.

ANSWER: C

43. In which of the following, interest / dividend is payable even if the company does not earn profit?

- A. Equity capital.
- B. Preference capital.
- C. Debentures.
- D. Shares.

ANSWER: B

44. Debentures cannot be _____.

- A. irredeemable.
- B. participating.
- C. registered.
- D. bearer.

ANSWER: C

45. Ploughing back of profits means _____.

- A. earning of black money.
- B. dividends not claimed by shareholders.
- C. retaining the earnings.
- D. not paying dividends in a particular year.

ANSWER: C

46. Deferred shares can be issued by _____.

- A. public company.
- B. private company.
- C. private company which is deemed to be a public.
- D. government company.

ANSWER: B

47. Which of the following companies may issue share warrants?

- A. Companies limited by guarantee.
- B. Private limited companies.
- C. Both private and public limited companies.
- D. Trust.

ANSWER: C

48. A bearer of a share warrant of a company is _____.

- A. a creditor of the company.
- B. a member of the company.
- C. a member subject to certain conditions.
- D. not a member of the company.

ANSWER: D

49. Bank overdraft is a good source of finance for _____.

- A. Short term.
- B. Medium term.
- C. Long term.
- D. Short and long term.

ANSWER: A

50. The most important economic function of new issue market is to _____.

- A. provide liquidity to securities.
- B. provide facilities for converting saving into investments.
- C. give proper direction to the flow of capital.
- D. give direction.

ANSWER: B

51. Which of the following are components of organized sector of stock exchange?

- A. Commercial banks.
- B. Investors in securities.
- C. Financial institutions like LFC, IDBI.
- D. Other financial institutions.

ANSWER: B

52. Which of the following methods is not used for raising capital through the sale of new securities?

- A. By issue of prospectus.
- B. Rights issue.
- C. Stock exchange placing.
- D. Private placing.

ANSWER: C

53. The most common method used for marketing of new securities is _____.

- A. sale of existing shareholders.
- B. stock exchange placing.
- C. direct sale to public through prospectus.

D. sale to biometers.

ANSWER: C

54. The first stock exchange was set up in India in _____.

- A. Calcutta.
- B. Bombay.
- C. New Delhi.
- D. Chennai.

ANSWER: B

55. Stock Exchanges in India are under the control of _____.

- A. central Government.
- B. C.C.B.
- C. R.B.I.
- D. financial Institution.

ANSWER: A

56. A speculator who applies for new share is _____.

- A. a stag.
- B. middle man.
- C. jobber.
- D. lame duck.

ANSWER: A

57. Dealings in stock exchanges can be done by public _____.

- A. directly.
- B. directly or through brokers.
- C. only through brokers.
- D. only by corporate houses.

ANSWER: C

58. Members of Bombay stock exchange are unofficially classified into ____.

- A. brokers and jobbers.
- B. brokers and tarawaniwalas.
- C. jobbers and tarawaniwalas.
- D. there is no such classification of members of stock exchange.

ANSWER: B

59. Speculation in stock exchange means _____.

- A. Investment in securities.
- B. Gambling in securities.
- C. Buying and selling securities in the hope of making profit due to change in prices.
- D. Creating secret profits.

ANSWER: C

60. Which of the following speculators expect fall in the prices of securities in the near future?

- A. Bull.
- B. Bear.

- C. Stag.
- D. Under inter.

ANSWER: B

61. Which of the following speculative activities is based on disparity in quoted prices in different markets?

- A. Option dealing.
- B. Arbitrage.
- C. Margin trading.
- D. Blank transfers.

ANSWER: B

62. In India there are _____ recognized stock exchanges at present

- A. 15.
- B. 16.
- C. 17.
- D. 21.

ANSWER: D

63. Listing of securities in a stock exchange for the purpose of trading indicates that___.

- A. at the time of listing, the company is financially sound.
- B. at the time of listing, the company is legally organized.
- C. the stock exchange guarantees about the financial soundness of the company.
- D. the stock exchange not guarantees about the financial position.

ANSWER: B

64. When the name of the transferess is not filled in not filled in the transfer deed, without filling in the name of the transferee it is called _____.

- A. option dealing.
- B. forward dealing.
- C. blank transfers.
- D. carry over.

ANSWER: C

65. When a right to sell a security is acquired, it is known as _____.

- A. call option.
- B. put option.
- C. double option.
- D. single option.

ANSWER: A

66. Stock exchange deals with the _____.

- A. second hand securities.
- B. issued of equity shares.
- C. issue of preference shares.
- D. issue of debentures.

ANSWER: A

67. Dividend and interest are _____.

- A. synonymous terms.
- B. different from each other.
- C. debited to profit and loss account.
- D. divisible profits.

ANSWER: C

68. The price of a share quoted in the stock exchange is cum, dividend when _____.

- A. it is inclusive of dividend declared.
- B. it is exclusive of dividend declared.
- C. it excludes interest.
- D. it includes interest.

ANSWER: A

69. When SEBI came into force?

- A. 1992.
- B. 1991.
- C. 1990.
- D. 1993.

ANSWER: A

70. Indexing is an important _____.

- A. method of filing.
- B. method of maintaining account books.
- C. aid to filing.
- D. method of maintaining statistical books.

ANSWER: B

71. A certain percentage of the sum assured is paid periodically according to the terms of policy is known as _____.

- A. Term policy
- B. Endowment policy
- C. Money-Back Policy
- D. Group insurance policy

ANSWER: C

72. Computer hardware refers to _____.

- A. all the equipment required for proper functioning of a programme.
- B. punched cards, punched paper tapes or magnetic tapes.
- C. data required for immediate working.
- D. the end product of final information obtained from the computer.

ANSWER: A

73. Memory unit is a part of _____.

- A. Punched card system.
- B. Electronic data processing.
- C. Both Punched card system and Electronic data processing.
- D. Both Punched card system and manually operated accounting machines.

ANSWER: B

74. What is called to buying of shares by taking money from brokers?

- A. Margin trading.
- B. Curb dealing.
- C. Badla.
- D. Forward.

ANSWER: A

75. The primary aim of co-operative is to _____.

- A. earn more profits.
- B. serve the members.
- C. raise production.
- D. raise more money.

ANSWER: B

76. A sleeping partner is one who _____.

- A. contributes capital.
- B. takes active part in the business.
- C. contributes members.
- D. contributes materials.

ANSWER: A

77. The principle of indemnity does not apply to _____ .

- A. Burglary insurance
- B. Fire Insurance
- C. Marine Insurance
- D. Life and Personal Accident insurance

ANSWER: D

78. In vertical filing system, files or folders are kept _____.

- A. one upon the other.
- B. in standing upright position.
- C. in packets or large envelopes.
- D. in a cupboard, divided into a number of small compartments.

ANSWER: B

79. The primary function of an office is _____.

- A. making, using and preserving records.
- B. remuneration personnel.
- C. carrying out the management policies.
- D. safeguarding of authority means.

ANSWER: A

80. Decentralization of authority means _____.

- A. giving permission to the subordinate to do his work.
- B. conveying what the subordinate is expected to do.
- C. delegating responsibility.

D. departmentalizing activities.

ANSWER: D

81. Which of the following methods of filing do you recommend for a large size undertaking?

- A. Pigeon hole system.
- B. Spike files.
- C. Box files.
- D. Vertical filing.

ANSWER: D

82. Planning and control are _____ functions of an office.

- A. informative.
- B. administrative.
- C. public.
- D. private.

ANSWER: B

83. _____ is a major physical facility in an office.

- A. Office accommodation.
- B. Open office.
- C. Closed office.
- D. Public office.

ANSWER: A

84. _____ is an important consideration for setting up an office.

- A. Office accommodation.
- B. Office location.
- C. Closed office.
- D. Public office.

ANSWER: B

85. Guarantee for employer for the loss out of employee's dishonest is_____.

- A. Burglary insurance
- B. Fidelity insurance
- C. third party insurance
- D. medical insurance

ANSWER: B

86. Insurance is based on the principle of _____.

- A. Co-operation
- B. Democracy
- C. Equality
- D. Welfare

ANSWER: A

87. _____ Office is in the form of a hall where all the employees work.

- A. Open.
- B. Public.

C. Private.

D. System.

ANSWER: A

88. The building used by the professional is called _____ office.

A. Quiet.

B. Sound.

C. Big.

D. Small.

ANSWER: A

89. A building jointly owned is called office_____.

A. layout.

B. condominium.

C. accommodation.

D. location.

ANSWER: B

90. Which type of classification is based on numerical order?

A. Alphabetical classification.

B. Numerical classification.

C. Subject wise classification.

D. Geographical classification.

ANSWER: B

91. Which type of classification is based on the area of operation?

A. Alphabetical classification.

B. Numerical classification.

C. Subject wise classification.

D. Geographical classification.

ANSWER: D

92. Spike file is also called as _____.

A. Card board file.

B. Pillar file.

C. Box file.

D. Pigeon-hole method.

ANSWER: B

93. In which method of filing, papers and documents are placed in metal holders in chorological order?

A. Box file.

B. Bound book.

C. Metal holders.

D. Pillar file.

ANSWER: C

94. In which method of filing, all the letters and documents are passed in the book in chorological order?

A. Box file.

- B. Bound book.
- C. Metal holders.
- D. Pillar file.

ANSWER: B

95. Which types of files are available in the form of tray that lie flat horizontally in a cabinet?

- A. Horizontal files.
- B. Vertical files.
- C. Visible files.
- D. Metal files.

ANSWER: C

96. Which index system is used when small information is required about customers?

- A. Vowel index
- B. Book index
- C. Strip index
- D. Card index

ANSWER: C

97. Except life insurance the maximum term of other insurance is _____ .

- A. 12 months
- B. 24 months
- C. 6 months
- D. 36 months

ANSWER: A

98. The person whose risk is insured is called _____ .

- A. Insured
- B. Assured
- C. Indemnity
- D. both (a) & (b)

ANSWER: D

99. Life insurance in its present form came to India from _____.

- A. The United Kingdom.
- B. The USA.
- C. Canada.
- D. Germany.

ANSWER: A

100. OTCEI stands for _____.

- A. Over The Counter Exchange Of India.
- B. Over The Country Exchange Of India.
- C. Over The Comparison Exchange Of India.
- D. Over The Company Exchange Of India.

ANSWER: A

101. importing goods for the purpose of reexport is termed as _____.

- A. Entrepot trade
- B. Import trade
- C. Export trade
- D. wholesale trade

ANSWER: A

102. A Bull speculator is also called as _____.

- A. mandiwala.
- B. tejiwala.
- C. tarawaniwalas.
- D. vaniwalas.

ANSWER: B

103. A speculator who expects a rise in price of securities in the future are called as ____.

- A. bear.
- B. bull.
- C. stag.
- D. lame duck.

ANSWER: B

104. A bear speculator is also called as _____.

- A. Manidiwala.
- B. Tejiwala.
- C. Tarawaniwalas.
- D. Vaniwala.

ANSWER: A

105. The person who deals in shares, debentures as independent operators are called as

- A. Brokers.
- B. Jobbers.
- C. Tarawaniwalas.
- D. Manidiwalls.

ANSWER: B

106. The purpose of an office is to furnish essential services to the _____.

- A. public.
- B. management.
- C. clerks.
- D. creditors.

ANSWER: B

107. The office management simply means to _____.

- A. Eliminate.
- B. Withdraw.
- C. Control.
- D. Decide.

ANSWER: C

108. Filing is an important aspect of _____.

- A. record keeping.
- B. book keeping.
- C. house-keeping.
- D. time keeping.

ANSWER: C

109. Equity shares were earlier known as _____.

- A. ordinary shares.
- B. deferred shares.
- C. redeemable shares.
- D. irredeemable shares.

ANSWER: A

110. A _____ is an acknowledgement of a debt.

- A. share.
- B. debenture.
- C. equity share.
- D. preference share.

ANSWER: B

111. The debentures are not given any security on assets are called as _____ debentures.

- A. Unsecured.
- B. Secured.
- C. Bearer.
- D. Registered.

ANSWER: A

112. The debentures are given a security on assets are called as _____ debentures.

- A. Unsecured.
- B. Secured.
- C. Bearer.
- D. Registered.

ANSWER: B

113. The preference shares holders who have no claim for the arrears of dividend are ____ preference shares.

- A. Cumulative.
- B. Non-cumulative.
- C. Redeemable.
- D. Irredeemable.

ANSWER: B

114. The ____ co-operative societies are established for the benefit of small producers.

- A. Consumers.
- B. Producers.
- C. Marketing.
- D. Housing.

ANSWER: B

115. The ____ co-operatives are associations of producers for selling their products at remunerative prices.

- A. Consumers.
- B. Producers.
- C. Marketing.
- D. Housing.

ANSWER: C

116. Which co-operative societies are helpful to their members in purchasing land and constructing houses?

- A. Consumers.
- B. Producers.
- C. Marketing.
- D. Housing.

ANSWER: D

117. ____ societies are voluntary associations of farmers framed to reap the benefits of large scale farming on scientific lines

- A. Co-operative farming.
- B. Consumers.
- C. Producers.
- D. Marketing.

ANSWER: A

118. Co-operative societies have ____ management.

- A. Government.
- B. Democratic.
- C. Autocratic.
- D. Private.

ANSWER: B

119. ____ Debentures are to be redeemed on the expiry of a certain period.

- A. Redeemable.
- B. Irredeemable.
- C. Convertible.
- D. Non-convertible.

ANSWER: A

120. When a transfer of shares takes place by the operation of law, it is known as ____.

- A. Surrender of shares.
- B. Transmission of shares.
- C. Redeemable shares.
- D. Irredeemable shares.

ANSWER: A

121. The return of shares to the company is known as ____.

- A. Surrender of shares.

- B. Transmission of shares.
- C. Redeemable shares.
- D. Irredeemable shares.

ANSWER: B

122. The optimum point is an _____ size of a firm.

- A. Ideal.
- B. Average.
- C. Over.
- D. Extra.

ANSWER: A

123. Which type of shareholders does not have voting rights?

- A. Equity shareholders.
- B. Preference shareholders.
- C. Deferred shareholders.
- D. Ordinary shareholders.

ANSWER: B

124. Unsecured debentures are also called as ____.

- A. Mortgaged debentures.
- B. Simple debentures.
- C. Bearer debentures.
- D. Registered debentures.

ANSWER: B

125. Secured debentures are also called as ____.

- A. Mortgaged debentures.
- B. Simple debentures.
- C. Bearer debentures.
- D. Registered debentures.

ANSWER: A

126. _____ are the most important source of short term capital.

- A. Commercial banks.
- B. Trade credit.
- C. Installment credit.
- D. Advances.

ANSWER: A

127. The first stock exchange in the world ____.

- A. Mumbai stock exchange.
- B. America stock exchange.
- C. London stock exchange.
- D. France stock exchange.

ANSWER: C

128. According to _____, Office exists anywhere, where certain kinds of work are performed.

- A. Leffingwell.
- B. Robinson.
- C. Edward roche.
- D. Mills.

ANSWER: C

129. The industry which is concerned with the breeding of plants or animals, which are used in reproduction is termed as _____.

- A. Construction industry
- B. Extractive industry
- C. Genetic Industry
- D. Manufacturing industry

ANSWER: C

130. _____ is a social device for eliminating or reducing the loss of society from certain risk.

- A. Premium
- B. Policy
- C. Insurance
- D. Contract

ANSWER: C

131. Economic activities are related to _____.

- A. Production of wealth.
- B. Satisfy ones urge.
- C. Undertaking social service.
- D. Social service.

ANSWER: A

132. Profession involves _____.

- A. Rendering of personal service.
- B. Undertaking a business.
- C. Undertaking a contract.
- D. Profit motive.

ANSWER: A

133. Which of the following is an economic activity?

- A. A farmer in the field.
- B. A teacher teaching his son.
- C. A social worker at a relief camp.
- D. A social worker.

ANSWER: A

134. The Insurer who grants a guarantee from the direct insurer is called as _____.

- A. Direct Insurer.
- B. Ceding Insurer.
- C. Re-Insurer.
- D. Double Insurer.

ANSWER: C

135. IRDA refers to_____.

- A. Insurance Regulatory Development Authority.
- B. Indian Regulatory Development Authority.
- C. Institute of Regulatory Development Authority.
- D. Insurance Regulatory Development Association.

ANSWER: A

136. The principle of prevention is better than cure refers to _____.

- A. Reduction of risk.
- B. Avoiding of risk.
- C. Transferring of risk.
- D. Shifting of risk.

ANSWER: B

137. Working capital means _____.

- A. Current asset plus current liability.
- B. Current asset minus current liability.
- C. Fixed asset plus current asset.
- D. Fixed asset minus current asset.

ANSWER: B

138. Dividends are payable to the _____.

- A. Share holders.
- B. Debenture holders.
- C. Registrar of the company.
- D. Board of directors.

ANSWER: A

139. A written agreement signed by all partners is called _____.

- A. Partnership Deed.
- B. Partnership agreement.
- C. Partnership contract.
- D. Partnership registration.

ANSWER: A

140. Fully paid-up shares are called _____.

- A. Securities.
- B. Stock.
- C. Dividends.
- D. Debentures.

ANSWER: B

141. Insurance business is based on _____.

- A. Parkinson law.
- B. Newton law.
- C. The theory of probability and law of large numbers.
- D. Boyle law.

ANSWER: C

142. The constitution of the IRDA consists of not more than _____ members.

- A. 10 members.
- B. 7 members.
- C. 9 members.
- D. 8 members.

ANSWER: C

143. An office routine _____.

- A. is a system.
- B. is an operation.
- C. stands in between a system and an operation.
- D. stands in between a process and an operation.

ANSWER: A

144. One-man-one-vote - is the principle adopted by _____.

- A. Partnership.
- B. Joint Stock Companies.
- C. Co-operative Societies.
- D. Sole proprietorship.

ANSWER: C

145. The liability of partners in a firm is _____.

- A. Limited.
- B. Unlimited.
- C. Joint liability.
- D. Separate liability.

ANSWER: B

146. A member of a company is _____.

- A. Promoter.
- B. Registered shareholder.
- C. Director.
- D. Broker.

ANSWER: B

147. The difference between the actual price and excess price of a share is called as ____.

- A. Discount.
- B. Forfeiture.
- C. Premium.
- D. Surplus.

ANSWER: C

148. Dividend declared by a company _____.

- A. may be paid in kind.
- B. must be paid in cash.
- C. may be paid in cash or in kind.

D. may be paid in cash only.

ANSWER: D

149. Equity shareholders are the _____.

- A. owners of the company.
- B. creditors of the company.
- C. debtors of the company.
- D. directors of the company.

ANSWER: A

150. The maximum number of members in case of private limited company is _____.

- A. 10
- B. 20
- C. 30
- D. 50

ANSWER: D

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