



## Dr.G.R.Damodaran College of Science

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CRISL rated 'A' (TN) for MBA and MIB Programmes

I B.Com [AM] - [2017-2020]

SEMESTER - I

ALLIED: BUSINESS ORGANISATION AND MANAGEMENT -113 D

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. Fish culture should be classified as \_\_\_\_\_.

- A. extractive industry.
- B. genetic industry.
- C. manufacturing industry.
- D. construction industry.

ANSWER: B

4. Dividend declared by a company \_\_\_\_\_

- A. may be paid in Kind
- B. must be paid in Cash
- C. may be paid in cash or Kind
- D. may be paid in cash only

ANSWER: D

5. When will a partnership be dissolved?

- A. In 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

6. The agent of brokers who obtain business for them are \_\_\_\_\_

- A. remesiers

- B. trade agents
- C. middlemen
- D. taraniwala

ANSWER: A

7. Sole-trade organization is also called as \_\_\_\_\_.

- A. individual proprietorship.
- B. Partnership.
- C. joint stock company.
- D. co-operative society.

ANSWER: A

8. Who is the dormant partner?

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

ANSWER: A

9. 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

10. What is a holding company?

- A. A company having control over another company.
- B. A company whose major share holdings are owned by other company.
- C. A company having a sister concern
- D. A company whose shares are owned by a particular family.

ANSWER: A

11. The existence of a joint stock company is interrupted by \_\_\_\_\_

- A. the death of its members
- B. the death of its directors
- C. the death or insolvency of its managing director
- D. the death of the holder

ANSWER: C

12. 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

13. 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

14. 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

15. 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

16. 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: C

17. 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: B

18. 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

19. Partnership may come into existence \_\_\_\_\_.

- A. by the operation of law.
- B. by an express agreement only.
- C. by an express or implied agreement only.
- D. by inheritance of property.

ANSWER: C

20. Registration of partnership is \_\_\_\_\_.

- A. optional under Indian partnership act.
- B. compulsory under the Indian partnership act.
- C. compulsory under the income tax act.
- D. compulsory under Indian contract act.

ANSWER: A

21. 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

22. The minimum number of members in a private limited company is \_\_\_\_.
- A. Two
  - B. Three
  - C. Seven
  - D. Ten

ANSWER: A

23. A Joint stock company is governed by \_\_\_\_\_.
- A. Companies Act 1965
  - B. Companies Act 1946
  - C. Companies Act 1956
  - D. Companies Act 1966

ANSWER: C

24. 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

25. The liability of shareholders of a public company is limited to the \_\_\_\_\_.
- A. paid up value of shares.
  - B. nominal value of shares.
  - C. extent of their private assets.
  - D. accounts called up.

ANSWER: B

26. 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

27. In the co-operative organization, the voting rights of members are \_\_\_\_.
- A. in proportion to the capital paid by each member.
  - B. equal, irrespective of amount of capital contribution.
  - C. in proportion to the nominal value of capital held by each member.
  - D. in proportion to the total finance supplied including the amount of loan by each member.

ANSWER: B

28. Membership of a co-operative is \_\_\_\_\_.

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

ANSWER: B

29. The minimum number of members for registration of a co-operative society is \_\_\_\_\_.

- A. two
- B. seven
- C. ten
- D. twenty

ANSWER: C

30. 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

31. Reserve bank of India is a/an \_\_\_\_\_.

- A. statutory corporation.
- B. company limited by guarantee.
- C. company limited by shares.
- D. unlimited company.

ANSWER: A

32. A public corporation means \_\_\_\_\_.

- A. public company.
- B. government company.
- C. statutory corporation.
- D. department of union government.

ANSWER: C

33. 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

34. The minimum number of shareholders in a public limited company is \_\_\_\_.

- A. two
- B. three
- C. five
- D. seven

ANSWER: D

35. The limit for maximum number of members in a public company is restricted to \_\_\_\_\_.

- A. 2000.
- B. 5000.

- C. 10000.
  - D. no limit.
- ANSWER: D

36. A private company should have at least \_\_\_\_\_.
- A. 2 members.
  - B. 7 members.
  - C. 10 members.
  - D. 50 members.

ANSWER: A

37. LIC of India is an example of \_\_\_\_\_.
- A. department organization of the central government.
  - B. government company.
  - C. public corporation.
  - D. private corporation.

ANSWER: C

38. The charter of a company is its \_\_\_\_\_.
- A. prospectus.
  - B. statement lieu of prospectus.
  - C. memorandum of association
  - D. articles of association.

ANSWER: C

39. A partnership firm cannot raise funds through \_\_\_\_\_.
- A. bank loan.
  - B. partners loan.
  - C. Debentures.
  - D. partners capital.

ANSWER: C

40. Which of the following securities is not redeemable?
- A. Equity shares.
  - B. Preference shares.
  - C. Cumulative preference shares.
  - D. Debentures.

ANSWER: A

41. Which of the following securities proves a burden on finances of the company, when company is not earning profits?
- A. Equity shares.
  - B. Preference shares.
  - C. Redeemable preference shares.
  - D. Debentures.

ANSWER: D

42. 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: C

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

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

ANSWER: A

44. \_\_\_\_\_ is a substitute for a companys signature.

- A. Director signature
- B. Manager Signature
- C. Common Seal
- D. Managing Director Signature

ANSWER: C

45. Debentures cannot be \_\_\_\_\_.

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

ANSWER: C

46. Control of management of the company mainly vests in \_\_\_\_\_.

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

ANSWER: A

47. Public deposits obtained by a company means \_\_\_\_\_.

- A. deposits received from government.
- B. deposits received from public at large.
- C. deposits received from stockiest and agent as advance.
- D. deposit received from share holders.

ANSWER: B

48. 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

49. 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

50. \_\_\_\_\_ were the pioneers of the co-operative movement

- A. Blackstone society
- B. Rochdale Society of Equitable Pioneers
- C. Common Purpose Society
- D. Mutual Help Society of Pioneers

ANSWER: B

51. The surplus generated by co-operatives is distributed in the form of \_\_\_\_\_.

- A. Cash and kind
- B. Dividend and profit
- C. Profit and dividend
- D. Dividend and bonus

ANSWER: D

52. 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

53. New issue market is an integral part of the \_\_\_\_\_.

- A. stock exchange.
- B. capital market.
- C. stock exchange and capital market.
- D. discount houses.

ANSWER: B

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

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

ANSWER: B

55. When an existing company offers its shares for sale to the existing shareholders, it is known as \_\_\_\_\_.

- A. private placing.
- B. bonus issue.
- C. rights issue.
- D. offer for sale.

ANSWER: C

56. The first stock exchange was set up in India in \_\_\_\_\_.

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

ANSWER: B

57. 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

58. A speculator who applies for new share is \_\_\_\_\_.

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

ANSWER: A

59. 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

60. 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

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

- A. Bull.
- B. Bear.
- C. Stag.
- D. Underwriter

ANSWER: B

62. Which of the speculator applies for new issues with a view to prompt resale?

- A. Bull.
- B. Bear.
- C. Stag.
- D. Lame duck.

ANSWER: A

63. Contango charge is paid by \_\_\_\_\_.

- A. bull speculator to bear speculator.
- B. bear speculator to bull speculator.
- C. lame duck to bull speculator.
- D. stag to under writer.

ANSWER: A

64. In India there are \_\_\_\_\_ recognized stock exchanges at present.

- A. fifteen
- B. sixteen

- C. seventeen
- D. twenty one

ANSWER: D

65. 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

66. When a right to purchase securities is acquired it is know as \_\_\_\_\_.
- A. call option.
  - B. put option.
  - C. double option.
  - D. single option.

ANSWER: B

67. 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

68. Stock exchange deals with the \_\_\_\_\_.
- A. second hand securities.
  - B. issue of equity shares.
  - C. issue of preference shares.
  - D. issue of debentures.

ANSWER: A

69. When did SEBI come 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. Mimeograph is a \_\_\_\_\_.
- A. stencil duplicator.
  - B. method of photocopying.
  - C. process of electrical photography.
  - D. process of blue printing.

ANSWER: B

72. Xerography is a process of \_\_\_\_\_.

- A. electrical photography.
- B. blue printing.
- C. fixing stamps.
- D. printing address.

ANSWER: B

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

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

ANSWER: A

74. 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

75. 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: A

76. 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

77. Planning and control are \_\_\_\_\_ functions of an office.

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

ANSWER: B

78. \_\_\_\_\_ is a major physical facility in an office.

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

ANSWER: A

79. \_\_\_\_\_ is an important consideration for setting up an office.

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

ANSWER: B

80. \_\_\_\_\_ is the arrangement of furniture and equipment with the available floor space.

- A. Office accommodation.
- B. Office location.
- C. Office layout.
- D. Open office.

ANSWER: C

81. \_\_\_\_\_ Office is in the form of a hall where all the employees work.

- A. Open.
- B. Public.
- C. Private.
- D. System.

ANSWER: A

82. The building used by the professional is called \_\_\_\_\_ office.

- A. quiet.
- B. sound.
- C. big.
- D. small.

ANSWER: A

83. A building jointly owned is called office \_\_\_\_\_.

- A. condominium.
- B. layout.
- C. accommodation.
- D. location.

ANSWER: A

84. 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

85. Which type of classification is based on date and time order?

- A. Alphabetical classification.
- B. Numerical classification.
- C. Subject wise classification.
- D. Chronological classification.

ANSWER: D

86. In which method of filing, a spike is fixed in a wooden or a metal base?

- A. Pigeon-hole method.

- B. The spike file.
- C. Card board filing.
- D. Box filing.

ANSWER: B

87. Spike file is also called as \_\_\_\_\_.

- A. card board file.
- B. pillar file.
- C. box file.
- D. pigeon-hole method.

ANSWER: B

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

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

ANSWER: C

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

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

ANSWER: B

90. Horizontal filing is also called as \_\_\_\_\_.

- A. box filing.
- B. flat filing.
- C. open filing.
- D. pillar filing.

ANSWER: B

91. 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

92. Book index is also called as \_\_\_\_ index.

- A. Vowel.
- B. Abound.
- C. Loose leaf book.
- D. Card.

ANSWER: B

93. 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

94. Roller machine is also called as \_\_\_\_\_ machine.

A. rotary.

B. copy.

C. multiple.

D. single.

ANSWER: A

95. The machines produce multiple copies with help of a \_\_\_\_\_.

A. typewriter.

B. stencil.

C. roller machine.

D. processor

ANSWER: B

96. PBX stands for \_\_\_\_\_.

A. Private Book Exchange.

B. Private Branch Exchange.

C. Private Block Exchange.

D. Private Business Exchange.

ANSWER: B

97. EPABX stands for \_\_\_\_\_.

A. Electric Private Automatic Branch Exchange.

B. Electric Public Automatic Branch Exchange.

C. Electric Private Automatic Book Exchange.

D. Electric Private Automatic Business Exchange.

ANSWER: A

98. Which machine is used for stamping outward mail?

A. Franking machine.

B. Adding machine.

C. Mailing machine.

D. Accounting machine.

ANSWER: A

99. 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

100. SEBI stands for \_\_\_\_\_.

A. Shares Exchange Board of India.

B. Stocks Exchange Board of India.

C. Securities Exchange Board of India.

D. Speculators Exchange Board of India.

ANSWER: C

101. A Bull speculator is also called as \_\_\_\_\_.

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

ANSWER: B

102. 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

103. Speculators who apply for shares in new companies and expect to sell them at a premium are called as \_\_\_\_\_.

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

ANSWER: C

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. Filing is an important aspect of \_\_\_\_\_.

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

ANSWER: A

107. Which is the first procedure for dealing at stock exchange?

- A. Placing an order.
- B. Selection of broker.
- C. Contract note.
- D. Settlement.

ANSWER: B

108. Equity shares were earlier known as \_\_\_\_\_.

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

ANSWER: A

109. A \_\_\_\_\_ is an acknowledgement of a debt.

- A. Share.
- B. Debenture.
- C. Equity share.
- D. Preference share.

ANSWER: B

110. The debentures are given a security on assets are called as \_\_\_\_\_ debentures.

- A. unsecured.
- B. secured.
- C. bearer.
- D. registered.

ANSWER: C

111. 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

112. The preference shares which cannot be converted into equity shares are \_\_\_\_\_ preference shares.

- A. cumulative.
- B. non-cumulative.
- C. redeemable
- D. non-convertible.

ANSWER: D

113. The \_\_\_\_ co-operative societies are established for the benefit of small producers.

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

ANSWER: B

114. \_\_\_\_ Debentures are to be redeemed on the expiry of a certain period.

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

ANSWER: A

115. \_\_\_\_ Debentures are not redeemable during life time of the company.



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

ANSWER: B

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

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

ANSWER: B

117. Which shareholders are the real owners of the company?

- A. Equity shareholders
- B. Preference shareholders
- C. Deferred shareholders
- D. Convertible preference shareholders

ANSWER: A

118. Secured debentures are also called as \_\_\_\_.

- A. mortgaged debentures.
- B. simple debentures.
- C. bearer debentures.
- D. registered debentures.

ANSWER: A

119. \_\_\_\_\_ are the most important source of short term capital.

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

ANSWER: C

120. The first organized stock exchange was set up in the year \_\_\_\_\_.

- A. 1887.
- B. 1992.
- C. 1991.
- D. 1994.

ANSWER: A

121. The first stock exchange in the world is \_\_\_\_\_.

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

ANSWER: C

122. Which method of filing is useful for those concerns where numbers of letters are small?

- A. Pigeon-hole.
- B. Card board filing.

- C. Spike.
- D. Press copy book method.

ANSWER: B

123. \_\_\_\_\_ Machine is used to print addresses of the customers or clients on outgoing mail.

- A. Accounting.
- B. Addressing.
- C. Franking.
- D. Listing.

ANSWER: B

124. Which types of drawer is used for easy reference?

- A. Letter tray drawer.
- B. Vertical file drawer.
- C. Center drawer.
- D. Utility drawer.

ANSWER: D

125. Office layout aims at \_\_\_\_\_.

- A. providing space to all employees.
- B. optimum utilization of space.
- C. providing larger open space.
- D. providing space.

ANSWER: B

126. Which method is suitable for large office?

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

ANSWER: D

127. Which type of adding machine provides a printed record?

- A. Listing machine.
- B. Non-listing machine.
- C. Numbering machine.
- D. Stamping machine.

ANSWER: A

128. Intercom system is connected with \_\_\_\_\_.

- A. telephone exchange.
- B. PBX system.
- C. EBPAX system.
- D. FAX.

ANSWER: C

129. The important activities of the business firm are \_\_\_\_\_.

- A. finance.
- B. production.
- C. marketing.
- D. finance, production & marketing.

ANSWER: D

130. 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

131. Dividends are payable to the \_\_\_\_\_.
- A. share holders.
  - B. debenture holders.
  - C. registrar of the company.
  - D. board of directors.

ANSWER: A

132. A written agreement signed by all partners is called \_\_\_\_\_.
- A. partnership Deed.
  - B. partnership agreement.
  - C. partnership contract.
  - D. partnership registration.

ANSWER: A

133. Fully paid-up shares are called \_\_\_\_\_.
- A. securities.
  - B. stock.
  - C. dividends.
  - D. debentures.

ANSWER: B

134. Franking machine is used in \_\_\_\_\_.
- A. bank.
  - B. post office.
  - C. school.
  - D. colleges.

ANSWER: A

135. Receiving information is \_\_\_\_\_.
- A. an administrative function of an office.
  - B. a basic function of an office.
  - C. an ancillary function of an office.
  - D. a basic function.

ANSWER: B

136. The office is to a business what \_\_\_\_\_.
- A. the glass is to a watch.
  - B. the main spring is to a watch.
  - C. the appearance is to a watch.
  - D. the performance to watch.

ANSWER: B

137. Voice mail is nothing but \_\_\_\_\_.
- A. communication through telephones.
  - B. communication through FAX.
  - C. communication through computer.
  - D. communication through letter.

ANSWER: A

138. One-man-one-vote is the principle adopted by \_\_\_\_\_.
- A. Partnership.
  - B. joint Stock Companies.
  - C. co-operative Societies.
  - D. sole proprietorship.

ANSWER: C

139. The method of evaluating the efficiency of workers is termed as \_\_\_\_\_.
- A. merit rating.
  - B. job evaluation
  - C. filing.
  - D. indexing.

ANSWER: A

140. Which one of the following is the basic function of a modern office?
- A. Safe guarding of office equipments.
  - B. Public relation function.
  - C. Receiving and collecting information.
  - D. Only collecting information.

ANSWER: C

141. Office machines are \_\_\_\_\_.
- A. Unnecessary.
  - B. labour saving devices.
  - C. to be selected carefully.
  - D. necessary.

ANSWER: B

142. Mail service refers to \_\_\_\_\_.
- A. handling incoming and outgoing letters through postal and messenger service.
  - B. management of equipments.
  - C. management.
  - D. administration purpose.

ANSWER: A

143. When at least 51% shares are in the hands of government, it is called as \_\_\_\_.
- A. public corporation.
  - B. government company.
  - C. public company.
  - D. private company.

ANSWER: B

144. Share prices are subject to fluctuation because \_\_\_\_\_.
- A. it is often changed by the government.

- B. of demand and supply condition in the market.
- C. it is determined by the company.
- D. companies policies.

ANSWER: B

145. The financial market for short term funds is known as \_\_\_\_\_.

- A. capital market.
- B. money market.
- C. bullion market.
- D. share market.

ANSWER: B

146. Shares issued to the existing share holders on a pre-emptive basis is \_\_\_\_\_.

- A. bonus shares.
- B. right issue.
- C. new issue.
- D. secondary market.

ANSWER: B

147. A member of a company is \_\_\_\_\_.

- A. promoter.
- B. registered shareholder.
- C. director.
- D. broker.

ANSWER: B

148. 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

149. The maximum number of members in case of private limited company is \_\_\_\_\_.

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

ANSWER: D

150. Service organisations of the government are set up in the form of

- A. government company
- B. departmental undertaking
- C. public limited company
- D. public corporation

ANSWER: D

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