

B.Com III Semester
Company Accounts
Multiple Choice Questions.

1. Share allotment account is a -----.
A. personal account
B. Real account
C. Nominal account
D. Impersonal account

2. Holders of preference shares will have a right to vote if the dividend remains in arrears for a period not less than
A. 2 year
B. 3 years
C. 6 years
D. none of these

3. The minimum share Application money is -----.
A. 5% of the face value of shares
B. 10% of the issue price of shares
C. Re. 1 per share
D. 15% of the face value of shares

4. Premium received on issue of shares is shown on-----.
A. asset side of the balance sheet
B. liability side of the balance sheet
C. credit side of the P&L a/c.
D. debit side of the P & L a/c

5. Premium on issue of shares can be used for -----.
A. distribution of dividend
B. writing of
f capital losses
C. transferring to general reserve
D. paying fees to directors

6. Premium received on issue of shares cannot be utilised for -----.
A. for the issue of bonus shares
B. for writing of preliminary expenses
C. for providing premium payable on redemption
D. for distribution of dividend

7. Section -----of companies act 1956 deals with the scheme of stock invest
A. 69 to 70
B. 69 to 71

C. 69 to 72

D. 69 to 73

8. When shares issued at premium which of the following account is credited?

A. Share premium account

B. Share first call account

C. Share allotment account

D. Share forfeited account

9. Minimum number of members in case of public company is-----.

A. 4

B. 5

C. 6

D. 7

10. Maximum number of members in public limited company is -----.

A. 10

B. 20

C. 50

D. unlimited

11. After getting minimum subscription of shares, the company has to allot shares with in-----
-----days.

A. 90

B. 100

C. 110

D. 120

12. If the minimum subscription is not received by the company, then the refund of application money should be made within -----days.

A. 7

B. 9

C. 10

D. 22

13. In case of public limited company, after getting the-----the company can start the business

A. Memorandum of Association

B. Table A

C. Certificate of commencement of business

D. Articles of Association

14. If Company A purchases the majority shares of Company B, what combination would this be referred to?

A. Amalgamation

B. Takeover

- C. Absorption
- D. None of the above

15. When two or more companies carrying on similar business decide to combine, a new company is formed, it is known as

- (A) Amalgamation**
- (B) Absorption
- (C) Internal reconstruction
- (D) External reconstruction

16. When one of the existing companies take over business of another company or companies, it is known as

- (A) Amalgamation
- (B) Absorption**
- (C) Internal reconstruction
- (D) External reconstruction

17. While calculating purchase price, the following values of assets are considered

- (A) Book value
- (B) New values fixed**
- (C) Average values
- (D) Market values

18. Shares received from the new company are recorded at -

- (A) Face value
- (B) Average price
- (C) Market value**
- (D) None of the above

19. Which of the following statement is correct?

- (A) The amount of Goodwill or Capital Reserve is found out in the books of purchasing company only**
- (B) The amount of Goodwill or Capital Reserve is found out in the books of vendor company only.
- (C) $\text{Goodwill} = \text{Net Assets} - \text{Purchase price}$
- (D) The face value of shares of purchasing company will be taken in to account while calculating purchase consideration.

20. If the two companies have different accounting policies in respect of the same item, then they make necessary changes to adopt..... Accounting policies.

- (A) Lifo method
- (B) Fifo method
- (C) Weighted method
- (D) Uniform**

21. The Amalgamation Adjustment Account appears in the books, it is shown under the heading of in the balance sheet.

- (A) Reserve and Surplus
- (B) Fixed Assets
- (C) Investments
- (D) Miscellaneous expenditure**

22. If amalgamation is in the, the General Reserve or Profit and Loss A/c balance will not be shown in the balance sheet.

- (A) Form of Merger
- (B) Form of purchase**
- (C) Net assets method
- (D) Consideration method

23. If the intrinsic values of shares exchanged are not equal, the difference is paid in

- (A) Cash**
- (B) Debenture
- (C) Pref. share
- (D) Assets

24. In case of, one existing company takes over the business of another company and no new company is formed.

- (A) Amalgamation
- (B) Absorption**
- (C) Reconstruction
- (D) None of the Above

25. In amalgamation of two companies

- (A) Both companies lose their existence**
- (B) Both companies continue
- (C) Any one company continues
- (D) None of the above

26. When purchasing company pays purchase consideration, it will be debited to

- (A) Business purchase account
- (B) Assets account
- (C) Liquidator of selling company's account**
- (D) None of the above

27. When the purchasing company bears the liquidation expenses, it will debit the expenses to

- (A) Vendor Company's Account
- (B) Bank Account
- (C) Goodwill Account**
- (D) None of the above

28. When the Vendor (seller) company agrees to bear liquidation expenses, it will debit

- (A) **Realisation Account**
- (B) Bank Account
- (C) Goodwill Account
- (D) None of the above

29. When the purchasing company does not take over a particular liability and the vendor company pays that liability, it will debit it to

- (A) **Realisation Account**
- (B) Bank Account
- (C) Liability Account
- (D) None of the above

30. When the Net Assets are less than the Purchase Consideration, the difference will be

- (A) Debited to Goodwill A/c.
- (B) Debited to General Reserve
- (C) none of these

31. While calculating purchase consideration values of assets is to be considered.

- (A) Book value
- (B) **Revalued price**
- (C) Average price
- (D) Capital

32. Net Assets minus Capital Reserve is _____

- (A) Goodwill
- (B) Total assets
- (C) **Purchase consideration**
- (D) None of these

33. Hitanshi Ltd.'s purchase consideration is Rs.12,345 and Net Assets Rs.3,568, then.....

- (A) **Goodwill Rs. 8,777**
- (B) Capital Reserve Rs. 8,777
- (C) Goodwill Rs. 15,913
- (D) Capital Reserve R

34. The original amount of preference share capital should be transferred to account in the time of amalgamation in the books of vendor co.

- (A) **Preference shareholders Account**
- (B) Capital Reserve Account
- (C) Equity share capital Account
- (D) Equity share capital Account

35. Both of the old companies will not exist in

- (A) Internal reconstruction

- (B) Absorption
- (C) External reconstruction
- (D) Amalgamation**

36. When company purchases the business of another company comes into existence.

- (A) Amalgamation
- (B) Absorption**
- (C) External Reconstruction
- (D) Internal Reconstruction

37. When liquidation expenses is paid and borne by seller company then it is debited to _____

- (A) Bank A/c
- (B) Goodwill A/c
- (C) Realisation A/c**
- (D) Capital Reserve A/c.

38. The shares received from the new company is recorded at

- (A) Face value
- (B) Market value**
- (C) Average price
- (D) None of these

39. If the market price of the shares to be given for Purchase Consideration at the time of absorption, of the share is to be determined

- (A) Fair Value
- (B) Face Value
- (C) Intrinsic Value**
- (D) Yield Value

40. All direct & indirect expenses related to business are charged:

- a) Profit and loss account
- b) Trading account
- c) Trading account Profit and Loss account**
- d) Directly to Balance sheet

41. Trade Payables are recorded in.....

- a) Asset side of B/S
- b) Liability side of B/S**
- c) P & L a/c
- d) None of the above

VIDYABHARATI MAHAVIDYALAYA, AMRAVAT,

SUBJECT:- BUSINESS ENVIRONMENT , B. COM FINAL YEAR

- 1 . By which act government checks restrictive trade?
A. Industrial Policy Act 1991
B. MRTP Act
C. FEMA act
D. None of these

2. Which of the following does not fall within the jurisdiction of MRTP commission?
A. Prevention of Monopolistic Trade practices
B. Prevention of Restrictive trade practices
C. Prohibition of Unfair Trade Practices
D. Regulation of Combinations

3. Liberalization means
A. Reducing number of reserved industries from 17 to 8
B. Liberating the industry, trade and economy from unwanted restrictions
C. Opening up of economy to the world by attaining international competitiveness
D. Free determination of interest rates

4. When a company taken over another one and clearly becomes the new owner, the action is called
A. Merger
B. Acquisition
C. Strategic Alliance
D. None of the above

5. Relaxing the restrictions and controls imposed on Business and industry means
A. Liberalisation
B. Privatisation
C. Globalisation
D. None of the above

6. Company images and brand equity is factor affecting business

- A. Externally**
- B. Internally
- C. Government Policy
- D. None of these

7. Which among the following is not opened for private sector participation

- A. Power sector
- B. Telecommunication sector
- C. Education sector
- D. Railways**

8. _____ is an economic system based on the principal of free enterprise.

- A. Capitalism**
- B. Socialism
- C. Mixed Economy
- D. Marxism

9: What are the decisions taken by government of India pertaining to Industrial Sector in the new industrial policy of 1991?

- A. VRS to shed the excess load of workers
- B. Disinvestment of public sector share holding
- C. Referring sick units to BIFR
- D. All of the above**

10: A monopolistic trade practice is deemed to be prejudicial to public interest except when

- A. Authorized by Central Government
- B. Authorized by State Government**
- C. Authorized by Supreme Court
- D. None of the above

11: Which among these is not a method of privatisation?

- A. Denationalisation
- B. Franchising
- C. Sale of Business**
- D. All of these

12: The pre-liberalisation era of Indian Economy was under the grip of

- A. Unemployment
- B. Under-employment
- C. Fiscal Deficit
- D. Unfavorable and alarming balance of payment**

13: Which among these can be condition for the success of privatisation?

- A. Alternative institutional arrangements
- B. Barriers to enter the market**
- C. Measurability of performance
- D. All of the above

14: Privatisation of ownership through sale of equity share is called

- A. Denationalisation
- B. Disinvestment**
- C. Contracting
- D. None of these

15: Which among these is monopolistic trade practice?

- A. Unreasonably limiting competition
- B. Manufacturing only one product**
- C. Limiting technical Development
- D. Selling only one product

16: The Industrial policy resolution was passed first in

- A. 1931
- B. 1947
- C. 1956**
- D. 1999

17: Planning is a ----- process

- A. Goal Oriented
- B. Flexible
- C. Time bound
- D. All of these**

18: which among these is not a global force impacting the Indian Economy

- A. Dynamics of capital flow**
- B. Integrating the role of Purchasing
- C. Integrating the role of Technology
- D. Need of Attitudinal Change

19: Globalisation is the term used to describe process of removal of restriction on

- A. Foreign Trade
- B. Investment
- C. Both (A) and (B)**
- D. None of the above

20: For the purpose of inquiry under the MRTP Act, the commission has the power equivalent to

- A. Civil court**
- B. consumer court
- C. High court
- D. None of these

21: 'The age of Discontinuity' (1969) has been authored by

- A. John Drydon
- B. Cyril Debydeen
- C. Peter F. Drucker**
- D. None of these

22: Laissez Faire policy is adopted in

- A. Socialist Economic system
- B. Capitalist Economic system**
- C. Mixed Economic System
- D. Communist Economic System

23: Which of the following is the vital question in the economic system?

- A. What to produce
- B. How to produce
- C. For whom to produce
- D. All of the above**

24: Which of the following is not the objective of Competition act 2002?

- A. Prohibition of abuse of dominant position
- B. Prohibition of restrictive Trade practices**
- C. Prohibition of anti-competitive Agreement
- D. Regulation of combinations

25: Which among these is not a restrictive trade practice?

- A. Tie Up sales

B. Price Discrimination

C. Manipulation of Price

D. All are restrictive trade practices

26: In India, Liberalisation & Privatisation began from

A. 1991

B. 1971

C. 1981

D. 1947

27: Which one is not the main objective of Fiscal Policy in India?

A. To increase liquidity in economy

B. To promote price stability

C. To minimize the inequalities of income and wealth

D. To promote employment opportunities

28: FEMA signifies

A. Free Export management act

B. Foreign Exchange management act

C. Foreign Exchange monitoring act

D. Free Export marketing act

29: Which among these is not an objective of planning?

A. Economic growth

B. Setting of heavy industries

C. Modernisation

D. None of these

30: Which among the following is not the instrument of monetary policy

A. Deficit financing

B. Statutory liquidity Ratio

C. Cash reserve ratio

D. Open market operation

31: Globalisation means

A. Setting of firms branches in other countries

B. Adopting a global outlook

C. Earning profit from Exports

D. Attracting foreign investment

32: Which one is not an element of internal environment?

- A. Marketing capabilities
- B. Operational Capabilities
- C. Money and capital market**
- D. Personal Capabilities

33: A possible obstacle to growth of privatisation is

- A. Profit earned by public enterprises
- B. Sale of least profitable enterprises**
- C. Licensing
- D. All of these

34: Pollution monitoring and control is done by

- A. Central board of prevention and control of water Pollution**
- B. Central board of pollution control
- C. Central government
- D. None of the above

35: First industrial policy resolution was issued in

- A. 1947
- B. 1948**
- C. 1951
- D. 1954

36: Industrial (Development & Regulation) Act was passed by parliament in

- A. 1947
- B. 1949
- C. 1951**
- D. 1956

37: If the amount claimed by consumer is Rs. 89 Lacs, the case under the consumer protection act shall be filed with

- A. District Consumer Redressal forum
- B. State consumer Dispute Redressal Commission**
- C. National consumer Dispute Redressal Commission
- D. Supreme court

38: The credit for inventing the word "Privatisation" goes to

- A. Elton Mayo
- B. F.W. Taylor**

C. L. Urwick

D. Peter Drucker

39: Indian businesses encounter the following problem in the globalisation

A. Infrastructural Bottleneck

B. Lack of interest shown by MNC's

C. Both (A) and (B)

D. None of these

40: Industrial policy resolution of 1948 was divided industries into

A. 3 categories

B. 4 categories

C. 5 categories

D. 6 categories

41: Industrial policy resolution 1956 divided industries into ----- categories

A. 2

B. 3

C. 4

D. 5

42: Globalisation means

A. Adopting a global outlook for business

B. Inviting multinationals in the country

C. Selling in the foreign market

D. All of the above

43: Consumer protection in India is ensured by

A. Consumer protection Act, 1946

B. Consumer protection Act, 1986

C. Consumer protection Act, 1990

D. Consumer protection Act, 1968

44: VAT is imposed

A. Directly on Consumers

B. On final Stage of production

C. On all stages from Production to final sale

D. None of the above

45: As per Industrial Policy resolution 1956, reserved industries for public sector are

- A. 12
- B. 14
- C. 16
- D. 17**

46: The concept of small scale industries (SSIs) was brought to the fore by the

- A. Industrial Policy Resolution 1948
- B. Industrial Policy Resolution 1956
- C. Industrial Policy Statement 1977**
- D. None of the above

47: Environment degradation does not consist of

- A. Land degradation and soil erosion
- B. Problem of over grazing and ecological degradation
- C. Floods
- D. None of the above**

48: The MRTP Act of 1969 was abolished in

- A. 1991
- B. 2002**
- C. 2006
- D. None of the above

49: India abolished quantitative restrictions on imports of 1429 items in 2000 and 2001 as per the commitment to which of the following

- A. SAFTA
- B. GATT
- C. WTO**
- D. NAM

50: Micro factors of external business environment does not include

- A. Competitors
- B. Customers
- C. Government Policies**
- D. None of these

51: **Assertion (A).** The new Industrial policy was announced on July 24, 1991.

Reason (R). The new industrial policy was announced by the V.P. Singh Government.

A. Both (A) and (R) are true and (R) is the correct explanation of (A).

- B. Both (A) and (R) are true but (R) is not the correct explanation of (A).
- C. (A) is true but (R) is false.
- D. (A) is false but (R) is true.

52: **Assertion (A)** . Industrialisation of an economy is considered synonymous with growth.
Reason (R). The transfer of resources from agriculture to industry may be capital or labour or both.

- A. Both (A) and (R) are true and (R) is the correct explanation of (A).
- B. Both (A) and (R) are true but (R) is not the correct explanation of (A).**
- C. (A) is true but (R) is false.
- D. (A) is false but (R) is true.

53: **Assertion (A)**. In 1991 only 4 industries are reserved for public sector.
Reason (R). Industrial Policy 1991 define MRTP firm as companies with turn over of Rs. 20 crore.

- A. Both (A) and (R) are true and (R) is the correct explanation of (A).
- B. Both (A) and (R) are true but (R) is not the correct explanation of (A).
- C. (A) is true but (R) is false.**
- D. (A) is false but (R) is true.

54: **Assertion (A)**. In 1991 government decided to allow all foreign investment to any industries without any restrictions.

Reason (R). Government has enhanced the investment limit of small scale industries units.

- A. Both (A) and (R) are true and (R) is the correct explanation of (A).
- B. Both (A) and (R) are true but (R) is not the correct explanation of (A).
- C. (A) is true but (R) is false.
- D. (A) is false but (R) is true.**

55. Macro environment consists of

- A. cultural forces
- B. technological forces
- C. demographic forces
- D. All of the above**

56. In the Indian context, the emphasis on import substitution often run counter to -----

- A. the objective of managerial development
- B. the objective of Sports development
- C. the objective of Skill development

D. the objective of Technological development

57. What do you mean by DGTD ?

A. Director General of Trade Development

B. Director General of Total Development

C. Director General of Technical Development

D. None of these

58. What is the full form of SWOT ?

A. Strengths, Weaknesses, Opportunities and Threats

B. Software Warehousing of Threats

C. single optimism technique

D. none of these

59. Which can be a method of privatisation ?

i. Disinvestment

ii. Denationalisation

iii. Purchasing Share

iv. Takeover

v. Merger

A. (i) and (ii)

B. (i), (ii) and (iii)

C. (ii), (iv) and (v)

D. All of the above

60. What are the factors that contribute to the Business Success?

A. marketing resources

B. physical assets

C. financial factors

D. all of the above

61. In which duration, considerable import substitution has taken place in many important areas in capital goods, organic chemicals ?

- A. two decades
- B. three decades
- C. four decades (last)**
- D. five decades

62. What are the important external factors that constitute the economic environment of Business ?

- A. economic condition
- B. economic policy
- C. economic system
- D. all of the above**

63. "Focus on social environment" is related to ?

- A. Unity of command
- B. Human Relations**
- C. Unity of Direction
- D. All of the above

64. Micro environment consists of ?

- A. suppliers
- B. marketing
- C. competitors
- D. all of the above**

65. Which plan introduced the time and target approach to family planning?

- A. Fourth Plan
- B. Sixth Plan**
- C. Eighth plan
- D. None of these

66. In initial years of planning, industrial development was largely based on

- A. export substitution**
- B. import substitution
- C. transportation
- D. none of these

67. Competitors, Customers and Public are part of

- A. macro environment
- B. micro environment**

- C. business necessities
- D. none of these

68. Which law emphasised the importance of continuous development and expansion of export-oriented production?

- A. Export policy resolution 1970**
- B. M.R.T.P.
- C. I.R.D.A.
- D. Company Act

69. Consumers have the rights

- (i) to be protected against goods and services that are hazardous to life and property
- (ii) to assure wherever possible access to a variety of goods and services at national prices.

- A. Both (i) and (ii) are correct.**
- B. Both (i) and (ii) are wrong.
- C. Only (i) is correct
- D. Only (ii) is correct.

70. Reasons for adopting globalisation

- A. Profit advantage
- B. Growth Opportunity
- C. Domestic Market Constraints
- D. Spin off benefits**

71. Read the following statements and choose the correct answer

- (i) Political environment refers to all forces which have an economic impact on business
- (ii) Economic environment refers to all forces which have an economic impact on business
- (iii) Technological Environment exercise not considerable influence on Business
- (iv) Social and cultural environment refers to the influence exercised by certain factors

- A. Only (i) and (ii) are true
- B. all the above statements are true
- C. (i), (ii) and (iv) are true**
- D. all the statements are false

72. Which is true for existing Economic and Industrial policies of Indian Government ?

- (i) FERA was abolished
- (ii) MRTP was abolished
- (iii) Cash compensatory support for export was abolished
- (iv) Industrial Licensing (except a few goods) was abolished

A. (i), (ii), (iii) and (iv)

B. (i), (iii) and (iv)

C. Only (iii) and (iv)

D. Only (ii) and (iii)

73. The essential commodities act was passed in the year ---

A. 1952

B. 1945

C. 1959

D. 1955

74. Which combination of the following factors has driven globalisation in the recent past?

(i) Growth of multinational corporations

(ii) Internationalisation of finance

(iii) Increased international trade

A. (i) and (ii)

B. (i) and (iii)

C. (ii) and (iii)

D. (i),(ii) and (iii)

75. Consumers have the rights

(i) to be protected against goods and services that are hazardous to life and property.

(ii) to assure wherever possible access to a variety of goods; and services at national prices.

A. Both (i) and (ii) are correct.

B. Both (i) and (ii) are wrong

C. Only (i) is correct.

D. Only (ii) is correct.

76. Arrange the following Acts in the order in which they came into force.

(i) The Monopolies Restrictive Trade Practices Act

(ii) Indian Contract Act

- (iii) The Sale of Goods Act
- (iv) The Foreign Exchange Management Act

A. (il), (iii), (i), (iv)

B. (iii), (i), (iv) and (ii)

C. (i), (ii), (iii), (iv)

D. (iv), (iii), (ii), (i)

77. Match the following components of Business Environment.

- | | |
|---------------------------|-----------------------------------|
| (a) Economic Environment | (i) Exim Policy |
| (b) Social Environment | (ii) Customs |
| (c) Political Environment | (iii) Social values |
| (d) Legal Environment | (iv) Business Law and Banking Act |

(a) (b) (c) (d)

A.

(i) (ii) (iii) (iv)

(a) (b) (c) (d)

B.

(iii) (iv) (ii) (i)

(a) (b) (c) (d)

C.

(iii) (i) (ii) (iv)

(a) (b) (c) (d)

D.

(i) (ii) (iv) (iii)

78. What is the full form of IRDA?

A. Industrial Regulation & Development Authority

B. Insurance Regulatory & Development Authority

C. Indian Regulation Development Authority

D. none of these

79. Statement (A). In the context of globalisation, the most important challenge facing India is to boost exports.

Reason (R). It may increase the country's growth rate.

A. Both (A) and (R) are true and (R) is the correct explanation of (A).

B. Both (A) and (R) are true and (R) is the uncorrect explanation of (A).

C. (A) is true but (R) is false.

D. (A) is false but (R) is true.

80. Match the following

List I

- a. Focus on social environment
- b. Focus on physical environment
- c. One person one superior
- d. One head one plan

List II

- 1. Traditional theorist
- 2. Human Relationists
- 3. Unity Direction
- 4. Unity of command

A. (a) (b) (c) (d)
1 2 3 4

B. (a) (b) (c) (d)
2 1 4 3

C. (a) (b) (c) (d)
3 2 1 4

D. (a) (b) (c) (d)
4 3 2 1

81. Statement (A). The GATT applied only to trade in merchandise goods.

Reasons (R). The WTO covers trade in goods, services and trade in ideas or intellectual properties.

A. Both (A) and (R) are true and (R) is the correct explanation of (A).

B. Both (A) and (R) are true and (R) is the not correct explanation of (A).

C. (A) is true but (R) is false.

D. (A) is false but (R) is true.

82. In how many industries the State was to play an active role?

A. 13 important industries

B. 12 industries

C. 15 industries

D. 16 firms

83. Which one of the following law controlled over merger, Amalgamations, takeovers etc.?

A. IRDA

B. NASDOC

C. M.R.T.P.

D. D.R.

84. Match the following legislations with the year of their enactment

- | | |
|---|------------|
| (a) Industries (Development and Regulation) Act | (i) 1969 |
| (b) ForeignExchange Management Act | (ii) 1951 |
| (c) Securities Exchange Board of India Act | (iii) 1999 |
| (d) MRTP Act | (iv) 1992 |

A. (a) (b) (c) (d)
(i) (iii) (iv) (ii)

B. (a) (b) (c) (d)

(ii) (iv) (i) (iii)

C. (a) (b) (c) (d)
(iii) (i) (iv) (ii)

D. (a) (b) (c) (d)
(iv) (iii) (ii) (i)

85. Choose the correct statement:

A. the public sector would play useful in augmenting basic resources of country like land, forest, water

B. the public sector will have responsibility for meeting social need

C. public sector would not play a useful role in population controls

D. only (A) and (B)

86. With the Industrial Policy Resolution of 1956, the future development of key industries became the exclusive responsibility of the State.

A. 18

B. 17

C. 16

D. 15

87. The expanded production of fertilizers, textiles & buildings require some

A. power production

B. domestic production of the necessary capital goods

C. economical growth

D. none of these

88. Assertion (A). Private location process leads to change in management with change in ownership.

Reason (R). Change in management is not a necessary condition for the process of privatisation.

A. Both (A) and (R) are correct.

B. (A) is correct but (R) is incorrect.

C. (A) is incorrect but (R) is correct.

D. Both (A) and (R) are incorrect.

89. One of the criticisms levelled against the development strategy in India is that should have been given greater importance than industry.

A. agricultural sector

B. private sector

C. public sector

D. hilly sector

90. Which act gave the Government enormous control over the management?

A. Company's act

B. Industrial act

C. M.R.T.P. Act

D. Both (A) and (B)

91. The most promising source of saving to finance development is

A. the profits of organized sector

B. profits of railway

C. profits of Government sector

D. only the profit of private sector

92. Assertion (A). Industrial policy 1991 initiated liberalisation of Indian economy.

Reason (R). Industrial growth was very slow before 1991.

A. Both (A) and (R) are true and (R) is the correct explanation of (A).

B. Both (A) and (R) are true but (R) is not the correct explanation of (A).

C. (A) is true but (R) is false.

D. (A) is false but (R) is true.

93. Central Government investment in industrial enterprises increased substantially in

A. three decades

B. two decades

C. four decades

D. one decade

94. Which among these is a factor affecting business Environment?

A. Value System

B. Human Resources

C. Both (A) and (B)

D. Neither (A) nor (B).

95. In which type of industries the public sector units play a dominant role?

A. petro chemical

B. fertilizers

C. steel industries

D. all of the above

96. The "heavy industry" strategy of the Mahalanobis model was initiated in

- A. first plan
- B. second plan**
- C. third plan
- D. fourth plan

97. Why the public sector took over a number of sick units from the private sector?

- A. due to the social obligations of protecting employment**
- B. due to low manufacturing
- C. due to the deficiency of managerial planning
- D. none of these

98. What are the weaknesses of earlier approach to industrial development?

- A. it was not efficiently implemented
- B. it did not have the wider support of adequate agricultural development
- C. it was not fully planned
- D. all of the above**

99. What is the first factor of Industrial Development?

- A. Design
- B. surplus of technical skill
- C. Planning**
- D. Motivation

100. Which sector produced non-importable commodity?

- A. Railways
- B. Roadways
- C. Electricity
- D. Both (A) and (B)**

MCQs on Business Regulatory Framework

B.Com Part III

1. An agreement enforceable at law is a
(a) enforceable acceptance (b) accepted offer (c) approved promise (d) contract
2. Every promise and every set of promises, forming the consideration for each other, is an
(a) agreement (b) contract (c) offer (d) acceptance.
3. Promises which form the consideration or part of the consideration for each other are called
(a) reciprocal promises (b) cross offers (c) conditional offer (d) conditional promises.
4. An agreement not enforceable by law is stated to be void under
(a) section 2(d) (b) section 2(e) (c) section 2(f) (d) section 2(g).
5. Void agreement signifies
(a) agreement illegal in nature (b) agreement not enforceable by law (c) agreement violating legal procedure (d) agreement against public policy.
6. Offer as defined under section 2(a) is
(a) communication from one person to another (b) suggestion by one person to another
(c) willingness to do or abstain from doing an act in order to obtain the assent of other thereto
(d) none of the above.
7. Under section 2(b) if the person to whom the proposal is made signifies his assent the proposal is said to have been
(a) accepted (b) agreed (c) provisionally agreed (d) tentatively accepted.
8. A proposal when accepted becomes
(a) promise under section 2(b) (b) agreement under section 2(e) (c) contract under section 2(h)
(d) none of the above.
9. When, at the desire of the promisor, the promisee or any other person has done or

abstained from doing or, does or abstain from doing or promises to do or to abstain from doing something, such act or abstinence or promise under section 2(d) is called

(a) reciprocal promise (b) consideration for the promise (c) counter offer (d) acceptance.

10. Promises which form the consideration or part thereof, for each other under section

2(F) are called
(a) acceptances for different proposals (b) agreements (c) reciprocal promises (d) consideration.

11. Every promise or set of promises forming the consideration for each other under section 2(e) is called

(a) reciprocal promise (b) contract (c) agreement (d) none of the above.

12. An agreement enforceable by law at the instance of one party & not of other party under section 2(i) is called

(a) a valid contract (b) an illegal contract (c) void contract (d) a voidable contract.

13. Which is correct

(a) proposal + acceptance = promise (b) promise + consideration = agreement (c) agreement + enforceability = contract (d) all the above.

14. In a valid contract, what comes first
(a) enforceability (b) acceptance (c) promise (d) proposal.

15. Under section 2(c) promisor is the

(a) person who makes the proposal (b) person who accepts the proposal

(c) person who makes the promise (d) person to whom the proposal is made.

16. In case of death of a joint promisor(s) the promisee

(a) can enforce the contract against the survivor(s) of the said joint promisor(s) alongwith the joint promisors who are alive

(b) cannot enforce the contract against the survivor(s) of the said joint promisor(s)

(c) both (a) & (b)

(d) cannot enforce the contract against any of them.

17. In a contract not specifying the time for performance, the promisor can perform the contract

(a) within any time howsoever long it may be (b) within the shortest time (c) within a reasonable time (d) none of the above.

18. What is a reasonable time for performance of a contract

(a) is a question of fact (b) is a question of law (c) is a mixed question of fact & law (d) is a question of prudence.

19. A contract not specifying the place of performance

(a) performed at any place to the knowledge of the promisee

(b) the promisor has to apply to the promisee for appointment of a place of performance & perform the promise at that place

(c) the promisor need not seek any instructions from the promisee as to the place of performance

(d) the promisor can perform the promise at a place other than the place appointed by the promisee.

20. In case the promisee prescribes the manner and time of performance of promise

(a) the performance must be in the manner and at the time prescribed

(b) the performance can be in a different manner but at the time prescribed

(c) the performance can be in the manner prescribed but at a time beyond the time prescribed

(d) the performance need not be in the manner and time prescribed.

21. If the time of performance of the contract is the essence of the contract and the promisor fails to perform the contract by the specified time

(a) the contract becomes void

(b) the contract remains valid

(c) the contract becomes voidable at the instance of the promisee

(d) the contract becomes unenforceable.

22. If the time is not the essence of the contract the failure to perform the contract by the

specified time makes the contract

(a) void

(b) voidable at the instance of the promisee

(c) remains valid but the promisee can claim compensation for the loss suffered by him by such failure

(d) remains valid & can be performed at any subsequent time without being liable for the loss suffered by the promisee.

23. In contract for sale of immovable property the presumption is that the time is

(a) the essence of the contract

(b) not the essence of the contract

(c) the essence of the contract but failure does not make the contract voidable

(d) not the essence of the contract but makes the contract voidable at the instance of the other party.

24. Reciprocal promises provide for doing certain things which are legal & certain others which are illegal, under section 57

(a) the entire set of promises is void

(b) the first set is voidable, but the second set is void

(c) the first set is valid but the second set is void (d) the entire set of promises is valid.

25. A contract, performance of which becomes impossible or unlawful becomes

(a) void when the performance becomes unlawful or impossible

(b) void

(c) voidable when the performance becomes impossible.

(d) neither becomes void nor voidable

26. Under section 4 of the Indian Partnership Act, partnership is a

(a) compulsory legal relation

- (b) creation of the choice and voluntarily agreement between the concerned parties
- (c) a relation arising from status
- (d) either (a) or (b) or (c).

27. Which of the following enactments insist for a written agreement of partnership

- (a) the Indian Partnership Act, 1932 (b) the Indian Contract Act, 1872
- (c) the Indian Registration Act, 1908 (d) neither (a) nor (b) nor (c).

28. A partnership can be

- (a) a general partnership (b) a particular partnership
- (c) either (a) or (b)
- (d) only (a) and not (b).

29. Section 8 of the Indian Partnership Act, 1932 provides for

- (a) a particular partnership (b) a general partnership
- (c) a partnership at will (d) all the above.

30. The relation of partnership arises from contract and not from status, has been prescribed under

- (a) section 4 (b) section 5 (c) section 6 (d) section 7.

31. Section 7 of the provides for

- (a) partnership in undertaking (b) general partnership
- (c) partnership at will (d) all the above.

32. A partnership firm is

- (a) a distinct legal entity from its partners
- (b) not a distinct legal entity from its partners
- (c) a juristic person
- (d) either (a) or (c).

33. For the purposes of income-tax, a partnership firm

- (a) can be assessed as an entity distinct and separate from its partners
- (b) cannot be assessed as an entity separate and distinct from its partners
- (c) can be assessed as an entity distinct and separate from its partners only with the permission of the court
- (d) can be assessed as an entity distinct and separate from its partners only if all the partners agree for the same.

34. A partnership cannot be constituted by

- (a) two individuals
- (b) two Hindu joint families
- (c) both (a) and (b)
- (d) neither (a) or (b).

35. The historic case laying down the test for determining the existence of a partnership is

- (a) Grace v. Smith (b) Waugh v. Carver
- (c) Blorean v. Pell (d) Cox v. Hickman.

36. The mode of determining the existence of partnership has been laid down in

- (a) section 6 (b) section 5
- (c) section 9 (d) section 10.

37. RTI Act 2005 came into force on

- (a) 12 October 2005 (b) 15 August 2005
- (c) 15 June 2005 (d) 1 November 2005

38. Which of the following is not come under the definition of 'information' under RTI Act 2005?

- (a) Log books (b) File notings
- (c) Data material held in any electronic form (d) Circulars

39. The officer designated by the public authorities in all administrative units or offices under it to provide information to the citizens requesting for information under the Act is know as

- (a) Appellate Authority
- (b) Chief Information Commissioner (CIC)
- (c) Public Information Officer (PIO)
- (d) Assistant Public Information Officer

40. What is the time limit to get the information under RTI Act 2005?

- (a) 15 days (b) 45 days (c) 60 days (d) 30 days

41. What is the time limit to get the information concerning the life and liberty of a person?

- (a) 48 hours (b) 24 hours (c) 5 days (d) 10 days

42. If the interests of a third party are involved in information sought for, the maximum time limit to get the information will be

- (a) 30 days (b) 40 days (c) 45 days (d) 60 days

43. If information sought has been supplied by third party or is treated as confidential by that third party, the third party must be given a representation before the PIO in reply to the notice issued to him within ----- days from the date of receipt of such notice.

- (a) 5 days (b) 15 days (c) 10 days (d) 7 days

44. What is the fee for getting information under RTI Act

- (a) Rs.20/- (b) Rs.50/- (c) Rs.100/- (d) Rs.10/-

45. First appeal to the first appellate authority can be preferred by the applicant within ----- days from the expiry of the prescribed time limit or from the receipt of the decision from the PIO

- (a) 30 days (b) 45 days (c) 60 days (d) 90 days

46. First Appeal shall be disposed of by the first appellate authority within ----- days from the date of its receipt.

- (a) 40 days (b) 30 days (c) 60 days (d) 50 days

47. The Consumer protection act 1986 enacted in

- a. 15-Jun-05 b. 24-Oct-86 c. 24-Dec-86 d. 1 Jan 1986

48. The Consumer protection act 1986 extends to

- a. The whole India

- b. The whole India except Nagaland tribal area,
- c. The whole India except Nagaland tribal area and Jammu and Kashmir
- d. The whole India except Jammu and Kashmir

49. Appropriate laboratory means a laboratory or organization

- a. Recognized by Central Government
- b. Recognized by state government
- c. Both the above
- d. None of the above

50. Complainant means

- a. Consumer
- b. Any voluntary consumer association registered under the companies act 1956
- c. The central govt or any state govt
- d. All the above

51. Complaint means allegation in writing made by a complainant that

- a. An unfair trade practice or restrictive trade practice has been adapted by any traders or service provider
- b. The goods bought by him or agreed to be bought by him suffer from one or more defect
- c. A traders or the service provider as the case may be has charged for the goods or for the services mentioned in the complaint a price in excess of the price
- d. All the above

52. The following is not a consumer

- a. The insurance company
- b. A licensee to run a phone
- c. A lottery ticket holder
- d. All the above

53. The central consumer protection council shall consist of the following members

- a. The minister in charge of consumer affairs in the central govt, who shall be its chairman
- b. Such member of other official or non official members representing such interest as may be prescribed
- c. The Chief justice of high court
- d. Both A&B

54. The central council shall meet as and when necessary but at least ___ meeting of the council shall be held every year

- a. One
- b. Two
- c. Three
- d. Four

55. Object of the central council is

- a. The right to be protected against the marketing of goods which are hazardous to life and property
- b. The right to informed about the quality , quantity, potency, purity, standard and price of goods so as to protect the consumer against unfair trade practices
- c. The right to be assured, wherever possible access to a variety of goods at competitive prices
- d. The right to heard and to be assured that consumer interests will receive due consideration appropriate for a
- e. All the above

56. Members of state consumer protection council should not exceed

- a. Two
- b. Five
- c. Ten
- d. Three

57. The chairman of the district consumer protection council is

- a. District magistrate
- b. Collector of the District
- c. MP of the district
- d. None of these

58. Which one of the following knows as Consumer disputes redressal agency?

- a. District forum
- b. State commission
- c. National commission
- d. All the above

59. President of district forum is

- a. Collector of the district
- b. A person who are qualified as advocate
- c. A person who are qualified to be a district judge

d. None of these

60. Mark the correct option relating to district forum

a. It should have two members, one of whom shall be a woman

b. Members age shall not be less than 35 years old

c. Possess a bachelor of degree from recognized university

d. Ten year knowledge and experience in dealing with problems relating to economics, law, commerce, accountancy, industry & public affairs

e. All the above

61. The disqualification of the member is

a. Has been convicted and sentenced to imprisonment for an offence which, in the opinion of the state govt involves moral turpitude

b. Is an undercharged insolvent

c. Is of unsound mind

d. All the above

62. Every appointment of district forum shall be made by the state govt on the recommendation of a selection committee consisting of the following

a. President of the state commission shall be a chairman

b. Secretary, law dept of the state shall be a member

c. Secretary, incharge of dept dealing with consumer affair shall be a another member

d. All the above

63. Who will working as president in case absence of the president of state commission

a. Governor

b. Chief minister

c. A sitting judge of High court

d. Chief justice of highcourt

64. Mark the correct option

- a. Every member of district forum shall hold office a term of 5 years or up to age 65 years
- b. The member of district forum shall eligible for reappointment for another term
- c. Members of district forum may resign his office in writing addressed to state government
- d. All the above

65. Jurisdiction of district for is rupees

- a. Exceed twenty lac
- b. exceed 50 lac
- c. Up to twenty lac
- d. twenty to fifty lac

66. The term company is defined under which sec of the Act?

- a) Sec 3 (1) b) Sec 4 (2) c) Sec 2 (4) d) Sec 1 (3)

67. Property of the company belongs to

- a) Company b) Share holders c) Members d) Promoters

68. Which company shares can be freely transferable?

- a) Private Company b) Public Company c) Both (a) & (b) d) None of the above

69. Minimum number of members in case of public company

- a) 1 b) 2 c) 5 d) 7

70. Minimum number of members in case of private company is

- a) 1 b) 2 c) 3 d)

71. Maximum no. of members in case of private company is

- a) 50 b) 100 c) 150 d) 200

72. Maximum no .of members in case of public company is

- 1) 0 b) unlimited c) 50 d) 100

73. How many months did the company can continue its business u/s 45 _____

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

74. Minimum subscription should be received with in _____days

- a) 120 b) 125 c) 130 d) 135

75. If minimum subscription is not received application money should be refunded with in

_____ days

a) 20 b) 25 c) 30 d) 10

76. Liability of a member in case of a private company is

a) Limited b) Unlimited c) Both (a) or (b) d) None of the above

77. Maximum no. of persons in case of partnership banking business _____

a) 10 b) 20 c) 30 d) 5

78. Minimum paid up share capital in case of a private company is _____

a) 1 Lakh b) 2 Lakhs c) 3 Lakhs d) 4 Lakhs

79. Minimum paid up share capital in case of a public company is _____

a) 1 Lakh b) 3 Lakhs c) 5 Lakhs d) 7 Lakhs

80. Minimum no. of Directors in case of a public company is _____

a) 1 b) 2 c) 3 d) 4

81. The company must deliver share certificate within _____ if the shares allotted by company.

a) 2 months b) 3 months c) 4 months d) none of these

82. The company must deliver share certificate within _____ if the shares applied for transfer.

a) 3 months b) 2 months c) 5 months d) none of these

83. Share warrants can be issued with the prior approval of the _____

a) Company law board b) Dept of company affairs c) Registrar d) None

84. When the shares are transferred to X from Y. Y will be a _____ of the company

a) Member b) Shareholder c) Partner d) None of these

85. The person who is holding share warrant will be a _____ of the company.

a) Member b) Shareholder c) Partner d) None of these

86. _____ is issued in acknowledgement of any indebtedness

a) Debenture certificate b) Share certificate c) Share warrant d) None of the above

87. Own funds are called _____

a) Debenture capital b) Share capital c) Loan capital d) None of the above

88. In case of allotment Debenture Certificate is to be issued with in _____ months

a) 1 b) 2 c) 3 d) 4

89. In case of application for transfer Debenture Certificate is to be issued with in _____ months

a) 1 b) 2 c) 3 d) 4

90. Debenture forms part of _____

a) Capital b) Loan c) Fund d) None of the above

91. Share holders are _____

a) Owners b) Creditors c) Debtors d) None of the above

92. What is the time limit for conducting statutory meeting?

a) 1 to 5 months b) 1 to 6 months c) 1 to 9 months d) None of these

93. Notice of statutory meeting should be given with a period not less than

a) 21 clear days b) 14 clear days c) 7 clear days d) None of these

94. Notice of statutory meeting should be attested by at least.

a) 3 directors b) 2 directors c) 3 directors d) None of these

95. First AGM must be held within _____ from the incorporation of the company

a) 15 months b) 18 months c) 12 months d) None of these

96. Every AGM must be held with _____ from the date of the Balance Sheet.

a) 4 months b) 6 months c) 9 months d) None of these

97. First AGM must be held with in _____ from the date of the balance sheet

a) 6months b) 9months c) 5months d) None of these

98. Voting right can't be exercised in case of _____

a) Calls in advance b) Calls in arrears c) Both a) & b) d) None of the above

99. Casting vote can be cast by whom only in case of equality of votes

a) Chairman b) Director c) Auditor d) Manager

100. The Chairman on his own motion _____also order a poll

a) Must b) Should c) May d) None of the above

Vidyabharati Mahavidyalaya, Amravati
MCQ
Sub: - Corporate Accounting

1) Cancellation of shares mean

- A. Reissue of shares
- B. Valuation of shares
- C. Forfeiture of shares
- D. Allotment of shares

Option: C

2) To issue shares on premium mean

- A. Issue on face value of shares
- B. Issue on more than face value of shares
- C. Issue on less than face value of shares
- D. Initial public offer

Option: B

3) To issue shares on Par mean

- A. Issue on face value of shares
- B. Issue on more than face value of shares
- C. Issue on less than face value of shares
- D. Initial public offer

Option: A

4) To issue shares on Discount mean

- A. Issue on face value of shares
- B. Issue on more than face value of shares
- C. Issue on less than face value of shares
- D. Initial public offer

Option: C

5) Goodwill mean

- A. Good Will
- B. Credit
- C. Debit
- D. Good Wishes

Option: B

6) Which of following is not the method of valuation of Goodwill?

- A. Average profit Method

- B. Super profit Method
- C. Capitalization Method
- D. Straight line Method

Option: D

7) Super profit mean

- A. Average Profit – Net profit
- B. Average Profit – Normal rate of return
- C. Weighted Average Profit
- D. Net profit – Average Profit

Option: A

8) Which of following is not Method of calculation of Purchas Consideration?

- A. Lump sum Method
- B. Net Asset Method
- C. Net Payment Method
- D. Annuity Method

Option: D

9) Merger of two or more companies or business undertaking to form new company mean

- A. Reconstruction
- B. Amalgamation
- C. Absorption
- D. Commandment of Company

Option: B

10) Which of following is not Method of winding of company?

- A. Compulsory winding up
- B. Voluntary winding up
- C. Winding up under the supervision of the court
- D. Knowingly winding up

Option: D

11) Which of following is not Current Asset?

- A. Patent
- B. Bills receivable
- C. Cashable security
- D. Prepaid Expenses

Option: A

12) Which of following is not Current Liability?

- A. Bank overdraft
- B. Bills Payable
- C. Account Payable
- D. Retain earning

Option:D

- 13) Working capital will increase
- A. If Current Asset Decrease
 - B. If Current Liability Decrease
 - C. If Current Liability Increase
 - D. If new shares are issued

Option:B

- 14) Following is the application of fund
- A. Decrease in balance of Fixed Asset
 - B. Decrease in working capital
 - C. Decrease in net profit
 - D. Decrease in preliminary expenses

Option:C

- 15) Following is the Source of fund
- A. Decrease in balance of Debenture
 - B. Decrease in Long term Liability
 - C. Increase in Long term loan
 - D. Redemption of Shares

Option:C

- 16) Provision for Income Tax is _____
- A. Debited to P & L Appropriation A/c
 - B. Debited to Profit and Loss A/c
 - C. Debited to Trading A/c
 - D. Credited to P & L Appropriation a/c

Option:B

- 17) Corporate dividend tax is _____
- A. Computed on Net profit
 - B. Computed on Share Capital
 - C. Computed on Goss Profit
 - D. Computed on Dividend paid

Option: D

- 18) Dividend is paid on _____

- A. On Issued Share Capital
- B. On Subscribed Share Capital
- C. On Called up Share Capital
- D. On Paid up Share Capital

Option: D

19) Dividend policy of a company mainly concern with
(i) dividend payout and
(ii) Stability of dividend

- A. Only (i) is correct
- B. Only (ii) is correct
- C. Both (i) and (ii) are correct.
- D. Both (i) and (ii) are incorrect.

Option: C

20) Discounted cash flow criteria for investment appraisal does not include

- A. Not present value
- B. Benefit cost ratio
- C. Accounting rate of return
- D. Internal rate of return

Option: B

21) As per SEBI Guideline minimum Application money shall not be less than

- A. 25% of Issue price
- B. 10% of Issue price
- C. 20% of Issue price
- D. 6% of Issue price

Option: A

22) The maximum allowable discount on Equity shares is

- A. 8% of Issue price
- B. 10% of Issue price
- C. 12% of Issue price
- D. 6% of Issue price

Option: B

23) Share application Account is _____

- A. Real A/c
- B. Personal A/c
- C. Nominal A/c

D. Fictitious A/c

Option: B

24) Share Allotment Account is _____

- A. Real A/c
- B. Personal A/c
- C. Nominal A/c
- D. Fictitious A/c

Option: B

25) Share Call Account is _____

- A. Real A/c
- B. Personal A/c
- C. Nominal A/c
- D. Fictitious A/c

Option: B

26) Debenture holder are _____

- A. Creditor Of Company
- B. Debtor of Company
- C. Owner of Company
- D. Members of Company

Option: A

27) Share holder are _____

- A. Creditor Of Company
- B. Debtor of Company
- C. Owner of Company
- D. Members of Company

Option: C

28) After declaration dividends are paid to the shareholders as per the provision of

- A. Indian Companies Act
- B. RBI Act
- C. SEBI Act
- D. Indian Contract Act

Option: C

29) The first item in order of payment to be made by liquidator is

- A. Liquidation expenses
- B. Secured creditor
- C. Preferential creditor
- D. Preference shareholder

Option: A

30) Dividend Policy must be

- A. Flexible
- B. Flexible and Fixed both
- C. Fixed
- D. All of the above

Option: A

31) Assertion (A) :The liability of share holders in a private limited company is limited to the amount.

Reason (R) :The number of share holders of a private limited company is limited to fifty.

- A. Both A and R are true and R is the correct explanation of A
- B. Both A and R are true but R is not a correct explanation of A
- C. A is true but R is false
- D. A is false but R is true

Option: D

32) Match the following

List-I (Type of Value)	List-II (Features of Value)
(a) Market Value	1. Price which is present in market
(b) Intrinsic Value	2. Net Assets
(c) Liquidation Value	3. Value at wind up
(d) Salvage Value	4. Scrap Value
	5. Cost Price

- (a) (b) (c) (d)
- A. 1 4 3 2
- (a) (b) (c) (d)
- B. 1 2 3 4
- (a) (b) (c) (d)
- C. 1 3 2 4
- (a) (b) (c) (d)
- D. 1 4 3 5

Option: B

33) Liquidator's statement of receipt and payment is known as

- A. Cash flow statement
- B. Deficiency a/c
- C. Statement of affairs
- D. Liquidator's final statement of A/c

Option: D

34) Suppliers and creditors of a firm are interested in

- A. Profitability position
- B. Liquidity position
- C. Market share position
- D. Debt position

Option: B

35) Which is the form of dividend?

- A. Cash dividend
- B. Bond dividend
- C. Stock dividend
- D. All of these

Option: D

36) Which is the type of dividend?

- A. Cash Dividend
- B. Interest
- C. Profit cum-reserve
- D. Flexible Capital

Option: A

37) Which is not the form of dividend?

- A. Regular
- B. Stock
- C. Property
- D. Zero Dividend

Option: D

- 38) The dividend on equity shares is only paid when dividend on ----- has already been paid.
- A. Debenture
 - B. Preference Shares
 - C. Bond
 - D. Equity Shares

Option: B

- 39) A company pays dividend at the

- A. End of the week
- B. End of the financial year
- C. End of the month
- D. All of the above

Option: B

- 40) Which one is the principle of capital structure?

- A. Cost principle
- B. Risk principle
- C. Control principle
- D. All of these

Option: D

- 41) In the calculation of return on shareholders investments the referred investment deals with

- A. All reserves
- B. Preference and equity capital only
- C. All appropriations
- D. All of the above

Option: D

- 42) The assets of a business can be classified as

- A. Only fixed assets
- B. Only current assets
- C. Fixed and current assets
- D. None of the above

Option: C

- 43) The return on investment (ROI) may be calculated as

- A. Net profit before interest, tax and dividend / Capital employed
- B. Net profit after interest, tax and dividend / Shareholder's fund

- C. (Net profit - preference dividend)/ No. of equity shares
- D. Return on Investment / Net profit ratio

Option: A

44) ROI stands for?

- A. Return on Investment
- B. Ratio of Investment
- C. Return of Income
- D. None of these

Option: A

45) In case of a limited company, the term financial statements includes

- A. Profit and loss and balance sheet
- B. Profit and loss account, profit and loss appropriation account and balance sheet
- C. Balance sheet
- D. None of the above

Option: B

46) The profit on the reissue of forfeited share are transferred to

- A. Capital A/ c
- B. Capital Reserve
- C. Profit & Loss A/c
- D. General Issues

Option: B

47) The direct advantages of accounting do not include

- A. Preparation of financial statements
- B. Comparison of results
- C. Competitive advantage
- D. Information to interested groups

Option: C

48) Which of the following statements is not correct?

- A. For the purpose of Funds Flow Statement, the term 'fund ' generally refers to net working capital
- B. Funds flow is a wider concept than the Cash flow
- C. The flow of funds must arise due to external and not internal transactions of the business
- D. The capitalisation of reserves by the issue of bonus shares also involves flow of funds

Option: D

49) Match List I with List II and select correct answer using the codes given below:

- List I
a. ABC Analysis
b. Fund Flow Analysis
c. ROI
d. M M Theory

- List II
I. Capital Structure
II. Inventory Control
III. Working Capital Management
IV. Overall Profitability

- a b c d
A.
II III IV I
a b c d
B.
I II IV III
a b c d
C.
IV III I II
a b c d
D.
I III II IV

Option: A

50) Which one of the following is an example of sources of funds?

- A. Decrease in share capital
B. Increase in long-term liabilities
C. Decrease in long-term liabilities
D. Increase in fixed assets

Option: B

51) Which of the following statement is correct?

- A. Fixed assets must always be shown at market value
B. Book-keeping and accounting are different terms
C. Owner's Equity = Assets + Liabilities
D. Patents is an example of current asset

Option: A

52) Bonus shares can be issued by a company

- A. Out of the Reserves created by revaluation of fixed assets
B. Out of share premium not collected in cash
C. Without any provision for it in the Articles of Association of the company
D. Out of free reserves built out of genuine profit

Option: D

53) Current assets include

- A. Stores & Spare parts
- B. Stock in trade
- C. Sundry Debtors
- D. All of the above

Option: D

54) Which of the following accounting equation is correct?

- A. Capital + Liabilities = Assets
- B. Capital = Assets + Liabilities
- C. Capital - Liabilities = Assets
- D. Capital + Assets = Liabilities

Option: A

55) Goods withdrawn by the proprietor for his personal use are

- A. Shown as a deduction from the purchases
- B. Shown as a deduction from the sales
- C. Treated as sales at cost price
- D. Added to the purchases

Option: A

56) Unpaid calls are shown in the balance sheet of a company

- A. By adding it to the share capital
- B. By deducting it from the called-up share capital
- C. Under the head 'current assets'
- D. Under the head 'current liabilities'

Option: B

57) Stock is

- A. Included in the category of fixed assets
- B. Part of current assets
- C. Intangible
- D. Tangible

Option: B

58) Which of the following is not included in the category of 'Intangible Assets' ?

- A. Patents rights
- B. Copy rights
- C. Competitive benefit and privileges

D. Machinery

Option: D

59) AS -10 (Accounting Standard on Fixed Assets) does not deal with accounting for the following items to which special considerations apply

- A. Forests, plantations and similar regenerative natural resources
- B. Wasting assets including material rights, expenditure on the exploration for and extraction of minerals, oil, natural gas and similar non-regenerative resources
- C. Expenditure on real estate development and livestock
- D. None of the above

Option: D

60) Which of the following assets are dealt with by AS - 10 (Accounting Standard on Fixed Assets)?

- A. Land, building, plant and machinery, vehicles, furniture and fittings
- B. Goodwill and patents
- C. Trademarks and designs
- D. All of the above

Option: D

61) Cost of inventories includes

- A. Direct Material + Direct Expenses
- B. Direct Labour + Direct Expenses
- C. All costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition
- D. Direct material only

Option: C

62) Closing stock is valued at

- A. Cost
- B. Market value
- C. Cost or market price whichever is lower
- D. None of the above

Option: C

63) Salary due to clerk is preferential for a period not exceeding

- A. 2 Month
- B. 3 Month
- C. 4 Month

D. 5 Month

Option: C

64) The fundamental accounting equation 'Assets = Liabilities + Capital' is the formal expression of

- A. Dual aspect concept
- B. Matching concept
- C. Going concern concept
- D. Money measurement concept

Option: A

65) Maximum _____ can be treated as preferential salary and wages

- A. 20,000
- B. 25,000
- C. 30,000
- D. 10,000

Option: A

66) Which of the following statements is true in relation to liabilities?

- A. Claims against the resources.
- B. Currently existing obligations which the firm intends to meet at some time in the future.
- C. It must be capable of being expressed in money terms.
- D. All of the above

Option: D

67) All capital expenditures and receipts are taken to

- A. Trading and Profit and Loss Account
- B. Balance sheet
- C. Trial balance
- D. None of the above

Option: B

68) Which one of the following branches of accounting primarily deals with processing and presenting of accounting data for internal use?

- A. Financial accounting
- B. Tax accounting
- C. Management accounting
- D. Inflation accounting

Option: C

69) Amount spent on an advertisement campaign, the benefit of which is likely to last for three years is a

- A. Capital expenditure
- B. Revenue expenditure
- C. Deferred revenue expenditure
- D. None of the above

Option: C

70) As per AS – 14 purchase consideration is what is payable to

- A. Shareholders
- B. Creditors
- C. Debentureholders
- D. Shareholders and Debentureholders

Option: A

71) Amalgamation is said to be in the nature of merger if:

- A. All assets and liabilities of transferor company are taken over by the transferee company.
- B. Business of transferor company is intended to be carried on by the transferee company.
- C. Purchase consideration must be paid in equity shares by the transferee company except for fraction shares.
- D. All of the above

Option: D

72) Amalgamate adjustment account is opened in the books of transferee company to incorporate:

- A. The assets of the transferor company
- B. The liabilities of the transferor company
- C. The statutory reserves of the transferor company
- D. The non – statutory reserves of the transferor company

Option:C

73) Goodwill arising on amalgamation is to be

- A. Retained in the books of the transferee company
- B. Amortised to income on a systematic basis normally five years
- C. Adjusted against reserves or profit and loss account balance
- D. All of the above

Option:B

74) Under pooling of interest method the difference between the purchase consideration and share capital of the transferee company should be adjusted to:

- A. General reserve
- B. Amalgamation adjustment account
- C. Goodwill or capital reserve
- D. None of the above

Option:A

75) Under purchase method the difference between the purchase consideration and share capital of the transferee company should be adjusted to:

- A. General reserve
- B. Amalgamation adjustment account
- C. Goodwill or capital reserve
- D. None of the above

Option:C

76) Which of the following is not deferred revenue expenditure?

- A. Heavy advertisement expenditure.
- B. Expenses incurred in removing the business to more convenient premises.
- C. Preliminary expenses.
- D. Depreciation on fixed assets.

Option: D

77) For amalgamation in the nature of merger, the shareholders holding at least _____ or more of the equity shares of the transferor company becomes the equity shareholders of the transferee company.

- A. 51%
- B. 90%
- C. 99%
- D. 100%

Option: B

78) AS – 14 is not applicable if when Transferee Company acquires Transferor Company and Transferor Company:

- A. Ceases to exist
- B. Separate entity is Continue to exist
- C. Applied in all cases
- D. None of the above

Option: B

79) A Ltd. and B Ltd. go into liquidation and a new company X Ltd. is formed. It is a case of

- A. Absorption
- B. External reconstruction
- C. Amalgamation.
- D. commencement

Option: C

80) X Ltd. goes into liquidation and a new company Z Ltd. is formed to take over the business of X Ltd. It is a case of:

- A. Absorption
- B. External reconstruction
- C. Amalgamation.
- D. commencement.

Option: B

81) Which of the following cannot be treated as revenue expenditure?

- A. Cost of goods purchased for resale.
- B. Wages paid for the erection of plant and machinery.
- C. Obsolescence cost.
- D. Expenses incurred by way of repairs of existing assets which do not in any way add to their earning capacity.

Option: B

82) Which of the following has the highest cost of capital?

- A. Loans
- B. Equity shares
- C. Bonds
- D. Preference shares

Option: B

83) Risk in capital budgeting implies that the decision maker knows _ of the cash flows.

- A. Variability
- B. Certainty
- C. Probability
- D. None of these

Option: C

84) Cost of capital is helpful in corporative analysis of various

- A. Source of Finance
- B. Source of Services
- C. Source of material
- D. Product

Option: A

85) Which method does not consider the time value of money

- A. Net present value
- B. Internal Rate of Return
- C. Average rate of return
- D. Profitability Index

Option: C

86) Which of the following has the highest cost of capital?

- A. Loans
- B. Equity shares
- C. Bonds
- D. Preference shares

Option: B

87) When the expenses of liquidation are to be borne by the purchasing company, then the purchasing company debits:

- A. Vendor company's account
- B. Bank account
- C. Goodwill account.
- D. Realisation A/c

Option:C

88) When the purchasing company makes payment of the purchase consideration, it debits:

- A. Business purchase account
- B. Assets account
- C. Vendor company's account.
- D. Realisation A/c

Option:C

89) The share capital, to the extent already held by the purchasing company, is closed by the vendor company by crediting it to:

- A. Share capital account
- B. Purchasing company's account
- C. Realisation account.
- D. Business purchase account

Option: C.

90) Which of the following is not included in the assumption on which Myron Gordon proposed a model on Stock valuation

- A. Retained earning the only source of financing
- B. Finite Life of the firm
- C. Taxes do not exist
- D. Constant rate of return on firms investment.

Option: B

91) X Ltd. goes into liquidation and an existing company Z Ltd. purchases the business of X Ltd. It is a case of:

- A. Absorption
- B. External reconstruction
- C. Amalgamation.
- D. Liquidation

Option: A

92) Liabilities (not accumulated profits) of a company include—

- A. General reserve
- B. Pension fund
- C. Dividend equalisation fund.
- D. Retain earning

Option: B

93) When the expenses of liquidation are to be borne by the vendor company, then the vendor company debits:

- A. Realisation account
- B. Bank account
- C. Goodwill account.
- D. Purchasing company account

Option: A

94) Accumulated profits include:

- A. Provision for doubtful debts
- B. Superannuation fund
- C. Workmen's compensation fund.
- D. Provision for Tax

Option: C

95) For paying liabilities not taken over by the purchasing company, the vendor company credits:

- A. Realisation account
- B. Bank account
- C. Liabilities account.
- D. purchasing company account

Option: B

96) Which one is more appropriate for cost of retained earning?

- A. Weighted Average cost of capital
- B. Opportunity cost to the firm
- C. Expected rate of return by the investor
- D. None of the above

Option: B

97) Debt financing is a cheaper source of finance because of

- A. Time value of Money
- B. Rate of Interest
- C. Tax deductibility of Interest
- D. Dividends not payable to lenders.

Option: C

98) The vendor company transfers preliminary expenses (at the time of absorption) to:

- A. Purchasing Company account
- B. Realisation account
- C. Purchasing company's account.
- D. Equity shareholders' account

Option: D

99) A newly established company cannot be successful in obtaining finance by way of

- A. issue of equity capital
- B. issue of preference share
- C. issue of debenture
- D. None of the above

Option: C

100) Money spent to acquire or upgrade physical assets is known as:

- A. Revenue Expense
- B. Capital Expense
- C. Administrative Expense
- D. Operating Expense

Option: B

1. UNIVAC is

- a. Universal Automatic Computer
 - b. Universal Array Computer
 - c. Unique Automatic Computer
 - d. Unvalued Automatic Computer
-

2. CD-ROM stands for

- a. Compactable Read Only Memory
 - b. Compact Data Read Only Memory
 - c. Compactable Disk Read Only Memory
 - d. Compact Disk Read Only Memory
-

3. ALU is

- a. Arithmetic Logic Unit
 - b. Array Logic Unit
 - c. Application Logic Unit
 - d. None of above
-

4. VGA is

- a. Video Graphics Array
 - b. Visual Graphics Array
 - c. Volatile Graphics Array
 - d. Video Graphics Adapter
-

5. IBM 1401 is

- a. First Generation Computer
 - b. Second Generation Computer
 - c. Third Generation Computer
 - d. Fourth Generation Computer
-

6. MSI stands for

- a. Medium Scale Integrated Circuits
- b. Medium System Integrated Circuits

- c. Medium Scale Intelligent Circuit
 - d. Medium System Intelligent Circuit
-

7. The capacity of 3.5 inch floppy disk is

- a. 1.40 MB
 - b. 1.44 GB
 - c. 1.40 GB
 - d. 1.44 MB
-

8. The first computer introduced in Nepal was

- a. IBM 1400
 - b. IBM 1401
 - c. IBM 1402
 - d. IBM1402
-

9. WAN stands for

- a. Wap Area Network
 - b. Wide Area Network
 - c. Wide Array Net
 - d. Wireless Area Network
-

10. MICR stands for

- a. Magnetic Ink Character Reader
 - b. Magnetic Ink Code Reader
 - c. Magnetic Ink Cases Reader
 - d. None
-

Answers

1. UNIVAC is

Correct Answer: a. Universal Automatic Computer

Explanation: There are no computers with the name as in other options. UNIVAC was the first general purpose electronic digital computer designed for commercial use, produced by Universal Accounting Company of John Mauchly and J.P.Eckert in 1951.

2. CD-ROM stands for

Correct Answer: d. Compact Disk Read Only Memory

Explanation: There are no objects with the name as in other options. CD-ROM is a non-volatile optical data storage medium using the same physical format as audio compact disk, readable by a computer with a CD-ROM drive. The standard 12 cm diameter CD-ROM store about 660 megabytes.

3. ALU is

Correct Answer: a. Arithmetic Logic Unit

Explanation: ALU is a unit in Central Processing Unit in a computer system that is responsible for arithmetic calculations and logical operations. Apart from ALU, the CPU contains MU (Memory Unit) and CU (Control Unit).

4. VGA is

Correct Answer: a. Video Graphics Array

Explanation: VGA is a type of Graphics Adapter. Graphic Adapter is an electronic board that controls the display of a monitor. This device helps the motherboard to work with the monitor and in VGA and SVGA the last letter 'A' stands for 'Array' whereas in MDA, CGA, MCGA the last letter 'A' stands for 'Adapter'.

5. IBM 1401 is

Correct Answer: b. Second Generation Computer

Explanation: IBM 1401 is a Second Generation Computer and is the first computer to enter Nepal in 2028 BS for census. Government of Nepal had brought this computer on rent and later purchased for data processing in Bureau of Statistics. After this computer, another ICL 2950/10, a British computer, was purchased by the fund of UNDP and UNFPA for the census of 2038 BS is second computer in Nepal.

6. MSI stands for

Correct Answer: a. Medium Scale Integrated Circuits

Explanation: After the invention of IC chips the development of computers plunged into next phase. Small Scale Integration and Medium Scale Integration (SSI and MSI) were used in third generation of computers and Large Scale Integration and Very Large Scale Integration (LSI and VLSI) are being used in fourth generation of computers. People are now expecting ULSI (Ultra Large Scale Integration) Circuits to be used for fifth generation computers.

7. The capacity of 3.5 inch floppy disk is

Correct Answer: d. 1.44 MB

Explanation: Microfloppy disks (3.5 inch) if it is high density (MF2HD) can store 1.44 MB and if it is low density (MF2DD), it can store 720 KB. Mini Floppy disks (5.25 inch) if it is high density (MD2HD) can store 1.2 MB and low density (MD2DD) stores 360 KB of data.

8. The first computer introduced in Nepal was

Correct Answer: b. IBM 1401

Explanation: IBM 1401, a second generation computer was brought in Nepal by the Government of Nepal paying One Lakh and twenty five thousands per month to use in the census in 2028 B.S. Before this computer, Nepal was using a calculating device called Facit for statistical tasks.

9. WAN stands for

Correct Answer: b. Wide Area Network

Explanation: There are three different classes of computer network namely, Local Area Network (LAN) that covers a small geographical area such as a room, a building or a compound; Metropolitan Area Network (MAN) that has a citywide coverage; and Wide Area Network (WAN) that covers the whole globe or beyond the globe.

10. MICR stands for

Correct Answer: a. Magnetic Ink Character Reader

Explanation: MICR (Magnetic Ink Character Reader) is kind of scanner that can scan and identify the writing of magnetic ink. This device is used in banks to verify signatures in Checks.

1. EBCDIC stands for
 - a. Extended Binary Coded Decimal Interchange Code
 - b. Extended Bit Code Decimal Interchange Code
 - c. Extended Bit Case Decimal Interchange Code
 - d. Extended Binary Case Decimal Interchange Code
-

2. BCD is
 - a. Binary Coded Decimal
 - b. Bit Coded Decimal
 - c. Binary Coded Digit
 - d. Bit Coded Digit
-

3. ASCII stands for
 - a. American Stable Code for International Interchange
 - b. American Standard Case for Institutional Interchange
 - c. American Standard Code for Information Interchange
 - d. American Standard Code for Interchange Information
-

4. Which of the following is first generation of computer
 - a. EDSAC
 - b. IBM-1401
 - c. CDC-1604
 - d. ICL-2900
-

5. Chief component of first generation computer was
 - a. Transistors
 - b. Vacuum Tubes and Valves
 - c. Integrated Circuits

d. None of above

6. FORTRAN is

- a. File Translation
 - b. Format Translation
 - c. Formula Translation
 - d. Floppy Translation
-

7. EEPROM stand for

- a. Electrically Erasable Programmable Read Only Memory
 - b. Easily Erasable Programmable Read Only Memory
 - c. Electronic Erasable Programmable Read Only Memory
 - d. None of the above
-

8. Second Generation computers were developed during

- a. 1949 to 1955
- b. 1956 to 1965
- c. 1965 to 1970
- d. 1970 to 1990

Correct Answer: 1956 to 1965

Explanation: Second generation computers used transistors as their main electronic component. Transistor was invented by Bell Lab Scientists John Burdeen, Walter Brattain and William Shockley in 1947 and won the Nobel Prize in 1956 but it was not used in computers till 1956. The second generation continued until the implementation of IC chips invented by Jack Kilby in Texas Instruments in 1958.

9. The computer size was very large in

- a. First Generation
- b. Second Generation

- c. Third Generation
- d. Fourth Generation

-
10. Microprocessors as switching devices are for which generation computers
- a. First Generation
 - b. Second Generation
 - c. Third Generation
 - d. Fourth Generation
-
-

Answers:

1. EBCDIC stands for

Correct Answer: a. Extended Binary Coded Decimal Interchange Code

Explanation: EBCDIC is an 8-bit binary code for larger IBMs primarily mainframes in which each byte represent one alphanumeric character or two decimal digits. 256 characters can be coded using EBCDIC.

2. BCD is

Correct Answer: a. Binary Coded Decimal

Explanation: BCD is a binary coded notation in which each of the decimal digits is expressed as a 8-bit binary numeral. For example in binary coded decimal notation 12 is 0001 0010 as opposed to 1100 in pure binary.

3. ASCII stands for

Correct Answer: c. American Standard Code for Information Interchange

Explanation: ASCII is a code which converts characters – letters, digits, punctuations and control characters such as Alt, Tab etc – into numeral form. ASCII code is used to represent data internally in micro-computers. ASCII codes are 7 bits and can represent 0 to 127 and extended ASCII are 8 bits that represents 0 to 255.

4. Which of the following is first generation of computer

Correct Answer: a. EDSAC

Explanation: IBM-1401, CDC-1604 is second generation computer. ICL-2900 is a fourth generation computer. EDSAC is important in the development of computer since it was the first computer to use John von. Neumann's Stored Program Concept. It used 3000 vacuum tubes and computers with vacuum tubes are of first generation computers.

5. Chief component of first generation computer was

Correct Answer: b. Vacuum Tubes and Valves

Explanation: Transistors were used for second generation computers and integrated circuits in third generation. First generation computers used vacuum tubes and valves as their main electronic component. Vacuum Tubes were invented by Lee DeForest in 1908.

6. FORTRAN is

Correct Answer: c. Formula Translation

Explanation: FORTRAN (Formula Translation) is one of the earlier High Level programming languages used to write scientific applications. It was developed by IBM in 1956.

7. EEPROM stand for

Correct Answer: a. Electrically Erasable Programmable Read Only Memory

Explanation: There are three types of ROM namely, PROM, EPROM and EEPROM. PROM can't be reprogrammed, EPROM can be erased by exposing it in high intensity ultraviolet light and EEPROM can be erased and reprogrammed electrically. It is not needed to be removed from the computer to be modified.

8. Second Generation computers were developed during

Correct Answer: 1956 to 1965

Explanation: Second generation computers used transistors as their main electronic component. Transistor was invented by Bell Lab Scientists John Burdeen, Walter Brattain and William Shockley in 1947 and won the Nobel Prize in 1956 but it was not

used in computers till 1956. The second generation continued until the implementation of IC chips invented by Jack Kilby in Texas Instruments in 1958.

9. The computer size was very large in

Correct Answer: a. First Generation

Explanation: It is obvious that computers developed with more power, reliability, speed and smaller sizes due to the enhancement of technology. First generation computers used 1000s of vacuum tubes that required lot of space made them gigantic in size. Single transistor could replace 1000 vacuum tubes and a single IC chip replaced 1000s of transistors made computers smaller and more speedy.

10. Microprocessors as switching devices are for which generation computers

Correct Answer: Fourth Generation

Explanation: Microprocessors further revolutionized the development of computers. Personal microcomputers were possible due to the microprocessors. The first microprocessor called Intel 4004 was developed by American Intel Corporation in 1971. Microprocessors are used in the computers of fourth generation computers.

Following are the objective questions from Computer Fundamentals Section. Computer Fundamentals section includes the topics such as history of computers, generation of computers, classification of computers, Computer Peripherals, Storage Devices, Computer Security Systems, Computer Viruses, Computer Networking, System Analysis and Design and so on.

Set - 10

1. Which of the following devices can be used to directly image printed text?

a. OCR

b. OMR

c. MICR

d. All of above

2. The output quality of a printer is measured by

- a. Dot per inch
 - b. Dot per sq. inch
 - c. Dots printed per unit time
 - d. All of above
-

3. In analog computer

- a. Input is first converted to digital form
 - b. Input is never converted to digital form
 - c. Output is displayed in digital form
 - d. All of above
-

4. In latest generation computers, the instructions are executed

- a. Parallel only
 - b. Sequentially only
 - c. Both sequentially and parallel
 - d. All of above
-

5. Who designed the first electronics computer – ENIAC?

- a. Van-Neumann
 - b. Joseph M. Jacquard
 - c. J. Presper Eckert and John W Mauchly
 - d. All of above
-

6. Who invented the high level language c?

- a. Dennis M. Ritchie
 - b. Niklaus Writh
 - c. Seymour Papert
 - d. Donald Kunth
-

7. Personnel who design, program, operate and maintain computer equipment refers to

- a. Console-operator
 - b. Programmer
 - c. Peopleware
 - d. System Analyst
-

8. When did arch rivals IBM and Apple Computers Inc. decide to join hands?

- a. 1978
 - b. 1984
 - c. 1990
 - d. 1991
-

9. Human beings are referred to as Homosapinens, which device is called Sillico Sapiens?

- a. Monitor
 - b. Hardware
 - c. Robot
 - d. Computer
-

10. An error in software or hardware is called a bug. What is the alternative computer jargon for it?

- a. Leech
- b. Squid

- c. Slug
 - d. Glitch
-

11. Modern Computer are very reliable but they are not

- a. Fast
 - b. Powerful
 - c. Infallible
 - d. Cheap
-

12. What is the name of the display feature that highlights are of the screen which requires operator attention?

- a. Pixel
 - b. Reverse video
 - c. Touch screen
 - d. Cursor
-

13. IMB launched its first personal computer called IBM-PC in 1981. It had chips from Intel, disk drives from Tandon, operating system from Microsoft, the printer from Epson and the application software from everywhere. Can you name the country which contributed the video display?

- a. India
 - b. China
 - c. Germany
 - d. Taiwan
-

14. Personal computers use a number of chips mounted on a main circuit board. What is the common name for such boards?

- a. Daughter board

- b. Motherboard
 - c. Father board
 - d. Breadboard
-

15. In most IBM PCs, the CPU, the device drives, memory expansion slots and active components are mounted on a single board. What is the name of this board?

- a. Motherboard
 - b. Breadboard
 - c. Daughter board
 - d. Grandmother board
-

16. What is meant by a dedicated computer?

- a. Which is used by one person only
 - b. Which is assigned one and only one task
 - c. Which uses one kind of software
 - d. Which is meant for application software
-

17. The system unit of a personal computer typically contains all of the following except:

- a. Microprocessor
 - b. Disk controller
 - c. Serial interface
 - d. Modem
-

18. A computer program that converts an entire program into machine language is called a/an

- a. Interpreter

- b. Simulator
 - c. Compiler
 - d. Commander
-

19. A computer program that translates one program instructions at a time into machine language is called a/an

- a. Interpreter
 - b. CPU
 - c. Compiler
 - d. Simulator
-

20. A small or intelligent device is so called because it contains within it a

- a. Computer
 - b. Microcomputer
 - c. Programmable
 - d. Sensor
-
-

Answers:

1. Which of the following devices can be used to directly image printed text?

- a. OCR
-

2. The output quality of a printer is measured by

b. Dot per sq. inch

3. In analog computer

b. Input is never converted to digital form

4. In latest generation computers, the instructions are executed

c. Both sequentially and parallel

5. Who designed the first electronics computer – ENIAC?

c. J. Presper Eckert and John W Mauchly

6. Who invented the high level language c?

a. Dennis M. Ritchie

7. Personnel who design, program, operate and maintain computer equipment refers to

c. Peopleware

8. When did arch rivals IBM and Apple Computers Inc. decide to join hands?

d. 1991

9. Human beings are referred to as Homosapinens, which device is called Sillico Sapiens?

d. Computer

10. An error in software or hardware is called a bug. What is the alternative computer jargon for it?

d. Glitch

11. Modern Computer are very reliable but they are not

c. Infallible

12. What is the name of the display feature that highlights are of the screen which requires operator attention?

b. Reverse video

13. IMB launched its first personal computer called IBM-PC in 1981. It had chips from Intel, disk drives from Tandon, operating system from Microsoft, the printer from Epson and the application software from everywhere. Can you name the country which contributed the video display?

d. Taiwan

14. Personal computers use a number of chips mounted on a main circuit board. What is the common name for such boards?

b. Motherboard

15. In most IBM PCs, the CPU, the device drives, memory expansion slots and active components are mounted on a single board. What is the name of this board?

a. Motherboard

16. What is meant by a dedicated computer?

b. Which is assigned one and only one task

17. The system unit of a personal computer typically contains all of the following except:

d. Modem

18. A computer program that converts an entire program into machine language is called a/an
c. Compiler

19. A computer program that translates one program instructions at a time into machine language is called a/an
a. Interpreter

20. A small or intelligent device is so called because it contains within it a
d. Sensor

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Set - 11

1. The ALU of a computer responds to the commands coming from
a. Primary memory
b. Control section
c. External memory
d. Cache memory

2. The act of retrieving existing data from memory is called

- a. Read-out
 - b. Read from
 - c. Read
 - d. All of above
-

3. All modern computer operate on

- a. Information
 - b. Floppies
 - c. Data
 - d. Word
-

4. Instructions and memory address are represented by

- a. Character code
 - b. Binary codes
 - c. Binary word
 - d. Parity bit
-

5. Which of the following code used in present day computing was developed by IBM Corporation?

- a. ASCII
 - b. Hollerith Code
 - c. Baudot Code
 - d. EBCDIC Code
-

6. What is the latest write-once optical storage media?

- a. Digital paper
 - b. Magneto-optical disk
 - c. WORM disk
 - d. CD-ROM disk
-

7. The most important advantage of a video disk is

- a. Compactness
 - b. Potential capacity
 - c. Durability
 - d. Cost effectiveness
-

8. What is the number of read-write heads in the drive for a 9-trac magnetic tape?

- a. 9
 - b. 16
 - c. 18
 - d. 27
-

9. Before a disk drive can access any sector record, a computer program has to provide the record's disk address. What information does this address specify?

- a. Track number
 - b. Sector number
 - c. Surface number
 - d. All of above
-

10. As compared to diskettes, the hard disks are

- a. More expensive

- b. More portable
 - c. Less rigid
 - d. Slowly accessed
-

11. Floppy disks which are made from flexible plastic material are also called?

- a. Hard disks
 - b. High-density disks
 - c. Diskettes
 - d. Templates
-

12. Regarding a VDU, Which statement is more correct?

- a. It is an output device
 - b. It is an input device
 - c. It is a peripheral device
 - d. It is hardware item
-

13. What is the name of the computer terminal which gives paper printout?

- a. Display screen
 - b. Soft copy terminal
 - c. Hard copy terminal
 - d. Plotter
-

14. Dot-matrix is a type of

- a. Tape
- e. Printer
- f. Disk

g. Bus

15. The two kinds of main memory are:

- a. Primary and secondary
 - b. Random and sequential
 - c. ROM and RAM
 - d. All of above
-

16. A kind of serial dot-matrix printer that forms characters with magnetically-charged ink sprayed dots is called

- a. Laser printer
 - b. Ink-jet printer
 - c. Drum printer
 - d. Chan printer
-

17. Which printer is very commonly used for desktop publishing?

- a. Laser printer
 - b. Inkjet printer
 - c. Daisywheel printer
 - d. Dot matrix printer
-

18. An output device that uses words or messages recorded on a magnetic medium to produce audio response is

- b. Magnetic tape
- c. Voice response unit
- d. Voice recognition unit

e. Voice band

19. Which of the following will happen when data is entered into a memory location?

- a. It will add to the content of the location
 - b. It will change the address of the memory location
 - c. It will erase the previous content
 - d. It will not be fruitful if there is already some data at the location
-

20. A storage area used to store data to compensate for the difference in speed at which the different units can handle data is

- a. Memory
 - b. Buffer
 - c. Accumulator
 - d. Address
-
-

Answers:

1. The ALU of a computer responds to the commands coming from

- b. Control section
-

2. The act of retrieving existing data from memory is called

- d. All of above
-

3. All modern computer operate on

c. Data

4. Instructions and memory address are represented by

b. Binary codes

5. Which of the following code used in present day computing was developed by IBM Corporation?

d. EBCDIC Code

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7. The most important advantage of a video disk is

b. Potential capacity

8. What is the number of read-write heads in the drive for a 9-trac magnetic tape?

a. 9

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c. Hard copy terminal

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Set - 12

1. To locate a data item for storage is

a. Field

b. Feed

c. Database

d. Fetch

2. programs designed to perform specific tasks is known as

a. system software

b. application software

c. utility programs

d. operating system

3. perforated paper used as input of output media is known as

a. paper tapes

- b. magnetic tape
 - c. punched papers tape
 - d. card punch
-

4. Time during which a job is processed by the computer is

- a. Delay times
 - b. Real time
 - c. Execution time
 - d. Down time
-

5. a computer which CPU speed around 100 million instruction per second and with the word length of around 64 bits is known as

- a. Super computer
 - b. Mini computer
 - c. Micro computer
 - d. Macro computer
-

6. An approach that permits the computer to work on several programs instead of one is

- a. On-line thesaurus
 - b. Multiprogramming
 - c. Over lapped processing
 - d. Outline processor
-

7. A directly accessible appointment calendar is feature of a ... resident package

- a. CPU
- b. Memory

c. Buffer

d. ALU

8. The term gigabyte refers to

a. 1024 bytes

b. 1024 kilobytes

c. 1024 megabytes

d. 1024 gigabyte

9. Which of the following processors use RISC technology?

a. 486dx

b. Power PC

c. 486sx

d. 6340

10. A/n Device is any device that provides information, which is sent to the CPU

a. Input

b. Output

c. CPU

d. Memory

11. Current SIMMs have either ... or ... connectors (pins)

a. 9 or 32

b. 30 or 70

c. 28 or 72

d. 30 or 72

12. The storage subsystem in a microcomputer consists mainly of ... or ... media with varying capacities

- a. Memory or video
- b. Magnetic or optical
- c. Optical or memory
- d. Video or magnetic

13. Which of the following is not an input device?

- a. OCR
- b. Optical scanners
- c. Voice recognition device
- d. COM (Computer Output to Microfilm)

14. The central processing unit (CPU) consists of

- a. Input, output and processing
- b. Control unit, primary storage, and secondary storage
- c. Control unit, arithmetic-logic unit and primary storage
- d. Control unit, processing, and primary storage

15. EBCDIC can code up to how many different characters?

- a. 256
 - b. 16
 - c. 32
 - d. 64
-

16. Which is considered a direct entry input device?

- a. Optical scanner
 - b. Mouse and digitizer
 - c. Light pen
 - d. All of the above
-

17. Which is used for manufacturing chips?

- a. Bus
 - b. Control unit
 - c. Semiconductors
 - d. A and b only
-

18. The computer code for the interchange of information between terminals is

- a. ASCII
 - b. BCD
 - c. EBCDIC
 - d. All of above
-

19. A byte consists of

- a. One bit
 - b. Four bits
 - c. Eight bits
 - d. Sixteen bits
-

20. A hybrid computer

- a. Resembles digital computer
 - b. Resembles analog computer
 - c. Resembles both a digital and analog computer
 - d. None of the above
-
-

Answers:

1. To locate a data item for storage is

- d. Fetch
-

2. programs designed to perform specific tasks is known as

- b. application software
-

3. perforated paper used as input of output media is known as

- a. paper tapes
-

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- c. Execution time
-

5. a computer which CPU speed around 100 million instruction per second and with the word length of around 64 bits is known as

- a. Super computer

6. An approach that permits the computer to work on several programs instead of one is

c. Over lapped processing

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b. Memory

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c. 1024 megabytes

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Set - 13

1. The silicon chips used for data processing are called

- a. RAM chips
 - b. ROM chips
 - c. Micro processors
 - d. PROM chips
-

2. The metal disks, which are permanently housed in, sealed and contamination free containers are called

- a. Hard disks
 - b. Floppy disk
 - c. Winchester disk
 - d. Flexible disk
-

3. A computer consists of

- a. A central processing unit
 - b. A memory
 - c. Input and output unit
 - d. All of the above
-

4. An application program that helps the user to change any number and immediately see the result of that change is

- a. Desktop publishing program
- b. Database
- c. Spreadsheet

d. All of above

5. The instructions for starting the computer are house on

a. Random access memory

b. CD-Rom

c. Read only memory chip

d. All of above

6. The ALU of a computer normally contains a number of high speed storage element called

a. Semiconductor memory

b. Registers

c. Hard disks

d. Magnetic disk

7. a factor which would strongly influence a business person to adopt a computer is its

a. Accuracy

b. Reliability

c. Speed

d. All of above

8. The magnetic storage chip used to provide non-volatile direct access storage of data and that have no moving parts are known as

a. Magnetic core memory

b. Magnetic tape memory

c. Magnetic disk memory

d. Magnetic bubble memory

9. CAD stands for

- a. Computer aided design
- b. Computer algorithm for design
- c. Computer application in design
- d. All of the above

10. RATS stand for

- a. Regression Analysis Time Series
- b. Regression Analysis Time Sharing
- c. Real Analysis Series
- d. All of above

11. In which year was chip used inside the computer for the first time?

- a. 1964
- b. 1975
- c. 1999
- d. 1944

12. What was the name of the first commercially available microprocessor chip?

- a. Intel 308
 - b. Intel 33
 - c. Intel 4004
 - d. Motorola 639
-

13. When were the first minicomputer built?

- a. 1965
 - b. 1962
 - c. 1971
 - d. 1966
-

14. The first digital computer built with IC chips was known as

- e. IBM 7090
 - f. Apple – 1
 - g. IBM System / 360
 - h. VAX-10
-

15. In which language is source program written?

- a. English
 - b. Symbolic
 - c. High level
 - d. Temporary
-

16. Which of the following terms is the most closely related to main memory?

- a. Non volatile
 - b. Permanent
 - c. Control unit
 - d. Temporary
-

17. Which of the following is used for manufacturing chips?

- a. Control bus
 - b. Control unit
 - c. Parity unit
 - d. Semiconductor
-

18. Which of the following is required when more than one person uses a central computer at the same time?

- a. Terminal
 - b. Light pen
 - c. Digitizer
 - d. Mouse
-

19. Which of the following is used only for data entry and storage, and never for processing?

- a. Mouse
 - b. Dumb terminal
 - c. Micro computer
 - d. Dedicated data entry system
-

20. To produce high quality graphics (hardcopy) in color, you would want to use a/n

- a. RGB monitor
 - b. Plotter
 - c. Ink-jet printer
 - d. Laser printer
-
-

Answers

1. The silicon chips used for data processing are called

d. PROM chips

2. The metal disks, which are permanently housed in, sealed and contamination free containers are called

c. Winchester disk

3. A computer consists of

d. All of the above

4. An application program that helps the user to change any number and immediately see the result of that change is

c. Spreadsheet

5. The instructions for starting the computer are house on

c. Read only memory chip

6. The ALU of a computer normally contains a number of high speed storage element called

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b. Plotter

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Set - 14

1. Which of the following printers are you sure will not to use if your objective is to print on multi carbon forms?

a. Daisy wheel

b. Dot matrix

- c. Laser
 - d. Thimble
-

2. Which of the following printing devices an output composed of a series of data?

- a. Wire matrix printer
 - b. Band printer
 - c. Wang image printer
 - d. Both a and c
-

3. The personal computer industry was started by

- a. IBM
 - b. Apple
 - c. Compaq
 - d. HCL
-

4. In the IBM PC-At, what do the words AT stand for

- a. Additional Terminals
 - b. Advance technology
 - c. Applied technology
 - d. Advanced terminology
-

5. Magnetic tape can serve as

- a. Secondary storage media
- b. Output media
- c. Input media
- d. All of the above

6. If in a computer, 16 bits are used to specify address in a RAM, the number of addresses will be

- a. 216
 - b. 65,536
 - c. 64K
 - d. Any of the above
-

7. The two major types of computer chips are

- a. External memory chip
 - b. Primary memory chip
 - c. Microprocessor chip
 - d. Both b and c
-

8. As compared to the secondary memory, the primary memory of a computer is

- a. Large
 - b. Cheap
 - c. Fast
 - d. Slow
-

9. Which of the following is a way to access secondary memory?

- a. Random access memory
 - b. Action method
 - c. Transfer method
 - d. Density method
-

10. Which was the most popular first generation computer?

- a. IBM 1650
 - b. IBM 360
 - c. IBM 1130
 - d. IBM 2700
-

11. What is the responsibility of the logical unit in the CPU of a computer?

- a. To produce result
 - b. To compare numbers
 - c. To control flow of information
 - d. To do math's works
-

12. The secondary storage devices can only store data but they cannot perform

- a. Arithmetic Operation
 - b. Logic operation
 - c. Fetch operations
 - d. Either of the above
-

13. Which of the printers used in conjunction with computers uses dry ink power?

- a. Daisy wheel printer
 - b. Line printer
 - c. Laser printer
 - d. Thermal printer
-

14. Which of the following produces the best quality graphics reproduction?

- a. Laser printer
 - b. Ink jet printer
 - c. Plotter
 - d. Dot matrix printer
-

15. Which of the following memories allows simultaneous read and write operations?

- a. ROM
 - b. RAM
 - c. EPROM
 - d. None of above
-

16. Which of the following memories has the shortest access times?

- a. Cache memory
 - b. Magnetic bubble memory
 - c. Magnetic core memory
 - d. RAM
-

17. A 32 bit microprocessor has the word length equal to

- a. 2 byte
 - b. 32 byte
 - c. 4 byte
 - d. 8 byte
-

18. An error in computer data is called

- a. Chip
- b. Bug

- c. CPU
 - d. Storage device
-

19. A set of information that defines the status of resources allocated to a process is

- a. Process control
 - b. ALU
 - c. Register Unit
 - d. Process description
-

20. Any method for controlling access to or use of memory is known

- a. Memory map
 - b. Memory protection
 - c. Memory management
 - d. Memory instruction
-
-

Answers:

1. Which of the following printers are you sure will not to use if your objective is to print on multi carbon forms?

- c. Laser
-

2. Which of the following printing devices an output composed of a series of data?

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c. Plotter

15. Which of the following memories allows simultaneous read and write operations?

b. RAM

16. Which of the following memories has the shortest access times?

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17. A 32 bit microprocessor has the word length equal to

c. 4 byte

18. An error in computer data is called

b. Bug

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20. Any method for controlling access to or use of memory is known

b. Memory protection

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Set - 15

1. A type of core store that has a lower access time than the devices used for working store in the same processor is known as

- a. Core memory
 - b. Buffer
 - c. Fast core
 - d. Address register
-

2. Which of the following is an acronym for electronic delay storage automatic calculator?

- a. UNIVAC
 - b. EDSAC
 - c. EDVAC
 - d. Abacus
-

3. Which of the following is form of semi conductor memory in which it is possible to change the contents of selected memory locations by applying suitable electrical signals?

- a. CAM
- b. ROM

c. EPROM

d. Abacus

4. A disk storage medium in the form of an assembly containing a single rigid magnetic disk permanently is

a. Fixed disk

b. Disk cartridge

c. Card punch

d. Card reader

5. A memory that is capable of determining whether a given datum is contained in one of its address is

a. ROM

b. PROM

c. CAM

d. RAM

6. A method of implementing a memory management system is

a. Buddy system

b. Bridgeware

c. Broadband coaxial system

d. All of the above

7. A plastic card similar to a credit card but having some memory and a microprocessor embedded within it is

a. Punched paper tape

b. Chip card

- c. Card punch
 - d. Magnetic tape
-

8. A device that operates under the control of another device is called

- a. Stem
 - b. Slave
 - c. Simulator
 - d. Emulator
-

9. Actual data processing operations are performed in the arithmetic logic section, but not in the Storage section of a processor unit

- a. Primary
 - b. Accumulator
 - c. Buffer
 - d. Secondary
-

10. The use of spooler programs and/or Hardware allows personal computer operators to do the processing work at the same time a printing operation is in progress

- a. Registered mails
 - b. Memory
 - c. CPU
 - d. Buffer
-

11. Which most popular input device is used today for interactive processing and for the one line entry of data for batch processing?

- a. Mouse
- b. Magnetic disk

- c. Visual display terminal
 - d. Card punch
-

12. User programmable terminals that combine VDT hardware with built-in microprocessor is

- a. Kips
 - b. PC
 - c. Mainframe
 - d. Intelligent terminals
-

13. The number of characters that can be stored in given physical space is

- a. Word length
 - b. Byte
 - c. Data density
 - d. Field
-

14. the storage capacity of a disk system depends on the bits per inch of track and the tracks per inch of

- a. Cylinder
 - b. Hum
 - c. Cluster
 - d. Surface
-

15. The disk drive component used to position read/write heads over a specific track I known as

- a. Acoustic couples
- b. Access arm
- c. Cluster

d. All of the above

16. condensing output data to exhibit specific information is

a. calculating

b. recording

c. merging

d. summarizing

17. which chips using special external equipment can reprogram

a. ROM

b. PROM

c. SAM

d. RAM

18. A storage device where the access time is depended upon the location of the data is

a. Random access

b. Serial access

c. Sequential access

d. Transaction access

19. Which number system is commonly used as a shortcut notation for groups of four binary digits?

a. Binary

b. Decimal

c. Octal

d. Hexadecimal

20. Interface electronic circuit is used to interconnect I/O devices to a computer's CPU or

- a. ALU
 - b. Memory
 - c. Buffer
 - d. Register
-
-

Answers:

1. A type of core store that has a lower access time than the devices used for working store in the same processor is known as

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16. condensing output data to exhibit specific information is

d. summarizing

17. which chips using special external equipment can reprogram

b. PROM

18. A storage device whe3re the access time is depended upon the location of the data is

b. Serial access

19. Which number system is commonly used as a shortcut notation for groups of four binary digits?

d. Hexadecimal

20. Interface electronic circuit is used to interconnect I/O devices to a computer's CPU or

b. Memory

Following are the objective questions from Computer Fundamentals Section. Computer Fundamentals section includes the topics such as history of computers, generation of computers, classification of computers, Computer Peripherals, Storage Devices, Computer Security Systems, Computer Viruses, Computer Networking, System Analysis and Design and so on.

Set - 16

1. One millisecond is

a. 1 second

b. 10th of a seconds

c. 1000th of a seconds

d. 10000th of a seconds

Correct Answer: c

Collected and distributed at psExam.com

2. An online backing storage system capable of storing larger quantities of data is

a. CPU

b. Memory

c. Mass storage

d. Secondary storage

Correct Answer: c

Please, point out any mistakes to admin@psexam.com

3. One of a class of storage device devices that can access storage locations in any order is

- a. DTE
- b. DASD
- c. DDE
- d. DDE

Correct Answer: b

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

4. Which is an item of storage medium in the form of circular plate?

- a. Disk
- b. CPU
- c. Printer
- d. ALU

Correct Answer: a

[Computer Fundamentals](#) – [Fundamentals of Computer Science](#)

5. Properly arranged data is called

- a. Field
- b. Words

c. Information

d. File

Correct Answer: c

Collected and distributed at psExam.com

6. Another word for a daisy wheel printer

a. Petal printer

b. Golf ball printer

c. Laser printer

d. Line printer

Correct Answer: b

Please, point out any mistakes to admin@psexam.com

7. A term used to describe interconnected computer configuration is

a. Multiprogramming

b. Modulation

c. Multiprocessing

d. Micro program sequence

Correct Answer: a

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

8. An input /output device at which data enters or leaves a computer system is

- a. Keyboard
- b. Terminal
- c. Printer
- d. Plotter

Correct Answer: b

[Computer Fundamentals](#) – [Fundamentals of Computer Science](#)

9. A physical connection between the microprocessor memory and other parts of the microcomputer is known as

- a. Path
- b. Address bus
- c. Route
- d. All of the above

Correct Answer: b

Collected and distributed at psExam.com

10. A group of magnetic tapes, videos or terminals usually under the control of one master is

- a. Cylinder
- b. Surface
- c. Track
- d. Cluster

Correct Answer: d

Please, point out any mistakes to admin@psexam.com

11. Number cruncher is the informal name for

- a. Mini computer
- b. Super computer
- c. Microcomputer
- d. Mainframe computer

Correct Answer: b

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

12. A technique used by codes to convert an analog signal into a digital bit stream is known as

- a. Pulse code modulation
- b. Pulse stretcher
- c. Query processing
- d. Queue management

Correct Answer: a

[Computer Fundamentals](#) – [Fundamentals of Computer Science](#)

13. The personnel who deals with the computer and its management put together are called

- a. Software
- b. Human ware
- c. Firmware

d. Hardware

Correct Answer: b

Collected and distributed at psExam.com

14. The brain of any computer system is

a. ALU

b. Memory

c. CPU

d. Control unit

Correct Answer: c

Please, point out any mistakes to admin@psexam.com

15. Each model of a computer has a unique

a. Assembly of a computer

b. Machine language

c. High level language

d. All of the above

Correct Answer: b

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

16. Computer professionals working in a computer center are`

a. Software

- b. Firmware
- c. Hardware
- d. Humanware

Correct Answer: d

[Computer Fundamentals – Fundamentals of Computer Science](#)

17. Which of the it5ems below are considered removable storage media?

- a. Removable hard disk cartridges
- b. (Magneto-optical) disk
- c. Flexible disks cartridges
- d. All of the above

Correct Answer: d

Collected and distributed at psExam.com

18. Which term is used to describe RAM?

- a. Dynamic RAM (DRAM)
- b. Static RAM (SRAM)
- c. Video RAM (VRAM)
- d. All of the above

Correct Answer: d

Please, point out any mistakes to admin@psexam.com

19. Which of the following are (is) considered to be video component?

- a. Resolution
- b. Color depth
- c. Refresh rate
- d. All of the above

Correct Answer: d

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

20. On a PC, how much memory is available to application software?

- a. 1024 KB
- b. 760 KB
- c. 640 KB
- d. 560 KB

Correct Answer: c

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Set - 17

1. Which of the following items are examples of storage devices?

- a. Floppy / hard disks
- b. CD-ROMs
- c. Tape devices
- d. All of the above

Correct Answer: d

Collected and distributed at psExam.com

2. The Width of a processor's data path is measured in bits. Which of the following are common data paths?

- a. 8 bits
- b. 12 bits
- c. 16 bits
- d. 32 bits

Correct Answer: a

Please, point out any mistakes to admin@psexam.com

3. Which is the type of memory for information that does not change on your computer?

- a. RAM
- b. ROM
- c. ERAM
- d. RW / RAM

Correct Answer: b

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

4. What type of memory is not directly addressable by the CPU and requires special software called EMS (expanded memory specification)?

- a. Extended
- b. Expanded
- c. Base
- d. Conventional

Correct Answer: b

[Computer Fundamentals](#) – [Fundamentals of Computer Science](#)

5. Before a disk can be used to store data. It must be.....

- a. Formatted
- b. Reformatted
- c. Addressed
- d. None of the above

Correct Answer: a

Collected and distributed at psExam.com

6. What type of device is computer keyboard?

- a. Memory
- b. Output
- c. Storage
- d. Input

Correct Answer: d

Please, point out any mistakes to admin@psexam.com

7. The original ASCII code used...bits of each byte, reserving that last bit for error checking

- a. 5
- b. 6
- c. 7
- d. 8

Correct Answer: c

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

8. Which company is the biggest player in the microprocessor industry?

- a. Motorola
- b. IBM
- c. Intel
- d. AMD

Correct Answer: c

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9. What is required when more than one person uses a central computer at the same time?

- a. Light pen
- b. Mouse
- c. Digitizer
- d. Terminal

Correct Answer: d

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10. A hard copy would be prepared on a

- a. Line printer
- b. Dot matrix Printer
- c. Typewriter terminal
- d. All of the above

Correct Answer: d

Please, point out any mistakes to admin@psexam.com

11. A typical personal computer used for business purposes would have... of RAM.

- a. 4 KB

- b. 16 K
- c. 64 K
- d. 256 K

Correct Answer: d

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

12. A high quality CAD system uses the following for printing drawing and graphs

- a. Dot matrix printer
- b. Digital plotter
- c. Line printer
- d. All of the above

Correct Answer: b

[Computer Fundamentals](#) – [Fundamentals of Computer Science](#)

13. Symbolic logic was discovered by

- a. George Boole
- b. Herman Hollerith
- c. Van Neumann
- d. Basic Pascal

Correct Answer: a

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14. What was the nick name of the computer used by the Americans in 1952 for their H-bomb project?

- a. ENIAC
- b. EDSAC
- c. MANIAC
- d. UNIVAC

Correct Answer: c

Please, point out any mistakes to admin@psexam.com

15. The word length of a computer is measured in

- a. Bytes
- b. Millimeters
- c. Meters
- d. Bits

Correct Answer: d

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

16. Multi user systems provided cost savings for small business because they use a single processing unit to link several

- a. Personal computers
- b. Workstations
- c. Dumb terminals
- d. Mainframes

Correct Answer: c

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17. What are the three decisions making operations performed by the ALU of a computer?

- a. Greater than
- b. Less than
- c. Equal to
- d. All of the above

Correct Answer: d

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18. Which part of the computer is used for calculating and comparing?

- a. Disk unit
- b. Control unit
- c. ALU
- d. Modem

Correct Answer: c

Please, point out any mistakes to admin@psexam.com

19. Can you tell what passes into and out from the computer via its ports?

- a. Data
- b. Bytes
- c. Graphics

d. Pictures

Correct Answer: a

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at [psExam.com](#)

20. Which type of computers uses the 8-bit code called EBCDIC?

a. Minicomputers

b. Microcomputers

c. Mainframe computers

d. Super computer

Correct Answer: c

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Set - 18

1. Where as a computer mouse moves over the table surface, the trackball is

a. Stationary

b. Difficult to move

c. Dragged

d. Moved in small stems

Correct Answer: a

Collected and distributed at [psExam.com](#)

2. Which one of the following input device is user-programmable?

- a. Dumb terminal
- b. Smart terminal
- c. VDT
- d. Intelligent terminal

Correct Answer: d

Please, point out any mistakes to admin@psexam.com

3. Which computer memory is used for storing programs and data currently being processed by the CPU?

- a. Mass memory
- b. Internal memory
- c. Non-volatile memory
- d. PROM

Correct Answer: b

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

4. Computer instructions written with the use of English words instead of binary machine code is called

- a. Mnemonics
- b. Symbolic code
- c. Gray codes
- d. Opcode

Correct Answer: b

[Computer Fundamentals – Fundamentals of Computer Science](#)

5. computer operators

- a. writes computer programs for specific problems
- b. operate the device which input and output data from the computer
- c. normally require a college degree in computer science
- d. all of the above

Correct Answer: b

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6. A computer programmer

- a. Does all the thinking for a computer
- b. Can enter input data quickly
- c. Can operate all types of computer equipment
- d. Can draw only flowchart

Correct Answer: a

Please, point out any mistakes to admin@psexam.com

7. CD-ROM

- a. Is a semiconductor memory
- b. Memory register
- c. Magnetic memory

d. None of the above

Correct Answer: d

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at [psExam.com](#)

8. Which of the following is not a primary storage device?

a. Magnetic tape

b. Magnetic disk

c. Optical disk

d. None of the above

Correct Answer: d

[Computer Fundamentals](#) – [Fundamentals of Computer Science](#)

9. A name or number used to identify a storage location is called

a. A byte

b. A record

c. An address

d. All of above

Correct Answer: c

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10. Which of the following is a secondary memory device?

a. Keyboard

- b. Disk
- c. ALU
- d. All of the above

Correct Answer: b

Please, point out any mistakes to admin@psexam.com

11. The difference between memory and storage is that memory is and storage is ...

- a. Temporary, permanent
- b. Permanent, temporary
- c. Slow, fast
- d. All of above

Correct Answer: a

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

12. A floppy disk contains

- a. Circular tracks only
- b. Sectors only
- c. Both circular tracks and sectors
- d. All of the above

Correct Answer: c

[Computer Fundamentals](#) – [Fundamentals of Computer Science](#)

13. The octal equivalence of 111010 is

- a. 81
- b. 72
- c. 71
- d. None of above

Correct Answer: b

Collected and distributed at psExam.com

14. The first electronic computer in the world was

- a. UNIVAC
- b. EDVAC
- c. ENIAC
- d. All of above

Correct Answer: c

Please, point out any mistakes to admin@psexam.com

15. The most commonly used standard data code to represent alphabetical, numerical and punctuation characters used in electronic data processing system is called

- a. ASCII
- b. EBCDIC
- c. BCD
- d. All of above

Correct Answer: a

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

16. Which was the computer conceived by Babbage?

- a. Analytical engine
- b. Arithmetic machine
- c. Donald Knuth
- d. All of above

Correct Answer: a

[Computer Fundamentals](#) – [Fundamentals of Computer Science](#)

17. Offline device is

- a. A device which is not connected to CPU
- b. A device which is connected to CPU
- c. A direct access storage device
- d. An I/O device

Correct Answer: a

Collected and distributed at [psExam.com](#)

18. Which of the following registers is loaded with the contents of the memory location pointed by the PC?

- a. Memory address register
- b. Memory data register

- c. Instruction registers
- d. Program counter

Correct Answer: c

Please, point out any mistakes to admin@psexam.com

19. Which of the following registers is used to keep track of address of the memory location where the next instruction is located?

- a. Memory address register
- b. Memory data register
- c. Instruction register
- d. Program counter

Correct Answer: d

Objective Questions - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

20. Microprocessors can be used to make

- a. Computer
- b. Digital systems
- c. Calculators
- d. All of the above

Correct Answer: d

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Set - 19

1. How many address lines are needed to address each memory location in a 2048 x 4 memory chip?

- a. 10
- b. 11
- c. 8
- d. 12

Correct Answer: b

Collected and distributed at psExam.com

2. Which American Computer Company is called big blue?

- a. Microsoft
- b. Compaq Corp
- c. IBM
- d. Tandy Severson

Correct Answer: c

Please, point out any mistakes to admin@psexam.com

3. When did IBM introduced the 80286 based PC/AT?

- a. 1982
- b. 1984
- c. 1985

d. 1989

Correct Answer: b

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

4. The first electronic general purpose digital computer built by Motley and Accrete called ENIAC did not work on the stored program concept. How many number s could it store in its internal memory?

a. 100

b. 20

c. 40

d. 80

Correct Answer: b

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5. The digital computer was developed primarily in

a. USSR

b. Japan

c. USA

d. UK

Correct Answer: c

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6. The subject of cybernetics deals with the science of

a. Genetics

b. Control and communications

c. Molecular biology

d. Biochemistry

Correct Answer: b

Please, point out any mistakes to admin@psexam.com

7. who is credited with the idea of using punch cards to control patterns of a weaving machine?

a. Pascal

b. Hollerith

c. Babbage

d. Jacquard

Correct Answer: d

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

8. Most of the inexpensive personal computer does not have any disk or diskette drive. What is the name of such computers?

a. Home computers

b. Diskless computers

c. Dedicated computer

d. General computer

Correct Answer: a

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9. Which of the following required large computer memory?

- a. Imaging
- b. Graphics
- c. Voice
- d. All of above

Correct Answer: d

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10. A term associated with the comparison of processing speeds of different computer system is:

- a. EFTS
- b. MPG
- c. MIPS
- d. CFPS

Correct Answer: c

Please, point out any mistakes to admin@psexam.com

11. The processes of starting or restarting a computer system by loading instructions from a secondary storage device into the completer memory is called

- a. Duping
- b. Booting
- c. Padding
- d. All of above

Correct Answer: b

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

12. Who invented the microprocessor?

- a. Marcian E Huff
- b. Herman H Goldstein
- c. Joseph Jacquard
- d. All of above

Correct Answer: a

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13. One computer that is not considered a portable computer is

- a. Minicomputer
- b. A laptop computer
- c. Mini computer
- d. All of the above

Correct Answer: a

Collected and distributed at [psExam.com](#)

14. The accuracy of the floating-point numbers representable in two 16-bit words of a computer is approximately

- a. 16 digits
- b. 6 digits

- c. 9 digits
- d. All of above

Correct Answer: b

Please, point out any mistakes to admin@psexam.com

15. A dumb terminal has
- a. An embedded microprocessor
 - b. Extensive memory
 - c. Independent processing
 - d. A keyboard and screen

Correct Answer: d

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

16. Plotter accuracy is measured in terms of repeatability and
- a. Buffer size
 - b. Resolution
 - c. Vertical dimensions
 - d. Intelligence

Correct Answer: b

[Computer Fundamentals](#) – [Fundamentals of Computer Science](#)

17. Daisy wheel printer is a type of

- a. Matrix primer
- b. Impact printer
- c. Laser printer
- d. Manual printer

Correct Answer: b

Collected and distributed at psExam.com

18. The number of records contained within a block of data on magnetic tape is defined by the

- a. Block definition
- b. Record contain clause
- c. Blocking factor
- d. Record per block factor

Correct Answer: c

Please, point out any mistakes to admin@psexam.com

19. Serial access memories are useful in applications where

- a. Data consists of numbers
- b. Short access time is required
- c. Each stored word is processed differently
- d. Data naturally needs to flow in and out in a serial form

Correct Answer: d

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

20. Which of the following memories must be refreshed many times per second?

- a. Static RAM
- b. Dynamic RAM
- c. EPROM
- d. ROM

Correct Answer: b

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Set - 20

381. The memory which is programmed at the time it is manufactured

- a. POM
- b. RAM
- c. PROM
- d. EPROM

Correct Answer: a

Collected and distributed at psExam.com

382. Which of the following memory medium is not used as main memory system?

- a. Magnetic core
- b. Semiconductor

- c. Magnetic tape
- d. Both a and b

Correct Answer: c

Please, point out any mistakes to admin@psexam.com

383. Registers, which are partially visible to users and used to hold conditional, are known as

- a. PC
- b. Memory address registers
- c. General purpose register
- d. Flags

Correct Answer: c

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384. One of the main feature that distinguish microprocessors from micro-computers is

- a. Words are usually larger in microprocessors
- b. Words are shorter in microprocessors
- c. Microprocessor does not contain I/O devices
- d. Exactly the same as the machine cycle time

Correct Answer: c

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385. The least significant bit of the binary number, which is equivalent to any odd decimal number, is:

- a. 0
- b. 1
- c. 1 or 0
- d. 3

Correct Answer: a

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386. What type of control pins are needed in a microprocessor to regulate traffic on the bus, in order to prevent two devices from trying to use it at the same time?

- a. Bus control
- b. Interrupts
- c. Bus arbitration
- d. Status

Correct Answer: c

Please, point out any mistakes to admin@psexam.com

387. When was the world's first laptop computer introduced in the market and by whom?

- a. Hewlett-Packard
- b. Epson, 1981
- c. Laplink traveling software Inc. 1982
- d. Tandy model-2000, 1985

Correct Answer: b

388. The first microprocessor built by the Intel Corporation was called

- a. 8008
- b. 8080
- c. 4004
- d. 8800

Correct Answer: c

[Computer Fundamentals](#) – [Fundamentals of Computer Science](#)

389. Who built the world's first electronic calculator using telephone relays, light bulbs and batteries/

- a. Claude Shannon
- b. Konrard Zues
- c. George Stibits
- d. Howard H. Aiken

Correct Answer: c

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390. Who developed a mechanical device in the 17th century that could add, subtract, multiple, divide and find square roots?

- a. Napier
- b. Babbage
- c. Pascal
- d. Leibniz

Correct Answer: d

Please, point out any mistakes to admin@psexam.com

391. IBM 7000 digital computer

- a. Belongs to second generation
- b. Uses VLSI
- c. Employs semi conductor memory
- d. Has modular constructions

Correct Answer: d

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

392. An integrated circuit is

- a. A complicated circuit
- b. An integrating device
- c. Much costlier than a single transistor
- d. Fabricated on a tiny silicon chip

Correct Answer: d

[Computer Fundamentals](#) – [Fundamentals of Computer Science](#)

393. Most important advantage of an IC is its

- a. Easy replacement in case of circuit failure
- b. Extremely high reliability

- c. Reduced cost
- d. Low powers consumption

Correct Answer: b

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394. The first machine to successfully perform a long series of arithmetic and logical operations was:

- a. ENIAC
- b. Mark-I
- c. Analytic Engine
- d. UNIVAC-1

Correct Answer: b

Please, point out any mistakes to admin@psexam.com

395. In the third Generation of computers

- a. Distributed data processing first became popular
- b. An operating system was first developed
- c. High level procedural language were first used
- d. Online real time systems first become popular

Correct Answer: d

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

396. An IBM system/38 represents the computer class of:

- a. Small scale computer
- b. Medium scale computer
- c. Large scale computer
- d. Super computer

Correct Answer: a

[Computer Fundamentals](#) – [Fundamentals of Computer Science](#)

397. The first firm to mass-market a microcomputer as a personal computer was

- a. IBM
- b. Super UNIVAC
- c. Radio Shaks
- d. Data General Corporation

Correct Answer: c

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398. A digital computer did not score over an analog computer in terms of

- a. Speed
- b. Accuracy
- c. Reliability
- d. Cost

Correct Answer: b

Please, point out any mistakes to admin@psexam.com

399. In 1830, Charles Babbage designed a machine called the analytical engine, which he showed at the parts exhibition. In which year was it exhibited?

- a. 1820
- b. 1860
- c. 1855
- d. 1970

Correct Answer: c

[Objective Questions](#) - [Multiple Choice Questions](#) - [MCQs](#) at psExam.com

400. Which was the world's first minicomputer and when was it introduced?

- a. PDP-I, 1958
- b. IBM System/36, 1960
- c. PDP-II, 1961
- d. VAX 11/780, 1962

Correct Answer: a

Q6} What shall be compound interest earned on Rs.750 invested at 12% per annum for 8 years.

- A. Rs.1857
- B. Rs.750
- C. Rs.1107
- D. None of these

Q7} The unknown value in the proportion: $2: x = 3: 9$, is

- A. 5
- B. 6
- C. 7
- D. 8

Q8} If $2.5 : 7.5 = 3.7 : x$, then $x = ?$

- A. 10.10
- B. 11.10
- C. 12.10
- D. 13.10

Q9} A businessman pays an amount of Rs. 3000 to purchase for certain item and sells it at Rs. 3750. Then Mark up rate of the businessman is?

- A. 32%
- B. 31%
- C. 30%
- D. 25%

Q10} For a product, if its list price is Rs.500 at the discount rate of 25% then its net cost price is

- A. Rs.375
- B. Rs.125
- C. Rs.625
- D. Rs.525

Q11} 17. The most frequently occurring value of a data set is called the

- a. range
- b. mode
- c. mean
- d. median
- e. None of the above answers is correct.

Q12} The value that has half of the observations above it and half the observations below it is called the

- a. range
- b. median
- c. mean
- d. mode
- e. None of the above answers is correct.

Q13} The standard deviation of a sample of 100 observations equals 64. The variance of the sample equals

- a. 8
- b. 10
- c. 6,400
- d. 4,096
- e. None of the above answers is correct.

Q14} The measure of location which is the most likely to be influenced by extreme values in the data set is the

- A. range B. median C. mode D. mean

Q15} Number of observations are 30 and value of arithmetic mean is 15 then sum of all values is

- A. 15
- B. 450
- C. 200
- D. 45

Q16} In arithmetic mean, sum of deviations of all recorded observations must always be

- A. two
- B. minus one
- C. one
- D. zero

Q17} Arithmetic mean is 25 and all sum of observations is 350 then number of observations are

- A. 25
- B. 70
- C. 14
- D. 75

Q16} arithmetic mean is 12 and number of observations are 20 then sum of all values is

- A. 8
- B. 32
- C. 240
- D. 1.667

Q17} Arithmetic mean is multiplied to coefficient of mean absolute deviation to calculate the

- A. absolute mean deviation
- B. absolute median deviation
- C. relative mean deviation
- D. relative median deviation

Q18} Harmonic mean, arithmetic mean and geometric mean are all considered as

- A. mathematical averages
- B. population averages
- C. sample averages
- D. extended measures

Q19} If arithmetic mean is 25 and harmonic mean is 15 then geometric mean is

- A. 17.36
- B. 16.36
- C. 15.36
- D. 19.36

Q20} Manner in which geometric mean, harmonic mean and arithmetic mean are related is as

- A. $A.M > G.M > H.M$
- B. $A.M > G.M < H.M$
- C. $A.M < G.M < H.M$
- D. $A.M < G.M > H.M$

Q21} For individual observations, reciprocal of arithmetic mean is called

- A. geometric mean
- B. harmonic mean

- C. deviation square mean
- D. paired mean

Q22} If arithmetic mean is 20 and harmonic mean is 30 then geometric mean is

- A. 14.94
- B. 24.94
- C. 34.94
- D. 44.94

Q23} Coefficient of skewness method in which basis of measuring is deciles and percentiles is classified as

- A. Gary's coefficient of skewness
- B. Sharma's coefficient of skewness
- C. Kelly's coefficient of skewness
- D. Jack Karl's coefficient of skewness

Q24} Coefficient of skewness method in which basis of measuring is deciles and percentiles is classified as

- A. Gary's coefficient of skewness
- B. Sharma's coefficient of skewness
- C. Kelly's coefficient of skewness
- D. Jack Karl's coefficient of skewness

Q25} Three times of difference between mean and median is divided by standard deviation to calculate coefficient of skewness by method of

- A. Professor Keller
- B. Professor Bowley
- C. Karl Pearson
- D. Professor Kelly

Q26} Method of calculating coefficient of skewness by Karl Pearson method is useful for type of distributions that are

- A. non concentrated
- B. open ended
- C. close ended
- D. concentrated
- E.

Q27} Distribution whose mode is not well defined and classes of distribution are open ended uses coefficient of skewness by

- A. Karl Pearson
- B. Professor Kelly
- C. Professor Keller
- D. Professor Bowley

Q28} Coefficient of skewness by Karl Pearson, Professor Kelly and professor Bowley are considered as

- A. relative measure of skewness
- B. absolute measure of skewness
- C. concentrated measure of skewness
- D. directed measure of skewness

Q29} Considering probability distribution, if mode is greater than median then distribution is classified as

- A. variable model
- B. right skewed
- C. left skewed
- D. constant model

Q30} Frequency distribution whose most values are dispersed to left or right of mode is classified as

- A. skewed
- B. explored
- C. bimodal
- D. unimodal

Q31} In a negative skewed distribution, order of mean, median and mode is as

- A. mean < median > mode
- B. mean > median > mode
- C. mean < median < mode
- D. mean > median < mode

Q32} Distribution whose outliers are higher values is considered as

- A. variable model
- B. right skewed

- C. left skewed
- D. constant model

Q33} Distribution which has outliers with relatively lower values is considered as

- A. experimentally skewed
- B. exploratory skewed
- C. positively skewed
- D. negatively skewed

Q34} In measures of skewness, absolute skewness is equal to

- A. mean+mode
- B. mean-mode
- C. mean+median
- D. mean-median

Q35} Considering mean, mode and skewness of data, value of skewness will be positive if

- A. mean<median
- B. mean>median
- C. mean>mode
- D. mean<mode

Q36} Consider a set of observations whose mean is 14 and mode of same set of observations is 12 then values of skewness around central value are

- A. 2
- B. 26
- C. 1.667
- D. 168

Q37} Mode of set of 20 observations is 18 and skewness of observations around central value is 5 then calculated value of arithmetic mean of observations is

- A. 23
- B. 7
- C. 13
- D. 43

Q38} Considering mean, mode and skewness of data, value of skewness will be negative if

- A. $\text{mean} > \text{mode}$
- B. $\text{mean} < \text{mode}$
- C. $\text{mean} < \text{median}$
- D. $\text{mean} > \text{median}$

Q39} In statistics out of 100, marks of 21 students in final exams are as 90, 95, 95, 94, 90, 85, 84, 83, 85, 81, 92, 93, 82, 78, 79, 81, 80, 82, 85, 76, 85 then mode of data is

- A. 85
- B. 95
- C. 90
- D. 81

Q40} Branches of statistics includes

- A. applied statistics
- B. mathematical statistics
- C. industry statistics
- D. both a and b

Q41} Procedures of descriptive statistics and control charts which are used to improve process are classified as

- A. statistical tools
- B. parallel tools
- C. serial tools
- D. behavioral tool

Q42} Scale used in statistics which provides difference of proportions as well as magnitude of differences is considered as

- A. satisfactory scale
- B. ratio scale
- C. goodness scale
- D. exponential scale

Q43} Sample statistics are denoted by the

- A. upper case Greek letter
- B. associated roman alphabets

- C. roman letters
- D. lower case Greek letter

Q44} Difference of mode and mean is equal to

- A. 3(mean-median)
- B. 2(mean-median)
- C. 3(mean-mode)
- D. 2(mode mean)

Q45} Difference of mode and mean is equal to

- A. 3(mean-median)
- B. 2(mean-median)
- C. 3(mean-mode)
- D. 2(mode mean)

Q46} If mean is 11 and median is 13 then value of mode is

- A. 15
- B. 13
- C. 11
- D. 17

Q47} Distribution in which values of median, mean and mode are not equal is considered as

- A. experimental distribution
- B. asymmetrical distribution
- C. symmetrical distribution
- D. exploratory distribution

Q48} If value of three measures of central tendencies median, mean and mode then distribution is considered as

- A. negatively skewed modal
- B. triangular model
- C. unimodel
- D. bimodel

Q49} If value of mode is 14 and value of arithmetic mean is 5 then value of median is

- A. 12
- B. 18
- C. 8
- D. 14

Q50} Statistical measures such as average deviation, standard deviation and mean are classified as part of

- A. deciles system
- B. moment system
- C. percentile system
- D. quartile system

Q51} Statistical measures such as deciles, percentiles, median and quartiles are classified as part of

- A. percentile system
- B. quartile system
- C. deciles system
- D. moment system

Q52} Measures whose calculated values represents only some proportion of frequency distribution are classified as

- A. measures of deciles systems
- B. measures of momentum system
- C. measures of percentile system
- D. measures of moment system

Q53} Branch of statistics which deals with development of particular statistical methods is classified as

- A. industry statistics
- B. economic statistics
- C. applied statistics
- D. mathematical statistics

Q54} Branch of statistics which deals with findings of solution in field of medicine, education and economics is classified as

- A. economic statistics

- B. applied statistics
- C. mathematical statistics
- D. industry statistics

Q55} Analysis based on study of price fluctuations, production of commodities and deposits in banks is classified as

- A. sample series analysis
- B. time series analysis
- C. numerical analysis
- D. experimental analysis

Q56} Regardless to difference in distribution of sample and population, mean of sampling distribution must be equal to

- A. degree of freedom
- B. statistic error
- C. population mean
- D. standard error

Q57} In statistical analysis, sample size is considered large if

- A. $n > \text{or} = 30$
- B. $n < \text{or} = 30$
- C. $n > \text{or} = 50$
- D. $n < \text{or} = 50$

Q58} If population standard deviation is not known then formula used to calculate standard error is as

- A. $n - 1 / \text{sample size square root}$
- B. $s / \text{sample size square root}$
- C. $n + 1 / \text{square root of } s$
- D. $n * 2 / \text{sample size square root}$

Q59} Standard deviation of a sampling distribution is also classified as

- A. standard error
- B. statistic error
- C. sampling error
- D. probability error

Q60} Standard deviation of first 50 natural numbers is

- A. 45.43
- B. 14.43
- C. 20.43
- D. 16.43

Q61} Total revenue (in crores) of five leather goods companies are as two companies have revenues between 10-20, one company has revenue between 20-30 and one company has revenue between 30-40 then standard deviation is

- A. 7.9
- B. 4.9
- C. 5.9
- D. 6.9

Q62} Price of gasoline for three days are as 98, 96, 97, 100 then value of standard deviation with assumed mean method is

- A. 15
- B. 10
- C. 1
- D. 11

Q63} Focus groups, individual respondents and panels of respondents are classified as

- A. pointed data sources
- B. itemized data sources
- C. secondary data sources
- D. primary data sources

Q64} Reports on quality control, production and financial accounts issued by companies are considered as

- A. external secondary data sources
- B. internal secondary data sources
- C. external primary data sources
- D. internal primary data sources

Q65} Government and non-government publications are considered as

- A. external secondary data sources

- B. internal secondary data sources
- C. external primary data sources
- D. internal primary data sources

Q66}Data which is generated within company such as routine business activities is classified as

- A. external primary data sources
- B. internal primary data sources
- C. external secondary data sources
- D. internal secondary data sources

Q67}Type of questions included in questionnaire to record responses in which respondent can answer in any way are classified as

- A. multiple choices
- B. itemized question
- C. open ended questions
- D. close ended questions

Q68} The algebraic sum of the deviations of the 10 observation measured from 15 is 7. Thus , the mean is :

- A. 105 B. 70 C. 15.7 D. NONE OF THESE

Q69}in a batch of 13 students, 4 have failed. The marks of the successful candidates were 41,57,38,61,36,

- A. 40 B. 50 C.41 D. 38

Q70}the arithmetic mean of 9 observations is 100 and that 6 is 80, the combined mean of all the 15 observations will be :

- a. 100 b. 80 c. 90 d. 92

Q71} for a symmetrical distribution, q1 and q3 are 20 and 40 respectively. The value of 50th percentile will be:

- a. 40 b. 20 c. 30 d. none of these

Q72}total wages paid to the workers in two factories A and B are the same but the modal wage in factory A is large than the modal wage in factory B. in which factory, workers are well off?

- a. A b.B c. Equal in both d. no answer

Q73} which of the following would be an appropriate average size of readymade garments:

- a. arithmetic mean b. media c. mode d. geometric mean

Q74} Most appropriate measure for qualitative measurement is:

- a. mode b. median c. A.M. d. None of these

Q 75} most appropriate average to determine the size of oranges on tree is:

- a. mode b. median c. A.M. d. None of these

Q76} The most unstable measure of central tendency is:

- a. A.M. b. median c. Mode d. None if these

Q77} The sum of deviations of observations is zero when measured from:

- a. median b. G.M. c. Mode d. A.M.

Q78} The average, most affected by the extreme observations, is :

- a. Mode b. A.M. c. G.M. d. Median

Q79} The Most stable average is :

- a. Mode b. A.M. c. Median d. G.M.

Q80} The measures based on every item of the series :

- a. range b. standard deviation c. quartile deviation d. all of them

Q81} Standard deviation is always computed from :

- a. mean b. mode c. median d. geometric deviation

Q82} mean deviation is :

- a. less than S.D. b. more than S.D. c. not related to S.D. d. equal to S.D.

Q83} Quartile deviation is based on:

- a. the highest 50% of the items b. the lowest 25% of the items
c. the highest 25% of the items d. middle 50% of the items.

Q84} if 25% of the items are less than 20 and 25% are more than 40, the quartile deviation is :

- a. 20 b. 30 c. 40 d. 10

Q85} The mean of squared deviations about the mean is called :

- a. S.D. b. Variance c. M.D. d. None of these

Q86} The mean of absolute deviations from an average is called.

- a. S.D. b. M.D. c. Variance d. Q.D.

Q87} The median is :

- a. 4th decile b. 5th decile c. 8th decile d. None Of these

Q88} if QD is 16, the most likely value of SD will be :

- a. 24 b. 42 c. 16 d. none of these

Q89} If M.D. is 12, the value of S.D. will be

- a. 15 b. 12 c. 24 d. None of these

Q90} If every item in a set of data is increased by 10 then which of the following measures will remain uncharged :

- a. Mean b. Median c. Mode d. variance e. none of these

Q91} which of the following measures represents the scatter of the values in a data set :

- a. Arithmetic mean b. Geometric mean c. Harmonic Mean d. Median
e. S.D.

Q92} Which of the following measures does not use every observation in the data set:

- a. Variance b. Coefficient of variance c. mode d. G.M. e. A.M.

Q93} Which of the following measures of dispersion is also called "root mean square deviation"?

- a. Rang b. Average deviation c. mean absolute deviation d. S.D.
D. d. None of above

Q94} Which of the following measures cannot be combined mathematically?

- a. S.D. b. A.M. c. G.M. d. H.M. e. median

Q95} Find out highest common factor of 36 & 84

- a. 4 b. 6 c. 12 d. 18

Q96} Find out lowest common multiple of 24,36 & 40

- a. 120 b. 240 c.360 d. 480

Q97} The product of two numbers is 2028 and their H.C.F is 13 the numbers of such pairs greater number is :

- a. 1 b. 2 c. 3 d.4

Q98}The sum of two numbers is 528 and their H.C.F. is 33. The number of pairs of numbers satisfying the above condition :

- a. 4 b. 6 c. 8 d. 12

Q99} Sachin is younger than Rahul by 4 years. If their ages are in the respective ratio 7:9 how old is Sachin ?

- a. 16 years b. 18 years c. 28 years d. cannot be determine e. none of above

Q100} the ratio between the present ages of P and Q is 6:7 If Q is 4 years old than P , what will be the ratio of the ages of P and Q after 4 years?

- a. 3:4 b. 3:5 c. 4:3 d. data inadequate e. none of these

Financial Accounting

B.Com accounting and finance

I Semester

Multiple Choice Questions.

Q1] Which accounting concept satisfy the valuation criteria

- a] **Going concern, Realisation, Cost**
- b) Going concern, Cost, Dual aspect
- c) Cost, Dual aspect, Conservatism
- d) Realisation, Conservatism, Going concern.

Q2] A trader has made a sale of Rs.75,500 out of which cash sales amounted to

Rs.25,500. He showed trade receivables on 31-3-2014 at Rs.25,500. Which concept is followed by him?

- a) Going concern
- b) Cost
- c) Accrual**
- d) Money measurement

Q3] In which of the following cases, accounting estimates are needed?

- a) Employs benefit schemes
- b) Impairment of losses
- c) Inventory obsolescence

d) All of the above

Q4] Deewali advance given to an employee is

- a) Revenue Expenditure
- b) Capital Expenditure
- c) Deferred Revenue Expenditure

d) Not an Expenditure

Q5]A firm has reported a profit of Rs.1,47,000 for the year ended 31-3-2014 after taking into consideration the following items.

- (i) The cost of an asset Rs.23,000 has been taken as an expense
- (ii) The firm anticipated a profit of Rs.12,000 on the sale of an old furniture
- (iii) Salary of Rs.7,000 outstanding for the year has not been taken into account.
- (iv) An asset of Rs.85,000 was purchased for Rs.75,000 and was recorded in the books at Rs.85,000. What is the correct amount of profit to be reported in the books?

a) Rs.1,47,000

b) Rs. 1,51,000

c) Rs.1,63,000

d) Rs.1,41,000

Q6]The process of recording financial data upto trial balance is

a) Book keeping

b) Classifying

c) Summarising

d) Analyzing

Q7] Rohit carrying on real estate business sold a piece of land for Rs.4,00,00,000 (cost Rs.3,50,00,000) then the type of receipt is _____ nature and profit on sale is

- a) Capital & transferred to capital reserve
- b) Revenue & transferred to P & L a/c**
- c) Capital & transferred to P & L a/c
- d) Revenue & transferred to general reserve

Q8] In income measurement & recognition of assets & liabilities which of the following concepts goes together ?

- (a) Periodicity, Accrual, Matching**
- (b) Cost, Accrual, matching
- (c) Going concern, cost, Realization
- (d) Going concern, Periodicity, Reliability

Q9] Interpretation means

- (a) Explanation of meaning and significance of the data in Financial Statements.**
- (b) Concerned with preparation and presentation of classified data
- (c) Systematic analysis of recorded data
- (d) Methodical classification of data given in Financial Statements.

Q10] A trader purchases goods for Rs. 2500000, of these 70% of goods were sold during the year. At the end of 31st December 2009, the market value of such goods were Rs. 500000. But the trader recorded in his books for Rs. 750000. Which of the following concept is violated.

- (a) Money measurement
- (b) Conservatism**
- (c) Consistency
- (d) None of these

Q11] Which of the following is wrong?

- (a) All real and personal accounts are transferred to balance sheet
- (b) Nominal accounts are transferred to P &L account
- (c) Each account is opened separately in ledger
- (d) Rent is a personal account, outstanding rent is nominal account**

Q 12] is root cause for financial accounting

- (a) Stewardship accounting**
- (b) Social accounting
- (c) Management accounting
- (d) Human resource accounting

Q 13] If nothing is given in the financial statements about the three accounting assumptions then it is to be treated as it

- a) Is assumed that it is not followed
- b) Is assumed to be followed**
- c) Is assumed to be followed to some extent
- d) None of the above

Q14] The proprietor of the business is treated as creditor for the capital introduced by him due to _____ concept.

- a) Money measurement
- b) Cost
- c) Entity**
- d) Dual aspect

Q15] Fixed assets are held by business for _____

a) Converting into cash

b) Generating revenue

c) Resale

d) None of the above

Q16] Which accounting concept specifies the practice of crediting closing stock to the trading account?

a) Cost

b) Realisation

c) Going concern

d) Matching

Q17] Amount spent to increasing the earning capacity is a _____ expenditure

a) Capital

b) Revenue

c) Deferred revenue

d) Capital Loss

Q18] Change in the capital A/c of proprietor may occur due to _____

a) Profit earned

b) Loss incurred

c) Capital Introduced

d) All of the above

Q19] Consistency with reference to application of accounting procedures means

- a) All companies in the same Industry should use identical accounting procedures
- b) Income & assets have not been overstated
- c) Accounting methods & procedures shall be followed uniform basis year after year**
- d) Any accounting method can be followed as per convenience

Q20] If one of the cars purchased by a car dealer is used for business purpose, instead of resale, then it should be recorded by _____

- a) Dr Drawing A/c & Cr Purchases A/c
- b) Dr Office Expenses A/c & Cr Motor Car A/c
- c) Dr Motor Car A/c & Cr Purchases A/c**
- d) Dr Motor Car & Cr Sales A/c

Q21] If wages are paid for construction of business premises _____ A/c is credited and _____ A/c is debited.

- a) Wages, Cash
- b) Premises, Cash
- c) Cash, Wages
- d) Cash, Premises**

Q22] Human resources will not appear in the balance sheet according to _____ concept.

- a) Accrual
- b) Going concern
- c) Money measurement concept**
- d) None

Q23] Provision for discount on debtors is calculated on the amount of debtors.

- a) Before deducting provision for doubtful debts.
- b) After deducting provision for doubtful debts.**
- c) Before deducting actual debts and provision for doubtful debts.
- d) After adding actual bad and doubtful debts.

Q24] Which of the following is not a Real Account?

- a) Cash A/c
- b) Investments A/c
- c) Out standing rent A/c**
- d) Purchases A/c

Q25] Value of goods withdrawn by the proprietor for his personal use should be credited to _____

- a) Capital A/c
- b) Sales A/c
- c) Drawings A/c
- d) Purchases A/c**

Q26] Which of the following is incorrect?

- a) Good will intangible asset
- b) Sundry debtors -current asset
- c) Loose tools tangible fixed asset
- d) Outstanding expenses -current asset.**

Q27] M/s Stationery Mart will debit the purchase of stationery to _____

a) **Purchases** A/c b) General Expenses A/c c) Stationery A/c d) None

Q28] Small items like, pencils, pens, files, etc. are written off within a year according to _
concept.

a) **Materiality** b) consistency c) Conservatism d) Realisation

Q29] Business enterprise is separate from its owner according to _____ concept.

a) Money measurement concept b) Matching concept c) **Entity concept** d) Dual aspect concept

Q30] The policy of anticipate no profit and provide for all possible losses arise due to the
concept of _____

a) Consistency b) Disclosure c) **Conservatism** d) Matching

Q31] According to which concept, the proprietor pays interest on drawings

a) Accrual concept b) Conservatism concept

c) **Entity concept** d) Dual Aspect concept

Q32] Cost concept basically recognises _____

a) Fair Market value b) **Historical cost** c) Realisable value d) Replacement cost

Q33] If the Market value of closing Inventory is less than its cost price, inventory will be shown
at _____

a) **Marketable value** b) Fair Market value c) Both d) none

Q34] The Market price of good declined than the cost price. Then the concept that plays a key
role is _____

a) Materiality b) Going concern concept c) **Realization** d) Consistency

Q35] Fixed assets are double the current assets and half the capital. The current assets are Rs.3,00,000 and investments are Rs.4,00,000. Then the current liabilities recorded in balance sheet will be

a) 2,00,000 **b) 1,00,000** c) 3,00,000 d) 4,00,000

36]. The nature of financial accounting is:

a) **Historical**
b) Forward looking
c) Analytical
d) Social

Q37] Which of the following factor is not considered while selecting accounting policies?

a) Prudence b) Substance over form
c) Accountancy d) Materiality

Q38] Debit the receiver & credit the giver is _____ account

a) Personal b) Real c) Nominal d) All the above

Q39] Cash a/c is a _____

a) Real a/c b) Nominal c) Personal d) None

Q40] As per accrual concept, which of the followings is not true

a) revenue – expenditure = profit b) revenue – profit = expenditure
c) sales + gross profit = revenue d) revenue = profit + expenditure

Q41] Mr. X sold goods to Mr. Y ask Mr. X to keep the goods with him for some time

a) symbolic delivery b) actual delivery c) constructive delivery d) none of these

Q42] If nothing is written about the accounting assumption to be followed it is presumed that

a) They have been followed

b) They have not been followed

c) They are followed to some extent d) none of these

Q43] Capital A/c is a _____ A/c.

a) Personal b) Real c) Nominal d) None

Q44] Cash A/c is a _____ A/c.

a) Personal **b) Real** c) Nominal d) None

Q45] The principle “Debit the receiver and credit the giver” is related to _____

a) Personal a/c b) Real a/c c) Nominal a/c d) None

Q46] As per the Matching concept, Revenue - ? = Profit

a) Expenses b) Liabilities c) Losses d) Assets

Q47] Sales - Gross Profit = _____

a) Cost of goods sold b) Net sales c) Gross Sales d) Liabilities

Q48] Which of the following is a Real A/c?

a) Building A/c b) Capital A/c c) Shyam A/c d) Rent A/c

Q49] Valuation of stock in accounting follows the principle of cost price or ____ which ever is lower.

- a) Market Price b) Average Price
- c) **Net realizable Value** d) None of these.

Q50] Which of the following is not a nominal Account?

A] Outstanding salaries Account

B] Salaries account

C] Interest paid

D] Commission received

Q51] Mr. X is a dealer in electronic goods (refrigerator, washing machine, air conditioners, televisions, etc.) He purchased two air conditioners and installed in his showroom. In the books of X the cost two air conditioners will be debited to

A] Drawing account

B] Capital Account

C] Fixedassets

D] Purchases account

Q52] A trader calculated his profit as Rs.150000 on 31/03/2014. It is an

A] Transaction

B] Event

C] Transaction as well as event

D] Neither transaction nor event

Q53] For every debit there will be an equal credit according to

- A] Matching concept
- B] cost concept
- C] Money measurement concept
- D] Dual aspect concept**

Q54] Historical cost concept requires the valuation of an asset at

- A] Original cost**
- B] Replacement value
- C] Net realizable value
- D] Market value

Q55] The comparison of financial statement of one year with that of another is possible only when -----concept is followed

- A] Going concern
- B] Accrual
- C] Consistency**
- D] Materiality

Q56] Profit

and loss is calculated at the stage of

- A] Recording
- B] Posting
- C] Classifying
- D] Summarising**

Q57] Which of the following is not the main objective of accounting?

A] Systematic recording of transactions

B] Ascertaining profit or loss

C] Ascertainment of financial position

D] Solving tax disputes with tax authorities

Q58] An asset was purchased for Rs.1000000 with the down payment of Rs.200000 and bills accepted for Rs.800000/-What would be the effect on the total asset and total liabilities in the balance sheet?

A] Assets increased by Rs.800000 and liabilities decreased by Rs.800000

B] Assets decreased by Rs.800000 and liabilities increased by Rs.800000

C] Assets increased by Rs.1000000 and liabilities increased by Rs.800000

D] Assets increased by Rs.800000 and liabilities increased by Rs.800000

Q59] The rule debit all expenses and losses and credit all income and gains relates to

A] Personal account

B] Real account

C] Nominal accounts

D] All

Q60] Matching concept means

A] Assets = capital + liabilities

B] Transactions recorded at accrual concept

C] Anticipate no profit but recognize all losses

D] Expenses should be matched with the revenue of the period.

61. Double entry system is used in which type of accounting

- a) Cost
- b) Financial**
- c) Management
- d) All

62. Sales made to Mahesh for cash should be debited to _____

- a) Cash account**
- b) Mahesh Account
- c) Sales account
- d) Purchase account

63. Rent paid to landlord should be credited to

- a) Landlords account
- b) Rent account
- c) Cash account**
- d) Expense account

64. Cash discount allowed to a debtor should be credited to

- a) Discount account
- b) Customer's account**
- c) Sales account
- d) Cash account

65. Financial accounting is concerned with –

- a) Recording of business expenses and revenue
- b) Recording of costs of products and services
- c) Recording of day to day business transactions**
- d) None of the above

Semester I

Financial Accounting I

SR. No.	Units
1	Basic of Accounting - meaning , importance, object of bookkeeping and Accounting, branches of Accounting, basis of accounting, Accounting Concepts and convention Rules of Account, Accounting cycle, Journal, ledger, trial balance preparation, Cash

	discount trade discount
2	Subsidiary Book : Subsidiary Book, Purchases Book, Purchases Return Book, Sales Book, Sales Return Book. Cash Book – types of cash books and preparation of simple, Petty, double and triple column cash book
3	Final account of Proprietary Concerns
4	Valuation of inventory- meaning and methods practical problems on FIFO, LIFO weighted Average method
5	Rectification of errors : Types of errors, Rectification entries and suspense Account. and Adjustments entries

Semester II

Financial Accounting II

SR. No.	Units
1	Depreciation - meaning, advantages and methods practical problems on strait line and reducing balance method
2	Higher purchase
3	Installment system
4	Consignment Accounts- Meaning, Difference between Consignment and Sales practical problems on Consignment.
5	Joint venture account- Meaning and Need of Joint venture account , Difference between joint venture and partnership

Semester I

Cost Accounting I

SR. No.	Units
1	Cost Accounting- Limitation of financial account, Costing and Cost Accounting, meaning , definition , importance, principles of cost accounting, Difference between cost and financial Accounting, Difference between cost and Management Accounting
2	Basic Cost Concepts – meaning of cost, Elements of Cost, Types, meaning of overheads classification of cost, Cost centers, Methods and Techniques of Costing
3	Cost sheet
4	Tender quotation
5	Reconciliation of Cost and financial Account