

**DO NOT OPEN THIS TEST BOOKLET UNTIL YOU ARE ASKED TO DO SO**

T.B.C. : BAC-32

Test Booklet Series

Serial No. **602070**

**B**

**TEST BOOKLET**  
**COMMERCE & ACCOUNTANCY**

**Time Allowed : 2 Hours**

**Maximum Marks : 300**

**INSTRUCTIONS TO CANDIDATES**

1. IMMEDIATELY AFTER THE COMMENCEMENT OF THE EXAMINATION, YOU SHOULD CHECK THAT THIS TEST BOOKLET DOES NOT HAVE ANY UNPRINTED OR TORN OR MISSING PAGES OR ITEMS ETC. IF SO, GET IT REPLACED BY A COMPLETE TEST BOOKLET.
  2. ENCODE YOUR OPTIONAL SUBJECT CODE AS MENTIONED ON THE BODY OF YOUR ADMISSION CERTIFICATE AND ADVERTISEMENT AT APPROPRIATE PLACES ON THE ANSWER SHEETS.
  3. ENCODE CLEARLY THE TEST BOOKLET SERIES A, B, C OR D AS THE CASE MAY BE IN THE APPROPRIATE PLACES IN THE ANSWER SHEET USING HB PENCIL.
  4. You have to enter your **Roll No.** on the Test Booklet in the Box provided along side. **DO NOT** write *anything else* on the Test Booklet.
- 
5. This Test Booklet contains **120** items (questions). Each item comprises four responses (answers). You will select the response which you want to mark on the Answer Sheet. In case you feel that there is more than one correct response, mark the response which you consider the best. In any case, choose **ONLY ONE** response for each item.
  6. You have to mark all your responses **ONLY** on the **separate Answer Sheet** provided by using **HB pencil**. See instruction in the Answer Sheet.
  7. All items carry equal marks. All items are compulsory. Your total marks will depend only on the number of correct responses marked by you in the Answer Sheet. For each question for which a wrong answer is given by you, **one fifth (0-20) of the marks assigned to that question will be deducted as penalty.**
  8. Before you proceed to mark in the Answer Sheet the responses to various items in the Test Booklet, you have to fill in some particulars in the Answer Sheet as per instructions sent to you with your **Admission Certificate**.
  9. After you have completed filling in all your responses on the Answer Sheet and the examination has concluded, you should hand over to the Invigilator the *Answer Sheet*, the Test Booklet issued to you.

**DO NOT OPEN THIS TEST BOOKLET UNTIL YOU ARE ASKED TO DO SO**

1. Audit working papers are the property of :
  - (a) Company
  - (b) Auditor
  - (c) Registrar of companies
  - (d) Government of India
2. Internal Auditor is appointed by the :
  - (a) Shareholders of the company
  - (b) Statutory auditor
  - (c) Institute of internal auditors of India
  - (d) Board of directors of the company
3. Management Audit is :
  - (a) an independent appraisal of the total management process
  - (b) a statutory requirement
  - (c) an investigation into the conduct of director
  - (d) an independent appraisal of competitiveness of business
4. Period costs are :
  - (a) affected by changes in the level of activity
  - (b) directly proportionate to the level of activity
  - (c) unaffected by changes in the level of activity
  - (d) associated with a unit of product
5. Marginal cost is :
  - (a) variable cost of one unit of product
  - (b) fixed cost of one unit of product
  - (c) total cost of one unit of product
  - (d) opportunity cost of one unit of product
6. Cost of policy formulation is the example of :
  - (a) Production cost
  - (b) Administrative cost
  - (c) Selling and Distribution cost
  - (d) None of these
7. Prime product cost is equal to :
  - (a) Direct Material + Direct Labour + Direct Expenses
  - (b) Direct Material + Direct Labour + Indirect Expenses
  - (c) Direct Material + Direct Labour + Direct Expenses – Indirect Expenses
  - (d) Direct Material + Indirect Labour + Direct Expenses
8. If volume of production is increased, then :
  - (a) Fixed cost per unit will remain unchanged
  - (b) Fixed cost per unit will decrease
  - (c) Fixed cost per unit will increase
  - (d) Variable cost per unit will increase
9. Amount of underwriting commission payable on issue of debentures is limited to :
  - (a) 2%
  - (b) 2½%
  - (c) 5%
  - (d) 10%
10. Which of the following sections of the Companies Act, 1956 requires the maintenance of proper books of account ?
  - (a) Section 205
  - (b) Section 209
  - (c) Section 211
  - (d) Section 217
11. The minimum share application money is :
  - (a) Rs. 5 per share
  - (b) Rs. 10 per share
  - (c) 5% of the face value of shares
  - (d) 10% of the face value of shares

12. The remuneration payable to a managing whole time director of the company should not exceed :
- 3% of the net profit
  - 5% of the net profit
  - 10% of the net profit
  - 11% of the net profit
13. A company auditor can be removed by :
- Board of Directors
  - Managing Director
  - Any Director
  - General Meeting
14. The most significant test of a business solvency is indicated with the help of the following ratio :
- $\frac{\text{Net profit after taxes}}{\text{Total assets}}$
  - $\frac{\text{Total fixed assets}}{\text{Capital employed}}$
  - $\frac{\text{Total assets}}{\text{Total outside liabilities}}$
  - $\frac{\text{Current assets}}{\text{Current liabilities}}$
15. The return on equity capital ratio is obtained by dividing net profit (after tax) less preference dividend by :
- Total capital
  - Current assets
  - Equity capital
  - Fixed assets
16. The higher the ratio, the lower the profitability would be relevant in the case of :
- Gross Profit Ratio
  - Operating Ratio
  - Net Profit Ratio
  - Interest Coverage Ratio
17. Which one of the following is least suited for measuring return on investment ?
- $\frac{\text{Income}}{\text{Invested Capital}}$
  - $\frac{\text{Net operating income before interest and taxes}}{\text{Average total assets}}$
  - Operating income ratio  $\times$  Total assets turnover
  - $\frac{\text{Net income after interest but before taxes}}{\text{Average total share-holder equity}}$
18. Return on investment is meaningful to :
- Shareholders
  - Creditors
  - Management
- Of the statements given below :
- 1 alone is true
  - 1 and 3 are true
  - 2 and 3 are true
  - 1, 2 and 3 are true
19. Payment of interim dividend is a
- Source of fund
  - Application of fund
  - No flow of fund
  - All the above
20. Flow of funds takes place when :
- Creditors are issued bills payable
  - There is loss on sale of machinery
  - Building is sold on payment vide Banker Demand Draft
  - Transfer is made to general reserve

21. A plant standing in the books at Rs. 44,000 was sold for Rs. 62,000. The profit on its sale raised the net profit to Rs. 1,84,000. Find out the fund from operation :
- 1,84,000
  - 2,02,000
  - 1,66,000
  - 1,22,000
22. Which one of the following is an example of sources of funds ?
- Decrease in share capital
  - Decrease in long term liabilities
  - Increase in long term liabilities
  - Increase in fixed assets
23. Which of the following items are applications of fund ?
- Loss from operations
  - Loans from financial institutions
  - Redemption of debentures
  - Payment of dividend
  - Sale of fixed assets
- 2, 3, 4 and 5
  - 1, 2 and 5
  - 1, 3 and 4
  - 1, 3, 4 and 5
24. A banking company in India can issue :
- Only equity capital and debentures
  - Only equity capital and preference capital
  - Only equity capital
  - Any type of security
25. Naked debentures are those :
- Which are not secured
  - Which are transferrable by mere delivery
  - Which cannot be exchanged for shares
  - In respect of which no time is fixed for redemption
26. The Public Company is defined under which Section of The Companies Act 1956 ?
- 3 (i) (iv)
  - 3 (i) (ii)
  - 3 (i) (iii)
  - 3 (i) (i)
27. If a company adopts Table A, the maximum rate of interest payable per annum by a person to the company on calls in arrear is :
- 6%
  - 9%
  - 5%
  - 8%
28. The Provision for doubtful debts is made by crediting :
- Profit and Loss Account
  - Provision for Doubtful Debts Account
  - Debtors Account
  - Bad Debts Account
29. Reserve is charged to :
- Profit and Loss Account
  - Profit and Loss Appropriation Account
  - Balance Sheet
  - General Reserve Account
30. Which of the following is not a Capital Reserve :
- Premium on the issue of shares
  - Profits prior to incorporation
  - Profit on the sale on fixed assets
  - Dividend Equalization reserve

31. A Provision is a :
- General Reserve
  - Capital Reserve
  - Specific Reserve
  - Both (a) and (b)
32. In which method, the assets account appears at its original cost throughout its life ?
- Sum of digits method
  - Sinking Fund method
  - Annuity method
  - Revaluation method
33. Any profit arising by sale of furniture by a cricket club will be shown :
- As expenses in the income and expenditure account
  - As liability in Balance Sheet
  - As income in the income and expenditure account
  - As an asset in Balance Sheet
34. Legacies debited in receipts and payments account are :
- Shown as income in the income and expenditure account
  - Shown as expenditure in the income and expenditure
  - Shown on the asset side of Balance Sheet
  - Shown on the liabilities side of Balance Sheet
35. The Income and Expenditure account begins with :
- Debit Balance
  - Credit Balance
  - No Balance
  - Both (a) and (b)
36. Admission fee income should be :
- Capitalized
  - Treated as revenue
  - Treated as revenue unless the amount is pretty large
  - Treated as a liability
37. The receipts and payments account shows the Subscriptions received as : Current year Rs. 5000/, Previous year Rs. 500/- and next year Rs. 700/-. The amount to be taken to Income and Expenditure account should be :
- Rs. 6200/-
  - Rs. 5000/-
  - Rs. 5700/-
  - Rs. 5200/-
38. X and Y shared profits in the ratio of 7 : 5. They admit a new partner Z whom they give  $\frac{1}{6}$ th share in profits. He acquires this share as  $\frac{1}{24}$ th from X and  $\frac{1}{8}$ th from Y. The new profit sharing ratio of X, Y and Z will be :
- 35 : 25 : 12
  - 7 : 5 : 6
  - 13 : 7 : 4
  - 6 : 4 : 2
39. A and B are equal partners in a firm C, the new partner brought Rs. 15,000 cash and a plant of Rs. 30,000. Firm gave him  $\frac{1}{4}$ th share in profits. Firm also agreed to pay his creditors of Rs. 5,000. Capital of C will be :
- Rs. 10,000
  - Rs. 12,500
  - Rs. 40,000
  - Rs. 50,000

40. X, Y and Z are partners sharing profits and losses in the ratio of 1 : 2 : 1. Y retires. Now, X and Z share the profits and losses in the ratio of 5 : 3. Z's gain will be :
- 1/8
  - 3/8
  - 1/4
  - 1/2
41. A and B are partners sharing profits and losses in the ratio of 3 : 2. They admit C as partner who is unable to bring goodwill in case but pays Rs. 8,000 as his capital. The Goodwill of the firm is to be valued at two years' purchase of three years' average profits. The profits for the three years were Rs. 5,000, Rs. 4,000 and Rs. 4,500. The new ratio will be 5 : 2 : 2. The value of goodwill credited to A will be :
- Rs. 3,600
  - Rs. 4,800
  - Rs. 5,000
  - Rs. 5,400
42. Upon dissolution of a firm, all assets are transferred to the Realization a/c at :
- Market Value
  - Book Value
  - Cost or market value, whichever is less
  - Cost or market value, whichever is more
43. Interest paid on debentures is shown in :
- the profit and loss account
  - the profit and loss appropriation account
  - the Balance Sheet Liabilities side under the heading current liabilities
  - the Balance sheet by adding to the Debentures account
44. AB Co. Ltd. forfeited 30 shares of Rs. 10 each fully called up for non-payment of allotment money of Rs. 3 per share and call money of Rs. 4 per share. These shares are reissued for Rs. 8 per share fully paid. The amount to be transferred to Capital reserve a/c will be :
- Rs. 30
  - Rs. 60
  - Rs. 90
  - Rs. 300
45. Balance of share premium a/c cannot be used for :
- issuing of fully paid bonus shares
  - writing off preliminary expenses
  - writing off discount on issue of shares
  - writing off goodwill
46. X Co. Ltd. forfeited 1,000 shares of Rs. 10 each fully called up for non-payment of final call of Re. 1 per share. 400 of forfeited shares were reissued as fully paid up at Rs. 8 per share. The amount to be shown in the Balance Sheet as Shares Forfeited A/c will be :
- Rs. 800
  - Rs. 3,600
  - Rs. 5,400
  - Rs. 9,000
47. When debentures are redeemed by sinking fund method, after redemption of debentures, the balance of Debenture Redemption Fund A/c should be transferred to :
- Debenture Redemption Fund Investment A/c
  - General Reserve A/c
  - Debentures A/c
  - None of these

48. The primary objective of audit is :
- detection of errors and frauds
  - detection and prevention of errors
  - detection and prevention of frauds
  - to ensure that final accounts and statements exhibit true and fair position of business
49. The auditor is generally expected to carry out the following in a particular sequence :
- Verification of assets and liabilities
  - Vouching of transactions
  - Checking of valuation of assets and liabilities
- Codes**
- I, II and III
  - II, I and III
  - II, III and I
  - III, II and I
50. Bonus shares may be issued out of :
- Profit
  - Share premium
  - Capital Reserve
  - General Reserve
- 1, 3 and 4
  - 3 and 4
  - 1, 2, 3 and 4
  - 2, 3 and 4
51. For debentures issued at a discount, it is prudent to write off the discount :
- In the year of issue
  - Within two or three years of issue
  - During the life of the debentures
  - In the year of redemption
52. Rights shares are the shares :
- Issued to the directors of the company
  - First offered to the debentureholders
  - First offered to the existing shareholders
  - Issued by a newly formed company
53. Which of the following are the methods of marketing new issue of securities ?
- Listing of securities
  - Jobbers and brokers
  - Private placement of securities
  - Privileged Subscriptions
- Select the correct answer :
- 1 and 2
  - 2 and 3
  - 3 and 4
  - 1, 2, 3 and 4
54. Purchase and sale of shares before or after official trading hours of stock exchange is known :
- Hammering
  - Kerb trading
  - Short selling or short buying
  - Margin trading
55. It is compulsory for a share broker to register with the :
- Concerned stock exchange
  - SEBI
  - Department of Company affairs
  - Concerned stock exchange in concurrence with SEBI

56. Which one of the following does not constitute the purpose of setting up of SEBI ?
- (a) To protect the interests of the investors in securities
  - (b) To promote the development of the securities markets
  - (c) To regulate the global securities markets
  - (d) To deal with matters connected with fraudulent and unfair trade practices relating to securities markets
57. Mutual funds are to be operated by :
- (a) Asset Management Companies
  - (b) Public Sector Banks
  - (c) Private Sector Banks
  - (d) Financial Institutions
58. Which of the following statement is not an objective of accounting ?
- (a) To provide information about the enterprise assets, liabilities and capital
  - (b) To provide information on the personal assets and liabilities of the owner of an enterprise
  - (c) To maintain records of business
  - (d) To provide information on the performance of an enterprise
59. The accounting equation is satisfied by :
- (a)  $\text{Capital} = \text{assets} + \text{liabilities}$
  - (b)  $\text{Liabilities} = \text{capital} - \text{assets}$
  - (c)  $\text{Assets} = \text{capital} + \text{liabilities}$
  - (d)  $\text{Assets} = \text{liabilities} - \text{capital}$
60. Top level management require accounting information for :
- (a) Controlling
  - (b) Decision making
  - (c) Planning
  - (d) Co-ordination
61. The assumption that a business enterprise will not be sold or liquidated in the near future is known as the :
- (a) Economic Entity
  - (b) Monetary unit
  - (c) Conservation
  - (d) Going concern
62. Which of the following is not input oriented accounting principle ?
- (a) Conservativeness
  - (b) Comparability
  - (c) Disclosure
  - (d) Objectivity
63. Any expenditure incurred in order to reduce the operating expenses is :
- (a) Revenue expenditure
  - (b) Capital Expenditure
  - (c) Deferred revenue expenditure
  - (d) Promotional Expenditure
64. An amount obtained on sale of fixed asset is :
- (a) Capital receipt
  - (b) Revenue receipt
  - (c) Deferred revenue receipt
  - (d) Both (b) and (c)



65. Receipts and Payments account is a summary of :
- Income and Expenses
  - Cash receipts and Payments
  - Debit and Credit balances of ledger accounts
  - Both (a) and (c)
66. Which of the following is not an example of Deferred revenue expenditure ?
- Research and Development expenses
  - Discount on issue of debentures
  - Preliminary expenses
  - Machine establishment expenses
67. Freight paid on the new machine will be debited to :
- Machinery account
  - Freight account
  - Neither of the above two
  - Profit and Loss account
68. When Accounting Standard Board of India was established ?
- 21 April, 1977
  - 30 May, 1980
  - 16 August, 1977
  - 15 June, 1982
69. Historical cost of inventories as per AS-2 should normally be determined by using :
- Fifo or Weighted average cost formula
  - Fifo, Base stock or adjusted selling price formula
  - Fifo, Lifo or Latest purchase price formula
  - Lifo, Base stock or Adjusted selling price formula
70. When asset is revalued at higher than original cost, the accumulated depreciation is credited to revaluation reserve as per :
- AS-6
  - AS-9
  - AS-10
  - AS-2
71. AS-6 is applicable to which one of the following assets :
- Goodwill
  - Livestock
  - Plantation
  - Plant and Machinery
72. Which of the following items is not dealt with by AS-9 :
- Revenue recognition on sale of goods
  - Revenue recognition on rendering of services
  - Revenue recognition on the use of resources of the enterprise
  - Unrealized gains on the holding of current assets
73. Section 37 of the Partnership Act provides interest on the amount left by the retiring or deceased partner at :
- 6%
  - 5%
  - Bank rate
  - Prime lending rate
74. C is admitted in a firm at  $\frac{1}{4}$  share in the profits for which he brings Rs. 3000 for Goodwill. It will be taken by the old partners in :
- New profit sharing ratio
  - Old profit sharing ratio
  - Sacrificing ratio
  - Gaining ratio

75. Proposed dividend is shown in Balance Sheet on Liabilities side under the heading of :
- Reserves and Surplus
  - Share Capital
  - Secured Loans
  - Current Liabilities and Provisions
76. A Sugar Industrial Unit acquires a chocolate manufacturing unit. This is termed as :
- Horizontal Combination
  - Vertical Combination
  - Lateral Combination
  - Backward Linkage
77. One of the statements below is untrue. Pick it up :
- Combinations may lead to Dominance in the market
  - Combinations may take place in one Nation to face a dominant foreign firm
  - Combinations increase the competition among the combining firms and increase efficiency
  - Combinations help consolidation and lead to market efficiency.
78. One of the following is not a function of Trade Association. Pick it up :
- Representing Trade Problem to the government
  - Conducting Meetings of members of the Trade Association
  - Resorting to collective bargaining activities with the government on behalf of Association
  - Deciding prices of products on behalf of members
79. "Profit is the result but not objective. Businessman is like a captain running a ship; ships are allowed to sail by the sea; sea not only permits the ships to sail but also threatens to wreck through cyclones." This is said by :
- Peter Drucker
  - Raymond Peter
  - Elton Mayo
  - Herzberg
80. Modernization of Industrial Enterprises is opposed by Trade Unions mainly due to :
- Fear of Retrenchment of staff
  - Harassment of staff
  - Dominance of Trade Unions will come down
  - Politics
81. An evidence that the Shipping Company has accepted the goods for carrying to the designated destination is known as :
- Letter of Credit
  - Bill of Lading
  - Mates Receipt
  - Certificate of Origin
82. "A guarantee issued by the importer's bank that will honour up to a certain amount the payment of export bills to the bank of the exporter" is known as :
- Letter of Credit
  - Mate's Receipt
  - Bill of Lading
  - Certificate of Origin

83. Export Inspection Council of India is one agency which carries out inspections and issues the certificate. Such certificate is known :
- (a) Letter of Credit
  - (b) Certificate of Origin
  - (c) Certificate of Inspection
  - (d) Invoice
84. Entry into Foreign Trade can be made through different modes. One of the following is not one among them. Pick it up :
- (a) Contract Manufacturing
  - (b) Licensing
  - (c) Franchising
  - (d) Consignment
85. TRIPS is one of the WTO agreements that deal with :
- (a) Agriculture
  - (b) Investment measures
  - (c) Intellectual Property Rights
  - (d) Trade in Services
86. General insurance agreements are made generally for a maximum period of :
- (a) Six months
  - (b) Five years
  - (c) One year
  - (d) Ten years
87. Reinsurance means transfer of the part of the risk by the insurer to :
- (a) Another insurer
  - (b) the Commercial bank
  - (c) The Reserve Bank
  - (d) the Government
88. Actuarial science is related to :
- (a) Aquaculture
  - (b) Sericulture
  - (c) Natural sciences
  - (d) Insurance
89. The Insurance Regulatory Development Authority (IRDA) Bill was passed during the year :
- (a) 1947
  - (b) 1952
  - (c) 1999
  - (d) 2005
90. The "Doctrine of Subrogate" indicates :
- (a) Insurance policy
  - (b) Insurance premium
  - (c) Insurance claim
  - (d) Substitution of one person in place of another
91. "Grapevine" indicates :
- (a) A technique of planning
  - (b) A technique of decision making
  - (c) Informal organization
  - (d) Informal channel of communication
92. Which one of the following is out of "Maslow's" list of motivational needs ?
- (a) Physiological needs
  - (b) Belongingness needs
  - (c) Esteem needs
  - (d) Special needs

93. People working any time, anywhere and with any one is known as :
- (a) Virtual office
  - (b) Parallel office
  - (c) Branch office
  - (d) Central office
94. A graphic depiction of a two-dimensional view of leadership style (managerial grid) has been developed by :
- (a) Likert
  - (b) Blake and Mouton
  - (c) Douglas McGregor
  - (d) Elton Mayo
95. Who has introduced the concept of Management By Objectives (MBO) ?
- (a) Mary Parker Follet
  - (b) Keith Davis
  - (c) P.F. Drucker
  - (d) Henry Fayol
96. "Espirit De Corps" means :
- (a) Individual work
  - (b) Team work
  - (c) Formal office work
  - (d) Informal office work
97. The Father of the Scientific Management :
- (a) Henry Fayol
  - (b) F.W. Taylor
  - (c) Elton Mayo
  - (d) Mahatma Gandhi
98. Franking Machines are utilized to send :
- (a) E-mails
  - (b) Goods and articles
  - (c) Affixing postal stamps
  - (d) Telegrams
99. Punched Card Machines are meant for :
- (a) Invoicing
  - (b) Sales and purchase accounting
  - (c) Calculation of wages
  - (d) All of these
100. Office routines means :
- (a) Day to day office matters
  - (b) A series of steps to be taken for doing a particular work in the office
  - (c) Long term plans of the organization
  - (d) Recruitment of people
101. The company is called an artificial person because :
- (a) It does not have the shape of a natural person
  - (b) It can not be sued in the Court of Law
  - (c) It is invisible and intangible
  - (d) It exists only in the contemplation of Law
102. The Doctrine of Ultra Vires indicates :
- (a) Registration of a company
  - (b) Commencement of business of a company
  - (c) Incorporation of a company
  - (d) That a company can not go beyond its objectives mentioned in its Memorandum
103. The minimum number of Directors of a Public Company :
- (a) Two
  - (b) Five
  - (c) Three
  - (d) Twelve

104. The powers of the Board of Directors are spelled out in \_\_\_\_\_ section of the Companies Act of 1956.
- (a) 21
  - (b) 310
  - (c) 291
  - (d) 110
105. A government company means :
- (a) a company run by Central government
  - (b) a company run by State government
  - (c) other than a private company
  - (d) a company in which more than 50% of the equity share capital is held by the government
106. The Institute of Company Secretaries of India was constituted during the year :
- (a) 1947
  - (b) 1952
  - (c) 1962
  - (d) 1969
107. The Company Secretary is appointed by :
- (a) President of India
  - (b) Prime Minister of India
  - (c) Registrar of Joint Stock Companies
  - (d) Board of Directors of the Company
108. The role of a Company Secretary is :
- (a) as a statutory officer
  - (b) as a coordinator
  - (c) as an administrative officer
  - (d) All of these
109. Section 383 A of the Companies Act 1956 provides that every company having paid up share capital of Rs. \_\_\_\_\_ or more must have a whole time Secretary.
- (a) Rs. 10 lakhs
  - (b) Rs. 50 lakhs
  - (c) Rs. 10 crore
  - (d) Rs. 1 crore
110. The person to be appointed as a Secretary must be a member of :
- (a) Government Employees Association
  - (b) Audit and Accounts Department
  - (c) Institute of Company Secretaries
  - (d) Institute of Certified Accountants
111. Distinctive feature of a sole proprietorship is as follows :
- (a) Agency Principle
  - (b) One for all and all for one
  - (c) Corporate veil
  - (d) Responsibility and Autonomy with owner
112. In case partner's Agreement is silent, profits and losses are shared by partners in :
- (a) Capitals' Ratio
  - (b) Equally
  - (c) Sacrificing Ratio
  - (d) Gaining Ratio

113. Sleeping partner in Partnership is one :
- (a) Who participates actively but does not bring capital
  - (b) Who contributes capital but does not participate actively in running the firm
  - (c) Who neither brings capital nor participates in running the firm but only lends name
  - (d) Who is ill but takes profit share
114. Unlimited liability is not a characteristic of one of the forms of organization given below. Pick it up :
- (a) Sole proprietorship
  - (b) Partnership
  - (c) Hindu undivided Family
  - (d) Joint Stock Company
115. One of the forms of organizations is intended to eliminate middleman and thereby consumer gets good products at affordable price :
- (a) Sole proprietorship
  - (b) Joint Stock Company
  - (c) Partnership
  - (d) Cooperative Sector
116. Which of the following has government ownership, control and participation in business decisions as an essential feature ?
- (a) Monopoly Firm
  - (b) Public Sector Organizations
  - (c) Joint Stock Company
  - (d) Cooperative Society
117. Hindustan Machine Tools Ltd. is an example of :
- (a) Private Sector
  - (b) Joint Sector
  - (c) Public Sector
  - (d) Cooperative Sectors
118. According to Garner Vs. Murray Case, in case one of the partners become insolvent, the loss arising out of insolvency of that partner is borne by other solvent partners in the ratio of :
- (a) Profit Sharing Ratio
  - (b) Capital Accounts Ratio standing just before insolvency of the Partner
  - (c) Capitals Standing at the beginning the year
  - (d) Equally
119. The Indian Railways is an example for :
- (a) Departmental Undertaking
  - (b) Statutory Corporation
  - (c) Government owned Joint Stock Company
  - (d) Joint Sector Company
120. A Joint Stock Company is created by :
- (a) Agreement
  - (b) Hindu undivided family
  - (c) Registration under the Companies Act 1956
  - (d) A Statute of Parliament

**SPACE FOR ROUGH WORK**

StudySite.org

**SPACE FOR ROUGH WORK**

TU2010

StudySite.org