

CLUSTER UNIVERSITY SRINAGAR

University Entrance Examination

Integrated Commerce (50 x 1= 50 MARKS) Time: One Hour

Note: Each wrong answer will lead to the deduction of 0.25 marks from the total score of the candidate.

1. In the PESTLE framework for environmental analysis what does the letter 'S' stand for;
a) Socio-cultural b) Society c) Surroundings d) Superior
2. Tourism is an example of;
a) Primary Industry b) Secondary Industry
c) Tertiary Industry d) None of the above
3. PDA, smart phone, computer mediated network are the need in _____;
a) Network marketing b) E-commerce
c) M-commerce d) Marketing
4. The five functions of management have been propounded by;
a) Henry Fayol b) F.W. Taylor
c) Peter F Drucker d) Herald Koontz
5. Grapevine is also called as;
a) Formal communication b) Informal communication
c) Line of command d) None of the above
6. The number of subordinates working under one supervisor is called;
a) Span of control b) Accountability
c) Division of work d) None of the above
7. The theory X and theory Y of human motivation was propounded by;
a) A. H. Maslow b) Douglas McGregor
c) Herzberg d) Elton Mayo
8. Selling and marketing have synonymous meaning;
a) True, both can be used interchangeabl
b) False, selling is narrow concept
c) False, marketing is a narrow concept
d) The concepts cannot be compared
9. Who has developed 4ps of marketing?
a) J. R. Betty b) Hanson
c) McCarthy d) Peter F Drucker
10. Scale of business determines the;
a) Size of the business b) Capital involved in business
c) Production of such business d) All the above
11. A loan can be described as a short-term loan if the period is ;
a) three years b) less than one year
c) over one year d)more than two years
12. Money Market deals in
a) shares b) Short term funds c) Money d) Bonds
13. Break-even point is also called as;
a) Financial Leverage b) External Financing
c) Internal financing d) None of the above
14. The ideal debt-equity ratio is;
a) 1:1 b) 2:1 c) 5:1 d) 6:1

15. The cost of Air-Conditioning of the Manager's office will be;
- a capital expenditure
 - a revenue expenditure
 - a deferred revenue expenditure
 - none of these
16. 2% of the average net profits of the last three financial years towards corporate social responsibility in India has been made mandatory by;
- Companies Amendment Act 1977
 - Companies Amendment Act 1980
 - Companies Amendment Act 2003
 - Companies Amendment Act 2013
17. Which company shares are freely transferable;
- Private Company
 - Public company
 - Both (a) and (b)
 - None of the above
18. Retained earnings is synonymous to;
- Accumulated profit and loss account
 - Profit for the year
 - Operating profit
 - Gross profit
19. Dividends are usually paid as a percentage of ;
- Authorized shares capital
 - Net profit
 - Paid up capital
 - Called up capital
20. A company cannot issue redeemable preference shares for a period exceeding;
- 5 years
 - 10 years
 - 15 years
 - 20 years
21. Current liabilities need to be paid;
- within one accounting cycle
 - beyond one accounting cycle
 - within 3 years
 - within 6 months
22. Which of the following is a financial asset?
- Inventories
 - Equipment
 - Loan to an associate
 - Accounts receivable
23. The cash flow statement consists of which of the following sections?
- Operating and non-operating
 - Current and non-current
 - Operating, investing and financing
 - Trading and financial
24. Total Assets- External Liabilities equals to;
- Net Assets
 - Net Cost
 - Net Liabilities
 - Net Depreciation
25. If capital employed by a partnership firm is Rs.100000 and its average profit is Rs.20000 while normal rate of return is 15%. What would be the amount of goodwill if it is valued on the basis of one year purchase of super profits.
- Rs 15,000/-
 - Rs. 5000/-
 - Rs. 3000/-
 - Rs.20,000/-
26. Under the straight line method of depreciation, the amount of yearly depreciation;
- Remains the same
 - Fluctuates
 - Increases year after year
 - Decreases year after year

27. Which of the following expenses is debited to Trading Account;
- a) Rent of Office premises b) Carriage Inwards
c) carriage outwards d) Salaries
28. Which of the following errors is not disclosed by the trial balance;
- a) Error of casting
b) Wrong balancing of an account
c) Double positing in the same side of one account
d) Compensating errors
29. A company forfeited 2000 shares of Rs.10/- each (which were issued at par) for non payment of call money of Rs.4/- . The called up value per share was Rs.9/- . On forfeiture, the amount debited to share capital will be
- a) Rs. 12,000/ b) Rs. 8000/-
c) Rs. 18000/ d) Rs.20,000/
30. Balance sheet is a
- a) Period Statement b) Point statement
c) Both d) None of the above.
31. Where you want your business to be in 10 years time.
This can be termed as;
- a) Mission statement b) Statement of Purpose
c) Vision statement d) Memorandum of understanding
32. Which of the following is not the stage of entrepreneurial firm;
- a) Seed b) Start c) Growth d) Final Stage
33. The word entrepreneurship is derived from the french word
- a) Entreprenre b) Entreprenur
c) Entreprenurde d) Entrepren
34. Who claimed that entrepreneurship requires no ordinary skill;
- a) Mill b) Smith c) Ricardo d) None of the these
35. The registration of a firm under Indian Partnership Act of 1932 is;
- a) Compulsory b) Not compulsory
c) Not compulsory but desirable d) None of the above
36. Minor can be a partner in a new formed firm. The statement is;
- a) True b) Partly true c) False d) Partly false
37. In India, the Partnership Deed must be properly drafted and stamped according to the provisions of;
- a) Indian Partnership Act b) Income Tax Act
c) Indian Stamp Act d) The Companies Act
38. If standard deviation of a population is 9, the population variance is;
- a) 3 b) 9 c) 21 d) 81
39. A number which occurs most frequently in a set of numbers is called ;
- a) Mean b) Deciles c) Median d) Mode
40. In a box, there are 8 red , 7 blue and 6 green balls. One ball is picked upon randomly. What is the probability that it is neither red nor green ?
- a) 1/3 b) $\frac{3}{4}$ c) 7/19 d) 8/21
41. The Food Corporation of India is an example of;
- a) Departmental undertaking b) Government Company
c) Statutory Corporation d) None of the above
42. The person who endorses the promissory note in favour of another is known as;
- a) Drawer b) Payee c) Endorser d) Endorsee

43. To be holder in due course, a person must satisfy;
- a) He must be the holder of the instrument
 - b) He should have obtained the instrument for value or consideration
 - c) He must have obtained the negotiable instrument before maturity
 - d) All of the above
44. WTO has been established in the year;
- a) 1990
 - b) 1995
 - c) 1997
 - d) None of the above.
45. Liberalisation included all the following except;
- a) Reduction in Tax matter
 - b) Abolishing of licensing
 - c) Simplification of policies
 - d) Imposition of tariff barriers
46. Selling goods in overseas market at prices lower than the home market is called:
- a) Orderly marketing
 - b) Consumer oriented marketing
 - c) Dumping
 - d) Trigger pricing
47. Quotas are government imposed limits on the _____ of goods trade between the countries;
- a) Prices
 - b) Costs
 - c) Revenue
 - d) Quantity
48. Institutional framework developed in 1947 to promote trade liberalisation is known as;
- a) The WTO
 - b) The IMF
 - c) The GATT
 - d) IBRD
49. NAFTA is a;
- a) Monetary Union
 - b) Common Market
 - c) Free Trade Area
 - d) Customs Union
50. Insurance is a contract of;
- a) Guarantee
 - b) Warranty
 - c) Indemnity
 - d) None of the above