

ALL THE CHAPTERS ONE MARK QUESTIONS

- 1) In pandyas dynasty the place where the goods are sold is _____.
a) Angadi b) Market c) Nalangadi d) Allangadi
- 2) Hindarance of place is removed by _____.
a) Transport b) Warehouse c) Salesman d) Insurance
- 3) Who wrote “Arthasasthra”?
a) Kautilya b) Kambar c) Thiruvalluvar d) Elangovadigal
- 4) Trade and commerce was common to ____ dynasty.
a) Pallavas b) Chola c) Pandyas d) Chera
- 5) ____ was first sultan who paved way in the dense forest and helped traders to move from one market place to others place for their commercial caravans.
a) Balban b) Akbar c) Vascodagama d) Alauddin Khilij
- 6) The primary objective of a business is
a) Making profit b) special skill c) not making profit d) none
- 7) Occupation of a doctor is
a) Employment b) Business c) Profession d) Sole proprietor
- 8) The following does not characterize business activity?
a) Production of goods and services c) Presence of risk
b) Sale or exchange of goods and services d) Salary or wages
- 9) Activities undertaken out of love and affection or with social service motive are termed as
a) Economic activities c) Non – Economic activities
b) Monetary activities d) Financial activities
- 10) The industries engaged in extraction of iron are known as
a) Construction industries c) Manufacturing industries
b) Extraction industries d) Genetic industries
- 11) Auxiliaries to trade also called as
a) Trade b) Advertisement c) Warehousing d) Aids to trade
- 12) Production which involves several stages for manufacturing finished product is known as
a) Analytical industry c) Synthetic industry
b) Processing industry d) none
- 13) Normally high level risk involved in
a) Industry b) Commerce c) Trade d) All of the above
- 14) Commerce is mainly concerned with
a) Connecting producer and consumer c) Pricing of goods
b) Buying and Selling d) Manufacturing of goods
- 15) Which is the oldest form of Business organization?
a) Sole proprietorship c) Parternership
b) Co – operative society d) Company
- 16) In which form the owner establisher and manager is only one?
a) Joint Enterprise c) Government Company
b) Co – operative society d) Sole Proprietor
- 17) A major disadvantage of sole proprietorship is
a) Limited liability c) unlimited liability
b) Easy formation d) Quick decision
- 18) From the following which one is non – corporate form of business?
a) Joint stock company c) Sole trading business
b) Government company d) Co – operatives
- 19) The firm of Hindu Undivided Family is managed by whom?
a) Owner b) Karta c) Manager d) Partner
- 20) The members in the joint hindu family are called
a) Karta b) Coparceners c) Generations d) Partners

- 21) In the firm of Hindu Undivided Family how one gets the membership?
a) By Agreement b) By Birth c) By Investing capital d) By managing
- 22) Only the male members in the family get the right of inheritance by birth as
a) Hindu law b) Mitakshara law c) Dayabhaga law d) None
- 23) A partnership is formed by
a) Agreement c) Friendship
b) Direction of government d) relationship among process
- 24) Registration of partnership is
a) Compulsory b) Optional c) Not necessary d) None
- 25) A temporary partnership which is formed to complete a specific job doing a specified period of time is called
a) Partnership at will c) Particular partnership
b) Limited partnership d) Joint venture
- 26) The partnership deed also called
a) Articles of Association c) Articles of Partnership
b) Partnership Act d) Partnership
- 27) A partnership is registered with
a) Register of companies c) Register of Co – operatives
b) Register of firms d) District Collector
- 28) The relationship between outsiders and the company is defined in
a) Prospectus c) Articles of association
b) Certificate of Incorporation d) Memorandum of Association
- 29) Table A of the compass Act is a
a) Model minutes book c) Model form of balance sheet
b) Model of AOA d) Model of MOA
- 30) Which of the following is created by a special Act of parliament or in state assemblies?
a) Chartered company c) Foreign company
b) Governmental company d) Statutory company
- 31) The Board of directors of a company is elected by
a) Creditors b) Debtors c) Debenture holders d) Share holders
- 32) Companies established as a result of a charter by the King or Queen of a country is called
a) Chartered companies c) Statutory companies
b) Registered companies d) Foreign companies
- 33) Membership in a cooperative organization is
a) Not open to all b) selective c) Open to all d) None
- 34) Cooperative fails because of
a) Unlimited membership c) cash trading
b) Mismanagement d) loss making
- 35) All cooperatives are established with
a) Philanthropic motive c) Service motive
b) Profit motive d) Reform motive
- 36) Consumers co – operation was first successful in
a) England b) USA c) Swiss d) India
- 37) Rochdale society of equitable pioneers was started by
a) Robert Owen b) H.C.Calvert c) Talmaki d) Lambert
- 38) A multinational corporation can be defined as a firm which
a) Is beyond the control of any government
b) Is one of the top 200 firms in the world
c) Owns companies in more than one country
d) All the above
- 39) Centralized control in MNC's implies control exercised by
a) Branches b) subsidiaries c) Headquarters d) Parliament
- 40) Enterprises operating in several countries but managed from one country is termed as
a) Government company c) Multinational company
b) Private company d) Joint venture

- 41) Dispersal of decision making power to branches / affiliates / subsidiaries by head office represents
a) Centralization b) Decentralization c) Power d) Integration
- 42) Coco – cola company is an example of
a) MNC b) Joint venture c) Public company d) Government company
- 43) The share capital of the government company must not be less than
a) 75% b) 60% c) 95% d) 51%
- 44) Airport Authority of india is a public enterprise. Identify the form of organization
a) Statutory corporations c) Multi – National Corporations
b) Departmental corporations d) State owned company
- 45) The oldest form of organisations in public sector
a) Public sector undertakings c) departmental undertakings
b) Multi – national corporations d) Statutory Corporation
- 46) A government company purchases shares in the name of
a) Prime minister b) president c) Chief justice of India d) State Chief Minister
- 47) The primary objective of the state enterprises is to
a) Earn profit b) Serve the people c) Provide Employment d) All
- 48) Which bank has the power to issue bank notes?
a) Central bank b) Co – operative bank c) commercial bank d) foreign banks
- 49) The central bank of india is
a) PNB b) SBI c) ICICI d) RBI
- 50) The Reserve Bank of India commenced its operations from April 1,
a) 1936 b) 1935 c) 1934 d) 1933
- 51) Bankers are not only dealers of money but also leaders in
a) Economic development c) Trade development
b) Industry development d) Service development
- 52) Which of the following is not a function of a central bank?
a) Guiding and regulating the banking system of a country
b) Deal with general public
c) Acts essentially as government banker
d) Maintains deposit accounts of all other banks
- 53) Which bank is not a industrial bank?
a) ICICI b) HSBC c) SIDBI d) IDBI
- 54) The local area banks are promoting
a) Rural savings c) Business savings
b) Industrial development d) Agricultural development
- 55) Foreign banks are begun their operation since
a) 1978 b) 1979 c) 1980 d) 1981
- 56) Electronic banking can be done through
a) Computers b) Mobile phones c) ATM d) All
- 57) Minimum how much amount can be transferred through RTGS?
a) Any Amount b) 50,000 c) 2 lakh d) 5 lakh
- 58) The largest commercial bank of india
a) ICICI b) SBI c) ONB d) RBI
- 59) In which kind of account it is compulsory to deposit certain amount at certain time?
a) Saving deposit b) fixed deposit c) current deposit d) recurring deposit
- 60) Which of the following is not a type of advance provided by the commercial bank?
a) Collecting and supplying business information
b) Overdraft
c) Cash credit
d) Discounting of bills
- 61) Warehouses remove the hindrance of
a) Person b) Time c) Risk d) Knowledge
- 62) A warehouse holds goods as a _____ center.
a) Marketing b) Sorting c) Distribution d) Selling

- 63) _____ can be given as a collateral security for getting financial assistance from bank.
a) Dock warrant b) Dock receipt c) Warehouse receipt d) Warehouse warrant
- 64) _____ warehouses are licensed by the government and are permitted to accept the goods on bond
a) Bonded b) Cold storage c) Public d) All
- 65) _____ warehouses are used for storing perishable goods like fruits, vegetables etc.
a) Bonded b) Cold storage c) Private d) co – operative
- 66) The document which authorizes to deliver the goods either in part or full is called
a) Dock warrant b) Dock receipt c) none d) Warehouse warrant
- 67) The industrial warehouse started with the support of the government is
a) Bonded warehouse c) food corporation of india
b) Public warehouse d) custom bonded
- 68) Transport removes the hindrance of
a) Time b) place c) person d) knowledge
- 69) Air consignment note is prepared in _____ forms.
a) One b) two c) three d) four
- 70) _____ is a document acknowledging the receipt of goods by a carrier.
a) Way bill b) consignment note c) charter party d) bill of lading
- 71) Which is the fastest means of transport?
a) Rail b) Road c) Sea d) Air
- 72) The basic principle of insurance is _____.
a) Insurable interest b) cooperation c) subrogation d) proximate causa
- 73) _____ is not a type of general insurance.
a) Marine insurance b) life insurance c) fire insurance d) fidelity insurance
- 74) Which of the following is not a function of insurance?
a) Lending funds b) risk sharing c) capital formation d) protection of life
- 75) Which of the following is not applicable in insurance contract?
a) Unilateral contract b) conditional contract c) indemnity contract d) inter – personal contract
- 76) Which one of the following is a type of marine insurance?
a) Money back b) mediclaim c) hull insurance d) cargo insurance
- 77) A continuing relationship which provides a license privileges to do business and provides training, merchandising for a consideration is called
a) Franchising b) Factoring c) Exchange d) Supply Chain Management
- 78) A condition where a factor agrees to provide complete set of services like financing , debt collection, consultancy is called
a) Maturity Factoring b) National Factoring c) Recourse Factoring d) Full service Factoring
- 79) Buying and selling of goods through electronic network is known as
a) E-commerce b) Internet c) Website d) Trade
- 80) An organization carrying out activities to move goods from producer to consumer is
a) Transport b) Logistics c) Channels d) Marketing
- 81) The role of government in logistics management is through
a) Legislations b) governance c) transports d) distribution
- 82) The main benefit of logistics management response over the longer run
a) Logistics b) Demand c) Supply d) Supply chain management
- 83) The model that identifies alternatives criteria for decision making and analyse alternatives to arrive at the best choice is
a) Routing model b) Scheduling Model c) Inventory Model d) Alternative Analysis
- 84) A company under outsourcing transfers activities which are
a) Core b) None – core c) Business d) Non – business
- 85) Business units can reduce expenditure by outsourcing front office work like
a) Paper work b) file work c) billing d) manufacturing
- 86) The main benefit of outsourcing is
a) Productivity b) Cost reduction c) Skill d) Units
- 87) Outsourcing job is given to developing countries specifically for
a) Cheap labour b) Land c) Capital d) Factors

- 88) Outsourcing is carried out for the benefit of
a) Global village b) Transport c) Factory d) Time and Money
- 89) Which type of responsibility gives the benefit to the society out of its profits earned?
a) Legal b) Ethical c) Moral d) Economic
- 90) The stakeholders of socially responsible business units are except
a) Shareholders b) Employees c) Government d) Company
- 91) Assuming social responsibility of business helps the enterprise in
a) Increase profit b) Decrease profit c) Sustainability d) Equilibrium
- 92) Socially responsible business provides goods at
a) High price b) low price c) moderate price d) reasonable price
- 93) Social responsibility towards employees represent the following except
a) Reasonable remuneration c) Proper facilities
b) c) Social security d) Exploitation
- 94) Which of the following helps in maximizing sale of goods to society?
a) Business success b) Ethics c) Laws and regulations d) Professional management
- 95) Ethics is important for
a) Top management c) Middle level managers
b) Non – managerial employees d) All
- 96) Which of the following does not ensure effective ethical practices in a business enterprise?
a) Publication of a code c) Involvement of employees
b) Establishment of compliance mechanisms d) none
- 97) The role of top management is to guide the entire organization towards
a) General behavior b) individual behavior c) organization behavior d) ethically upright behavior
- 98) The ethical conduct of employees leading to standard practices results in
a) Good behavior b) bad behavior c) ethical behavior d) correct decision making
- 99) What is defined as the provision of money at the time when it is required?
a) Finance b) Bank c) Cash Management d) None
- 100) Internal sources of capital are those that are
a) Generated through outsiders such as suppliers
b) Generated through loans from commercial banks
c) Generated through issue of shares
d) Generated within the business
- 101) Debenture holders are entitled to a fixed rate of
a) Dividend b) Profits c) Interest d) Ratios
- 102) Public deposits are the deposits which are raised directly from
a) Public b) Directors c) Auditors d) Owners
- 103) Equity shareholders are the ____ of a company.
a) Creditors b) Owners c) Debtors d) Employees
- 104) Funds required for purchasing current assets is an example for
a) Fixed capital requirement
b) Ploughing back of profits
c) Working capital requirement
d) Lease financing
- 105) Which of the following holder is given voting right ?
a) Debentures b) Preference shares c) Equity shares d) Bonds
- 106) It may be wise to finance fixed assets through
a) Creditors b) long term debts c) bank overdraft d) bills discounting
- 107) An instrument representing ownership interest in securities of a foreign issuer is called
a) An ownership certificate
b) A depository receipt
c) An ownership receipt
d) None
- 108) Insurance of DRs is based on the increase of demand in the
a) International market c) Local market
b) Existing shareholders d) All

- 109) A DRs are issued in
a) Canada b) China c) India d) USA
- 110) Depository receipts that are traded in an International market other than the United states are called
a) Global depository receipts
b) International depository receipts
c) Open market depository receipts
d) Special drawing rights
- 111) _____ bond is a special type of bond issued in the currency other than the home currency.
a) Government Bonds c) Foreign currency convertible bond
b) Corporate bonds d) Investment Bonds
- 112) MSMED Act was enacted in the year
a) 2004 b) 2007 c) 2006 d) 2008
- 113) MSMEs are important for the nation's economy because they significantly contribute to
a) Industrial production c) Exports
b) Employment d) all
- 114) Self help groups convert the savings into a common fund known as
a) Common fund b) Group fund c) Groups corpus fund d) none
- 115) There are _____ distinct modes of credits to selfhelp groups.
a) 1 b) 2 c) 3 d) 4
- 116) Investment limit of a Micro Enterprise under manufacturing sector does not exceed _____ lakhs.
a) 10 b) 20 c) 25 d) 50
- 117) The purchase of goods from a foreign country is called
a) Import b) Export c) Entrepot d) Re – export
- 118) When goods are imported for the purpose of export it is called as
a) Foreign trade b) home trade c) Entrepot d) trade
- 119) _____ acts as a connective link between the producer and the consumer.
a) Trade b) Industry c) Commerce d) Business
- 120) The aim of home trade is
a) To raise the standard of living
b) To provide the essential goods and services economically
c) To raise the national income
d) To obtain all types of goods
- 121) Internal trade can be classified in to _____ categories.
a) Three b) Four c) Two d) Five
- 122) Trade middlemen who acts as a link between wholesaler and customers refers to a
a) Producer b) Broker c) Retailer d) Customer
- 123) Who is the first middlemen in the channel of distribution?
a) Wholesaler b) Producer c) Retailer d) Customer
- 124) _____ buy the goods from the producer and sell it to the retailers .
a) Wholesaler b) Manufacturer c) Retailer d) Consumer
- 125) _____ are agents who merely bring the buyer and the seller into contact.
a) Broker b) Commission agent c) Selling agent d) Stockists
- 126) Merchant middlemen can be classified into _____ categories.
a) Three b) Two c) Five d) Four
- 127) Wholesalers deal in _____ quantity of goods
a) Small b) Large c) Medium d) Limited
- 128) A _____ is a mercantile agent to whom goods are entrusted for sale by a principal and takes physical possession of the goods but does not obtain ownership.
a) Broker b) Warehouse Keeper c) Factor d) Commission Agent
- 129) Retailers deal in _____ quantity of goods.
a) Small b) Large c) Medium d) Limited
- 130) Small scale fixed retailers include
a) General stores b) pedlars c) cheap jacks d) hawkers
- 131) Small shops which deal in a particular line of products are called as
a) Market traders b) single line stores c) sugar market d) street stalls

- 132) _____ are mobile traders who deal in low priced articles with no fixed place of business.
a) Shopping malls b) Super markets c) street stalls d) itinerant traders.
- 133) Movement of goods, service, intellectual property, human assets, technology and so on among the countries.
a) Traditional trade b) entrepot trade c) internal trade d) international business
- 134) Goods are imported for purpose of re – export to another country is termed as
a) Import trade b) export trade c) entrepot trade d) international trade
- 135) Movement of goods, services among the countries
a) International trade b) international business c) enterepot trade d) internal trade
- 136) Selling of goods from home country to foreign country is called
a) Home trade b) entrepot trade c) foreign trade d) joint venture
- 137) EPC means for
a) Export processing commission
b) Export promotion council
c) Export carriage council
d) Export promotion congress
- 138) STC is expansion for
a) State Training Centre
b) State Training Council
c) State Trading Centre
d) State Trading corporation
- 139) An ____ is document prepared by importer and sent to the exporter to buy the goods.
a) Invoice b) Indent c) Enquiry d) Charter party
- 140) The _____ receipt is an acknowledgement of receipt of goods on the ship issued by the captain.
a) Shipping Bill b) Bill of Lading c) Mate's Receipt d) Consular Invoice
- 141) The Exporters appoint the _____ agent to fulfill the customs formalities.
a) Clearing agent b) Forwarding agent c) commission agent d) factor
- 142) General agreement on tariff and trade was signed on
a) 30 oct 1947 b) 29 oct 1947 c) 28 oct 1947 d) 26 oct 1947
- 143) WTO was established on
a) 1-1-1996 b) 1-1-1997 c) 1-1-1995 d) 1-1-1994
- 144) The headquarter of WTO is located at
a) New York b) London c) Geneva d) Brazil
- 145) The day to day administration of WTO is entrusted with
a) Executive council b) general council c) administrative council d) general body
- 146) World bank is located at
a) Washington b) Newyork c) Tokyo d) Hongkong
- 147) The statement which discloses a record of transactions between the residents of one country and residents of foreign country
a) Balance of payment
b) Balance of trade
c) Statement of receipts and payments
d) Accounting statement
- 148) The balance of payments councils consists of
a) Current account c) receipts and payments account
b) Capital account d) both current account and capital account
- 149) Foreign capital long term loan and foreign currency reserve are recorded under
a) Official capital b) Banking capital c) Private capital d) both private & public capital
- 150) The term official capital includes
a) RBI holdings of foreign currencies
b) Special drawing rights held by the government
c) Both A and B
d) Foreign investment
- 151) Balance of payments surplus indicates
a) Exports are more than the Imports c) Imports are more than Exports
b) Exports and Imports are at Equilibrium d) Exports and Imports are above Equilibrium

- 152) An agreement enforceable by law is a
a) Enforceable acceptance b) Accepted offer c) Approval promise d) contract
- 153) Every promise and every set of promises forming the consideration for each other is an
a) Agreement b) Contract c) Offer d) Acceptance
- 154) Void agreement signifies
a) Agreement illegal in nature
b) Agreement not enforceable by law
c) Agreement violating legal procedure
d) Agreement against public policy
- 155) Acceptance to be valid must
a) Be absolute c) Be unqualified
b) Both be absolute and unqualified d) Be conditional
- 156) A contract with or by a minor is a
a) Valid contract c) Void contract
b) Voidable contract d) Voidable at the option of either party
- 157) On the valid performance of the contractual obligations by the parties the contract
a) Is discharged b) Become enforceable c) Becomes void d) Becomes legal
- 158) Which of the following persons can perform the contract?
a) Promisor alone c) legal representatives of promiser
b) Agent of the promiser d) all
- 159) A,B,C jointly promised to pay Rs.50,000 to D. before performance of the contract c dies . here the contract
a) Becomes void on C's death
b) Should be performed by A and B along with C's legal representatives
c) Should be performed by A and B alone
d) Should be renewed between A,B and D
- 160) Which of these parties cannot demand performance of promise?
a) Promise
b) Any of the joint promises
c) On the death of the promise his legal representative
d) Stranger to the contract
- 161) A person is said to be a third person if he is not a
a) Promisor b) Promise c) Agent d) Legal representative
- 162) On the valid performance of the contractual obligation by the parties the contract
a) Is discharged b) Become enforceable c) Becomes void d) None
- 163) An agreement to do act impossible in itself under section 56 is
a) Void b) Valid c) Voidable d) Unforceable
- 164) Any agreement which becomes impossible to perform under various circumstances
a) Voidable b) Void c) Valid d) None
- 165) Discharge by mutual agreement may involve
a) Novation b) Rescission c) Alteraation d) All
- 166) The compensation given for breach of contract is
a) Damage b) Remuneration c) Money d) Cheque
- 167) Income tax is
a) A business tax b) a direct tax c) an indirect tax d) None
- 168) Period of assessment year is
a) 1st April to 31st March
b) 1st March to 28th Feb
c) 1st July to 30th June
d) 1st Jan to 31st Dec
- 169) The year in which income is earned is known as
a) Assessment year b) Previuos year c) Light year d) Calendar year
- 170) The aggregate income under five heads is termed as
a) Gross total income b) Total income c) Salary income d) Business income

- 171) Agricultural income earned in India is
- a) Fully taxable
 - b) Not considered for income
 - c) Fully Exempted
 - d) None
- 172) Who is the chairman of the GST council?
- a) RBI governor
 - b) Finance minister
 - c) Prime minister
 - d) President of India
- 173) GST stands for
- a) Goods and Supply tax
 - b) Government sales tax
 - c) Goods and Services tax
 - d) General sales tax
- 174) What kind of tax the GST is?
- a) Direct tax
 - b) Indirect tax
 - c) Dependence on the type of goods and services
 - d) All business Organisations
- 175) What is IGST?
- a) Integrated goods and services tax
 - b) Indian goods and service tax
 - c) Initial goods and service tax
 - d) All
- 176) In India GST became effective from?
- a) 1st April 2017
 - b) 1st January 2017
 - c) 1st July 2017
 - d) 1st March 2017