

National management college-Perundurai
CA-Foundation – Business Economics & BCK

Monthly Test - 4

Max.Time: 60 minutes

26/12/2022

Total Marks : 50

Answer all the questions

1. What is the single word that can best describe today's business?
(a) Technology (b) Persistence (c) Profit making (d) Change
2. In order to survive over the long term, a company must have the:
(a) Ability to Prosper (b) Ability to change (c) Both (a) and (b)
(d) None of the above
3. As per Charles Darwin, who survives?
(a) Strongest (b) Most Intelligent (c) Most responsive to change
(d) All of the above
4. Which one of the following is not true about business ?
(a) It is created to provide products or services to customers.
(b) It creates job opportunities. (c) It is beneficial to Society.
(d) It always gives return on investment.
5. Read the following three statements:
(i) The environment is constantly changing in nature.
(ii) Various environmental constituents exist in isolation and do not interact with each other.
(iii) The environment has a far reaching impact on organizations.
From the combinations given below select an alternative that represents statements that are true:
(a) (i) and (ii). (b) (ii) and (iii) (c) (i) and (iii) (d) (i), (ii) and (iii)
6. The integral elements of business environment include.
(a) Internal forces (b) External Forces (c) Both (a) and (b)
(d) Either (a) or (b)
7. What is not a characteristic of business environment?

(a) Static (b) Complex (c) Far reaching (d) Multi-faced

8. Which is not a feature of business environment?

(a) Simple (b) Complex (c) Multi fact (d) Dynamic

9. Now-a-days, the film industry generates revenue from ring tones/caller tunes rather than sale of music C.D. It exhibits _____ feature of business environment.

(a) Complex (b) Dynamic (c) Multi-faceted

(d) Far Reaching impact

10. There is a _____ interaction between Business and Business Environment.

(a) Close (b) Close and continuous (c) Close and static

(d) Continuous and Static

11. The interaction between Business and its Environment, helps the business in:

(a) Determining Opportunities and Threats (b) Continuous learning

(c) Giving directions for growth (d) All of the above.

12. In relation to solving the problem of shortage of Electricity, "CPP" means:

(a) Captive Power Plant (b) Creative Power Plant

(c) Central Power Plant (d) Controlled Power Plant

13. response not merely recognise and ward off threats but also covert threat into opportunities:

(a) Aggressive (b) Dynamic (c) Static (d) Passive

14. Which of the following is not a FMCG Company:

(a) Patanjali (b) Colgate (c) Bajaj (d) Amul

15. Environmental factors in PES-TLE Matrix include:

(a) Energy Consumption (b) Waste disposal

(c) Environmental Hazards/legislation (d) All of the above

16. In PESTLE Analysis, _____ factors are how and to what extent the government intervenes in the economy and the activities of business firms.

(a) Political (b) Economic (c) Environmental (d) Legal

17. In PESTLE Matrix, which of the following is not a part of Social Factor?

- (a) Health and Safety law (b) Demographics
(c) Religious (d) Lifestyle trends

18. Which of the following factor is not included in Traditional model "PEST" available for environmental monitoring?

- (a) Political and Legal (b) Economic and Environmental
(c) Legal and environmental (d) Economic and Legal.

19. Which of the following is a factor of Demographic Environment?

- (a) Population size (b) Geographic Distribution
(c) Ethnic Mix (d) All of the above.

20. Study of human population is called as _____ environment.

- (a) Political (b) Demographic (c) Global (d) Economic

21. The important elements in political-legal environment are:

- (a) Government, legal and economical.
(b) Government, legal and political.
(c) Technological, legal and economical.
(d) Government, technological and legal.

22. The Fiscal Policy includes government policy in respect of :

- (a) Public Expenditure (b) Taxation (c) Public Debt
(d) All of the above

23. Trends relate to:

- (a) Happening of events in internal Environment
(b) Grouping of similar or related events
(c) Demands made by Interested group
(d) None of the above

24. A threat is

- (a) An unfavourable condition in organisation environment which creates risk or damage to the environment
(b) An inherent limitation or constraint

(c) An unfavourable condition in organisation environment which consolidates its strength

(d) None of the above

25. ___ is the process by which organizations monitor their relevant environment to identify opportunities and threats affecting their business for the purpose of taking strategic decisions.

(a) Forecasting (b) Assessment (c) Scanning

(d) None of the above

26. The following statement relates to which strategic response approach to the environment:

They seek to monitor the changes in that environment, analyse their impact on their own goals and activities and translate their assessment in terms of specific strategies for survival, stability and strength.

(a) Proceed with caution (b) Least resistance

(c) Dynamic response (d) Static Response

27. Which of the following is not a part of the economic environment?

(a) Market and trade cycles (b) Consumer buying patterns

(c) Strength of consumer spending (d) Interest and exchange rates

28. Through SWOT analysis:

(a) Strengths and weakness existing within the environment can be matched with opportunities and threats in the organisation.

(b) Strengths and weakness existing outside the organisation can be matched with opportunities and threats with the internal environment.

(c) Strengths and weakness existing outside the organisation can be matched with opportunities and threats with the external environment.

(d) Strengths and weakness existing within an organisation can be matched with opportunities and threats in the environment.

29. According to Peter Drucker aim of the business is to _____ and _____

(a) Create and retain customer (b) Retain customer and create profits

(c) Create and retain consumer (d) Retain consumer and maximise wealth

30. The _____ environment refers to the nature and direction of the economy in which a company competes or may compete.

- (a) Socio-cultural (b) Internal (c) Micro (d) Economic

31. The performance of business in the private sector is measured by:

- (a) Profitability (b) Customer Satisfaction
(c) Number of employees (d) The salary of BOD

32. In order to make the system of diffused ownership of joint stock companies and their management work, _____ provides an elaborate system of corporate functioning.

- (a) Companies Act, 2013 (b) Competition Act, 2002
(c) SEBI Act, 1992 (d) None of the above

33. CSR stands for:

- (a) Cash Security Ratio (b) Cash Supply Ratio
(c) Corporate Social Responsibility (d) Consumer Satisfaction Ratio

34. The affairs of a company is over-seen by:

- (a) Shareholders (b) Employees (c) Board of Directors
(d) Dividend Holders.

35. The objectives of the Company can be traced from which of the following document?

- (a) Memorandum of Association (b) Articles of Association
(c) Prospectus (d) All of the above

36. The Indian Corporate sector is numerically dominated by _____ Companies.

- (a) Public (b) Private (c) Government (d) Small

37. What is the minimum number of directors in case of public companies?

- (a) 01 (b) 02 (c) 03 (d) 07

38. The minimum number of members in case of Private and Public companies are & respectively.

- (a) 02 and 05 (b) 05 and 07 (c) 02 and 07 (d) 02 and 10

39. Which of the following document of the company focuses on its internal regulation?

- (a) Memorandum of Association (b) Article of Association
(c) Prospectus (d) Agreement

40. ____ has been the most recently introduced form of business organisation in India vide "The Companies Act, 2013".

- (a) One Person Company (b) Private Company
(c) Public Company (d) Defunct Company

41. In case of LLP.

- (a) Every partner is agent of Firm only.
(b) Every partner is agent of other partners only.
(c) Every partner is agent of both firm and other partners.
(d) Every partner is not an agent at all

42. __ oversees the governance of the LLP.

- (a) Ministry of Corporate Affairs (b) State Government
(c) SEBI (d) FEMA

43. The registration of partnership firm is:

- (a) Compulsory (b) Mandatory (c) Statutorily required (d) Optional.

44. The agreement between partners must be _____.

- (a) Verbal only (b) Written only
(c) May be verbal or written (d) In electronic form only.

45. cannot card Income tax Act, HUF which type of _____.

- (a) Profit (b) Salary (c) House Property (d) Other Sources.

46. Which is not a merit of LLP?

- (a) Designated partners have to do all compliance
(b) Separate Legal entity (c) Both (a) & (b) (d) None of the above.

47. On the basis of size and scale of the activity undertaken, business may be classified as:

- (a) Micro, Small, medium & large. (b) Public and Private.
(c) Big and Small. (d) Small Scale and Large Scale

48. Which one of following is true, in economics and finance?

- (a) Risk and uncertainty are synonymous.
- (b) Risk can be calculated in advance but not uncertainty.
- (c) Uncertainty can be calculated but not risk.
- (d) Under uncertainties, Risk must be zero.

49. Trading implies buying for the purposes of selling. Applying this criterion, tell which of the following activities would not qualify as trading?

- (a) Purchase of goods in bulk quantity from the manufacturer and sale in smaller quantities to the retailers.
- (b) Buying from the wholesaler and selling it to the consumers.
- (c) Buying from the retailer for self consumption.
- (d) Purchase of raw materials from the suppliers for further processing in the factory.

50. Which of the following statement is false as regards profession?

- (a) It is rendering of services of a specialized nature.
- (b) Prescribed qualifications.
- (c) Works under a certificate of practice from an established certification.
- (d) The Source of livelihood is profit.

