



**SOF INTERNATIONAL
COMMERCE OLYMPIAD**

Total Questions : 50

Time : 1 hr.

PATTERN & MARKING SCHEME				
Section	(1) Economics	(2) Business Studies	(3) Accountancy	(4) Achievers Section
No. of Questions	15	15	15	5
Marks per Ques.	1	1	1	3

SYLLABUS

Section – 1 : Introductory Macroeconomics, Indian Economic Development.

Section – 2 : Nature and Significance of Management, Principles of Management, Business Environment, Planning, Organising, Staffing, Directing, Controlling, Financial Management, Financial Markets, Marketing Management, Consumer Protection.

Section – 3 : Financial Statements of Not-for-Profit Organisations, Accounting for Partnership Firms, Accounting for Companies, Analysis of Financial Statements, Cash Flow Statement, Computerised Accounting.

Section – 4 : Higher Order Thinking Questions - Syllabus as per Section-1, Section-2 and Section-3.

ECONOMICS

- Which of the following is also known as 'non – factor inputs'?
(A) Intermediate products
(B) Final products
(C) National income
(D) Consumer products
- Why externalities are a limitation of taking GDP as an index of welfare?
(A) It helps GDP to rise.
(B) GDP fails to value the cost of such factors.
(C) It results in a decrease in GDP.
(D) It will have no effect on GDP.
- From the following data about government, find revenue deficit, fiscal deficit and primary deficit :
Plan capital expenditure = ₹ 120
Revenue expenditure = ₹ 100
Non plan capital expenditure = ₹ 80
Revenue receipts = ₹ 70
Capital receipts net of borrowings = ₹ 140
Interest payments = ₹ 30
(A) Revenue deficit = ₹ 40, Fiscal deficit = ₹ 90, Primary deficit = ₹ 60
(B) Revenue deficit = ₹ 30, Fiscal deficit = ₹ 90, Primary deficit = ₹ 60
(C) Revenue deficit = ₹ 40, Fiscal deficit = ₹ 60, Primary deficit = ₹ 30
(D) Revenue deficit = ₹ 30, Fiscal deficit = ₹ 60, Primary deficit = ₹ 30
- For a straight line consumption function, which of the following is true?
(A) MPC is constant at all levels of income.
(B) MPC is increasing at all levels of income.
(C) MPC is decreasing at all levels of income.
(D) MPC is negative at all levels of income.

BUSINESS STUDIES

- Management is a process of
(A) Getting things done
(B) Achieving goals effectively
(C) Achieving goals efficiently
(D) All of the above
- The principles of management are significant because of
(A) Increase in efficiency
(B) Initiative
(C) Optimum utilization of resources
(D) Adaptation to changing technology
- Planning may not guarantee success because
(A) Top level plans and middle level management implements

- (B) Dynamics of business, environment may change
(C) Planning is futuristic
(D) All of the above

8. Which of the following cannot be achieved by control function of a management?
(A) Controlling functions can suitably modify the external factors of business environment.

- (B) The controlling function is used to ensure that the organisation meets its business goals.
(C) Controlling functions help the organisations in their effort to improve quality by verifying if the standards set are accurate and objective.
(D) Controlling helps to reduce wastage of resources thereby increasing efficiency and effectiveness.

ACCOUNTANCY

9. X, Y and Z are partners sharing profit in the ratio of 5 : 3 : 2. They decide to share future profits in the ratio of 2 : 3 : 5 with effect from 1st April, 2016. They also decide to record the effect of following revaluations without affecting the book values of assets and liabilities, by passing single adjusting entry :

	Book Figure (in ₹)	Revised Figure (in ₹)
Land and Building	3,00,000	4,50,000
Plant and Machinery	4,50,000	4,20,000
Trade Creditors	1,50,000	1,35,000
Outstanding Rent	1,35,000	1,80,000

The necessary single adjusting entry will be :

- (A) Dr. Z and Cr. X by ₹ 27,000
(B) Dr. X and Cr. Z by ₹ 27,000
(C) Dr. Y and Cr. X by ₹ 27,000
(D) Dr. X and Cr. Y by ₹ 27,000
10. M Ltd issued 10,000 shares of ₹ 50 each. The amount of share was payable as follows :
₹ 15 on application, ₹ 10 on allotment and balance of first and final call. Applications for 15,000 shares

were received and allotment was made to all the applicants on pro-rata basis. Directors decided to adjust excess application money towards allotment. Calculate the amount transferred to Share Allotment.

- (A) ₹ 60,000 (B) ₹ 70,000
(C) ₹ 85,000 (D) None of these

11. Depreciation is charged on

- (A) Current Assets
(B) Fixed Assets
(C) Both Current and Fixed Assets
(D) None of these

12. For a manufacturing concern interest received by other financial enterprises is shown as _____ activity, however interest paid to other financial enterprises is shown as _____ in cash flow statement.

- (A) Operating, financing
(B) Investing, financing
(C) Financing, investing
(D) Operating, investing

ACHIEVERS SECTION

13. From the following information, calculate return on investment (or return on capital employed).

Particulars	₹
Share Capital	5,00,000
Reserves and Surplus	2,50,000
Net Fixed Assets	22,50,000
Non-current Trade Investments	2,50,000
Current Assets	11,00,000
10% Long-term Borrowings	20,00,000
Current Liabilities	8,50,000
Long-term Provisions	Nil

Net Profit before Tax is ₹ 6,00,000.

- (A) 29.09% (B) 39.09%
(C) 49.09% (D) 9.09%

14. Liberalisation means

- (A) Integration among economies
(B) Reduced government controls and restrictions
(C) Policy of planned disinvestments
(D) None of these.

15. Explain how the production possibility curve is affected when resources are inefficiently employed in an economy?

- (A) PPC will shift downward.
(B) PPC will shift upward.
(C) No change in PPC.
(D) Will move from one point to another on the same PPC.

ANSWERS

1. (A) 2. (B) 3. (B) 4. (A) 5. (D) 6. (C) 7. (B) 8. (A) 9. (B) 10. (D) 11. (B) 12. (B) 13. (A) 14. (B) 15. (C)