



Young Scholars Foundation

Prizes

COMMERCE

**GRADE
12**

<p>1st Rank Trip to Dubai</p> 	<p>2nd Rank ₹ 25000</p>	<p>3rd Rank ₹ 10000</p>
+	+	+
Gold Medal + Certificate of Excellence	Silver Medal + Certificate of Excellence	Bronze Medal + Certificate of Excellence

**4th TO 10th
Rank
Rs 1100**

+ Certificate of Excellence

**11th TO 50th
Rank
Wrist Watch**

+ Certificate of Excellence



Instructions

Time : 1 hour

Maximum Marks : 100

- Maximum Time is 1 hour & You will get additional ten minutes to fill up information about yourself on the OMR Sheet, before the start of the exam.
- Write your **Name, School Code, Class, Roll No.** and **Mobile Number** clearly on the **OMR Sheet** and do not forget to sign it.
- The Question Paper comprises four sections: **Accountancy** (20 Questions), **Economics** (10 Questions), **Business Studies** (10 Questions) and **Wise Wizard** (10 Questions). Each question carries two marks.
- All questions are compulsory. There is no negative marking. Use of calculator is not permitted.
- To mark your choice of answers by darkening the circles on the OMR Sheet, use **HB Pencil** or **Blue / Black ball point pen** only.

Roll No

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Student Name

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Father's Name

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SECTION - A (ACCOUNTANCY)

1. Nisha and Meena were partners in a firm sharing profits and losses in the ratio of 3 : 2. Their opening capitals were Rs.1,20,000 and Rs.4,80,000, respectively. As per the partnership deed, they were entitled to interest on capitals @ 10% p.a. The firm earned a profit of Rs. 20,000 during the year.

The interest on Nisha's capital will be:

- (a) 12,000 (b) 24,000 (c) 7,200 (d) 4,000

2. Match the following :

Column - I	Column - II		
(i)	Commission to a Partner on Net Profit	(a)	Charge against profit
(ii)	Interest on Drawings when capitals are fixed	(b)	Debit side of Partners Capital Account
(iii)	Rent paid to partner	(c)	Debit side of Partners Current Account
(iv)	Asset taken over by partner	(d)	Appropriation of Profit

- (a) (i) d ; (ii) c ; (iii) b ; (iv) a (b) (i) d ; (ii) c ; (iii) a ; (iv) b
(c) (i) d ; (ii) a ; (iii) c ; (iv) b (d) (i) d ; (ii) a ; (iii) b ; (iv) c

3. Average Profit earned by a firm is Rs 1,00,000 which includes undervaluation of stock of Rs 40,000 on an average basis. The capital invested in the business is Rs 6,30,000 and the normal rate of return is 5%. Goodwill of the firm on the basis of 5 times of superprofit will be:

- (a) 5,20,500 (b) 5,40,000 (c) 5,42,000 (d) 5,42,500

4. Assertion (A) : Change in profit sharing ratio among the existing partners leads to dissolution of partnership as the existing agreement comes to an end and the firm continues under new agreement.

Reason (R): Reconstitution of partnership will bring change in economic/business relationship among the partners. Business will continue and books of accounts of the firm not to be closed.

Choose the Correct Option from the following:

- (a) Assertion and Reason both are correct and Reason is the correct explanation of assertion
(b) Assertion and Reason both are correct but Reason is not correct explanation of assertion
(c) Both Assertion and Reason are not correct
(d) Only Assertion is correct

5. A and B are partners sharing profits in the ratio of 7:3. They admit C as a new partner. A sacrificed $\frac{1}{7}$ th share of his profit and B sacrificed $\frac{1}{10}$ from his share in favour of C. The new ratio will be:

- (a) 5:1:1 (b) 2:1:1 (c) 2:2:1 (d) None of these

6. Vinit and Shiva were partners in a firm with capitals of Rs 3,00,000 and Rs 2,00,000 respectively. Naina was admitted as a new partner for $\frac{1}{4}$ th share in the profits of the firm. Naina brought Rs 1,20,000 for her share of goodwill premium and Rs 2,40,000 for her capital.

The amount of goodwill premium credited to Vinit will be :

- (a) 40,000 (b) 30,000 (c) 72,000 (d) 60,000

7. Raj and Raja were partners in a firm sharing profits in the ratio of 2 : 1. Manu was admitted as a new partner in the firm. New profit sharing ratio was 3 : 3 : 2. Manu brought the following assets towards his share of goodwill and his capital :

Machinery	120000
Furniture	80000
Stock	170000
Cash	30000

If his capital is considered as Rs 3,80,000, the goodwill of the firm will be:

- (a) 70,000 (b) 2,80,000 (c) 4,50,000 (d) None of these

8. A, B, C and D are partners in a firm sharing profit & loss in the ratio of 2 : 1 : 2 : 1. On 01.04.2020 C decided to retire from the firm and following entry passed by the firm :

B's Capital A/c	Dr.	6,000	
D's Capital A/c	Dr.	6,000	
To C's Capital A/c			12,000

(Being goodwill share adjusted)

New Profit sharing ratio will be :

- (a) 2: 1: 1 (b) 1: 2: 1 (c) 1: 1: 1 (d) None of these

9. A and B are partners in a firm having capital balances of Rs 50,000 and Rs 40,000. They admit C for $\frac{1}{3}$ rd share. C brings proportionate amount of capital. His share of capital will be?

- (a) 36,000 (b) 90,000 (c) 45,000 (d) None of these

10. At the time of dissolution of the firm, loan given by partner to the firm is paid out:
- (a) After making payment of balance of Capital Accounts of partners
 - (b) After making Payment of loan given by third party
 - (c) Before making Payment of loan given by third party
 - (d) Before making any payment to third party
11. X Ltd. purchased a running business from Y Ltd. for a sum of Rs 30,00,000 payable 40% by a cheque and the balance by the issue of fully paid equity shares of Rs 100 each at a premium of 20%. Number of shares to be issued by X Ltd. ____
- (a) 30,000
 - (b) 25,000
 - (c) 15,000
 - (d) 18,000
12. Private Placement shall be made upto :
- (a) 50 persons
 - (b) 100 Persons
 - (c) 200 persons
 - (d) 500 persons
13. AS per SEBI Guidelines Application money should not be less than issue price of each share
- (a) 5%
 - (b) 15%
 - (c) 20%
 - (d) 25%
14. On 1st April, 2020, Tata Ltd. was formed with an authorized capital of Rs 10,00,000 divided into 1,00,000 equity shares of Rs 10 each. The company invited applications for 80,000 equity shares. The company received applications for 75,000 equity shares. During the first year, Rs 8 per share were called. Ram holding 1,000 shares did not pay the first call of Rs 2 per share. Ram's shares were forfeited after the first call.
- Share capital to be shown in the balance sheet is:
- (a) 7,56,000
 - (b) 7,46,000
 - (c) 6,06,000
 - (d) None of these
15. X Ltd. forfeited 1000 shares of Rs 10 each fully called up for non payment of final call of Rs 2 per share. All these shares were reissued in such a way that amount transferable to capital reserve will be 6000. Reissue Price of these share will be :
- (a) 8
 - (b) 10
 - (c) 2
 - (d) 6
16. When a company issue its share through IPO, it means shares are issued to :
- (a) Promoters
 - (b) Creditors
 - (c) Vendors
 - (d) General Public

17. Assertion (A) :

Incorporation Expenses Account or Preliminary Expenses Account is to be opened when shares are issued to the Promoter

Reason (R) :

A company may issue shares to its promoters for their services rendered to the company.

Choose the Correct Option from the following:

- (a) Assertion and Reason both are correct and Reason is the correct explanation of the assertion
- (b) Assertion and Reason both are correct but Reason is not correct explanation of assertion
- (c) Both Assertion and Reason are not correct
- (d) Only Assertion is correct

18. As per Companies Act 2013 Minimum Subscription of debenture Will be:

- (a) 90% of the issue
- (b) 75 % of the issue
- (c) 80% of the issue
- (d) There is no minimum subscription mentioned in Companies Act 2013

19. Debenture Allotment account is a

- (a) Personal Account
- (b) Real Account
- (c) Nominal Account
- (d) None of these

20. Assertion (A) :

When partners Capitals are Fixed, it means that the capitals of the partners remain unchanged unless additional capital is introduced or withdrawal is made from the existing capital.

Reason (R) :

Withdrawal from the capital for personal use will not be treated as drawings whether Capitals are fixed or fluctuating.

Choose the Correct Option from the following:

- (a) Assertion and Reason both are correct and Reason is the correct explanation of assertion
- (b) Assertion and Reason both are correct but Reason is not correct explanation of assertion
- (c) Both Assertion and Reason are not correct
- (d) Reason is correct but Assertion is not correct

SECTION - B (ECONOMICS)

21. Read the following statements carefully and choose the correct alternative among those given below:
- Statement 1 : Subsidies add financial burden on a nation.
- Statement 2 : Complete removal of subsidies may violate the aim of equitable distribution of income.
- Alternatives:
- (a) Both the statements are true
 - (b) Both the statements are false
 - (c) Statement 1 is true and Statement 2 is false
 - (d) Statement 2 is true and Statement 1 is false
22. Net Investment is equal to:
- (a) Gross Investment + Depreciation
 - (b) Gross Investment - Depreciation
 - (c) Gross Investment \times Depreciation
 - (d) None of these
23. Which of the following is not a component of depreciation?
- (a) Expected obsolescence
 - (b) Normal wear and tear
 - (c) Passage of time
 - (d) Unexpected obsolescence
24. From the following, compute GNP_{MP} . $GDP_{FC} = \text{Rs } 3000$, NET factor income to abroad = Rs 200, Indirect taxes = Rs 420, subsidies = Rs 240.
- (a) 3,380
 - (b) 2,980
 - (c) 3,020
 - (d) 2,620
25. Is earnings of shareholders from the sale of shares included in national income?
- (a) yes
 - (b) no
 - (c) can't be determined
 - (d) sometimes
26. If a farmer sells wheat to miller for Rs 1000 and miller sells flour to baker for Rs 1400 and baker sells bread to consumer for Rs 1,000. Total value added by 'Miller' and 'baker' is
- (a) 600
 - (b) 800
 - (c) 2000
 - (d) None of these

27. _____ is also known as transaction money
 (a) M_1 (b) M_2 (c) M_3 (d) M_4
28. Repo rates relates to _____
 (a) Short term borrowings by commercial banks
 (b) Long term borrowings by commercial banks
 (c) Disinvestments
 (d) None of the above
29. Statement 1 : In a situation of full employment equilibrium, there is zero unemployment.
 Statement 2 : Problem of unemployment is the problem of involuntary unemployment
 (a) Both are true (b) 1 is false 2 is true
 (c) Both are false (d) 2 is false 1 is true
30. Break even point is achieved when:
 (a) National Income = Consumption (b) Consumption = Saving
 (c) Consumption = Investment (d) None of these

SECTION - C (BUSINESS STUDIES)

31. The management of Tagore Pvt. Ltd and Labour Union have entered into an agreement whereby workers have agreed to put in extra hours without any additional payment to revive the company out of loss. In return the management has promised to increase wages of the workers when this mission is accomplished
 Identify the principle of management in above case:-
 (a) Remuneration to employee (b) Discipline
 (c) Scalar chain (d) Division of work
32. Which of the following is not a part of the economic environment
 (a) Market and trade cycles (b) Consumer buying pattern
 (c) Strength of consumer spending (d) Interest and exchange rate
33. Identify the name of principle overlooked by the manager in following statement
 “He expect his subordinates to adapt to new environment and working conditions without giving them time to settle down
 (a) Discipline (b) Stability of personal
 (c) Scalar chain (d) Order

34. Identify the type of plan is highlighted in given statment
“It facilities comparison of actual results with planned ones”
- (a) Methods (b) Procedure
(c) Budget (d) Objective
35. A test that examines candidate individual potential for learning new skill:
- (a) Interest test (b) Personality Test
(c) Trade Test (d) Aptitude Test
36. Assertion (A) : Delegation is an optional policy and is done at discretion of top management
Reason (R) : No individual can perform all tasks of his own
- (a) Both (A) and (R) are true and (R) is correct explanation of (A)
(b) Both (A) and (R) are true and (R) is not correct explanation of (A)
(c) (A) is true but (R) is false
(d) Assertion (A) is false but (R) is true
37. Karan’s Job in the Mercury Ltd is to make sure that work goes on smoothly and there is no interruption in production. To achieve this, he always gives orders and insists that they are obeyed. He believes that reward or punishment can be given. Which leadership style in being followed?
- (a) Autoerotic (b) Free Rani
(c) Democratic (d) Laissez fair
38. Hira sweets is a renowned name for quality sweets sine 1935 Vijay the owner of Hira sweets was worried as sales had declined. When he enquired sales manager, sales manager told that there were some complaints about quality of sweets. Vijay ordered for sample checking of sweets.
Identify the step of controlling
- (a) Setting standard
(b) Measurement of actual performance
(c) Analysing deviation
(d) Take corrective action

39. In which communication network, employees are allowed to communicate with each other through one superior
- (a) Single chain network (b) Circular network
(c) Inverted v network (d) Wheel network
40. Just after the declaration of Loksabha Election in 2014, the Bombay stock exchange index rose by 1500 points. Identify the type of business environment.
- (a) Legal environment (b) Political
(c) Economic (d) All of the above

SECTION –D (WISE WIZARD)

41. Blue print of a business is called-
- (a) Strategy (b) Planning
(c) Procedure (d) Policy
42. Who is the Architect of Indian Planning?
- (a) Jawaharlal Nehru (b) P.C. Mahalanobis
(c) BhadurSastri (d) Hari Singh
43. A variable that tends to move later than aggregate economic activity is called
- (a) A leading variable (b) A coincident variable
(c) A lagging variable (d) A cyclical variable
44. Which of the following statements is false?
- (a) Interest on calls-in-advance is paid from the date of receipt of advance to the date of relevant call
(b) Calls-in-advance are not entitled for any dividend
(c) According to Table F, interest on calls-in-advance is paid at the rate of 1-2% p.a.
(d) Payment of interest on calls-in-advance is at the discretion of the company
45. The WTO was founded as the successor organization to:
- (a) International Monetary fund (IMF)
(b) NABARD
(c) Rural Development Bank (RDB)
(d) General Agreement of tarrifs and Trade (GATT)

46. The trough of a business cycle occurs when ____ hits its lowest point
- Inflation in the economy
 - The money supply
 - Aggregate economic activity
 - The unemployment rate
47. Dividend on shares is paid on
- Called up share capital
 - Issued share capital
 - Paid up share capital
 - None of the above
48. Identify an important principle of management control in which only significant deviation which go beyond the permissible limit should be brought to the notice of management?
- Management by control
 - Control by exception
 - Critical point control
 - Both (a) and (b)
49. C was admitted in a firm with $\frac{1}{4}$ th share of the profits of the firm. C contributes Rs 15,000 as his capital, A and B are other partners with the profit sharing ratio as 3:2. Find the required capital of A and B, if capital should be in profit sharing ratio taking C's as base capital:
- Rs 27,000 and 16,000 for A and B respectively.
 - Rs 27,000 and 18,000 for A and B respectively.
 - Rs 32,000 and 21,000 for A and B respectively.
 - Rs 31,000 and 26,000 for A and B respectively.
50. A and B were partners with capitals of Rs 6,00,000 and Rs 4,00,000 respectively. C was admitted for $\frac{1}{5}$ th share in profits. The journal entry recorded for premium for goodwill brought in by C is given below:

Date	Particulars	L.F.	Dr.	Cr.
	Premium for Goodwill A/c Dr.		2,00,000	
	To A's Capital A/c			1,20,000
	To B's Capital A/c			80,000
	(Adjustment for premium for goodwill brought in by C)			

The new profit sharing ratio will be:

- 21 : 19 : 10
- 19 : 21 : 10
- 12 : 8 : 5
- None of these