

## Msbte News

# 0815 Drug Store & Business management Mcq Question Bank

1) Ledger of a Business is a

- A. Principal book **Answer**
- B. Subsidiary book
- C. Memorandum book
- D. Book of original entry

2) Drug samples worth Rs 5000 were distributed to physicians the amount should be debited to.

- A. Sales A/C
- B. Advertisement A/C **Answer**
- C. Sample A/C
- D. None of the above

3) Which technique is used to finalize the inventory order

- A. Economic order quantity **Answer**
- B. ABC analysis
- C. Perpetual inventory system
- D. None of the above

4) The minimum qualifications to start a retail drug store is

- A. D.pharmacy **Answer**
- B. B.pharmacy
- C. Graduate with science
- D. any degree

5) In a drug store the expired drug formulation are called

- A. Scrap items
- B. Surplus items
- C. Absolute items **Answer**
- D. None of the above

6). Bank charges by the bank are recorded on the

- A. Debit side of the cash book
- B. Credit side of the cash book **Answer**
- C. Both A and B
- D. None of the above

7) The balance of cash account shows

- A. Cash in hand **Answer**
- B. New expenditure
- C. Net income
- D. None of the above

8) Which technique is used to finalize the inventory order?

- A. EOQ **Answer**
- B. ABC analysis
- C. Perpetual inventory order
- D. None of the above

9) Business is an

- A. Non economic activity
- B. Economic activity **Answer**
- C. Both A and B
- D. All of the above

10) Shareholders are

- A. Owners **Answer**
- B. Creditors
- C. Managers
- D. Any of the above

11) Advertising and salesmanship help to removes the

- A. Hindrance of knowledge **Answer**
- B. Hindrance of place
- C. Hindrance of risk
- D. Hindrance of spoilage

12) The minimum number of members in the private company is ----.

- A. 3
- B. 8
- C. 50
- D. 2 **Answer**

13) Fixed assets have

- A. Short life
- B. Long life **Answer**
- C. No life
- D. Half life

14) Inventories comprise of

- A. Raw material
- B. General store machinery
- C. Finished product
- D. All of the above **Answer**

15) Human resource development consists?

- A. Job evaluation
- B. Wages and salary administration
- C. Fringe benefit
- D. All of these **Answer**

16) The term "transactions" in business refers to:

- A. Exchange of goods
- B. Goods and services
- C. Transfer of good **Answer**
- D. Goods and sale

17) Repayment of loan debited in current account by bank if recorded through journal, which of the following is true:

- A. Loan account is debited **Answer**
- B. Loan account is credited
- C. Bank account is credited
- D. None of the above

18) The oldest form of business organization is:

- A. Joint stock company
- B. Sole proprietorship **Answer**
- C. Partnership
- D. All of the above

19) Alpha numeric codification is suitable for a:

- A. Large scale organization **Answer**
- B. Small scale organization
- C. Medium scale organization
- D. All of the above

20) EOQ aims at minimizing:

- A. Carrying cost
- B. Ordering cost
- C. Both A and B **Answer**
- D. Suppliers price

21) Fixed rate of dividend is given to:

- A. Equity shareholders
- B. Preference shareholders **Answer**
- C. Differed shares
- D. Any of the above

22) Retailer deals in:

- A. Small quantity of goods **Answer**
- B. Large quantity of goods
- C. Better quantity of goods
- D. All of the above

23) A valid definition of a business purpose is to \_\_\_\_\_.

- A. Create a customer **Answer**
- B. Maximize profits
- C. Serve the society
- D. Increase the wealth of the firm

24) Which of the following is true with regards to 'Bin Card'?

- A. It records value only
- B. It records value and quantity
- C. It records quantity only **Answer**
- D. None of the above is true

25) What is meant by the term 'Adjustment Purchase'?

- A. Opening Stock + Purchase
- B. Purchase – Purchase Returns
- C. Purchase – Discount received
- D. Opening Stock + Purchases – Returns **Answer**

26) In a cooperative society the principle followed is

- A. One share one vote
- B. One man one vote **Answer**
- C. No vote
- D. Multiple votes

27) A small amount of product is offered to the customer for trial is called

- A. Product combination
- B. Sample **Answer**
- C. Coupon
- D. None of the above

28) The economic order quantity formula is taken using \_\_\_\_\_.

- A. Differential calculus **Answer**
- B. Integral calculus
- C. Vector calculus
- D. Multivariate analysis

29) Which among the following costs is the expense of storing inventory for a specified period of time?

- A. Purchasing cost
- B. Carrying cost **Answer**
- C. Financial cost
- D. Storing cost

## State Whether the following statements are True or False

30) Many trade associations include trade journals, economic and financial periodicals, and annual reports published by some business houses and banking companies.

(a) True

(b) False **Answer**

**Reason:** Many trade associations conduct independent market research and collect useful data pertaining to different trades and markets.

31) Training is the process of exploring the source of supply of the required personnel and stimulating the prospective employees to apply for jobs in the organization.

(a) True

(b) False **Answer**

**Reason:** Training is the scientific process of improving the knowledge and skill of the employee for performing a particular job

32) A debenture is a document or certificate issued by the company acknowledging loan and also gives an undertaking to repay the specified borrowed sum along with interest to the debenture holder on a prescribed date

(a) True **Answer**

(b) False

33) Overdraft facility is The facility to borrow the money up to a certain fixed limit against some existing security or guarantee.

(a) True

(b) False **Answer**

**Reason:** Overdraft facility is The facility to draw the cheque, more than the amount standing to the credit of his account against some security

34) financial planning is defined as the process of deciding the financial activities or goals of an organization.

(a) True **Answer**

(b) False

35) Warehousing moves the good from the place of production to his warehouse and from there to the retailer

(a) True

(b) False **Answer**

**Reason:** Warehousing stores the goods of manufacturer for supply to retailer

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