

FREE PRACTICE PACK · EDITION 1

Class 12 Commerce Olympiad practice

16 original questions + explained answers

For students preparing for SOF ICO.

Inside this pack

Eight topic-practice questions and an eight-question, 25-minute mini-mock.

Topics selected for practice

- Company accounts
- Business finance
- Macroeconomics
- Marketing
- Business ethics

How to use it

Try the practice first. Complete the mini-mock in one sitting. Check the explanations, mark mistakes, and retry them the next day.

This pack covers selected topics. It is original BodhiScore material, independent of SOF, and is not an official paper or a full-length exam. Check the official syllabus for the complete scope.

Topic practice

Work through these eight questions without a timer. Explain your choice before checking the solutions.

1. Company accounts

What is the main purpose of a balance sheet?

- A.** Predict exact future profit
 - B.** List employee holidays
 - C.** Show financial position at a date
 - D.** Show only monthly sales
-

2. Business finance

Which source of finance usually requires repayment with interest?

- A.** Owner's capital
 - B.** Retained earnings
 - C.** Ordinary shares
 - D.** Bank loan
-

3. Macroeconomics

What does inflation mean?

- A.** Fall in all wages
 - B.** A single product discount
 - C.** Sustained rise in general price level
 - D.** Rise in one shop's sales
-

Topic practice (continued)

4. Marketing

Market segmentation means ____.

- | | |
|---|---|
| A. Selling one product to nobody | B. Closing all markets |
| C. Setting one price by law | D. Dividing customers into meaningful groups |
-

5. Business ethics

Why is truthful advertising an ethical business practice?

- | | |
|---|------------------------------------|
| A. It removes product quality duties | B. It hides limitations |
| C. Customers can make informed choices | D. It guarantees every sale |
-

6. Company accounts

A company's current assets are ₹90,000 and current liabilities are ₹60,000. What is working capital?

- | | |
|--------------------|-------------------|
| A. ₹90,000 | B. ₹30,000 |
| C. ₹150,000 | D. ₹60,000 |
-

Topic practice (continued)

7. Business finance

Why may a firm prefer retained earnings to a new loan?

- | | |
|--|--------------------------------------|
| A. It avoids new interest obligations | B. It has no opportunity cost |
| C. It creates no owner claim | D. It guarantees cash sales |
-

8. Macroeconomics

Which policy tool can a central bank use to influence borrowing conditions?

- | | |
|----------------------------|--------------------------------|
| A. School timetable | B. Company logo |
| C. Rainfall gauge | D. Policy interest rate |
-

Timed mini-mock

Set a 25-minute timer for these eight questions. Score 1 point per correct answer; there is no penalty for an incorrect answer. This is BodhiScore's practice scoring.

9. Marketing

A firm spends ₹40,000 on an online campaign and earns ₹52,000 in additional contribution from campaign sales. What is the net contribution after campaign cost?

- | | |
|-------------------|-------------------|
| A. ₹12,000 | B. ₹52,000 |
| C. ₹40,000 | D. ₹92,000 |
-

10. Business ethics

A company learns that a supplier uses unsafe working conditions. What is the most responsible first business response?

- | | |
|--------------------------------|---|
| A. Ignore worker safety | B. Investigate and require corrective action |
| C. Hide the finding | D. Increase misleading advertising |
-

11. Company accounts

A machine costs ₹100,000, has no residual value and is depreciated straight-line over 5 years. What is annual depreciation?

- | | |
|-------------------|--------------------|
| A. ₹20,000 | B. ₹5,000 |
| C. ₹50,000 | D. ₹100,000 |
-

Timed mini-mock (continued)

12. Business finance

A project needs ₹200,000. Equity funding provides ₹80,000 and a loan provides the rest. How much is borrowed?

- | | |
|--------------------|--------------------|
| A. ₹280,000 | B. ₹120,000 |
| C. ₹80,000 | D. ₹200,000 |
-

13. Macroeconomics

If nominal income rises 4% while the general price level rises 6%, purchasing power is most likely to ____.

- | | |
|------------------------------------|----------------------------------|
| A. stay certainly unchanged | B. be unrelated to prices |
| C. fall | D. rise by 10% |
-

14. Marketing

A premium skincare brand targets customers who value ingredient transparency and are willing to pay more. Which variable is most central here?

- | | |
|--------------------------------|---|
| A. Latitude | B. Factory age only |
| C. Currency note colour | D. Psychographic and benefit-based segment |
-

Timed mini-mock (continued)

15. Business ethics

An app collects precise location data that is not needed for its service. What is the best privacy practice?

- A.** Do not collect it without a necessary, clear basis
 - B.** Collect it secretly
 - C.** Keep it forever by default
 - D.** Sell it automatically
-

16. Company accounts

A retailer offers a 2% cash discount on a ₹50,000 invoice paid promptly. What amount does the customer pay?

- | | |
|-------------------|-------------------|
| A. ₹51,000 | B. ₹49,000 |
| C. ₹50,000 | D. ₹48,000 |
-

Answers and explanations

Check why the answer works, then retry any question you missed.

1. C - Show financial position at a date

A balance sheet reports assets, liabilities and equity at a specific date.

2. D - Bank loan

A bank loan is debt finance, so principal and interest are normally repaid under its terms.

3. C - Sustained rise in general price level

Inflation is a persistent increase in the overall price level, reducing purchasing power.

4. D - Dividing customers into meaningful groups

Segmentation groups customers with similar needs or characteristics for better targeting.

5. C - Customers can make informed choices

Accurate claims help customers evaluate a product without deception.

6. B - ₹30,000

Working capital = current assets – current liabilities = ₹30,000.

7. A - It avoids new interest obligations

Using profits kept in the business does not create a new debt requiring interest payments.

Answers and explanations (continued)

8. D - Policy interest rate

Central-bank policy rates influence the cost of borrowing in the economy.

9. A - ₹12,000

Net contribution is ₹52,000 minus ₹40,000, or ₹12,000.

10. B - Investigate and require corrective action

Due diligence and corrective action address ethical and supply-chain risks.

11. A - ₹20,000

Straight-line depreciation is $₹100,000 \div 5 = ₹20,000$ per year.

12. B - ₹120,000

Borrowing needed is $₹200,000 - ₹80,000 = ₹120,000$.

13. C - fall

Prices rising faster than income generally reduce what that income can buy.

14. D - Psychographic and benefit-based segment

Values and desired benefits are useful bases for segmenting premium customers.

15. A - Do not collect it without a necessary, clear basis

Data minimisation means collecting only data necessary for a stated, legitimate purpose.

16. B - ₹49,000

Two percent of ₹50,000 is ₹1,000, so the payment is ₹49,000.

Keep practising

Topic scope checked against SOF syllabus: [SOF ICO Class 12 syllabus](#)