



FINANCE

School Level Examination

GRADE

6

DO NOT OPEN THIS BOOKLET UNTIL INSTRUCTED TO DO SO

- * All questions are compulsory.
- * Read the instructions on the **ANSWER SHEET** and fill in your **NAME, CLASS and OTHER INFORMATION.**

To mark your choice of answer by darkening the circles in the Answer Sheet, use an **HB Pencil** only.

- * You **MUST** record your answers on the **ANSWER SHEET.**
- * There are 40 **MULTIPLE CHOICE QUESTIONS.** Use the information provided to choose the **BEST** answer among the four possible options.

On your **ANSWER SHEET** fill in the oval that matches your answer.

- * Marks are **NOT** deducted for incorrect answers.
- * Return the **Answer Sheet** to the invigilator at the end of the examination.
- * Write your Roll No. on the Question Paper too and take it home for future reference.
- * You are **NOT** allowed to use a calculator.

You may use a ruler and spare paper for rough work.

Section - A

(This section contains 30 multiple choice questions. Each question has four choices (A), (B), (C) and (D), out of which only ONE is correct.)

1. Which of the following is the correct term for the person who comes in between the primary producer and the final consumer to promote trade?

(A) Auctioneer	(B) Agent
(C) Middleman	(D) Trader

2. Pick the odd one out.

(A) Income	(B) Expenditure
(C) Savings	(D) Investment

3. The discovery of _____ is associated with the origin of money.

(A) Trade	(B) Metal
(C) Water	(D) Agriculture

4. If a bill isn't issued, how can it lead to corruption?

(A) A shopkeeper can cheat the customer.	(B) A shopkeeper can charge any amount without proper authorisation.
(C) A shopkeeper can avoid paying the tax.	(D) All of the above

5. _____ is the value of next best alternative use of a natural or human resource.

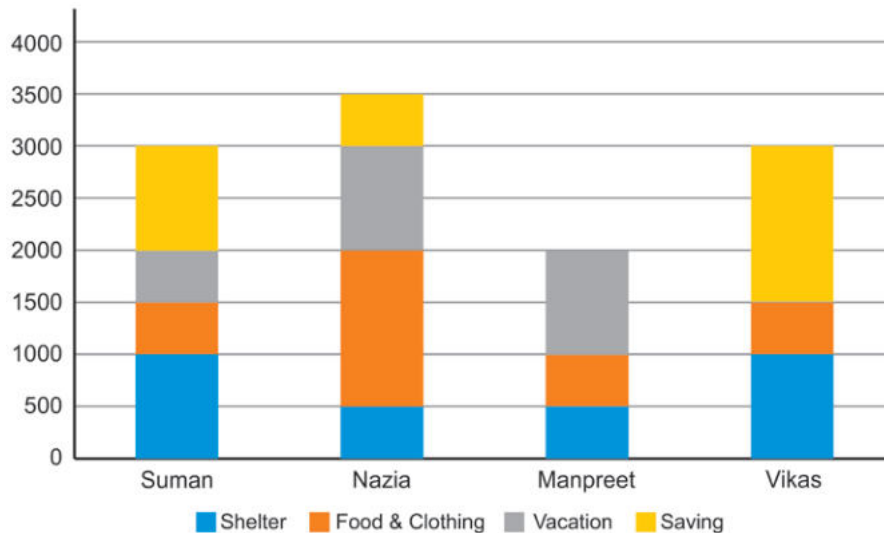
(A) Marginal Cost	(B) Total Cost
(C) Variable Cost	(D) Opportunity Cost

6. Match the following.

Column I	Column II
1. Exchanged musket balls, deer skins and wheat	a. Father of Modern Economics
2. Barter is insufficient	b. 6000 BC
3. Barter System	c. Double coincidence of wants
4. Adam Smith	d. Colonial Americans

- | | |
|--------------------------------|--------------------------------|
| (A) 1.-a., 2.-c., 3.-b., 4.-d. | (B) 1.-c., 2.-b., 3.-d., 4.-a. |
| (C) 1.-a., 2.-d., 3.-b., 4.-c | (D) 1.-d., 2.-c., 3.-b., 4.-a. |

Below graph shows the amount spent or saved by four friends, Suman, Nazia, Manpreet and Vikas. Answer the question numbers 7 to 10 on the basis of this graph.



7. What is the income of Vikas?

(A) ₹ 1,000	(B) ₹ 500
(C) ₹ 1,500	(D) ₹ 3,000
8. Who saves the most?

(A) Suman	(B) Nazia
(C) Manpreet	(D) Vikas
9. How much more does Manpreet spend on vacation than Suman?

(A) ₹ 500	(B) ₹ 1,000
(C) ₹ 1,500	(D) ₹ 3,500
10. What is the total amount spent by all four on Food & Clothing?

(A) ₹ 1,000	(B) ₹ 1,500
(C) ₹ 3,000	(D) ₹ 3,500
11. 7th century BC is associated with the use of first ancient _____.

(A) coins	(B) notes
(C) bills	(D) receipts
12. Sale of service in exchange of money is called _____.

(A) Trade	(B) Service
(C) Commerce	(D) None of these

13. We should always try and _____ money.
 (A) spend (B) borrow
 (C) lend (D) save
14. Who wrote Arthashastra?
 (A) Kautilya (B) Huene Tsang
 (C) Manu (D) Vasco da Gama

Observe the bill carefully and answer the questions 15 to 17.

Sushant General Store Darya Ganj, Delhi		Date:	23.07.2020	
		Bill No.:	2020/20	
Name: Niraj Jain				
S. No.	Item	Quantity	Rate	Amount
1	Rice	10 kg	₹ 40 per kg	₹ 400.00
2	Wheat flour	8 kg	₹ 55 per kg	₹ 440.00
3	Sunflower Oil	5 L	₹ 50 per L	₹ 250.00
4	Talcum Powder	8 pc.	₹ 110 per pc.	₹ 880.00
		TOTAL		₹ 1,970.00

15. If Niraj gave three notes of ₹ 500 to the shopkeeper, then how much more amount he needs to pay?
 (A) (B) ₹ 30
 (C) (D) ₹ 470
16. If Niraj decides to buy 2 kg more of wheat flour, then he needs to pay _____ more than the previous bill.
 (A) (B) ₹ 100
 (C) (D) ₹ 220
17. How many litres of sunflower oil should he purchase more, if the amount spent on sunflower oil is to be the same as that of rice?
 (A) 1 L (B) 2 L
 (C) 3 L (D) 5 L
18. Deepika was saving to buy a new video game. She had already saved ₹ 78. The cost of the video game that she wanted to buy was ₹ 299 plus 8.50% tax. Every day, she got ₹ 42 as pocket money. Approximately how many days were required to save pocket money to buy the video game?
 (A) 2 days (B) 4 days

- (C) 6 days (D) 8 days
19. Which ancient Indian sage is attributed to explanation of taxation in Shastras?
(A) Manu (B) Ved Vyas
(C) Valmiki (D) Charak
20. The barter is a _____ exchange of goods and services without involvement of money.
(A) unilateral (B) bilateral
(C) multilateral (D) none of these
21. Which of the following term helps us in knowing the difference between needs and wants?
(A) Time table (B) Commodity
(C) Currency (D) Budget
22. Which Indian currency is available in both notes and coins?
(A) ₹ 200 (B) ₹ 100
(C) ₹ 50 (D) ₹ 10
23. Consider the statements and choose the correct option.
Statement I: Opportunity cost is the cost difference between two options of goods or services produced.
Statement II: Trade takes place because a country does not have the natural, human resources or even the capital to produce a product.
(A) Only statement I is correct. (B) Only statement II is correct.
(C) Both the statements are correct. (D) Both the statements are incorrect.
24. Milk, eggs and bread costs ₹ 80.54. How much change will you receive if you give ₹ 100 to the cashier?
(A) ₹ 12.46 (B) ₹ 15.46
(C) ₹ 17.46 (D) ₹ 19.46

Ajay maintains a budget diary as shown here. Answer the questions 25 to 27 on the basis of the diary.

Month	Salary (in ₹)	Expenses (in ₹)	Savings (in ₹)
Jan-20	45,000	40,000	5,000
Feb-20	45,000	36,000	9,000
Mar-20	45,000	38,500	6,500
Apr-20	45,000	35,000	10,000
May-20	50,000	39,000	11,000
Jun-20	50,000	36,000	14,000

25. In which month was the amount of expenses the maximum?
- (A) Jan (B) Mar
(C) May (D) Jun
26. In which of these months was the amount of expenses lower than the previous month?
- (A) Jan (B) Feb
(C) Mar (D) May
27. In which months were the savings less than the previous month?
- (A) Feb (B) Mar
(C) May (D) Jun
28. _____ is money collected by the government from its citizens to provide them with various facilities.
- (A) Penalty (B) Fees
(C) Tax (D) Challan
29. Which of these statements is INCORRECT?
- (A) The use of gold and silver led to the use of alloys.
(B) Stone jewellery was replaced by metal jewellery.
(C) The use of paper currency started in China followed by the Stone Age.
(D) The Bronze Age was followed by the Stone Age.
30. Read the following statements and choose the correct option.
- (p) Savings have no risks while investments have risks.
(q) Investments are not productive while savings are.
(r) Savings lead to no income-generation while investments help in income-generation.

- (s) Savings and investments are one and the same thing.
- (A) Only statement (q) is correct.
- (B) Only statement (r) is correct.
- (C) Statements (q) and (s) are correct.
- (D) All the statements are correct.

Section - B

(This section contains 10 multiple choice questions. Each question has four choices (A), (B), (C) and (D), out of which TWO are correct.)

- 31. Which of these are true about a bill?
 - (A) A bill is a legal document.
 - (B) A bill shows the goods and services sold.
 - (C) A bill shows contact details of buyer.
 - (D) A bill does not show due/paid amount.
- 32. Which of these statements are correct?
 - (A) Need is something that is essential.
 - (B) Want is something that is essential.
 - (C) Wants are important than needs.
 - (D) The need for one can be the want for another.
- 33. Which of these are valid reasons for the occurrence of international trade and commerce?
 - (A) A country can produce a product at a higher cost.
 - (B) A country can produce a product at a lower cost.
 - (C) If a country does not have economic objectives.
 - (D) If a country has economic objectives.
- 34. Which of these conditions ensure the presence of double coincidence principle?
 - (A) Find someone who has enough money.
 - (B) Find someone who has something you want.
 - (C) Ensure that other person also requires your goods.
 - (D) Ensure that other person is interested in your money.
- 35. Which of following incomes are tax payable to the government?

- (A) Salary from employer
 - (B) Drought relief compensation from the government
 - (C) Lottery won
 - (D) Pocket money from parents
36. At the age of 30, Aditi started depositing ₹ 2,000 per month in a new bank account. She promised herself to use this money for a grand celebration on her 50th birthday. Which two activities is she doing here?
- (A) Spending
 - (B) Earning
 - (C) Saving
 - (D) Investing
37. The currency of Japan has the symbol _____ and that of France is _____.
- (A) ¥
 - (B) €
 - (C) \$
 - (D) £
38. In which of these activities, GST is NOT applicable?
- (A) Sale of goods and services
 - (B) Sale of land and building
 - (C) Services by an employee to an employer
 - (D) Services by a professional to an organisation
39. Which of these are advantages of international trade?
- (A) Market for alternative and cheap raw material
 - (B) Market for excess production
 - (C) Over dependence on other countries
 - (D) Ruin of domestic hand-made industry
40. Identify two reasons for saving money.
- (A) Helping the society
 - (B) Meeting contingencies
 - (C) Sitting idle in future
 - (D) Becoming financially independent

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