

12th COMMERCE

STUDY MATERIAL 2022 - 2023



Prepared by
Dr.A.VENNILA
Principal,
Mydeen Matric. Hr. Sec. School,
Melacauvery – Kumbakonam – 612 002

UNIT – I

CHAPTER 1 – PRINCIPLES OF MANAGEMENT

1. Management is what a _____ does?
a) Manager b) Subordinate c) Supervisor d) Superior
2. Management is an _____
a) Art b) Science c) Art and Science d) Art or Science
3. Scientific management is developed by
a) Fayol b) Taylor c) Mayo d) Jacob
4. Dividing the work into small tasks is known as
a) Discipline b) Unity c) Division of work d) Equity
5. With a wider span, there will be _____ hierarchical levels.
a) More b) Less c) Multiple d) Additional

CHAPTER 2 – FUNCTIONS OF MANAGEMENT

1. Which is the primary function of management?
(a) Innovating (b) Controlling (c) Planning (d) Decision-making
2. Which of the following is not a main function?
(b) Decision-making (b) Planning (c) Organising (d) Staffing
3. _____ is included in every managerial function.
(c) Co-ordinating (b) Controlling (c) Staffing (d) Organising
4. Which of the following is verification function?
(d) Planning (b) Organising (c) Staffing (d) Controlling
5. The goals are achieved with the help of
(e) Motivation (b) Controlling (c) Planning (d) Staffing

CHAPTER 3 – MANAGEMENT BY OBJECTIVES (MBO) – MANAGEMENT BY EXCEPTION

1. _____ System gives full Scope to the Individual Strength and Responsibility.
(a) MBO (b) MBE (c) MBM (d) MBA
2. Which is the First step in Process of MBO?
(a) Fixing Key Result Area (b) Appraisal of Activities
(c) Matching Resources with Activities (d) Defining Organisational Objectives
3. _____ keeps Management Alert to Opportunities and Threats by Identifying Critical Problems.
(a) MBA (b) MBE (c) MBM (d) MBO
4. Delegation of Authority is Easily Done with the Help of _____.
(a) MBM (b) MBE (c) MBO (d) MBA
5. Delegation of Authority is easily Done with the Help of _____.
(a) MBM (b) MBE (c) MBO (d) MBA

UNIT - II

CHAPTER 4 – INTRODUCTION TO FINANCIAL MARKETS

1. Financial market facilitates business firms

- a) To rise funds b) To recruit workers c) To make more sales d) To minimize fund requirement

2. Capital market is a market for

- a) Short Term Finance b) Medium Term Finance
c) Long Term Finance d) Both Short Term and Medium Term Finance

3. Primary market is also called as

- a) Secondary market b) Money market c) New Issue Market d) Indirect Market

4. Spot Market is a market where the delivery of the financial instrument and payment of cash occurs

- a) Immediately b) In the future c) Uncertain d) After one month

5. How many times a security can be sold in a secondary market?

- a) Only one time b) Two time c) Three times d) Multiple times

CHAPTER 5 – CAPITAL MARKET

1. Capital market do not provide

- a) Short term Funds b) Debenture Funds c) Equity Funds d) Long term Funds

2. When the NSEI was established

- a) 1990 b) 1992 c) 1998 d) 1997

3. Primary market is a Market where securities are traded in the

- a) First Time b) Second Time c) Three Time d) Several Times

4. Participants in the Capital Market includes

- a) Individuals b) Corporate c) Financial Institutions d) All of the above

5. The.....was set up by a premier financial institution to allow the trading of securities across the electronic counters throughout the country.

1. OTCEI b) Factoring c) Mutual Fund d) Venture Funds Institutions

CHAPTER 6 – MONEY MARKET

1) The money invested in the call money market provides high liquidity with_____.

- a) Low Profitability b) High Profitability c) Limited Profitability d) Medium Profitability

2. A major player in the money market is the_____.

- a) Commercial Bank b) Reserve Bank of India c) State Bank of India d) Central Bank.

3. Debt Instruments are issued by Corporate Houses are raising short-term financial resources from the money market are called_____.

- a) Treasury Bills b) Commercial Paper c) Certificate of Deposit d) Government Securities

4. The market for buying and selling of Commercial Bills of Exchange is known as a_____.

- a) Commercial Paper Market b) Treasury Bill Market c) Commercial Bill Market d) Capital Market

5. A marketable document of title to a time deposit for a specified period may be referred to as a_____.

- a) Treasury Bill b) Certificate of Deposit c) Commercial Bill d) Government. Securities

UNIT - III

CHAPTER 7 – STOCK EXCHANGE

1. _____ is the oldest stock exchange in the world.
 - a) London Stock Exchange
 - b) Bombay Stock Exchange
 - c) National Stock Exchange
 - d) Amsterdam Stock Exchange
2. There are _____ stock exchange in the country.
 - a) 21
 - b) 24
 - c) 20
 - d) 25
3. Jobbers transact in a stock exchange
 - a) For their Clients
 - b) For their Own Transactions
 - c) For other Brokers
 - d) For other Members
4. A pessimistic speculator is
 - a) Stag
 - b) Bear
 - c) Bull
 - d) Lane Duck
5. An optimistic speculator is
 - a) Bull
 - b) Bear
 - c) Stag
 - d) Lane duck

CHAPTER 8 – STOCK EXCHANGE BOARD OF INDIA (SEBI)

1. Securities Exchange Board of India was first established in the year _____.
 - a) 1988
 - b) 1992
 - c) 1995
 - d) 1998
2. The headquarters of SEBI is _____.
 - a) Calcutta
 - b) Bombay
 - c) Chennai
 - d) Delhi
3. Registering and controlling the functioning of collective investment schemes as _____.
 - a) Mutual Funds
 - b) Listing
 - c) Rematerialisation
 - d) Dematerialization
4. SEBI is empowered by the Finance ministry to nominate _____ members on the Governing body of every stock exchange.
 - a) 5
 - b) 3
 - c) 6
 - d) 7
5. Trading in dematerialized shares commenced on the NSE is _____.
 - a) January 1996
 - b) June 1998
 - c) December 1996
 - d) December 1998

UNIT - IV

CHAPTER 9 – FUNDAMENTALS OF HUMAN RESOURCE MANAGEMENT

1. Human resource is a _____ asset.
 - a) Tangible
 - b) Intangible
 - c) Fixed
 - d) Current
2. Human Resource management is both _____ and _____.
 - a) Science and art
 - b) Theory and practice
 - c) History and Geography
 - d) None of the above

3. Planning is a _____ function.

- a) selective b) pervasive c) both a and b d) none of the above

4. Human resource management determines the _____ relationship.

- a) internal, external b) employer, employee c) Owner, Servant d) Principle, Agent

5. Labour turnover is the rate at which employees _____ the organisation

- a) Enter b) Leave c) Salary d) None of the above

CHAPTER 10 – RECRUITMENT METHODS

1. Recruitment is the process of identifying _____.

- a) Right man for right job b) Good performer c) Right job d) All of the above

2. Recruitment bridges gap between _____ and _____.

- a) Job seeker and job provider b) Job seeker and agent
c) Job provider and owner d) Owner and servant

3. Advertisement is a _____ source of recruitment

- a) internal b) external c) agent d) outsourcing

4. Transfer is an _____ source of recruitment.

- a) internal b) external c) outsourcing d) None of the above

5. E-recruitment is possible only through _____ facility.

- a) Computer b) internet c) Broadband d) 4G

CHAPTER 11 – EMPLOYEE SELECTION PROCESS

1. The recruitment and Selection Process aimed at right kind of people.

- a) At right people b) At right time c) To do right things d) All of the above

2. Selection is usually considered as a _____ process

- a) Positive b) Negative c) Natural d) None of these

3. Which of the following test is used to measure the various characteristics of the candidate?

- a) physical Test b) Psychological Test c) attitude Test d) Proficiency tests

4. The process of eliminating unsuitable candidate is called

- a) Selection b) Recruitment c) Interview d) Induction

5. Job first man next is one of the principles of _____.

- a) Test b) Interview c) Training d) placement

CHAPTER 12 - EMPLOYEE TRAINING METHOD

1. Off the Job training is given

- a) In the class room b) On off days c) Outside the factory d) In the playground

2. Improves Skill Levels of employees to ensure better job performance

- a) Training b) Selection c) Recruitment d) Performance appraisal

3. When trainees are trained by supervisor or by superior at the job is called

- a) Vestibule training b) Refresher training c) Role play d) Apprenticeship training

4. _____ is useful to prevent skill obsolescence of employees

- a) Training b) Job analysis c) Selection d) Recruitment

5. Training methods can be classified into _____ and _____ training

- a) Job rotation and Job enrichment b) On the Job and Off the Job
c) Job analysis and Job design d) Physical and mental

UNIT - V**CHAPTER 13 – CONCEPT OF MARKET AND MARKETER****1. One who promotes (or) Exchange of goods or services for money is called as .**

- a) Seller b) Marketer c) Customer d) Manager

2. The marketer initially wants to know in the marketing is .

- a) Qualification of the customer b) Quality of the product
c) Background of the customers d) Needs of the customers

3. The Spot market is classified on the basis of .

- a) Commodity b) Transaction c) Regulation d) Time

4. Which one of the market deals in the purchase and sale of shares and debentures?

- a) Stock Exchange Market b) Manufactured Goods Market c) Local Market d) Family Market

5. Stock Exchange Market is also called _____

- a) Spot Market b) Local Market c) Security Market d) National Market

CHAPTER 14 – MARKETING AND MARKETING MIX**1. The initial stage of Marketing system is _____**

- a) Monopoly system b) Exchange to Money c) Barter system d) Self producing

2. Who is supreme in the Market?

- a) Customer b) Seller c) Wholesaler d) Retailer

3. In the following variables which one is not the variable of marketing mix?

- a) Place Variable b) Product Variable c) Program Variable d) Price Variable

4. Marketing mix means a marketing program that is offered by a firm to its target _____ to earn profits through satisfaction of their wants.

- a) Wholesaler b) Retailer c) Consumer d) Seller

5. Which one is the example of Intangible product?

- a) Education b) Mobiles c) Garments d) Vehicles

CHAPTER 15 – RECENT TRENDS IN MARKETING

1. **Selling goods/ services through internet is**
 a. Green marketing b. E- business c. Social marketing d. Meta marketing
2. **Which is gateway to internet?**
 a. Portal b. CPU c. Modem d. Webnaire
3. **Social marketing deals with:**
 a. Society b. Social Class c. Social change d. Social evil
4. **Effective use of Social media marketing increase conversion rates of_____.**
 a. Customer to buyers b. Retailer to customers
 c. One buyer to another buyer's d. Direct contact of marketer
5. **Pure play retailers are called**
 a. Market creators b. Transaction brokers c. Merchants d. Agents

UNIT - VI CHAPTER 16 – CONSUMERISM

1. **The term 'consumerism' came into existence in the year_____.**
 a) 1960 b) 1957 c) 1954 d) 1958
2. **Who is the father of Consumer Movement?**
 a) Mahatma Gandhi b) Mr. Jhon F. Kennedy c) Ralph Nader d) Jawaharlal Nehru
3. **Sale of Goods Act was passed in the year?**
 a) 1962 b) 1972 c) 1930 d) 1985
4. **The Consumer Protection Act came into force with effect from**
 a) 1.1.1986 b) 1.4.1986 c) 15.4.1987 d) 15.4.1990
5. **_____of every year is declared as a Consumer Protection Day to educate the public about their rights and responsibilities.**
 a) August 15 b) April 15 c) March 15 d) September 15

CHAPTER 17 - RIGHTS, DUTIES & RESPONSIBILITIES OF SONSUMERS

1. **The final aim of modern marketing is _____**
 a. Maximum profit b. Minimum profit c. Consumer satisfaction d. Service to the society
2. **_____is the king of modern marketing.**
 a. Consumer b. Wholesaler c. Producer d. Reatailer
3. **As the consumer is having the rights, they are also having_____.**
 a. Measures b. Promotion c. Responsibilities d. Duties
4. **Which of the following is not a consumer right summed up by John F. Kennedy**
 a. Right to safety b. Right to choose c. Right to consume d. Right to be informed
5. **It is the responsibility of a consumer that must obtai_____as a proof for the purchase of goods he.**
 a. Cash receipt b. Warranty card c. Invoice d. All of these

CHAPTER 18 – GRIEVANCE REDRESSAL MECHANISM

1. **The Chairman of the National Consumer Disputes Redressal Council is _____**
 - a) Serving or Retired Judge of the Supreme Court of India.
 - b) Prime Minister
 - c) President of India
 - d) None of the above
2. **The Chairman of the State Consumer Protection Council is _____**
 - a) Judge of a High Court
 - b) Chief Minister
 - c) Finance Minister
 - d) None of the above
3. **The Chairman of the District Forum is _____**
 - a) District Judge
 - b) High Court Judge
 - c) Supreme Court Judge
 - d) None of the above
4. **The State Commission can entertain complaints where the value of the goods or services and the compensation, if any claimed exceed**
 - a) Rs.2 lakhs but does not exceed Rs.5 lakhs
 - b) Rs.20 lakhs but does not exceed Rs.1 crore
 - c) Rs.3 lakhs but does not exceed Rs.5 lakhs
 - d) Rs.4 lakhs but does not exceed Rs.20 lakhs
5. **The International Organisation of Consumers Unions (IOCU) was first established in**
 - a) 1960
 - b) 1965
 - c) 1967
 - d) 1987

UNIT - VII

CHAPTER 19 – ENVIRONMENTAL FACTORS

1. **VUCA stands for _____.**
 - (a) Volatility, Uncertainty, Complexity and Ambiguity
 - (b) Value, Unavoidable, Company and Authority
 - (c) Volatility, Uncontrollable, Company and Auction
 - (d) All of the above
2. **GST stands for _____.**
 - (a) Goods and Social Tax
 - (b) Goods and Service Tax
 - (c) Goods and Sales Tax
 - (d) Goods and Salary Tax
3. **Factors within an organisation constitutes _____ environment.**
 - (a) Internal Thinker
 - (b) External Thinker
 - (c) Fellow human beings
 - (d) All of the above
4. **Macro Environment of business is an _____ factor.**
 - (a) Uncontrollable
 - (b) Controllable
 - (c) Manageable
 - (d) Immanageable
5. **The two major types of business environment are _____ and _____.**
 - (a) Positive and Negative
 - (b) Internal and External
 - (c) Good and Bad
 - (d) Allowable and Unallowable

CHAPTER 20 - LIBERALIZATION, PRIVATIZATION AND GLOBALIZATION

1. _____ is the result of New Industrial Policy which abolished the 'License System'.
 - (a) Globalisation
 - (b) Privatisation
 - (c) Liberalisation
 - (d) None of these
2. _____ means permitting the private sector to setup industries which were previously reserved for public sector.
 - (a) Liberalisation
 - (b) Privatisation
 - (c) Globalisation
 - (d) Public Enterprise

3. _____ ownership makes bold management decisions due to their strong foundation in the international level.
 (a) Private (b) Public (c) Corporate (d) MNC's
4. _____ results from the removal of barriers between national economies to encourage the flow of goods, services, capital and labour.
 (a) Privatisation (b) Liberalisation (c) Globalisation (d) Foreign Trade
5. New Economic Policy was introduced in the year _____.
 (a) 1980 (b) 1991 (c) 2013 (d) 2015

UNIT - VIII

CHAPTER 21 – THE SALE OF GOODS ACT 1930

1. Sale of Goods Act was passed in the year
 a) 1940 b) 1997 c) 1930 d) 1960
2. Which of the below constitutes the essential element of contract of sale?
 a) Two parties b) Transfer of property c) Price d) All of the above
3. Which of the below is not a good?
 a) Stocks b) Dividend due c) Crops d) Water
4. In case of the sale, the _____ has the right to sell
 a) Buyer b) Seller c) Hirer d) Consignee
5. The property in the goods means the
 a) Possession of goods b) Custody of goods c) Ownership of goods d) Both (a) and (b)

CHAPTER 22 – THE NEGOTIABLE INSTRUMENTS ACT 1881

1. Negotiable Instrument Act was passed in the year _____.
 a. 1981 b. 1881 c. 1994 d. 1818
2. Number of parties in a bill of exchange are
 a. 2 b. 6 c. 3 d. 4
3. Section 6 of Negotiable Instruments Act 1881 deals with
 a. Promissory Note b. Bills of exchange c. Cheque d. None of the above
4. _____ cannot be a bearer instrument.
 a. Cheque b. Promissory Note c. Bills of exchange d. None of the above
5. A cheque will become stale after _____ months of its date:
 a. 3 b. 4 c. 5 d. 1

UNIT - IX

CHAPTER 23 – ELEMENTS OF ENTREPRENEURSHIP

1. Which of the below is a factor of production?

- (a) Land (b) Labour (c) Entrepreneurship (d) All of the above

2. Entrepreneur is not classified as

- (a) Risk Bearer (b) Innovator (c) Employee (d) Organizer

3. What are the characteristics of an entrepreneur?

- (a) Spirit of enterprise (b) Flexibility (c) Self Confidence (d) All of the above

4. Which of the below is not classified into managerial functions?

- (a) Planning (b) Marketing (c) Organizing (d) Controlling

5. Which of the below is a commercial function?

- (a) Accounting (b) Coordination (c) Discovery of idea (d) Planning

CHAPTER 24 – TYPES OF ENTREPRENEURS

1. Which of the following is the Activity of a Business Entrepreneur?

- a. Production b. Marketing c. Operation d. All of the above

2. Find the odd one out in context of Trading Entrepreneur.

- a. Selling b. Commission c. Buying d. Manufacturing

3. Corporate Entrepreneur is also called as _____

- a. Intrapreneur b. Promoter c. Manager d. Shareholder

4. Which of these is based on Technology?

- a. Modern b. Professional c. Corporate d. Industrial

5. Which of the below is not a Characteristic of a Fabian Entrepreneur?

- a. Conservative b. Risk averse c. Sceptical d. Adaptive

CHAPTER 25 – GOVERNMENT SCHEMES FOR ENTREPRENEURIAL DEVELOPMENT

1. The _____ initiative was launched to modernize the Indian economy to make all governments services available electronically.

- a) Standup India b) Startup India c) Digital India d) Make in India

2. _____ is designed to transform India to a global design and manufacturing hub.

- a) Digital India b) Make in India c) Startup India d) Design India.

3. _____ is the Government of India's endeavour to promote culture of innovation and entrepreneurship.

- a) AIM b) STEP c) SEED d) AIC

4. _____ should cover aspects like sources of finance, technical know-how, source of labour and raw material, market potential and profitability.
 a) Technical Report b) Finance Report c) Project Report d) Progress Report
5. _____ has to include the mechanism for managing venture in the project report.
 a) Banker b) Government c) Lending Institutions d) Entrepreneur

UNIT - X

CHAPTER 26 – COMPANIES ACT 2013

1. The Company will have to issue the notice of situation of Registered Office to the Registrar of Companies within _____ days from the date of incorporation.
 (a) 14 days (b) 21 days (c) 30 Days (d) 60 Days
2. How does a person who envisages the idea to form a company called?
 (a) Director (b) Company Secretary (c) Registrar (d) Promoter
3. Which of the following types of shares are issued by a company to raise capital from the existing shareholders?
 (a) Equity Shares (b) Rights Shares (c) Preference Shares (d) Bonus Shares
4. The shares which are offered to the existing shareholder at free of cost is known as _____.
 (a) Bonus Share (b) Equity Share (c) Right Share (d) Preference Share
5. The shares which are offered first to the existing shareholder at reduced price is known as _____.
 (a) Bonus Share (b) Equity Share (c) Right Share (d) Preference Share

CHAPTER 27 – COMPANY MANAGEMENT

1. A person Shall hold office as a director in _____ companies as per the Companies Act, 2013.
 (a) 5 companies (b) 10 companies (c) 20 companies (d) 15 companies
2. A Private Company shall have a minimum of _____.
 (a) Seven directors (b) Five directors (c) Three directors (d) Two directors
3. A Public Company having a paid up Share Capital of _____ or more may have a Director, elected by such small shareholde
 (a) One crore (b) Three crores (c) Five crores (d) Seven crores
4. What is the statue of Directors who regulate money of the company.
 (a) Banker (b) Holder (c) Agent (d) Trustees
5. According to Companies Act, the Directors must be appointed by the.
 (a) Central Government (b) Company Law Tribunal
 (c) Company in General Meeting (d) Board of Director

CHAPTER 28 – COMPANY SECRETARY

1. Mention the status of a Company Secretary in a company.

- a) A member b) A director c) An independent d) An employee contractor

2. Who can become a secretary for a company?

- a) Individual person b) Partnership firm c) Co-operative societies d) Trade unions

3. Which meeting will be held only once in the life time of the company?

- a) Statutory b) Annual General c) Extra - ordinary d) Class General

4. Who is not entitled to speak at the annual general meeting of the company.

- a) Auditor b) Shareholder c) Proxy d) Directors

5. From the date of its incorporation the First Annual General Meeting is to be conducted within _____ months.

- (a) Twelve (b) Fifteen (c) Eighteen (d) Twenty one

2 Marks Question and Answers

CHAPTER – 1

PRINCIPLES OF MANAGEMENT

1. What is Management?

Management – Meaning:

- ✓ Management is goal oriented and it is an art of getting things done with and through others.
- ✓ The practice of management helps to achieve the organizational mission and determines the future of the business enterprises.

2. List out the management tools.

Management Tools.

- Accounting,
- Business law,
- Psychology,
- Statistics,
- Econometrics,
- Data processing, etc.

3. State the meaning of Authority.

Authority – Meaning:

- ⊗ Authority means the right of a superior to give the order to his subordinates.
- ⊗ This is the issue of commands followed by responsibility for their consequences.

4. What do you mean by Span of management?

Span of Management – Meaning:

- ⊗ The Span of Management refers to the number of subordinates who can be managed efficiently by a superior.

CHAPTER – 2

FUNCTIONS OF MANAGEMENT

1. Write a short note about Planning.

Short note on Planning:

- ⊗ Planning is the primary function of management.
- ⊗ Nothing can be performed without planning.
- ⊗ Planning refers to deciding in advance.
- ⊗ Planning should take place before doing.

2. What is meant by Motivation?

Motivation – Meaning:

- ♣ It is the process of stimulating people to actions to accomplish the goal.
- ♣ Motivation includes increasing the speed of performance of a work and developing a willingness on the part of workers.

3. List the subsidiary functions of management.

Subsidiary Functions of Management:

- ✓ Innovation,
- ✓ Representation,
- ✓ Decision-making and
- ✓ Communication

4. What is the Traditional proverb used in planning?**Traditional proverb used in planning**

- ✓ “Think Before you Act”
- ✓ “Look Before you Leap”

CHAPTER – 3
MANAGEMENT BY OBJECTIVES (MBO)
MANAGEMENT BY EXCEPTION (MBE)

1. What are the objectives of MBO?**Objectives of MBO:**

- ☆ To measure and judge performance
- ☆ To relate individual performance to organisational goals
- ☆ To clarify both the job to be done and the expectations of accomplishment
- ☆ To enhance communications between superiors and subordinates

2. Bring out the meaning of MBE.**Meaning of MBE**

- ☆ Management by exception is a style of business management that focuses on identifying and handling cases that deviate from the norm.
- ☆ Management by exception is the practice of examining the financial and operational results of a business, and only bringing issues to the attention of management if results represent substantial differences from the budgeted or expected amount.

3. Mention any two advantages of MBO?**Advantages of MBO:**

- ☆ MBO process helps the managers to understand their role in the total organisation.
- ☆ Manager recognises the need for planning and appreciates the planning.
- ☆ Systematic evaluation of performance is made with the help of MBO.

4. What is known as KRA?**KRA Known as :**

- ✗ Key result areas are fixed on the basis of organisational objectives premises.
- ✗ Key Result Areas (KRA) are arranged on a priority basis.
- ✗ KRA indicates the strength of an organisation.
- ✗ The examples of KRA are profitability, market standing, innovation etc.

CHAPTER – 4
INTRODUCTION TO FINANCIAL MARKETS

1. What are the components of organized sectors?**Organized sector consist of.**

- ✗ Regulators
- ✗ Financial Institutions
- ✗ Financial Markets and
- ✗ Financial Services

2. What is Spot Market?**Spot Market**

- ✗ It is a market where the delivery of the financial instrument and payment of cash occurs immediately. i.e. settlement is completed immediately.

3. What is Debt Market?**Debt Market**

- ⊗ It is the financial market for trading in Debt Instrument.
- ⊗ i.e. Government Bonds or Securities, Corporate Debentures or Bonds

4. How is prize decided in a Secondary Market?**Prize decided in a Secondary Market**

- ⊗ Prices in the secondary market are determined by the basic forces of supply and demand.
- ⊗ If the majority of investors believe a stock will increase in value and rush to buy it, the stock's price will typically rise.

CHAPTER – 5 CAPITAL MARKET

1. What is Capital Market?**Capital Market – Meaning:**

- Capital market is a market where buyers and sellers engage in trade of financial securities like bonds, and stocks.
- The buying/selling is undertaken by participants such as individuals and institutions.

2. Write a note on OTCEI.**Note on OTCEI:**

- The OTCEI was set up by a premier financial institution to allow the trading of securities across the electronic counters throughout the country.
- It addresses some specific problems of both investors and medium-size companies.

3. Who are the participants in a Capital Market?**Participants in a Capital Market**

- Individuals,
- Corporate sectors,
- Govt.,
- Banks and
- Other financial institutions.

4. How is price determined in a Capital Market?**Price determined in a Capital Market**

- After a company goes public and starts trading on the exchange, its price is determined by supply and demand for its shares in the market.

CHAPTER – 6 MONEY MARKET

1. What is a CD market?**CD Market – Meaning:**

- Certificate of Deposits are short-term deposit instruments issued by banks and financial institutions to raise large sums of money.
- Certificate of Deposits are issued in the form of usance promissory notes.
- Its transferable from one party to another.

2. What is Government Securities Market?**Government Securities Market:**

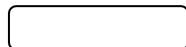
- A market whereby the Government or gilt-edged securities can be bought and sold is called 'Government Securities Market'.

3. What do you meant by Auctioning?**Meaning of Auctioning:**

- A method of trading whereby merchants bid against one another and where the securities are sold to the highest bidder is known as 'auctioning'.

4. What do you meant by Switching?**Meaning of by Switching:**

- The purchase of one security against the sale of another security carried out by the RBI in the secondary market as part of its open market operations is described as 'Switching'.



CHAPTER – 7 STOCK EXCHANGE

1. What is meant Stock Exchange?**Stock Exchange:**

- 1) Stock Exchange is an organized market for the purchase and sale of industrial and financial security.
- 2) Stock Exchange (also called Stock Market or Share Market) is one of the important constituents of Capital market.
- 3) It is an investment intermediary and facilitates economic and industrial development of a country.

2. Write any 5 Stock Exchanges in India.**5 Stock Exchanges in India:**

- 1) The Bombay Stock Exchange
- 2) The National Stock Exchange of India (NSE) Ltd.
- 3) The Coimbatore Stock Exchange Ltd.
- 4) The Madras Stock Exchange Ltd
- 5) Bangalore Stock Exchange Ltd.

3. What is meant by Remisier?**Remisier – Meaning:**

- ⊗ He acts as an agent of a member of a stock exchange.
- ⊗ He obtains business for his principal i.e., the member and gets a commission for that service.

4. Who is called a Broker?**Broker – Meaning :**

- ♣ Brokers are commission agents, who act as intermediaries between buyers and sellers of securities.
- ♣ They do not purchase or sell securities on their behalf.
- ♣ They bring together the buyers and sellers and help them in making a deal.
- ♣ Brokers charge a commission from both the parties for their service.

5. What are the types of Speculator?**Types of Speculator**

- 1) Bull
- 2) Bear
- 3) Stag
- 4) Lame Duck

CHAPTER – 8

SECURITIES EXCHANGE BOARD OF INDIA (SEBI)

1. Write a short notes on SEBI.

Short notes on SEBI:

- ♣ Securities and exchange board of India (SEBI) is an apex body that maintains and regulates our capital market.
- ♣ It was established in 1988 by Indian government but got the statutory powers in 1992.

2. Write any two objectives of SEBI.

Objectives of SEBI

1. Regulation of Stock Exchanges

1. The first objective of SEBI is to regulate stock exchanges.
2. So, that efficient services may be provided to all the parties operating there.

2. Protection to the Investors

1. The capital market is meaningless in the absence of the investors.
2. Therefore, it is important to protect the interests of the investors.

3. Mention the headquarters of SEBI.

Headquarters of SEBI

- ♣ SEBI has its headquarters at the business district of Bandra Kurla Complex in Mumbai,
- ♣ And has Northern, Eastern, Southern and Western Regional Offices in New Delhi, Kolkata, Chennai and Ahmedabad respectively.

4. What are the various ID proofs?

Various ID proofs:

1. PAN card,
2. Voter's ID,
3. Passport,
4. Driver's license,
5. Bank attestation,
6. IT returns,
7. Electricity bill,
8. Telephone bill,
9. Statutory or regulatory authorities,
10. ID cards with applicant's photo issued by the central or state government and its departments etc.,

CHAPTER – 9

FUNDAMENTALS OF HUMAN RESOURCE MANAGEMENT

1. What is Human Resource Management?

Human Resource Management

- ♣ Human Resource Management is a function of management concerned with hiring, motivating and maintaining people in an organisation.
- ♣ It focuses on people in an organisation.

2. State two features of HRM.

Features of HRM:

i. Universally relevant :

1. Human Resource Management has universal relevance.
2. The approach and style varies depending the nature of organisation structure and is applicable at all levels.

ii. Goal oriented :

1. The accomplishment of organisational goals is made possible through best utilisation of human resource in an organisation.

3. Mention two characteristics of Human Resource.

Characteristics of Human Resource:

- ♣ Human resource is the only factor of production that lives.
- ♣ Human resource created all other resources.
- ♣ Human resource exhibits innovation and creativity.

4. What are the managerial functions of HRM**Managerial functions of HRM**

- 1) Planning,
- 2) Organising,
- 3) Directing,
- 4) Controlling.

CHAPTER – 10 RECRUITMENT METHODS

1) Give the meaning of Recruitment.**Meaning of Recruitment:**

- Recruitment is the process of finding suitable candidates for the various posts in an organisation.
- It is a process of attracting potential people to apply for a job in an organisation.

2. What is promotion?**Promotion**

- It's based on seniority and merits of the employees they are given opportunity to move up in the organisational hierarchy

3. Write any two internal source of recruitment.**Internal source of Recruitment**

1. **Transfer** ----- Transfer of employee from one department with surplus staff to that of another with deficit staff.
2. **Upgrading** ----- Performance appraisal helps in the process of moving employees from a lower position to a higher position

4. What is meant by poaching?**Meaning by Poaching:**

- Organisations instead of training and developing their own employees, hire employees of other competitive companies by paying them more both financial and non financial benefits.
- It is also called **raiding**.

CHAPTER – 11 EMPLOYEE SELECTION PROCESS

1. What is selection?**Selection – Meaning:**

- Selection is the process of choosing the most suitable person for the vacant position in the organization.
- The main aim of selection process is to find out the suitable candidate for specific job.

2. What is an interview?**Interview – Meaning:**

- An interview is a purpose full exchange of ideas, the answering of questions and communication between two or more persons.
- Face to face interaction between the interviewer and interviewee

3. What is intelligence test?**Intelligence Test – Meaning:**

- Intelligence tests are one of the psychological tests, that is designed to measure a variety of mental ability, individual capacity of a candidate.
- The main aim of these tests is to obtain an idea of the person's intellectual potential.

4. What do you mean by placement?**Placement – Meaning:**

- Placement is a process of assigning a specific job to each and every candidate selected.
- The process of placing the right man on the right job is called 'Placement'.

CHAPTER – 12
EMPLOYEE TRAINING METHOD

1. What is meant by training?**Training – Meaning:**

- ✓ Training is the act of increasing / enhancing the new skill of problem solving activity and technical knowledge of an employee for doing the jobs them self.
- ✓ Training enables the employees to guide their behaviour.

2. What is Mentoring training method?**Mentoring Training Method:**

- ✓ Mentoring is the process of sharing knowledge and experience of an employee.
- ✓ Mentoring is always done by senior person, it is also one-to-one interaction, like coaching.
- ✓ The focus in this training is on the development of attitude of trainees.

3. What is Role play?**Role Play – Meaning:**

- ✓ Under this method trainees are explained the situation and assigned roles.
- ✓ They have to act out the roles assigned to them without any rehearsal.
- ✓ There are no pre-prepared dialogues.
- ✓ Thus they have to assume role and play the role without any preparation.

4. State e-learning method?**E-Learning Method:**

- ✓ E-learning is also often referred to us online learning or web based training.
- ✓ E-learning training courses can save money to an organizations as they no longer have to payfor costly seminar to improve employees skills.
- ✓ Under this type of web based training is anywhere and any time information can pass over the internet.

CHAPTER – 13
CONCEPT OF MARKETING AND MARKETER

1. What is Market?**Market - Meaning:**

1. It is a medium or place to interact and exchange goods and services.
2. In simple words, the meeting place of buyers and sellers in an area is called Market.

2. Define Marketer.**Marketer – Definition:**

1. “A person whose duties include the identification of the goods and services desired by a set of consumers, as well as the marketing of those goods and services on behalf of a company”- **Business Dictionary**

3. What is mean by Regulated Market?**Regulated Market**

- ✎ These are types of markets which are organised, controlled and regulated by statutory measures.
- ✎ **Example:** Stock Exchanges of Mumbai, Chennai, Kolkata etc.

4. What is meant by Spot Market?**Spot Market**

- ✎ In such markets, goods are exchanged and the physical delivery of goods takes place immediately.

5. What is meant by Commodity Market?**Commodity Market**

- ✎ A commodity market is a place where produced goods or consumption goods are bought and sold.
- ✎ **Commodity markets are sub-divided into:**
 - i. Produce Exchange Market
 - ii. Manufactured Goods Market
 - iii. Bullion Market

CHAPTER – 14
MARKETING AND MARKETING MIX

1. What is marketing?**Marketing – Meaning:**

- ✎ Marketing is the performance of buying activities that facilitate to more flow of goods and services from producer to ultimate user.

2. Define Marketing Mix.**Marketing Mix – Definition:**

- ♣ “Marketing mix is a pack of four sets of variables namely product variable, price variable, promotion variable, and place variable” - **Mr. Jerome McCarthy**

3. What is meant by Grading?**Grading – Meaning:**

- ♣ Grading means classification of standardized products in to certain well defined classes.

CHAPTER – 15
RECENT TRENDS IN MARKETING

1. What is Service Marketing?**Service Marketing – Meaning:**

- ♣ A service is any activity or benefit that one party can offer to another which is essentially intangible and which does not result in the ownership of anything like business and professional services insurance, legal service, medical service etc.

2. What is Green Marketing?**Green Marketing – Meaning:**

- ♣ Green marketing involves developing and promoting products and services which satisfy customers' wants and needs for quality, performance, affordable pricing and convenience – all without causing a detrimental impact on the environment.

3. What is Ambush Marketing?**Ambush Marketing – Meaning:**

- ♣ Ambush marketing technique is a new technique whereby a particular advertiser seeks to connect his product to the event in the mind of potential customer without paying sponsoring expenses to the event.
- ♣ In other words it is a method of building brands in covert ways.

4. What is Social Marketing?**Social Marketing – Meaning:**

- ✎ Social marketing is a new marketing tool. It is the systematic application of marketing philosophy and techniques to achieve specific behavioural goals which ensure social good.
- ✎ **Example:-** Asking people not to smoke in public areas

CHAPTER – 16
CONSUMERISM

1. Who is a consumer?**Consumer – Meaning:**

- ⊗ A consumer is one who consumes goods manufactured and sold by others or created (air, water, natural resources) by nature and sold by others.
- ⊗ One, who avails services such as banking, transport, insurance, etc., is also called a consumer.

2. Give two examples of adulteration.**Examples of Adulteration:**

1. Mixing of stones with grains
2. Mixing of coconut oil with palmolein
3. Papayas seed is added to black pepper
4. Coffee powder is adulterated with tamarind seed

3. What is Caveat Emptor?**Caveat Emptor - Meaning**

- ☆ ‘Caveat Emptor’ is a Latin term that means "let the buyer beware."
- ☆ The principle of caveat emptor serves as a warning to the buyers that they have no recourse with the seller if the product does not meet their expectations

4. What is Caveat Venditor?**Caveat Venditor- Meaning:**

- ☆ The principle of caveat venditor, which means "let the seller beware," by which goods are covered by an implied warranty of merchantability.
- ☆ Sellers assume much more responsibility for the integrity of their goods in the present day.

5. Write a short notes on Consumer Protection Act, 1986.**Short notes on Consumer Protection Act, 1986**

- ☆ The Act is referred in short as ‘COPRA’.
- ☆ The Consumer Protection Act 1986 seeks to protect and promote the interests of consumers.
- ☆ The act provides safeguards to consumers against defective goods, deficient services, unfair trade practices, and other forms of their exploitation.

CHAPTER – 17
RIGHTS, DUTIES & RESPONSIBILITIES OF CONSUMER

1. Write short notes on: “Right to be informed.”**“Right to be informed” – Short Notes:**

- Consumers should be given all the relevant facts about the product so that they can take intelligent decisions on purchasing the product.
- The package should contain the full details about the name of the product, composition, dosage, date of manufacturing, date of expiry, batch number, warnings, antidote etc.

2. What are the rights of consumer according to John F. Kennedy?**Rights of Consumer according to John F. Kennedy:**

- The former president of U.S.A Mr. John F. Kennedy defined the basic consumer rights as “The Right of Safety, the Right to be informed, the Right to choose and the Right to be heard.”

3. Which is the supreme objective of business?**Supreme Objective of Business – Meaning:**

- The modern marketing concept recognises that the consumer is the pivotal point around which the business moves.
- Satisfaction of consumer needs/requirements is stated to be supreme objective of a business.

CHAPTER – 18
GRIEVANCE REDRESSAL MECHANISM

1. What do you mean by Redressal Mechanism?**Redressal Mechanism – Meaning:**

- ✘ Grievance Redressal is a management and governance related process used commonly in India.
- ✘ While the term "Grievance Redressal" primarily covers the receipt and processing of complaints from citizens and consumers.

2. What do you know about National Commission?**National Commission - – Meaning:**

- ✘ National Commission is a quasi-judicial commission in India which was set up in 1988 under the Consumer Protection Act of 1986.
- ✘ Its head office is in New Delhi. The Commission is headed by a serving or retired judge of the Supreme Court of India.

3. State the meaning of the term State Commission.**State Commission – Meaning:**

- ✘ A consumer has to be protected against defects, deficiencies and unfair and restrictive trade practices.
- ✘ The State Consumer Protection Council is also called State Commission.
- ✘ The State Commission is to be appointed by the State Government function as state level.

4. What is a term District Forum?**District Forum – Meaning:**

- ✘ As per the Consumer Protection Act of 1986 the establishment of a District Forum by the State Government in each district is necessary today to protect the interest of aggrieved consumers in that district.
- ✘ The State Government can establish more than one District Forum in a district if it deems fit to do so.

CHAPTER – 19
ENVIRONMENTAL FACTORS

1. What is Internal Environment?**Internal Environment – Meaning:**

- Internal environment refers to those factors within an organisation e.g Policies and programmes, organisational structure, employees, financial and physical resources.
- These factors can be changed or altered and hence are known as controllable factors.

2. Give the meaning of corporate governance.**Meaning of Corporate Governance – Meaning:**

- Corporate governance is a set of rules and policies which governs a company.
- It provides a frame work for managing a company and achieving its objectives.
- It gives guidelines for internal control, performance measurement and corporate disclosure.

3. What is GST?**GST - Meaning:**

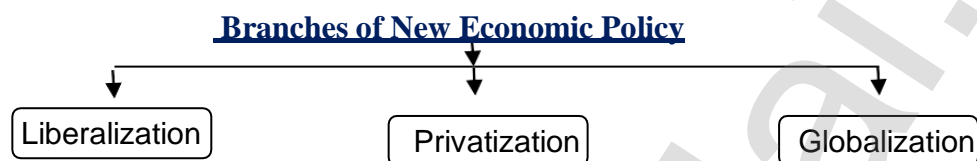
- GST is the indirect tax levied on goods and services across the country.
- It is a comprehensive, multi-stage, destination-based tax that is levied on every value addition.
- Types of taxes: CGST,SGST,IGST

4. Expand VUCA.**VUCA – Expansion:**

- V – Volatility
- U - Uncertainty
- C - Complexity and
- A - Ambiguity,

CHAPTER – 20

LIBERALIZATION, PRIVATISATION, AND GLOBALIZATION

1. State the branches of New Economic Policy.**2. What is Privatisation?****Privatisation – Meaning:**

- Privatization is the incidence or process of transferring ownership of a business enterprise, agency or public service from the government to the private sector.

3. Mention any two disadvantages of Liberalisation.**Disadvantages of Liberalisation**

- Increase in unemployment
- Loss to domestic units
- Increased dependence on foreign nations
- Unbalanced development

4. Give any two advantages of Globalisation.**Advantages of Globalisation**

- Increase in foreign collaboration
- Expansion of market
- Technological development
- Reduction in brain drain

CHAPTER – 21

THE SALE OF GOODS ACT 1930

1. What is a contract of sale of goods?**Contract of Sale of Goods – Meaning:**

- Contract of sale of goods is a contract whereby the seller transfers or agrees to transfer the property (ownership) of the goods to the buyer for a price.

2. List down the essential elements of a contract of sale.**Essential Elements of a Contract of Sale – Meaning:**

- (1) Two Parties
- (2) Transfer of Property
- (3) Goods
- (4) Price
- (5) Includes both 'Sale' and 'Agreement to Sell'

3. What is meant by Goods?**Goods – Meaning:**

- ✗ The subject matter of contract of sale must be goods.
- ✗ The term 'goods' includes every kind of movable property, stocks and shares, growing crops etc.
- ✗ Goodwill, trademarks, copy rights, patent rights etc., are all also regarded as goods.

4. What is a Contingent Goods?**Contingent Goods – Meaning:**

- ✗ Contingent goods are the goods, the acquisition of which by the seller depends upon a contingency (an event which may or may not happen).
- ✗ Contingent goods are a part of future goods.
- ✗ **Example:-** 'A' agrees to sell a particular painting work, provided he gets from 'C'.

CHAPTER – 22**THE NEGOTIABLE INSTRUMENTS ACT 1881****1. What is meant by Negotiable Instrument?****Negotiable Instrument – Meaning:**

- ✗ According to Negotiable instruments Act 1881, a negotiable instrument means a promissory note, bill of exchange or cheque payable either to order or to bearer.

2. List three characteristics of a Promissory Note.**Characteristics of a Promissory Note**

- ☆ A promissory note must be in writing.
- ☆ The promise to pay must be unconditional
- ☆ It must be signed by the maker.
- ☆ The sum payable must be certain and must be specified in the note itself.
- ☆ A promissory note must be sufficiently stamped.

3. What is meant by cheque?**Cheque – Meaning:**

- ☆ According to section 6 of the Negotiable Instruments Act, 1881 defines a cheque as "a bill of exchange drawn on a specified banker and not expressed to be payable otherwise than on demand".

CHAPTER – 23**ELEMENTS OF ENTREPRENEURSHIP****1. Mention any two characteristics of entrepreneurs.****Characteristics of Entrepreneurs****1. Spirit of Enterprise**

- ✗ Entrepreneur should be bold enough to encounter risk arising from the venture undertaken.

2. Self Confidence

- ✗ Entrepreneur should have a self confidence in order to achieve high goals in the business.

2. List down the managerial functions of entrepreneurs.**Managerial Functions of Entrepreneurs**

- Planning
- Organizing
- Directing
- Controlling
- Co-ordinating

3. List down the promotional functions of entrepreneurs.**Promotional Functions of Entrepreneurs:**

- ✗ Discovery of Idea
- ✗ Determining the business perspective
- ✗ Detailed Investigation
- ✗ Choice of form of enterprise
- ✗ Fulfillment of the formalities
- ✗ Preparation of Business Plan
- ✗ Mobilisation of funds
- ✗ Procurement

4. List the challenges faced by the women entrepreneurs**Challenges faced by the Women Entrepreneurs:**

- ✗ Problem of Finance
- ✗ Limited Mobility
- ✗ Lack of Education
- ✗ Lack of Network Support
- ✗ Stiff Competition
- ✗ Sensitivity
- ✗ Lack of Information
- ✗ Dependent culture

CHAPTER – 24
TYPES OF ENTREPRENEURS

1. What is the other name of business entrepreneur?**Other name of Business Entrepreneur:**

- ♣ Business entrepreneur is called **solo entrepreneur**.
- ♣ He/she is the one who conceives an idea for a new product/service and establishes a business enterprise to translate his idea into reality.

2. Mention the other name for corporate entrepreneur.**Other name for corporate entrepreneur:**

- ♣ Corporate entrepreneur is called **promoter**.
- ♣ He/she takes initiative necessary to start an entity under corporate format.
- ♣ He/she arranges to fulfill the formalities to start a corporate entity under Company law.

3. Who are agricultural entrepreneur?**Agricultural Entrepreneur:**

- ♣ Agricultural entrepreneurs are those entrepreneurs who raise farm products and market them.
- ♣ Those who raise allied products like poultry, meat, fish, honey, skin, agricultural implements, flower, silk, fruits, prawn etc., are called agricultural entrepreneur.

4. Give some examples of pure entrepreneurs:**Examples of Pure Entrepreneurs:**

- ♣ Pure entrepreneurs are individuals who are pushed to enter into venture by psychological and economic motives.
- ♣ **Example:-** Dhirubai Ambani, Jamshadji Tata, T.V. Sundaram Iyengar, Seshadriji, Birla, Narayanamurthi, Aziz Premji and so on.

CHAPTER – 25**GOVERNMENT SCHEMES FOR ENTREPRENEURIAL DEVELOPMENT****1. Name any two Governmental Entrepreneurial schemes.****Governmental Entrepreneurial schemes**

1. Startup India
2. Make in India
3. Stand-Up India

2. Give a note on 'Digital India'.**Short Note on 'Digital India'**

- ♣ The Digital India initiative has been launched to modernize the Indian economy to make all government services available electronically.
- ♣ The initiative aims at transforming India into a digitally-empowered society and knowledge economy with universal access to goods and services.

3. List down the two types of finance for entrepreneur**Types of Finance for Entrepreneur:**

- ♣ Entrepreneur requires two types of finance namely
 1. Long term and
 2. Short term.
- ♣ **Long-term** -- requirements are needed for acquiring fixed assets,
- ♣ **Short-term** -- requirement are meant for meeting working capital needs.

CHAPTER – 26**Companies Act 2013****1. What are the four stages of formation of a company?****'Formation of a Company' has been divided into four stages:**

1. Promotion(Preliminary steps - First stage)
2. Incorporation or Registration – Second stage
3. Capital Subscription - Third stage
4. Commencement of Business : Fourth Stage

2. What is Bonus Shares?**Bonus Shares – Meaning:**

- ✓ Bonus share means to utilize the company's reserves and surpluses, issue of shares to existing shareholders without taking any consideration is known as Bonus Shares.
- ✓ It can be issued by:
 - (i) Making partly paid up shares as fully paid
 - (ii) Issuing new shares

3. What is Right Shares?**Right Shares – Meaning:**

- ✓ Right shares are the shares which are issued by the company, with the aim of increasing the subscribed share capital of the company by further issue, if it is authorized by its Articles.
- ✓ The right shares are primarily issued to the existing equity shareholders through a letter of an issue, on pro rata basis.

4. What is Debentures?**Debentures - Meaning:**

- ✓ When a company needs funds for extension and development purpose without increasing its share capital, it can borrow from the general public by issuing certificates for a fixed period of time and at a fixed rate of interest.
- ✓ Such a loan certificate is called a debenture.

CHAPTER – 27

Company Management

1. Name the companies required to appoint KMP.**The following companies required to appoint KMP:**

1. Every Listed Company
2. Every Public Company
3. Having paid up share capital of Rs 10 Crores or More

2. Who is whole time Director?**Whole time Director:**

- ♣ A Director is one who devotes whole of his time of working hours to the company and has a significant personal interest in the company as the source of his income.

3. Who is called as Managing Director?**Managing Director – Meaning:**

- ♣ A Director is one who is employed by the company and has substantial powers of management over the affairs of the company subject to superintendence, direction and control of the board.

4. Who can be Executive Director?**Executive Director – Meaning:**

- ♣ An executive director is a Chief Executive Officer (CEO) or Managing Director of an organization, company, or corporation, who is responsible for making decisions to complete the mission and for the success of the organisation.
- ♣ In the globalised business world the title of President or of Chief Executive Officer is used instead of Managing Director.

CHAPTER – 28

COMPANY SECRETARY

1. Who is a Secretary?**Secretary – Meaning:**

- ✎ The word secretary has originated in Latin. The Latin word ‘Secretarius’ which means secret.
- ✎ The person who is responsible for the general performance of an organization is called company secretary.

2. what is meant by Meeting?

Meeting – Meaning:

- ✘ A company meeting must be organized and held in perfect compliance with the various provisions of the Act and the rules framed there under.
- ✘ It is essential that the business dealt with at the meetings, should be validly transacted and not liable to be questioned later due to any irregularity.

3. Write short note on ‘Proxy’?

Short note on ‘Proxy’:

- ✘ A proxy is a person who is designated by another to represent that individual at a meeting or before a public body.
- ✘ It also refers to the written authorization allowing one person to act on behalf of another.
- ✘ In corporate law, a proxy is the authority to vote stock.

4. What is Vote?

Vote – Meaning:

- ✘ The word ‘Vote’ originated in Latin word ‘Votum’ indicating one’s wishes or desire.
- ✘ By casting his vote one formally declaring his opinion or wish in favour of or against a proposal or a candidate to be elected for an office.

3 Marks Question and Answers

CHAPTER – 1

PRINCIPLES OF MANAGEMENT

1. Define the term management.

Management – Definition:

- ♣ “Management is a multipurpose organ that manages a business and manages manager, and manages worker and work.” — **Peter F. Drucker**
- ♣ “To manage is to forecast, to plan, to organise, to command, to co-ordinate and to control.” — **Henry Fayol**.

2. Differentiate Management from Administration.

Differentiate Management from Administration

BASIS FOR COMPARISON	MANAGEMENT	ADMINISTRATION
Meaning	An organized way of managing people and things of a business organization is called the Management	The process of administering an organization by a group of people is known as the Administration.
Authority	Middle and Lower Level	Top Level
Role	Executive	Decisive
Concerned with	Policy Implementation	Policy Formulation

3. What are the principles of Taylor?

Principles of Taylor

1. Science, Not Rule of Thumb
2. Harmony, Not Discord
3. Mental Revolution
4. Cooperation, Not Individualism
5. Development of each and every person to his or her greatest efficiency and prosperity

4. What determines the span of management?

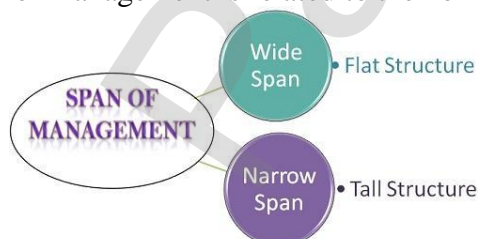
Determines the span of management

- ♣ The **Span of Management** refers to the number of subordinates who can be managed efficiently by a superior.
- ♣ Simply, the manager having the group of subordinates who report him directly is called as the span of management.

The Span of Management has two implications:

1. Influences the complexities of the individual manager's job
2. Determine the shape or configuration of the Organization.

The span of management is related to the horizontal levels of the organization structure.



- a) With the wider span, there will be less hierarchical levels, and thus, the organizational structure would be flatter.
- b) Whereas, with the narrow span, the hierarchical levels increases, hence the organizational structure would be tall.

CHAPTER – 2

FUNCTIONS OF MANAGEMENT

1. List out the main functions of management?

Main Functions of Management:

1. Planning
2. Organizing
3. Staffing
4. Directing
5. Motivating
6. Controlling
7. Co-ordination

2. State the importance of staffing.

Importance of Staffing:

1. Staffing refers to placement of right persons in the right jobs.
2. The success of any enterprise depends upon the successful performance of staffing function.
3. Staffing helps to ensure better utilization of human resources.
4. It ensures the continuity and growth of the organization, through development managers.

3. How the employees are informed about important matters in a company?

Employees are informed about important matters in a company

- ♣ Employees are kept informed of all necessary matters by circulars, instructions manuals, newsletters, notice-boards, meeting, participative mechanism etc., in order to enable the employees to accomplish the organizational goals.

CHAPTER – 3

MANAGEMENT BY OBJECTIVES (MBO) MANAGEMENT BY EXCEPTION (MBE)

1. Write the features of MBO.

Features of MBO:

1. MBO tries to combine the long run goals of organisation with short run goals.
2. Management tries to relate the organisation goals with society goals.
3. MBO's emphasis is not only on goals but also on effective performance.
4. A high degree of motivation and satisfaction is available to employees through MBO.

2. What are the Process of MBE?

Process of MBE:

1. It is necessary to set objectives or norms with predictable or estimated results.
2. These performances are assessed and get equated to the actual performance.
3. If actual performances deviates significantly, the issue needs to be passed to the senior managers, as an "exception has occurred".
4. Finally, the aim is to solve this "exception" immediately.

3. List out any three process of MBO.

Process of MBO

- ✎ Defining Organisational Objectives
- ✎ Goals of Each Section
- ✎ Fixing Key Result Areas
- ✎ Matching Resources with Objective
- ✎ Periodical Review Meetings
- ✎ Appraisal of Activities

CHAPTER – 4

INTRODUCTION TO FINANCIAL MARKETS

1. Give the meaning of financial market.

Meaning of Financial Market:

- ✎ A market wherein financial instruments such as financial claims, assets and securities are traded is known as a 'financial market'.

2. Write a note on Secondary Market.

Note on Secondary Market

- ✎ The place where formerly issued securities are traded is known as Secondary Market. (Resale Market)
- ✎ Secondary Market is the market for securities that are already issued. Stock Exchange is an important institution in the secondary market.
- ✎ It does not provide funding to companies

3. Bring out the scope of Financial Market in India.

Scope of financial market in India

- ✎ The financial market provides financial assistance to individuals, agricultural sectors, industrial sectors, service sectors, financial institutions like banks, insurance sectors, provident funds and the government as a whole.
- ✎ With the help of the financial market all the above stated individuals, institutions and the Government can get their required funds in time.
- ✎ Through the financial market the institutions get their short term as well as long term financial assistance.
- ✎ It leads to the overall economic development.

CHAPTER – 5

CAPITAL MARKET

1. What are the various kinds of Capital Market? Explain.

Kinds of Capital Market

- **Primary Market:**
 - (a) Public Issue
 - (b) Rights Issue
 - (c) Private Placement
- **Secondary Market:**

Primary Market:

1. Primary market is a market for new issues or new financial claims.
2. Hence, it is also called New Issue Market.

(a) Public Issue:

The most common method of raising capital by new companies is through sale of securities to the public.

(b) Rights Issue:

When an existing company wants to raise additional capital, securities are first offered to the existing shareholders on a pre-emptive basis.

(c) Private Placement:

It is a way of selling securities privately to a small group of investors.

Secondary Market:

1. Secondary Market may be defined as the market for old securities, in the sense that securities which are previously issued in the primary market are traded here.
2. The trading takes place between investors.

2. Explain any two functions of Capital Market.**Functions of Capital Market:****(i) Savings and Capital Formation:**

- ✎ In capital market, various types of securities help to mobilize savings from various sectors of population (Individuals, Corporate, Govt., etc.)

(ii) Reliable Guide to Performance:

- ✎ The capital market serves as a reliable guide to the performance and financial position of corporate, and thereby promotes efficiency.

3. Explain about Factoring and Venture Capital Institutions.**Factoring and Venture Capital Institutions(i)****Factoring Institutions:**

- ✎ “Factoring” is an arrangement whereby a financial institution provides financial accommodation on the basis of assignment/ sale of account receivables.
- ✎ The factoring institutions collect the book debts for and on behalf of its clients.

(ii) Venture Fund Institutions:

- ✎ Venture capital financing is a form of equity financing designed especially for funding new and innovative project ideas.
- ✎ Venture capital funds bring into force the hi-technology projects which are converted into commercial production.

CHAPTER – 6 MONEY MARKET

1. What are the features of Treasury Bills?**Features of Treasury Bills:**

- 1) Issuer
- 2) Finance Bills
- 3) Liquidity
- 4) Vital Source
- 5) Monetary Management

2. Who are the participants of Money Market?**Participants of Money Market:**

1. Government of different countries
2. Central Banks of different countries
3. Private and Public Banks
4. Mutual Funds Institutions
5. Insurance Companies
6. RBI and SBI

3. Explain the types of Treasury Bills?**Types of Treasury Bills:****91 days Treasury Bills:**

- Its issued at a fixed discount rate of 4 per cent as well as through auctions.

182 days Treasury Bills:

- The RBI holds 91 days and 182 Treasury Bills and they are issued on tap basis throughout the week.

364 days Treasury Bills:

- 364 days Treasury Bills do not carry any fixed rate.
- The discount rate on these bills are quoted in auction by the participants and accepted by the authorities.
- Such a rate is called cut off rate.

4. What are the types of Commercial Bill?**Types of Commercial Bill:****1. Demand Bills**

- A demand bill is one wherein no specific time of payment is mentioned.
- So, demand bills are payable immediately when they are presented to the drawee.

2. Indigeneous Bills

- The drawing and acceptance of indigeneous bills are governed by native custom or usage of trade.

3. Accommodation Bills

- Accommodation bills are those which do not arise out of genuine trade of transactions.

CHAPTER – 7

STOCK EXCHANGE

1. What are the limitations of Stock Exchange?**Limitations of Stock Exchange:**

- Lack of uniformity and control of stock exchanges.
- Absence of restriction on the membership of stock exchanges.
- Failure to control unhealthy speculation.
- Allowing more than one exchange in the place.
- No proper regulation of listing of securities on the stock exchange

2. Explain Bull and Bear.**Bull:**

- A Bull or Tejiwala is an operator who expects a rise in prices of securities in the future.
- The bull speculator stimulates the price to rise.
- He is an optimistic speculator.

Bear:

- A bear or Mandiwala speculator expects prices to fall in future and sells securities at present with a view to purchase them at lower prices in future.
- The bear speculator tends to force down the prices of securities.
- A bear is a pessimistic speculator.

3. Explain Stag and Lame Duck.**Stag:**

- A stag is a cautious speculator in the stock exchange.
- He applies for shares in new companies and expects to sell them at a premium, if he gets an allotment.
- He selects those companies whose shares are in more demand and are likely to carry a premium.
- He sells the shares before being called to pay the allotment money. He is also called a premium hunter.

Lame Duck:

- When a bear finds it difficult to fulfill his commitment, he is said to be struggling like a lameduck.
- A bear speculator contracts to sell securities at a later date.
- On the appointed time he is not able to get the securities as the holders are not willing to part with them.
- In such situations, he feels concerned. Moreover, the buyer is not willing to carry over the transactions.

CHAPTER – 8 SECURITIES EXCHANGE BOARD OF INDIA (SEBI)

1. What is meant by Dematerialization?

Dematerialization – Meaning:

- ❖ Dematerialization is the process by which physical share certificates of an investor are taken back by the company/registrars and destroyed.
- ❖ Then an equivalent number of securities in the electronic form are credited to the investors account with his Depository Participant.
- ❖ Dematerialization is done at the request of the investor.

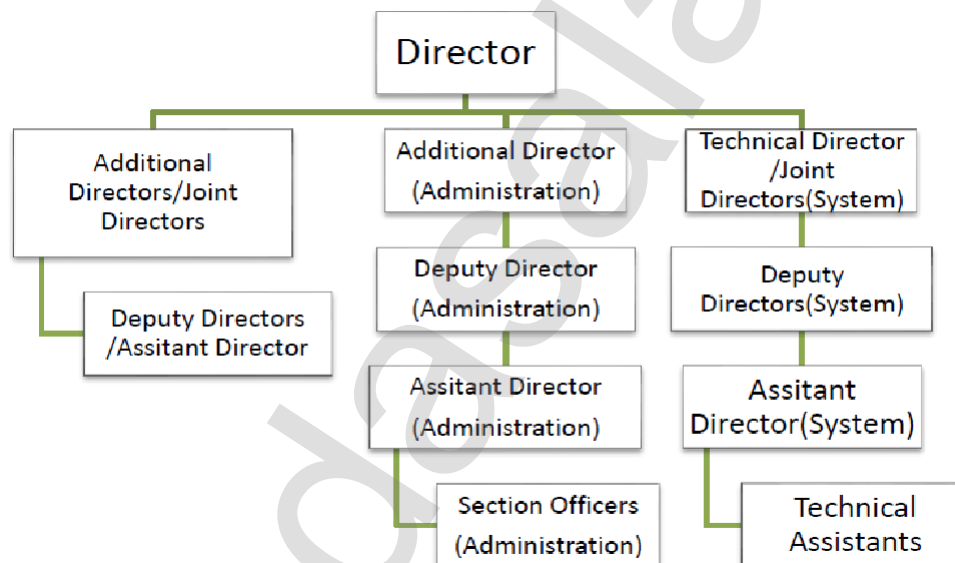
2. What are the documents required for a Demat account?

Documents required for a Demat Account:

- ❖ You need to submit proof of identity and address along with a passport size photograph and the account opening form.
- ❖ Only photocopies of the documents are required for submission, but originals are also required for verification.

3. Draw the organization structure of SEBI.

Organization Structure of SEBI



CHAPTER – 9 FUNDAMENTALS OF HUMAN RESOURCE MANAGEMENT

1. Define the term Human Resource Management.

Human Resource Management:

- ❖ In the words of E.F.L.Brech HRM as “that part of management process which is primarily concerned with the human constituents of an organisation”.

2. What are the characteristics of Human resources? (any 3)**Characteristics of Human resources:**

- ✗ Human resource is the only factor of production that lives.
- ✗ Human resource created all other resources.
- ✗ Human resources are emotional beings.

3. What is the significance of Human resource? (Any 3)**Significance of Human resource:**

- ✗ It is only through human resource all other resources are effectively used
- ✗ Industrial relations depend on human resource
- ✗ Human relations is possible only through human resource

CHAPTER – 10
RECRUITMENT METHODS

1. What is meant by unsolicited applicants?**Unsolicited Applicants – Meaning:**

- These are the applications of job seekers who voluntarily apply for the vacancies not yet notified by the organisations.
- It's not an expensive method of recruitment.

3. What is meant by job portals?**Job Portals – Meaning:**

- Using internet job portals organisations can screen for the prospective candidates and fill up their vacancies.
- Job Portals help to reach out to a wider audience.
- Job search portals make job searching time-efficient, easy and convenient.

4. State the steps in Recruitment process outsourcing**Steps in Recruitment Process Outsourcing:**

1. Requirement understanding
2. Advertise and source
3. Screening
4. Validation
5. Profile submission
6. Interview process and feedback
7. Selection and follow up

CHAPTER – 11
EMPLOYEE SELECTION PROCESS

1. What is stress interview?**Stress Interview – Meaning:**

- ✗ This type of interview is conducted to test the temperament and emotional balance of the candidate
- ✗ Interviewer deliberately creates stressful situation by directing the candidate to do irrational and irritating activities.
- ✗ They assess the suitability of the candidate by observing the reaction and response of the candidate to the stressful situations.

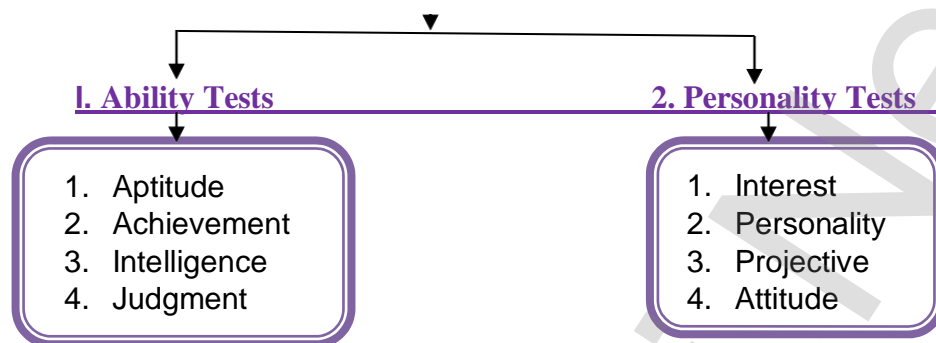
2. What is structured / Guided / Planned interview?

Structured Interview – Meaning:

- ✎ Under this method, a series of question to be asked by the interviewer are pre-prepared by the interviewer and only these questions are asked in the interview.
- ✎ Ultimately interviewees are ranked on the basis of score earned by the candidate in the interview.

3. Name the types of selection test?

Types of Selection Test



4. What do you mean by achievement test?

Achievement Test – Meaning:

- ♣ This test measures a candidate’s capacity to achieve in a particular field.
- ♣ This test measures a candidate’s level of skill in certain areas, accomplishment and knowledge in a particular subject.
- ♣ The regular examination conducted in educational institution represents achievement test.
- ♣ It is also called **proficiency test**.

CHAPTER – 12 EMPLOYEE TRAINING METHOD

1. What is vestibule training?

Vestibule Training – Meaning:

- ♣ Vestibule training is training of employees in an environment similar to actual work environment artificially created for training purpose.
- ♣ This type of training is given to avoid any damage or loss to machinery in the actual place by trainees and avoid disturbing the normal workflow in the actual workplace.
- ♣ It is given to Drivers, Pilots, Space Scientists etc.,

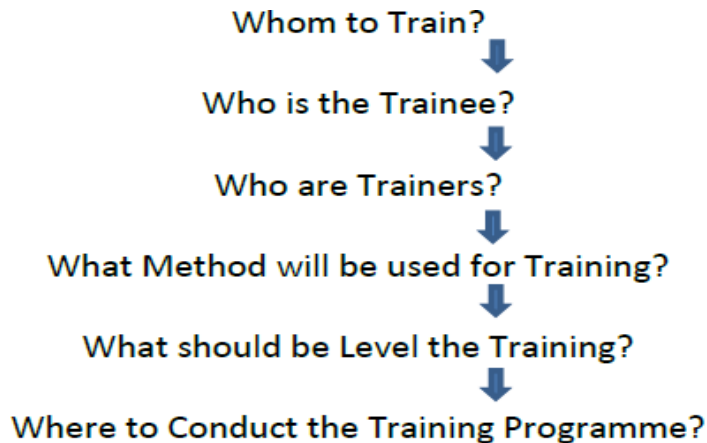
2. What do you mean by on the job Training?

On the Job Training – Meaning:

- ♣ On the job training refers to the training which is given to the employee at the work place by his immediate supervisor.
- ♣ It is based on the principle of “Learning by Doing and Learning While Earning”.
- ♣ On the job training is suitable for imparting skills that can be learnt in a relatively short period of time

3. Write down various steps in a training programme.

Steps in a Training Programme:



4. Write short note on trainer and trainee.

Trainer:

1. **Trainer** is a person who teaches skills to employee and prepare them for a job activity.
2. Trainers may be supervisor, co-workers, HR staffs etc.,

Trainee:

1. A person who is learning and practising the skills of particular job is called **trainee**.
2. Trainees should be selected on the basis of self-interest and recommendation by the supervisor or by the human resource department itself.

CHAPTER – 13 CONCEPT OF MARKET AND MARKETER

1. What can be marketed in the Market?

The dynamic items that can be marketed are listed below:

1. Goods :

- Manufactured Goods are the main constituent of marketing endeavour in all the countries across the world.
- Companies and individuals market goods like consumer durables, electronic products, machineries, computers and its software and hardware etc.,

2. Services :

- Not only physical goods can be marketed.
- Even the services of many organisations can be marketed to the consumers namely banking, insurance, finance, hospitality, tourism, professional consultations etc.,

3. Experiences :

- The unique and varied experiences pertaining to a place or a park or an event can be marketed under this concept.
- For examples: Amusement Park, Theme Park, Mountaineering etc.,

2. Mention any three Role of Marketer?

Role of Marketer:

i. Instigator

- As an instigator, marketer keenly watches the developments taking place in the market and identifies marketing opportunities emerging in the ever changing market.

ii. Innovator

- Marketer seeks to distinguish his products/services by adding additional features to the existing product.

iii. Implementer

- Marketer plays a role of implementer when he/she actually converts marketing opportunities into marketable product with the help of several functional teams put in place in the organisation.

3. Explain the types of market on the basis of time.**Types of market on the basis of time:****i. Very Short Period Market:**

- Markets which deal in perishable goods like, fruits, milk, vegetables etc.,
- There is no change in the supply of goods. Price is determined on the basis of demand.

ii. Short Period Market:

- In certain goods, supply is adjusted to meet the demand.
- The demand is greater than supply.

iii. Long Period Market:

- This type of market deals in durable goods, where the goods and services are dealt for longer period usages.

CHAPTER – 14

MARKETING AND MARKETING MIX

1. What are the objectives of marketing?**Objectives of Marketing:**

- ✎ To develop the marketing field.
- ✎ To develop guiding policies and their implementation for a good result.
- ✎ To suggest solutions by studying the problems relating to marketing.
- ✎ To find sources for further information concerning the market problems.
- ✎ To take appropriate actions in the course of action.

2. What are the concept of marketing?**Concept of Marketing:**

- ✎ **What I can sell?** - Make What You Can Sell, But Do Not Try To Sell What You Can Make
- ✎ **Shall I first create products?** - First Create A Customer, Then Create Products
- ✎ **Shall I love my products?** - Love your customers and not the products
- ✎ **Who is supreme in markets?** - Customer is supreme or king
- ✎ **Who will shape my decisions?** - Customer's preferences shape your decisions.

3. What do you mean by marketing mix? Describe any two elements.**Marketing Mix – Meaning:**

- ✎ Marketing mix means a marketing programme that is offered by a firm to its target consumers to earn profits through satisfaction of their wants.
- ✎ Such a marketing programme is a mixture of four ingredients, namely Product mix, Price mix, Place (Distribution) mix and Promotion mix.

Two elements:**i. Product**

- Product is the main element of marketing.
- Without a product, there can be no marketing.

ii. Price

- Price is the value of a product expressed in monetary terms.
- It is the amount charged for the product.

CHAPTER – 15 RECENT TRENDS IN MARKETING

1. What are the advantages of E-Marketing?

Advantages of E-Marketing:

1. E - Marketing provides 24 hours and 7 days “24/7” service to its users. So consumer can shop or order the product anytime from anywhere.
2. Direct contact of end consumer by the manufacturers cuts down the substantially intermediation cost. Thus products bought through e-marketing become cheaper.
3. Customer can buy whatever they want/ need just by browsing the various sites.

2. Discuss the objectives E-Marketing

Objectives E-Marketing:

1. Expansion of market share
2. Reduction of distribution and promotional expenses.
3. Achieving higher brand awareness.
4. Strengthening database.

3. Explain in detail about Niche Marketing.

Niche marketing:

1. Niche marketing denotes a strategy of directing all marketing efforts towards one well defined segment of the population.
2. A niche market does not mean a small market, but it involves specific target audience with a specialized offering.
3. The sports channels like STAR Sports, ESPN, STAR Cricket and Fox Sports target the niche market of sports enthusiasts.

CHAPTER – 16 CONSUMERISM

1. What are the important legislations related to consumerism in India?

Important Legislations related to Consumerism in India:

1. **The Indian Contract Act, 1982** - was passed to bind the people on the promise made in the contract.
2. **The Trademark Act, 1999** - prevents the use of fraudulent marks on the product.
3. **The Competition Act, 2002** - protects the consumers against unhealthy competition.
4. The Sale of Goods Act, 1930
5. The Essential Commodities Act, 1955
6. The Drugs and Cosmetics Act, 1940
7. The Food Safety Standard Act, 2006

2. What is meant by artificial scarcity?

Artificial Scarcity:

- There are certain situations where the shop-keepers put up the board ‘No Stock’ in front of their shops, even though there is plenty of stock in the store.
- In such situations consumers who are desperate to buy such goods have to pay high price to buy those goods and thus earning more profit unconscientiously.
- Even in Cinema houses, board may hang in the main entrance ‘House Full’ while cinema tickets will be freely available at a higher price in the black market.

3. Write the importance of consumerism. (Any 3)**Importance of Consumerism:**

- ✓ Awakening and uniting consumers.
- ✓ Discouraging unfair trade practices.
- ✓ Protecting against exploitation.
- ✓ Awakening the government.
- ✓ Effective implementation of consumer protection laws.
- ✓ Providing complete and latest information.
- ✓ Discouraging anti-social activities.

CHAPTER – 17
RIGHTS, DUTIES & RESPONSIBILITIES OF CONSUMERS

1. What do you understand by “Right to Redressal”.**“Right to Redressal:**

1. The complaints and protests are not just to be heard: but the aggrieved party is to be granted compensation within a reasonable time period.
2. There should be prompt settlement of complaints and claims lodged by the aggrieved customers.
3. This will boost consumer confidence and help render justice to buyers.

2. What do you understand about “ Right to protection of health and safety”.**Right to protection of Health and Safety”**

1. There may be few products that are more likely to cause physical danger to consumers’ health, lives and property.
2. They may contain potentially harmful substances which are dangerous from the consumer welfare point of view.
3. The health hazards which are likely to arise have to be eradicated or reduced altogether.

CHAPTER – 18
GRIEVANCE REDRESSAL MECHANISM

1. Who are the members of the National Commission?**Members of the National Commission:**

1. The National Commission should have five members.
2. One should be from judiciary.
3. Four other members of ability, knowledge and experience from any other fields.
4. It should include a woman.

2. Who are the members of the State Commission?**Members of the State Commission:**

1. A person who is or has been a Judge of a High Court appointed by the State Government as its President.
2. Two other members who shall be persons of ability, integrity and standing and have adequate knowledge or experience of or have shown capacity in dealing with problems relating to economics, law, commerce, industry, public affairs or administration of them, one shall be a woman.

3. Write a note on the Voluntary Consumer Organisation.**Voluntary Consumer Organisation**

1. Consumer is a broad label for any individuals or households that use goods and services produced within the economy.
2. Voluntary consumer organisations refer to the organisation formed voluntarily by the consumers to protect their rights and interests

CHAPTER – 19 ENVIRONMENTAL FACTORS

1. What are the political environment factors? (Any 3)**Political Environment Factors:**

- ❖ The framework for running a business is given by the political and legal environment.
- ❖ The success of a business lies in its ability to adapt and sustain to political and legal changes.
- ❖ The legislative, executive and judiciary are the three political institutions which direct and influence a business

2. Write about any three internal environmental factors of business.**Internal Environmental Factors of Business****Vision and Objectives:**

- ❖ The vision and objectives of a business guide its operations and strategic decisions.

Human Resources:

- ❖ The success of an enterprise is solely dependent on its manpower.

Company Image:

- ❖ The image of an organisation plays an important role in introducing new products, expanding and entering new markets both domestic and international, raising finance etc.

3. What do you know about Technological Environment?**Technological Environment:**

- ❖ The development in the IT and telecommunications has created a global market.
- ❖ Technology is widely used in conducting market research for understanding the special needs of the customer.
- ❖ Digital and social media are used as a platform for advertising and promoting the products/services.

CHAPTER – 20 LIBERALIZATION, PRIVATIZATION AND GLOBALIZATION

1. What do you mean by Liberalisation?**Liberalisation:**

- ♣ Liberalization refers to laws or rules being liberalized, or relaxed, by a government.
- ♣ Liberalization means relaxation of various government restrictions in the areas of social and economic policies in order to make economies free to enter in the market and establish their venture in the country.
- ♣ Liberalization is the result of New Industrial Policy which abolished the “License System” or “Licence Raj”.

2. State any three impacts on Globalisation.**Impacts on Globalisation**

1. Corporations got a competitive advantage from lower operating costs, and access to new raw materials and additional markets.
2. Multinational corporations (MNCs) can manufacture, buy and sell goods worldwide.
3. Globalisation has led to a boom in consumer products market.

3. Write a short note on New Economic Policy.**New Economic Policy:**

- ♣ India agreed to the conditions of World Bank and IMF and announced New Economic Policy (NEP) which consists of wide range of economic reforms.
 - ♣ This new set of economic reforms is commonly known as the LPG or Liberalisation, Privatisation and Globalisation model.
1. **Liberalization** - refers to laws or rules being liberalized, or relaxed, by a government.
 2. **Privatisation** - means permitting the private sector to set up industries which were previously reserved for the public sector.
 3. **Globalisation** - means the interaction and integration of the domestic economy with the rest of the world with regard to foreign investment, trade, production and financial matters.

CHAPTER – 21
THE SALE OF GOODS ACT 1930

1. Discuss in detail about existing goods.**Existing Goods:**

- ♣ Existing goods are those owned or possessed by the seller at the time of contract of sale.
- ♣ Goods possessed even refer to sale by agents or by pledgers.
- ♣ Existing goods may be either
 - (a) **Specific Goods** - Specific goods denote goods identified and agreed upon at the time of contract of sale.
 - (b) **Ascertained Goods** - The goods which become ascertained subsequent to the formation of the contract.
 - (c) **Generic or Unascertained Goods** - These are goods which are not identified and agreed upon at the time of contract of sale.

2. Discuss the implied conditions and warranties in sale of goods contract.**Implied conditions and warranties in sale of goods contract:**

- ♣ In every contract of sale, there are certain expressed and implied conditions and warranties.
- ♣ The term implied conditions and warranties means which can be indirect from or guessed from the context of the contract. Following are the

Implied Conditions:

1. Conditions as to Title
2. Conditions as to Description
3. Sale by Sample
4. Conditions as to Quality or Fitness
5. Conditions as to Merchantability
6. Conditions as to Wholesomeness
7. Conditions Implied by Trade Usage

Implied Warranties:

- (i) Quiet Possession
- (ii) Free from Any Encumbrances
- (iii) Warranty in the case of Dangerous Goods

CHAPTER – 22

THE NEGOTIABLE INSTRUMENTS ACT 1881

1. Distinguish between Negotiability and Assignability. (Any 3)**Differences between Negotiability and Assignability**

BASIC OF DIFFERENCE	NEGOTIABILITY	ASSIGNABILITY
Notice	Notice is not necessary for the holder of negotiable instrument to claim the payment from the debtor.	In case of actionable claim, notice of the assignment by the transferee regarding the transfer of debt to the debtor is necessary.
Nature of Title	Holder of negotiable instrument in due course gets a better title than even the transferor.	Defects in the title of the transferor pass on to the transferee too.
Consideration	It is presumed	The assignee has to prove the consideration for the transfer.

2. What are the characteristics of a bill of exchange? (Any 3)**Characteristics of a Bill of Exchange:**

1. A bill of exchange is a document in writing.
2. The document must contain an order to pay.
3. The order must be unconditional.
4. The instrument must be signed by the person who draws it.
5. The name of the person on whom the bill is drawn must be specified in the bill itself.
6. The bill may be payable on demand or after a specified period.

3. Discuss the two different types of crossing.**Types of Crossing****General Crossing:**

- “Where a cheque bears across its face an addition of the words “and company” or any abbreviation thereof, between two parallel transverse lines or of two parallel transverse lines.
- Simply, either with or without the words “not negotiable” that addition shall be deemed a crossing and the cheque shall be deemed to be crossed generally”.

Special Crossing:

- “Where a cheque bears across its face an addition of the banker’s name, with or without the words ‘not negotiable’.
- That addition shall be deemed a crossing and the cheque shall be deemed to be crossed specially and to be crossed to the banker”.

CHAPTER – 23

ELEMENTS OF ENTREPRENEURSHIP

1. Distinguish between Entrepreneur and Manager.

Differences between Entrepreneur and Manager

Basis of difference	Entrepreneur	Manager
Status	He/ She is an owner of the entity	He/ She is a salaried employee in the entity set up for carrying on the venture.
Risk Bearing	He/ She is bears the eventual risk and uncertainty in operating the enterprise	He/ She doesn't bear any risk in the venture.
Rewards	Entrepreneur is rewarded by profit for the risk bearing exercise	Manager's reward salary, bonus, allowance is certain and regular.

2. List down the commercial functions of Entrepreneur and explain them shortly. (Any 5)

Commercial Functions of Entrepreneur:

(i) Production or Manufacturing

- ♣ Under production function, entrepreneur has to take decision relating to selection of factory site, design and layout, type of products to be manufactured, product design etc.,

(ii) Marketing

- ♣ Entrepreneur has to carry out following functions pertaining to marketing aspect namely consumer research, product planning and development, standardisation, packaging, pricing, warehousing, distribution, promotion etc.,

(iii) Accounting

- ♣ Entrepreneur has to arrange to prepare trading and profit and loss account in order to know the profit or loss incurred out of operation of the business and prepare balance sheet to know the financial status of business at a particular day.

3. Explain the promotional functions of entrepreneur. (Any 5)

Promotional Functions of Entrepreneur:

(1) Discovery of Idea

- ♣ The first and foremost function of entrepreneur is idea generation. Ideas can be generated through several ways like own experience and exposure of entrepreneur, keen observation of environment, education, training, market survey, environmental scanning and so on.

(2) Determining the business objectives

- ♣ Entrepreneur has to develop business objectives in the backdrop of nature of business and type of business activity i.e. nature of business, manufacturing or trading, etc.,

(3) Detailed Investigation

- ♣ Entrepreneur has to analyse in detail the product proposes to produce.

CHAPTER – 24

TYPES OF ENTREPRENEURS

1. Who is a Private Entrepreneur?

Private Entrepreneur:

- ♣ Ventures started by individual either singly or collectively at their own risk after mobilising various resources in order to earn profit are called private entrepreneurship.

2. Explain about Imitative Entrepreneur

Imitative Entrepreneur

- ♣ Imitative entrepreneur is one who simply imitates existing skill, knowledge or technology already in place in advanced countries.
- ♣ For example, many electronic products invented in advanced countries are simply reengineered in developing countries.
- ♣ Similarly expensive medicines developed in advanced countries are simply reengineered by changing the composition of elements or changing the process of production

3. Write about Fabian Entrepreneur

Fabian Entrepreneur

- ♣ These entrepreneurs are said to be conservatives and sceptical about plasticising any change in their organisation.
- ♣ They are of risk-averse type.
- ♣ They would like to follow in the footsteps of predecessors.
- ♣ Example: Nurus coffee

CHAPTER – 25

GOVERNMENT SCHEMES FOR ENTREPRENEURIAL DEVELOPMENT

1. What is 'Startup India'?

'Startup India':

- Through the Startup India initiative, Government of India promotes entrepreneurship by mentoring, nurturing and facilitating startups throughout their life cycle.
- Since its launch in January 2016, the initiative has successfully given a head start to numerous aspiring entrepreneurs.
- A 'Fund of Funds' has been created to help startups gain access to funding.

2. Expand the following: i)STEP ii)JAM iii)SEED

- STEP** : Support to Training and Employment Programme for Women
JAM : Jan Dhan-Aadhaar – Mobile
SEED : Science for Equity Empowerment and Development

CHAPTER – 26 COMPANIES ACT 2013

1. What do you understand by Issue of Securities at Premium?

Issue of Securities at Premium:

- ✘ When shares are issued at a price above the face or nominal value, they are said to be issued at a premium.
- ✘ For example, a share having the face value of Rs.10 is issued at Rs.12. Here, Rs.2 is the premium.
- ✘ The amount of share premium has to be transferred to an account called the 'Securities Premium Account'.
- ✘ This account is capital in nature and can only be utilized for the purposes specified by the Act under section 78.

2. Explain different Kinds of Preference shares. (Any 3)

Kinds of Preference shares:

Redeemable Preference shares:

- ✘ Such preference shares can be claimed after a fixed period or after giving due notice.

Non-Redeemable Preference shares:

- ✘ Such shares cannot be redeemed during the lifetime of the company, but can only be obtained at the time of winding up (liquidation) of assets.

Convertible Preference shares:

- ✘ The shares can be converted into equity shares after a time period or as per the conditions laid down in the terms.

Non-convertible Preference shares:

- ✘ Non-convertible preference shares cannot be, at any time, converted into equity shares.

CHAPTER – 27 COMPANY MANAGEMENT

1. When are alternative directors appointed?

Alternative Directors Appointed:

- ❖ Alternate director is appointed by the Board of Directors, as a substitute to a director who maybe absent from India, for a period which is not less than three months.
- ❖ The appointment must be authorised either by the Articles of Association of the company or by passing a resolution in the General Meeting.
- ❖ The alternative director is not a representative or agent of Original Director.

2. Who is a shadow director?

Shadow Director:

- A person who is not the member of Board but has some power to run it can be appointed as the director but according to his/her wish.

3. State the minimum number of Directors for a Private company.

Minimum number of Directors for a Private company

a) Public Company:

- Every Public company shall have a minimum number of 3 directors and

b) Private company:

- **In case of One Person Company:** The requirement of directors is one.
- **Other Private Companies:** The minimum requirement of Directors is two.

CHAPTER – 28

COMPANY SECRETARY

1. What is Special Resolution?**Special Resolution:**

- ✘ A special resolution is the one which is passed by a not less than 75% of majority.
- ✘ The number of votes, cast in favour of the resolution should be three times the number of votes cast against it.
- ✘ The intention of proposing a resolution as a special resolution must be specifically mentioned in the notice of the general meeting.

2. What do you mean by Statutory Meeting?**Statutory Meeting:**

- ✘ According to Companies Act, every public company, should hold a meeting of the shareholders within 6 months but not earlier than one month from the date of commencement of business of the company.
- ✘ This is the first general meeting of the public company is called the Statutory Meeting.
- ✘ This meeting is conducted only once in the lifetime of the company.
- ✘ A private company or a public company having no share capital need not conduct a statutory meeting.
- ✘ The company gives the circular to shareholders before 21 days of the meeting.

3. Give any three cases in which an ordinary resolution need to be passed. Three cases in which an ordinary resolution need to be passed:

- ✘ An ordinary resolution is one which can be passed by a simple majority

- ✘ **Ordinary Resolution is required for the following Matters:**

- ✓ To change or rectify the name of the company
- ✓ To alter the share capital of the company
- ✓ To redeem the debentures
- ✓ To declare the dividends
- ✓ To appoint the directors
- ✓ To approve annual accounts and balance sheet.

5 Mark Questions**CHAPTER – 1****PRINCIPLES OF MANAGEMENT****1. Explain the concept of management (Any 5)****Concept of Management:****i. Body of Knowledge:**

- ✘ Management has now developed into a specialised body of management theory and philosophy.
- ✘ Management literature is growing in all countries.
- ✘ In fact, management knowledge is the best passport to enter the world of employment.

ii. Management Tools:

- ✘ Tools of management have been developed such as, accounting, business law, psychology, statistics, econometrics, data processing, etc.

iii. Separate Discipline:

- ✘ Management studies in many universities and institutions of higher learning are recognised as a separate discipline. Since 1951, many specialised schools of management offering master's degree in business management and administration.

iv. Specialisation:

- ✘ There is a growing tendency to select and appoint highly qualified, trained and experienced persons to manage the business in each functional areas of management.
- ✘ Thus we have today an increasing tendency in favour of management by experts or professionals.

v. Professional Association:

- ✘ The Business Management Associations in many countries to promote the spread of knowledge in all management areas and to build up the bright public image of managerial profession.

2. Explain the principles of modern management. (Any 5)**Principles of Modern Management:**

- ✘ The Father of Modern Management is Mr. Henry Fayol, and according to him there are 14 major principles of management.

i. Division of Work:

- ♣ According to this principle the whole work is divided into small tasks.
- ♣ It leads to specialization which increases the efficiency of labour.

ii. Authority and Responsibility:

- ♣ Authority means the right of a superior to give the order to his subordinates whereas responsibility means obligation for performance.

iii. Discipline:

- ♣ It is obedience, proper conduct in relation to others, respect of authority, etc.
- ♣ It is essential for the smooth functioning of all organizations.

iv. Unity of Command:

- ♣ This principle states that each subordinate should receive orders and be accountable to one and only one superior.
- ♣ If an employee receives orders from more than one superior, it is likely to create confusion and conflict.

v. Unity of Direction:

- ♣ All related activities should be put under one group, there should be one plan of action for them, and they should be under the control of one manager.

CHAPTER – 2

FUNCTIONS OF MANAGEMENT

1. Explain the various functions of management.(Any 5)

Functions of Management

a. Main functions:

Planning
Organising
Staffing
Directing
Motivation
Controlling
Co-ordination

b. Subsidiary functions:

Innovation
Representation
Decision-making
Communication

Main Functions:

I. Planning:

- Planning is the primary function of management.
- Nothing can be performed without planning.
- Planning refers to deciding in advance.
- Planning should take place before doing.

II. Organising:

- Organising is the process of establishing harmonious relationship among the members of an organisation and the creation of network of relationship among them.

III. Staffing:

- Staffing refers to placement of right persons in the right jobs.
- The success of any enterprise depends upon the successful performance of staffing function

IV. Directing:

- Directing denotes motivating, leading, guiding and communicating with subordinates on an ongoing basis in order to accomplish pre-set goals.

V. Motivating:

- It is the process of stimulating people to actions to accomplish the goal.
- Motivation includes increasing the speed of performance of a work and developing a willingness on the part of workers.

Subsidiary Functions:

I. Innovation:

- Innovation refers to the preparation of personnel and organisation to face the changes made in the business world.

II. Representation:

- A manager has to act as representative of a company. It is the duty of every manager to have good relation with others.

III. Decision-making:

- Every employee of an organisation has to take a number of decisions every day.
- Decision making helps in the smooth functioning of an organization.

IV. Communication:

- Communication is the transmission of human thoughts, views or opinions from one person to another person.

CHAPTER – 3

MANAGEMENT BY OBJECTIVES (MBO) MANAGEMENT BY EXCEPTION (MBE)

1. What are the major advantages of MBO? (Any 5)

Major Advantages of MBO:

1. MBO process helps the managers to understand their role in the total organisation.
2. Manager recognises the need for planning and appreciates the planning.
3. Systematic evaluation of performance is made with the help of MBO.
4. MBO gives the criteria of performance. It helps to take corrective action.
5. The responsibility of a worker is fixed through MBO.

2. What are the advantages of MBE? (Any 5)

Advantages of MBE:

1. It saves the time of managers because they deal only with exceptional matters.
2. Routine problems are left to subordinates.
3. It focuses managerial attention on major problems.
4. As a result, there is better utilisation of managerial talents and energy.
5. It facilitates delegation of authority.

3. Discuss the disadvantages of MBE

Disadvantages of MBE:

1. The main disadvantage of MBE is, only managers have the power over really important decisions, which can be de-motivating for employees at a lower level.
2. Furthermore, it takes time to pass the issues to managers.
3. Managing employees who deviate from the normal procedures.
4. Because of compliance failures are considered difficult to manage and typically find themselves with limited job duties and ultimately dismissed/terminated.

CHAPTER – 4

INTRODUCTION TO FINANCIAL MARKETS

1. Distinguish between New Issue Market and Secondary Market (Any 5)

Difference between New Issue Market and Secondary Market:

BASIS FOR COMPARISON	NEW ISSUE MARKET	SECONDARY MARKET
Buying	Direct	Indirect
Gained person	Company	Investors
Intermediary	Underwriters	Brokers
Buying and Selling between	Company and Investors	Investors
How can securities be sold?	Only Once	Multiple times

2. Enumerate the different kinds of Financial Markets (Any 5)

Different kinds of Financial Markets:

a. On the Basis of Type of Financial Claim

- (i) **Debt Market** --- is the financial market for trading in Debt Instrument (i.e. Government Bonds or Securities, Corporate Debentures or Bonds)
- (ii) **Equity Market** --- is the financial market for trading in Equity Shares of Companies.

b. On the Basis of Maturity of Financial Claim

- (i) **Money Market** --- is the market for short term financial claim (usually one year or less) E.g. Treasury Bills, Commercial Paper, Certificates of Deposit
- (ii) **Capital Market** --- is the market for long term financial claim more than a year E.g. Shares, Debentures

c. On the Basis of Time of Issue of Financial Claim

- (i) **Primary Market** --- is a term used to include all the institutions that are involved in the sale of securities for the first time by the issuers (companies). Here the money from investors goes directly to the issuers.
- (ii) **Secondary Market** --- is the market for securities that are already issued. Stock Exchange is an important institution in the secondary market.

d. On the Basis of Timing of Delivery of Financial Claim

- (i) **Cash/Spot Market** --- is a market where the delivery of the financial instrument and payment of cash occurs immediately. i.e. settlement is completed immediately.
- (ii) **Forward or Futures Market** --- is a market where the delivery of asset and payment of cash takes place at a pre-determined time frame in future.

e. On the Basis of the Organizational Structure of the Financial Market

- (i) **Exchange Traded Market** --- is a centralized organization (stock exchange) with standardized procedures.
- (ii) **Over-the-Counter Market** --- is a decentralized market (outside the stock exchange) with customized procedures.

3. Discuss the role of financial market.

Role of Financial Market:

(i) Savings Mobilization:

- ♣ Obtaining funds from the savers or 'surplus' units such as household individuals, business firms, public sector units, Government is an important role played by financial markets.

(ii) Investment :

- ♣ Financial market plays a key role in arranging the investment of funds thus collected, in those units which are in need of the same.

(iii) National Growth:

- ♣ Financial markets contribute to a nation's growth by ensuring an unfettered flow of surplus funds to deficit units.
- ♣ Flow of funds for productive purposes is also made possible. It leads to overall economic growth.

(iv) Entrepreneurship Growth:

- ♣ Financial markets contribute to the development of the entrepreneurial class by making available the necessary financial resources.

(v) Industrial Development:

- ♣ The different components of financial markets help an accelerated growth of industrial and economic development of a country and thus contributing to raising the standard of living and the society's well-being.

CHAPTER – 5

CAPITAL MARKET

1. Discuss the characters of a Capital Market.

Characters of a Capital Market:

(i) Securities Market:

- ❖ The dealings in a capital market are done through the securities like shares, debentures, etc. The capital market is thus called securities market.

(ii) Price:

- ❖ The price of the securities is determined based on the demand and supply prevailing in the capital market for securities.

(iii) Participants:

- ❖ There are many players in the capital market. The participants of the capital market include individuals, corporate sectors, Govt., banks and other financial institutions.

(iv) Location :

- ❖ Capital market is not confined to certain specific locations, although it is true that parts of the market are concentrated in certain well known centers known as Stock Exchanges.

(v) Market for Financial Assets:

- ❖ Capital market provides a transaction platform for long term financial assets

2. Briefly explain the functions of capital market (Any 5)

Functions of Capital Market:

(i) Savings and Capital Formation:

- In capital market, various types of securities help to mobilize savings from various sectors of population (Individuals, Corporate, Govt., etc.)
- This accelerates the capital formation in the country.

(ii) Permanent Capital:

- The existence of a capital market/stock exchange enables companies to raise permanent capital.
- The stock exchange resolves this dash of interests by offering an opportunity to investors to buy or sell their securities, while permanent capital with the company remains unaffected.

(iii) Industrial Growth:

- The stock exchange is a central market through which resources are transferred to the industrial sector of the economy

(iv) Ready and Continuous Market:

- The stock exchange provides a central convenient place where buyers and sellers can easily purchase and sell securities.
- Easy marketability makes investment in securities more liquid as compared to other assets.

(v) Reliable Guide to Performance:

- The capital market serves as a reliable guide to the performance and financial position of corporate, and thereby promotes efficiency.

3. Explain the various types of New Financial Institutions (Any 5)**Various Types of New Financial Institutions:****(i) Venture Fund Institutions:**

- Venture capital financing is a form of equity financing designed especially for funding new and innovative project ideas.
- Venture capital funds bring into force the hi-technology projects which are converted into commercial production.

(ii) Mutual Funds:

- Financial institutions that provide facilities for channeling savings of small investors into avenues of productive investments are called 'Mutual Funds'.

(iii) Factoring Institutions:

- "Factoring" is an arrangement whereby a financial institution provides financial accommodation on the basis of assignment/ sale of account receivables.
- The factoring institutions collect the book debts for and on behalf of its clients.

(iv) Over the Counter Exchange of India (OTCEI):

- The OTCEI was set up by a premier financial institution to allow the trading of securities across the electronic counters throughout the country.
- It addresses some specific problems of both investors and medium-size companies.

(v) National Stock Exchange of India Limited (NSEI):

- NSEI was established in 1992 to function as a model stock exchange.
- The Exchange aims at providing the advantage of nationwide electronic screen based "scripless" and "floorless" trading system in securities.

CHAPTER – 6

MONEY MARKET

1. Differentiate between the Money Market and Capital Market. (Any 5)**Difference between the Money Market and Capital Market.**

FEATURES	MONEY MARKET	CAPITAL MARKET
Duration of Funds	It is a market for short-term loanable funds for a period of not exceeding one year.	It is a market for long-term funds exceeding period of one year.
Deals with Instruments	It deals with instruments like commercial bills (bill of exchange, treasury bill, commercial papers etc.).	It deals with instruments like shares, debentures, Government bonds, etc.,
Availability of Instruments	Money Market instruments generally do not have secondary market.	Capital market instruments generally have secondary markets.
Risk	Low credit and market risk.	High credit and market risk
Liquidity	High liquidity in Money Market	Low liquidity in Capital Market

2. Explain the characteristics of Money Market? (Any 5)**Characteristics of Money Market****1. Short-term Funds**

- It is a market purely for short-term funds or financial assets called near money.

2. Maturity Period

- It deals with financial assets having a maturity period upto one year only.

3. Conversion of Cash

- It deals with only those assets which can be converted into cash readily without loss and with minimum transaction cost.

4. Existence of Secondary Market

- There should be an active secondary market for these instruments.

5. Wholesale Market

- It is a wholesale market and the volume of funds or financial assets traded in the market is very large.

3. What are the characteristics of Government Securities? (Any 5)**Characteristics of Government Securities****1. RBI Special Role**

- ♣ RBI takes a special and an active role in the purchase and sale of these securities as part of its monetary management exercise.

2. Issue Mechanism:

- ♣ The Public Debt Office (PDO) of the RBI undertakes to issue government securities.

3. Issue opening:

- ♣ A notification for the issue of the securities is made a few days before the public subscription is open.

4. Switching:

- ♣ The purchase of one security against the sale of another security carried out by the RBI in the secondary market as part of its open market operations is described as 'Switching'.

5. Auctioning:

- ♣ A method of trading whereby merchants bid against one another and where the securities are sold to the highest bidder is known as 'Auctioning'.

CHAPTER – 7

STOCK EXCHANGE

1. Explain the functions of Stock Exchange. (Any 5)**Functions of Stock Exchange:****1. Ready and Continuous Market:**

- Stock Exchange is, in fact, a market for existing securities.
- If an investor wants to sell his securities, he can easily and quickly dispose them off on a stock exchange.

2. Protection to Investors:

- All dealings in a stock exchange are in accordance with well-defined rules and regulations.
- For example, brokers cannot charge higher rate of commission for their services. Any malpractice will be severely punished.

3. Aid to Capital Formation

- Stock exchanges thus ensure a steady flow of capital into industry and assists industrial development.

4. Correct Evaluation of Securities:

- The prices at which securities are bought and sold are recorded and made public.
- These prices are called “market quotations”.

5. Clearing House of Business Information:

- stock exchange publish every year books detailing the financial position of companies.
- Thus, it gives vital information to the investing public for deciding on investment.

2. Explain the features of Stock Exchange. (Any 5)**Features of Stock Exchange:****1. Market for Securities:**

- Stock exchange is a market, where securities of corporate bodies, government and semi-government bodies are bought and sold.

2. Deals in Second Hand Securities:

- It deals with shares, debentures bonds and such securities already issued by the companies.
- In short, it deals with existing or second hand securities and hence it is called secondary market.

3. Association of Persons:

- A stock exchange is an association of persons or body of individuals which may be registered or unregistered.

4. Recognition from Central Government :

- Stock exchange is an organised market.
- It requires recognition from the Central Government.

5. Regulates Trade in Securities

- Stock exchange does not buy or sell any securities on its own account.
- It merely provides the necessary infrastructure and facilities for trade in securities to its members and brokers who trade in securities.

2. Distinguish between Stock Exchange and Commodity Exchange. (Any 5) Difference between Stock Exchange and Commodity Exchange

FEATURE	STOCK EXCHANGE	COMMODITY EXCHANGE
Function	Providing easy marketability	Offering hedging or price insurance services and liquidity to securities.
object	Object is facilitating capital formation and making best use of capital resources	Object is facilitating goods flow through risk reduction
Participants	Investors and Speculators	Producers, dealers, traders and a body of speculators.
Articles Traded	Industrial securities such as stocks and bonds and government securities.	Only durable, graded and goods having large volume of trade, price uncertainty and uncontrolled supply
Period of dealings	Cash, ready delivery and dealings for account for a fortnight	Instant cash dealings and a settlement period of 2 or 3 months for Future Market dealings

CHAPTER – 8

SECURITIES EXCHANGE BOARD OF INDIA (SEBI)

1. What are the functions of SEBI? (Any 5)

Functions of SEBI:

- 1) Safeguarding the interests of investors by means of adequate education and guidance.
- 2) Regulating and controlling the business on stock markets.
- 3) Barring insider trading in securities.
- 4) SEBI regulates mergers and acquisitions as a way to protect the interest of investors.
- 5) Promoting self-regulatory organization of intermediaries. It has extensive legal powers.

2. Explain the powers of SEBI. (Any 5)

Powers of SEBI:

1. Powers Relating to Stock Exchanges & Intermediaries

- SEBI has wide powers regarding the stock exchanges and intermediaries dealing in securities.
- It can ask information from the stock exchanges and intermediaries regarding their business transactions for inspection or scrutiny and other purpose.

2. Power to Impose Monetary Penalties

- SEBI has been empowered to impose monetary penalties on capital market intermediaries and other participants for a range of violations.
- It can even impose suspension of their registration for a short period.

3. Power to Initiate Actions in Functions Assigned

- SEBI has a power to initiate actions in regard to functions assigned.
- For example, it can issue guidelines to different intermediaries or can introduce specific rules for the protection of interests of investors.

4. Power to Regulate Insider Trading

- SEBI has power to regulate insider trading or can regulate the functions of merchant bankers.

5. Power to Regulate Business of Stock Exchanges

- SEBI is also empowered to regulate the business of stock exchanges, intermediaries associated with the securities market as well as mutual funds, fraudulent and unfair trade practices relating to securities and regulation of acquisition of shares and takeovers of companies.

CHAPTER – 9

FUNDAMENTALS OF HUMAN RESOURCE MANAGEMENT

1. Explain the characteristics of Human Resource. (Any 5)

Characteristics of Human Resource

- 1) Human resource is the only factor of production that lives
- 2) Human resource created all other resources
- 3) It is only the labour of employees that is hired and not the employee himself
- 4) Human resource exhibits innovation and creativity
- 5) Human resource alone can think, act, analyse and interpret
- 6) Human resources are emotional beings
- 7) Human resources can be motivated either financially or non financially
- 8) The behaviour of human resources are unpredictable
- 9) Human resources are movable
- 10) Human resource can work as a team

2. Describe the significance of Human Resource Management. (Any 5)**Significance of Human Resource Management.****To identify manpower needs :**

- ☆ Determination of manpower needs in an organisation is very important as it is a form of investment.
- ☆ The number of men required are to be identified accurately to optimise the cost.

ii. To incorporate change :

- ☆ Change is constant in any organisation and this change has to be introduced in such a way that the human resource management acts as an agent to make the change effective.

iii. To ensure the correct requirement of manpower:

- ☆ At any time the organisation should not suffer from shortage or surplus manpower which is made possible through human resource management.

iv. To select right man for right job:

- ☆ Human resource management ensures the right talent available for the right job, so that no employee is either under qualified or over qualified.

v. To update the skill and knowledge:

- ☆ Managing human resource plays a significant role in the process of employee skill and knowledge enhancement to enable the employees to remain up to date through training and development programmes.

3. Discuss the Operative functions HRM.**Operative Functions HRM****i. Procurement :**

- ☆ Acquisition deals with job analysis, human resource planning, recruitment, selection, placement, transfer and promotion.

ii. Development :

- ☆ Development includes performance appraisal, training, executive development, career planning and development, organisational development

iii. Compensation :

- ☆ It deals with job evaluation, wage and salary administration, incentives, bonus, fringe benefits and social security schemes

iv. Retention :

- ☆ This is made possible through health and safety, welfare, social security, job satisfaction and quality of work life

v. Integration :

- ☆ It is concerned with the those activities that aim to bring about reconciliation between personal interest and organisational interest.

CHAPTER – 10
RECRUITMENT METHODS

1. Explain the Internal sources of recruitment. (Any 5)**Internal Sources of Recruitment:****1. Transfer**

- ✓ Transfer of employee from one department with surplus staff to that of another with deficit staff.

2. Upgrading

- ✓ Performance appraisal helps in the process of moving employees from a lower position to a higher position

3. Promotion

- ✓ Based on seniority and merits of the employees they are given opportunity to move up.

4. Demotion

- ✓ Movement of employee from a higher position to a lower position because of poor performance

5. Recommendation by existing Employees

- ✓ A family member, relative or friend of an existing employee can be recruited and placed

2. Explain the External Sources of Recruitment (Any 5)**External Sources of Recruitment****i. Direct:**

1. Advertisements- The employer can advertise in dailies, journals, magazines etc. about the vacancies in the organisation

2. Unsolicited applicants- job seekers who voluntarily apply for the vacancies not yet notified by the organisations.

3. Walk ins- Walk-in applicants with suitable qualification and requirement can be another source of requirement.

4. Campus Recruitment- The organisations visit the educational institutions to identify and recruit suitable candidates

ii. Indirect:

1. Employee referral- The existing employees of the organisation may recommend some of their relatives

2. Government/ Public Employment Exchanges- These are exchanges established by Government which facilitates recruitment throughout the country.

3. Private Employment Agencies- These are similar to Public employment exchanges except that the ownership is the hands of Private parties.

4. Employment Consultancies- These types of firms facilitate recruitment on behalf of client companies at cost

3. What is the recent trends in Recruitment?**Recent Trends in Recruitment:****1. Outsourcing:**

- ✓ There are outsourcing firms that help in the process of recruiting through screening of applications and finding the right person for the job for which job they are paid service charges.

2. Recruitment process outsourcing

- ✓ Requirement understanding
- ✓ Advertise and source
- ✓ Screening
- ✓ Validation
- ✓ Profile submission
- ✓ Interview process and feedback
- ✓ Selection and follow up

3. Poaching:

- ✓ Organisations instead of training and developing their own employees hire employees of other competitive companies by paying them more both financial and non financial benefits.
- ✓ It is also called raiding.

CHAPTER – 11 -EMPLOYEE SELECTION PROCESS

1. Briefly explain the various types of tests. (Any 5)

Various Types of Tests:

A) Ability Test

- ✓ A test designed to measure an individual's cognitive function in a specific area, such as variety of skills, mental aptitude, problem solving, knowledge of particular field, reasoning ability, intelligence etc. This test is used to find the suitability of a candidate for a given job role.

1. Aptitude test

- Aptitude test is a test to measure suitability of the candidates for the post/role. It actually measures whether the candidate possess a set of skills required to perform a given job.
- It can be measured by the following ways:

i) Numerical Reasoning Test

- This test measures the candidate's ability to make correct decision from numerical data.

ii) Verbal Reasoning Test

- It measures the candidate's ability to comprehend the written text and ability to arrive at factual conclusion from the written text.

iii) Inductive Reasoning Test

- It's a psychometric tests conducted in the selection process to measure the problem solving abilities and ability to apply logical reasoning.

iv) Mechanical Reasoning Test

- This test measures the engineering student's ability to apply engineering concepts in actual practice.

v) Diagrammatic Reasoning Test

- This test measures the candidate's ability to understand the shapes, abstract ideas and ability to observe and extract values from illustrations and apply them to new samples.

2. Achievement Test

- This test measures a candidate's capacity to achieve in a particular field.
- The regular examination conducted in educational institution represents achievement test.
- It is also called proficiency test.
- Example,
 - a) A driver may be asked to drive a vehicle to test his driving efficiency
 - b) Teacher candidate may be asked to give a demonstration

3. Intelligence Tests

- Intelligence tests are one of the psychological tests, that is designed to measure a variety of mental ability, individual capacity of a candidate.
- The main aim of these tests is to obtain an idea of the person's intellectual potential.

4. Judgment Test

- This test is conducted to test the presence of mind and reasoning capacity of the candidates

B. Personality test

- Personality test refers to the test conducted to find out the non-intellectual traits of a candidate namely temperament, emotional response, capability and stability.
- There is no right or wrong answer in the test.
- It comprises of following tests.

1. Interest Test

2. Personality Inventory Test

3. Projective Test / Thematic Appreciation Test

4. Attitude Test

2. Explain the important methods of interview.(Any 5)**Important Methods of Interview:****i) Preliminary Interview**

- ✓ This interview is conducted to know the general suitability of the candidates who have applied for the job.
- ✓ Team of experts conducts their interview primarily to eliminate those who are unqualified and unfit candidates.

ii) Structure/Guided/Planned Interview

- ✓ A series of question to be asked by the interviewer are pre-prepared by the interviewer and only these questions are asked in the interview.
- ✓ Ultimately interviewees are ranked on the basis of score earned by the candidate in the interview.

iii) Unstructured Interview

- ✓ There is no pre-prepared question. Interviewers determine the suitability of the candidate based on their response to the random questions raised in the interview.

iv) In depth Interview

- ✓ Interview helps the interviewers to learn about the candidate's expertise and practical exposure with respect to his/her area of specialization.

v) Stress Interview

- ✓ This type of interview is conducted to test the temperament and emotional balance of the candidate
- ✓ Interviewer deliberately creates stressful situation by directing the candidate to do irrational and irritating activities.

3. Differentiate Recruitment and Selection.**Difference Recruitment and Selection**

Basis of Comparison	Recruitment	Selection
Meaning	Recruitment is an activity of searching candidates and encouraging them to apply for it	Selection refers to the process of selecting the suitable candidates and offering them job.
Approach	Approach under recruitment is positive one.	Approach under selection is negative one
Sequence	First	Second
Method	It is an economical method	It is an expensive method
Process	Recruitment process is very simple	Selection process is very complex and complicated

CHAPTER – 12 EMPLOYEE TRAINING METHOD**1. Discuss various types of training. (Any 5)****Types of Training:****(I) On the Job Training:**

- On the job training refers to the training which is given to the employee at the work place by his immediate supervisor.

i) Coaching Method:

- The superior teaches or guides the new employee about the knowledge and skills relevant to a given job.
- The superior should point out mistakes committed by the new worker and also advise the remedial measures, to trainees.

ii) Mentoring method:

- Mentoring is the process of sharing knowledge and experience of an employee.
- Mentoring is always done by senior person; it is also one-to-one interaction, like coaching.
- The focus in this training is on the development of attitude of trainees.

iii) Job Rotation Method:

- Under this method a trainee is periodically shifted from one work to another work and from one department / division to another department / division for a particular period of time.
- The main aim of job rotation is to expose the employee to various inter related jobs

(II) Off the Job Training

- Off the job training is the training method where in the workers/employees learn the job role away from the actual work floor.

i) Lecture Method:

- Under this method trainees are educated about concepts, theories, principles and application of knowledge in any particular area.
- Trainer may be generally drawn from Colleges, Universities, Consultancies, etc.,
- They impart training effectively by their oratorical skill, knowledge and practical knowledge using audio visual tools.

ii) Group Discussion Method:

- Participants are divided into various groups; they were provided a particular issue for deliberation.
- Each group has to prepare solution after deep discussion with their group members.
- The group leader has to present the solution to the audience, which will be discussed or deliberated by other groups.

iii) Case Study Method

- Trainees are described a situations which stimulate their interest to find solution.
- They have to use their theoretical knowledge and practical knowledge to find solution to the problem presented.
- There is no single solution to the problem, It may vary depending upon view points of trainees.

2. What are the differences between on the job training and off the job training? (Any 5)**Differences between on the job training and off the job training:**

BASIS	On the Job Training	Off the Job Training
Meaning	The employee learns the job in the actual work environment.	Off the Job training involves the training of employees outside the actual work location
Location	At the work place	Away from the work place
Approach	Practical approach	Theoretical approach
Principle	Learning by performing	Learning by acquiring knowledge
Carried out	It is carried out by the experienced employee	Training which is provided by the experts.

3. Explain the benefits of training.**(i) Benefits to the Organization**

- 1) It improves the skill of employees and enhances productivity and profitability of the entity.
- 2) It reduces wastages of materials and idle time
- 3) It exposes employees to latest trends.
- 4) It minimizes the time for supervision.
- 5) It reduces the frequency of accidents at workplace and consequent compensation payment.
- 6) It reduces labour turnover of employee
- 7) It improves union and management relation.

(ii) Benefits to the Employees

- 1) It adds to the knowledge skill and competency of employee
- 2) It enables him to gain promotion or achieve career advancement in quick time.
- 3) It improves the employees productivity
- 4) It enhances the morale of the employee.

- 5) Employees get higher earnings through incentives and rewards.
- 6) It builds up the confidence of employee by changing his attitude positively towards to work
- 7) It enables him to observe safety practices voluntarily during his engagement in dangerous operation

(iii) Benefits of Customer

- 1) Customers get better quality of product/ service.
- 2) Customers get innovative products or value added or feature rich products.

CHAPTER – 13 CONCEPT OF MARKETING AND MARKETER

1. How the market can be classified? (Any 5)

Market can be classified

I. On the Basis of Geographical Area

a. Family Market:

- ✗ When exchanges of goods or services are confined within a family or close members of the family, it's called as family market.

b. Local Market:

- ✗ Participation of both the buyers and sellers belonging to a local area or areas, may be a town or village, is called as local market. The demands are limited in this type of market.
- ✗ For example, perishable goods like fruits, fish, vegetables etc.

c. National Market:

- ✗ Certain type of commodities has demand throughout the country. Hence it is called as a national market.

d. International Market or World Market:

- ✗ World or international market is one where the buyers and sellers of goods are from different countries i.e., involvement of buyers and sellers beyond the boundaries of a nation.

II. On the Basis of Commodities/Goods

a. Commodity Market:

- ✗ A commodity market is a place where produced goods or consumption goods are bought and sold.
- ✗ Commodity markets are sub-divided into:
 - i. Produce Exchange Market
 - ii. Manufactured Goods Market
 - iii. Bullion Market

b. Capital Markets:

- ✗ New or going concerns need finance at every stage. Their financial needs are met by capital markets.
- ✗ They are of three types:
 - i. Money Market
 - ii. Foreign Exchange Market
 - iii. The Stock Market

III. On the Basis of Economics

a. Perfect Market:

- ✗ A market is said to be a perfect market, if it satisfies the following conditions:
 - i. Large number of buyers and sellers are there.
 - ii. Prices should be uniform throughout the market.etc.,

b. Imperfect Market:

- ✎ A market is said to be imperfect when
 - i. Products are similar but not identical.
 - ii. Prices are not uniform.
 - iii. There is lack of communication etc.,

IV. On the Basis of Transaction**i. Spot Market:**

- ✎ In such markets, goods are exchanged and the physical delivery of goods takes place immediately.

ii. Future Market:

- ✎ In such markets, contracts are made over the price for future delivery. The dealing and settlement take place on different dates.

V. On the Basis of Regulation**i. Regulated Market:**

- ✎ These are types of markets which are organised, controlled and regulated by statutory measures.

ii. Unregulated Market:

- ✎ A market which is not regulated by statutory measures is called unregulated market.
- ✎ This is a free market, Demand and supply determine the price of goods.

2. How the market can be classified on the basis of Economics?**Market can be classified on the basis of Economics****a. Perfect Market:**

- A market is said to be a perfect market, if it satisfies the following conditions:
 - i. Large number of buyers and sellers are there.
 - ii. Prices should be uniform throughout the market.
 - iii. Buyers and sellers have a perfect knowledge of market.
 - iv. Goods can be moved from one place to another without restrictions.
 - v. The goods are identical or homogenous.

It should be remembered that such types of markets are rarely found.

b. Imperfect Market:

- A market is said to be imperfect when
 - i. Products are similar but not identical.
 - ii. Prices are not uniform.
 - iii. There is lack of communication.
 - iv. There are restrictions on the movement of goods.

CHAPTER – 14

MARKETING AND MARKETING MIX

1. Discuss about the Evolution of Marketing. (Any 5)

Evolution of Marketing

i. Barter System:

- The goods are exchanged against goods, without any other medium of exchange, like money.

ii. Production Orientation:

- This was a stage where producers, instead of being concerned with the consumer preferences, concentrated on the mass production of goods for the purpose of profit.

iii. Sales Orientation:

- The stage witnessed major changes in all the spheres of economic life. The selling became the dominant factor, without any efforts for the satisfaction of the consumer needs.

iv. Marketing Orientation:

- Customers' importance was realised but only as a means of disposing of goods produced.
- Competition became more stiff.
- Aggressive advertising, personal selling, large scale sales promotion etc. are used as tools to boost sales.

v. Consumer Orientation:

- Under this stage only such products are brought forward to the markets which are capable of satisfying the tastes, preferences and expectations of the consumer satisfaction.

2. Narrate the Elements of Marketing Mix.

Elements of Marketing mixi.

Product

- Product is the main element of marketing.
- Without a product, there can be no marketing.
- “A product is anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or a need” - **Philip Kotler.**

ii. Price

- Price is the value of a product expressed in monetary terms.
- It is the amount charged for the product.
- Price is the amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or service”- **Philip Kotler**

iii. Place (Physical Distribution)

- The fourth element of product mix, namely place or physical distribution facilitates the movement of products from the place of manufacture to the place of consumption at the righttime.

iv. Promotion

- An excellent product with competitive price cannot achieve a desired success and acceptance in market, unless and until its special features and benefits are conveyed effectively to the potential consumers

CHAPTER – 15

RECENT TRENDS IN MARKETING

1. Explain in detail how traditional marketing differ from E-marketing

Traditional Marketing differ from E-marketing

E-Marketing	Traditional Marketing
It is very economical and faster way to promote the products.	It is very expensive and takes more time to promote product.
It is quiet easier for promoting product globally in the short time.	It is very expensive and time consuming to promote product/ service under traditional marketing.
E-Business enterprises can expand their operation with minimum manpower.	It needs more man power.
In this marketing product can be sold or bought 24 x 7, round the year with minimum manpower	That is not possible in traditional marketing.

2. Discuss any two new methods of marketing:

1. Viral marketing :

- ✓ Viral Marketing is that which is able to generate interest and the potential sale of a brand or product through messages that spread like a virus, in other words, quickly, and from person to person.
- ✓ The idea is for it to be the users themselves that choose to share the content.

Advantages:

Low cost:

- What characterizes viral campaigns is that the users do a significant part of the work for us, which drastically cuts down the costs of dispersion: it becomes unnecessary to buy advertising or space on the media.

Potential of great reach:

- A viral video on the Internet has the ability to reach a huge international audience without us having to invest money or make any extra effort.

It is not invasive:

- In viral marketing, the decision to participate and share always comes from the user, and so it never comes across as invasive.

It helps build up your brand:

- we are creating content so incredible that users themselves decide to share it and, hence create a personal connection with your brand. It is without a doubt an extremely powerful tool when it comes to branding and awareness.

2. Niche Marketing:

- ✓ Niche marketing denotes a strategy of directing all marketing efforts towards one well defined segment of the population.
- ✓ A niche market does not mean a small market, but it involves specific target audience with a specialized offering.

Advantages:

Less competition :

- Unlike in generalized marketing where market competition is still, niche marketing has quite less competition for the viable customers purchasing the products.

Brand loyalty :

- Niche marketing makes it possible for businesses to build their brand loyalty. This marketing approach lets you provide customers with products and services they need and desire.

Best for giving marketing insight:

- Once you begin to concentrate fully on niche marketing, you will learn about new products, innovations and ideas about the market.

Wide Reach:

- With this approach, you will be able to reach a larger percentage of people who are more likely to use your services or purchase your products.

CHAPTER – 16 CONSUMERISM

1. How consumers are exploited? (Any 5)**Consumers are Exploited:****1. Selling at Higher Price**

- ❖ The price charged by the seller for a product service may not be matching with the quality but at times it is more than the fair price.

2. Adulteration

- ❖ It refers to mixing or substituting undesirable material in food. This causes heavy loss to the consumers.
- ❖ This will lead to monetary loss and spoil the health.

3. Duplicate or Spurious goods

- ❖ Duplicates are available in plenty in the market for every original and genuine parts or components like automobile spare parts, blades, pens, watches, radios, medicines, jewellery, clothes and even for currency notes.

4. Sub-standard

- ❖ On opening a packet or sealed container one may find the content to be of poor quality.
- ❖ A consumer finds it difficult to exchange the defective one for good one.
- ❖ Some seller give bills which contain a stipulation that goods sold cannot be taken back.

5. Warranty and Services

- ❖ Warranty service may not be extended to many parts/components of the product sold.
- ❖ Thus consumers may be charged exorbitant charges in the name of repair costs.

2. Explain the role of business in consumer protection. (Any 5)**Role of business in consumer protection****1. Avoidance of Price Hike**

- ❖ Business enterprises should stop from hiking the price in the context of critical shortage of goods /articles.

2. Avoidance of Hoarding

- ❖ Business enterprises should allow the business to flow normally. It should not indulge in hoarding and black marketing to earn maximum possible profit in the short term at the cost of consumers.

3. Guarantees for Good Quality

- ❖ Business enterprises should not give false warranty for the products. It should ensure supply of good quality.

4. Product Information

- ❖ Business enterprises should disclose correct, complete and accurate information about the product viz. size, quality, quantity, substances, use, side effects, precautions, weight, exchange, mode of application etc.

5. Truth in advertising

- ❖ Business enterprises should not convey false, untrue, bogus information relating to the product through the advertisements in media and thus mislead the consumers.

6. Consumer Grievances

- ❖ Where the business enterprises have customer care department, it should handle the grievances of consumer immediately or within a definite time frame.

3. What are the objectives of Consumer Protection Act, 1986? (Any 5)**Objectives of Consumer Protection Act, 1986**

- 1) Protection of consumers against marketing of goods which are hazardous and dangerous to life and property of consumers.
- 2) Providing correct and complete information about quality, quantity, purity, price and standard of goods purchased by consumers.
- 3) Protecting consumers from unfair trade practices of traders.
- 4) Empowering consumers to seek redressal against exploitation
- 5) Educating the consumer of their rights and duties

CHAPTER – 17**RIGHTS, DUTIES & RESPONSIBILITIES OF CONSUMER****1. Explain the duties of consumers. (Any 5)****Duties of Consumers:****Buying Quality Products at Reasonable Price:**

- It is the responsibility of a consumer to purchase a product after gaining a thorough knowledge of its price, quality and other terms and conditions.

Ensure the Weights and Measurement before Making Purchases:

- The sellers often cheat consumer by using unfair weights and measures.
- The consumer should ensure that he/she is getting the product of exact weight and measure.

Reading the Label Carefully:

- It is the duty of the consumer to thoroughly read the label of the product.
- It should have correct, complete and true information about the product.

Beware of False and Attractive Advertisements:

- Often the products are not as attractive as shown in the advertisement by the sellers.
- Hence, it is the prime duty of consumer not to get misled by such fraudulent advertisements.

Buying from Reputed Shops:

- It is advisable for the consumer to make purchase from the reputed shops or government shops like super bazaar, cooperative stores, and the like.

2. What are the responsibilities of consumers? (Any 5)**Responsibilities of Consumers:**

- 1) The consumer must pay the price of the goods according to the terms and conditions of the sales contract.
- 2) The consumer has got a responsibility to apply to the seller for the delivery of the goods. He/she has to take delivery of the goods in time.
- 3) The consumer has to assiduously follow and keenly observe the instructions and precautions while using the products.
- 4) The consumer must get cash receipt as a proof of goods purchased from the seller.
- 5) The consumer should never compromise on the quality of goods.

CHAPTER – 18

GRIEVANCE REDRESSAL MECHANISM

1. Explain the overall performance of the National Commission?

Overall performance of the National Commission

- National Commission is a quasi-judicial commission in India which was set up in 1988 under the Consumer Protection Act of 1986.
- Its head office is in New Delhi. The Commission is headed by a serving or retired judge of the Supreme Court of India.

Members:

1. The National Commission should have five members.
2. One should be from judiciary.
3. Four other members of ability, knowledge and experience from any other fields.
4. It should include a woman.

Jurisdiction:

- Section 21 of The Consumer Protection Act, 1986 describes, the National Commission shall have jurisdiction
 1. To entertain a complaint valued more than 1 Crore.
 2. Revised the orders of State Commissions.
 3. To call for the records and pass appropriate orders from the State Commission and District Forum.

2. Explain the overall performance of State Commission.

Overall performance of State Commission

- A consumer has to be protected against defects, deficiencies and unfair and restrictive trade practices.
- The State Consumer Protection Council is also called State Commission.
- The State Commission is to be appointed by the State Government function as state level.

Members:

Each State Commission shall consist of the following members.

- A person who is or has been a Judge of a High Court appointed by the State Government as its President.
- Two other members who shall be persons of ability, integrity and standing and have adequate knowledge or experience of or have shown capacity in dealing with problems relating to economics, law, commerce, industry, public affairs or administration of them, one shall be a woman.

Jurisdiction:

- The State Commission can entertain complaints within the territory of entire state and where the value of the goods or services and the compensation, if any claimed exceed Rs. 20 lakhs and below Rupees One Crore.
- The State Commission also has the jurisdiction to entertain appeals against the orders of any District Forum within the State.

Powers:

The following are the powers of the State Commission.

- The State Commission also has the power to call for the records and pass appropriate orders in any consumer dispute which is pending before or has been decided by any District Forum within the State.

- To produce before and allow to be examined by an officer of any of these agencies, such booksof accounts, documents or commodities as may be required and to keep such books, documents, etc., under his custody for the purposes of the Act.

CHAPTER – 19

ENVIRONMENTAL FACTORS

1. Discuss the role of macro environment of business. (Any 5) Role of Macro Environment of Business:

- The success of a business is dependent on its ability to adapt to the macro environment, sincethese are uncontrollable factors.

i) Economic environment:

- The business is an integral part of the economic system prevalent in a nation.
- It includes the nature of economy based on the stage of development.
- The nature of economic system can be classified as Capitalistic, Socialistic and Mixed economy.

ii) Socio-Cultural environment:

- Business is a part of the society. Social environment refers to the sum total of factors of the society in which the business is located.
- Social and cultural environment of society affects the business.

iii) Political and Legal environment:

- The framework for running a business is given by the political and legal environment.
- The success of a business lies in its ability to adapt and sustain to political and legal changes.

iv) Technological environment:

- The development in the IT and telecommunications has created a global market.
- Technology is widely used in conducting market research for understanding the special needs of the customer.

v) Global environment:

- With the rapid growth of technology the physical boundaries are fast disappearing and the new global market is emerging.
- The international environmental factors which affects a business

2. Explain the micro environmental factors of business. (Any 5)

Micro environmental factors of business

- This refers to those factors which are in the immediate environment of a business affecting its performance.
- These include the following:

i) Suppliers:

- In any organisation the suppliers of raw materials and other inputs play a very vital role.
- Organisations have realised the importance of nurturing and maintaining good relationship withthe suppliers.

ii) Customers:

- The aim of any business is to satisfy the needs of its customers. The customer is the king business.
- Customer relationship management aims at creating and sustaining cordial relations with customers.

iii) Competitors:

- All organisations face competition at all levels local, national and global.
- Competitors may be for the same product or for similar products.
- It is important for a business to understand its competitors and modify their business strategies in the face of competition.

iv) Marketing Channel members:

- The marketing inter-mediarities serve as a connecting link between the business and its customers.
- Market research agencies help the firm to understand the needs of the customers

v) Public:

- This refers to any group like media group, citizen action group and local public which has an impact on the business.
- The public group has the ability to make or mar a business. Many companies had to face closure due to actions by local public.

CHAPTER – 20**LIBERALIZATION, PRIVATISATION AND GLOBALIZATION****1. Explain the advantages and disadvantages of liberalisation (Any 5)**

- Liberalization means relaxation of various government restrictions in the areas of social and economic policies in order to make economies free to enter in the market and establish their venture in the country

Advantages:**(a) Increase in foreign investment:**

- If a country liberalises its trade, it will make the country more attractive for inward investment.

(b) Increase the foreign exchange reserve:

- Relaxation in the regulations covering foreign investment and foreign exchange has paved way for easy access to foreign capital.

(c) Increase in consumption:

- Liberalization increases the number of goods available for consumption within a country due to increase in production.

(d) Control over price:

- The removal of tariff barriers can lead to lower prices for consumers. This would be particularly a benefit for countries who are importers.

Disadvantages:**(a) Increase in unemployment:**

- Trade liberalisation often leads to a shift in the balance of an economy. Some industries grow, some decline.
- Therefore, there may often be structural unemployment from certain industries closing.

(b) Loss to domestic units:

- With fewer entry restrictions, it has been possible for many entrants to make inroads into the country, which poses a threat and competition to the existing domestic units.

(c) Increased dependence on foreign nations:

- Trade liberalisation means firms will face greater competition from abroad.

(d) Unbalanced development:

- Trade liberalisation may be damaging for developing economies.
- The trade liberalisation often benefits developed countries rather than developing economies.

2. What are the Highlights of the LPG Policy? (Any 5)

- Given below are the salient highlights of the Liberalisation, Privatisation and Globalisation Policy in India:
 - (a) Introduction of new Foreign Trade Agreements
 - (b) Foreign Investment (FDI & FII)
 - (c) MRTP Act, 1969 (Amended)
 - (d) Deregulation
 - (e) Opportunities for overseas trade
 - (f) Steps to regulate inflation
 - (g) Tax reforms
 - (h) Abolition of License
 - ✓ Globalization and liberalization are concepts closely related to one another, and both globalization and liberalization refer to relaxing social and economic policies which results in better integration with an economy and between nations.
 - ✓ Globalization and liberalization both occur as a result of modernization.
 - ✓ Globalization is the greater integration among countries and economies for trade, economic, social and political benefits.
 - ✓ Liberalization generally refers to removal of restrictions; usually government rules and regulations imposed on social, economic, or political matters.

CHAPTER – 21 - THE SALE OF GOODS ACT 1930

1. Explain in detail the elements of Contract of sale.

Elements of Contract of Sale

(1) Two Parties

- ❖ A contract of sale involves two parties—the seller and the buyer.
- ❖ The buyer and the seller should be two different persons.
- ❖ If a person buys his own goods, there is no sale.
- ❖ When the goods of a person are sold in execution of a decree, he himself may buy the goods to retain their ownership.

(2) Transfer of Property

- ❖ To constitute sale, the seller must transfer or agree to transfer the ownership in the good to the buyer.
- ❖ A simple transfer of possession does not amount to sale.

(3) Goods

- ❖ The subject matter of contract of sale must be goods. It excludes money, actionable claims and immovable property.
- ❖ The term ‘goods’ includes every kind of movable property, stocks and shares, growing crops etc.
- ❖ Goodwill, trademarks, copy rights, patent rights etc., are all also regarded as goods.

(4) Price

- ❖ The monetary consideration for the goods sold is called price.
- ❖ If goods are exchanged for goods, it is only barter and not a sale.
- ❖ But if goods are sold partly for goods and partly for money, the contract is one of sale.

(5) Includes both ‘Sale’ and ‘Agreement to Sell’

- ❖ The term contract of sale includes both sale and agreement to sell.
- ❖ If the property in goods is transferred immediately to the buyer it is called a sale.
- ❖ If the transfer of property takes place at a future date or on fulfillment of certain conditions, it is called ‘an agreement to sell’.

2. Distinguish between Conditions and Warranty.**Differences between Conditions and Warranty.**

BASIC OF DIFFERENCE	CONDITION	WARRANTY
Meaning	It is a stipulation which is essential to the main purpose of the contract of sale.	It is a stipulation which is collateral to the main purpose of contract.
Significance	Condition is so essential to the contract that the breaking of which cancels out the contract.	It is of subsidiary or inferior character. The violation of warranty will not revoke the contract.
Transfer of ownership	Ownership on goods cannot be transferred without fulfilling the conditions.	Ownership on goods can be transferred on the buyer without fulfilling the warranty.
Remedy	In case of breach of contract, the affected party can cancel the contract and claim damages.	In the case of breach of warranty, the affected party cannot cancel the contract but can claim damages only.
Treatment	Breach of condition may be treated as breach of warranty	Breach of warranty cannot be treated as breach of condition

CHAPTER – 22**THE NEGOTIABLE INSTRUMENTS ACT 1881****1. Distinguish a cheque and a bill of exchange. (Any 5)****Differences between a cheque and a bill of exchange.**

BASIC OF DIFFERENCE	BILL OF EXCHANGE	CHEQUE
Payability	It is payable on demand or on the expiry of a certain period.	It is payable on demand only.
Sets	Foreign bills of exchange are drawn in sets of three.	It is not so in case of cheque.
Discounting	A bill can be discounted with a bank.	A cheque cannot be discounted
Stamping	Bills are to be sufficiently stamped	Cheques need not be stamped
Currency	A bill can be drawn and payable in any currency.	A cheque is payable only in home currency.

2. Discuss in detail the features of a cheque (Any 5)**Features of a Cheque****(i) Instrument in Writings:**

- ✓ A cheque or a bill or a promissory note must be an instrument in writing.
- ✓ Though the law does not prohibit a cheque being written in pencil, bankers never accept it because of risks involved.

(ii) Unconditional Orders:

- ✓ The instrument must contain an order to pay money.
- ✓ It is not necessary that the word 'order' or its equivalent must be used to make the document a cheque.

(iii) Drawn on a Specified Banker Only:

- ✓ The cheque is always drawn on a specified banker.
- ✓ The customer of a banker can draw the cheque only on the particular branch of the bank where he has an account.

(iv) A Certain Sum of Money Only:

- ✓ The order must be for payment of only money.
- ✓ If the banker is asked to deliver securities, the document cannot be called a cheque.

(v) Payee to be Certain:

- ✓ The cheque must be made payable to a certain person or to the order of a certain person or to the bearer of the instrument.

3. What are the requisites for a valid endorsement? (Any 5)**Requisites for a Valid Endorsement**

- 1) Endorsement is to be made on the face of the instrument or on its back. It is usually made on the back of a negotiable instrument.
- 2) Endorsement for only a part of the amount of the instrument is invalid. It can be made only for the entire amount.
- 3) It is presumed that the endorsements appearing on a negotiable instrument were made in the order in which they appear thereon.
- 4) Signing in block letters does not constitute regular endorsement.
- 5) The prefixes or suffixes added to the names of the payees or endorsees must be omitted in the endorsement.

CHAPTER – 23**ELEMENTS OF ENTREPRENEURSHIP****1. What are the characteristics of an entrepreneur? (Any 5)****Characteristics of an Entrepreneur:****1. Spirit of Enterprise**

- ✓ Entrepreneur should be bold enough to encounter risk arising from the venture undertaken.
- ✓ Entrepreneur should not get discouraged by setbacks or frustrations emerging during the course of entrepreneurial journey.

2. Flexibility

- ✓ Entrepreneur should not single-mindedly stick to decisions in a rigid fashion.
- ✓ Entrepreneur should change the decisions made already in the light of ever-changing business environment.

3. Innovation

- ✓ Entrepreneur should contribute something new or something unique to meet the changing requirements of customers namely new product, new method of production or distribution, etc.,

4. Hard work

- ✓ Entrepreneur should put in tireless efforts and constant endeavours to accomplish the goals of the venture successfully.
- ✓ They have to courageously face uncertainties, risks and constraints.

5. Foresight

- ✓ Entrepreneur should have a foresight to visualise future business environment.

2. Distinguish between an Entrepreneur and an Intrapreneur. (Any 5) Differences between an Entrepreneur and an Intrapreneur

Basis	Entrepreneur	Intrapreneur
Thinking	Entrepreneur is a free thinker	Intrapreneur is forced to think independently but within scope of business activities
Dependency	Entrepreneur is an independent person	Intrapreneur is dependent on the entrepreneur. He is an employee.
Reward	Entrepreneur is rewarded by profit for the risk bearing exercise.	Intrapreneur does not share in profits of venture. But gets perquisites, salary, incentives etc. for the service.

Operation	Entrepreneur operates mostly outside the enterprise.	Intrapreneur operates within the enterprise.
Status	Entrepreneur is owner, and doesn't report to anybody in the venture.	Intrapreneur is a salaried employee.

3. Discuss the challenges faced by Women Entrepreneurs. (Any 5)

Challenges faced by Women Entrepreneurs

1. Problem of Finance:

- The access of women to external sources of funds is limited as they do not generally own properties in their own name.
- Because of the limited funds, women entrepreneurs are not able to effectively and efficiently run and expand their business.

2. Limited Mobility:

- Indian women cannot afford to shed their household responsibilities towards their family even after they plunge into the venture started by them.
- This restricts the mobility of women entrepreneur significantly.

3. Lack of Education

- Illiterate and semi-literate women entrepreneurs encounter a lot of challenges in their entrepreneurial journey with respect to maintaining accounts, understanding money matters, day-to-day operations of the company, etc.,
- This reduces the efficiency of operating the business successfully.

4. Stiff Competition

- Women entrepreneurs have to face serious competition for their goods from organised sector and from their male counterparts.
- Since they are not able to spend freely due to financial restrictions, they are not able to compete effectively and efficiently in the market.

5. Lack of Information

- Women entrepreneurs are reported not to be generally aware of subsidies and incentives available for them due to their poor literacy levels or due to their pre occupation with household responsibilities.

CHAPTER – 24

TYPES OF ENTREPRENEURS

1. Explain in detail on classification according to the type of business. (Any 5)

Classification according to the type of business

1. Business Entrepreneur

- ✓ Business entrepreneur is called solo entrepreneur.
- ✓ He/she is the one who conceives an idea for a new product/service and establishes a business enterprise to translate his idea into reality.
- ✓ He/she may establish small or large enterprise to commercially exploit his/he idea.

2. Trading Entrepreneur

- ✓ Trading entrepreneurs are those who restrict themselves to buying and selling finished goods.
- ✓ They may be engaged in domestic and international trade.
- ✓ Their core strength lies in distribution and marketing.
- ✓ They get their income by way of commission and marketing.

3. Industrial Entrepreneur

- ✓ These are entrepreneurs who manufacture products to satisfy to the needs of consuming public after identifying the need left unfulfilled by the manufacturer yet.
- ✓ Industrial entrepreneurs mobilise the resources of various types and create an entity to manufacture the products or service.

4. Corporate Entrepreneur

- ✓ Corporate entrepreneur is called promoter.
- ✓ He/she takes initiative necessary to start an entity under corporate format.
- ✓ He/she arranges to fulfil the formalities to start a corporate entity under Company law.
- ✓ In corporate form of organisation, ownership and management are separated.

5. Agricultural Entrepreneur

- ✓ Agricultural entrepreneurs are those entrepreneurs who raise farm products and market them.
- ✓ Those who raise allied products like poultry, meat, fish, honey, skin, agricultural implements, flower, silk, fruits, prawn etc., are called agricultural entrepreneur.
- ✓ In short these entrepreneurs pursue their venture in agriculture and allied sector.

2. Discuss the nature of functional entrepreneurs.**Nature of Functional Entrepreneurs****1. Innovating Entrepreneur:**

- ✓ Innovative entrepreneur is one who is always focussed on introducing a new project or already started.
- ✓ They constantly observe the environment around them; collect information and analyse them in order to contribute something a new in the venture.

2. Imitative Entrepreneur

- ✓ Imitative entrepreneur is one who simply imitates existing skill, knowledge or technology already in place in advanced countries.
- ✓ For example, expensive medicines developed in advanced countries are simply reengineered by changing the composition of elements or changing the process of production.

3. Fabian Entrepreneur

- ✓ These entrepreneurs are said to be traditionalists. They do not simply change to the changes happening in the environment.
- ✓ But they adapt themselves to the changes only as a last resort when they fear that non adaptability to changes will unavoidably lead to loss or collapse of the enterprise. Example; Nursus coffee

4. Drone Entrepreneur

- ✓ Drone entrepreneurs are those who are totally opposed to changes unfolding in the environment.
- ✓ They used to operate in the niche market.
- ✓ They are similar to fabian entrepreneur in single-mindedly pursuing their conventional practices.

CHAPTER – 25

GOVERNMENT SCHEMES FOR ENTREPRENEURIAL DEVELOPMENT

1. Explain any five Government Entrepreneurial schemes.

Five Government Entrepreneurial Schemes 1.

Digital India:

- The Digital India initiative has been launched to modernize the Indian economy to make all government services available electronically.
- The initiative aims at transforming India into a digitally-empowered society and knowledge economy with universal access to goods and services.

2. Startup India:

- Through the Startup India initiative, Government of India promotes entrepreneurship by mentoring, nurturing and facilitating startups throughout their life cycle.
- Since its launch in January 2016, the initiative has successfully given a head start to numerous aspiring entrepreneurs.
- A 'Fund of Funds' has been created to help startups gain access to funding.

3. Dairy Entrepreneurship development scheme.

- Dairy Entrepreneurship Development Scheme aims at helping entrepreneurs in the field of Agriculture, pets and animals, to set up small dairy farms
- Incentives are provided to cover the cost of the required equipment or establishment of the facility.

4. Jan Dhan-Aadhaar - Mobile (JAM):

- JAM, for the first time, is a technological intervention that enables direct transfer of subsidies to intended beneficiaries.
- Therefore, eliminates all intermediaries and leakages in the system, which has a potential impact on the lives of millions of Indian citizens.

5. Single Point Registration Scheme (SPRS)

- A great scheme for Micro and Small Enterprises, which provides an exemption from payment of Earnest Money Deposit (EMD).
- Under this scheme, the tenders are issued free of cost.

2. Describe the steps promoting Entrepreneurial venture.

Steps promoting Entrepreneurial Venture 1.

Selection of the product:

- An entrepreneur may select a product according to his aspiration, capacity and motivation after a thorough scrutiny of micro and macro environment of business.
- He/she may select a brand, new product or may like to select imitation one or he/she may improve upon an existing product in terms of additional features like comforts, convenience, ease of operation, lower price etc.

2. Selection of form of ownership:

- Entrepreneur has to choose the form of organisation suitable and appropriate for his venture namely family ownership, partnership and private limited company.
- Family ownership and partnership forms of organisation are suited for exercising unified control over the venture.

3. Selection of Site:

- Entrepreneur has to choose suitable plot for accommodating his venture.
- He has four options mentioned below.
 - ✓ State Development Corporation like SIDCO, SIPCOT, MMDA, TNHB and Directorate of Industries may allot plot to entrepreneur
 - ✓ Entrepreneur can have a factory sheds constructed by State Industrial Development Agency
 - ✓ Entrepreneur can start ventures in the land developed by private developers
 - ✓ Entrepreneur may buy private land and develop it for industrial use.

4. Designing Capital Structure:

- Entrepreneur has to determine the source of financé for funding the venture.
- He/she may mobilise funds from his own savings, loans from friends and relatives, term loans from banks and financial institutions.

5. Acquisition of Manufacturing know-how

- Entrepreneur can acquire manufacturing know-how from Government research laboratories, research and development divisions of industries, and individual consultants.
- Besides, manufacturing know-how can be obtained by foreign technical collaboration.

6. Project report.

- Project reports needs to be prepared according to the format prescribed in the loan application form of term lending institutions.
- An entrepreneur can get the report prepared either by technical consultancy organisation or by auditors or by consultants or by development agencies.
- This report should cover aspects like
 - 1) sources of finance,
 - 2) technical know-how,
 - 3) sources of labour and raw materials,
 - 4) Market potential and profitability.

The project report should include the following Technical Feasibility, Economic Viability, Financial Viability, Managerial Competency, Provisional Registration Certificate, Permanent Registration Certificate, Statutory Licence, Power Connection, Arrangement of Finance.

CHAPTER – 26 COMPANY ACT 2013

1. Write the difference between Debentures and Shares: (Any 5)**Difference between Debentures and Shares**

BASIS FOR COMPARISON	SHARES	DEBENTURES
Meaning	The shares are the owned funds of the company.	The debentures are the borrowed funds of the company.
Holder	The holder of shares is known as shareholder.	The holder of debentures is known as debenture holder.
Status of Holders	Owners	Creditors
Form of Return	Shareholders get the dividend.	Debenture holders get the interest.
Payment of return	Dividend can be paid to shareholders only out of profits.	Interest can be paid to debenture holders even if there is no profit.
Security for payment	No	Yes

2. What are the various kinds of Debentures? (Any 5)

Various kinds of Debentures

1. On the basis of convertibility, Debentures may be classified into following categories: (A)

Non Convertible Debentures (NCD):

- These instruments retain the debt character and cannot be converted into equity shares.

(B) Partly Convertible Debentures (PCD):

- A part of these instruments are converted into Equity shares in the future at notice of the issuer.
- The issuer decides the ratio for conversion. This is normally decided at the time of subscription.

(C) Fully convertible Debentures (FCD):

- These are fully convertible into Equity shares at the issuer's notice. The ratio of conversion is decided by the issuer.
- Upon conversion the investors enjoy the same status as ordinary shareholders of the company.

2. On the basis of Security, debentures are classified into:

(A) Secured Debentures:

- These instruments are secured by a charge on the fixed assets of the issuer company.
- So if the issuer fails on payment of either the principal or interest amount, such fixed assets can be sold to repay the liability to the investors.

(B) Unsecured Debentures:

- These instrument are unsecured in the sense that if the issuer defaults on payment of the interest or principal amount, the investor has to be included as unsecured creditors of the company.

3. On the basis of Redeemability, debentures are classified into:

(A) Redeemable Debentures:

- It refers to the debentures which are issued with a condition that the debentures will be redeemed at a fixed date or upon demand, or after notice, or under a system of periodical drawings.

(B) Perpetual or Irredeemable Debentures:

- A Debenture, in which no specific time is specified by the companies to pay back the money, is called an irredeemable debenture.
- The debenture holder cannot demand repayment as long as the company is a going concern. Issuing company has to pay interest periodically.
- After the commencement of the Companies Act, 2013, now a company cannot issue perpetual or irredeemable debentures.

4. On the basis of Registration, debentures may be classified as (A)

A Registered Debentures:

- Registered debentures are issued in the name of a particular person, whose name appears on the debenture certificate and who is registered by the company as holder on the Register of debenture holders.

(B) Bearer debentures:

- Bearer debentures on the other hand, are issued to bearer, and are negotiable instruments, and so transferable by mere delivery like share warrants.

CHAPTER – 27

COMPANY MANAGEMENT

1. Who are the KMP?

KMP

- ✓ Companies Act, 2013 (Act) has introduced many new concepts and Key Managerial Personnel (KMP) is one of them.
- ✓ KMP covers the traditional roles of managing director and whole time director and also includes some functional heads like Chief Financial Officer and Chief Executive Officer and Company Secretary.

WHO ARE THE KEY MANAGERIAL PERSONNEL?

- ✓ The definition of the term Key Managerial Personnel is contained in Section 2(51) of the Companies Act, 2013. This Section states:
 1. the Chief Executive Officer
 2. the Managing Director or the Manager;
 3. the Company Secretary;
 4. the Whole-time Director;
 5. the Chief Financial Officer; and
 6. such other officer as may be prescribed;

2. Brief different types of Directors. (Any 5)

Types of Directors

1. Residential Director: –

- ✓ Every company should appoint a director who has stayed in India for a total Period of not less than 182 days in the previous calendar year.

2. Independent Director:

- ✓ An independent director is an alternate director other than a Managing Director who is known as Whole Time Director Or Nominee Director.
- ✓ The following type of companies has to appoint minimum Two independent directors:-
 - a) Public Companies which have Paid-up Share Capital- Rs.10 Crores or More; –
 - b) Public Companies which have Turnover- Rs.100 Crores or More:-
 - c) Public Companies which have total outstanding loans, debenture, and deposits of Rs.50 Crores or More.

3. Small Shareholders Directors:

- ✓ Small shareholders can appoint a single director in a listed company. But this action needs a proper procedure like handing over a notice to at least 1,000 Shareholders or 1/10th of the total shareholders.

4. Nominee Director:

- ✓ "A director nominated by any financial Institution in pursuance of the provisions of any law for the time being in force, or of any agreement, or appointed by any Government , or any other person to represent its interests".

5. Women Director:

- ✓ There are certain categories according to which there should be at least one woman as a director on the Board.
- ✓ The following class of companies shall appoint at least one woman director
 - (i) every listed company;
 - (ii) every other public company having:
 - (a) paid-up share capital of one hundred crores rupees or more; or
 - (b) turnover of three hundred crores rupees or more.

3. State the qualification of Directors.**Qualification of Directors**

- ✓ As regards to the qualification of directors, there is no direct provision in the Companies Act, 2013.
- ✓ In general, a director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.
- ✓ According to the different provisions relating to the directors; the following qualifications may be mentioned:
 1. A director must be a person of sound mind.
 2. A director must hold share qualification, if the article of association provides such.
 3. A director must be an individual.
 4. A director should be a solvent person.
 5. A director should not be convicted by the Court for any offence, etc.

CHAPTER – 28
COMPANY SECRETARY

1. Briefly state different types of company meetings.**Different types of Company Meetings****I. Shareholders Meetings:**

- The meeting held with the shareholders of the company is called shareholders meeting.

a) Statutory Meeting

- According to Companies Act, every public company, should hold a meeting of the shareholders within 6 months but not earlier than one month from the date of commencement of business of the company.
- This is the first general meeting of the public company is called the Statutory Meeting.
- This meeting is conducted only once in the lifetime of the company.
- The company gives the circular to shareholders before 21 days of the meeting.

b) Annual General Meeting [AGM]

- Every year a meeting is held to transact the ordinary business of the company. Such meeting is called Annual General Meeting of the company (AGM).
- Company is bound to invite the first general meeting within eighteen months from the date of its registration. Then the general meeting will be held once in every year.
- Every Annual General meeting shall be held during business hours, on a day which is not a public holiday, at the Registered Office of the company

c) Extra-Ordinary General Meeting

- All other general meetings other than statutory and annual general meetings are called extraordinary general meetings.
- If any meeting conducted in between two annual general meeting to deal with some urgent or special or extraordinary nature of business is called as extra-ordinary general meetings.

II. Meeting of the Board of Directors**a) Board Meetings**

- Meetings of directors are called Board Meetings. Meetings of the directors provide a platform to discuss the business and take formal decisions.
- First meeting of directors should be organized within 30 (Thirty) days from the date of incorporation of the company.

b) Committee Meetings

- Every listed company and every other public company having paid up share capital of ₹10 crore is required to have audit committee. This committee should meet at least four times in a year.
- In case of other companies, the board of directors shall nominate a director to play the role of audit committee which is functioning as a vigil mechanism.

II. Special Meeting**a) Class Meeting (Meetings of Particular Share or Debenture Holders)**

- Meetings, which are held by a particular class of share or debenture holders e.g. preference shareholders or debenture holders is known as class meeting.

b) Meetings of the Creditors

- Strictly speaking, these are not meetings of a company. Unlike the meetings of a company, there arise situation in which a company may wish to arrive at a compromise with the creditors to avoid any crisis or to introduce any new proposals

2. Explain different types of open and secret types of voting.**Types of open and secret types of voting**

- The word 'Vote' originated in Latin word 'Votum' indicating one's wishes or desire.
- By casting his vote one formally declaring his opinion or wish in favour of or against a proposal or a candidate to be elected for an office

I. Open Procedure

- This type of voting has no secrecy as all the members assembled can see voting.
- There are two popular methods of open voting namely voice voting and voting by show of hands.

(a) By Voice:

- Voice voting is a popular type of voting in which the chairman allows the members to raise their voice in favour or against an issue 'Yes' for approval and 'No' for rejection.
- Chairman announces the result of voice voting on the basis of strength of words shouted.
- It is an unscientific method.
- It cannot be employed for deciding complex issue.

(b) By Show of Hands:

- Under this method the chairman, requests the members to raise their hands of those who are in favour of the proposal or candidate and then requests those are against.
- Then the chairman counts the number of hands raised for Yes and No respectively and can announce the result on the basis of hands counted.

I. Secret Procedure

- Secret procedure is adopted to decide certain vital issues.
- It is a popular voting method that could maintain the secrecy of the voter.

a) By Ballot :

- Under this system, ballot paper bearing serial number is given to the members to record their opinion by marking with the symbol or Shareholders have to cast their vote in a secret chamber and put the ballot paper into the ballot box.
- The chairman opens the ballot box in the presence of tellers or scrutinizers and counts the votes. He rejects the defective or wrongly marked ballot papers.
- The votes are counted and the results are announced.

b) Postal Ballot :

- Big companies or big associations having members scattered all over the country follow this method of voting.
- Under this method serially numbered ballot papers are sent by post in sealed covers to the members, who, living at a distant place, are unable to attend the meeting physically.
- The members or voters fill in the ballot papers and return them in sealed covers which are opened when the ballot box is opened for counting the votes.

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ANSWERS

Chapter 1	1) - A	2) - C	3) - B	4) - C	5) - B	Chapter 15	1) - B	2) - C	3) - B	4) - A	5) - B
Chapter 2	1) - C	2) - A	3) - A	4) - D	5) - A	Chapter 16	1) - A	2) - C	3) - C	4) - C	5) - C
Chapter 3	1) - A	2) - D	3) - B	4) - C	5) - B	Chapter 17	1) - C	2) - A	3) - C	4) - C	5) - A
Chapter 4	1) - A	2) - C	3) - C	4) - A	5) - D	Chapter 18	1) - A	2) - A	3) - A	4) - B	5) - A
Chapter 5	1) - A	2) - B	3) - A	4) - D	5) - A	Chapter 19	1) - A	2) - B	3) - A	4) - A	5) - B
Chapter 6	1) - A	2) - A	3) - B	4) - C	5) - B	Chapter 20	1) - C	2) - B	3) - A	4) - C	5) - B
Chapter 7	1) - D	2) - B	3) - B	4) - B	5) - A	Chapter 21	1) - C	2) - D	3) - B	4) - B	5) - C
Chapter 8	1) - A	2) - B	3) - A	4) - D	5) - C	Chapter 22	1) - B	2) - C	3) - C	4) - B	5) - A
Chapter 9	1) - B	2) - A	3) - B	4) - B	5) - B	Chapter 23	1) - D	2) - C	3) - D	4) - B	5) - A
Chapter 10	1) - A	2) - A	3) - B	4) - A	5) - B	Chapter 24	1) - D	2) - D	3) - B	4) - B	5) - D
Chapter 11	1) - D	2) - B	3) - B	4) - A	5) - A	Chapter 25	1) - C	2) - B	3) - A	4) - C	5) - D
Chapter 12	1) - C	2) - A	3) - D	4) - A	5) - B	Chapter 26	1) - C	2) - D	3) - B	4) - A	5) - C
Chapter 13	1) - B	2) - D	3) - B	4) - A	5) - C	Chapter 27	1) - C	2) - D	3) - C	4) - D	5) - C
Chapter 14	1) - C	2) - A	3) - C	4) - C	5) - A	Chapter 28	1) - D	2) - A	3) - A	4) - C	5) - C