

+1 Com Model Qly

Date : 12-Sep-22

11th Standard

Commerce

Reg.No. :

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Total Marks : 90

20 x 1 = 20

Exam Time : 03:00:00 Hrs

Part A Multiple Choice Question

- 1) Trade and Commerce was common to _____ Dynasty.
(a) Pallava (b) Chola (c) Pandiya (d) Chera
- 2) "Economic activities performed for earning profit"~ definition given by
(a) Haney (b) Carter (c) Stephenson (d) Taylor
- 3) MSME Development Act was established in the year_____
(a) 2002 (b) 2005 (c) 2006 (d) 2009
- 4) In which form the owner, establisher and manager is only one?
(a) Joint Enterprise (b) Government Company (c) Co-operative Society (d) Sole Proprietor
- 5) 'Only the male members in the family get the right of inheritance by birth' as _____
(a) Hindu law (b) Mitakshara Law (c) Dayabhaga law (d) None of these
- 6) A partner who neither contributes capital nor takes any part in the management of the firm is called _____ partner.
(a) Active (b) Sleeping (c) Nominal (d) Secret
- 7) Companies established as a result of a charter granted by the King or Queen of a country is called _____
(a) Chartered companies (b) Statutory companies (c) Registered companies
(d) Foreign companies
- 8) All Cooperatives are established with _____
(a) Philanthropic motive (b) Service Motive (c) Profit motive (d) Reform motive
- 9) At first, the co-operatives movement was started by Robert Owen in the year _____
(a) 1844 (b) 1854 (c) 1864 (d) 1874
- 10) In which of the following forms of organisation Government provides tax concession?
(a) Multinationals (b) Partnership (c) Co-operative Society (d) Joint Stock Company
- 11) The oldest form of organisation in public sector _____
(a) Public Sector Undertakings (b) Departmental Undertakings (c) Multi-National Corporations
(d) Statutory Corporation
- 12) The Reserve Bank of India commenced its operations from April 1,
(a) 1936 (b) 1935 (c) 1934 (d) 1933
- 13) Which of the following is not a type of advance provided by the commercial bank?
(a) Collection and Supplying Business information (b) Overdraft (c) Cash Credit
(d) Discounting of Bills
- 14) _____ warehouses are used for storing perishable goods like fruits, vegetables etc.
(a) Bonded (b) Private (c) Cold storage (d) Co-operative
- 15) Which is the fastest means of transport?
(a) Rail (b) Road (c) Sea (d) Air
- 16) Which one of the following is a type of marine insurance?
(a) Money back (b) Mediclaim (c) Hull insurance (d) Cargo insurance
- 17) Buying and Selling of goods through electronic network is known as _____
(a) E-commerce (b) Internet (c) Website (d) Trade
- 18) The main Benefit of Logistics is _____
(a) Productivity (b) Cost minimization (c) Profitability (d) Storage
- 19) Social responsibility towards employees represents the following except _____
(a) reasonable remuneration (b) proper facilities (c) Social security (d) Exploitation
- 20) Issuance of DRs is based on the increase of demand in the _____
(a) International Market (b) Local Market (c) Existing Shareholders (d) All of the above

Part B Answer Any 7 Questions and Question number 30 is Compulsory

7 x 2 = 14

- 21) What is meant by Nallangadi?
- 22) What are the Corporate enterprises?
- 23) Who is called KARTA?
- 24) Who are Rochadale Pioneers?
- 25) Define Multinational Company.
- 26) Write a short notes on Debit card.
- 27) State any two services rendered by transports.
- 28) What is health insurance?
- 29) Write any two examples of Post Office Savings Schemes
- 30) Name any two suitable form of transport found in hilly areas, forest areas and in remote places.

Part C Answer Any 7 Questions and Question number 40 is Compulsory

7 x 3 = 21

- 31) What are the ports developed by Pandiya Kingdom?

- 32) What is unlimited liability?
 33) What is meant by Foreign Company?
 34) What is meant by Public Corporations?
 35) Write a short note on – RTGS.
 36) Write a note on IRDAI.
 37) What are the types of Franchising?
 38) Define the concept of Social Responsibility?
 39) Explain the importance of International Finance.
 40) Govind started a business on his own. His father helped him with the accounts and his brother looked after customers in the evening. He pays monthly salary to his father and brother. Identify the form of business and mention any two disadvantages of it.

Part D Answer All

7 x 5 = 35

- 41) a) What are the hindrances of commerce?
 (OR)
 b) Classify the various functions of Reserve Bank of India.
 42) a) Explain the characteristics of Sole trading business.
 (OR)
 b) Explain the advantages of warehousing functions.
 43) a) Explain the types of Dissolution of Partnership firm.
 (OR)
 b) Explain different types of transports.
 44) a) What are the contents of Memorandum of Association?
 (OR)
 b) Explain the Principles of insurance.
 45) a) What are the advantages of MNC's?
 (OR)
 b) Elucidate the features of factoring
 46) a) What are the features of Public corporation?
 (OR)
 b) Distinguish between GDR and ADR?
 47) a) Explain the various types of banks based on the Functions.
 (OR)
 b) Explain any four personal Investment Avenues ?

"Believe you can and you're halfway there."

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Part A Multiple Choice Question

- 1) (c) Pandiya
- 2) (c) Stephenson
- 3) (c) 2006
- 4) (d) Sole Proprietor
- 5) (b) Mitakshara Law
- 6) (c) Nominal
- 7) (a) Chartered companies
- 8) (b) Service Motive
- 9) (a) 1844
- 10) (c) Co-operative Society
- 11) (b) Departmental Undertakings
- 12) (b) 1935
- 13) (a) Collection and Supplying Business information
- 14) (c) Cold storage
- 15) (d) Air
- 16) (d) Corgo insurance
- 17) (a) E-commerce
- 18) (b) Cost minimization
- 19) (d) Exploitation
- 20) (a) International Market

Part B Answer Any 7 Questions and Question number 30 is Compulsory

7 x 2 = 14

- 21) (i) In Pandiyas period, the place where the goods were sold was called "Angadi".
(ii) The day market was called as "Nallangadi".
- 22) In the corporate form, the legal entity of enterprise is distinct form that of its owners. i.e., the ownership is separated form its management and the owners cannot take direct control over the business.
- 23) All the affairs of a Joint Hindu Family are controlled and managed by one person who is known as 'Karta' or 'Manager'. The Karta is the senior most male member of the family.
- 24) Robert Owen Started the First Co-operative movement in the year 1844 with 28 members called as Rochdale Society of equitable pioneers.
- 25) According to, Neil H. Jacoby, "A multinational corporation owns and manages business in 'two or more countries'".
- 26) (i) There is no need to carry cash.
(ii) It can be used for withdrawal of Cash from ATM.
(iii) This card is more useful in Purchase of goods and services anywhere in India.
- 27) (i) It increases the efficiency of production.
(ii) It stimulates wants by increasing quantity and the variety of consumer goods. (iii) It develops and expands the market.
(iv) It helps in price stability by distributing goods all over the country.
(v) It aids Economic growth
(vi) It helps in specialisation and mass production.
(vii) It encourages innovations in product production and designing.
- 28) **1) Pack Animals:**
(i) Animals like horse, mule, donkey camel, elephant etc., are used for carrying small loads in backward areas, hilly tracks, forest regions and deserts known as pack animals.
(ii) Generally, the pack animals serve areas which are inaccessible to modern means of transport.
2) Pathways Transport:
(i) It is the oldest form of transport found in hilly areas, forest areas and in remote places.
(ii) These are used by human beings for transport.
- 29) (i) Health insurance policy is a contract between an insurer and an individual or group, in which the insurer agrees to provide specified health insurance at an agreed upon price (premium).
(ii) Health insurance is taken as safeguard against rising medical costs.
(iii) It provides risk coverage against unforeseen health expenditure that may result in financial hardship.
- 30) Post Office Investments include a number of saving schemes that provide a high rate of interest as well as tax benefits and most importantly, carry the sovereign guarantee of Indian Government. Various Post office savings schemes along with the interest rates, key features and benefits, tenure of deposit, etc.
1. National Savings Time Deposit Account
2. Public Provident Fund Account

Part C Answer Any 7 Questions and Question number 40 is Compulsory

7 x 3 = 21

- 31) (i) Trade and Commerce was common to Pandiya Dynasty. Informations collected from the diaries of foreign travellers, voyagers, mariners and adventures of the ancient world highlighted the prosperity of trade in Pandiya country.
(ii) Trade in copper, cloth, salt, flower, sandal wood, fish, paddy, cereals, pearls, etc. flourished during their period.
(iii) Besides pandiyas expanded infrastructure for shipping such as ports, light house, warehouse, etc. to promote overseas trade.
(iv) Similarly pandiyas developed various ports like Korkai, Saliyur, Kayal, Marunguar Pattinam and Kumari are important ports among them for foreign trade.
- 32)

- (i) The liability of the proprietor for the debts of the business is unlimited.
(ii) The creditors have the right to recover their dues even from the personal property of the proprietor in case the business assets are not sufficient to pay their debts.
(iii) This is known as unlimited liability.
- 33) Govind started a sole trading business
Disadvantages:-
(1) Limited Capital:
Since the capital is contributed by one individual only, business operations have necessarily to be on a limited scale.
(2) Limited Managerial Skills:
1. Single person's intelligence and experience may not help him beyond a certain stage.
2. Since he has to focus on each and every activity his managerial ability is bound to be limited.
- 34) (i) A foreign company means a company which is incorporated in a country outside India under the law of that country.
(ii) After the establishment of business in India, the following documents must be filed with the Registrar of Companies within 30 days from the date of establishment.
- 35) 1. Public Corporation is a body corporate created by an Act of Parliament or Legislature. Its name is notified in the official gazette of the Central or State Government. It is an artificial person with the flexibility of the private sector and the powers of the government.
2. They are set up with the objective of carrying out a specific type of commercial activity. The powers and functions of public corporations are well defined and they are financially independent. These organizations are formed for administering nationalized industries or undertakings. Many service organizations of the government are set up in the form of corporations.
- 36) (i) RTGS (Real Time Gross Settlement) is the faster possible money transfer system through the Banking Channels.
(ii) It is an Electronic System for transfer of funds where transfer of money and/or securities takes place from one bank to another.
(iii) Under this system, the transfer of money and/or securities takes place from one bank to another bank on 'Real time' and on 'Gross Settlement' basis.
(iv) Under this system, there is no physical exchange of money. When money transfer takes place in the books of Reserve Bank of India, the payment is assumed as final and irrevocable.
(v) The minimum amount to be remitted under that scheme is Rs.2 Lakhs. There is no upper limit for remittance under this Scheme.
- 37) (i) Crop Insurance policy is to provide financial support to farmers in case of a crop failure due to drought or flood.
(ii) Insurance Regulatory Development and Authority of India is the statutory, independent and apex body that governs, and supervises the Insurance Industry in India.
(iii) It was constituted in the year 2000 by Parliament of India Act called IRDAI Act, 1999. At Present the Headquarter of IRDAI is in Hyderabad.
Organisational Setup:
IRDAI consists of Ten Members:
1. One Chairman (5 years and the Maximum age of 60 years)
2. Five whole-time Members (Not more than five years and Maximum Age - 62)
3. Four part-time Members (Not more than 5 years)
4. The chairman and other members are appointed by the Government.
Objectives:
1. To promote the interest and rights of policy holders.
2. To promote and ensure the growth of Insurance Industry.
3. To ensure speedy settlement of genuine claims and to prevent frauds and malpractices.
4. To bring transparency and orderly conduct in financial markets dealing with insurance.
- 38) There are primarily two types of Franchising:
(i) Product/Trade name Franchising :
In this type, the Franchisee exclusively deals with a manufacturer's product.
Example: Kidzee, French Loaf outlets, Bharath Petroleum Bunks, Patanjali products, etc. Relationship like Maruthi Suzuki with ABT Maruthi or Hero Honda Bike dealership may be considered as Franchises.
(ii) Business Format Franchising :
(1) When Franchisor awards rights covering all Business aspects as a Complete Business package to the Franchisee, it is called as Business Format Franchising
(2) This Package includes Training, Support and the corporate name. This enables uniformity of Products, Services, Environment, across Geographical boundaries, with a high degree of standardisation.
Example : McDonald's Pizza Hut, KFC, Hot bread, Titan, Colour plus, Zodiak, Lakme Beauty Parlour.
- 39) (i) Social responsibility is the obligation of business to meet the demands of the society.
(ii) It is the responsibility or obligation of the business to serve the best interest of the society and to contribute to the welfare of the society.
(iii) The concept of social responsibility of business is based on the idea that a business functions in the society and uses the physical and human resources of the society for its day to-day functioning.
(iv) It is also based on the idea that anything good done by business for the society is good for the business itself in the long run.
(v) Thus, social responsibility of business to its obligation to take those decisions and perform those actions which are desirable in terms of the objectives and value of our society.
- 40) (i) International Finance helps in calculating exchange rates of various countries of nations and the relative values of each and every nation in terms thereof.
(ii) It helps in comparing the inflation rates and getting an idea about investing in International debt securities.
(iii) It helps in ascertaining the Economic status of the various countries and in judging the Foreign Market.
(iv) Through International Financial Reporting System (IFRS), it facilitates comparison of Financial statements made by various countries.
(v) It helps in understanding the basics of International organisations and maintaining the Balance among them.
(vi) It prevents the countries from working for promoting their self interest.
(vii) International Finance organisations such as IMF, world Bank etc. mediate and resolve Financial Disputes among different nations that arise how and then.

Part D Answer All

41) a)

7 x 5 = 35

The various hindrances removed by business are as follows.

(i) Hindrance of Person:

- (1) Manufacturers do not know the place and face of the consumers.
- (2) It is the retailer who knows the taste, preference and location of the consumers.

(ii) Hindrance of place:

- (1) Production takes place in one centre and consumers are spread throughout the country and world.
- (2) Rail, air, sea and land transports bring the products to the place of consumer.

(iii) Hindrance of time:

- (1) Consumers want products whenever they have money, time and willingness to buy.
- (2) Goods are produced in, anticipation of such demands.

(iv) Hindrance of time :

- (1) Proper packaging and modern air conditioned storage houses ensure that there is no deterioration in quality of products.
- (2) Goods are protected against insects, rats, evaporation etc.

(v) Hindrance of risk of loss:

- (1) Fire, theft, floods and accidents may bring huge loss to the business.
- (2) Insurance companies serve to cover the risk of such losses.

(vi) Hindrance of knowledge:

Advertising and communication help in announcing the arrival of new products and their uses to the people.

(vii) Hindrance of exchange:

Money functions as a medium of exchange and enable the buying and selling of any product or service by payment of the right price.

(OR)

b)

The functions of RBI can be grouped into under three heads.

- (i) Leadership and supervisory functions
- (ii) Traditional functions; and
- (iii) Promotional functions

(i) The Leadership and supervisory functions are as follows:

- (1) India's representative in the world financial institutions.
- (2) Regulator and Supervisor of Indian Banking system.
- (3) Monetary authority
- (4) Closely monitoring Economic parameters
- (5) Promptly responding to new challenges

(ii) Traditional functions are as follows:

- (1) Banker and financial advisor to the government.
- (2) Monopoly of note issue
- (3) Banker's Bank
- (4) Controller of credit and liquidity

(iii) Promotional Functions:

- (1) Nurturing banking habits among the public
- (2) Grievance settlement measure
- (3) Agricultural development
- (4) Promotion of small scale industries.
- (5) Facilitates foreign trade
- (6) Supports Co-operative sector.

42) a)

(i) Ownership by one Man:

- (1) This is owned, by the single person.
- (2) The sole trader contributes the required capital.

(ii) Freedom of work and Quick Decisions: Since the individual is himself as an owner, he need not consult anybody else. Hence he can take quick decisions.

(iii) Unlimited Liability: When his business assets are not sufficient to pay off the business debts he has to pay from his personal property.

(iv) Enjoying Entire Profit: He strives tirelessly for the improvement and expansion of his business and enjoys all the benefits of his hard work.

(v) Absence of Government Regulation: No legal formalities are to be observed in its formation, management or in its closure.

(vi) No Separate Entity: The sole trading concern comes to an end with death, disability, insanity, and insolvency of the individual.

(vii) Maintenance of Secrecy: Since he/she manages all the affairs of the business, the secrecy can be maintained easily

(OR)

b)

Advantages of warehousing functions:

- (i) It safeguards the stock of the merchants who do not have storing place.
- (ii) Warehouses reduce distribution cost of the traders by storing the goods in bulk and allow the trader to take the goods in small lots to his shop.
- (iii) It helps in selection of channel of distribution. The producer will prefer whether to appoint a wholesaler or retailer.
- (iv) It assists in maintaining the continuous sales and avoids the possibilities of "out of stock" position.
- (v) It creates employment opportunities for both skilled and unskilled workers, to improve their standard of living.

43) a)

(i) Dissolution of a partnership firm is taken place in two ways.

- (a) without the order of the court and
- (b) By order of the court.

(a) Without the order of the court

(i) By agreement or mutual consent: A firm may be dissolved when all the partners agree to close the affairs of the firm. Just as a partnership is created by contract, it can also be terminated by contract.

(ii) By insolvency of all the partners but one: If any of the partners adjudged an insolvent (or if all the partners become insolvent) it is necessary to dissolve the firm.

(iii) When the objective becomes illegal: When the business carried on by the partnership becomes illegal, the partnership firm is automatically dissolved.

(iv) By notice of dissolution In the case of partnership at will when any partner gives in writing to all the other partners indicating his intention to dissolve the firm, the firm will be dissolved.

(v) On certain contingencies: Dissolution of the partnership itself may involve the dissolution of the firm unless parties agree to continue it otherwise, it will take place.

(b) Dissolution through court: The court may order the dissolution of a firm at a suit of a partner in any of the following circumstances.

- (a) When a partner becomes insane
- (b) Permanent incapacity of any partner
- (c) Misconduct of any partner
- (d) Breach of the agreement which makes the business impracticable
- (e) Transfer of interest to third person
- (f) Continued loss
- (g) When the court finds that it is just and equitable to dissolve the firm

(OR)

b)

Transport can be divided in to three important types.

- (i) Land Transport
- (ii) water transport
- (iii) Air Transport

(i) Land Transport :

- (1) Transport of people and goods by land vehicles is known as Land transport. It is also called as 'surface' transport.
- (2) India has one of the largest net work of Land transport in the world. The following are the various means of Transport comes under this category.

Pack Animals
Bullock Carts
Motor Lorries and Buse
Tramways
Railways

(ii) Water Transport:

- (1) Water is the gift of nature" Human civilization through gradual application of science and technology, have utilized water resources for economic, political and military activities.

(2) Water transport is the process of moving people, goods etc. by barge, boat, ship or sailboat over a sea, ocean, lake, canal, river, etc. Water Transports are two types.

They are:

Inland Waterways
Ocean Waterways

(iii) Air Transport :

- (1) Air transport is the fastest and the costliest mode of transport, Commercial air transport is one of the most prominent modes of overseas transport.

(2) The modem air transport has its growth with the invention of Airplane by Wright Brothers.

(3) Air transport is a form of travel in vehicles such as helicopters, hot air balloons, blimps, gliders, hang gliding, parachuting, airplanes jets etc.

44) a)

(i) Name Clause:

The name clause requires to state the legal and recognized name of the Company.

(ii) Situation Clause:

The registered office clause requires to show the physical location of the registered office of the Company.

(iii) Objective Clause:

The objective clause requires to summarize the main objectives for establishing the company with reference to the requirements for shareholding and use of financial resources.

(iv) Liability Clause :

The liability clause requires to state the extent to which shareholders of the company are liable to the debt obligations of the company in the event of the company dissolving.

(v) Capital Clause:

The capital clause requires to state the company's authorized share capital, the different categories of shares and the nominal value (the minimum value per share) of the shares.

(vi) Association Clause:

(1) The association clause confirms that shareholders bound by the MOA are willingly associating and forming a company.

(2) It is required seven members to sign an MOA for a public company and not less than two people for a MOA of a private company.

(OR)

b)

(i) Utmost Good Faith:

(1) A contract of Insurance is a contract of utmost good faith. In such contract, the insured persons knows everything about the subject -matter of the contract.

(2) Therefore he should disclose to the Insurer all material facts known to him.

(3) It is equally obligatory for the insurer to provide all the details regarding the Insurance contract.

(ii) Insurable Interest:

(1) Insurable interest means financial interest in the subject - matter of the Insurance.

(2) The insured must have an insurable interest in the subject - matter of the insurance contract. Insurable interest must be a pecuniary interest.

(3) A person said to have insurable interest in a property, as to have benefit from its existence, and· prejudiced by its destruction. Insurable interest is necessary for valid contract of Insurance.

(iii) Indemnity:

(1) Insurance is a contract of indemnity. Indemnity means security or compensation against any loss or damages.

(2) This means that the insured should be placed after a loss, the same position, as he was immediately before the loss.

(3) This principle ensures that the insured does not make any profit out of the insurance. This principle of indemnity is applicable to property insurance alone.

(iv) Causa Proxima:

(1) 'Causa proxima' or proximate cause means 'nearest cause'. An insured person can recover the loss only if the loss it caused by any of the risk insured.

(2) Such risk should be nearest, and not a distant or remote. The Insurance company is not liable for the remote cause.

(v) Contribution:

(1) The principle of contribution will apply when the same property is insured with two or more insurers.

(2) When the same subject matter may be insured with more than one insurer then it is known as 'Double Insurance'.

(3) In such a case, the insurance claim to be paid to the insured must be shared on contributed by all insurers in proportion to the sum assured by each one of them.

(vi) Subrogation:

(1) Subrogation means 'stepping the shoes on others'. It means transfer of rights and remedies of the insured to the insurer after the indemnity has been effected.

(2) According to this principle, after the insured is compensated for loss, the right of ownership of such damaged part of the property passes the insurer,

(3) This is because the insured cannot make any profit, than the actual loss suffered. Otherwise, the insured will realise more than the actual loss, which goes against the principle of indemnity.

(vii) Mitigation:

(1) In case of loss to the insured property, the insured person must make all possible steps to reduce or mitigate loss or damage.

(2) This principle ensures that the insured does not become negligent about the safety of the subject matter after taking the insurance policy.

(3) This means, int he case of any loss, he is required to act, in the same manner as through the property had not been insured.

(4) If he does not do anything in this regard, then the insured may not get the full compensation from the insurer.

45) a)

(i) Low Cost Labour:

- (1) MNC set up their facilities in low cost countries and produce goods/service at lower cost.
- (2) It gains cost advantage and sells its products and services of good quality at low cost.

(ii) Quality Products:

The resource, experience and expertise of MNCs in the sphere of research and development enables the host country to establish its research and development system which helps it in producing quality goods and services at least possible cost.

(iii) Proper Use of Idle Resources

Because of their advanced technical knowledge, MNCs are in position to properly utilise idle physical and human resources of the host country

(iv) Improvement in Balance of Payment Position:

MNCs help the host countries to increase their exports

(v) Technical Development

- (1) In fact, MNCs are a vehicle for transference of technical development from one country to another.
- (2) Because of MNCs poor host countries also begin to develop technically.

(vi) Managerial Development:

- (1) MNCs employ latest management techniques. People employed by MNCs do a lot of research in management.
- (2) In a way, they help to professionalize management along latest lines of management theory and practice

(OR)

b)

(i) Maintenance of book debts :

A factor takes the responsibility of maintaining the accounts of debtors of a business institution

(ii) Credit coverage :

The factor accepts the risk burden of loss of bad debts leaving the seller to concentrate on his core business.

(iii) Cash advances:

Around eighty percent of the total amount of accounts receivables is paid as advance cash to the client

(iv) Collection service :

Issuing reminders, receiving part payments, collection of cheques form part of the factoring service.

(v) Advice to clients :

From the past history of debtors, the factor is able to provide advices regarding the credit worthiness of customers, perception of customers about the products of the client, etc.

46) a)

(i) Special Statute:

- (1) A public corporation is created by a special Act of the Parliament or the State Legislature.
- (2) The Act defines its powers, objectives, functions and relations with the ministry and the Parliament (or State Legislature).

(ii) Separate Legal Entity :

- (1) A public corporation is a separate legal entity with perpetual succession and common seal.
- (2) It has an existence, independent of the Government.

(iii) Capital Provided by the Government:

The capital of a public corporation is provided by the Government or by agencies controlled by the government.

(iv) Financial Autonomy:

- (1) A public corporation enjoys financial autonomy.
- (2) It prepares its own budget and has authority to retain and utilize its earnings for its business

(v) Own Staff :

A public corporation has its own staff; whose appointment, remuneration and service conditions are decided by the corporation itself.

(OR)

b)

Sl.No	Basic for comparison	GDR(Global Depository Receipts)	ADR(American Depository Receipts)
1.	Denomination	It is denominated in any freely convertible currency	It is denominated only in US dollars.
2.	To whom it is issued	It is issued to investors in one or more markets simultaneously	It is issued only to investors, who are Resident of U.S
3.	Listed in	It is listed in Non-US stock exchange such as London stock Exchange or Luxemburg Stock Exchange	It is listed in American Stock Exchange
4.	Approval	GDR issues does not require Foreign regulatory clearances	ADR Issues require approval from Exchange commission (SEC) of US
5.	Mode of Expression	GDRs are normally co-related to equity shares of the issuing company expressed in whole numbers	In many cases ADRs co-related to equity shares of the company are expressed as a fraction.
6.	Negotiation	All over the world	In America only.

47) a)

1. Central Bank
2. Cooperative Banks
3. Commercial Banks
4. Regional Rural Banks (RRB)
5. Local Area Banks (LAB)
6. Specialized Banks
7. Small Finance Banks
8. Payments Banks

1. Central Bank:

Every country has a central bank that regulates and takes care of other banks' mechanisms within it. In India, we have the Reserve Bank of India, the Central Bank. Which acts as a bank for the government, manages the monetary policy and system, and guides other banks and institutions. Similarly, every country has their central bank, such as Federal Reserve in the US. It also takes care of issuing the currency and supervises overall financial affairs and systems in the country. Given that it is a general bracket and head for the entire financial system, it is also known as the banker's bank.

2. Commercial Banks:

Commercial banks have come into existence under the Banking companies act of 1956, which exists in rural and urban regions. As the name suggests, the main motto of these banks is generating profit. There are both public as well as private (Indian and foreign) commercial banks existing in this country. The primary source of running for these banks are the only public deposits and customers.

Examples of different types of commercial, public banks include State Bank of India (the most significant public sector bank in India), Canara Bank, Bank of India, etc. The private sector banks include HDFC, ICICI Bank, Axis Bank, and so on. There are also foreign banks in India, such as HSBC, Standard Chartered bank, etc. Commercial banks, both public and private, are present across the globe.

3. Regional Rural Banks:

The RRBs, also known as the Regional Rural banks, fall under sub-class commercial banks that provide only loans for agriculture and allied activities. These banks are established under the RRB act of 1976 and are a joint venture of the Central Government, State Government, and Commercial banks. These banks' main aim is only to focus on provisions to lending and banking facilities for people across rural areas. Some of RRB examples include Andhra Pragathi Grameena Bank in AP under the sponsorship of Syndicate bank, Bihar Gramin Bank in Bihar under the sponsorship of UCO bank.

4. Cooperative Banks:

Types of Cooperative banks are the respective state-controlled and managed banks under their act and regulations to promote social welfare amongst their citizens. They look after affairs and giving loans for agriculture and other allied livelihood activities within every state. The cooperative banks operate in three-tier structures: state-level where SBI, state governments directly regulate them. These include banks such as NABARD. Then, in the second tier, we also have district-level cooperative banks, respectively, and the third tier includes agriculture cooperative banks in villages.

5. Local Area Banks:

The Local area banks are introduced only around 1996 as the main objective to run only in local areas to generate profits. Commercial private sector banks manage these banks. However, not many local area banks are there in India. Some of them include Coastal Local Area Bank in Andhra Pradesh, Subhadra Local area bank in Kolhapur, Capital Local area bank in Punjab, and Krishna Bhima Samruddhi Local area bank in Telangana.

(OR)

b)

(i) Public Provident Fund (PPF) :

(1) It is the safest long term investment option for the investors in India. It is totally tax free. PPF Account can be opened in a bank or post office.

(2) The money deposited cannot be withdrawn before 15 years and an investor can earn compound interest from this Account.

(3) However, the investor can extend the time frame for the next five years if the investor does not opt to withdraw the amount matured for payment at maturity date.

(4) PPF investor can take loan against PPF Account when he/she experiences Financial difficulties.

(ii) Real Estate Investment:

(1) Real Estate is one of the Faster growing sectors in India.

(2) Buying a flat or plot is the best decision amongst the investment options the value of real Asset may increase substantially depending upon the area of location and other supporting facilities available therein.

(3) However an investor in real estate has to be cautious and circumspect in verifying the genuineness of the title deeds before investing in real real Estate Assets.

(iii) Investing in metals :

(1) Investment in metals like gold, silver and platinum is one of the oldest and evergreen investment products.

(2) The values of the metals rise slowly and steadily in line with the market conditions.

(3) But investors can liquidate the metals immediately in the market without any loss.

(4) Besides an Investor can opt for investment format like gold deposit scheme, Gold ETF Scheme, Gold Bar, mutual funds, etc. to get benefit in the short period of time.

(iv) Post office Saving schemes:

(1) There are different types of Post office small savings schemes namely Post office Savings Account, Post office Recurring Deposit Account, Post office Fixed Deposit Account, Post office monthly Income Account Scheme, Senior citizens savings scheme, Public Provident Fund, National Savings Certificate, Kisan Vikas patra, Sukanya Sarnriddhi Account etc.

(2) The investor can choose any appropriate postal schemes mentioned above.

(v) Public Deposits:

(1) Public Deposits are more beneficial than the Fixed Deposit in the bank, in the matter of yielding good return.

(2) An investor has to select the investment period very carefully. He/she is not allowed to withdraw money before maturity.

(3) However the public deposits collected by companies and institutions do not offer any insurance benefits. It does not come under the control of Reserve bank of India.

(4) The investor who are willing to invest for long term can opt for public deposits.

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