

UNIT I MANAGEMENT PROCESS

CHAPTER 1 PRINCIPLES OF MANAGEMENT

I. Choose the Correct answers:

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

II. Very short Answer questions:

1. What is Management? (MAY – 2022, PTA – 1) ✎
❖ Management is goal oriented and it is an art of getting things done with and through others.
2. List out the management tools. (MAR – 2020, MAR – 2023) ✎
❖ Accounting, business law, psychology, statistics, econometrics, data processing, etc.
3. State the meaning of Authority. (SEP – 2020, JUNE-2023, PTA – 3) ✎
❖ Authority means the right of a superior to give the order to his subordinates whereas responsibility means obligation for performance.
4. What do you mean by Span of management? (PTA – 2) ✎
❖ The Span of Management refers to the number of subordinates who can be managed efficiently by a superior.

III. Short Answer questions:

1. Define the term management. (MAY – 2021, AUG – 2021, JULY 2022, JUNE-2023, PTA - 1) ✎
1. "To manage is to forecast, to plan, to organise, to command, to co-ordinate and to control." —Henry Fayol.
2. "Management is a multipurpose organ that manages a business and manages manager, and manages worker and work."— Peter F. Drucker.
2. Differentiate management from Administration. (any 3) (MAY - 2022) ✎

BASIS FOR COMPARISON	MANAGEMENT	ADMINISTRATION
Authority	Middle and Lower Level	Top level
Role	Executive	Decisive
Concerned with	Policy Implementation	Policy Formulation
Key person	Manager	Administrator
Represents	Employees	Owners

3. What are the principles of Taylor? (SEP – 2020, MAR - 2023) ✎

Principles of scientific management propounded by Taylor are

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?

1. Influences the complexities of the individual manager's job
2. Determine the shape or configuration of the Organization
3. The Span of Management refers to the number of subordinates who can be managed efficiently by a superior.

IV. Long answer questions:**1. Explain the concept of management. (any 5) (MAY – 2021, AUG – 2021, JUNE-2023) ✎**

1. Body of Knowledge
2. Management Tools
3. Separate Discipline
4. Specialisation
5. Code of Conduct

1. Body of Knowledge:

- ♦ Management has now developed into a specialised body of management theory and philosophy.

2. Management Tools:

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

3. Separate Discipline:

- ♦ Management studies in many universities and institutions of higher learning are recognised as a separate discipline.

4. 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.

5. Code of Conduct:

- ♦ No longer 'buyer beware' is ruling the exchange relations in the market. At present 'seller beware' in place of 'buyer beware' influencing market practices.

2. Explain the principles of modern management. (any 5) (AUG – 2021, MAY – 2022, JULY – 2022, MAR – 2023, PTA - 2) ✎

1. Division of work
2. Authority and Responsibility
3. Unity of command
4. Remuneration
5. Line of Authority/Scalar Chain

1. Division of Work:

- ♦ According to this principle the whole work is divided into small tasks.

2. Authority and Responsibility:

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

3. Unity of Command:

- ♦ This principle states that each subordinate should receive orders and be accountable to one and only one superior.

4. Remuneration:

- ♦ Workers must be paid sufficiently as this is a chief motivation of employees and therefore greatly influences productivity.

5. Line of Authority/Scalar Chain:

- ♦ This refers to the chain of superiors ranging from top management to the lowest rank.

UNIT 1 MANAGEMENT PROCESS**CHAPTER 2 FUNCTIONS OF MANAGEMENT****I. Choose the Correct Answers:****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?

- (a) **Decision-making** (b) Planning (c) Organising (d) Staffing

3. _____ is included in every managerial function.

- (a) **Co-ordinating** (b) Controlling (c) Staffing (d) Organising

4. Which of the following is verification function?

- (a) Planning (b) Organising (c) Staffing (d) Controlling

5. The goals are achieved with the help of _____

- (a) Motivation (b) Controlling (c) Planning (d) Staffing

II. Very Short Answer Questions:**1. Write a short note about Planning. (JUNE-2023,PTA – 3)**

→ Planning refers to deciding in advance.

2. What is meant by Motivation? (PTA – 2)

→ 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.

1. Innovation
2. Representation
3. Decision – Making
4. Communication

4. What is the Traditional proverb used in planning?

→ 'Think Before you Act' or 'Look Before you Leap'

III. Short Answer Questions:**1. List out the main functions of management? (MAR - 2023)**

→ Planning, Organising, Staffing, Directing, Motivating, Controlling and Co-ordination

2. State the importance of staffing.

→ Staffing includes selection of right persons, training to those needy persons, promotion of best persons,

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

→ Circulars, instructions manuals, newsletters, notice-boards, meeting, participative mechanism etc,

IV. Long Answer Questions:**1. Explain the various functions of management. (any 5) (SEP – 2020, MAY – 2021, AUG – 2021, MAY – 2022, JUNE-2023, PTA - 4)**

1. Planning
2. Motivating
3. Co-ordination
4. Controlling
5. Staffing

1. Planning:

→ Planning refers to deciding in advance.

2. Motivating:

→ Motivation includes increasing the speed of performance of a work and developing a willingness on the part of workers.

3. Co-ordination:

→ Co-ordination is the synchronization (or unification or integration) of the actions of all individuals, working in the enterprise in different capacities; so as to lead to the most successful attainment of the common objectives.

4. Controlling:

→ Controlling is performed to evaluate the performance of employees and deciding increments and promotion decisions.

5. Staffing:

→ Staffing refers to placement of right persons in the right jobs.

UNIT I MANAGEMENT PROCESS**CHAPTER 3 MANAGEMENT BY OBJECTIVES (MBO) and
MANAGEMENT BY EXCEPTION (MBE)****I. Choose the Correct Answers:**

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. MBO is popularised in the USA by _____.
(a) Prof. Reddin (b) George Odiorne (c) Henry Fayol (d) F.W Taylor

II. Very Short Answer Questions:

1. What are the objectives of MBO? (PTA – 5) ✎
i. To measure and judge performance
ii. To serve as a basis for judgements about salary and promotion
2. Bring out the meaning of MBE.
✎ Management by exception is a style of business management that focuses on identifying and handling cases that deviate from the norm.
3. Mention any two advantages of MBO?
i. Delegation of authority is easily done with the help of MBO.
ii. Systematic evaluation of performance is made with the help of MBO.
4. What is known as KRA?
(a) Key result areas are fixed on the basis of organisational objectives premises.
(b) The examples of KRA are profitability, market standing, innovation etc.

III. Short Answer Questions:

1. Write the features of MBO. (MAR - 2020) ✎
(i) An attempt is made by the management to integrate the goals of an organisation and individuals.
(ii) Management tries to relate the organisation goals with society goals.
(iii) A high degree of motivation and satisfaction is available to employees through MBO.
2. What are the Process of MBE? (PTA – 5) ✎
(a) Primarily, Performances are assessed and get equated to the actual performance.
(b) Next deviation gets analysed.
(c) No (Or) Less deviation – No action is required
(d) More deviation – it should be resolved immediately
(e) Finally, the aim is to solve this "exception" immediately.
3. List out any three process of MBO.
1. Appraisal of activities
2. Reappraisal of objectives
3. Matching resources with objectives
4. Setting subordinates objectives

IV. Long Answer Questions:**1. What are the major advantages of MBO? (any 5) (PTA – 5) ✎**

1. Managers are involved in objectives setting at various levels of management under MBO and this commitment ensures hard work to achieve them.
2. Manager recognises the need for planning and appreciates the planning.
3. Delegation of authority is easily done with the help of MBO.
4. The responsibility of a worker is fixed through MBO.
5. MBO gives the criteria of performance. It helps to take corrective action.

2. What are the advantages of MBE? (any 5) (MAR – 2020) ✎

- i. It saves the time of managers
- ii. It focuses managerial attention on major problems.
- iii. It facilitates delegation of authority.
- iv. It is a technique of separating important information from unimportant one.
- vi. Management by exception provides better yardsticks for judging results.

3. Discuss the disadvantages of MBE. (PTA – 3) ✎

- i. Managers have the power over really important decisions, which can be demotivating for employees at a lower level.
- ii. It takes time to pass the issues to managers.
- iii. Managing employees who deviate from the normal procedures.
- iv. Compliance failures are considered difficult to manage and typically find themselves with limited job duties and ultimately dismissed/terminated.

UNIT II MANAGEMENT PROCESS**CHAPTER 4 INTRODUCTION TO FINANCIAL MARKETS****I. Choose the Correct Answers:****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

II. Very Short Answer Questions:**1. What are the components of organized sectors?****ORGANISED SECTORS:**

1. Regulators 2. Financial Institutions
3. Financial Markets 4. Financial Services

2. What is Spot Market? (MAY – 2022) ✎

- ✧ Goods are exchanged and the physical delivery of goods takes places immediately.

3. What is Debt Market?

- ✧ Debt Market is the financial market for trading in Debt Instrument.
(i.e) Government Bonds or Securities

4. How is price decided in a Secondary Market? (MAY – 2021, AUG - 2021) ✎

- ✧ Fluctuates, depends on the demand and supply force

III. Short Answer Questions:**1. Give the meaning of Financial Market. (MAR – 2023, PTA - 1) ✎**

- ✧ 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. (MAR – 2023, PTA - 2)

- (i) Secondary Market is the market for securities that are already issued.
- (ii) Stock exchange is an important institution in the secondary market.

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

- (i) 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.
- (ii) Through the financial market the institutions get their short term as well as long term financial assistance.
- (iii) It leads to the overall economic development.

IV. Long Answer Questions:**1. Distinguish between New issue market and Secondary Market. (any 5) (SEP – 2020, JULY – 2022, PTA - 1)**

BASIS FOR COMPARISON	NEW ISSUE MARKET	SECONDARY MARKET
Meaning	The market place for new shares is called primary market. (New Issues Market)	The place where formerly issued securities are traded is known as Secondary Market. (Resale Market)
Buying	Direct	Indirect
Buying and Selling between	Company and Investors	Investors
Intermediary	Underwriters	Brokers
Price	Fixed price	Fluctuates, depends on the demand and supply force

2. Enumerate the different types of Financial Markets. (any 5) (MAY – 2022, PTA - 2)

- a. On the Basis of Type of Financial Claim:
- b. On the Basis of Maturity of Financial Claim:
- c. On the Basis of Time of Issue of Financial Claim:
- d. On the Basis of Timing of Delivery of Financial Claim:
- e. On the Basis of the Organizational Structure of the Financial Market:

a. On the Basis of Type of Financial Claim:

- (i) **Debt Market** is the financial market for trading in Debt Instrument.
- (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).
- (ii) **Secondary Market** is the market for securities that are already issued.

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. (AUG – 2021, MAR – 2020, MAY – 2021, PTA - 3) ✎

- (i) **Savings Mobilization:**
- (ii) **Investment:**
- (iii) **National Growth**
- (iv) **Entrepreneurship Growth**
- (v) **Industrial Development**

(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.

(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.

UNIT II FINANCIAL MARKETS -I

CHAPTER 5 CAPITAL MARKET

I. Choose the Correct Answers:

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.

- a) **OTCEI**
- b) Factoring
- c) Mutual Funds
- d) Venture Funds Institutions

II. Very Short Answer Questions:

1. What is Capital Market? (PTA – 2, MAR - 2023) ✎

- ⊙ Capital market is a market where buyers and sellers engage in trade of financial securities like bonds, and stocks.

2. Write a note on OTCEI.

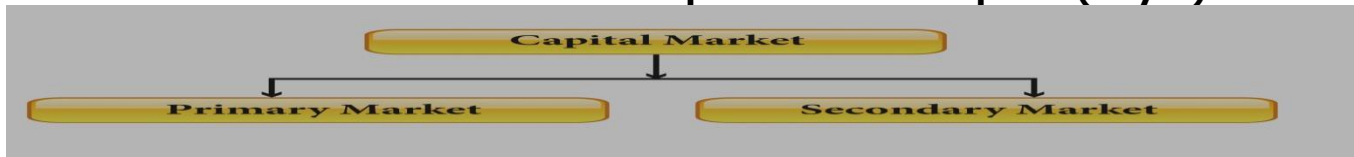
- ⊙ The OTCEI was set up by a premier financial institution to allow the trading of securities across the electronic counters throughout the country.

3. Who are the Participants in a Capital Market?

- ⊙ The participants of the capital market include individuals, corporate sectors, Govt., banks and other financial institutions.

4. How is price determined in a Capital Market?

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

III. Short Answer Questions:**1. What are the various kinds of Capital Market? Explain (any 3)****I Primary Market**

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

II Secondary Market

- ⊙ 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. Explain any two functions of Capital Market.**(i) Development of Backward Areas:**

- ⊙ Capital Markets provide funds for projects in backward areas.

(ii) Foreign Capital :

- ⊙ Capital markets makes possible to generate foreign capital.

3. Explain about Factoring and Venture Capital Institutions. (PTA – 3)**Factoring:-**

- ⊙ "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.

Venture Capital:-

- ⊙ 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.

IV. Long Answer Questions:**1. Discuss the characters of a Capital Market. (MAR – 2020, PTA - 3)****(i) Securities Market****(ii) Price****(iii) Participants****(iv) Location****(v) Market for Financial Assets****(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, 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) (MAR – 2023)

- (i) Savings and Capital Formation
- (ii) Industrial Growth
- (iii) Development of Backward Areas
- (iv) Foreign Capital
- (v) Easy Liquidity

(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) Industrial Growth:

- ⊙ It stimulates industrial growth and economic development of the country by mobilizing funds for investment in the corporate securities.

(iii) Development of Backward Areas:

- ⊙ Capital Markets provide funds for projects in backward areas.

(iv) Foreign Capital :

- ⊙ Capital markets makes possible to generate foreign capital.

(v) Easy Liquidity:

- ⊙ With the help of secondary market investors can sell off their holdings and convert them into liquid cash.

3. Explain the various types of New Financial Institutions. (any 5)

- (i) Venture Fund Institutions
- (ii) Mutual Funds
- (iii) Factoring Institutions
- (iv) National Securities Depositories Limited (NSDL)
- (v) Over the Counter Exchange of India (OTCEI)

(i) Venture Fund Institutions :

- ⊙ Venture capital financing is a form of equity financing designed especially for funding new and innovative project ideas.

(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.

(iv) National Securities Depositories Limited (NSDL):

- ⊙ The NSDL was set up in the year 1996 for achieving a time bound dematerialization as well as rematerialization of shares.

(v) 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.

UNIT II FINANCIAL MARKETS -I**CHAPTER 6 MONEY MARKET****I. Choose the Correct Answers:**

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

II. Very Short Answer Questions:

1. What is a CD market?

- ✱ Certificate of Deposits are short-term deposit instruments issued by banks and financial institutions to raise large sums of money.

2. What is Government Securities Market? (MAR – 2020, JUNE-2023) ✎

- ✱ 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?

- ✱ 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?

- ✱ 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'.

III. Short Answer Questions:

1. What are the features of Treasury Bills? (any 3)

(MAY – 2021, AUG – 2021, MAY – 2022, JUNE-2023, PTA - 4) ✎

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

2. Who are the participants of Money Market? (any 3)

1. RBI and SBI
2. Public
3. Commercial Banks
4. Insurance Companies

3. Explain the types of Treasury Bills? (any 3)

- 1) 91 days Treasury Bills
- 2) 182 days Treasury Bills
- 3) 364 days Treasury Bills

- ✱ **Ninety one days Treasury Bills** are issued at a **fixed discount rate of 4 per cent** as well as through auctions.

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

- ✱ **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? (any 3)

a. Demand Bills

- ✱ A demand bill is one wherein no specific time of payment is mentioned.

b. Clean bills and documentary Bills

- ✱ Clean bills are drawn without accompanying any document.

E.g. Railway Receipt and Lorry Receipt

c. Inland bills and Foreign Bills

- ✱ Bills that are drawn and payable in India on a person who is resident in India are called inland bills.

IV. Long Answer Questions:**1. Differentiate between the Money Market and Capital Market. (any 5)**

(MAY – 2021, AUG – 2021, MAY – 2022, PTA - 1)

Sl. No	Features	Money Market	Capital Market
1	Duration of Funds	It is a market for short-term funds . A period of not exceeding one year .	It is a market for long-term funds . A period of exceeding one year .
2	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.,
3	Place of Transaction	Transactions mostly take place over the phone and there is no formal place .	Transactions take place at a formal place . Eg. stock exchange.
4	Risk	Low credit and market risk.	High credit and market risk.
5	Liquidity	High liquidity in Money Market	Low liquidity in Capital Market.

2. Explain the characteristics of Money Market? (any 5) (JULY – 2022, PTA - 5)

1. Short-term Funds
2. Maturity Period
3. Conversion of Cash
4. No Formal Place
5. Sub-markets

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. No Formal Place:

- ✦ Generally, transactions take place through phone, i.e., oral communication.

5. Sub-markets:

- ✦ It is not a single homogeneous market.
- ✦ It comprises of several sub-markets each specialising in a particular type of financing.

E.g., Call Money Market, Acceptance Market, Bill Market.

3. What are the characteristics of Government Securities? (any 5) (JUNE-2023)

- | | |
|-----------------|---------------------|
| 1. Agencies | 2. RBI Special Role |
| 3. Participants | 4. Switching |
| 5. Auctioning | |

1. Agencies:

- ✦ Government securities are issued by agencies such as Central Government, State Governments, semi-government authorities like local Government authorities, e.g. municipalities, autonomous institution such as metropolitan authorities, port trusts etc.,

2. 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.

3. Participants:

- ✦ The Government sector comprising Central and State Governments whose holdings represent governmental transfer of resources.

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'.

UNIT III FINANCIAL MARKETS -II**CHAPTER 7 STOCK EXCHANGE****I. Choose the Correct Answers:****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) Lame Duck

5. An optimistic speculator is

- a) Bull** b) Bear c) Stag d) Lame duck

II. Very Short Answer Questions:**1. What is meant Stock Exchange? (SEP-2020, MAR-2020, MAY – 2022, PTA – 1) ✎**

- ♥ Stock exchange is an organized market for buying and selling corporate and other securities.

2. Write any 5 Stock Exchanges in India.

- The Bombay Stock Exchange
- The Calcutta Stock Exchange Association Ltd.
- The Delhi Stock Exchange Association Ltd.
- The Madras Stock Exchange Ltd.
- The Coimbatore Stock Exchange Ltd.

3. What is meant by Remisier?

- ♥ 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? (MAY – 2021, AUG – 2021, JULY – 2022, JUNE-2023, PTA - 2) ✎

- ♥ Brokers are commission agents, who act as intermediaries between buyers and sellers of securities.
- ♥ They do not purchase or sell securities on their behalf.

5. What are the types of Speculator? (MAY – 2022, MAR – 2023, PTA - 3) ✎

- ♥ Bull, Bear, Stag, Lame Duck

III. Short Answer Questions:**1. What are the limitations of Stock exchange? (any 3) (JUNE-2023)**

- Lack of uniformity and control of stock exchanges.
- Absence of restriction on the membership of stock exchanges.
- Failure to control unhealthy speculation.

2. Explain Bull and Bear. (MAR – 2020, AUG – 2021, JULY – 2022, MAR – 2023, PTA - 1) ✎**Bull:**

- ♥ A Bull speculator expects a rise in prices of securities in the future.
- ♥ He is also called as a Tejiwala.
- ♥ He is an optimistic speculator.

Bear:

- ♥ A bear speculator expects prices to fall in future.
- ♥ He is also called as a Mandiwala.
- ♥ A bear is a pessimistic speculator.

3. Explain Stag and Lam Duck. (MAY – 2022, PTA – 2) ✎**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 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 lame duck.
- ♥ 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.

IV. Long Answer Questions:**1. Explain the functions of Stock Exchange. (Any 5) (MAY – 2021, AUG – 2021, MAY – 2022, PTA – 4) ✎**

- 1. Ready and Continuous Market**
- 2. Correct Evaluation of Securities**
- 3. Protection to Investors**
- 4. Proper Chanalisation of Capital**
- 5. Aid to Capital Formation**

1. Ready and Continuous Market:

- ♥ This Market where you can buy and sell conversion of securities into cash easily and quickly.

2. Correct Evaluation of Securities:

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

3. 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.

4. Proper Chanalisation of Capital:

- ♥ People like to invest in the shares of such companies which yield good profits.

5. Aid to Capital Formation:

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

2. Explain the features of Stock Exchange. (Any 5) (JULY – 2022, PTA - 3) ✎

- 1. Market for Securities**
- 2. Deals in Second Hand Securities**
- 3. Allows Dealings only in Listed Securities**
- 4. Recognition from Central Government**
- 5. Working as per Rules**

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.

3. Allows Dealings only in Listed Securities:

- ♥ In fact, stock exchanges maintain an official list of securities that could be purchased and sold on its floor.

4. Recognition from Central Government:

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

5. Working as per Rules:

- ♥ Buying and selling transactions in securities at the stock exchange are governed by the rules and regulations of stock exchange as well as SEBI Guidelines.

3. Distinguish between Stock Exchange and Commodity Exchange

(any 5). (MAR – 2020, JUNE-2023, PTA - 5)

Sl. No	Feature	Stock Exchange	Commodity Exchange
1.	Meaning	Stock Exchange (also called Stock Market or Share Market) is one important constituent of capital market. Exchange of financial securities.	A commodity exchange is an exchange where commodities are traded. Exchange of goods and services.
2.	Participants	Investors and Speculators	Producers, dealers, traders and a body of speculators.
3.	Price Quotation	Only one quotation is possible	For future dealings, multiple quotations are possible
4.	Period of dealings	Cash, ready delivery and dealings for account for a fortnight (15days)	Instant cash dealings and a settlement period of 2 or 3 months for Future Market dealings
5.	Articles Traded	Industrial securities such as stocks and bonds and government securities.	Only durable, graded and goods having large volume of trade

UNIT III FINANCIAL MARKETS -II**CHAPTER 8 SECURITIES EXCHANGE BOARD OF INDIA (SEBI)****I. Choose the Correct Answers:****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

II. Very Short Answer Questions:**1. Write a short notes on SEBI. (PTA – 4)**

- ♣ 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.

- ♣ Regulation of Stock Exchange
- ♣ Protection to the Investors

3. Mention the headquarters of SEBI. (SEP – 2020)

- ♣ SEBI has its headquarters at the business district of BandraKurla Complex in Mumbai.

4. What are the various ID proofs?

- ♣ PAN card, voter's ID, passport, driver's license, IT returns, electricity bill, telephone bill

III. Short Answer Questions:**1. What is meant by Dematerialization?**

- ♣ Dematerialization is the process by which physical share certificates of an investor are taken back by the company/registrar and destroyed.

2. What are the documents required for a Demat account? (PTA – 3)

- ♣ You need to submit proof of identity and address along with a passport size photograph and the account opening form.

3. Draw the organization structure of SEBI. (PTA – 5)**IV. Long Answer Questions:****1. What are the functions of SEBI? (any 5) (MAR – 2023, PTA - 1)**

- ♣ Safeguarding the interests of investors by means of adequate education and guidance.
- ♣ Regulating and controlling the business on stock markets.
- ♣ Barring insider trading in securities.
- ♣ Prohibiting deceptive and unfair methods used by financial intermediaries operating in securities markets.
- ♣ Performing functions that may be assigned to it by the Central Government of India.

2. Explain the powers of SEBI. (any 5) (JUNE-2023, PTA – 4)

- 1. Powers Relating to Stock Exchanges & Intermediaries**
- 2. Power to Impose Monetary Penalties**
- 3. Power to Regulate Insider Trading**
- 4. Powers Under Securities Contracts Act**
- 5. Power to Regulate Business of Stock Exchanges**

1. Powers Relating to Stock Exchanges & Intermediaries:

- ♣ 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.

3. Power to Regulate Insider Trading:

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

4. Powers Under Securities Contracts Act:

- ♣ For effective regulation of stock exchange, the Ministry of Finance issued a Notification on 13 September, 1994
- ♣ SEBI is also empowered by the Finance Ministry to nominate three members on the Governing Body of every stock exchange.

5. Power to Regulate Business of Stock Exchanges:

- ♣ SEBI is also empowered to regulate the business of stock exchanges, of acquisition of shares and takeovers of companies.

UNIT IV HUMAN RESOURCE MANAGEMENT**CHAPTER 9 FUNDAMENTALS OF HUMAN RESOURCE MANAGEMENT****I. Choose the Correct Answers:**

- 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

II. Very Short Answer Questions:**1. What is Human Resource Management? (PTA – 1, PTA - 2)**

- * 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. (SEP – 2020, MAY - 2022)**i) Human resource management is both science as well as art:**

- * As it relies on experiments and observations as well as effective handling of manpower it is both science and art.

ii) It is intangible:

- * Human resource management is a intangible function which can be measured only by results.

3. Mention two characteristics of Human Resource.

- * Human resource is the only factor of production that lives
- * Human resource created all other resources

4. What are the managerial functions of HRM.

- * Planning, Organising, Directing, Controlling

III. Short Answer Questions:**1. Define the term 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) (SEP – 2020, AUG – 2021, JULY – 2022, MAR - 2023)

- * Human resources are emotional beings
- * Human resources are Movable
- * Human resource can work as a team

3. What is the significance of Human resource? (any 3) (JULY - 2022)

- * 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

IV. Long Answer Questions:**1. Explain the characteristics of Human Resource (any 5). (PTA – 3)**

- * Human resource is the only factor of production that lives
- * Human resource created all other resources
- * Human resources are emotional beings
- * Human resources are Movable
- * Human resource can work as a team

2. Describe the significance of Human Resource Management (any 5). (SEP – 2020, PTA – 1) a

- i. To identify manpower needs
- ii. To select right man for right job
- iii. To update the skill and knowledge
- iv. To appraise the performance of employees
- v. To determine employee commitment

i. To identify manpower needs:

- * The number of men required are to be identified accurately to optimise the cost.

ii. To select right man for right job:

- * Human resource management ensures the right talent available for the right job.

iii. To update the skill and knowledge:

- * Managing human resource plays a significant role in the process of employee skill and knowledge enhancement to enable.

iv. To appraise the performance of employees:

- * Human resource management activities boosts up good performers and motivates slow performers.

v. To determine employee commitment:

- * Human resource management determines the level of commitment of employees to their work either through interview or questionnaire.

3. Discuss the Operative functions HRM. (JUNE-2023)

- i. Procurement
- ii. Development
- iii. Compensation
- iv. Integration
- v. Retention

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. Integration:

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

v. Retention:

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

UNIT IV HUMAN RESOURCE MANAGEMENT**CHAPTER 10 RECRUITMENT METHODS****I. Choose the Correct Answers:****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

II. Very Short Answer Questions:**1. Give the meaning of Recruitment. (MAR – 2020, MAR – 2023, PTA - 2)**

- ❖ Recruitment is the process of finding suitable candidates for the various posts in an organisation.

2. What is promotion? (AUG – 2021, MAY -2021)

- ❖ 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.

- (i) Promotion (ii) Demotion

4. What is meant by Poaching? (JUNE-2023)

- ❖ This is also called poaching where the efficient employees of rival companies are drawn to the organisations by higher pay and benefits.
- ❖ For example: Salesmen, Chartered Accountants, Management professionals etc.

III. Short Answer Questions:**1. What is meant by unsolicited applicants? (PTA – 2)**

- ❖ These are the applications of job seekers who voluntarily apply for the vacancies not yet notified by the organisations.

2. What is meant by job portals? (MAY – 2022, JULY - 2022)

- ❖ Using internet job portals organisations can screen for the prospective candidates and fill up their vacancies.

3. State the steps in Recruitment process outsourcing.

(MAR – 2020, PTA - 6)

**IV. Long Answer Questions:****1. Explain the Internal sources of Recruitment (any 5). (JULY – 2022, JUNE-2023)****INTERNAL**

- | | |
|---|----------------------|
| 01. Transfer | 02. Upgrading |
| 03. Promotion | 04. Demotion |
| 05. Recommendation by existing employees | |

i. Transfer:

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

ii. Upgrading:

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

iii. Promotion:

- ❖ Based on seniority and merits of the employees they are given opportunity to move up in the organisational hierarchy

iv. Demotion:

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

v. 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). (MAY – 2022)

- i. Advertisements
- ii. Unsolicited applicants
- iii. Campus Recruitment
- iv. Rival firms
- v. e- Recruitment

i. Advertisements:

❖ The employer can advertise in dailies, journals, magazines etc.

ii. Unsolicited applicants:

❖ These are the applications of job seekers who voluntarily apply for the vacancies not yet notified by the organisations.

iii. Campus Recruitment:

❖ The organisations visit the educational institutions to identify and recruit suitable candidates.

iv. Rival firms:

❖ This is also called poaching where the efficient employees of rival companies are drawn to the organisations by higher pay and benefits.

vi. e-Recruitment:

❖ The organisations which carry out recruitment online methods is said to follow e recruitment.

3. What is the Recent trends in Recruitment? (AUG – 2021, MAY - 2021)**1. 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.

2. 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.

3. Recruitment Process Outsourcing:

UNIT IV HUMAN RESOURCE MANAGEMENT
CHAPTER 11 EMPLOYEE SELECTION PROCESS

I. Choose the Correct Answers:**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

II. Very Short Answer Questions:

1. What is selection? (PTA – 3, JULY – 2022) ✎

→ Selection is the process of differentiating between applicants in order to identify and hire those with a greater likelihood of success in a job.

2. What is an interview? (SEP – 2020, PTA – 6) ✎

→ According Scott and others "an interview is a purpose full exchange of ideas, the answering of questions and communication between two or more person."

3. What is intelligence test?

→ Intelligence tests are one of the psychological tests

4. What do you mean by placement? (PTA – 4) ✎

→ The process of placing the right man on the right job is called 'Placement'.

III. Short Answer Questions:

1. What is stress interview? (JUNE-2023)

→ This type of interview is conducted to test the temperament and emotional balance of the candidate interviewed.

2. What is structured interview?

→ 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? (PTA – 3) ✎



4. What do you mean by achievement test?

→ This test measures a candidate's capacity to achieve in a particular field.

→ Example: a) A driver may be asked to drive a vehicle to test his driving efficiency

IV. Long answer questions:

1. Briefly explain the various types of tests. (any 5) (JULY – 2022, PTA - 5) ✎

1. Aptitude Test
2. Achievement Test
3. Intelligence Test
4. Judgment Test
5. Project Test

1. **Aptitude Test:**

→ Aptitude test is a test to measure suitability of the candidates for the post/role.

2. **Achievement Test:**

→ This test measures a candidate's capacity to achieve in a particular field.

→ In other words 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.

3. **Intelligence Test:**

→ 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

5. Projective Test / Thematic Appreciation Test:

→ This test measures the candidate's values, attitude apprehensive personality etc.

2. Explain the important methods of interview (any 5). (PTA – 4, 6)

1. Stress Interview
2. Structure/Guided/Planned Interview
3. Unstructured Interview
4. Panel Interview
5. Online Interview

1) Stress Interview:

→ This type of interview is conducted to test the temperament and emotional balance of the candidate interviewed.

2) Structure/Guided/Planned Interview:

→ 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) Unstructured Interview:

→ This is quite contrary to structured interview. An atmosphere for free and frank interaction is created in the interview environment.

4) Panel Interview:

→ Where a group of people interview the candidate, it is called panel interview.

5) Online Interview:

→ Due to tremendous growth in information and communication technology, these days interviews are conducted by means of internet via **Skype, Wechat, Google duo, Viber, Whatsapp** or **Video chat** applications.

3. Differentiate Recruitment and Selection. (any 5) (MAR – 2023, PTA – 4,6)

S. No.	Basis of Comparison	Recruitment	Selection
1	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.
2	Approach	Approach under recruitment is positive one.	Approach under selection is negative one.
3	Objective	Inviting large number of candidates to apply for the vacant post	Picking up the most suitable candidates and eliminating the rest
4	Sequence	First	Second
5	Method	It is an economical method	It is an expensive method
6	Process	Recruitment process is very simple	Selection process is very complex and complicated

UNIT IV HUMAN RESOURCE MANAGEMENT
CHAPTER 12 EMPLOYEE TRAINING METHOD

I. Choose the Correct Answers:**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
c) Job analysis and Job design
- b) On the Job and Off the Job**
d) Physical and mental

II. Very Short Answer Questions:

1. What is meant by training? (PTA – 5)

- 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.

2. What is Mentoring training method?

- ➔ Mentoring is the process of sharing knowledge and experience of an employee.
- ➔ Besides the mentor is responsible for the providing necessary support to trainees, and feedback on the performance of trainee.

3. What is Role play? (MAR – 2023, PTA - 6)

- 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.

4. State e-learning method?

- E learning is the use of technological process to access of a traditional classroom or office. E learning is also often referred to us online learning or web based training.

III. Short Answer Questions:

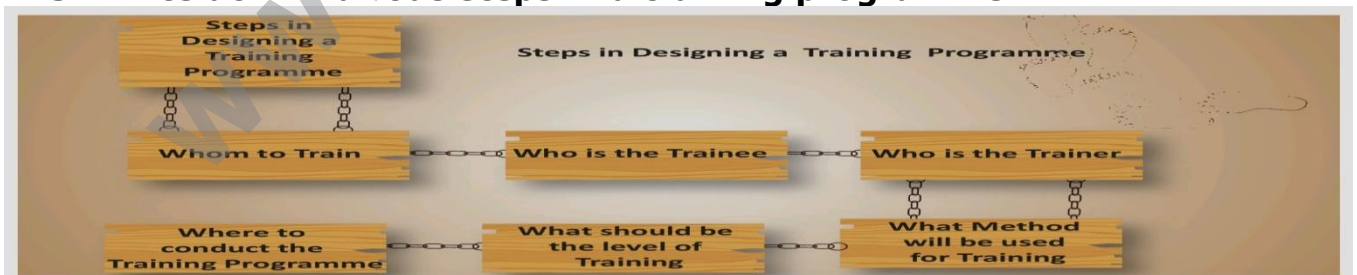
1. What is vestibule training? (PTA – 5)

- 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 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".

3. Write down various steps in a training programme.



4. Write short note on trainer and trainee. (MAR - 2020)

1. Whom to Train?

- Training department has to determine the candidates for whom the training should be imparted.

2. Who is the Trainee?

- A person who is learning and practising the skills of particular job is called trainee.

IV. Long Answer Questions:**1. Discuss various types of training. (any 5)**

- | | |
|----------------------|---------------------|
| 1. Mentoring Method | 2. Role Play Method |
| 3. E-learning Method | 4. Vestibule Method |
| 5. Coaching Method | |

i) Mentoring Method:

- Mentoring is the process of sharing knowledge and experience of an employee.
- Besides the mentor is responsible for the providing necessary support to trainees, and feedback on the performance of trainee.

ii) Role Play Method:

- 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.

iii) E-learning Method:

- E learning is the use of technological process to access of a traditional classroom or office.
- E learning is also often referred to us online learning or web based training.

iv) Vestibule Training Method:

- Vestibule training is training of employees in an environment similar to actual work environment artificially created for training purpose.

v) Coaching Method:

- In the coaching method of training, the superior teaches or guides the new employee about the knowledge and skills relevant to a given job.

2. What are the difference between on the job training and off the job training? (any 5) (PTA – 3)

Basis for comparison	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 out side the actual work location
Cost	It is cheapest to carry out	It requires expenses like separate training rooms, specialist, resources like projectors. (It is Expensive) .
Location	At the work place	Away from the work place
Suitable for	Generally imparted in case of Manufacturing for production related Jobs	Mostly imparted for managerial and non production related jobs .
Approach	Practical approach	Theoretical approach

3. Explain the benefits of training. (2 points from each headings)

(MAR – 2020, JUNE-2023, PTA – 5, 6)

- | |
|--|
| 1. Benefits of the Organization
2. Benefits of the Employees
3. Benefits of Customer |
|--|

(i) Benefits to the Organization

- It improves the skill of employees and enhances productivity and profitability of the entity.
- It reduces wastages of materials and idle time

(ii) Benefits to the Employees

- It adds to the knowledge skill and competency of employee
- Employees get higher earnings through incentives and rewards.

(iii) Benefits of Customer

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

UNIT V ELEMENTS OF MARKETING**CHAPTER 13 CONCEPT OF MARKET AND MARKETER****I. Choose the Correct Answers:**

- One who promotes (or) Exchange of goods or services for money is called as _____.**
 a) Seller b) **Marketer** c) Customer d) Manager
- 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**
- The Spot market is classified on the basis of _____.**
 a) Commodity b) **Transaction** c) Regulation d) Time
- 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
- Stock Exchange Market is also called _____.**
 a) Spot Market b) Local Market
 c) **Security Market** d) National Market

II. Very Short Answer Questions:

- What is Market? (MAR – 2020, MAY -2021, AUG – 2021, PTA – 1)** ✎
 ♣ Market means a place where goods are bought (or) sold (OR)
 ♣ The meeting place of buyers and sellers in an area is called Market.
- Define Marketer.**
 ♣ "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**
- What is mean by Regulated Market? (SEP – 2020)** ✎
 ♣ These are types of markets which are organised, controlled and regulated by statutory measures.
 ♣ **Example:** Stock Exchanges of Mumbai, Chennai, Kolkata etc.
- What is meant by Spot Market? (MAY – 2022)** ✎
 ♣ In such markets, goods are exchanged and the physical delivery of goods takes place immediately.
- What is meant by Commodity Market?**
 ♣ A commodity market is a place where produced goods or consumption goods are bought and sold.

II. Short Answer Questions:

- What can be marketed in the Market? (any 3)**
 ♣ Goods, ♣ Services,
 ♣ Persons, ♣ Places
- Mention any three Role of Marketer? (PTA – 6)** ✎
 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 or functionalities to the existing product, modifying the pricing structure, introducing new delivery pattern, creating new business models, introducing change in production process and so on.
 iii. **Integrator**
 ♣ Marketer plays a role of integrator in the sense that he collects feedback or vital inputs from channel members and consumers and provides products/service solutions to customers/consumers by co-ordinating multiple functions of organisation.

3. Explain the types of market on the basis of time. (JULY – 2022, JUNE-2023, PTA - 1) 📌

i. Very Short Period Market:

- ♣ Markets which deal in perishable goods like, fruits, milk, vegetables etc., are called as very short period market.

ii. Short Period Market:

- ♣ The demand is greater than supply. Such markets are known as Short Period Market.

iii. Long Period Market:

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

III. Long Answer Questions:

1. How the market can be classified? (any 5) (JULY – 2022, PTA - 4) 📌

- I. On the Basis of Economics
- II. On the Basis of Time
- III. On the Basis of Regulation
- IV. On the Basis of Transaction
- V. On the Basis of Volume of Business

I. On the Basis of Economics:

➤ 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.

II. On the Basis of Time:

➤ Very Short Period Market:

- ♣ Markets which deal in perishable goods like, fruits, milk, vegetables etc., are called as very short period market.

III. On the Basis of Regulation:

➤ Regulated Market:

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

IV. On the Basis of Transaction:

➤ Spot Market:

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

V. On the Basis of Volume of Business:

➤ Wholesale Market:

- ♣ In wholesale market goods are supplied in bulk quantity to dealers/retailers.

2. How the market can be classified on the basis of Economics? (MAR – 2023, PTA - 5) 📌

I. On the Basis of Economics:

➤ Perfect Market:

- 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.

➤ Imperfect Market:

- 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.

UNIT V ELEMENTS OF MARKETING**CHAPTER 14 MARKETING AND MARKETING MIX****I. Choose the Correct Answers:**

- The initial stage of Marketing system is _____**
 - Monopoly system
 - Exchange to Money
 - Barter system**
 - Self producing
- Who is supreme in the Market?**
 - Customer**
 - Seller
 - Wholesaler
 - Retailer
- In the following variables which one is not the variable of marketing mix?**
 - Place Variable
 - Product Variable
 - Program Variable**
 - Price Variable
- Marketing mix means a marketing program that is offered by a firm to its target _____ to earn profits through satisfaction of their wants.**
 - Wholesaler
 - Retailer
 - Consumer**
 - Seller
- Which one is the example of Intangible product?**
 - Education**
 - Mobiles
 - Garments
 - Vehicles

II. Very Short Answer Questions:**1. What is Marketing?**

* 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. (MAR – 2023, PTA -2)

"Marketing Mix is a pack of four sets of variable namely Product Variable, Price Variable, Promotion variable and Place Variable".

-Mr.Jerome.McCarthy

3. What is meant by Grading?

* Standardization means establishment of certain standards based on intrinsic qualities of a commodity.

III. Short Answer Questions:**1. What are the objectives of marketing? (MAY - 2022)**

- * Intelligent and capable application of modern marketing policies.
- * To develop the marketing field.
- * To suggest solutions by studying the problems relating to marketing.

2. What are the concept of marketing?

Marketing Concepts	<i>What I can sell?</i>
	MAKE WHAT YOU CAN SELL, BUT DO NOT TRY TO SELL WHAT YOU CAN MAKE.
	<i>Shall I first create products?</i>
	NO, FIRST CREATE A CUSTOMER, THEN CREATE PRODUCTS.
	<i>Shall I love my products?</i>
	NO, LOVE YOUR CUSTOMERS AND NOT THE PRODUCTS.
	<i>Who is supreme in markets?</i>
	CUSTOMER IS SUPREME OR KING.
	<i>Who will shape my decisions?</i>
	CUSTOMER'S PREFERENCES SHAPE YOUR DECISIONS.

3. What do you mean by marketing mix? Write any two elements. (PTA – 6)

"Marketing Mix is a pack of four sets of variable namely Product Variable, Price Variable, Promotion variable and Place Variable".

-Mr.Jerome.McCarthy



IV. Long Answer Questions:**1. Discuss about the Evolution of marketing.** (any 5) (AUG – 2021, MAY – 2021, PTA – 1)

- I. Barter System**
- II. Production Orientation**
- III. Marketing Orientation**
- IV. Consumer orientation**
- V. Sales Orientation**

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. Marketing Orientation:

- * Customers' importance was realised but only as a means of disposing of goods produced.

iv. Consumer Orientation:

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

v. Sales Orientation:

- * The selling became the dominant factor, without any efforts for the satisfaction of the consumer needs.

2. Narrate the Elements of Marketing mix. (SEP– 2020, JUNE-2023,PTA – 2)

I. Product	II. Price
III. Place	IV. Promotion

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.

iii. Place (Physical Distribution):

- * Place or physical distribution facilitates the movement of products from the place of manufacture to the place of consumption at the right time.

iv. Promotion:

- * Advertising plays a major role in promotion.

UNIT V ELEMENTS OF MARKETING**CHAPTER 15 RECENT TRENDS IN MARKETING****I. Choose the Correct Answers:****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

II. Very Short Answer Questions:**1. What is service marketing? (PTA - 5)**

* A service is any activity or benefit that one party can offer to another

* **Example:** Banking Sector, Insurance

2. What is green marketing? (PTA - 4)

* Green marketing implies marketing environmentally friendly products.

3. What is Ambush marketing? (JULY - 2022)

* 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.

4. What is Social marketing?

* It is the systematic application of marketing philosophy and techniques to achieve specific behavioural goals which ensure social goods.

* **For example:** This may include asking people not to smoke in public areas.

III. Short Answer Questions:**1. What are the advantages of E-Marketing? (AUG - 2021)****♣ Any Time Market:**

* 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.

♣ Direct Contact:

* Direct contact of end consumer by the manufacturers cuts down the substantially intermediation cost.

♣ Obtaining the Needs:

* Customer can buy whatever they want/ need just by browsing the various sites.

2. Discuss the objectives E-Marketing. (Any 3) (JULY - 2022)

* Expansion of market share

* Reduction of distribution and promotional expenses.

* Achieving higher brand awareness.

3. Explain in detail about Niche marketing. (MAR - 2020, AUG - 2021, MAY - 2021, MAR - 2023, PTA - 5)

* A strategy of directing all marketing efforts towards one well defined segment of the population.

* Actually there is no market in niche market.

* **Examples:** The sports channels like STAR Sports, ESPN, STAR Cricket and Fox Sports target the niche market of sports enthusiasts.

IV. Long Answer Questions:**1. Explain in detail how traditional marketing differ from E-marketing. (MAY - 2022, PTA - 3)**

E-Marketing	Traditional Marketing
1. Expenses: It is very economical	It is very expensive
2. Marketing: Promoting product globally in the short time.	Time consuming to promote product
3. Manpower: It can expand their operation with minimum manpower.	It needs more man power.
4. Period: In this marketing product can be sold or bought 24 x 7.	That is not possible

2. Discuss any two new methods of marketing.**I. Social Marketing:**

* It is the systematic application of marketing philosophy and techniques to achieve specific behavioural goals which ensure social good.

* Social marketing promotes the consumption of socially desirable products and develops health consciousness.

- * **For example**, this may include asking people not to smoke in public areas, asking them to wear seat belts or persuading them to follow speed limits.
- * The primary aim of social marketing is 'social good'.

II. Niche Marketing:

- * Niche marketing denotes a strategy of directing all marketing efforts towards one well defined segment of the population.
- * Actually there is no market in niche market.
- * It aimed at being a big fish in a small pond instead of being a small fish in a big pond.
- * **For example**, the sports channels like STAR Sports, ESPN, and STAR Cricket target the niche market of sports enthusiasts.

UNIT VI CONSUMER PROTECTION CHAPTER 16 CONSUMERISM

I. Choose the Correct Answers:

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

II. Very Short Answer Questions:

1. Who is a consumer? (PTA - 1) ✎
✎ A person who buys any goods or services for a consideration which has been paid or promised or partly paid and partly promised or under any system of deferred payment is a consumer.
2. Give two examples of adulteration. (SEP - 2020, MAY - 2021, AUG - 2021, MAY - 2022) ✎
✎ Mixing of stones with grains
✎ Mixing of coconut oil with palmolein
3. What is Caveat Emptor? (PTA - 2) ✎
✎ 'Caveat emptor' is a Latin term that means "let the buyer beware."
✎ Similar to the phrase "sold as is," this term means that the buyer assumes the risk that a product fails to meet expectations or have defects.
✎ The term actually means that 'let a purchaser beware',
4. What is Caveat Venditor?
✎ Caveat Venditor, which means "let the seller beware," by which goods are covered by an implied warranty of merchantability.
✎ Unless otherwise advertised (for example, "sold as is") or negotiated with the buyer, nearly all consumer products are guaranteed to work, if used for their intended purpose.
5. Write a short notes on Consumer Protection Act, 1986.
✎ The Central Government enacted a comprehensive law called the Consumer Protection Act in 1986.
✎ This Act came into force with effect from 15.04.1987.
✎ 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.

III. Short Answer Questions:**1. What are the important legislations related to consumerism in India?****(any 3) (PTA – 5, 6)**

- ♣ The Sale of Goods Act, 1930
- ♣ The Essential Commodities Act, 1955
- ♣ The Food Safety Standard Act, 2006

2. What is meant by artificial scarcity? (MAR – 2020, AUG – 2021, MAY – 2021, JUNE-2023, PTA - 1)

- ✎ 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 hefty price to buy those goods and thus earning more profit unconscientiously.
- ✎ Example: hoarding of onion, petrol, black market of cinema ticket.

3. Write the importance of consumerism. (any 3) (PTA – 2)

- ✎ Awakening and uniting consumers.
- ✎ Discouraging unfair trade practices.
- ✎ Protecting against exploitation.

IV. Long Answer Questions:**1. How consumers are exploited? (any 5) (JULY – 2022, PTA - 4)**

- 1. Selling at Higher Price**
- 2. Adulteration**
- 3. Duplicate or Spurious goods**
- 4. Artificial Scarcity**
- 5. False Advertisements**

1. Selling at Higher Price:

- ✎ The price charged by the seller for a product service may not be commensurate 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.
- ✎ Adulterators make illegitimate profit while prudent businessmen aim at normal profit whenever unscrupulous traders seek to reap higher profit out of greed, they seek to adulterate the products.

Example:

- ✎ Mixing of stones with grains
- ✎ Mixing of coconut oil with palmolein

3. Duplicate or Spurious goods:

- ✎ Duplicate products of popular products are illegally produced and sold.

4. 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.

5. False Advertisements:

- ✎ Many times it makes false representation about the quality, price, grade, composition, utility guaranteed, performance etc. Consumers who buy the products on the faith of claims made in advertisements are cheated.

2. Explain the role of business in consumer protection. (any 5) (MAY – 2022)

- 1. Avoidance of Price Hike**
- 2. Avoidance of Hoarding**
- 3. Guarantees for Good Quality**
- 4. Product Information**
- 5. Truth in Advertising**

1. Avoidance of Price Hike:

- ✎ Business enterprises should desist from hiking the price in the context of acute shortage of goods /articles.

2. Avoidance of Hoarding:

- ✗ 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.

3. What are the objectives of Consumer Protection Act, 1986? (any 5) (MAY – 2021, AUG - 2021) ✗

- ✗ Protection of consumers against marketing of goods which are hazardous and dangerous to life and property of consumers.
- ✗ Protecting consumers from unfair trade practices of traders.
- ✗ Empowering consumers to seek redressal against exploitation
- ✗ Educating the consumer of their rights and duties
- ✗ Ensuring better standard of living for consumers by providing them with quality products at fair price.

UNIT VI CONSUMER PROTECTION**CHAPTER 17 RIGHTS, DUTIES & RESPONSIBILITIES OF CONSUMER****I. Choose the Correct Answers:****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. Retailer

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 he must obtain _____ as a proof for the purchase of goods.

- a. Cash receipt
- b. Warranty card
- c. Invoice
- d. All of these

II. Very Short Answer Questions:**1. Write short notes on: "Right to be informed."**

- ⊗ 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? (MAR – 2020, MAR – 2023, PTA -3) ✗

- ⊗ 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? (JULY - 2022) ✎

- ✧ Consumer satisfaction is the ultimate aim of modern marketing and is the philosophy of marketing concept.

III. Short Answer Questions:**1. What do you understand by "Right to Redressal". (MAY – 2022, PTA - 6) ✎**

- ✧ Compensation within a reasonable time
- ✧ Prompt settlement of complaints and claims
- ✧ Boost consumer confidence
- ✧ Fair and just settlement of deserving claims in a definite time frame.

2. What do you understand about "Right to protection of health and safety". (PTA – 3) ✎

- ✧ There may be few products that are more likely to cause physical danger to consumers' health, lives and property.
- ✧ One thing that is encouraging to-day is that recent legislations have shifted the responsibility for the production of such unsafe items onto the shoulders of sellers rather than on buyers.

IV. Long Answer Questions:**1. Explain the duties of consumers. (any 5) (SEP – 2020, JULY – 2022, JUNE-2023, PTA - 1) ✎**

- 1. Buying Quality Products at Reasonable Price**
- 2. Ensure the Weight and Measurement before Making Purchases**
- 3. Reading the Label Carefully**
- 4. Beware of False and Attractive Advertisements**
- 5. Misleading Schemes**

i) 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.

ii) Ensure the Weights and Measurement before Making Purchases:

- ✧ The consumer should ensure that he/she is getting the product of exact weight and measure.

iii) Reading the Label Carefully:

- ✧ It is the duty of the consumer to thoroughly read the label of the product.

iv) Beware of False and Attractive Advertisements:

- ✧ It is the prime duty of consumer not to get misled by such fraudulent advertisements.

v) Misleading Schemes:

- ✧ The consumer should be aware of the fact that he is not getting anything free and should not buy unwanted things out of greed.

2. What are the responsibilities of consumers? (any 5)**(MAR – 2020, AUG – 2021, MAY – 2022, MAR – 2023, PTA - 2) ✎**

- ✧ The consumer must pay the price of the goods according to the terms and conditions of the sales contract.
- ✧ The consumer has got a responsibility to apply to the seller for the delivery of the goods.
- ✧ The consumer has to bear any loss, which may arise to the seller when the consumer delays taking delivery of the goods as per the terms of contract.
- ✧ The consumer has the responsibility to express unambiguously to the seller of his requirements and expectations from the product.
- ✧ The consumer must get cash receipt as a proof of goods purchased from the seller.

UNIT VI CONSUMER PROTECTION**CHAPTER 18 GRIEVANCE REDRESSAL MECHANISM****I. Choose the Correct Answers:**

- 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
- 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
- The Chairman of the District Forum is _____**
 a) **District Judge** b) High Court Judge
 c) Supreme Court Judge d) None of the above
- 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
- The International Organisation of Consumers Unions (IOCU) was first established in**
 a) **1960** b) 1965 c) 1967 d) 1987

II. Very Short Answer Questions:**1. What do you mean by Redressal Mechanism?**

- ✘ Exploitation is common where consumers are unaware of their rights and privileges.
- ✘ The Consumer Protection Act postulates establishment of Consumer Protection Councils at the District, State and Central levels for the purpose of spreading consumer awareness.

2. What do you know about National Commission?

- ✘ The Commission is headed by a serving or retired judge of the Supreme Court of India.
- ✘ The National Consumer Disputes Redressal Commission (NCDRC) is also called as National Commission.

Jurisdiction:

- ✘ To entertain a complaint valued more than 1 Crore.

3. State the meaning of the term State Commission. (PTA - 5) ✎

- ✘ The State Commission is to be appointed by the State Government in consultation with the Centre.

Members:

- ✘ A person who is or has been a Judge of a High Court appointed by the State Government as its President.

4. What is an term District Forum? (PTA - 4) ✎

- ✘ As per the Consumer Protection Act of 1986 and Section 9 thereof 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.

III. Short Answer Questions:**1. Who are the members of the National Commission? (SEP - 2020, MAR - 2023, PTA - 5) ✎**

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

2. Who are the members of the State Commission?

- ✧ 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.

3. Write a note on the Voluntary Consumer Organisation. (PTA – 6)

- ✧ Voluntary consumer organisations refer to the organisation formed voluntarily by the consumers to protect their rights and interests.

Objectives:

- ✧ The Department of Consumer Affairs (DCA) operates the Consumer Welfare Fund (CWF). The primary objective of the CWF is to strengthen the Consumer Advocacy Movement in India.
- ✧ A wide network of Voluntary Consumer Organisation (VCO) is doing commendable work to raise awareness amongst consumers.

IV. Long Answer Questions:**1. Explain the overall performance of National Commission. (PTA – 3)****Jurisdiction:**

- ✧ To entertain a complaint valued more than 1 Crore.
- ✧ Revised the orders of State Commissions.
- ✧ To call for the records and pass appropriate orders from the State Commission and District Forum.

Powers:

- ✧ Adoption of uniform procedure in the hearing of the matters is followed in the National Commission
- ✧ Prior service of copies of documents produced by one party to the opposite parties.
- ✧ Speedy grant of copies of documents are issued by the National Commission.
- ✧ Generally over-seeing the functioning of the State Commissions and the District Forums to ensure that the objects and purposes of the Consumer Protection Act are best served, without interfering with their quasi-judicial freedom.

2. Explain the overall performance of State Commission.**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 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 books of accounts, documents or commodities as may be required and to keep such books, documents, etc., under his custody for the purposes of the Act.
- ✧ To furnish such information that may be required for the purposes of the Act to any officer so specified.

UNIT VII BUSINESS ENVIRONMENT**CHAPTER 19 ENVIRONMENTAL FACTORS****I. Choose the Correct Answers:****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

II. Very Short Answer Questions:

1. **What is internal environment (or) controllable factor? (MAR – 2020)**
 - ♣ Internal environment refers to those factors within an organization.
2. **Give the meaning of corporate governance.**
 - ♣ Corporate governance is a set of rules and policies which governs a company.
3. **What is GST? (PTA - 2)**
 - ♣ GST is the indirect tax levied on goods and services across the country.
4. **Expand VUCA.**
 - ♣ VUCA – volatility, uncertainty, complexity and ambiguity, developed in the late 80's by the U.S military.
 - ♣ Every business has to take strategic decisions.

III. Short Answer Questions:

1. **What are the political environment factors? (any 3) (PTA – 1)**
 - ♣ The image of the leader and the country in the inter-national arena.
 - ♣ The constitution of the nation.
 - ♣ The Foreign policy of the country with special reference to tariffs and free trade.
2. **Write about any three internal environmental factors of business.**
 - i. **Company image:**
 - ♣ The image of an organisation plays an important role in introducing new products, selecting agents and dealers for distribution, forging alliances with suppliers,
 - ii. **Vision and objectives:**
 - ♣ The vision and objectives of a business guides its operations and strategic decisions.
 - ♣ Example 'Amul the taste of India' Gujarat Co-operative Milk Marketing Federation (GCMMF)
 - iii. **Human resources:**
 - ♣ The quality, skill competency, right attitude and commitment of its human resources is essential for the success of an organisation.
2. **What do you know about Technological environment? (PTA – 3)**
 - ♣ 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.
 - 1) The level of technology available within the country
 - 2) Rate of change in technology
 - 3) Technology adopted by competitors
 - 4) Technological obsolescence

IV. Long Answer Questions:**1. Discuss the role of macro environment of business. (any 5) (PTA – 5, 6)****I. Economic environment:**

- ♣ The business is an integral part of the economic system prevalent in a nation.

II. Socio-Cultural environment:

- ♣ Business is a part of the society.

III. Political and Legal environment:

- ♣ The success of a business lies in its ability to adapt and sustain to political and legal changes.

IV. Geo-physical environment:

- ♣ The natural, geographical and ecological factors have a bearing on the business.

V. Technological environment:

- ♣ The development in the IT and telecommunications has created a global market.

2. Explain the micro environmental factors of business. (any 5) (MAR – 2020, SEP – 2020, MAR – 2023, PTA – 4)

1. Financiers
2. Suppliers
3. Marketing Channel Members
4. Public
5. Customers

i) Financiers:

- ♣ The financiers of a business which includes the debenture holders and financial institutions play a significant part in the running of a business.

ii) Suppliers:

- ♣ In any organisation the suppliers of raw materials and other inputs play a very vital role.

iii) Marketing Channel Members:

- ♣ The marketing inter-mediaries serve as a connecting link between the business and its customers.

iv) Public:

- ♣ Many companies had to face closure due to actions by local public.

v) Customers:

- ♣ The aim of any business is to satisfy the needs of its customers.
- ♣ The customer is the king and the fulcrum around which the business revolves.

UNIT VII BUSINESS ENVIRONMENT**CHAPTER 20: LIBERALIZATION, PRIVATIZATION AND GLOBALIZATION****I. Choose the Correct Answers:****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

II. Very Short Answer Questions:

1. State the branches of New Economic Policy.



2. What is Privatisation? (SEP – 2020, MAY – 2021, AUG – 2021, MAY – 2022, JULY – 2022, PTA - 4)

♣ Privatisation 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.

- ♣ Increase in unemployment:
- ♣ Loss to domestic units:

4. Give any two advantages of Globalisation. (JUNE-2023)

- ♣ Expansion of market
- ♣ Technological development

III. Short Answer Questions:

1. What do you mean by Liberalisation? (MAY – 2021, AUG – 2021, PTA - 4)

- ♣ Liberalization refers to laws or rules being liberalized, or relaxed, by a government.
- ♣ Liberalization is the result of New Industrial Policy which abolished the "License system" or "Licence Raj".

2. State any three impacts on Globalisation. (SEP – 2020, MAR – 2020, PTA - 5)

- ♣ Multinational corporations (MNCs) can manufacture, buy and sell goods worldwide.
- ♣ Globalisation has led to a boom in consumer products market.
- ♣ The advent of foreign companies and growth in economy has led to job creation.

3. Write a short note on New Economic Policy. (MAY – 2022, JUNE-2023)

- ♣ India agreed to the conditions of World Bank and IMF and announced New Economic policy which consist of wide range of economic reform.



IV. Long Answer Questions:

1. Explain the advantages and disadvantages of liberalisation. (any 5)
(SEP – 2020, MAY – 2021, AUG – 2021, JULY – 2022, PTA – 1, 5) ✎

I. Advantages:

- i. Increase in Foreign Investment
- ii. Increase the foreign exchange reserve
- iii. Reduction in external borrowing

II. Disadvantages:

- i. Increase in unemployment
- ii. Loss to domestic units

I. 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) Reduction in external borrowings:

- ♣ Liberalization reduces the dependence on external commercial borrowings by attracting more foreign investments.

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

- ♣ 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.

2. What are the highlights of the LPG policy? (AUG – 2021, MAY – 2022, JUNE-2023)

Highlights of the LPG Policy

- ♣ Introduction of new Foreign Trade Agreements
- ♣ Foreign Investment (FDI & FII)
- ♣ MRTP Act, 1969 (Amended)
- ♣ Deregulation
- ♣ Opportunities for overseas trade
- ♣ Steps to regulate inflation
- ♣ Tax reforms
- ♣ Abolition of License

UNIT VIII THE SALE OF GOODS ACT 1930 AND**THE NEGOTIABLE INSTRUMENTS ACT 1881****CHAPTER 21 THE SALE OF GOODS ACT, 1930****I. Choose the Correct Answers:**

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)

II. Very Short Answer Questions:**1. What is a contract of sale of goods? (MAR – 2023, PTA - 1) ✎**

- ✎ 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. (PTA – 1,6) ✎

- (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?

- ✎ 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? (MAY – 2022, JUNE-2023) ✎

- ✎ 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.

III. Short Answer Questions:**1. Discuss in detail about existing goods. (AUG – 2021, MAY - 2022) ✎**

- ✎ Existing goods are those owned or possessed by the seller at the time of contract of sale. **(OR)**
- ✎ Goods possessed even refer to sale by agents or by pledgers.
- ✎ Existing goods may be either
 - i) Specific Goods
 - ii) Ascertained Goods
 - iii) Generic or Unascertained Goods

2. Discuss the implied conditions and warranties in sale of goods contract. (PTA – 2) ✎

- ✎ **Implied Conditions:**
 - 1. Conditions as to Title 2. Conditions as to Description
 - 3. Sale by Sample
- ✎ **Implied Warranties:**
 - 1. Quiet Possession 2. Free from Any Encumbrances
 - 3. Warranty in the case of Dangerous Goods

IV. Long Answer Questions:**1. Explain in detail the elements of Contract of sale. (MAY – 2021, AUG – 2021, JULY – 2022, MAR - 2023) ✎**

1. Two Parties
2. Transfer of Property
3. Goods
4. Price
5. Includes both 'Sale' and 'Agreement to sell'

(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.

(2) Transfer of Property:

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

(3) 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) Price:

- ✎ The monetary consideration for the goods sold is called price.
- ✎ 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.
- ♣ On the other hand, if the transfer of property takes place at a future date or on fulfilment of certain conditions, it is called 'an agreement to sell'

2. Distinguish between Conditions and Warranty. (SEP – 2020, JULY – 2022, JUNE-2023, PTA - 2) ✎

Sl. No	Basic of Difference	Condition	Warranty
1.	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.
2.	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.
3.	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.
4.	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.
5.	Treatment	Breach of condition may be treated as breach of warranty	Breach of warranty cannot be treated as breach of condition.

**UNIT VIII THE SALE OF GOODS ACT 1930 AND
THE NEGOTIABLE INSTRUMENTS ACT 1881**

CHAPTER 22 THE NEGOTIABLE INSTRUMENTS ACT 1881**I. Choose the Correct Answers:****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

II. Very Short Answer Questions:**1. What is meant by Negotiable Instrument?** (MAR – 2020, MAY – 2021, AUG – 2021, PTA - 3) ✎

- ❖ A negotiable instrument is a document which entitles a person to a certain sum of money and which is transferable from one person to another by mere delivery or by endorsement and delivery.

(OR)

- ❖ Justices K.C. Wills, a negotiable instrument is one, the property in which is acquired by anyone who takes it bonafide and for value, and with standing any defect to title in the person from whom he took it.

2. List three characteristics of a Promissory Note. (PTA - 6) ✎

- ❖ A promissory note must be in writing.
❖ It must be signed by the maker. The signature must be in any part of the instrument and it need not be at the bottom.

❖ A promissory note must be sufficiently stamped.

3. What is a meant by Cheque? (SEP – 2020, PTA - 4) ✎

❖ 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".

III. Short Answer Questions:

1. Distinguish between Negotiability and Assignability. (any 3) (MAR - 2023) ✎

Sl. No.	Basic of Difference	Negotiability	Assignability
1.	Legal Ownership	It passes to the transferee by mere endorsement in the case of a bearer instrument and by endorsement and delivery in the case of an order instrument.	An assignment can be made by observing certain formalities. For instance, an instrument is to be made in writing, duly stamped and signed by the transferor or his agent.
2.	Notice	Notice is not necessary	In case of actionable claim, notice is necessary.
3.	Consideration	Consideration is presumed	The assignee has to prove the consideration for the transfer.

2. What are the characteristics of a bill of exchange? (any 3) (JUNE-2023, PTA - 3, 6) ✎

- ❖ A bill of exchange is a document in writing.
- ❖ The document must contain an order to pay.
- ❖ The order must be unconditional.

3. Draw the two different types of crossing. (Book Page.No:192) (PTA - 5) ✎



IV. Long Answer Questions:

1. Distinguish a cheque and a bill of exchange. (any 5) (PTA - 3) ✎

Sl. No.	Basic of Difference	Bill of Exchange	Cheque
1.	Drawn	A bill of exchange can be drawn on any person including a banker	A cheque can be drawn only on a particular banker.
2.	Payability	It is payable on demand or on the expiry of a certain period.	It is payable on demand only.
3.	Grace period	Three days of grace are allowed	No days of grace are allowed
4.	Stamping	Bills are to be sufficiently stamped	Cheques need not be stamped
5.	Crossing	A bill cannot be crossed	A cheque can be crossed

2. Discuss in detail the features of a cheque. (any 5)

(SEP – 2020, MAR – 2023, PTA - 1, 6) ✎

- i. **Instrument in Writings**
- ii. **Unconditional Orders**
- iii. **Drawn on a Specified Banker Only**
- iv. **A Certain Sum of Money Only**
- v. **Signed by the Drawer**

(i) Instrument in Writings:

❖ A cheque or a bill or a promissory note must be an instrument in writing.

(ii) Unconditional Orders:

❖ The instrument must contain an order to pay money.

(iii) Drawn on a Specified Banker Only:

❖ The cheque is always drawn on a specified banker.

(iv) A Certain Sum of Money Only:

❖ The order must be for payment of only money.

(v) Signed by the Drawer:

❖ The cheque is to be signed by the drawer. Further, it should tally with specimen signature furnished to the bank at the time of opening the account.

3. What are the requisites for a valid endorsement? (any 5)

- ❖ 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.
- ❖ When there is no space for making further endorsements a piece of paper can be attached to the negotiable instrument for this purpose. This piece of paper is called 'Allonge'.
- ❖ Endorsement for only a part of the amount of the instrument is invalid. It can be made only for the entire amount.
- ❖ Signing in block letters does not constitute regular endorsement.
- ❖ If the payee is an illiterate person, he can endorse it by affixing his thumb impression on the instrument.

UNIT IX ENTREPRENEURSHIP DEVELOPMENT
CHAPTER 23 ELEMENTS OF ENTREPRENEURSHIP

I. Choose the Correct Answers:

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

II. Very Short Answer Questions:

1. Mention any two characteristics of entrepreneurs. (JUNE-2023,PTA – 6)

- (i) Hard Work
- (ii) Self Confidence

2. List down the managerial functions of entrepreneurs. (any 2)

- (i) Planning
- (ii) Organizing

3. List down the promotional functions of entrepreneurs. (any 2)

- (i) Discovery of Idea
- (ii) Determining the business objectives

4. List the challenges faced by the women entrepreneurs. (any 2) (MAY – 2021, MAY - 2022)

- (i) Problem of Finance
- (ii) Lack of information
- (iii) Lack of Education

(iv) Sensitivity

III. Short Answer Questions:

1. Distinguish between entrepreneur and Manager. (any 3) (MAY 2021, AUG - 2021 JULY - 2022, JUNE-2023, PTA - 1) ✎

Basis of difference	Entrepreneur	Manager
Status	Entrepreneur is owner of the entity	Manager is a salaried employee in the entity set up for carrying on the venture.
Risk Bearing	Entrepreneur bears the eventual risk and uncertainty in operating the enterprise	Manager doesn't bear any risk in the venture where the venture is unsuccessful he/she simply quits the enterprise.
Rewards	Entrepreneur is rewarded by profit for the risk bearing exercise. The reward for entrepreneur is totally uncertain.	Manager's reward salary, bonus, allowance is certain and regular.

2. List down the commercial functions of Entrepreneur and explain them shortly. (any 3) (MAY 2021, AUG - 2021, JULY - 2022) ✎

(i) Production or Manufacturing

(ii) Marketing

(iii) Accounting

3. Explain the promotional functions of entrepreneur. (any 3)

- Discovery of Idea
- Determining the Business Objectives
- Fulfillment of the Formalities

IV. Long Answer Questions:

1. What are the characteristics of an entrepreneur? (any 5) (MAY - 2022, PTA - 6) ✎

- i. **Spirit of Enterprise**
- ii. **Self Confidence**
- iii. **Flexibility**
- iv. **Innovation**
- v. **Hard Work**

1. Spirit of Enterprise:

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

2. Self Confidence:

- The negativities like inconvenience, discomfort, disappointments, rejections, frustrations and so on should not weaken his steely resolve to make the venture a grand success.

3. Flexibility:

- Entrepreneur should not doggedly stick to decisions in a rigid fashion.

4. 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.

5. Hard work:

- Entrepreneur should put in strenuous efforts and constant endeavours to accomplish the goals of the venture successfully.

2. Distinguish between an Entrepreneur and an Intrapreneur. (any 5)

(MAR – 2020) ✎

Basis	Entrepreneur	Intrapreneur
Status	Entrepreneur is owner , and doesn't report to anybody in the venture.	Intrapreneur is a salaried employee. Intrapreneur works within control put in place in the organization and is made accountable for the activities undertaken.
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.
Fund Mobilization	Entrepreneur has to mobilize funds to finance the venture.	Intrapreneur does not engage in fund mobilization. But can access funds mobilized by the entrepreneur.
Risk Bearing	Entrepreneur bears the risk involved in the venture undertaken.	Intrapreneur does not bear any risk in the venture and does not even share the risk inherent in the project or work assigned.

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

(JULY – 2022, MAR – 2023, PTA - 1) ✎

- i. **Problem of Finance**
- ii. **Limited Mobility**
- iii. **Lack of Education**
- iv. **Lack of Network Support**
- v. **Stiff Competition**

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.

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.

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, marketing the products, applying technology etc.,

4. Lack of Network Support:

- The successful operation of any venture irrespective of the size depends upon the network of support extended by various constituencies like family members, friends, relatives, acquaintances, neighbours, institutions and so on.

5. Stiff Competition:

- Since they are not able to spend liberally due to financial constraints, they are not able to compete effectively and efficiently in the market.

UNIT IX ENTREPRENEURSHIP DEVELOPMENT**CHAPTER 24 TYPES OF ENTREPRENEURS****I. Choose the Correct Answers:****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
3. Corporate Entrepreneur is also called as _____
 a. Intrapreneur
 c. Manager
4. Which of these is based on Technology?
 a. Modern
 c. Corporate
5. Which of the below is not a Characteristic of a Fabian Entrepreneur?
 a. Conservative
 c. Sceptical
d. Manufacturing
b. Promoter
 d. Shareholder
b. Professional
 d. Industrial
d. Adaptive

II. Very Short Answer Questions:

1. What is the other name of business entrepreneur?

- ✖ Business entrepreneur is called solo entrepreneur.
- ✖ A new product/service and establishes a business enterprise to translate his idea into reality.

2. Mention the other name for corporate entrepreneur.

- ✖ Corporate entrepreneur is called Promoter.

3. Who are agricultural entrepreneur? (PTA – 2, 6) ✖

- ✖ Agricultural entrepreneurs are those entrepreneurs who raise farm products and market them.
- ✖ They use the various inputs like labour, fertilizer, insecticide, water technology etc. to raise the products and market their products either directly or through co-operative entities or through brokers or through tie up with large retailers.

4. Give some examples of pure entrepreneurs. (MAR - 2020) ✖

Dhirubai Ambani, jamshadji Tata, T.V. Sundaram Iyengar,
 Seshadriji, Birla, Narayanamurthi,
 Aziz Premji

III. Short Answer Questions:

1. Who is a private entrepreneur? (PTA – 2) ✖

- ✖ 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 the 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.

3. Write about Fabian entrepreneur.

- ✖ These entrepreneurs are said to be conservatives and sceptical about plasticising any change in their organisation. They are of risk-averse type.
- ✖ **Example; Nursus coffee**

IV. Long Answer Questions:

1. Explain in detail on classification according to the type of business. (any 5) (PTA – 2) ✖

- i. **Business Entrepreneur**
- ii. **Trading Entrepreneur**
- iii. **Industrial Entrepreneur**
- iv. **Corporate Entrepreneur**
- v. **Agricultural Entrepreneur**

1. Business Entrepreneur:

- ✖ Business entrepreneur is called solo entrepreneur.
- ✖ A new product/service and establishes a business enterprise to translate his idea into reality.

2. Trading Entrepreneur:

- ✖ Trading entrepreneurs are those who restrict themselves to buying and selling finished goods.

3. Industrial Entrepreneur:

- ✖ These are entrepreneurs who manufacture products to cater to the needs of consuming public after identifying the need left unfulfilled by the manufacturer hitherto.

4. Corporate Entrepreneur:

- ✖ Corporate entrepreneur is called promoter. He/she takes initiative necessary to start an entity under corporate format.

5. Agricultural Entrepreneur:

- ✖ Agricultural entrepreneurs are those entrepreneurs who raise farm products and market them.

2. Discuss the nature of functional entrepreneurs. (AUG – 2021, MAY – 2021) ✖

- Innovating Entrepreneur**
- Imitative Entrepreneur**
- Fabian Entrepreneur**
- Drone Entrepreneur**

1. Innovating Entrepreneur:

- ✖ Innovative entrepreneur is one who is always focussed on introducing a new project or introducing something new in the venture already started.

2. Imitative Entrepreneur:

- ✖ A simply reengineer or redesign the products developed in advanced countries and produce a version suited to their local conditions.
- ✖ **For example**, many electronic products invented in advanced countries are simply reengineered in developing countries.

3. Fabian Entrepreneur:

- ✖ These entrepreneurs are said to be conservatives and sceptical about plasticising any change in their organisation. They are of risk-averse type.
- ✖ **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.
- ✖ **Example; Gopal Tooth powder**

UNIT IX ENTREPRENEURSHIP DEVELOPMENT**CHAPTER 25 GOVERNMENT SCHEMES FOR ENTREPRENEURIAL DEVELOPMENT****I. Choose the Correct Answers:**

- 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
- _____ 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.
- _____ is the Government of India's endeavour to promote culture of innovation and entrepreneurship.
a) AIM b) STEP c) SEED d) AIC
- _____ 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
- _____ has to include the mechanism for managing venture in the project report.
a) Banker b) Government
c) Lending Institutions d) Entrepreneur

II. Very Short Answer Questions:**1. Name any two Governmental Entrepreneurial schemes. (SEP – 2020, PTA - 3) ✖**

- (i) Startup India (ii) Make in India

2. Give a note on 'Digital India'. (AUG – 2021, MAY – 2021, MAY – 2022, JUNE-2023)

- ✍ The Digital India initiative has been launched to modernize the Indian economy to make all government services available electronically.

3. List down the two types of finance for Entrepreneur.

- ✍ Entrepreneur requires two types of finance namely long term and short term.

III. Short Answer Questions:**1. What is 'Startup India'? (SEP – 2020, MAY – 2022, PTA - 3)**

- ✍ 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.
- ✍ A 'Fund of Funds' has been created to help startups gain access to funding.

2. Expand the following:

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

IV. Long Answer Questions:**1. Explain any five Government Entrepreneurial schemes. (PTA – 2)**

- Selection of the product**
- Selection of form of ownership**
- Selection of Site**
- Designing Capital Structure**
- Preparation of project report**

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.

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.

3. Selection of Site:

- ✍ Entrepreneur has to choose suitable plot for accommodating his venture.
- ✍ He has four options open to him for housing his venture.

4. Designing Capital Structure:

- ✍ Entrepreneur has to determine the source of finance for funding the venture.

5. Preparation of project report:

- ✍ Project reports needs to be prepared according to the format prescribed in the loan application form of term lending institutions.

2. Describe the steps promoting Entrepreneurial venture. (JUNE-2023)

- Startup India**
- Make in India**
- Jan Dhan-Aadhaar - Mobile (JAM)**
- Digital India**
- Stand-Up India**

1. 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.

2. Make in India:

- ✍ This scheme is designed to transform India into a global design and manufacturing hub, the Make in India initiative was launched in September 2014.

3. Jan Dhan-Aadhaar - Mobile (JAM):

- ✍ JAM, for the first time, is a technological intervention that enables direct transfer of subsidies to intended beneficiaries bank account.

4. Digital India:

- ✎ The Digital India initiative has been launched to modernize the Indian economy to make all government services available electronically.

5. Stand-Up India:

- ✎ It was launched in 2015, Stand-Up India seeks to leverage institutional credit for the benefit of India's underprivileged. It aims at enabling economic participation of, women entrepreneurs, Scheduled Castes and Scheduled Tribes and share the benefit of Indian growth with the above mentioned categories.

UNIT X COMPANY LAW AND SECRETARIAL PRACTICE**CHAPTER 26 COMPANIES ACT 2013****I. Choose the Correct Answers:**

- 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
- How does a person who envisages the idea to form a company called?**
(a) Director (b) Company Secretary (c) Registrar (d) **Promoter**
- 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
- 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
- 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

II. Very Short Answer Questions:**1. What are the four stages of formation of a company?**

- ✎ Promotion
- ✎ Registration
- ✎ Capital Subscription and
- ✎ Commencement of Business.

2. What is Bonus Shares?

- ✎ 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 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? (PTA - 6) ✎

- ✎ According to Section 2(30) of Companies Act 2013 "debenture" includes debenture stock, bonds or any other instrument of a company evidencing a debt, whether constituting a charge on the assets of the company or not; It is evident from the definition that the term debentures covers both secured and unsecured debentures.

III. Short Answer Questions:**1. What do you understand by Issue of Securities at Premium? (MAR - 2023, PTA - 5) ✎**

- ✳ 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.

2. Explain different kinds of Preference shares. (any 3) (PTA - 1) ✎**➤ 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.

➤ Redeemable Preference shares:

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

IV. Long Answer Questions:**1. Write the differences between Shares and Debentures. (any 5)**

(AUG - 2021, MAY - 2021, JULY - 2022, MAR - 2023, PTA - 4) ✎

S. No	DEBENTURES	SHARES
1.	Debentures constitute a loan.	Shares are part of the capital of a company.
2.	Middle and Lower Level	Top level
3.	Debenture holder gets fixed rate of Interest which carries a priorities over dividend.	Shareholders gets dividends with a varying rate.
4.	Debentures generally have a charge on the assets of the company.	Shares do not carry any such charge.
5.	Debenture holders do not have any voting right	Shareholders enjoy voting right.

2. What are the various kinds of Debentures? (any 5)

(SEP - 2020, MAY - 2022, PTA - 5) ✎

1. On the basis of convertibility, Debentures may be classified into following categories:**(i) Non Convertible Debentures (NCD):**

- ✳ These instruments retain the debt character and cannot be converted into equity shares.

(ii) Partly Convertible Debentures (PCD):

- ✳ A part of these instruments are converted into Equity shares in the future at notice of the issuer.

(iii) Fully convertible Debentures (FCD):

- ✳ These are fully convertible into Equity shares at the issuer's notice.

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.

(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.

UNIT X COMPANY LAW AND SECRETARIAL PRACTICE**CHAPTER 27 COMPANIES MANAGEMENT****I. Choose the Correct Answer:**

- 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 Rs. _____ or more may have a Director, elected by such small shareholders.**
 - (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 Directors.

II. Very Short Answer Questions:

- 1. Name the companies required to appoint KMP.**



- 2. Who is whole time Director? (AUG – 2021, MAY – 2021, JULY - 2022)**

♣ 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? (JUNE-2023,PTA - 3)**

♣ 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?**

♣ 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.

III. Short Answer Questions:

- 1. When are alternative directors appointed? (AUG – 2021, MAY – 2021, PTA - 2)**

♣ Alternate director is appointed by the Board of Directors, as a substitute to a director who may be 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 a 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? (JUNE-2023,PTA – 3)**

♣ 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.**

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.

IV. Long Answer Questions:**1. Who are the 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.
- ✧ The definition of the term Key Managerial Personnel is contained in Section 2(51) of the Companies Act, 2013. This Section states:

**2. Brief different types of Directors. (5) (PTA – 1)**

- i. **Residential Director**
- ii. **Women Director**
- iii. **Additional Director**
- iv. **Alternate Director**
- v. **Shadow Director**

1. Residential Director:

- ♣ According to Section 149(3) of Companies Act 2013, 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. Women Director:

- ♣ As per Section 149 (1) (a), 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 crore rupees or more; or
 - (b) Turnover of three hundred crore rupees or more.

3. Additional Directors:

- ♣ Any Individual can be appointed as Additional Directors by a company.

4. Alternate Directors:

- ♣ Alternate director is appointed by the Board of Directors, as a substitute to a director who may be 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 a passing a resolution in the General Meeting. The alternative director is not a representative or agent of Original Director.

5. 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 qualification of Directors. (JUNE-2023)

- ♣ 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.
- ♣ According to the different provisions relating to the directors; the following qualifications may be mentioned:

- i. A director must be a person of sound mind.
- ii. A director must hold share qualification, if the article of association provides such.
- iii. A director must be an individual.
- iv. A director should be a solvent person.
- vi. A director should not be convicted by the Court for any offence, etc.

UNIT X COMPANY LAW AND SECRETARIAL PRACTICE

CHAPTER 28 COMPANY SECRETARY

I. Choose the Correct Answer:

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 |

II. Very Short Answer Questions:

1. Who is a Secretary? (PTA - 4)

- ♣ According to Section 2(24) of the Companies Act, 2013 defines "Company Secretary" or "Secretary" means any individual possessing the prescribed qualifications, appointed to perform the duties which may be performed by a secretary under this Act and any other ministerial or administrative duties".

2. What is meant by Meeting? (SEP - 2020)

- ♣ A company meeting must be convened and held in perfect compliance with the various provisions of the Act and the rules framed there under.

3. Write short note on 'Proxy'? (PTA - 5)

- ♣ Proxy means a person being the representative of a shareholder at the meeting of the company who may be described as his agent to carry out which the shareholder has himself decided upon.
- ♣ Proxy can be present at the meeting and he cannot vote.

4. What is 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.

III. Short Answer Questions:

1. What is Special Resolution? (SEP - 2020, PTA - 4)

- ♣ 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.

2. What do you mean by Statutory Meeting? (SEP - 2020, PTA - 5)

- ♣ 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.

3. Give any three cases in which an ordinary resolution need to be passed. (MAR - 2020) ✎

- ♣ To change or rectify the name of the company,
- ♣ To declare the dividends,
- ♣ To appoint the directors,
- ♣ To redeem the debentures

IV. Long Answer Questions:

1. Briefly state different types of company meetings.

(MAR – 2020, SEP – 2020, JULY – 2022, MAR – 2023, PTA - 4) ✎

1. Meetings of Shareholders

- (a) Statutory Meeting
- (b) Annual General Meetings (AGM)
- (c) Extraordinary General Meetings (EGM)

2. Meetings of the Directors

- (a) Board meetings
- (b) Committees meetings

3. Special Meetings

- (a) Class Meetings.
- (b) Creditors and of Debenture/bond holders 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.
- ♣ 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.

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.
- ♣ The differences between two general meetings should not be more than fifteen months.

c) Extra-Ordinary General Meeting

- ♣ Both Statutory meeting and annual general meetings are called as ordinary meetings of a company.
- ♣ 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 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 convened 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.

2. Explain different types of open and secret types of voting. (PTA – 6) ✎

I. Open Procedure

(a) By Voice:

- ♣ 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 can announce the result on the basis of hands counted.

II. Secret Procedure

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 votes are counted and the results are announced.

b) Postal Ballot

- ♣ 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.

XII COMMERCE

(2 Mark and 3 Marks COMPULSORY QUESTIONS :- (Sep 2020 TO Mar 2023))

1. Oil and coffee are sold in a commodity market. Mention the market to which they belong. (Sep -2020) ✎ (Answer : Pg. No.33)

- ♣ Hard commodities – Oil (gold, rubber, iron and ore)
- ♣ Soft commodities – coffee (wheat, sugar)

2. Give three suggestions to a salaried employee to invest in Gilt – Edged Securities. (Sep -2020) ✎ (Answer : Pg. No.33)

- ♣ Gilt-Edged Market also known as Government Securities market is the market for Government and semi-Government securities.
- ♣ An important feature of the securities traded in this market ;
 - Guaranteed return on investments
 - No speculation in securities

(Full Marks maybe awarded even if another suitable answer is written in own style)

3. If the payee is an illiterate, how can he endorse a negotiable instrument? (Mar -2020) ✎ (Answer : Pg. No.194)

- ♣ If the payee is an illiterate person, he can endorse it by affixing his thumb impression on the instrument.

4. When there is no space in Negotiable Instrument for making further endorsement, how can it be endorsed? (Mar -2020) ✎ (Answer : Pg. No.1933)

- ♣ A piece of paper can be attached.
- ♣ It is called allonge.

5. List out the Key Managerial Personnel in a Company. (May -2022) ✎

(Answer : Pg. No.246)

- ✦ the Chief Executive Officer
- ✦ the Managing Director or the Manager;
- ✦ the Company Secretary;
- ✦ the Whole-time Director;
- ✦ the Chief Financial Officer; and
- ✦ such other officer as may be prescribed;

6. India Tech Public Company issued equity shares and preference shares.

After Some years the company went into liquidation. Which type of shareholder will get their share capital first? (May -2022) ✎

(Answer : Pg. No.236)

- ✦ Preference Share capital
- ✦ Preference right over repayment of share capital in the event of winding up of the company.

7. What do you mean by issue of securities at Discount? (July -2022) ✎

(Answer : Pg. No.238)

- ✦ When the shares are issued at a price below the face value they are said to be issued at a discount.
- ✦ For example, a share having the face value of Rs 10 is issued at Rs 8.
- ✦ The companies act 2013, prohibits the issue of shares at discount (Section 53), except sweat Equity share.

8. What is Quorum? (Mar -2023) ✎ (Answer : Pg. No.268)

- ✦ Requisite number of person at the meeting is called as quorum.

9. Why should an entrepreneur possess Decision making skill? (Mar -2023) ✎

(Answer : Pg. No.202)

- ✦ Entrepreneur should rationally examine the various factors influencing the decision and take appropriate decisions after giving due weight to all the risks embedded in various factors.

(Full Marks maybe awarded even if another suitable answer is written in own style)

10. Give note on "Make in India Scheme". (Mar -2023) ✎

(Answer : Pg. No.224)

- ✦ This Scheme is designed to transform India into a global design and manufacturing hub
- ✦ The make in India initiative was launched in September 2014.
- ✦ This has in turn helped procure investments further innovation develop skills protect intellectual property and build best-in-class manufacturing infrastructure.

(Give Marks for any other relevant answer also)

XII COMMERCE

COMPULSORY QUESTIONS :- (Future Expectation questions - 2024)

11. Name the top Indian Management thinkers. (Answer : Pg. No.10)

12. What is Financial Assets? (Answer : Pg. No.26)

13. What is Gilt – Edged market? (Answer : Pg. No.33)

14. Who is Jobbers? (Answer : Pg. No.50)

15. What are the ways to reduce water usage in School premises?

(Answer : Pg. No.125)

16. What are the factors leading to Consumer Exploitation?

(Answer : Pg. No.129)

17. What is IOCU? (Answer : Pg. No.153)

18. Name the Six non – liberalized industries. (Answer : Pg. No.166)

19. Explain IFSC code? (Answer : Pg. No.201)

20. Maharatnas Companies – Discuss (Answer : Pg. No.247)

21. Brief Quorum. (Answer : Pg. No.275)