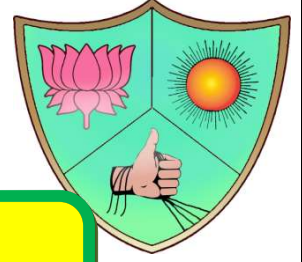


VIVEKANANDA VIDYALAYA MATRIC HR SEC SCHOOL

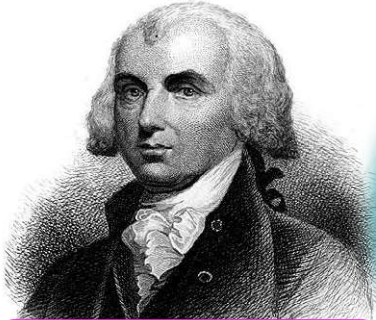


PANNAIKADU PIRIVU

KODAIKANAL



12TH - STD



POSEIDON
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முகவுரை

மாணவ நண்பர்களுக்கு,

வணிகவியல் பாடத்தில் நல்ல மதிப்பெண்களை பெற வேண்டும் என்ற நோக்கத்தில் எளிமையான முறையில் படிப்பதற்கு வசதியாக எனது 10 வருட பணி அனுபவத்தை கொண்டு இந்த **material** - யை தொகுத்துள்ளேன். எனது பாணியில் எனது மாணவர்களுக்கு ஏற்றவாறு தயார் செய்த இந்த தொகுப்பை அனைத்து மாணவர்களும் பயன்பெற வேண்டும் என்ற நோக்கத்திலேயே வெளியிட்டுள்ளேன். எனது இந்த தொகுப்பில் ஏதேனும் பிழைகள் குறைகள் இருந்தால் சரிசெய்து கொள்ளவும். பின் தங்கிய மாணவர்களும் நல்ல மதிப்பெண்களை பெற வேண்டும் என்ற நோக்கத்திலேயே இதை தொகுத்துள்ளேன்.

தற்பொழுது அரசு வெளியிட்டுள்ள புதிய பாடத் திட்ட தொகுப்பின் அடிப்படையில் இந்த வினா விடை தொகுப்பை என்னால் இயன்ற அளவிற்கு மிக எளிமையாக உருவாக்கியுள்ளேன். முழு மதிப்பெண்கள் பெற இதுவே போதுமானது. மேலும் பொதுத்தேர்வில் பின்தங்கிய மாணவர்களும் நல்ல மதிப்பெண்களை பெற வைக்க முடிந்தது. எனவே இதை உபயோகப்படுத்தி நல்ல மதிப்பெண்களை பெறவும்.

மாணவ நண்பர்களே!! நேரத்தை சரியாக பயன்படுத்தி கொள்ளுங்கள். சரியான நேரத்தில் சரியான முறையில் படித்து வெற்றி பெற்று அடுத்த கட்ட நிலைக்கு செல்ல வேண்டிய இறுதி நிலையில் உள்ளாய். நேரத்தை வீணாக்காதே! அடுத்து என்ன செய்ய போகிறாய் என்பதை முதலில் தீர்மானி. மதிப்பெண்களை பெறுவதிலேயே கவனத்தை வை. முயன்றால் முடியாதது எதுவுமில்லை. கடினமாக தான் இருக்கும். கஷ்டப்பட்டு படித்தால் நல்ல முன்னேற்றத்தை அடைவாய்.

பள்ளி பருவத்தில் நீ பெறும் வெற்றியே உன் வாழ்க்கை முழுவதையும் தீர்மானிக்க போகிறது என்பதை நன்றாக கவனம் கொள். தினமும் காலையில் படிப்பதற்கு முன் உன் இலக்கு என்ன என்பதை இரு நிமிடம் யோசித்து பார். நீ செல்வது சரியான பாதையா என்று சிந்தி!!!! நல்ல பாதையே நல்ல முடிவை தரும். நல்ல மதிப்பெண்களை பெறுவதே உன் நோக்கமாக இருக்கட்டும். அதுவே உன் வாழ்க்கை என்னும் பாதைக்கு நல்லவழிகாட்டும். பள்ளி வாழ்க்கையின் கடைசி நிலையில் உள்ளாய்!!!! இங்கு நீ பெறும் மதிப்பெண்களே உன் அடுத்த கட்ட பாதையை உருவாக்க போகின்றன என்பதை நினைவில் எப்பொழுதும் வை.

உன் பெற்றோரின் உழைப்பையும் சிந்தித்துப் பார். பிறகு படிக்க ஆரம்பி. கவனம் சிதறாமல் படிப்பில் கவனத்தை செலுத்துவாய். பிறகு நீயாகவே முயற்சி செய்து நல்ல மதிப்பெண்களையும் பெறுவாய்.

உங்களுக்காக நாங்கள்!!!!

உன் வெற்றியே எங்கள் வெற்றி!!!!

உங்கள் வெற்றியில் பெருமைப்பாட நாங்களும் காத்திருக்கிறோம்!!!!!!

WISH YOU ALL THE BEST FOR YOUR EXAMINATION

P. Vaheeswaran
ஆசிரியர்

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?

- ♣ Management is a goal oriented.
- ♣ It is the art of getting things done with and through others.

2. List out the management tools.

- ✱ Accounting
- ✱ Business Law
- ✱ Statistics
- ✱ Econometrics
- ✱ Data Processing

3. State the meaning of Authority.

Authority means the right of a superior to give the order to his subordinates.

4. What do you mean by Span of management?

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

III. Short answers questions:

1. Define the term management.

“To manage is to forecast to plan, to organize, to command, to co-ordinate and to control”.

- **Hendry feyol**

“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.

S.No	BASIS	MANAGEMENT	ADMINISTRATION
1	Authority	Middle and Lower Level	Top level
2	Role	Executive	Decisive
3	Concerned with	Policy implementation	Policy formulation
4	Key person	Manager	Administrator

3. What are the principles of Taylor?

- ❖ Science, Not Rule of Thumb
- ❖ Harmony, Not Discord
- ❖ Mental Revolution
- ❖ Cooperation, Not Individualism

4. What determines the span of management?

The following factor determines the span of management:

- * Capacity of Superior
- * Capacity of subordinate
- * Nature of work
- * Degree of decentralization
- * Planning
- * Communication technique

IV. Long answer questions:**1. Explain the concept of management.****i). Body of Knowledge:**

Management knowledge is the best passport to enter the world of employment either in business world or government or private.

ii). Management Tools:

- * Accounting,
- * Business Law,
- * Psychology,
- * Statistics,
- * Econometrics,
- * Data Processing,

iii). Separate Discipline:

- ◆ Management studies in many universities and institutions of higher learning are recognized as a separate discipline.
- ◆ Seminars, special courses, training programmes are becoming fashionable and popular for orientation.

iv). Specialization:

- ☛ 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.

v). Professional Association:

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

2. Explain the principles of modern management.**i). Division of Work:**

- ☛ According to this principle the whole work is divided into small tasks.
- ☛ The specialization of the workforce according to the skills of a person, creating specific personal and professional development within the labour force.

ii). Authority and Responsibility:

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

iii). Discipline:

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

iv). Unity of Command:

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

v). Unity of Direction:

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

@*@*@*@*@*@

INTERIOR QUESTIONS**For Own thinking:****1. Imagine yourself to be a manager and chart down the functions to be performed.**

- ♣ **Planning** –how to achieve a particular goal; creating a structure for daily tasks.
- ♣ **Organizing** – assigning work as well as the required material to the team.
- ♣ **Staffing** –the team by recruiting, selecting, training, and developing employees.

- ♣ **Leading** – motivating, communicating, guiding, as well as assisting the team members.
- ♣ **Controlling:** Continuously checking results against goals and taking any corrective actions necessary to ensure success of the plan.

2. Formulate a new policy relating to timing of employees.

- If the workers earn enough to pay for their necessities, they may opt to spend more time at home or in leisure.
- Countries around the globe are already experimenting and implementing shorter work weeks in varying degrees.
- So, in my opinion, the new policy relating to timing of employees should be a four – day work week.

For future learning

3. The changes in management and administration of a school growing into a college.

- An administrator can act as a link between the teachers and the management.
- Educational administration is a system of proper utilization of workforce and materials for effective and well-organized teaching and learning in schools and colleges.
- Administrators can act as a link between the teachers and the management.

4. Application of management process in accomplishing work life balance.

- Reflect on Priorities.
- Set Specific OKRs.
- Define Measurable Key Results.
- Prioritize and Focus.
- Schedule Regular Check-ins.
- Embrace Flexibility.

Do you know:

5. Top Ranked Indian Management Thinkers:

- Nirmalya kumar, Professor, London Business school
- Vijay Govindarajan, Professor, Tuck School of Business @ Dart mouth college, New Hampshire.
- Pankaj ghemawat, Professor, IESE Business School, Spain.

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) Organizing (d) Staffing

3. _____ is included every managerial function.

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

4. Which of the following is verification function?

- (a) Planning (b) Organizing (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.

- ◆ Planning is the primary function of management.
- ◆ Nothing can be performed without planning.

2. What is meant by Motivation?

- The goals are achieved with the help of motivation.
- This is done by a resourceful leader.

3. List the subsidiary functions of management?

- | | |
|------------------|-------------------|
| ✪ Innovation | ✪ Decision making |
| ✪ Representation | ✪ 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?

- | | | |
|--------------|--------------|-----------------|
| ♣ Planning | ♣ Directing | ♣ Controlling |
| ♣ Organizing | ♣ Motivation | ♣ Co-ordination |

2. State the importance of staffing.

- ❖ Staffing refers to placement of right persons in the right jobs.
- ❖ Staffing helps to ensure better utilization of human resource
- ❖ It ensures to continuity and growth of the organization, through development managers.

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

- ✿ Communication is the transmission of human thoughts and opinions from one person to another person.
- ✿ Employees are informed about the following way.

IV. Long Answer Questions:

1. Explain the various functions of management.

i). Planning

- ♥ "Look Before you Leap" are traditional proverbs which provide a basis for planning.
- ♥ Planning is the primary function.

ii). Organizing

Y It is the process of establishing harmonious relationship among the members of an organization and the creation of network of relationship among them.

iii). Directing

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

iv). Representation:

- ♥ A manager has to act as representative of a company.
- ♥ Manager has dealings with customers, suppliers, government officials, banks.

v). Decision-making:

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

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INTERIOR QUESTIONS

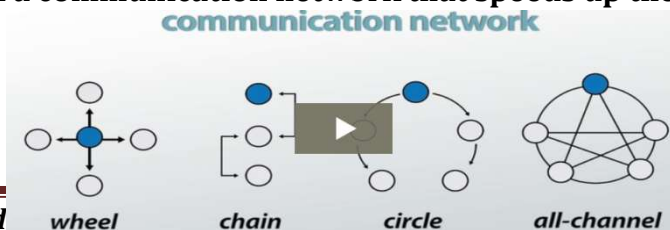
For Own thinking:

1. Check for the criteria's that add cost in the absence of planning.

Six areas in particular highlight the biggest and most common failure culprits.

- Constituent Alignment,
- Proactive Risk Management,
- Performance Measurement,
- Project Scope Definition and Management,
- Critical Project Communication and Methodology

2. Design a communication network that speeds up the work.



For future learning

3. Identify the need for financial and non-financial motivators relating to Gen Z.

- ✘ Financial motivators may be in the form of more wages and salaries, bonuses, profit-sharing, leave with pay medical reimbursements, company paid insurance of any of the other things that may be given to employees for performance.
- ✘ The economists and most managers consider money and financial incentives as important motivators.
- ✘ Behavioral scientists, on the other hand, tend to place them low.
- ✘ Neither view is probably right.

Do you know:

4. The generation Z workers motivators are as follows:

- Flexible schedule
- Plan for in-person interaction
- Re-evaluate formal education
- Set clear expectations
- Make them feel valued
- Be transparent.

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

I. Choose the Correct Answers:

- _____ System gives full Scope to the Individual Strength and Responsibility.
(a) MBO (b) MBE (c) MBM (d) MBA
- 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 Organizational Objectives
- ____ keeps Management Alert to Opportunities and Threats by Identifying Critical Problems.
(a) MBA (b) MBE (c) MBM (d) MBO
- Delegation of Authority is Easily Done with the Help of _____.
(a) MBM (b) MBE (c) MBO (d) MBA
- MBO is popularized in the USA by _____.
(a) Prof. Reddin (b) Geroge Odiorne (c) Henry Feyol (d) E.W Taylor

II. Very Short Answer Questions:

- What are the objectives of MBO?
 - ↔ To measure and judge performance
 - ↔ To relate individual performance to organizational goals.
- Bring out the meaning of MBE.
 - It is a style of business management that focuses on identifying and handling cases that deviate from the norm.
- Mention any two advantages of MBO?
 - ✱ MBO gives the criteria of performance. It helps to take corrective action.
 - ✱ Delegation of authority is easily done with the help of MBO.
- What is known as KRA?
 - Key result areas are fixed on the basis of organizational objectives premises.
 - It indicates the strength of an organization.

III. Short Answer Questions:

- Write the features of MBO.
 - ♥ MBO tries to combine the long run goals of organization with short run goals.
 - ♥ Management tries to relate the organization goals with society goals.
 - ♥ MBO's emphasis is not only on goals but also on effective performance.
- What are the Process of MBE?
 - ✱ It is necessary to set objectives with estimated results.

- ✿ These performances are assessed and get equated to the actual performance.
- ✿ The deviation gets analyzed.
- ✿ The aim is to solve this “exception” immediately.

3. List out any three process of MBO.

- ❖ Defining Organizational Objectives
- ❖ Goals of Each Section
- ❖ Fixing Key Result Areas

IV. Long Answer Questions:

1. What are the major advantages of MBO?

- ❖ Systematic evaluation of performance is made with the help of MBO.
- ❖ MBO gives the criteria of performance. It helps to take corrective action.
- ❖ Delegation of authority is easily done with the help of MBO.
- ❖ MBO motivates the workers by job enrichment and makes the jobs meaningful.
- ❖ The responsibility of a worker is fixed through MBO.

2. What are the advantages of MBE?

- ✿ It saves the time of managers because they deal only with exceptional matters.
- ✿ It focuses managerial attention on major problems.
- ✿ It facilitates delegation of authority.
- ✿ There is increase in span of control.
- ✿ This leads to motivation and development of subordinates.

3. Discuss the disadvantages of MBE.

- ♥ Only managers have the power over really important decisions, which can be demotivating for employees at a lower level.
- ♥ Furthermore, it takes time to pass the issues to managers.
- ♥ Managing employees who deviate from the normal procedures.
- ♥ Because of compliance failures are considered difficult to manage.
- ♥ Typically find themselves with limited job duties and ultimately dismissed.

@*~*~*~*~*~*~*~*~*~*

INTERIOR QUESTIONS

For Own thinking:

1. Discussion on the various functions of management, how it helps to MBE?

There is no universally accepted list of management functions. Different experts have classified the functions of management in different ways. They are:

- Planning
- Organizing

- Staffing
- Directing
- Controlling

2. State your own view about MBO and MBE need to the management.

- In summary, MBO is a proactive management approach that focuses on setting and achieving goals.
- While MBE is a reactive management approach that focuses on identifying and addressing problems or exceptions.
- A management approach in which managers and employees work together to set and achieve specific goals

Case Study:

3. The company gets 30% of marginal profit for every year, but not increasing the salary of the employees for last three years. The employees conduct the indefinite strike against the company. Assume you are the manager of the company. How to solve the problem with using MBO or MBE?

- Both MBO and MBE approaches can be utilized to address the employee strike and resolve the salary issue.
- MBO focuses on setting clear objectives, fostering collaboration, and rewarding performance, while MBE emphasizes monitoring performance and intervening only when exceptions occur.

CHAPTER – 4 INTRODUCTION TO FINANCIAL MARKETS

I. Choose the Correct Answers:

1. Financial market facilitates business firms

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

2. Capital market is a market for

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

3. Primary market is also called as

- a) Secondary market
c) New Issue Market
- b) Money 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 times
c) Three times
d) Multiple times

II. Very Short Answer Questions:

1. What are the components of organized sectors?

- ↔ Regulators, Financial Institutions
↔ Financial Markets, Financial Services

2. What is Spot market?

It is market where the delivery of financial instrument and payment of cash occurs immediately.

3. What is debt market?

Debt Market is the financial market for trading in Debt Instrument

4. How is price decided in a secondary market?

Price decided in secondary market is determined by the demand and supply.

III. Short Answer Questions:

1. Give the meaning of financial market.

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

2. Write a note on Secondary Market.

- ♣ The place where formerly issued securities are traded is known as Secondary Market.
- ♣ Stock exchange is important one of secondary market.
- ♣ It does not provide funding to companies.

3. Bring out the scope of financial market in India.

- ↔ It leads to the overall economic development.
- ↔ It provides financial assistance to individuals, agricultural sectors, industrial sector, service sectors and financial institutions.
- ↔ With the help of the financial market all the above stated individuals institutions and government can get their required funds in time.

IV. Long Answer Questions:

1. Distinguish between new issue market and secondary market.

S.no	Basis	New Issue Market	Secondary Market
1	Meaning	The market place for new shares is called primary market	The place where formerly issued securities are traded is known as Secondary Market.
2	Buying	Direct	Indirect
3	Securities sold	Only Once	Multiple times
4	Gained Person	Company	Investors
5	Intermediary	Underwriters	Brokers

2. Enumerate the different types of financial markets.

(i) Debt Market:

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

(ii) Equity Market:

It is the financial market for trading in Equity Shares of Companies.

iii). Money Market:

It is the market for short term financial claim (usually one year or less) E.g. Treasury Bills, Commercial Paper, Certificates of Deposit

iv). Capital Market:

It is the market for long term financial claim more than a year E.g. Shares, Debentures.

v). Spot Market

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

3. Discuss the role of financial market.

(i) Savings Mobilization

Obtaining funds from the 'surplus' units such as 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.

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INTERIOR QUESTIONS**Do you know:****Financial Assets**

- In any financial transaction, there should be a creation or transfer of financial asset.
- Hence, **the basic product of any financial system is the financial asset.**
- **A financial asset is one which is used for production or consumption or for further creation of assets.**
- For instance, a buys equity shares and these shares are financial assets since they earn income in future.
- In this context, one must know the distinction between financial assets and physical assets. Unlike financial assets, physical assets are not useful for further production of goods or for earning income.
- For example X purchases land and buildings or gold and silver. These are physical assets since they cannot be used for further production. Many physical assets are useful for consumption only.
- It is interesting to note that the objective of investment decides the nature of the asset. For instance if a building is bought for residence purposes, it becomes a physical asset. If the same is bought for hiring, it becomes a financial asset.

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?**

It 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?

- ✱ Individuals
- ✱ Corporate Sectors
- ✱ Government banks
- ✱ Financial Institutions

4. How is price determined in a Capital Market?

Price determined in a Capital Market it is based on demand and supply.

III. Short Answer Questions:**1. What are the various kinds of Capital Market? Explain.**

The capital market is divided into two i.e.,

- ✱ *Primary market and*
- ✱ *Secondary market*

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

- 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). Savings and Capital Formation

In capital market, various types of securities help to mobilize savings from various sectors of population.

ii). Industrial Growth

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

3. Explain about Factoring and Venture Capital Institutions.

i). Factoring Capital

- The factoring institutions collect the book debts for and on behalf of its clients.
- Some of the factoring institutions operating in India are SBI Factors and Commercial Services Private Limited, etc

ii). Venture capital:

- ❖ Venture capital funds bring into force the hi-technology projects which are converted into commercial production.
- ❖ They include Risk Capital Foundation of IFCI, Venture Fund of IDBI, SIDBI, and others.

IV. Long Answer Questions:

1. Discuss the characters of a Capital Market.

(i) Securities Market

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

(ii) Price

The price of the securities is determined based on the demand and supply.

(iii) Participants

There are many players in the capital market. It includes individuals, corporate sectors, Govt., banks and other financial institutions.

(iv) Location

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

(v) Market for Financial Assets

Capital market provides a transaction platform for long term financial assets.

2. Briefly explain the functions of capital market.**(i) Savings and Capital Formation**

Various types of securities help to mobilize savings from various sectors of population.

(ii) Permanent Capital

- ✱ The existence of a capital market/stock exchange enables companies to raise permanent capital.
- ✱ The investors cannot commit their funds for a permanent period.

iii) Industrial Growth

- ↔ The stock exchange is a central market through which resources are transferred to the industrial sector of the economy.
- ↔ The existence of such an institution encourages people to invest in productive channels.

(iv) Ready and Continuous Market

- Easy marketability makes investment in securities more liquid as compared to other assets.

(v) Reliable Guide to Performance

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

3. Explain the various types of New Financial Institutions**i) Mutual Funds**

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

ii) 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.
- Some of the greatest strengths of OTCEI are transparency of transactions, quick deals, faster settlements and better liquidity.

iii) National Stock Exchange of India Limited (NSEI)

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

iv) National Securities Depositories Limited

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

- ❖ The establishment of NSDL is expected to alleviate the problems of post trade transactions in the secondary market.

v) Stock Holding Corporation of India Limited (SHCIL)

- ❖ It aims at serving as a central securities depository in respect of transactions on stock exchanges.

INTERIOR QUESTIONS

Do you know:

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 is that they are stable in value and are much sought after by banks.

- ❖ Guaranteed return on investments
- ❖ No speculation in securities
- ❖ Institutional based investors which are compelled by law to invest a portion of their funds in these securities.
- ❖ Predominated by such institutions as LIC, GIC, PFs and the commercial banks
- ❖ Heavy volume of transactions necessitating negotiation of each transaction

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?

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?

- ♣ Issuer
- ♣ Finance Bills
- ♣ Liquidity
- ♣ Vital Source
- ♣ Monetary Management

2. Who are the participants of Money Market?

- ✱ Private and Public Banks
- ✱ Mutual Funds Institutions
- ✱ Insurance Companies
- ✱ RBI and SBI
- ✱ Commercial Banks
- ✱ State Governments
- ✱ Public

3. Explain the types of Treasury Bills?

On the basis of periodicity, Treasury Bills may be classified into three. They are:

↔ 91 days Treasury Bills

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

↔ 182 days Treasury Bills

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

↔ 364 days Treasury Bills

364 days Treasury Bills do not carry any fixed rate.

4. What are the types of Commercial Bill?

- Demand and Usance Bills
- Clean bills and documentary Bills
- Inland bills and Foreign Bills
- Indigenous Bills
- Accommodation and supply Bills

IV. Long Answer Questions:

1. Differentiate between the Money Market and Capital market?

S.no	Features	Money Market	Capital Market
01	Duration of Funds	It is a market for short term loan funds.	It is a market for long term Funds .
02	Risks	Low credit and Market risk	High credit and Market Risk
03	Liquidity	High	Low

04	Underwriting	It is not primary function	It is a primary function
05	Subdivision	There is no such subdivision	There is a division

2. Explain the characteristics of Money Market?

i).Short-term Funds

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

ii).Maturity Period

It deals with financial assets having a maturity period up to one year only.

iii).Conversion of Cash

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

iv).Existence of Secondary Market

There should be an active secondary market for these instruments.

v).Wholesale Market

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

3. What are the Characteristics of Government Securities?

i). 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.

ii). Nature of Securities

Securities offer a safe avenue of investment through guaranteed payment of interest and repayment of principal by the Government.

iii). Liquidity Profile

- ♥ The liquidity profile of gilt-edged securities varies.
- ♥ Accordingly liquidity profile of securities issued by Central Government is high.

iv). Issue Mechanism

- The Public Debt Office of the RBI undertakes to issue government securities.

v). Issue opening

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

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INTERIOR QUESTIONS**Do you know:**

- ✿ London Money Market is the oldest, most developed and leading Money Market in the world.
- ✿ New York Money Market is ranked as the second well-developed Money Market in the world next only to the London Money Market.

For Own Thinking:

1. If you earn money, which investment plan would you like?

1. Mutual Funds
2. Shares
3. Debentures
4. Treasury Bill
5. Commercial Bill
6. Certificate of Deposit

Why? Give reasons.

Ans: Mutual funds

Explanation: Because it takes less interest and safe

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?

Stock Exchange is an organized market for the purchase and sale of industrial and financial security.

2. Write any 5 Stock Exchanges in India.

- ✱ Bangalore Stock Exchange Ltd.
- ✱ The Cochin Stock Exchange Ltd.
- ✱ The Bombay Stock Exchange
- ✱ The Jaipur Stock Exchange Ltd.
- ✱ The Kanara 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.
- ♥ The member and gets a commission for that service.

4. Who is called a Broker?

Brokers are commission agents, who act as intermediaries between buyers and sellers of securities.

5. What are the types of Speculator?

- ↔ Bull ↔ Bear ↔ Stag ↔ Lame Duck

III. Short Answer Questions:

1. What are the limitations of Stock exchange?

- ✘ Lack of uniformity and control of stock exchanges.
- ✘ Failure to control unhealthy speculation.
- ✘ No proper regulation of listing of securities on the stock exchange

2. Explain Bull and Bear.

i). Bull

- ❖ A Bull or Tejiwala is an operator who expects a rise in prices of securities in the future.
- ❖ He is called bull because just like a bull tends to throw his victim up in the air, the bull speculator stimulates the price to rise.
- ❖ He is an optimistic speculator.

ii). Bear

- ☀ A bear or Mandiwala speculator expects prices to fall in future and sells securities at present with a view to purchase them at lower prices in future.
- ☀ A bear usually presses its victim down to ground.
- ☀ A bear is a pessimistic speculator.

3. Explain Stag and Lame Duck.

i) 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.

ii). 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.
- ♥ Moreover, the buyer is not willing to carry over the transactions.

IV. Long Answer Questions:

1. Explain the functions of Stock Exchange.

i). Ready and Continuous Market

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

ii). Correct Evaluation of Securities

- ♥ One can easily evaluate the worth of one's securities on the basis of these quotations.
- ♥ The lender can easily assess the worth of security offered for loan.

iii). Aid to Capital Formation

- ❖ The facilities provided by it for their purchase and sale induce people to save and invest.
- ❖ Stock exchanges thus ensure a steady flow of capital into industry and assists industrial development.

iv). Facilities for Speculation

- * Speculation is an integral part of stock exchange operations.
- * As a result of speculation, demand for and supply of securities are equalized.
- * Similarly, price movements are rendered smoothly.

v). Seasoning of Securities

- ✓ Speculators and underwriters hold for a temporary period, securities issued by new companies.
- ✓ They unlock them when the market is prepared to absorb the new issues.

2. Explain the features of Stock Exchange.**i). Market for Securities**

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

ii). Deals in Second Hand Securities

It deals with shares, debentures bonds and such securities already issued by the companies.

iii). Regulates Trade in Securities

- ✱ Stock exchange does not buy or sell any securities on its own account.
- ✱ It regulates the trade activities so as to ensure free and fair trade.

iv). Association of Persons

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

v). Recognition from Central Government

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

3. Distinguish between Stock Exchange and Commodity Exchange.

S.no	Features	Stock Exchange	Commodity Exchange
1	Meaning	It is an organized market for the purchase and sale of industrial and financial security.	It is an exchange where commodities are traded.

2	Function	Providing easy marketability	Price insurance service and liquidity to securities
3	Object	It is facilitating capital formation	It is facilitating goods flow through risk reduction
4	Participants	Investors and Speculators	Producers, Dealers, Traders
5	Price Quotation	Its dealings only one quotation is possible	Its dealings multiple quotation is possible

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INTERIOR QUESTIONS

For Own Thinking:

1. Identify any two persons in your vicinity who are associated with the financial market/stock exchanges, either as an investor or as a stockbroker. Talk to them and find out
 - (i) How sale and purchase of securities takes place;
 - (ii) What are the popular instruments traded in the market; and
 - (iii) About recent SEBI/ government guidelines that may have affected their transactions.

Install small case and there are invested and stickers whom you can talk

CHAPTER 8 SECURITIES EXCHANGE BOARD OF INDIA

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 short notes on SEBI.

SEBI is an apex body that maintains and regulates our capital market.

2. Write any two objectives of SEBI.

- ✂ Regulation of Stock Exchanges
- ✂ Protection to the Investors

3. Mention the headquarters of SEBI.

↔ BandraKurla Complex in Mumbai,

↔ **North** - New Delhi, **East** - Kolkata, **South** - Chennai and **West**- Ahmadabad.

4. What are the various ID proofs?

- | | |
|---------------------|---------------------|
| ● PAN Card, | ● IT Returns, |
| ● Voter's ID, | ● Electricity Bill, |
| ● Passport, | ● Telephone Bill, |
| ● Driver's License, | ● ID Cards |
| ● Bank Attestation, | |

III. Short Answer Questions:

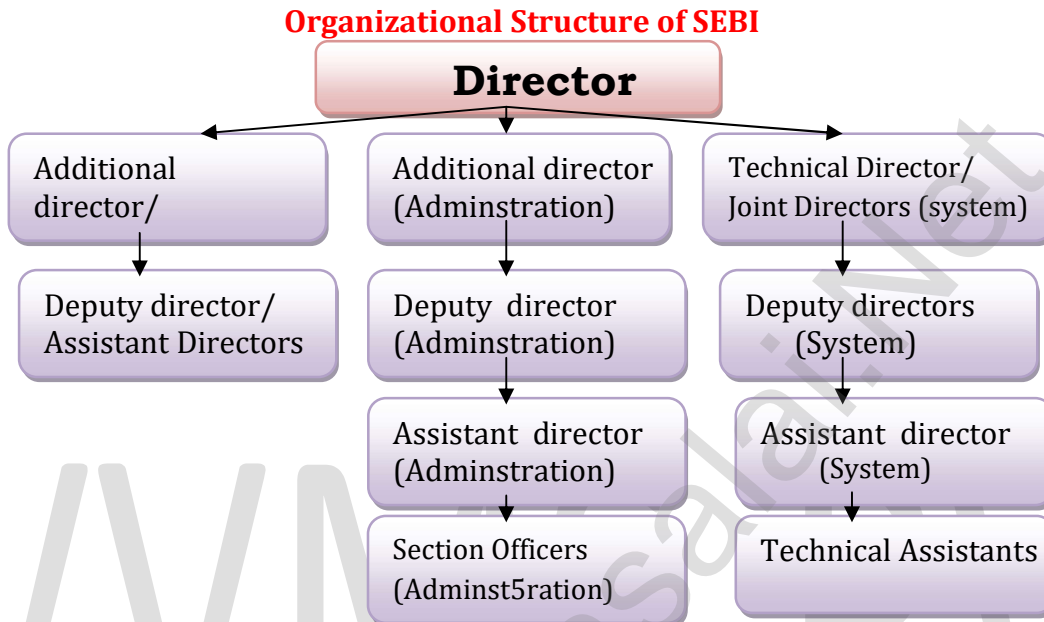
1. What is meant by Dematerialization?

- ❖ It is the process by which physical share certificates of an investor are taken back by the company.
- ❖ Then an equivalent number of securities in the electronic form are credited to the investors account.

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

- ♥ Proof of identity and address along with the passport size photograph and the account opening form.
- ♥ Only photocopies of the documents are required for submission, but originals are required for verification.

3. Draw the organization structure of SEBI.



IV. Long Answer Questions:

1. What are the functions of SEBI?

- ✿ Regulating and controlling the business on stock markets.
- ✿ Barring insider trading in securities.
- ✿ Carrying out steps in order to develop the capital markets by having an accommodating approach.
- ✿ Levying fee or any other type of charges to carry out the purpose of the Act.
- ✿ Performing functions that may be assigned to it by the Central Government of India.

2. Explain the powers of SEBI.

i). Powers Relating to Stock Exchanges & Intermediaries

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

ii). Power to Impose Monetary Penalties

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

iii). Power to Initiate Actions in Functions Assigned

- SEBI has a power to initiate actions in regard to functions assigned.
- For example, it can issue guidelines to different intermediaries

iv). Power to Regulate Insider Trading

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

v). Powers Under Securities Contracts Act

For effective regulation of stock exchange, the Ministry of Finance issued a Notification on 13 September, 1994 delegating several of its powers under the Securities Contracts (Regulations) Act to SEBI.

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INTERIOR QUESTIONS**Case study:**

1. Aishwarya's father has gifted her the shares of a large cement company with which he had been working. The securities were in physical form. She already has a bank account and does not possess any other forms of securities. She wishes to sell the shares and approached a registered broker for the purpose. Mention one mandatory detail which she will have to provide with the broker.

A mandatory detail that Aishwarya will have to provide with the broker is her PAN (Permanent Account Number) card details.

b. Mr.Kumar was the Chairman of Thangam Bank. The bank was earning good profits. Shareholders were happy as the bank was paying regular dividends. The market price of their share was also steadily rising. The bank was about to announce taking over the 'Trinity Bank'. Mr.Kumar knew that the share price of Thangam Bank would rise on this announcement. Being a part of the bank, he was not allowed to buy shares of the bank. He called one of his rich friends Mr.Prabhu and asked him to invest ₹5 crores in shares of his bank promising him the capital gains.

As expected, the share prices went up by 40% and the market price of Prabhu's shares was now ₹7 crores. He earned a profit of ₹2 crores. He gave ₹1 crore to Mr.Kumar and kept ₹1 crore with himself. On regular inspection and by conducting enquires of the brokers involved the Securities and Exchange Board of India (SEBI) was able to detect this irregularity. The SEBI imposed a heavy penalty on Mr.Kumar. By quoting the lines from the above paragraph, identify and state any two functions that were performed by SEBI in the above case.

SEBI performed the following functions in the above case:

- ✿ Regular inspection: SEBI conducted regular inspections to detect any irregularities in the securities market. This helped them in detecting the irregularity committed by Mr.Kumar and Mr.Prabhu.
- ✿ Imposing penalty: SEBI imposed a heavy penalty on Mr.Kumar for his involvement in insider trading. This helped in maintaining the integrity of the securities market and discouraging others from committing such irregularities in the future

For Own Thinking:

1. Collect the information on various measures taken by SEBI to protect the interests of investors since its inception.

- ❖ The initiatives include Awareness/Education/Assistance programmes and investor grievance mechanisms.
- ❖ The strategies adopted for investor confidence building and measures taken for preventing erroneous activities of companies and actions for misconduct.

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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 organization

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

II. Very Short Answer Questions:

1. What is Human Resource Management?

The branch of management that deals with managing human resource is known as Human Resource Management.

2. State two features of HRM.

- ✱ It is an Universally relevant.
- ✱ Goals are made possible through best utilization.

3. Mention two characteristics of Human Resource.

- ❖ Human resources are movable.
- ❖ Human resources are emotional beings.
- ❖ It can work as a team.

4. What are the Managerial functions of HRM.

- Planning,
- Organizing,
- Directing,
- Controlling

III. Short Answer Questions:

1. Define the term Human Resource Management.

HRM as that part of management process which is primarily concerned with the human constituents of an organization.

- E.F.L.Brech

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

- ✪ It is the only factor of production that lives.
- ✪ It's created all other resources.
- ✪ Human resources are emotional beings.
- ✪ Human resources are movable.
- ✪ It can work as a team.
- ✪ Its exhibits innovation and creativity

3. What is the Significance of Human resource? (any 3)

- ❖ Industrial relation depends on human resource.
- ❖ Human relation is possible only through human resource.
- ❖ Human resource manages all other factors of production.
- ❖ It's well protected by legislative framework.

IV. Long Answer Questions:

1. Explain the Characteristics of Human Resource.

- ↔ 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.

i). To identify manpower needs:

- ♣ It is very important as it is a form of investment.
- ♣ The numbers of men required are to be identified accurately to optimize the cost.

ii). To incorporate change:

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

iii). To ensure the correct requirement of manpower:

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

iv). To select right man for right job:

It ensures the right talent available for the right job, so that no employee is either under qualified or over qualified

v). To update the skill and knowledge:

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

3. Discuss the Operating functions HRM.**i. Procurement:**

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

ii. Development

Development includes performance appraisal, training, executive development, career planning and development, organizational development

iii. Compensation

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

iv. Retention

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

v. Integration

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

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INTERIOR QUESTIONS**For Future learning :****1. Ensuring the quality of work force through quality assurance.**

- A critical task in any workplace, quality assurance refers to the method by which the company ensures the integrity of its product or service.
- The process involves checks and balances throughout the workflow process, where every employee is responsible for ensuring the quality of their work.

2. Describe two management techniques to improve job satisfaction.

- Offer a competitive salary

- Ask for employees' suggestions
- Be transparent
- Get creative with benefits
- Listen to employee concerns
- Celebrate successes
- Prioritize mental and physical well-being
- Invest in employees' future

3. To prepare Human Resource Planning Schedule.

1. Step 1: Take stock of your current processes and people
2. Step 2: Understand your business goals
3. Step 3: Forecast future needs
4. Step 4: Develop key strategies
5. Step 5: Review and evaluate

4. Analyze the ways of forecasting Human resource requirements.

- Step 1: Assess Current Workforce
- Step 2: Forecast Staffing Needs
- Step 3: Develop and Add Talent
- Step 4: Review and Evaluate

5. Evaluate the shortfalls of Human resource management and its consequence.

- Such negative impacts may include employee conflict, lack of recognition, inadequate training, and poor team building among other issues.
- Due to the lack of an effective HR management strategy, employees may feel that such negative situations will not improve.

For Own Thinking:

6. Identify points of differences between HRM and HRD.

- HRM: Encompasses activities such as recruitment, selection, compensation, employee relations, performance management, and compliance with laws and regulations.
- HRD: Encompasses activities like training and development, career planning, talent management, organizational development, and fostering a learning culture.

7. Analyze the impact of Change Mangement.

- Improved communication and collaboration between employees is one of the major benefits of change management.
- This can help to ensure that everyone agrees and that they are working towards the same goal.
- Improved communication can also help to reduce conflict between employees and can improve team morale.

8. Prescribe ways of resolving Conflict Management.

- Raise the Issue Early
- Manage Your Emotions
- Show Empathy
- Practice Active Listening
- Acknowledge Criticism

9. Clearly specify the available Competency Mapping Process.

- ❖ Define the purpose
- ❖ Collect data
- ❖ Define competencies
- ❖ Integrate competencies

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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.

Recruitment is the process of finding suitable candidates for the various posts in an organization.

2. What is promotion?

Based on seniority and merits of the employees they are given opportunity to move up in the organizational order.

3. Write any two internal source of recruitment.

- ★ Transfer
- ★ Upgrading
- ★ Promotion
- ★ Demotion

4. What is meant by Poaching?

- ♣ Organizations 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.

III. Short Answer Questions:

1. What is meant by unsolicited application?

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

2. What is meant by job portals?

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

3. State the steps in Recruitment process Outsourcing?

- Recruitment understanding
- Advertise & Source
- Screening
- Validation
- Profile Submission
- Interview Process
- Selection

IV. Long Answer Questions:

1. Explain the internal source of recruitment.

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 organizational hierarchy

iv). Demotion:

Movement of employee from a higher position to a lower position because of poor performance continuously.

v). Dependants:

The legal heir or the dependent employee may be given a chance to replace the deceased.

2. Explain the external source of recruitment.

i). Advertisements:

The employer can advertise in dailies, journals, magazines etc. about the vacancies in the organization.

ii). Unsolicited applicants:

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

iii). Walkins:

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

iv). Campus Recruitment:

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

v). Recruitment at Factory gate:

- ➔ Usually unskilled employees are recruited by this way.
- ➔ They are recruited at factory gate and paid on hourly or daily basis.

3. What is the Recent trend in Recruitment?**i). Outsourcing**

- ♥ It 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.

♥ Recruitment Process Outsourcing:

- * Recruitment understanding
- * Advertise & Source
- * Screening
- * Validation
- * Profile Submission
- * Interview Process
- * Selection

ii). Poaching

- ♣ Organizations 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.

INTERIOR QUESTIONS**For Future learning****1. Students can be asked to identify four or five job portals with websites.**

- Naukri.com. Indeed.com
- LinkedIn
- Glass door
- Found it
- Google Jobs

2. Write an assignment on the ways by which recruitment can be outsourced.

- Effective Hiring Work
- Reduced Hiring,

- On boarding and Training costs
- No Investment in Recruitments Tech Stack
- Increased Focus on Business Development
- Round the clock work

4. Projecting the future methods of recruitment that can save time and money.

- Make job advertisements as effective as possible
- Speed up your screening process
- Improve the candidate experience
- Encourage employee referrals
- Capitalize on your talent pipeline
- Reach out to a top recruitment agency

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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?

Selection is the process of choosing the most suitable person for the vacant position in the organization.

2. What is an interview?

Interview represents a face to face interaction between the interviewer and interviewee.

3. What is 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.

4. What do you mean by placement?

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

III. Short Answer Questions:

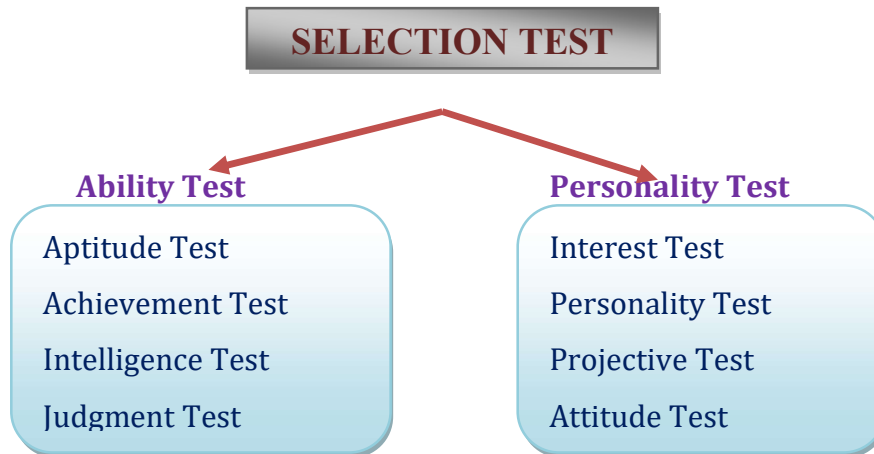
1. What is stress interview?

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

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.

3. Name the types of selection test?



4. What do you mean by achievement test?

- ♥ This test measures a candidate's capacity to achieve in a particular field.
- ♥ It is also called proficiency test.
- ♥ This test is conducted before, during or after a learning experience.

IV. Long answer questions:

1. Briefly explain the various types of tests.

i). Aptitude Test:

- ✱ It is a test to measure suitability of the candidates for the post/role.
- ✱ It helps in predicting the ability and future performance of the candidate.

ii). Achievement Test:

- ♥ This test measures a candidate's capacity to achieve in a particular field.
- ♥ It is also called proficiency test.

iii). 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.

iv). Judgment Test:

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

v). Interest Test:

Interest test measure a candidate's extent of interest in a particular area chosen by him/her so that organization can assign the job suited to his/her in term.

2. Explain the important methods of interview.

i). Stress Interview:

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

- ❖ Interviewer deliberately creates stressful situation by directing the candidate to do irrational and irritating activities.

ii). 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.

iii). Online Interview

↔ These days interviews are conducted by means of internet via **Skype, Wechat, Google duo, Viber, Whatsapp** or **Video chat** applications.

↔ They saves a lot of time, money and energy both for employer's organisation and the candidate.

iv). Group interview

- ❖ A group interview is a screening process where multiple candidates are interviewed at the same time.

- ❖ Group interview is a good time saving type of interview.

v). Video Conferencing Interview

- ♠ Video conferences interview is similar to face to face interview.

- ♠ It is a kind of conference call that connects the candidate with companies located across various geographies.

3. Differentiate Recruitment and Selection.

S.no	Basics	Recruitment	Selection
01	Approach	Positive one	Negative one
02	Sequence	First	Second
03	Method	It is economical method	It is an expensive method
04	Contractual relation	No contractual relation	Its contractual relation
05	Process	It is very simple	It is very complex.

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INTERIOR QUESTIONS

For Future learning:

1. Know the job selection methods in TamilNadu government

Selection procedure for Govt Jobs in TN 2024

- Application Scrutiny.
- Written test.
- Computer adaptive test.
- Personal interview.

- Skill test.
- Preliminary exam.
- Mains exam.
- Walk-in-interview.

2. Collection of job application related to different types job.

- Solicited application
- Unsolicited application
- Paper application
- Online applications
- Email applications

3. Student should know about the skilled and unskilled workers.

Skilled Workers:

- ♣ Skilled labour refers to work that requires a certain amount of training or skills.
- ♣ This type of work is exemplified in electricians, administrative assistants, doctors, plumbers and more.
- ♣ Here are three types of skills these professionals
 - Foundation skills
 - Transferable skills
 - Technical and vocational skills

Unskilled Workers:

- ☀ It refers to work that doesn't require certain set of skills or formal education.
- ☀ Examples Cashier, Grocery clerks and cleaners

4. Students should know how to apply and fill up the job application.

- ☉ Read the application before filling it out
- ☉ Take your time
- ☉ Answer completely and truthfully
- ☉ Include your resume
- ☉ Fill out job information chronologically
- ☉ Put in the extra effort
- ☉ Research your salary
- ☉ Proofread your application

For own Thinking

1. How will you prepare your Resume and Application?

Here's how, step by step:

- ♣ Decide Which Type of Résumé You Want

- ♣ Create a Header
- ♣ Write a Summary
- ♣ List Your Experiences or Skills
- ♣ List Your Activities
- ♣ List Your Education
- ♣ List Any Awards You've Won and When You Won Them
- ♣ List Your Personal Interests

2. Find out any 5 Selection interview questions.

- ⊗ Can you tell me about yourself?
- ⊗ How can your strengths add to the role?
- ⊗ What are your greatest strengths and weakness?
- ⊗ Why are you suitable for this job?
- ⊗ What are you passionate about?

3. Student should arrange face to face interview

- Can you tell me a little bit about yourself?
- What do you know about our company?
- What interests you about this job?
- What are your strengths?
- What do you consider your weaknesses?
- Why do you want to work here?
- Can you describe your ideal work environment?
- How would your peers describe you?
- Where do you see yourself in five years?
- Do you have any questions?

4. To Identify the Placement process

- ⊗ Pre – Placement Talk.
- ⊗ Educational Qualification.
- ⊗ Written Test.
- ⊗ Group Discussion (Optional)
- ⊗ Technical Interview.
- ⊗ HR Interview.
- ⊗ Post – Placement Talk.

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 training ----- and-----training

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

II. Very Short Answer Questions:**1. What is meant by training?**

Training is the act of increasing the Knowledge and skills of an employee for doing particular jobs".

2. What is Mentoring training method?

Mentoring is the process of sharing knowledge and experience of an employee.

It is always done by senior person, it is also one to one interaction, like coaching

3. What is Role play?

- ✱ 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?**

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

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.

- ✱ Whom to train?
- ✱ Who is the trainee?
- ✱ Who are trainers?
- ✱ What method will be used for training?
- ✱ What should be the level of training?
- ✱ Where to conduct the training programme?

4. Write short note on trainer and trainee.

Trainer

- ❖ A person who teaches skills to employee and prepare them for a job activity.

Trainee

- ✱ A person who is learning and practicing the skills of particular job is called trainee.
- ✱ He otherwise called Coach, Teacher, Mentor, Adviser, Counselor, Guide, etc.,

IV. Long Answer Questions:

1. Discuss various types of training.

i) Coaching Method

- ❖ The superior teaches or guides the new employee about the knowledge and skills relevant to a given job.
- ❖ In this method superior plays the role of coach or guide and an instructor.

ii) Mentoring method:

- ♠ Mentoring is the process of sharing knowledge and experience of an employee.
- ♠ The focus in this training is on the development of attitude of trainees.
- ♠ It is mostly used for managerial employees.

iii) Job Rotation Method

- ✱ Under this method a trainee is periodically shifted from one work to another work and from one department to another department for a particular period of time.

iv). Group Discussion Method

- ♥ Under this method participants are divided into various groups.
- ♥ Each groups has to prepare solution after deep discussion with their group members.
- ♥ Moderator will give final solution after listening to divergent view points.

v) 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.
- Thus they have to assume role and play the role without any preparation.

2. What are the differences between on the job training and off the job training?

S.no	Transaction	On the job training	Off the job training
01	Meaning	The employee learns the job in the actual work environment.	Off the job training involves the training of employees outside the actual work location.
02	Cost	It is cheapest to carry out	It requires expenses like separate training rooms specialist, resource like projectors.
03	Location	At the work place	Away from the work place
04	Approach	Practical approach	Theoretical approach
05	Principle	Learning by performing	Learning by acquiring knowledge

3. Explain the benefits of training. (any 2 points from each heading)**(i) Benefits to the Organization**

- * It reduces wastages of materials and idle time.
- * It exposes employees to latest trends.
- * It minimizes the time for supervision.
- * It reduces labour turnover of employee

(ii) Benefits to the Employees

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

(iii) Benefits of Customer

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

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INTERIOR QUESTIONS**Case Study:**

1. Lakshmi is the MD of Aravindh Textile manufacturing company. Her company produces textiles which has a good sales record in Indian market as well as foreign market. Lakshmi plans to buy new tech machineries for his company. But she first decides to give a training program to his employees about the new machineries.

i) What kind of training program should she provide to his employees and

ii) What are the benefits does the employees gain from that training program.

i) She should train about a good type of goods to produce which is in best quality.

ii) The benefits are, they can receive more type of goods, and they can achieve the good quality.

Do you Know:**PMKVY?**

- ✿ Pradhan mantra Kaushal Vikas Yojana is a unique initiative by the Government of India.
- ✿ That aims to offer 24 lakh Indian Youth meaningful, industry relevant skill based training.
 - ☉ Agriculture
 - ☉ Leather products
 - ☉ Media and Entertainment
 - ☉ Handicrafts
 - ☉ Telecom

CHAPTER -13 CONCEPT OF MARKETING AND MARKETER

I. Choose the Correct Answers:

1. One who promotes (or) Exchange of goods or services for money is called as .
 a) Seller **b) Marketer** c) Customer d) Manager
2. The marketer initially wants to know in the marketing is .
 a) Qualification of the customer b) Quality of the product
 c) Background of the customers **d) Needs of the customers**
3. The Spot market is classified on the basis of .
 a) Commodity **b) Transaction** c) Regulation d) Time
4. Which one of the market deals in the purchase and sale of shares and debentures?
 a) **Stock Exchange Market** b) Manufactured Goods Market
 c) Local Market d) Family Market
5. Stock Exchange Market is also called
 a) Spot Market b) Local Market **c) Security Market** d) National Market

II. Very Short Answer Questions:

1. What is Market?

The meeting place of buyers and sellers in an area is called Market.

2. 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”.

3. What is meant by Regulated Market?

These are types of markets which are organized, controlled and regulated by Statutory measures.

4. What is meant by Spot Market?

Goods are exchanged and the physical delivery of goods takes place immediately.

5. 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:

1. What can be marketed in the Market?

i). Goods:

- ♣ Market goods like consumer durables, electronic products, machineries, Computers and its software and hardware etc.,

ii). Services:

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

iii). Information:

- ♣ Information is the most valuable product that can be marketed today.
- ♣ The data collected by an organization can be used as a product for this purpose.

2. Mention any three Role of Marketer?**i. Instigator**

- ♣ Marketer keenly watches the developments taking place in the market and identifies marketing opportunities.

ii. Innovator

- ✱ He differentiates his products /services by adding additional features to the existing product.

iii. Integrator

- ♥ Marketer plays a role of integrator in the sense that he collects feedback from channel members and consumers.

3. Explain the types of market on the basis of time.**(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:

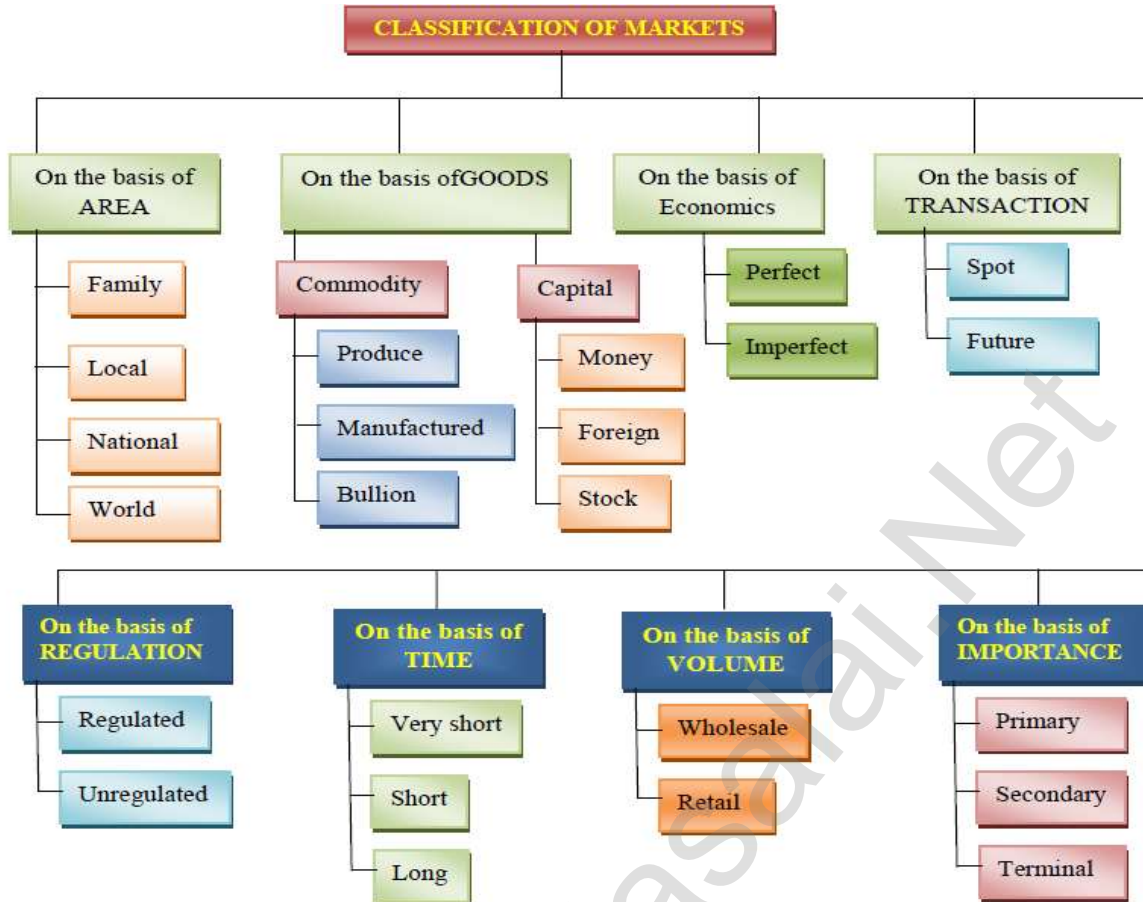
- In certain goods, supply is adjusted to meet the demand.
- The demand is greater than supply.

(iii) Long period market:

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

III. Long Answer Questions:

1. How the market can be classified?



2. How the market can be classified on the basis of Economics?

a. Perfect Market:

A market is said to be a perfect market, if it satisfies the following conditions:

- ♣ Large number of buyers and sellers are there.
- ♣ Prices should be uniform throughout the market.
- ♣ Buyers and sellers have a perfect knowledge of market.
- ♣ Goods can be moved from one place to another without restrictions.

b. Imperfect Market: A market is said to be imperfect when

- ☀ Products are similar but not identical.
- ☀ Prices are not uniform.
- ☀ There is lack of communication.
- ☀ There are restrictions on the movement of goods.

INTERIOR QUESTIONS

Do you know:

- ❖ There is a Goat market in Aathur in Tamil Nadu.
- ❖ There is a daily flower market in Hosur in Tamil Nadu.

For Future learning: To learn about:

♣ **Co-operative Market:**

- Cooperative marketing essentially involves understanding or an agreement between two companies aiming to promote or sell the other companies' products.
- They also sell their products.
- The companies within the agreement do this to complement each other's services.
- This provides mutual benefits.

♣ **Farmers Market:**

- ☉ A farmers market is a market where food growers sell their produce directly to the public.
- ☉ Shoppers are swapping megastores for farmers' markets and locally bought produce.

For Own thinking

1. Mention any two Types of Markets on the basis of Goods?

- ⚙ **Local Markets:** In such a market the buyers and sellers are limited to the local region or area.
- ⚙ **National Market:** This is when the demand for the goods is limited to one specific country.

2. Mention any two Markets on the basis of Time

⚙ **Short Period Market:**

The market is slightly longer than the previous one. Here the supply can be slightly adjusted.

⚙ **Long Period Market:**

Here the supply can be changed easily by scaling production.

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CHAPTER -14**MARKETING AND MARKETING MIX****I. Choose the Correct Answers:**

1. The initial stage of Marketing system is.....

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

2. Who is supreme in the Market?

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

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

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

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

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

5. Which one is the example of Intangible product?

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

II. Very Short Answer Questions:

1. What is Marketing?

It is one of the business functions that all activities that take place in relation to markets for the purpose of satisfying human needs and wants.

2. Define Marketing Mix.

"Marketing mix is a pack of four sets of variables namely *product variable, price variable, promotion variable, and place variable*".

- Mr. Jerome McCarthy,

3. What is meant by Grading?

It means classification of standardized products in to certain well defined classes.

III. Short Answer Questions:

1. What are the objectives of marketing?

- ✱ Intelligent and capable application of modern marketing policies.
- ✱ To develop the marketing field.
- ✱ To find sources for further information concerning the market problems.

2. What are the concept of marketing?

- ♣ *What I can sell?*
- ♣ *Shall I first create products?*
- ♣ *Shall I love my products?*
- ♣ *Who is supreme in markets?*
- ♣ *Who will shape my decisions?*

3. What do you mean by marketing mix? Describe any two elements.

Marketing mix:

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

Elements of marketing of mix:

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.

IV. Long Answer Questions:

1. Discuss about the Evolution of marketing.

i. Barter System:

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

ii. Production Orientation:

- ◆ This was a stage where producers, instead of being concerned with the consumer preferences, concentrated on the mass production of goods for the purpose of profit.
- ◆ They cared very little about the customers.

iii. Sales Orientation:

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

iv. Marketing Orientation:

- Customers' importance was realized but only as a means of disposing of goods produced. Competition became more stiff.

v. Consumer Orientation:

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

2. Narrate the Elements of marketing mix.

i) Product:

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

- Philip Kotler

ii) Price:

- ♣ Price is the value of a product expressed in monetary terms.
- ♣ It is the amount charged for the product.
- ♣ "Price is the amount of money charged for a product or service.

- Philip Kotler

iii. Place

- ☀ The fourth element of product mix, namely place facilitates the movement of products from the place of manufacture to the place of consumption at the right time.
- ☀ The qualified product will be wasted if it is not transferred to the consumers.

iv. Promotion

- ♠ The special features and benefits should be conveyed to the potential consumers.
- ♠ Most of the consumers become customers on the basis of the special features of the products.

Interior Questions

Do you know:

- ☀ There is a weekly market for Fire wood in Karaikudi
- ☀ There is a Annual Market for Horse in Andhiyur in Tamil Nadu.

For Own thinking:**i. Mention any two manmade risks in Marketing?**

- ☀ Data privacy
- ☀ security breaches

ii. Mention any two natural risks in Marketing?

- Earthquake
- Tsunami
- Tornado, Famine,
- Floods and drought, etc

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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?

- ☉ Service marketing is a specialized branch of marketing.
- ☉ The processing of selling service goods like telecommunication, banking, insurance, car rentals, healthcare, tourism, professional services, repairs etc.,

2. What is green marketing?

Green marketing involves developing and promoting products and services which satisfy customers' wants and needs without affecting environment.

3. What is Ambush Marketing?

It 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?

- ♣ Social marketing is a new marketing tool.
- ♣ It is the systematic application of marketing philosophy and techniques to achieve specific behavioral goals which ensure social good.

III. Short Answer Questions:

1. What are the advantages of E-marketing?

- ☀ It's provides 24 Hrs and 7 days service to its users.
- ☀ Products bought through e-marketing become cheaper.
- ☀ Customer can buy whatever they want just by browsing the various sites.

2. Discuss the objectives E-Marketing

- ♣ Expansion of market share
- ♣ Reduction of distribution and promotional expenses.
- ♣ Achieving higher brand awareness.
- ♣ Strengthening database.

3. Explain in detail about Niche marketing.

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

S.No	E-marketing	Traditional marketing
1	It is very economical and faster way to promote the products.	It is very expensive and takes more time to promote product.
2	It is quiet easier for promoting product globally in the short time	It is very expensive and time consuming to promote product/service
3	It can expand their operation with Minimum manpower.	It needs more man power.
4	In this marketing product can be sold or bought 24*7,round the year with minimum manpower	That is not possible in traditional marketing.

2. Discuss any two new methods of marketing .

Service Marketing:

- ☀ A service is any activity that one party can offer to another which is essentially intangible.
- ☀ Service marketing is a specialized branch of marketing.
- ☀ The processing of selling service goods like telecommunication, banking, insurance, car rentals, healthcare, tourism, professional services, repairs etc.,

Multilevel Marketing:

- ♥ It is the marketing strategy wherein the direct sales companies encourage its existing distributors.
- ♥ The distributor is compensated not only for the sales generated by him.
- ♥ The distributors not only sell the products but also encourage others to join the company.
- ♥ The recruits are called as the participant's "Downline".

INTERIOR QUESTIONS

For own thinking (Green Practices)

1. Save paper by avoid unnecessary printing, by printing on both sides of a sheet of paper whenever possible.

The golden rule of saving paper:

- Think twice if you really need to print – if it is necessary to print make sure you print on both sides (duplex).
- This is a really easy way to reduce paper consumption by half.

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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?

- ✦ A consumer is one who consumes goods manufactured and sold by others.
- ✦ One, who avails services such as banking, transport, insurance, etc., is also called a consumer.

2. Give two examples of adulteration.

- ⇒ Mixing of stones with grains
- ⇒ Papayas seed is added to black pepper

3. What is Caveat Emptor?

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

4. What is Caveat Venditor?

The principle of caveat venditor, which means "let the seller beware," by which goods are covered by an implied warranty of merchantability.

5. Write short notes on Consumer Protection Act, 1986.

- ✦ The Act is referred in short as 'COPRA'.
- ✦ The Consumer Protection Act 1986 seeks to protect and promote the interests of consumers.

III. Short Answer Questions:

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

- ➔ The Indian Contract Act, 1982 was passed to bind the people on the promise made in the contract.
- ➔ The Trademark Act, 1999 prevents the use of fraudulent marks on the product.
- ➔ The Competition Act, 2002 protects the consumers against unhealthy competition.

2. What is meant by artificial scarcity?

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

3. Write the importance of consumerism.

- * Awakening and uniting consumers.
- * Discouraging unfair trade practices.
- * Protecting against exploitation.
- * Awakening the government.
- * Providing complete and latest information.

IV. Long Answer Questions:

1. How consumers are exploited?

i). Selling at Higher Price:

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

ii). Adulteration:

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

iii). False Advertisements:

- ➔ Advertisements convey very little information about the product.
- ➔ Many times it makes false representation about the quality, price, grade, composition, utility guaranteed, performance etc.

iv). Sub-standard:

- ✳ On opening a packet or sealed container one may find the content to be of poor quality.
- ✳ A consumer finds it difficult to exchange the defective one for good one.

v). Warranty and Services:

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

2. Explain the role of business in consumer protection.**i). Avoidance of Price Hike**

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

ii). Avoidance of Hoarding

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

iii) Guarantees for Good Quality

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

iv). 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.

v). Consumer Grievances

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

3. What are the objectives of Consumer Protection Act, 1986?

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

INTERIOR QUESTIONS**Do you know?****1. What are the functions of the Consumer Clubs in schools?**

The following basic structure of functioning is recommended:

- ★ Monthly meetings and demonstrations for one hour after school hours on the First Thursday of each

month. Each month a topic / activity may be scheduled as in the model calendar.

- ✿ Days of National and International importance to consumers may be celebrated in the School / College. Poster / Speech / Essay competitions can be organised at school level by the Consumer Club to sensitize the students on the importance of the day.
- ✿ Field visits to local markets / Consumer Courts and door to door campaign in the local community etc., may be organized for at least 4 days in a year. It can be done on Saturdays with prior arrangement.
- ✿ Minutes of each activity have to be recorded by the Student and Teacher Coordinator jointly as properly document.

2. Mahatma Gandhi's quote about Consumerism:

“What is a man if he is not a thief who openly charges as much as he can for the goods he sells?”

Case Study:

3. Mr.Narasimachary bought a refrigerator of a familiar brand with a warranty for seven years.

He uses the fridge as per the guidelines given by the manufacturer. After the completion of two years the fridge went out of order. He was shocked, and approached the dealer. But the dealer refused to service the fridge at free of cost. What is your suggestion to Mr.

Narasimachary to this grievance?

- ✿ Narasimachary can contact the manufacturer again to repair the fridge.
- ✿ If he refuses, Mr. Narasimachary can file a case in the consumer court according to the Act 1986.

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CHAPTER – 17**CONSUMER PROTECTION****I. Choose the Correct Answers:**

- The final aim of modern marketing is _____.
 - Maximum profit
 - Minimum profit
 - Consumer satisfaction
 - Service to the society
- is the king of modern marketing.
 - Consumer
 - Wholesaler
 - Producer
 - Retailer
- As the consumer is having the rights, they are also having ----- .
 - Measures
 - Promotion
 - Responsibilities
 - Duties
- Which of the following is not a consumer right summed up by John F. Kennedy
 - Right to safety
 - Right to choose
 - Right to consume
 - Right to be informed
- It is the responsibility of a consumer that he must obtain _____ as a proof for the purchase of goods.
 - Cash receipt
 - Warranty card
 - Invoice
 - 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.

2. What are the rights of consumer according to John F. Kennedy?

"The Right of Safety, the Right to be informed, the Right to choose and the Right to be heard."

- Mr. John F. Kennedy

3. Which is the supreme objective of business?

- Satisfaction of consumer needs/requirements is stated to be supreme objective of a business.

III. Short Answer Questions:

1. What do you understand by "Right to redressal".

- The complaints and protests are not just to be heard, but the aggrieved party to be granted compensation within a reasonable time period.
- There should be fair settlement of deserving claims in a definite timeframe.

2. What do you understand about "Right to protection of health and safety".

- There may be few products that are more likely to cause physical danger to consumers' health, lives and property.

- ❖ The consumers are entitled to protection of their health and safety from the goods and services they buy.

IV. Long Answer Questions:

1. Explain the duties of consumers.

i). Ensure the Weights and Measurement before Making Purchases:

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

ii). Reading the Label Carefully:

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

iii). Beware of False and Attractive Advertisements:

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

iv). Ensuring the Receipt of Cash Bill:

- It is a legitimate duty of consumers to collect cash receipt and warranty card supplied along with bills.
- This will help them in seeking redressal for their grievances.

v). Buying from Reputed Shops:

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

2. What are the responsibilities of consumers?

- ✳ The consumer must pay the price of the goods according to the terms and conditions of the sales contract.
- ✳ The consumer is bound to pay any interest and special damages caused to the seller incase if there is delay in the payment.
- ✳ The consumer has to assiduously follow and keenly observe the instructions and precautions while using the products.
- ✳ The consumer must seek to collect complete information about the quality, quantity, price etc of the product before purchasing it.
- ✳ The consumer must get cash receipt as a proof of goods purchased from the seller.
- ✳ The consumer must file a complaint with the seller concerned about defects or short comings noticed in their products and services.

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INTERIOR QUESTIONS

Case study:

1. Mr. K.V.Chandran bought a branded L E D Television set from a popular T.V showroom with a warranty of five years and installed it in his home. After 18 months of the purchase, the audio system of the T.V developed trouble. He approached the dealer and claimed service to the T.V. but he refused to service the T.V. What is your suggestion to Mr. K.V. Chandran?

Do you know:

Consumer's Name: Mr.Shashi Bhushan, Delhi

Bank Complaint against: Punjab National Bank

He has a salary account in Punjab National Bank, ECE House, K.G. Marg New Delhi. His complaint is that while trying to withdraw money from PNB's ATM on 25th August 2012, the machine hang. He had entered only two digits of the password.

He waited a few minutes for the ATM machine to function properly and again tried withdrawing money but the machine hang again. Subsequently, he found out that Rs.15000/- was debited from his account.

He called up customer care and filed a complaint in this regard. He was given a complaint number. On 31st August 2012, the bank sent an sms to the customer rejecting his complaint, saying that the transaction was done successfully.

Why is it interesting? As Punjab National Bank's ATM was not working, the customer could not even enter password. So there is no question of withdrawing money. How the bank debited amount from his account is a mystery Secondly, the bank agreed to show footage of the transaction which the bank claimed to be genuine but later backed-out.

This is a clear violation of RBI directive. Failed transaction in case of ATM requires not only reversal of any excess debit within 7 days but also Rs.100 per day as penalty needs to be paid by the bank to the aggrieved customer after the specified period.

NCH Suggestions:- Customer must insist that PNB show him the recorded footage to him to prove once and for all who is at fault. Here if the customer has withdrawn the money bank is not required to do anything.

But if the customer has not withdrawn the money as claimed by him and the recorded footage proves it, The consumer will not only get Rs. 15000 wrongly debited by the bank but also he is eligible to receive additional Rs.5000 or more @ Rs.100 each day of delay from 31st August 2012.

CHAPTER – 18 GRIEVANCE REDRESSAL MECHANISM

I. Choose the Correct Answers:

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

II. Very Short Answer Questions:

1. What do you mean by Redressal Mechanism?
 - It is a management and governance related process used commonly in India.
 - While the term "*Grievance Redressal*" primarily covers the receipt and processing of complaints from citizens and consumers
2. What do you know about National Commission?
 - It is a quasi-judicial commission in India which was set up in 1988 under the Consumer Protection Act of 1986.
 - Its head office is in New Delhi.
3. State the meaning of the term State Commission.
 - * A consumer has to be protected against defects, deficiencies and unfair and restrictive trade practices.
 - * The State Consumer Protection Council is also called State Commission.

4. What is a term District Forum?

- ❖ As per the Consumer Protection Act of 1986 the establishment of a District Forum by the State Government in each district is necessary today to protect the interest of aggrieved consumers in that district.

III. Short Answer Questions:

1. Who are the members of the National Commission?

- * 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?

- * Judge of a high court appointed by the state government as its president.
- * Two other members who shall be person of ability, integrity and standing and have knowledge.
- * One shall be women.

3. Write a note on the Voluntary Consumer Organisation.

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

IV. Long Answer Questions:

1. Explain the overall performance of National Commission?

- ☞ National Commission is a quasi-judicial commission in India which was set up in 1988 under the Consumer Protection Act of 1986.
- ☞ Its head office is in New Delhi.

Members:

- 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.

Jurisdiction

- * Section 21 of The Consumer Protection Act, 1986 describes, the National Commission shall have jurisdiction
- * To entertain a complaint valued more than 1 Crore.

- * Revised the orders of State Commissions.

2. Explain the overall performance of State Commission.

Meaning:

- The State Commission is to be appointed by the State Government in consultation with the Centre.
- It has the same function as state level.
- The state consumer protection council is also known as "Consumer Disputes Redressal Commission".

Members:

- * Each State Commission shall consist of the following members.
- * A person who is or has been a Judge of a High Court appointed by the State Government as its President.
- * Two other members who shall be persons of ability, integrity and standing and have adequate knowledge or experience.

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 furnish such information that may be required for the purposes of the Act to any officer so specified.

Jurisdiction

- ⊛ Its 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.
- ⊛ It's also has the jurisdiction to entertain appeals against the orders of any District Forum within the State.

Appellate Forum

- ⊛ It may be original, appellate or revision. The State Commission may reverse or confirm the orders passed by the District Forum.
- ⊛ Any person aggrieved by an order of the State Commission may prefer an appeal to the National Commission within 30 days from the date of such order.

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INTERIOR QUESTIONS

Do you know:

- ♣ The International Organization of Consumers Unions was first established in 1960 to create cross-border campaigns and share knowledge; it has over 250 member organisations in 120 countries.
- ♣ Its head office is based in London, England, with regional officers in Latin America, Asia, Pacific, Middle East and Africa.

For Future Learning

STUDENTS CONSUMER CLUB

Students may create “Students Consumer Club”. They may create awareness about the Products and Services. They can motivate the parents about the consumer awareness of the following

1. MRP of the Product.
2. Expiry of the Product
3. Quality of the Product (ISI, ISO and Agmark, etc.)

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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 Services 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). Im-manageable

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?**

Internal environment refers to those factors within an organisation e.g. Policies and programmes, organizational structure, etc., which are controllable factors.

2. Give the meaning of corporate governance.

- It is a set of rules and policies which governs a company.
- It provides a frame work for managing a company and achieving its objectives.

3. What is GST?

- ⊛ GST is the indirect tax levied on goods and services across the country.
- ⊛ Types of taxes: CGST,SGST,IGST

4. Expand VUCA.

VUCA – Volatility, Uncertainty, Complexity and Ambiguity,

III. Short Answer Questions:**1. What are the political environment factors?**

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

- ☞ The legislative, executive and judiciary are the three political institutions which directs and influences a business

2. Write about any three internal environmental factors of business.

i). Vision and objectives:

The vision and objectives of a business guides its operations and strategic decisions.

ii). Management structure:

The structure of management/board and their style of functioning, which affects the decision making.

iii). Company image:

The image of an organisation plays an important role.

3. What do you know about Technological environment?

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

IV. Long Answer Questions:

1. Discuss the role of macro environment of business.

i) Economic environment:

- The business is an integral part of the economic system prevalent in a nation.
- The nature of economy based on the stage of development.
- The Economic indices like GDP, GNP national income, etc..

ii) Socio-Cultural environment:

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

iii) Political and Legal environment:

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

iv) Technological environment:

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

v) Global environment:

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

2. Explain the micro environmental factors of business.**i) Suppliers:**

- * In any organization the suppliers of raw materials and other inputs play a very vital role.
- * Organizations have realized the importance of nurturing and maintaining good relationship with the suppliers.

ii) Customers:

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

iii) Competitors:

- * All organizations face competition at all levels local, national and global.
- * Competitors may be for the same product or for similar products.

iv) Marketing Channel members:

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

v) Public:

- ➔ The public group has the ability to make or mar a business.
- ➔ Many companies had to face closure due to actions by local public.

INTERIOR QUESTIONS**For Future learning:****1) Examine how mobile phones are replacing the existing technologies Radio, Music system, Camera etc.**

- ❖ If we ponder deep into the much advanced mobile technology, we discover that the small portable handset comes up with almost every possible answer to our many queries and requirements apart from being The Major Source for entertainment.
- ❖ If we go back in time, when Broadcast media was our eyes and ears to the whole world, the war of choice was majorly between the three popular modes of mass media- newspapers, followed by radio and then television sets.

- ❖ But no sooner mobile phones entered our lives; mobile technology gradually replaced the popular mass media and emerged as the choicest option for many users.
- ❖ What was initially considered the medium of connecting families and friends while travelling, has slowly but rapidly developed into a multitasking device.

Case study:

Apollo Hospitals

Our Vision:

- ♣ Apollo's vision for the next phase of development is to 'Touch a Billion Lives'.

Our Mission:

- ♣ "Our mission is to bring healthcare of International standards within the reach of every individual.
- ♣ We are committed to the achievement and maintenance of excellence in education, research and healthcare for the benefit of humanity".
- ♣ The TVS Group traces its origins to a rural transport service, founded in 1911 in Tamil Nadu, India.
- ♣ Today, this renowned business conglomerate remains faithful to its core ideals of trust, values, service and ethics.

Do you Know?

- For Example Japanese camera film making company Fuji Films which had global presence for over 50 years was affected with the advent of digital cameras.
- Two Indian companies TATA Steel and WIPRO have been named as the world's most ethical companies by American Think tank Ethisphere Institute. Infosys, Murugappa group, TVS group
- For example. the closure of Sterlite Copper factory in Thoothukudi due to protests by environment protection group in 2018.
- In India the Kumara Mangalam Birla Committee 2000, Narayana Murthy Committee 2003, Adi Godrej Committee 2008, and presently Uday Kotak Committee were constituted to give a comprehensive framework for Corporate Governance. The present corporate governance norms, included in the Companies Act 2013, SEBI listing regulations and Clause 49 of the listing agreement are the outcome of discussion by these committees.

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) Globalization (b) Privatization (c) Liberalization (d) None of these
2. _____ means permitting the private sector to setup industries which were previously reserved for public sector.
(a) Liberalization (b) Privatization (c) Globalization (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) Privatization (b) Liberalization (c) Globalization (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.

- ☞ Liberalization,
- ☞ Privatization,
- ☞ Globalization

2. What is Privatization?

It 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 Liberalization.

- Increase in unemployment
- Unbalanced development

4. Give any Two advantages of Globalization.

- ☼ Expansion of market
- ☼ Technological development

III. Short Answer Questions:

1. What do you mean by Liberalization?

- ♣ It refers to laws or rules being liberalized, or relaxed, by a government.

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

2. State any three impacts on Globalization.

- ♣ Corporations got a competitive advantage from lower operating costs, and access to new raw materials and additional markets.
- ♣ It can manufacture, buy and sell goods worldwide.
- ♣ Globalization has led to a boom in consumer products market.

3. Write a short note on New Economic Policy.

- India agreed to the conditions of World Bank and IMF and announced New Economic Policy (NEP) which consists of wide range of economic reforms.
- This new set of economic reforms is commonly known as the LPG
 - ➔ Liberalization
 - ➔ Privatization
 - ➔ Globalization

IV. Long Answer Questions:

1. Explain the advantages and disadvantages of liberalization.

Advantages:

(a). Increase in foreign investment:

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

(b). Increase the foreign exchange reserve:

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

(c). Increase in consumption:

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

(d). Control over price:

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

Disadvantages:

(a). Increase in unemployment:

Trade liberalization often leads to a shift in the balance of an economy. Some industries grow, some decline.

(b). Loss to domestic units:

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

(c). Increased dependence on foreign nations:

Trade liberalization means firms will face greater competition from abroad.

(d). Unbalanced development:

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

2. What are the Highlights of 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

INTERIOR QUESTIONS**Do you know:**

- ♣ The former Prime Minister of India Dr. Manmohan Singh is considered as the architect of Indian economic reforms who introduced the policy of liberalization in India in 1991.
- ♣ Currently only Atomic Energy, Defense and Railways are Government monopoly industries i.e., Public sector industries in the country.
- ♣ The base for New Economic Policy in various countries of the world is Dunkel Draft, which was all about the General Agreements on Trade and Tariff. Mr. Arthur Dunkel (1932-2005) submitted a 22000 page document for the WTO and followed by many Nations to adopt their respective New Economic Policies. India is one among such nations to commit itself to the New Economic Policy in 1991.
- ♣ Six non-liberalized industries were drugs and pharmaceuticals, hazardous chemicals, explosives, tobacco products, alcoholic drinks, and electronic, aerospace and defense equipment. Currently, only five industries are under compulsory licensing. Drugs and Pharmaceuticals industry has been liberalized.

Reasons for Implementing LPG:

- ♣ Mismanagement of the firm and the economy
- ♣ Over protection to industries

- ♣ Inflation
- ♣ Low foreign exchange reserves

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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?

It is a contract whereby the seller transfers or agrees to transfer the property of the goods to the buyer for a price.

2. List down the essential elements of a contract of sale.

- ✳ Two Parties
- ✳ Transfer of Property
- ✳ Goods
- ✳ Price

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?

- ♣ The goods, the acquisition of which by the seller depends upon a contingency.
- ♣ Contingent goods are a part of future goods.

III. Short Answer Questions:

1. Discuss in detail about existing goods.

- ✳ Existing goods are those owned or possessed by the seller at the time of contract of sale.
- ✳ Goods possessed even refer to sale by agents or by pledges.
- ✳ Existing goods may be either:

- ✧ *Specific Goods-*
- ✧ *Ascertained Goods-*
- ✧ *Unascertained Goods-*

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

➔ In every contract of sale, there are certain expressed and implied conditions and warranties.

Following are the implied conditions:

- ✧ Conditions as to Title
- ✧ Conditions as to Description
- ✧ Sale by Sample

Implied Warranties:

- Quiet Possession
- Free from Any Encumbrances
- Warranty in the case of Dangerous Goods

IV. Long Answer Questions:

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

i). Two Parties:

- ❖ A contract of sale involves two parties—the seller and the buyer.
- ❖ The buyer and the seller should be two different persons.

ii). Transfer of Property:

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

iii). 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.

iv). Price:

- * The monetary consideration for the goods sold is called price.
- * If goods are exchanged for goods, it is only barter and not a sale.

v). Includes both 'Sale' and 'Agreement to Sell':

- If the property in goods is transferred immediately to the buyer it is called a sale.
- If the transfer of property takes place at a future date or on fulfillment of certain conditions, it is called 'an agreement to sell'.

2. Distinguish between Conditions and Warranty.

S.No	Particulars	Conditions	Warranty
01	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.
02	Significance	Condition is so essential to the contract that the breaking of which cancels out the contract.	It is of subsidiary or inferior character.
03	Transfer of ownership	Ownership on goods cannot be transferred.	Ownership on goods can be transferred.
04	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.
05	Treatment	Breach of condition may be treated as breach of warranty	Breach of warranty cannot be treated as breach of condition

INTERIOR QUESTIONS**Case study:**

1. X purchased a hot water bottle from Y, retail chemist. X asked Y if it would stand boiling water. The chemist told him that the bottle was meant to hold hot water. The bottle burst when water was poured into it and injured his wife. State whether seller is liable for the injury suffered by the buyer and the consequent compensation, give your reasons.

- ♣ The Chemist is liable on account of breach of implied condition as to quality as the bottle is not of proper quality.
- ♣ Implied condition is applied to a situation when the buyer of the goods let know the sellers the purpose for which the goods are bought.

2. X asked a car dealer to suggest him car suitable for touring purposes. The dealer suggested a 'Buggati Car'. Accordingly, X purchased it but found it unsuitable for touring purpose. State whether the car dealer is liable for breach of condition?

- ♣ Yes, the car dealer is liable for breach of condition, because he told 'Buggati Car' was suitable for touring purpose.
- ♣ But in usage, it became unsuitable for touring purpose.

3. X, a dealer sold a plastic catapult to B. While using the catapult in the usual manner, it broke due to the fact that the materials used in its manufacture were unsuitable. As a result, the boy who was using it, blinded in one of his eyes. State whether the seller is liable or not.
- ♣ The seller is liable, because the materials used to manufacture catapult were not of a good quality.
 - ♣ That is why the boy was blinded in one of his eyes.
4. X bought from Y a heap of wheat the weight of which is 1000 kg at the rate of Rs. 8 per kg. and agrees to pay the price on the first day of the next month and the wheat is to be delivered at X's godown on the following day. A fire broke out and the entire quantity of wheat was destroyed. State whether X is liable to pay the price or not. Why?
- ♣ X is not liable, because before delivery, the goods were destroyed in Y's godown.
 - ♣ So X need not pay the price.
5. X bought from Y a heap of wheat (weight 100 kg) at the rate of Rs. 8 per kg. and Y had to put the wheat in bags to deliver it to X. Y filled some bags in X's presence, but before the remainder could be filled, a fire broke out and the entire quantity of wheat was destroyed. State whether X is liable to pay the price or not. Why?
- ♣ X is not liable, due to non-delivery of the goods by Y.
 - ♣ Before the wheat was filled in the bags, the godown caught fire.
 - ♣ So X need not pay the price of wheat.
6. X bought from Y a heap of wheat at a rate of Rs. 8 per kg and Y had to weigh the wheat. Before weighing was completed, the wheat was destroyed by fire. State whether X is liable to pay the price or not. Why? Clues: Students are advised to read thoroughly the implied warranties and conditions for the cases 1 to 3 and rules relating to transfer of ownership for cases 4 to 6.

X is not liable, because the wheat was destroyed before weighing. So X need not pay the price.

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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 is
 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?

A negotiable instrument means a promissory note, bill of exchange or cheque payable either to order or to bearer.

- Negotiable instruments Act 1881

2. List three characteristics of a Promissory Note.

- ⊛ A promissory note must be in writing.
- ⊛ The promise to pay must be unconditional
- ⊛ It must be signed by the maker.

3. What is meant by Cheque?

“A bill of exchange drawn on a specified banker and not expressed to be payable otherwise than on demand”.

- Negotiable Instrument Act 1881

III. Short Answer Questions:

1. Distinguish between Negotiability and Assignability.

S.No	Particulars	Negotiability	Assignability
1	Transfer notice	Not required	Must be served by assignee on his debtor.
2	Title	Transferee gets the right of holder in due course.	Assignee's title is subject to the title of Assignor.
3	Consideration	It is presumed	It is proved

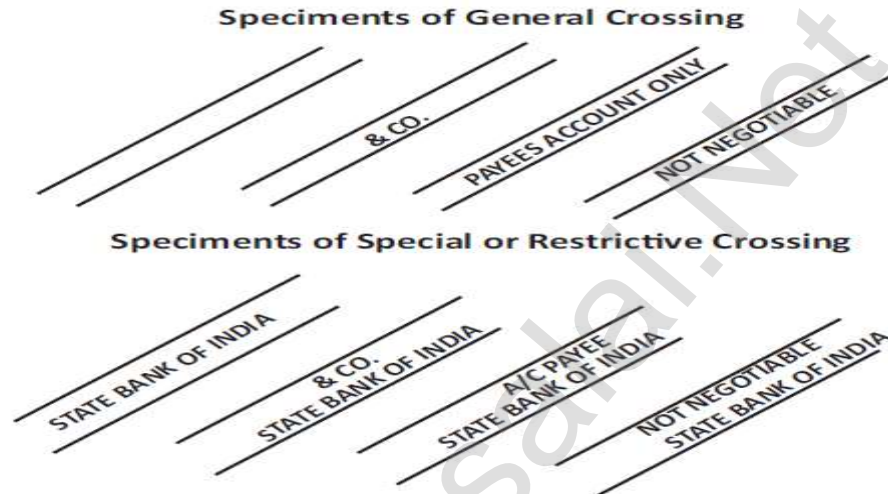
2. What are the characteristics of a bill of exchange?

- ✧ 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.

i). General Cheque Crossing:

- The cheque or the payee will receive the payment only through a bank account and not over the counter.



ii). Special Cheque Crossing:

- * However, in special crossing two parallel transverse lines are not essential but the name of the banker is most important.

IV. Long Answer Questions:

1. Distinguish a cheque and a bill of exchange.

S.No	Particulars	Cheque	Bill of exchange
01	Drawn	It can be drawn on any person including a banker	It can be drawn only on a particular banker.
02	Notice	Notice of dishonor is necessary.	Notice is not necessary
03	Sets	Foreign bills of exchange are drawn in sets of three.	It is not so in case of cheque.
04	Discounting	A bill can be discounted with a bank.	A cheque cannot be discounted
05	Stamping	Bills are to be sufficiently stamped	Cheques need not be stamped

2. Discuss in detail the features of a cheque.

(i) Instrument in Writings:

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

- Though the law does not prohibit a cheque being written in pencil, bankers never accept it.

(ii) Unconditional Orders:

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

(iii) Drawn on a Specified Banker Only:

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

(iv). A Certain Sum of Money Only:

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

(v) Payee to be Certain:

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

3. What are the requisites for a valid endorsement?

- ✧ 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 is presumed that the endorsements appearing on a negotiable instrument were made in the order in which they appear thereon.
- ✧ Signing in block letters does not constitute regular endorsement.

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INTERIOR QUESTIONS

Do you know?

1. Why emergency holidays are declared under Negotiable Instruments Act?

- Where the maturity date of the negotiable instrument falls on notified public holiday, it is to be paid on the preceding working day.
- When emergency holidays are declared for reasons like death of a leader in power, natural calamities, strike, election day and so on, day should be made a public holiday.
- So that negotiable instruments maturing on the day can be paid on the next working day.

- In other words, it implies that negotiable instruments maturing on the date of emergency holiday should be paid on the next day

2. MICR – Magnetic Ink Character Recognition:

- ✱ MICR code is a character - recognition technology used mainly by the banking industry to ease processing and clearance of cheques and other documents.
- ✱ It is found at the bottom of the cheque. It includes bank code, bank account number, cheque number, cheque amount and a control indicator.
- ✱ The MICR code helps the banker to ensure the legitimacy or originality of paper documents. The special ink used in the MICR code is sensitive to magnetic fields.
- ✱ It prevents the crime of printing counterfeit cheques or documents using technology.
- ✱ The magnetic ink will help discover fake documents.

3. IFSC – Indian Financial System Code:

- ✱ IFSC code is an alphanumeric code which facilitates electronic fund transfer in India.
- ✱ This code uniquely identifies each bank branch participating in the two main Payment (RTGS and)NEFT and Settlement systems in India.
- ✱ IFSC is a 11 character code.
- ✱ The first 4 alphabetic characters represent the bank name and the last 6 characters represent the branch.
- ✱ The fifth character is 0 and reserved for future use.
- ✱ This code routes the messages to the destination banks or branch.
- ✱ The format of IFSC code is given below:

1	2	3	4	5	6	7	8	9	10	11
Bank Code				0	Branch Code					

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.

- Spirit of Enterprise
- Self Confidence
- Innovation
- Hard work

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

- Planning
- Organizing
- Directing
- Controlling

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

- * Discovery of Idea
- * Detailed Investigation
- * Choice of form of enterprise
- * Mobilization of funds

4. List the challenges faced by the women entrepreneurs? (any 2)

- * Problem of Finance
- * Limited Mobility
- * Lack of Education
- * Lack of Information

III. Short Answer Questions:**1. Distinguish between entrepreneur and Manager.**

S.No	Basis	Entrepreneur	Manager
1	Motive	It is to start a venture by setting of an entity.	The very motive is to render service in an entity
2	Status	He/ She is an owner of the entity	salaried employee in the entity
3	Risk Bearing	bears the risk and uncertainty in operating the enterprise	doesn't bear any risk in the venture

2. List down the commercial functions of Entrepreneur and explain them shortly.**(i) Production or Manufacturing:**

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

(ii) Finance:

In the sphere of financial function, an entrepreneur has to take decisions like choosing the right type of financing, framing the best dividend policy, acquiring of funds, etc..

(iii) Human Resource Management:

Entrepreneur has to estimate the manpower needs of the enterprise and accordingly decide the size of manpower required for various slots of organizational structure.

3. Explain the promotional functions of entrepreneur.**(i) Discovery of Idea:**

- The first and foremost function of entrepreneur is idea generation.
- Ideas can be generated through several ways like own experience and so on.

(ii) Detailed Investigation:

Entrepreneur has to analyze in detail the product proposes to produce.

(iii) Choice of form of enterprise:

Entrepreneur has to choose the appropriate form of organisation suited to implement the venture.

IV. Long Answer Questions:**1. What are the characteristics of an entrepreneur?****i). Spirit of Enterprise**

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

ii). Flexibility

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

iii). Innovation

- ★ Entrepreneur should contribute something new or something unique to meet the changing requirements of customers.

iv). Analytical Ability

- ⊗ Entrepreneurs should not make decisions on the basis of personal likes and dislikes.
- ⊗ It should be able to objectively analyze the situation and act accordingly.

v). Foresight

Entrepreneur should have a foresight to visualize future business environment

2. Distinguish between an Entrepreneur and an Intrapreneur.

S. No	Basis	Entrepreneur	Intrapreneur
1	Thinking	He is a free thinker	He is forced to think independently.
2	Dependency	He is an independent person	He is an employee.
3	Fund Mobilization	He has to mobilize funds to finance the venture.	He does not engage in fund mobilization.
4	Reward	He is rewarded by profit for the risk bearing exercise.	He gets perquisites, salary, incentives etc., for the service.
5	Operation	He operates mostly outside the enterprise.	He operates within the enterprise.

3. Discuss the challenges faced by Women Entrepreneurs.**i). 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.
- ⊗ Financial institutions they impose stringent condition which discourages women to avail themselves of loan assistance from banks.

ii). Limited Mobility:

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

iii). Lack of Education

- ❖ Illiterate and semi-literate women entrepreneurs encounter a lot of challenges in their entrepreneurial journey.
- ❖ This reduces the efficiency of operating the business successfully.

iv). Stiff Competition

- Women entrepreneurs have to face serious competition for their goods from organized sector and from their male counterparts.
- Since they are not able to spend freely due to financial restrictions.

v). Lack of Information

- ♣ Women entrepreneurs are reported not to be generally aware of subsidies and incentives available for them due to their poor literacy levels.

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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 d. Manufacturing

3. Corporate Entrepreneur is also called as ____

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

4. Which of these is based on Technology?

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

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

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

II. Very Short Answer Questions:

1. What is the other name of business entrepreneur?

Business entrepreneur is called solo entrepreneur.

2. Mention the other name for corporate entrepreneur.

Corporate entrepreneur is called promoter

3. Who are agricultural entrepreneur?

Those who raise allied products like poultry, meat, fish, honey, skin, agricultural implements, flowers, silk, fruits, prawn etc., are called agricultural entrepreneur.

4. Give some examples of pure entrepreneurs.

- ♣ Dhirubai Ambani,
- ♣ Jamshadji Tata,
- ♣ T.V. Sundaramlyengar,
- ♣ Seshadriji, Birla,
- ♣ Narayanamurthi,

III. Short Answer Questions:

1. Who is a private entrepreneur?

Ventures started by individual either singly or collectively at their own risk after mobilizing 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 plasticizing any change in their organisation.
- ❖ They are of risk-averse type.
- ❖ They do not simply change to the changes happening in the environment.

IV. Long Answer Questions:

1. Explain in detail on classification according to the type of business

(i) Business Entrepreneur:

- ❖ Business entrepreneur is called solo entrepreneur.
- ❖ He/she may establish small or large enterprise to commercially exploit his /he idea.
- ❖ He/she takes up production, operations and pursues marketing activities.

(ii) Trading Entrepreneur:

- Trading entrepreneurs are those who restrict themselves to buying and selling finished goods.
- They may be engaged in domestic and international trade.
- Their core strength lies in distribution and marketing.

(iii) 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.
- * They may be small, medium and large entrepreneurs.

(iv) Corporate Entrepreneur:

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

(v) Agricultural Entrepreneur:

- 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.

2. Discuss the nature of functional entrepreneurs.

(i) Innovating Entrepreneur:

- ✦ Innovative entrepreneur is who is always focused on introducing a new product or introducing something new in the venture already started.

- ✦ They constantly observe the environment around them; collect information and analyze them in order to contribute something a new in the venture.

(ii) 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.

(iii) Fabian Entrepreneur:

- ✦ These entrepreneurs are said to be conservations and sceptial about plasticizing any change in their organization.
- ✦ They are of risk-averse type.
- ✦ They do not simply change to the changes happening in the environment.

(iv) Drone Entrepreneur:

- Drone entrepreneur are those who are totally opposed to changes unfolding in the environment.
- They used to operate in the niche market.
- They are similar to Fabian entrepreneur in doggedly pursuing their conventional practices.

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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 endeavor 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 four Governmental Entrepreneurial schemes.

- ☒ Startup India
- ☒ Make in India
- ☒ Support to Training and Employment Programme for Women (STEP)
- ☒ Trade related Entrepreneurship Assistance and Development (TREAD)

2. Give a note on 'Digital India'.

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

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

- * Long term Finance
- * Short term finance

III. Short Answer Questions:

1. What is 'Startup India'?

- * Startup India is an initiative of the Government of India.
- * The campaign was first announced by Indian Prime Minister, Mr.Narendra Modi.

- ✱ Through the Startup India initiative Government of India promotes entrepreneurship by mentoring, nurturing and facilitating startups throughout their life cycle.
- ✱ A 'Fund of Funds' has been created to help startups gain access to finding.

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

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

IV. Long Answer Questions:

1. Explain any five Government Entrepreneurial schemes.

i). Support to Training and Employment Programme for Women (STEP):

- ✱ STEP was launched by the Government of India's Ministry of women and child Development.
- ✱ To train women who have access to formal skill training facilities, especially in rural India.

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

- ✱ JAM, for the first time, is a technological intervention that enables direct transfer of subsidies to intended beneficiaries.
- ✱ And, therefore, eliminates all intermediaries and leakages in the system, which has a potential impact on the lives of millions of Indian citizens.

iii). Trade related Entrepreneurship Assistance and Development (TREAD):

- ✱ This schemes envisages to address the critical issues of access to credit among India's underprivileged women.
- ✱ The TREAD programme enables credit availability to interested women through non-governmental organizations (NGOs).

iv). Modified Special Incentive Package Scheme (M-SIPS):

- ✱ The M-SIPS scheme provides capital subsidy of 20% in SEZ and 25% subsidy in non-SEZ for business units engaged in manufacturing of electronics.

v). Science for equity Empowerment and Development (SEED):

- ✱ SEED aims to provide opportunities to motivated scientists and field level workers to undertake action-oriented, location specific projects for socio-economic gain, particularly in rural areas.
- ✱ SEED emphasizes equity in development, so that the benefits of technology accrue to a vast section of the population, particularly the disadvantaged.

2. Describe the steps promoting Entrepreneurial venture.

i). Selection of the product:

- ◆ An entrepreneur may select a product according to his aspiration, capacity and motivation after a through scrutiny of micro and macro environment of business.
- ◆ An entrepreneur has to conduct economic viability of the project.

ii). Selection of form of ownership:

- ✓ Entrepreneur has to choose the form of organization suitable and appropriate for his venture namely family ownership, partnership and private limited company.
- ✓ Family ownership and partnership forms of organization are suited for exercising unified control over the venture.

iii). Selection of Site:

- * Entrepreneur has to choose suitable plot for accommodating his venture.
- * He has four options open to him for housing his venture.
- * These have been mentioned below.

iv). Designing Capital Structure:

- ♠ Entrepreneur has to determine the source of finance for funding the venture.
- ♠ He/she may mobilize funds from his own savings, loans from friends and relatives, term loans from banks and financial institutions.

v). Acquisition of Manufacturing Know-how:

- Entrepreneur can acquire manufacturing know-how from Government research laboratories, research and development divisions of industries, and individual consultants.
- Besides, manufacturing know-how can be obtained by foreign technical collaboration.

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INTERIOR QUESTIONS

Do you know:

- ANGEL INVESTORS Also known as Business Angels or Investment angels.
- An Investor who provides financial backing for small startups or entrepreneurs.
- Angel investors are usually found among an entrepreneur's family and friends.
- The capital they provide can be a one- me injection of seed money or ongoing support to carry the company through difficult times.
- Angel investors give more favorable terms than other lenders, as they are usually investing in the person rather than the viability of the business.

CHAPTER - 26**COMPANIES ACT 2013****I. Choose the Correct Answers:**

1. The Company will have to issue the notice of situation of Registered Office to the Registrar of Companies within ____ days from the date of incorporation.

- (a) 14 days (b) 21 days (c) 30 Days (d) 60 Days

2. How does a person who envisages the idea to form a company called?

- (a) Director (b) Company Secretary (c) Registrar (d) Promoter

3. Which of the following types of shares are issued by a company to raise capital from the existing shareholders?

- (a) Equity Shares (b) Rights Shares (c) Preference Shares (d) Bonus Shares

4. The shares which are offered to the existing shareholder at free of cost is known as

- (a) Bonus Share (b) Equity Share (c) Right Share (d) Preference Share

5. The shares which are offered first to the existing shareholder at reduced price is known as _____.

- (a) Bonus Share (b) Equity Share (c) Right Share (d) Preference Share

II. Very Short Answer Questions:

1. What are four stages of formation of a company?

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

2. What is Bonus Shares?

To utilize the company's reserves and surpluses, issue of shares to existing shareholders without taking any consideration is known as Bonus 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.

4. What is Debentures?

- ☛ When a company needs fund it can borrow from general public by issuing certificate for a fixed period of time and at a fixed rate of interest.
- ☛ This loan certificate is known as debenture.

III. Short Answer Questions:

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

- ☛ When shares are issued at a price above the face or nominal value, they are said to be issued at a premium.
- ☛ For example, a share having the face value of Rs 10 is issued at Rs.12. Here, Rs.2 is the premium.
- ☛ The amount of share premium has be transferred to an account called the 'Securities Premium Account.

2. Explain different Kinds of Preference shares.

(i) Cumulative Preference Shares:

All dividends are carried forward until specified, and paid out only at the end of the specified period.

(ii) Non-cumulative Preference Shares:

- The opposite of cumulative, obviously. Dividends are paid out of profits for every year.
- There are no arrears carried over a time period to be paid at the end of the term.

(iii) 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 difference between Shares and Debentures:

S.No	Shares	Debenture
1	Shares are part of the capital of a company.	Debentures constitute a loan.
2	Top level.	Middle and Lower Level.
3	Shares do not carry any such charge.	Debentures generally have a charge on the assets of the company.
4	Shares cannot be issued at a discount.	Debentures can be issued at a discount without restrictions.
5	The holders enjoy voting right.	The holders do not have any voting right.

2. What are the various kinds of Debentures?

I. On the basis of convertibility:

Debentures may be classified into following categories:

- ☛ Non Convertible Debentures (NCD)
- ☛ Partly Convertible Debentures (PCD)

- Fully convertible Debentures (FCD)
- Optionally Convertible Debentures (OCD)

II. On the basis of Security:

a). Secured Debentures:

- * These instruments are secured by a charge on the fixed assets of the issuer company.
- * So if the issuer fails on payment of interest amount, such fixed assets can be sold to repay the liability to the investors.

b). Unsecured Debentures:

- These instruments are unsecured in the sense that if the issuer defaults on payment of the interest amount, the investor has to be included as unsecured creditors of the company.

III. On the basis of Redeemability,

Debentures are classified into:

a). Redeemable Debentures:

- It refers to the debentures which are issued with a condition that the debentures will be redeemed at a fixed date.
- Debentures are generally redeemable and on redemption these can be reissued or cancelled.

b). Irredeemable Debentures:

A Debenture, in which no specific time is specified by the companies to pay back the money, is called irredeemable debentures.

IV. On the basis of Registration,

Debentures may be classified as:

a). A Registered Debentures:

Registered debentures are issued in the name of a particular person, whose name appears on the debentures certificate and who is registered by the company as holder on the Register of debentures holders.

b). Bearer debentures:

Bearer debentures on the other hand, are issued to bearer, and are negotiable instruments, and so transferable by mere delivery like share warrants.

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INTERIOR QUESTIONS

Do You Know:

- The New 2013 Companies Act got the ascent of President on 29th August, 2013 but it was passed in the Lok sabha on 18th December, 2012 and in Rajya Sabha on 8th August, 2013.

- The Act 2013 consists of 29 Chapters 470 Sections and 7 Schedules as against 13 chapters 658 Sections and 15 Schedules in 1956 Act.
- Separate Chapters for Registered Valuers, Government Companies, Furnish information or Statistics, Nidhis, National Company Law Tribunal & Appellate Tribunal and Special Courts are introduced in Companies Act 2013.

Navratnas Companies:

1. Bharat Electronics Limited (BEL)
2. Container Corporation of India (CONCOR)
3. Engineers India Limited (EIL)
4. Hindustan Aeronautics Limited (HAL)
5. Hindustan Petroleum Corporation Limited (HPCL)
6. Mahanagar Telephone Nigam Limited (MTNL)
7. National Aluminium Company (NALCO)
8. National Buildings Construction Corporation (NBCC)
9. National Mineral Development Corporation (NMDC)
10. Neyveli Lignite Corporation Limited (NLCIL)
11. Oil India Limited (OIL)
12. Power Finance Corporation
13. Power Grid Corporation of India Limited
14. Rashtriya Ispat Nigam Limited
15. Rural Electrification Corporation
16. Shipping Corporation of India (SCI)

Maharatnas Companies:

1. National Thermal Power Corporation (NTPC)
2. Oil and Natural Gas Corporation (ONGC)
3. Steel Authority of India Limited (SAIL)
4. Bharat Heavy Electricals Limited (BHEL)
5. Indian Oil Corporation Limited (IOCL)
6. Coal India Limited (CIL)
7. Gas Authority of India Limited (GAIL)
8. Bharat Petroleum Corporation Limited (BPCL)

CHAPTER – 27**COMPANY 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 crore (c) **Five crore** (d) Seven crore
- 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.**

- * Every listed company
- * Every public company (Having paid up share capital of Rs. 10 crore or more)

- 2. Who is whole time Director?**

A Whole Time 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?**

A Managing 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?**

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 organization.

III. Short Answer Questions:

- 1. When are alternative directors appointed?**

- * 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 authorized either by the Articles of association of the company or general Meeting.
- * The alternative director is not a representative or agent of Original Director.

2. Who is a shadow director?

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

3. State the minimum number of Directors for a 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?

Key-Managerial Personnel of a Company

- ♣ Companies Act, 2013 (Act) has introduced many new concepts and Key Managerial Personnel (KMP) is one of them.
- ♣ KMP covers the traditional roles of managing director and whole time director and also includes some functional heads like Chief Financial Officer and Chief Executive Officer and Company Secretary.

Who are the key managerial personnel:

- * the Chief Executive Officer
- * the Company Secretary
- * the Whole-time Director;
- * the Chief financial Officer; and

Following companies are required to appoint KMP:

Requirement to Appoint "KMP"

- ⊛ Every listed company
- ⊛ Every public company (Having paid up share capital of Rs. 10 crore or more)

2. Brief different types of Directors.

i). Residential Director:

Every company should appoint a director who has stayed in India for a total period of not less than 182 days in the previous calendar year.

- Section 149(3) of Companies Act 2013,

ii). Independent Director:

An independent director is an alternate director other than a managing director who is known as Whole Time director or Nominee Director.

- Section 149(6)

iii). Small shareholders directors:

- ♣ Small shareholders can appoint a single director in a listed company.
- ♣ But this action needs a proper procedure like handing over a notice to at least 1,000 shareholders or 1/10th of the total shareholders.

iv). Nominee director:

- A director nominated by any financial Institution on pursuance of the provisions of any law for the time being in force, or of any agreement, or appointed by any Government, or any other person to represent its interests”.

v). Additional directors:

Any individual can be appointed as Additional directors by a company.

3. State the qualification of Directors.

- In general, a director shall possess appropriate skills, experience and knowledge in one or more fields to the company's business.
- *According to the different provisions relating to the directors; the following qualifications may be mentioned:*
 - ♣ A director must be a person of sound mind.
 - ♣ A director must hold share qualification, if the article of association provides such.
 - ♣ A director must be an individual.
 - ♣ A director should be a solvent person.
 - ♣ A director should not be convicted by the Court for any offence, etc.

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INTERIOR QUESTIONS

- As the salary of an average Indian CEO at top listed private companies is doubling from Rs. 10 crore to Rs. 20 crore in just two years, it's bound to trigger interests as we hope for a legitimate raise in our paychecks this year.
- The analysis of CEOs salaries in top listed companies for FY 2015-16 shows that the average remuneration paid to the top executives was approximately Rs. 19 crore.
- The payment includes their salary, commissions, allowances, value of all prerequisites and ESOPs (Employee Stock Ownership Plans) exercised during the year and all other benefits.

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?

It means any individual possessing the prescribed qualifications, appointed to perform the duties which may be performed by a secretary under this company's act 2013.

2. What is meant by Meeting?

A meeting is a gathering of two or more people that has been convened for the purpose of achieving a common goal through verbal interaction such as sharing information or reaching agreement.

3. Write short note on 'Proxy'?

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.

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 favor of or against a proposal or a candidate to be elected for an office.

III. Short Answer Questions:

1. What is Special Resolution?

- ☛ A special resolution is the one which is passed by a not less than 75% of majority.

- ⊛ The number of votes, cast in favor of the resolution should be three times the number of votes cast against it.
- ⊛ The intention of proposing a resolution as a special resolution must be specifically mentioned in the notice of the general meeting.

2. What do you mean by Statutory Meeting?

- According to companies act, every public company, should hold a meeting of the shareholders within 6 months but not earlier than one month from date of commencement of business of the company.
- The first general meeting of the public company is called statutory meeting.

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

- ✦ To change or rectify the name of the company.
- ✦ To alter the share capital of the company.
- ✦ To increase or decrease the number of directors within the limits prescribed.

IV. Long Answer Questions:

Briefly state different types of company meetings.

a) Statutory meeting:

- ✦ The first general meeting of the public company is called the statutory meetings.
- ✦ This meetings is conducted only once in the lifetime of the company.
- ✦ A private 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 meetings is held to transact the ordinary business of the company.
- ❖ Such meeting is called annual general meeting of company (AGM).
- ❖ Company is bound to invite the first general meeting within eighteen months from the date of its registration.
- ❖ Then the general meetings will be held once in every year.

(c) Special meeting:

i) Class meeting:

- ♣ Meetings, which are held by a particular class of share or debenture holders is known as meeting.
- ♣ The debenture holders of a particular class conduct these meetings.

ii) Meetings of the creditors:

- ⊛ Strictly speaking, these are not meetings of a company.

- ❖ Unlike the meetings of a company, there arise situation in which a company may wish to arrive at a consensus with the creditors to avoid any crisis or to evolve compromise or to introduce any new proposals.

2. Explain different types of open and secret types of voting.

i) Open procedure:

- * This type of voting has no secrecy as the all the members assembled can see voting.

a) By voice:

- Voice voting is a popular type of voting in which the chairman allows the members to raise their voice in favour or against an issue 'Yes' for approval and 'No' for rejection.
- It is an unscientific method.

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 request 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:

- ❖ Secret procedure is adopted to decided certain vital issues.
- ❖ It is a popular voting method that could maintain the secrecy of the voter.

c) By Ballot:

- ♣ Ballot paper bearing serial number is given to the members to record their opinion by marking with the symbol and put the ballot paper into the ballot box.
- ♣ The chairman opens the ballot box in the presence of tellers and counts the votes.
- ♣ The votes are counted and the results are announced.

INTEROR QUESTIONS

Do you know:

QUORUM:

- There is another requirement of quorum.
- A single person does not contain a meeting so it has to be seen that the required number of people are present.
- Requisite number of person at the meeting is called as quorum.

PROXY:

- 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.

Stakeholders:

- ☉ Stakeholders of the company include shareholders, employees, customers, suppliers, financiers, governments and the society.

Case Study

1. Mr R, as the secretary of the Muraliviki Co., signed a letter to its bank, forwarding a 'resolution' of the board of directors. The resolution named three directors and instructed the bank to pay cheques signed by any two of them and countersigned by the secretary. Specimen signatures were attached. The instruction was entirely in accordance with the company's memorandum and articles. However, there had never been any proper appointment of directors or a secretary by the company. Those who had formed the company had assumed their roles. Following the letter, the bank had honoured cheques in accordance with the instructions contained in the letter. The question was, whether, the company was bound by the cheques. Comment.

VVMG-PV

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COMPULSORY QUESTIONS & ANSWERS

Question No 30, 40 is Compulsory:

1. **The production manager establishes quality control standards where invite defects are permissible for every 100 units. What is the management principle highlighted here?**
 - **MBE** - Management by exception is an important principle of managerial control suggested by the classical writers on management.
 - It is a style of business management that focuses on identifying and handling cases that deviate from the norm.
 - It has both a general business application and a business intelligence application.
2. **The proprietor takes goods from his business for his personal use as a contract of sale. why?**
 - However, there is one exception. When the goods of a person are sold in execution of a decree, he himself may buy the goods retain their ownership.
3. **Suresh wants 0+ve blood for his one month old child for an emergency which type of marketing technique will he use?**
 - Viral marketing
4. **As a famous film director what selection test would you conduct to select a skilled music director?**
 - Achievement test
5. **Vijay makes a sale deal with Ajith. That means if I got the car from Vikram, I will sell it, What kind of Contract does this come with?**
 - Contingent goods.
6. **The owner takes inventory from his profession for own benefit. Can this be considered a merchandise deal?**
 - No, It cannot be considered as Merchandise deal as the owner is taking out for his own benefit it should be considered as drawing.
7. **Gomathi father has gifted a large share of cement company. These securities in the physical form. She has a bank account and she does not possess any of the form of securities. She wishes to sell the share and approached a registered broker for the purpose. Mention one mandatory detail which she have to provide with the broker.**
 - Trading has become more convenient as one can trade through computers at any location without need of visiting a broker.

8. He/she takes initiative necessary to start an entity under corporate format. He/she arranges to fulfill the formalities to start a corporate entity under company law.

Who is he/she?

- Corporate entrepreneur

9. Oil and Coffee are sold in a Commodity market. Mention the market to which they belong.

- Oil - Hard Commodities Coffee - Soft Commodities

10. Give three suggestions to a salaried employee to invest in Gilt-Edged Securities

- Gilt -Edged Securities is safe because it is a government issued bond.
- Tax exemption is available.
- Get a certain percentage guarantee.

11. If the payee is an illiterate, how can he endorse a negotiable instrument?

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

12. When there is no space in Negotiable instrument for making further endorsement, how can it be endorsed?

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

13. What is the name of the marketing that secretly advertises their product with the advertiser in order to impress the customer without and funding for an event.

- Ambush Marketing

14. Mr.Mohan is a CEO of CRP groups, Rohan is one of the subordinates of the company, Who issued orders to Mr.Mohan. True or False? Justify.

- False. CEO has substantial powers of Management over the affairs of the company subject to superintendence, direction and control of the board.

15. Mr.Arun is appointed by the members of stock exchange and he transacts on behalf of his employer. Identify who is Mr. Arun?

- Authorized clerks

16. Mr. Varun is a person who invests in new companies and try to sell at higher price. Identify the Speculator?

- Premium hunter.

17. Mr.Ramu is an independent dealer in stock exchange, They buy and sell on their own and enjoy through price change. Identify who Ramu?

- Jobbers

18. In IPL 20-20 match Kannan &co send a 20 employees as a audience wearing the company name T-Shirt .What kind of Marketing.

- Ambush marketing

19. A sells to B a product .In these sales “a gets commission on sale to B Who on turn sells to and C,D E. A gets certain percentage commission on Bsales to C,D,E. What type of marketing strategy is this?

- Multilevel marketing

20. A single person does not contain a meeting so it has to be sun thatthe required numbers of people are present. Requisite number of person at the meeting is called as

- Quorum

21. Mrs. Ramya wishes to start a new business unit. Explain any 5 Challenges that she will face?

- Women Entrepreneurs
- Limited Mobility
- Lack of Network support
- Problem of finance
- Lack of Education
- Stiff competition

22. Mr.Madan goes to Mr.Raja to buy a bike .The bike is show room. While not deciding what bike to buy .Explain what kind inventory.

- Unascertained (or) Generic goods

23. Raja hopes to transfer money to someone through Cross cheque. What should he do?

- General crossing

24. Mr.Aakash brought ½ kg of black pepper from Pandian stores, Tiruppur. While opening the packet he found some papaya seeds inside it. Explain how he is exploited and how to register the complaints?

- Adulteration

The complaint should be registered by the following ways:

- Complaint can be registered within 2years from the date on which the cause of action has arisen, to the date on which the completion from the deficiency in service.
- Stamp paper is not required for declaration
- Complaint can be registered, in person, by the complainant or through his authorized agent or by post addressed to the Redressal Agency.
- Advocates are not necessary.

25. Give any three cases in which an ordinary resolution need to bepassed?

- To appoint the directors
- To declare the dividend
- To redeem the debentures.

26. You are buying a object by knowing 2 yrs old. Then you feel like its 5 year old.

What will you do?

- Condition as to description
- In a contract of sale by description, there is an implied condition that goods supplied should agree with the descriptions made by the seller.
- eg. 'A' has bought machinery from 'B' who described it to be just one year old. After buying the machinery and using it for a month, 'A' came to know that it is very old machinery.
- In this case, 'A' can return the machinery to 'B' on the ground that machinery is not as per the description i.e. not recent one.

27. Raghu bought a washing machine from a company with a warranty of two years. The washing machine broke within two months of use Raghu immediately lodged a complaint with the company. But the company did not take any action. In this situation. Give your suggestions to Raghu.

- Raghu must first registered the complaint in the consumer court.
- The complaint should be registered by the following ways:**
- Complaint can be registered within 2 years from the date on which the cause of action has arisen, to the date on which the completion from the deficiency in service.
 - Stamp paper is not required for declaration
 - Complaint can be registered, in person, by the complainant or through his authorized agent or by post addressed to the Redressal Agency.
 - Advocates are not necessary.

The complaint should contain the following particulars:

- The name and complete address of the complainant
- The name and complete address of the opposite party/parties
- Date of purchase of goods or services availed
- Amount paid for the above purpose
- Particulars of goods purchased with number or details of services availed
- The details of complaint, whether it is against Unfair Trade Practices/supply of defective goods/deficiency in service provided/collection of excess price, should explicitly be mentioned in the complaint petition.
- Bills/receipts and copies of related correspondence, if any.

28. Jothi graduated with a Bachelor of Commerce degree and did not want to work for others for a monthly salary but joined a bookkeeping training centre and got

trained and engaged in book keeping business. What Kind of entrepreneur is she?

- Women entrepreneur.

29. Government securities are examples of which assets? Explain.

- Marketable assets are those which can be easily transferred from one person to another without much hindrance.

30. Which assets cannot be used for further production? It's useful for consumption only.

- Physical assets

31. Explain cut off rate?

- 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.

32. Open market operations the central bank absorbs surplus cash during and provides additional liquidity in the ____

- Off-seasons, Busy seasons

33. What is meant by Near money?

- Short term funds market purely short term funds or financial assets called near money.

34. If you are a Human resource manager on the job training or off the job training given to employees or workers?

- On the job training is best.
- Because practical approaches
- At the work place
- Cheapest to carry out

35. Which company was trade the securities in demat form in first. How many shares?

- Reliance industries were the first company to trade its 100 shares in demat form.

36. E-commerce is now developed in India. Do you agree?

- Yes, agree .Now a days in the Globalised business environment, the marketer must move goods faster and quicker to satisfy the consumers' needs and wants by serving the best quality goods and services.

37. Write any two web based job portals with websites name?

- Naukri.com
- Indeed.com
- LinkedIn
- Monster.com
- Shine.com
- Google Jobs

38. Why medical examination of an employee is necessary?

- The employee health checkup helps you to identify the health issues before they

become serious and affect the employee's performance. Hence, an employee health checkup designed considering your specific industry can be the first important step for both - the employer and employees.

39. X bought from Y a heap of wheat at a rate of Rs.8 per kg and Y had to weight the wheat. Before weighting was completed, the wheat was destroyed by fire. State whether X is liable to pay the price or not. Why?

- No, X is not liable to pay the price. Because it is yet to ascertain the ownership of the property transferred only if Y weighs the wheat. So they not entered to contract.

40. What is the name of the rule which is applicable only in the suitable where it is not possible to check the described item/inventory and know the truth?

- Name of the rule is Implied conditions. Explanations:
- In a contract of sale by description, there is an implied condition that goods supplied should agree with the descriptions made by the seller. eg. 'A' has bought a machinery from 'B' who described it to be just one year old. After buying the machinery and using it for a month, 'A' came to know that it is very old machinery. In this case, 'A' can return the machinery to 'B' on the ground that machinery is not as per the description i.e. not recent one.

41. If you are Marketing manager, How to market your products?

- Marketing managers generate customer interest in products and services across various media channels. They often oversee the communication between a business and its customer base.

42. If you are a marketing manager, use recent trends in marketing- E-commerce, list Your company products in Amazon.com?

- E-commerce marketing strategies involve promotional tactics to drive traffic to an online store. A well-thought-out marketing plan, coupled with an engaging website, can convert visitors into paying customers, help businesses retain them and increase their overall customer lifetime value (CLV). If marketing teams stay up to date on the latest trends, they can help the organization reach and retain new customers.
 - Content Marketing
 - Social Media Marketing
 - Email Marketing
 - SMS Marketing

43. Write a note on Redressal.

- The complaints and protests are not just to be heard, but the aggrieved party to be granted compensation within a reasonable time period.
- There should be fair settlement of deserving claims in a definite time frame.

44. What do you mean by Redressal Mechanism?

- Under the provisions of the consumer protection Act, 1986, there shall be consumer councils and three tier quasi judicial machinery called Redressal Forums.
- It primarily covers the receipt and processing of complaints from citizens and consumers, actions taken on any issue raised by them to avail services more effectively.
- There tier quasi judicial machinery is called Redressal mechanism. National commission (above 1 Crore)
- State commission (more than 20 lakhs less than`1 Crore) District Forum (Less than 020 lakhs).

45. What are the factors affecting the price of the product?

- Factors affecting Price of product / service

Internal Factors:

- Marketing Objectives
- Marketing Mix Strategy
- Organizational considerations
- Costs
- Organization Objectives

External Factors:

- The market and demand
- Competition
- Suppliers
- Regulatory factors
- Customers
- Legal factors

46. What is Mixed Economy?

- A mixed economy is a system that combines characteristics of market, command, and traditional economies.
- It benefits from the advantages of all three while also experiencing some of the disadvantages.

47. Differences between shares and stock.

Shares

- A share is a financial instrument that represents the part ownership of a company There is a nominal value that is associated with shares.
- The shares of a company are either fully paid up or partially paid up.

Stock

- A stock is a financial instrument that represents part ownership in one or

more organisations.

- There is no nominal value that is associated with stocks.
- The stocks of a company (or a group of companies) are always fully paid up

48. Who is the kingpin of the whole Corporate machinery?

- Company Secretary

49. Who can be appointed a Nominee director?

- Third party or Central Government

50. What are factor affecting recruitment?

Internal factors

- Size of the organization
- Recruiting policy
- Image of organization
- Image of job

External factors

- Demographic factors
- Labour market
- Unemployment situation
- Labour laws
- Legal consideration

51. Which bond holder is not a member of the company? What is his position in the company?

- Debenture holder, creditors

52. The proprietor takes goods from his business for his personal use as a contract of sale. Why?

- Two parties are required for contract of sales.
- Which mean buyer and seller...no person can't sell himself. Then no price consideration there so this not a contract of sales.

53. How many digits are present in IFSC code?

- IFSC is a 11 character code. The first 4 alphabetic characters represent the bank name and the last 6 characters (usually numeric) represent the branch.
- The fifth character is 0 and reserved for future use. This code routes the messages to the destination banks or branch. The format of IFSC code is given below:

Bank Code				0	Branch Code					

54. If you are promoter, What are the steps to be followed to start a company?

- There are several steps involved in the registration phase, and are as follows:
Memorandum of Association: A memorandum of association (MOA) must be

signed by the founders of the company.

Steps in Formation of a Company

- Promotion stage.
- Registration stage.
- Incorporation stage.
- Commencement of Business stage

55. What are the steps in promoting an Entrepreneurial venture?

- Steps in Promoting an Entrepreneurial Venture
- Selection of the product.
- Selection of form of ownership.
- Selection of Site.
- Designing Capital Structure.
- Acquisition of manufacturing know-how.
- Preparation of project report.
- Economic Viability

56. What are the Government Schemes available for Entrepreneurs or New Entrepreneurs?

- Start up India
- Digital India
- Make in India
- Atal Innovation mission
- Stand up India

57. If you are Entrepreneur, How to start or what steps to be taken for start company?

- Conduct market research. Market research will tell you if there's an opportunity to turn your idea into a successful business.
- Write your business plan.
- Fund your business.
- Pick your business location.
- Choose a business structure.
- Choose your business name.
- Register your business.
- Get federal and state tax IDs.

58. If you are Bank Manager how to handle customer?

- Be polite. Most of the times anger will be on a hot tempered staff or service. Try to solve the issue as quickly as possible. If it.

59. What are the advantages of disinvestment?

- Disinvestment is a system of privatizing government enterprises. The following are its advantages:
- Increase in efficiency:
- Professional management:
- Increase in competition:
- Reduction in economic burden of Government:

60. Why should an entrepreneur possess Decision making skill?

- To take timely and correct decision with regard to nature and type of product to be produced, type of technology to be adopted, type of human assets to be employed, location of the enterprise, size of the unit, volume of production and so on.
- The very success of any enterprise hinges on prompt, correct and relevant decisions made by the entrepreneur.

61. Give note on “Make in India Scheme”.

- ♣ This scheme is designed to transform India a global design and manufacturing hub, the make in India initiative was launched in September 2014.
- ♣ It came as powerful call to India’s citizens and business leaders, and an invitation to potential partners and investors around the world to centralize information about opportunities in India’s manufacturing sector.
- ♣ This has in turn helped procure investments, foster innovation, develop skills, protect intellectual property and build best in class manufacturing infrastructure.

**WISH YOU ALL THE BEST FOR
YOUR PUBLIC EXAMINATION**