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COMMERCE – Class 12 – Book back 1 mark

Chapter 1. Principles of Management

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

Chapter 2. Functions of Management

6. **Which is the primary function of management?**
 (a) Innovating (b) Controlling (c) Planning (d) Decision-making
7. **Which of the following is not a main function?**
 (a) Decision-making (b) Planning (c) Organising (d) Staffing
8. _____ **is included in every managerial function.**
 (a) Co-ordinating (b) Controlling (c) Staffing (d) Organising
9. **Which of the following is verification function?**
 (a) Planning (b) Organising (c) Staffing (d) Controlling
10. **The goals are achieved with the help of _____**
 (a) Motivation (b) Controlling (c) Planning (d) Staffing

Chapter 3. Management by Objectives (MBO) and Management by Exception (MBE)

11. _____ **System gives full Scope to the Individual Strength and Responsibility.**
 (a) MBO (b) MBE (c) MBM (d) MBA
12. **Which is the First step in Process of MBO?**
 (a) Fixing Key Result Area (b) Appraisal of Activities
 (c) Matching Resources with Activities (d) Defining Organisational Objectives
13. _____ **keeps Management Alert to Opportunities and Threats by Identifying Critical Problems.**
 (a) MBA (b) MBE (c) MBM (d) MBO
14. **Delegation of Authority is Easily Done with the Help of _____ .**
 (a) MBM (b) MBE (c) MBO (d) MBA
15. **MBO is popularised in the USA by _____ .**
 (a) Prof. Reddin (b) George Odiorne (c) Henry Fayol (d) F.W Taylor

Chapter 4. Introduction to Financial Markets

16. **Financial market facilitates business firms**
 a) To rise funds b) To recruit workers
 c) To make more sales d) To minimize fund requirement
17. **Capital market is a market for**
 a) Short Term Finance b) Medium Term Finance
 c) Long Term Finance d) Both Short Term and Medium Term Finance

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18. **Primary market is also called as**
 a) Secondary market b) Money market c) New Issue Market d) Indirect Market
19. **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
20. **How many times a security can be sold in a secondary market?**
 a) Only one time b) Two time c) Three times d) Multiple times

Chapter 5. Capital Market

21. **Capital market do not provide**
 a) Short term Funds b) Debenture Funds c) Equity Funds d) Long term Funds
22. **When the NSEI was established**
 a) 1990 b) 1992 c) 1998 d) 1997
23. **Primary market is a Market where securities are traded in the**
 a) First Time b) Second Time c) Three Time d) Several Times
24. **Participants in the Capital Market includes**
 a) Individuals b) Corporate c) Financial Institutions d) All of the above
25. **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

Chapter 6. Money Market

26. **The money invested in the call money market provides high liquidity with _____.**
 a) Low Profitability b) High Profitability c) Limited Profitability d) Medium Profitability
27. **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
28. **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
29. **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
30. **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

Chapter 7. Stock Exchange

31. **_____ is the oldest stock exchange in the world.**
 a) London Stock Exchange b) Bombay Stock Exchange
 c) National Stock Exchange d) Amsterdam Stock Exchange
32. **There are _____ stock exchange in the country.**
 a) 21 b) 24 c) 20 d) 25
33. **Jobbers transact in a stock exchange**
 a) For their Clients b) For their Own Transactions
 c) For other Brokers d) For other Members

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34. *A pessimistic speculator is*
 a) Stag b) Bear c) Bull d) Lame Duck
35. *An optimistic speculator is*
 a) Bull b) Bear c) Stag d) Lame duck

Chapter 8. Securities Exchange Board of India (SEBI)

36. *Securities Exchange Board of India was first established in the year _____*
 a) 1988 b) 1992 c) 1995 d) 1998
37. *The headquarters of SEBI is _____*
 a) Calcutta b) Bombay c) Chennai d) Delhi
38. *Registering and controlling the functioning of collective investment schemes as _____*
 a) Mutual Funds b) Listing c) Rematerialisation d) Dematerialization
39. *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
40. *Trading in dematerialized shares commenced on the NSE is _____*
 a) January 1996 b) June 1998 c) December 1996 d) December 1998

Chapter 9. Fundamentals of Human Resource Management

41. *Human resource is a _____ asset.*
 a) Tangible b) Intangible c) Fixed d) Current
42. *Human Resource management is both _____ and _____ .*
 a) Science and art b) Theory and practice c) History and Geography d) None of the above
43. *Planning is a _____ function.*
 a) Selective b) pervasive c) both a and b d) none of the above
44. *Human resource management determines the _____ relationship.*
 a) internal, external b) employer, employee c) Owner, Servant d) Principle, Agent
45. *Labour turnover is the rate at which employees _____ the organisation*
 a) enter b) leave c) Salary d) None of the above

Chapter 10. Recruitment Methods

46. *Recruitment is the process of identifying ____.*
 a) right man for right job b) good performer
 c) Right job d) All of the above
47. *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
48. *Advertisement is a _____ source of recruitment*
 a) internal b) external c) agent d) outsourcing
49. *Transfer is an _____ source of recruitment.*
 a) internal b) external c) outsourcing d) None of the above
50. *E-recruitment is possible only through _____ facility.*
 a) Computer b) internet c) Broadband d) 4G

Chapter 11. Employee Selection Process

51. *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
52. *Selection is usually considered as a _____ process*
 a) Positive b) Negative c) Natural d) None of these

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53. **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
54. **The process of eliminating unsuitable candidate is called**
 a) Selection b) Recruitment c) Interview d) Induction
55. **Job first man next is one of the principles of _____.**
 a) Test b) Interview c) Training d) placement

Chapter 12. Employee Training Method

56. **Off the Job training is given**
 a) In the class room b) On off days c) Outside the factory d) In the playground
57. **Improves Skill Levels of employees to ensure better job performance**
 a) Training b) Selection c) Recruitment d) Performance appraisal
58. **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
59. **_____ is useful to prevent skill obsolescence of employees**
 a) Training b) Job analysis c) Selection d) Recruitment
60. **Training methods can be classified into _____ and _____ training.**
 a) Job rotation and Job enrichment b) On the Job and Off the Job
 c) Job analysis and Job design d) Physical and mental

Chapter 13. Concept of Market and Marketer

61. **One who promotes (or) Exchange of goods or services for money is called as .**
 a) Seller b) Marketer c) Customer d) Manager
62. **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
63. **The Spot market is classified on the basis of .**
 a) Commodity b) Transaction c) Regulation d) Time
64. **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
65. **Stock Exchange Market is also called _____**
 a) Spot Market b) Local Market c) Security Market d) National Market

Chapter 14. Marketing and Marketing Mix

66. **The initial stage of Marketing system is _____**
 a) Monopoly system b) Exchange to Money c) Barter system d) Self producing
67. **Who is supreme in the Market?**
 a) Customer b) Seller c) Wholesaler d) Retailer
68. **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
69. **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
70. **Which one is the example of Intangible product?**
 a) Education b) Mobiles c) Garments d) Vehicles

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Chapter 15. Recent Trends in Marketing

71. **Selling goods/ services through internet is**
 a) Green marketing b) E- business c) Social marketing d) Meta marketing
72. **Which is gateway to internet?**
 a) Portal b) CPU c) Modem d) Webnaire
73. **Social marketing deals with:**
 a) Society b) Social Class c) Social change d) Social evil
74. **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
75. **Pure play retailers are called**
 a) Market creators b) Transaction brokers c) Merchants d) Agents

Chapter 16. Consumerism

76. **The term 'consumerism' came into existence in the year _____.**
 a) 1960 b) 1957 c) 1954 d) 1958
77. **Who is the father of Consumer Movement?**
 a) Mahatma Gandhi b) Mr. Jhon F. Kennedy c) Ralph Nader d) Jawaharlal Nehru
78. **Sale of Goods Act was passed in the year?**
 a) 1962 b) 1972 c) 1930 d) 1985
79. **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
80. **_____ of every year is declared as a Consumer Protection Day to educate the public about their rights and responsibilities.**
 a) August 15 b) April 15 c) March 15 d) September 15

Chapter 17. Rights, Duties & Responsibilities of Consumers

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

Chapter 18. Grievance Redressal Mechanism

86. **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
87. **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
88. **The Chairman of the District Forum is _____**
 a) District Judge b) High Court Judge
 c) Supreme Court Judge d) None of the above

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89. *The State Commission can entertain complaints where the value of the goods or services and the compensation, if any claimed exceed*
 a) ₹ 2 lakhs but does not exceed ₹ 5 lakhs b) ₹ 20 lakhs but does not exceed ₹ 1 crore
 c) ₹ 3 lakhs but does not exceed ₹ 5 lakhs d) ₹ 4 lakhs but does not exceed ₹ 20 lakhs
90. *The International Organisation of Consumers Unions (IOCU) was first established in*
 a) 1960 b) 1965 c) 1967 d) 1987

Chapter 19. Environmental Factors

91. *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
92. *GST stands for _____, _____, _____.*
 (a) Goods and Social Tax (b) Goods and Service Tax
 (c) Goods and Sales Tax (d) Goods and Salary Tax
93. *Factors within an organisation constitutes _____ environment.*
 (a) Internal Thinker (b) External Thinker (c) Fellow human beings (d) All of the above
94. *Macro Environment of business is an _____ factor.*
 (a) Uncontrollable (b) Controllable (c) Manageable (d) Immanageable
95. *The two major types of business environment are _____ and _____.*
 (a) Positive and Negative (b) Internal and External
 (c) Good and Bad (d) Allowable and Unallowable

Chapter 20. Liberalization, Privatization and Globalization

96. _____ is the result of New Industrial Policy which abolished the 'License System'.
 (a) Globalisation (b) Privatisation (c) Liberalisation (d) None of these
97. _____ means permitting the private sector to setup industries which were previously reserved for public sector.
 (a) Liberalisation (b) Privatisation (c) Globalisation (d) Public Enterprise
98. _____ ownership makes bold management decisions due to their strong foundation in the international level.
 (a) Private (b) Public (c) Corporate (d) MNC's
99. _____ results from the removal of barriers between national economies to encourage the flow of goods, services, capital and labour.
 (a) Privatisation (b) Liberalisation (c) Globalisation (d) Foreign Trade
100. *New Economic Policy was introduced in the year _____.*
 (a) 1980 (b) 1991 (c) 2013 (d) 2015

Chapter 21. The Sale of Goods Act, 1930

101. *Sale of Goods Act was passed in the year*
 a) 1940 b) 1997 c) 1930 d) 1960
102. *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
103. *Which of the below is not a good?*
 a) Stocks b) Dividend due c) Crops d) Water
104. *In case of the sale, the _____ has the right to sell*
 a) Buyer b) Seller c) Hirer d) Consignee
105. *The property in the goods means the*
 a) Possession of goods b) Custody of goods c) Ownership of goods d) Both (a) and (b)

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Chapter 22. The Negotiable Instruments Act, 1881

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

Chapter 23. Elements of Entrepreneurship

111. *Which of the below is a factor of production?*
 (a) Land (b) Labour (c) Entrepreneurship (d) All of the above
112. *Entrepreneur is not classified as*
 (a) Risk Bearer (b) Innovator (c) Employee (d) Organizer
113. *What are the characteristics of an entrepreneur?*
 (a) Spirit of enterprise (b) Flexibility (c) Self Confidence (d) All of the above
114. *Which of the below is not classified into managerial functions?*
 (a) Planning (b) Marketing (c) Organizing (d) Controlling
115. *Which of the below is a commercial function?*
 (a) Accounting (b) Coordination (c) Discovery of idea (d) Planning

Chapter 24. Types of Entrepreneurs

116. *Which of the following is the Activity of a Business Entrepreneur?*
 a) Production b) Marketing c) Operation d) All of the above
117. *Find the odd one out in context of Trading Entrepreneur.*
 a) Selling b) Commission c) Buying d) Manufacturing
118. *Corporate Entrepreneur is also called as _____*
 a) Intrapreneur b) Promoter c) Manager d) Shareholder
119. *Which of these is based on Technology?*
 a) Modern b) Professional c) Corporate d) Industrial
120. *Which of the below is not a Characteristic of a Fabian Entrepreneur?*
 a) Conservative b) Risk averse c) Sceptical d) Adaptive

Chapter 25. Government Schemes for Entrepreneurial Development

121. *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
122. _____ *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
123. _____ *is the Government of India's endeavour to promote culture of innovation and entrepreneurship.*
 a) AIM b) STEP c) SEED d) AIC

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124. _____ *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
125. _____ *has to include the mechanism for managing venture in the project report.*
 a) Banker b) Government c) Lending Institutions d) Entrepreneur

Chapter 26. Companies Act, 2013

126. *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
127. *How does a person who envisages the idea to form a company called?*
 (a) Director (b) Company Secretary (c) Registrar (d) Promoter
128. *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
129. *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
130. *The shares which are offered first to the existing shareholder at reduced price is known as ____.*
 (a) Bonus Share (b) Equity Share (c) Right Share (d) Preference Share

Chapter 27. Company Management

131. *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
132. *A Private Company shall have a minimum of _____.*
 (a) Seven directors (b) Five directors (c) Three directors (d) Two directors
133. *A Public Company having a paid up Share Capital of Rs. _____ or more may have a Director, elected by such small shareholders.*
 (a) One crore (b) Three crores (c) Five crores (d) Seven crores
134. *What is the statue of Directors who regulate money of the company?*
 (a) Banker (b) Holder (c) Agent (d) Trustees
135. *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

Chapter 28. Company Secretary

136. *Mention the status of a Company Secretary in a company.*
 a) A member b) A director c) An independent contractor d) An employee
137. *Who can become a secretary for a company?*
 a) Individual person b) Partnership firm c) Co-operative societies d) Trade unions
138. *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
139. *Who is not entitled to speak at the annual general meeting of the company?*
 a) Auditor b) Shareholder c) Proxy d) Directors
140. *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

ANSWERS

Chapter 1. Principles of Management

1 a 2 c 3 b 4 c 5 b

Chapter 2. Functions of Management

1 c 2 a 3 a 4 d 5 a

Chapter 3. Management by Objectives (MBO) and Management by Exception (MBE)

1 a 2 d 3 b 4 c 5 b

Chapter 4. Introduction to Financial Markets

1 a 2 c 3 c 4 a 5 d

Chapter 5. Capital Market

1 a 2 b 3 a 4 d 5 a

Chapter 6. Money Market

1 a 2 a 3 b 4 c 5 b

Chapter 7. Stock Exchange

1 d 2 b 3 b 4 b 5 a

Chapter 8. Securities Exchange Board of India (SEBI)

1 a 2 b 3 a 4 d 5 c

Chapter 9. Fundamentals of HRM

1 b 2 a 3 b 4 b 5 b

Chapter 10. Recruitment Methods

1 a 2 a 3 b 4 a 5 b

Chapter 11. Employee Selection Process

1 d 2 b 3 b 4 a 5 a

Chapter 12. Employee Training Method

1 c 2 a 3 d 4 a 5 b

Chapter 13. Concept of Market and Marketer

1 b 2 d 3 b 4 a 5 c

Chapter 14. Marketing and Marketing Mix

1 c 2 a 3 c 4 c 5 a

Chapter 15. Recent Trends in Marketing

1 b 2 c 3 b 4 a 5 b

Chapter 16. Consumerism

1 a 2 c 3 c 4 c 5 c

Chapter 17. Rights, Duties & Responsibilities of Consumers

1 c 2 a 3 c 4 c 5 a

Chapter 18. Grievance Redressal Mechanism

1 a 2 a 3 a 4 b 5 a

Chapter 19. Environmental Factors

1 a 2 b 3 a 4 a 5 b

Chapter 20. Liberalization, Privatization and Globalization

1 c 2 b 3 a 4 c 5 b

Chapter 21. The Sale of Goods Act, 1930

1 c 2 d 3 b 4 b 5 c

Chapter 22. The Negotiable Instruments Act, 1881

1 b 2 c 3 c 4 b 5 a

Chapter 23. Elements of Entrepreneurship

1 d 2 c 3 d 4 b 5 a

Chapter 24. Types of Entrepreneurs

1 d 2 d 3 b 4 b 5 d

Chapter 25. Government Schemes for Entrepreneurial Development

1 c 2 b 3 a 4 c 5 d

Chapter 26. Companies Act, 2013

1 c 2 d 3 b 4 a 5 c

Chapter 27. Company Management

1 c 2 d 3 c 4 d 5 c

Chapter 28. Company Secretary

1 d 2 a 3 a 4 c 5 c